**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 business name of the issuer | Public joint-stock company of Power Industry and Electrification of Kuban |
| 1.2. Abbreviated business 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. The issuer’s unique code assigned by the registering body | 00063-A |
| 1.7. Website used by the issuer for information disclosure | [www.kubanenergo.ru](http://www.kubanenergo.ru)  <http://www.e-disclosure.ru/portal/company.aspx?id=2827> |
| 1.8. Date of the event (material fact) that is disclosed in the statement (if applicable) | 26.10.2018 |
| 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: 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** |  |  | |  | **11** |  |  | |  | **11** |  |  | |  | **11** |  |  | | |
| **Disclosure of insider information**  **Item No. 1 “Approval of the restated Guidelines for determining the backup power at the Company’s substations”** | |
| 2.2.1. Decision adopted by issuer’s Board of Directors:  To approve the restated Guidelines for determining the backup power at the Company’s substations, as per Annex 1 to the resolution of the Company’s Board of Directors. | |
| **Disclosure of insider information / Approval of an internal documents of the Company**  **Item No. 2 “Approval of an internal documents of the Company in new edition: Regulations for placement of temporarily disposable monetary resources of Kubanenergo PJSC”** | |
| 2.2.2. Decision adopted by issuer’s Board of Directors:  1. To approve the Regulations for placement of temporarily disposable monetary resources of Kubanenergo PJSC, as per Annex 2 to the resolution of the Company’s Board of Directors.  2. To approve the list of credit institutions and limits of placement of temporarily disposable monetary resources of Kubanenergo PJSC, as per Annex 3 to the resolution of the Company’s Board of Directors.  3. To consider a no longer valid the Regulations for placement of temporarily disposable monetary resources of Kubanenergo JSC approved by the BoD on 20.06.2014 (Minutes of the Meeting No.192/2014) | |
| **Disclosure of insider information / Approval of an internal documents of the Company**  **Item No. 3 “Approval of an internal documents of the Company in new edition: Regulations for transfer of payments of Kubanenergo PJSC”** | |
| 2.2.3. Decision adopted by issuer’s Board of Directors:  1. To approve the Regulations for transfer of payments of Kubanenergo PJSC, as per Annex 4 to the resolution of the Company’s Board of Directors.  2. To consider a no longer valid the Regulations for transfer of payments of Kubanenergo PJSC approved by the BoD on 26.06.2015 (Minutes of the Meeting No.215/2015). | |
| **Disclosure of insider information**  **Item No. 4 “Recognition of the Director General of Kubanenergo PJSC for implementation of a high-profile task”** | |
| 2.2.4. Decision adopted by issuer’s Board of Directors:  In accordance with the paragraph 4.3.3. of the Regulations on material remunerations to the Company’s Director General, it is ordered to pay Gavrilov Alexender Ilyich, Director General of Kubanenergo PJSC, a lump sum bonus for implementation of a high-profile task: provision of reliable and high-quality power supply to the venues of the FIFA 2018 World Cup, as per Annex 5 to the resolution of the Company’s Board of Directors. | |
| **Disclosure of insider information**  **Item No. 5 “Approval of a report on implementation of key performance indicators of the Company in the 4th quarter of 2017”** | |
| 2.2.5. Decision adopted by issuer’s Board of Directors:  To approve the report on implementation of key performance indicators of the Company in the 4th quarter of 2017, as per Annex 6 to the resolution of the Company’s Board of Directors. | |
| 2.3. Date of holding the meeting of the Board of Directors which adopted the resolutions:  **25 October 2018**  2.4. Date of making and number of minutes of meeting which adopted the resolutions: **26 October 2018, minutes of meeting No.320/2018.** | |

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| 3. Signature | | |
| 3.1 Head of Corporate Governance and Shareholders Relations Department (by power of attorney No. 119/10-946 of 22.02.2018) | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (signature) | Didenko Ye.Ye. |
| 3.2 Date: 26 October 2018 | stamp |  |