**Statement of material fact**

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

**(disclosure of inside information)**

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| 1. General data | |
| 1.1 Full name of the issuer | **Public joint-stock company of Power Industry and Electrification of Kuban** |
| 1.2. Abbreviated name of the issuer | **“Kubanenergo” PJSC** |
| 1.3. Location of the issuer | **Krasnodar, Russian Federation** |
| 1.4. PSRN of the issuer | **1022301427268** |
| 1.5. TIN of the issuer | **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. Statement content | |
| **2.1 Quorum of meeting of the issuer’s BoD and the results of voting on the proposed decisions:**  Number of the BoD members: 11 members  Members participated in the meeting: 10 members  Quorum necessary for holding the meeting of Kubanenergo PJSC Board of Directors is present.  Voting results:   |  |  |  |  | | --- | --- | --- | --- | | No. | Votes | | | | FOR | AGAINST | ABSTAINED | |  | **10** |  |  | |  | **10** |  |  | |  | **10** |  |  | |  | **10** |  |  | |  | **10** |  |  | | |
| **Disclosure of insider information**  **Item No. 1 “Implementation of the Environmental Policy”** | |
| 2.2.1. Decision adopted by issuer’s Board of Directors:  1. To join the implementation of the Environmental policy in the power grid complex (hereinafter – the Policy) approved by the decision of the Board of Directors of Rosseti PJSC on 01.03.2017 (Minutes No. 254 of 03.03.2017) and approve the Policy as an internal document of the Company, in accordance with Appendix No.1 to this decision of the Board of Directors of the Company.  2. To approve the Plan of Kubanenergo PJSC on the Implementation of the Environmental Policy 2017-2019, in accordance with Appendix No.2 to this decision of the Board of Directors of the Company. | |
| **Disclosure of insider information**  **Item No. 2 “Discussion of the report as of 30.06.2017 on implementation of the Plan of development and improvement of internal control and risks management systems of Kubanenergo PJSC for 2016-2018”** | |
| 2.2.2. Decision adopted by issuer’s Board of Directors:  To take into consideration the report as of 30.06.2017 on implementation of the Plan of development and improvement of internal control and risks management systems of Kubanenergo PJSC for 2016-2018, in accordance with Appendix No.6 to this decision of the Board of Directors of the Company. | |
| **Disclosure of insider information**  **Item No.3 “Approval of the Plan of development and improvement of internal audit of Kubanenergo PJSC.** | |
| 2.2.3. Decision adopted by issuer’s Board of Directors:  To approve the Plan of development and improvement of internal audit of Kubanenergo PJSC, in accordance with Appendix No.24 to this decision of the Board of Directors of the Company. | |
| **Disclosure of insider information**  **Item No.4 “Discussion of the report submitted by the Director General of Kubanenergo PJSC on the Company’s Credit Policy in the 2nd quarter of 2017”** | |
| 2.2.4. Decision adopted by issuer’s Board of Directors:  1. To take into consideration the report submitted by the Director General of Kubanenergo PJSC on the Company’s Credit Policy in the 2nd quarter of 2017, in accordance with Appendix No.5 to this decision of the Board of Directors of the Company.  2. Confidential  3. Confidential  4. Confidential  5. Instruct the General Director of the Company to ensure compliance with the requirements of the Regulations on Credit Policy approved by the Board of Directors of the Company. | |
| **Disclosure of insider information**  **Item No.5 “Discussion of the report on implementation of the RAS-based business plan of Kubanenergo Group and IFRS-based business plan of Kubanenergo Group during the first six months of 2017”** | |
| 2.2.5. Decision adopted by issuer’s Board of Directors:  To take into consideration the report on implementation of the RAS-based business plan of Kubanenergo Group and IFRS-based business plan of Kubanenergo Group during the first six months of 2017, in accordance with Appendixes No.6-7 to this decision of the Board of Directors of the Company. | |
| 2.3. Date of holding the meeting of the Board of Directors which adopted the resolutions:  **31 October 2017**  2.4. Date of making and number of minutes of meeting which adopted the resolutions: **3 November 2017 minutes of meeting No.288/2017.** | |

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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: 3 November 2017 | seal |  |