**Notification on essential fact/Disclosure of insider information
 "The information on the decisions made by the court of directors of IDGC of the South, PJSC"**

|  |
| --- |
| 1. General information |
| 1.1. Full firm name of the issuer | **Public Joint Stock Company «Interregional Distribution Grid Company of the South»** |
| 1.2. Short company name of the issuer | **IDGC of the South, PJSC** |
| 1.3. Location of the issuer | **Rostov-on-Don, Russian Federation** |
| 1.4. PSRN code of the Issuer | **1076164009096** |
| 1.5. TIN code of the issuer | **6164266561** |
| 1.6. Unique issuer code assigned by the registering authority | **34956-E** |
| 1.7. Web pages used by the Issuer to disclose information | **[http://www.mrsk-yuga.ru](http://www.mrsk-yuga.ru/)****<http://www.e-disclosure.ru/portal/company.aspx?id=11999>** |
| 2. Message content |
| 2.1. Quorum of issuer court of directors meeting and the voting results on items of decision making: ***11 of 11 members of the Court of directors took part in the Court of directors meeting, the quorum is possessed.***Voting results: **on agenda** item 1:“FOR” – 9 votes;“AGAINST” – 0 votes;“ABSTAINED” – 2 votes; **on agenda** item 2:“FOR” – 9 votes;“AGAINST” – 0 votes;“ABSTAINED” – 2 votes; **on agenda** item 3:“FOR” – 11 votes;“AGAINST” – 0 votes;“ABSTAINED” –0 votes; **on agenda** item 4:“FOR” – 11 votes;“AGAINST” – 0 votes;“ABSTAINED” –0 votes; **on agenda** item 5:“FOR” – 11 votes;“AGAINST” – 0 votes;“ABSTAINED” –0 votes; **on agenda** item 6:“FOR” – 11 votes;“AGAINST” – 0 votes;“ABSTAINED” –0 votes; **on agenda** item 7:“FOR” – 11 votes;“AGAINST” – 0 votes;“ABSTAINED” –0 votes;**On question № 8** of the agenda: “FOR” – 11 votes;“AGAINST” – 0 votes; “Abstained” - 0 votes. |
| **Insider Information disclosure on agenda item 1: "On the implementation of the plan of corrective measures to eliminate violations identified by the results of the field inspection of the Ministry of Energy of the Russian Federation progress of implementation of the investment project" construction of 110 kv power lines from 110 kv "dawn- Rubber with soldering on PS stroyindustry "(№ 121) and from 110 kv" dawn-Forest with soldering "(№ 122) for power supply of the projected PS 110/110 kv» for the 3rd quarter of 2017»** |
| 2.2.1. Content of the resolution adopted by the issuer’s board of directors:Take note of the report on the implementation of the plan of corrective measures to eliminate violations identified by the field inspection of the Ministry of Energy of the Russian Federation progress in the implementation of the investment project "Construction of power lines 110 kv from 110 kv "Dawn-rubber with soldering on PS stroyindustry" (№ 121) and from overhead 110 kv "dawn-Forest with soldering" (№ 122) for electricity supply of projected PS 110/110 kv» for the 3rd quarter of 2017, according to annex № 1 to this decision of the Board of Directors Society. |
| **Insider Information Disclosure on agenda item 2: "On approval of the plan of decommissioning of PCB-containing equipment for 2018-2023 years"** |
| 2.2.2. Content of the resolution adopted by the issuer’s board of directors:1. To approve the plan of decommissioning of PCB-containing equipment for 2018-2023, which includes the following list of necessary measures:1.1. Transfer of temporary an of dismantled PCB-containing equipment to licensed organizations for subsequent destruction.Deadline: No later than 01.06.2018.1.2. Priority replacement of PCB-containing equipment in unsatisfactory technical condition, with transfer to licensed organizations for subsequent destruction.Deadline: Constantly.1.3. Decommissioning of PCB-containing equipment in accordance with annex № 2 to the present decision of the Board of Directors of the company.Deadline: No later than 01.11.2023.1.4. Transfer of decommissioned PCB-containing equipment to licensed organizations for subsequent destruction.Deadline: Within 11 months from the date the equipment was withdrawn from service.1.5. Transfer of PCB-containing equipment in reserve to licensed organizations for subsequent destruction.Deadline: No later than 01.11.2023.1.6. Taking into account the above-mentioned terms of replacement of PCB-containing equipment and transfer it to licensed organizations for subsequent destruction in the formation of production and investment programs.Deadline: Constantly.2. To authorize the Company’s Sole Executive Body to:2.1. To ensure implementation of the plan of decommissioning of PCB-containing equipment for 2018-2023;2.2. To provide financing of measures, in accordance with paragraph 1 of the present decision, within the limits of expenses, approved by the business plan of the company. |
| **Insider Information Disclosure on agenda item 3: "On approval of the report on performance of key performance indicators (KPIs) of the general Director of the company for Q3 2017"** |
| 2.2.3. Content of the resolution adopted by the issuer’s board of directors:To approve the report on performance of key performance indicators (KPIs) of general director of PJSC "IDGC of the South" for the 3rd quarter of 2017 according to annex № 3 to this decision of the Board of Directors of the company. |
| **Insider information disclosure on agenda item 4: "On consideration of the report of the general director of PJSC" IDGC of the South "on the credit policy of the company in Q3 2017»** |
| 2.2.4. Content of the resolution adopted by the issuer’s board of directors:1. To take note of the report of the general director of PJSC "IDGC of the South" on the credit policy of the company in Q3 2017 according to annex № 4 to the present decision of the Board of Directors of the company.2. To instruct the general Director of the company to ensure compliance with the requirements of the credit policy regulation approved by the Board of Directors of the company. |
| **Insider information disclosure on agenda item 5: "On approval of the report on execution of the business plan of PJSC" IDGC of the South "for 9 months of 2017»** |
| 2.2.5. Content of the resolution adopted by the issuer’s board of directors:1. Take note of the report on the performance of the business plan of PJSC "IDGC of the South" for 9 months of 2017 in accordance with annex № 5 to this decision of the Board of Directors of the company.2. Mark on the results of the company's work for 9 months of 2017:2.1. Non-fulfillment of the planned indicator "the level of payment for the services provided for the transmission of electricity" by 1.5 p.p. (Plan-100.2%, the fact-98.7%);2.2. Assessment of the implementation of key operational risks listed in annex № 6 to this decision of the Board of Directors of the company;3. To entrust the sole executive body of PJSC "IDGC of the South":3.1. To provide by the results of 2017 the unconditional achievement of the planned level of payment for the rendered services on transfer of electric energy in accordance with the approved business plan of the company;3.2. Take measures to prevent the implementation of the risks that have a significant and critical level of materiality by the results of 2017. |
| **Insider Information Disclosure on agenda item 6: "On approval of the work plan of the Internal Audit unit for 2018"** |
| 2.2.6. Content of the resolution adopted by the issuer’s board of directors:Approve the work plan of the Internal audit department of PJSC "IDGC of the South" for 2018 according to annex № 7 to this decision of the Board of Directors of the company. |
| **Insider Information Disclosure on agenda item 7: "On approving the budget of the Internal Audit unit for 2018"** |
| 2.2.7. Content of the resolution adopted by the issuer’s board of directors:Approve the budget of the Internal audit department of PJSC "IDGC South" for 2018 according to annex № 8 to this decision of the Board of Directors of the company. |
| **Disclosure of insider information on the issue of № 8: "On consideration of key performance indicators of the Head of Internal audit unit for 2018"** |
| 2.2.8. Content of the resolution adopted by the issuer’s board of directors:1. To approve the method of calculation and evaluation of performance of key performance indicators of the Head of Internal audit unit of PJSC "IDGC of the South" according to annex № 9 to this decision of the Board of Directors of the company.2. To determine the target values of key performance indicators of the Director of Internal Audit-head of Internal audit department of PJSC "IDGC of the South" according to annex № 10 to the present decision of the Board of Directors of the company.3. To authorize the Company’s Sole Executive Body to:3.1. To approve the methods of calculation and evaluation of performance of key performance indicators of the head of the internal audit unit of PJSC "IDGC of the South" specified in paragraphs 1 and 2 of this decision, target values of key performance indicators of the director of Internal Audit-Head of Internal audit department of PJSC "IDGC of the South", in the order established in PJSC "IDGC South".3.2. To ensure adaptation and inclusion of KPIs of the head of the internal audit unit into the current system of material stimulation of employees of PJSC "IDGC of the South" in relation to the heads of organizational-structural units within the Department Internal audit of the company (if the organizational structure of the internal audit department changes). |
| 2.3. Date of the Issuer’s board of directors meeting, at which the corresponding resolutions were accepted: ***December 25, 2017.***2.4. Date of drafting and number of the minutes of the Issuer’s Board of Directors meeting, at which the corresponding decisions were accepted: ***On December 27, 2017, the protocol № 252/2017.*** |
| 3. Signature |
| 3.1. Department head – Company secretary (per procuration of 30.12.2016 №215-16) |  | E. N. Pavlova  |
| (Signature) |  |
|  |  |
| 3.2. Date: December 27, 2017 | Stamp here. |  |