**Corporate action statement**

**“On decisions adopted by the Issuer’s Board of Directors”**

**(disclosure of inside information)**

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| 1. General data | |
| 1.1 Issuer’s name | Public joint-stock company of Power Industry and Electrification of Kuban |
| 1.2. Issuer’s abbreviated name | “Kubanenergo” PJSC |
| 1.3. Issuer’s location | Krasnodar, Russian Federation |
| 1.4. Issuer’s PSRN | 1022301427268 |
| 1.5. Issuer’s TIN | 2309001660 |
| 1.6. Issuer’s unique code given by registering authority | 00063-A |
| 1.7. Web-page for disclosure of information | [www.kubanenergo.ru](http://www.kubanenergo.ru)  <http://www.e-disclosure.ru/portal/company.aspx?id=2827> |
| 2. Text of the statement | |
| **2.1 Quorum of the meeting of the issuer’s BoD and the results of voting on the adopted resolutions:**  Number of the BoD members: 11 members  Members participated in the meeting: 11 members  Quorum necessary for holding the meeting of Kubanenergo PJSC Board of Directors is present.  Voting results:   |  |  |  |  | | --- | --- | --- | --- | | No. | Votes | | | | FOR | AGAINST | ABSTAINED | |  | **11** |  |  | |  | **11** |  |  | | |
| **Disclosure of insider information**  **Item No. 1 “On consideration of a report submitted by the Director General on the organization, functioning and effectiveness of the risk management system, including information on management of key operational risks of Kubanenergo PJSC in 2016”** | |
| 2.2.1. Decision adopted by issuer’s Board of Directors:  1.To take into consideration the report of the Company Director General on management of key operational risks of Kubanenergo PJSC in 2016, in accordance with Annex 1 to the present resolution of the Company’s BoD.  2. To ensure implementation of the Plan of activities for managing key operational risks for 2017.  3. To take measures to prevent in 2017 the implementation of risks that have a significant level of materiality.  4. To take into consideration the report of the Director General the organization, functioning and effectiveness of the risk management system.  5. To take measures for establishment of liability of risk owners in the event of deviation from the level of actual consequences of the implementation of key operational risks from the planned. To inform the authorized Committee under the Board of Directors of the Company the taken measures.  6. To mark the necessity of submitting information on management of key operational risks within the framework of the item “On consideration of the Report of the Company's Sole Executive Body on management of key operational risks of the Company during the year", and information on the organization, functioning and effectiveness of the risk management system within the framework of the item “On consideration of the Report of the Sole Executive Body of the Company on the organization, functioning and effectiveness of the Company’s risk management system.” | |
| **Disclosure of insider information**  **Item No. 2 “On preliminary approval of the decision on participation of Kubanenergo PJSC in sponsorship assistance in 2017”** | |
| 2.2.2. Decision adopted by issuer’s Board of Directors:  1. To approve participation of Kubanenergo PJSC in sponsorship assistance in 2017, in accordance with Annex 2 to the present resolution of the Company’s BoD.  2. To instruct the Sole Executive Body of the Company to ensure financing of sponsorship without worsening the planned financial result, taking into account the unconditional fulfillment of the reduction of operating expenses (costs) based on the results of 2017. | |
| 2.3. Date of holding the meeting of the Board of Directors which adopted the resolutions: **27 April 2017**  2.4. Date of making and number of minutes of meeting which adopted the resolutions: **28 April 2017, minutes of meeting No.272/2017.** | |

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| 3. Signature | | |
| 3.1 Deputy Director General in charge of Corporate Governance (by power of attorney No.2-1879 dated 15.12.2016) | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (signature) | Ivanova I.V. |
| 3.2 Date: 2 May 2017 | stamp |  |