**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) | 16.08.2019 |
| 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** | **11** |  |  | | **2** | **11** |  |  | | **3** | **11** |  |  | | **4** | **11** |  |  | | **5** | **11** |  |  | | **6** | **11** |  |  | | **7** | **11** |  |  | | |
| **Disclosure of insider information / approval of internal documents**  **Item No. 1 “Approval of restated Regulations for the Strategy Committee under the Board of Directors of Kubanenergo PJSC”** | |
| 2.2.1. Decision adopted by the issuer’s Board of Directors:  1. Rename the Committee for Strategy, Development, Investments and Reforms under the Board of Directors of Kubanenergo PJSC as the Committee for Strategy under the Board of Directors of Kubanenergo PJSC.  2. Approve the Regulations for the Committee for Strategy under the Board of Directors of Kubanenergo PJSC, as specified in Annex 1 to the present resolution.  3. Starting from the date of making this decision, it is decided to consider as no longer valid the Regulations for the Committee for Strategy, Development, Investments and Reforms under the Board of Directors of Kubanenergo PJSC approved by the Board of Directors on 04.02.2010 (minutes of the meeting No.84/2010 of 05.02.2010) with amends as of 17.03.2016 (minutes of the meeting No.233/2016 of 18.03.2016). | |
| **Disclosure of insider information**  **Item No. 2 “Consideration of Changes to the Investment Programme of Kubanenergo PJSC 2018-2022 approved by the order of the RF Ministry of Energy No.21@ on 01.12.2017 (with the changes introduced by the order of the RF Ministry of Energy No.18@ on 10.12.2018) that have been prepared as part of implementation of corrections”** | |
| 2.2.2. Decision adopted by the issuer’s Board of Directors:  1. Approve the Changes to the Investment Programme of Kubanenergo PJSC 2018-2022 approved by the order of the RF Ministry of Energy No.21@ on 01.12.2017 (with the changes introduced by the order of the RF Ministry of Energy No.18@ on 10.12.2018) that have been prepared as part of implementation of corrections, as specified in Annex 2 to the present resolution.  2. Instruct the sole executive body of Kubanenergo PJSC to go through in detail the feedback on the draft of the investment programme and, if necessary, make changes to the draft of investment programme of Kubanenergo PJSC within the deadlines complying with the requirements from the paragraph 3 of clause 41 of the Rules for approval of investment programmes of power companies, approved by the resolution of the RF Government on 01.12.2009 No.977. Information on implementation of this order shall be submitted to the Board of Directors of Kubanenergo PJSC by 31.12.2019. | |
| **Disclosure of insider information**  **Item No. 3 “Compositions of the Committees under the Board of Directors of Kubanenergo PJSC”** | |
| 2.2.3. Decision adopted by the issuer’s Board of Directors:  1.1. To decide that the Personnel and Remuneration Committee of the Company’s Board of Directors shall consist of 3 (three) persons.  1.2. To elect the following persons to the Personnel and Remuneration of the Company’s Board of Directors:   |  |  |  | | --- | --- | --- | | # | Name of the candidate | Employment | | 1 | Kiryukhin Sergey Vladimirovich | Acting Deputy Director General – Chief of Staff, Rosseti PJSC | | 2 | Romanovskaya Larisa Anatolievna | Deputy Director General – Governing Institution Relations, Rosseti PJSC | | 3 | Erpsher Nataliya Ilinichna | Head of Division for Organization Development under Department of HR Policy and Organization Development, Rosseti PJSC |   1.3. To appoint Romanovskaya Larisa Anatolievna, Deputy Director General – Governing Institution Relations, Rosseti PJSC, for the position of the Chairperson of the Personnel and Remuneration Committee  2.1. To decide that the Audit Committee of the Company’s Board of Directors shall consist of 3 (three) persons.  2.2. To elect the following persons to the Audit Committee of the Company’s Board of Directors:   |  |  |  | | --- | --- | --- | | # | Name of the candidate | Employment | | 1 | Varvarin Aleksandr Viktorovich | Vice President for Legal Regulation and Administration of Law, Russian Union of Industrialists and Entrepreneurs | | 2 | Kiryukhin Sergey Vladimirovich | Acting Deputy Director General – Chief of Staff, Rosseti PJSC | | 3 | Osipova Yelena Nikolayevna | Head of Financial Analysis Unit at Finance Department, Rosseti PJSC |   2.3. To appoint Kiryukhin Sergey Vladimirovich for the position of the Chairperson of the Audit Committee.  3.1 To decide that the Committee for Strategy under the Company’s Board of Directors shall consist of 9 (nine) persons.  3.2. To elect the following persons to the Committee for Strategy under the Company’s Board of Directors:   |  |  |  | | --- | --- | --- | | # | Name of the candidate | Employment | | 1 | Bogomolov Alexander Yurievch | Chief Specialist at Strategic Projects Unit at Strategic Planning Deparmtent, Rosseti PJSC | | 2 | Guselnikov Konstantin Sergeyevich | Director General, FinInvest Consulting LLC | | 3 | Lavrova Marina Alexandrovna | Deputy Head of Economics Department, Rosseti PJSC | | 4 | Medvedev Mikhail Vladimirovich | Deputy Director General, Holding Company Intra Tool LLC | | 5 | Mikryukov Dmitriy Vasilievich | Chief Expert of Division for Planning and Pricing in Investment Activity at Investments Activity Department, Rosseti PJSC | | 6 | Ocheredko Olga Vyacheslavovna | Deputy General Director for Economics and Finance, Kubanenergo PJSC | | 7 | Pavlov Alexey Igorevich | Head of Finance Department, Rosseti PJSC | | 8 | Pokalyuk Maxim Mikhailovich | Head of Unit for Implementation on Innovation Projects at Department of Technological Development and Innovation, Rosseti PJSC | | 9 | Ryabukhin Yakov Viktororvich | Chief expert at Directorate for Tariff Making and Development of Government Regulation at Tariff Policy Department, Rosseti PJSC |   3.3. To appoint Pavlov Alexey Igorevich for the position of the Chairperson of the Committee for Strategy under the Company’s Board of Directors.  4.1 To decide that the Reliability Committee under the Company’s Board of Directors shall consist of 5 (five) persons.  4.2. To elect the following persons to the Reliability Committee under the Company’s Board of Directors:   |  |  |  | | --- | --- | --- | | # | Name of the candidate | Employment | | 1 | Bogomolov Alexander Yurievch | Chief Specialist at Strategic Projects Unit at Strategic Planning Deparmtent, Rosseti PJSC | | 2 | Medvedev Mikhail Vladimirovich | Deputy Director General, Holding Company Intra Tool LLC | | 3 | Ocheredko Olga Vyacheslavovna | Deputy General Director for Economics and Finance, Kubanenergo PJSC | | 4 | Ukolov Vladimir Anatolievich | Deputy Director of Situation and Analytical Centre, Rosseti PJSC | | 5 | Shishigin Igor Nikolaevich | Deputy Director General in charge of Technical Issues – Chief Engineer, Kubanenergo PJSC |   4.3. To appoint Ukolov Vladimir Anatolievich for the position of the Chairperson of the Reliability Committee under the Company’s Board of Directors.  5.1. To decide that the Grid Connection Committee under the Company’s Board of Directors shall consist of 5 (five) persons.  5.2. To elect the following persons to the Reliability Committee under the Company’s Board of Directors:   |  |  |  | | --- | --- | --- | | 1 | Varvarin Aleksandr Viktorovich | Vice President for Legal Regulation and Administration of Law, Russian Union of Industrialists and Entrepreneurs | | 2 | Davydkin Vladimir Alexandrovich | Head of Grid Connection Unit at Department of Selling of Services, Rosseti PJSC | | 3 | Kostetsky Vyacheslav Yurievich | Deputy Director General for Devolvement and Grid Connection, Kubanenergo PJSC | | 4 | Lyashko Andrey Mikhailovich | Deputy Minister of Fuel and Energy Complex and Housing and Public Utilities of Krasnodar region | | 5 | Pyatigor Alexander Mikhailovich | Member of the Management Board, Deputy Director General for Selling of Services, Rosseti PJSC |   5.3. To appoint Pyatigor Alexander Mikhailovich for the position of the Chairperson of the Reliability Committee under the Company’s Board of Directors. | |
| **Disclosure of insider information**  **Item No. 4 “Approval of the Programme of non-state pension provision for the employees of Kubanenergo PJSC in 2019”** | |
| 2.2.4. Decision adopted by the issuer’s Board of Directors:  Approve the Programme of non-state pension provision for the employees of Kubanenergo PJSC in 2019, as specified in Annex 3 to the present resolution. | |
| **Disclosure of insider information**  **Item No. 5 “Approval of the Programme of Insurance Protection of Kubanenergo PJSC in 2019”** | |
| 2.2.5. Decision adopted by the issuer’s Board of Directors:  1. Approve the Programme of Insurance Protection of Kubanenergo PJSC in 2019, as specified in Annex 4 to the present resolution.  2. Confidential  3. Confidential | |
| **Disclosure of insider information**  **Item No. 6 “Determining the remuneration payable for the services of the external auditor of the Company”** | |
| 2.2.6. Decision adopted by the issuer’s Board of Directors:  Determine the amount of payment for the services of the external auditor of the Company Ernst & Young LLC for audit of the accounting (financial) statements for 2019 prepared in accordance with RAS, audit of the consolidated financial statements prepared in accordance with IFRS for the year ended 31.12. 2019, in the amount of 4 478 469 (four million four hundred seventy eight thousand four hundred sixty nine) rubles 95 kopecks, plus VAT (20%): 895 694 (eight hundred ninety five thousand six hundred ninety four) rubles 00 kopecks. | |
| **Disclosure of insider information**  **Item No.7 “Expressing the Company’s opinion on agenda of the General Meeting of Shareholders of the Company’s affiliate – “Recreation Centre “Energetik” JSC”** | |
| 2.2.7. Decision adopted by the issuer’s Board of Directors:  Instruct representatives of Kubanenergo PJSC at the General Meeting of Shareholders of Recreation Centre “Energetik” JSC to vote for adoption of the following decision on item “Introduction of changes and supplements to the Charter of the Company”:  Paragraph 3.2 of article 3 of the Charter of Recreation Centre “Energetik” JSC shall be amended as specified in the Annex hereto. | |
| 2.3. Date of holding the meeting of the Board of Directors which adopted the resolutions:  **16 August 2019.**  2.3. Date of holding the meeting of the Board of Directors which adopted the resolutions: **16 August 2019, minutes No.358/2019.** | |

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| 3. Signature | | |
| 3.1 Deputy Director General for Corporate Governance  (by power of attorney No. 23/256-n/23-2019-11-55 of 04.07.2019) | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (signature) | Khazikova Z.I. |
| 3.2 Date: 19 August 2019 | seal |  |