**Statement of material fact**

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

**(disclosure of inside information)**

|  |  |
| --- | --- |
| 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) | 02.08.2019 |
| 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 | | **1** | **10** |  | **1** | | |
| **Disclosure of insider information**  **Item No. 1 “Discussion of the means of independent external evaluation of the company’s internal audit”** | |
| 2.2.1. Decision adopted by the issuer’s Board of Directors:  1. Take into consideration the format of the external evaluationof the internal audit activity (terms of reference) in accordance with Appendix No.1 to this decision of the Board of Directors.  2. Entrust the Audit Committee of the Board of Directors of Kubanenergo PJSC with approving the organization for an external evaluationof the internal audit activity selected as the winner based on the results of a centralized procurement procedure.  3. Instruct the Sole Executive Body of Kubanenergo PJSC to submit to the Board of Directors of the Company a report on the results of the external independent evaluationof the internal audit activity with preliminary consideration of the Audit Committee of the Board of Directors of the Company.  Deadline: 31.12.2019 | |
| 2.3. Date of holding the meeting of the Board of Directors which adopted the resolutions:  **31 July 2019.**  2.3. Date of holding the meeting of the Board of Directors which adopted the resolutions: **2 August 2019, minutes No.354/2019.** | |

|  |  |  |
| --- | --- | --- |
| 3. Signature | | |
| 3.1 Head of Corporate Governance and Shareholder Relations Department (by power of attorney No.119/10-1406 of 19.12.2018) | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (signature) | Didenko Ye.Ye. |
| 3.2 Date: 2 August 2019 | seal |  |