

**ITEM № 9**

**ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF IDGC OF CENTRE, PJSC IN A NEW EDITION**

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**Explanatory information on the item**

In accordance with Federal Law dated 26.12.1995 № 208-FZ "On Joint-Stock Companies", approval of internal documents governing the activities of the company's management bodies is within the competence of the General Meeting of Shareholders of the company.

The need to approve the new edition of the Regulation on the General Meeting of the Company is due to:

- amending the Federal Law "On Joint Stock Companies";
- bringing it in line with the Company's Articles of Association;
- introduction of legal and technical amendments.

**MAIN CHANGES AND ADDITIONS refer to:**

- exclusion of the list of issues related to the competence of the General Meeting of the Company, in order to avoid duplication of the competence in the Articles of Association and the Regulation;
- the procedure for providing minutes of meetings of the General Meeting of the Company.

The new version of the Regulation on the General Meeting of IDGC of Centre, PJSC is initiated by the Board of Directors of the Company in connection with the changes in the legislation that have come into force and bringing the Regulation into line with the Articles of Association and the requirements of the current legislation.

The draft of the new edition of the Regulation on the General Meeting of IDGC of Centre, PJSC was preliminarily considered by the Strategy and Development Committee on 19.04.2019 (Minutes No. 07/19) and the Board of Directors on 26.04.2019 (Minutes No.16/19) and recommended for approval by the Annual General Meeting of Shareholders of the Company.

The current edition of the Regulation on the General Meeting of IDGC of Centre, PJSC, the draft of the new edition of the Regulation on the General Meeting of IDGC of Centre, PJSC, as well as the summary table of amendments to the Regulation on the General Meeting of IDGC of Centre, PJSC, are attached.

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**Draft resolution on item № 9**

To approve the Regulation on the General Meeting of IDGC of Centre, PJSC in a new edition.



**ITEM № 9 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF IDGC OF CENTRE, PJSC IN A NEW EDITION»**

**Draft of the Regulation on the General Meeting of IDGC of Centre, PJSC in a new edition**

SEE APPENDIX 9

**ITEM № 9 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF IDGC OF CENTRE, PJSC IN A NEW EDITION»**

**The Regulation on the General Meeting of IDGC of Centre, PJSC in the current edition**

SEE APPENDIX 10



## ITEM № 9 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF IDGC OF CENTRE, PJSC IN A NEW EDITION»

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the General Meeting of IDGC of Centre, PJSC	Edition of proposed amendments and additions to the Regulation on the General Meeting of the Company	Comments
<b>Article2 «Convening and Preparation for the General Shareholders Meeting»</b>			
1	<p>Subclause b) of paragraph 2.2. of the Regulation:</p> <p>2.2.2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors shall be entitled to take the following decisions:</p> <p>...</p> <p>b) on determination of place, date and time of the General Shareholders Meeting, time of the beginning of the persons' registration participating in the General Shareholders Meeting (in case the meeting is carried out in the form of meeting), or on the determination of the deadline for the filled ballots submission and postal address the filled ballots should be sent to (in case the General Shareholders Meeting is carried out in the form of an absentee voting), and (if this is provided by the Articles of Association of the Company and if technically possible) the e-mail address where the completed ballots can be sent and (or) the web-site address on the "Internet", at which an electronic ballot may be filled in;</p>	<p>It is proposed to supplement and read in the following edition:</p> <p>2.2.2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors shall be entitled to take the following decisions:</p> <p>...</p> <p>b) on determination of place, date and time of the General Shareholders Meeting, time of the beginning of the persons' registration participating in the General Shareholders Meeting (in case the meeting is carried out in the form of meeting), or on the determination of the deadline for the filled ballots submission and postal address the filled ballots should be sent to (in case the General Shareholders Meeting is carried out in the form of an absentee voting), and (if this is provided by the Articles of Association of the Company and if technically possible) the e-mail address where the completed ballots can be sent and (or) the web-site address on the "Internet", at which an electronic ballot may be filled in. <b>The list of addresses to which completed ballots can be sent should include the address of the location of the Company's registrar;</b></p>	<p>Changes are made to bring the Regulation into conformity with the established corporate governance practice in the Company</p>
<b>Article4 «4. Information Support of Carrying Out the General Shareholders Meeting»</b>			
2	<p>Clause 2 of paragraph 4.1. of the Regulation:</p> <p>The text of the notice on the conduct of the General Shareholders Meeting by the decision of the Board of Directors may be additionally sent electronically to those shareholders of the Company who informed the Company or the registrar of the e-mail addresses to which such communications can be sent.</p>	<p>It is proposed to change and read in the following edition:</p> <p>The text of the notice on the conduct of the General Shareholders Meeting by the decision of the Board of Directors may be additionally sent electronically to those shareholders of the Company who informed the Company's registrar of the e-mail addresses to which such communications can be sent.</p>	<p>Changes are made in accordance with subparagraph 1) of paragraph 1.2. of Article 52 of the Federal Law "On Joint Stock Companies":</p> <p><i>«1.2. The company's charter may provide for one or several of the following methods of bringing the notice of the general meeting of shareholders to the notice of persons entitled to participate in the general meeting of shareholders and registered in the shareholders' register of the company:</i></p> <p><i>1) sending an e-mail to the e-mail address of the relevant person specified in the register of shareholders of the company».</i></p>
3	<p>Paragraph 4.1.1. of Article 4 of the Regulation:</p> <p>4.1.1. The information (materials) to be submitted to the persons entitled to attend the General Meeting of Shareholders include the following documents:</p> <ul style="list-style-type: none"> <li>- the Company's annual report and the opinion of the Audit Commission of the Company on the results of its audit;</li> <li>- annual accounting (financial) statements, including the audit report, the opinion of the Audit Commission on the results of the audit of such statements;</li> <li>- justification of the proposed distribution of net profit;</li> <li>- information about the candidate (s) to the Board of Directors of the Company (if submitted) or failure to provide any information by the</li> </ul>	<p>It is proposed to change and read in the following edition:</p> <p>4.1.1. The information (materials) to be submitted to the persons entitled to attend the General Meeting of Shareholders include the following documents:</p> <ul style="list-style-type: none"> <li>- the Company's annual report and the opinion of the Audit Commission of the Company on the results of its audit;</li> <li>- annual accounting (financial) statements, including the audit report, the opinion of the Audit Commission on the results of the audit of such statements;</li> <li>- <b>the conclusion of the Internal Audit carried out in the Company in accordance with Article 87.1 of the Federal Law "On Joint Stock Companies";</b></li> </ul>	<p>Changes are made:</p> <p>– to bring the Regulation in compliance with clause 1 of paragraph 3 of Article 52 of the Federal Law "On Joint-Stock Companies", which stipulates that:</p> <p><i>«3. The information (materials) to be provided to persons entitled to participate in the general meeting of shareholders, in preparation for the general meeting of shareholders, includes the company's annual report, annual accounting (financial) statements, an audit report on it, <b>the conclusion of an internal audit carried out in a public company in accordance with Article 87.1 of this Federal law,</b></i></p>

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	<p>candidates of the indicated information about the candidates to the Audit Commission of the Company, as well as information on the presence or absence of written consent of nominated candidates for election to the appropriate body of the Company;</p> <p>- information on the managing organization or the manager, in case of consideration of the issue of transferring the powers of the sole executive body of the Company to the managing organization or the manager (including information on their affiliation with persons controlling the Company);</p> <p>- information on candidates for auditors of the Company, sufficient to form an idea of their professional qualities and independence, including the name of the self-regulatory organization of auditors of which the candidate for the auditors of the Company is a member, a description of the procedures used to select external auditors that ensure their independence and objectivity, as well as information on the proposed remuneration of external auditors for audit and non-audit services (including information on compensation payments and other benefits related to the engagement of the auditor) and other material terms of contracts concluded with the auditors of the Company;</p> <p>- draft amendments and additions to the Articles of Association of the Company (or a draft of the Company's Articles of Association in a new edition) in the event of their introduction, or in the case of approval, as well as comparative tables of changes introduced with their justification;</p> <p>- draft internal documents of the Company regulating the activities of the management and control bodies of the Company in a new version (amendments to the internal documents) in case they are made, as well as comparative tables of changes introduced with their justification;</p> <p>- draft resolutions of the General Meeting of Shareholders;</p> <p>- information on shareholder agreements concluded within a year before the date of the General Meeting of Shareholders;</p> <p>- conclusions of the Board of Directors of the Company on a major transaction;</p> <p>- a report on related-party transactions entered into by the company in the reporting year;</p> <p>- recommendations of the Board of Directors of the Company on the distribution of profits, including the size of dividend on shares of the company and the procedure for its payment, and losses of the Company based on the results of the fiscal year;</p> <p>- information on travel to the venue of the General Meeting of Shareholders;</p> <p>- a sample form of proxy that the shareholder may give his or her representative and the procedure of its certification;</p>	<p>- justification of the proposed distribution of net profit;</p> <p>- information about the candidate (s) to the Board of Directors of the Company (if submitted) or failure to provide any information by the candidates of the indicated information about the candidates to the Audit Commission of the Company, <b>information about the shareholders who proposed these candidates</b>, as well as information on the presence or absence of written consent of nominated candidates for election to the appropriate body of the Company;</p> <p>- <b>explanations and explanatory notes on the proposed draft decisions;</b></p> <p>- information on the managing organization or the manager, in case of consideration of the issue of transferring the powers of the sole executive body of the Company to the managing organization or the manager (including information on their affiliation with persons controlling the Company);</p> <p>- information on candidates for auditors of the Company, sufficient to form an idea of their professional qualities and independence, including the name of the self-regulatory organization of auditors of which the candidate for the auditors of the Company is a member, a description of the procedures used to select external auditors that ensure their independence and objectivity, as well as information on the proposed remuneration of external auditors for audit and non-audit services (including information on compensation payments and other benefits related to the engagement of the auditor) and other material terms of contracts concluded with the auditors of the Company;</p> <p>- draft amendments and additions to the Articles of Association of the Company (or a draft of the Company's Articles of Association in a new edition) in the event of their introduction, or in the case of approval, as well as comparative tables of changes introduced with their justification;</p> <p>- draft internal documents of the Company regulating the activities of the management and control bodies of the Company in a new version (amendments to the internal documents) in case they are made, as well as comparative tables of changes introduced with their justification;</p> <p>- draft resolutions of the General Meeting of Shareholders;</p> <p>- information on shareholder agreements concluded within a year before the date of the General Meeting of Shareholders;</p> <p>- conclusions of the Board of Directors of the Company on a major transaction;</p> <p>- a report on related-party transactions entered into by the company in the reporting year;</p> <p>- recommendations of the Board of Directors of the Company on the distribution of profits, including the size of dividend on shares of the company and the procedure for its payment, and losses of the Company based on the results of the fiscal year;</p>	<p><i>information about the candidate (candidates) to the executive bodies of the company, the board of directors (supervisory board) of the company, the counting commission of the company, the draft amendments and additions to the company's charter, or the new company's draft charter, draft internal documents of the company to be approved by general meeting of shareholders, draft resolutions of the general meeting of shareholders provided for in Article 32.1 of this Federal Law, information on shareholder agreements concluded during the year prior to the date of the general meeting of shareholders, the conclusion of the board of directors (supervisory board) on major transactions, a report on the conclusion by the public company in the reporting year of related party transactions, as well as the information (materials) provided by the company's charter. If, in accordance with the company's charter, the presence of the audit commission is mandatory, the information (materials) also includes information about candidates to the company's audit commission, and in the cases provided for in the first clause of paragraph 3 of Article 88 of this Federal Law, - the audit commission's report following the audit of the annual report, annual accounting (financial) statements of the company».</i></p> <p>- to bring the Regulation into compliance with the recommendations of the Corporate Governance Code of the Bank of Russia:</p> <p><i>«8. The information about who proposed this or that issue or nominated a candidate for the management body or another body of the company is of great importance for the formation of an objective opinion of the shareholder on the agenda item. Such information gives the shareholder the opportunity to get a more accurate idea of the purpose of bringing the issue to the general meeting and, accordingly, about the best ways to solve it. When preparing the agenda of the general meeting, it is recommended to indicate who proposed each of the issues included in it, and with regard to candidates nominated for election to the company's bodies, - who proposed them».</i></p> <p>- to bring the Regulation in line with the established corporate governance practice in the Company.</p>



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	- information (materials) provided for by the legislation of the Russian Federation and the Company's Articles of Association. The list of information (materials) to be provided to the persons entitled to attend the General Meeting of Shareholders shall be determined taking into account the items on the agenda of the General Meeting of Shareholders.	- information on travel to the venue of the General Meeting of Shareholders; - a sample form of proxy that the shareholder may give his or her representative and the procedure of its certification; - information (materials) provided for by the legislation of the Russian Federation and the Company's Articles of Association. The list of information (materials) to be provided to the persons entitled to attend the General Meeting of Shareholders shall be determined taking into account the items on the agenda of the General Meeting of Shareholders.	
<b>Article 5.2. «Opening of the General Shareholders Meeting»</b>			
4	Paragraph 5.2.2. of Article 5.2 of the Regulation: 5.2.2. The General Shareholders Meeting shall be authorized (shall have the quorum), if the shareholders, having in aggregate more than a half of votes of issued voting shares of the Company took part in it. In case the agenda of the General Shareholders Meeting includes the items, the voting on which is carried out by different voters, the definition of the quorum for the decision taking concerning these items shall be implemented separately. Together with this, the absence of quorum for decision taking concerning the items, the voting on which is carried out by the certain amount of voters shall not impede the decision taking on the items the voting on which is carried out by a different amount of voters, for which adoption this quorum is present.	It is proposed to add a clause:  The General Meeting of Shareholders, when making a decision on consent to the commission or subsequent approval of a related-party transaction, shall be deemed valid regardless of the number of shareholders not related to the corresponding transaction - owners of voting shares of the company taking part in it.	Changes are made on the basis of Federal Law No. 209-FZ, according to which clause 4 of Art. 83 of the Federal Law "On Joint Stock Companies" is supplemented by the paragraph <i>«The general meeting of shareholders, when making the decision provided for in this paragraph, shall be deemed valid regardless of the number of shareholders not related to the corresponding transaction - owners of voting shares of the company participating in it»</i> .  The paragraph entered into force from 19.07.2018.
<b>Article 5.3 «Обсуждение вопросов повестки дня Общего собрания акционеров»</b>			
5	The paragraph is not in the current edition of the Regulation	To supplement paragraph 5.3.5. as follows: <b>5.3.5. Before starting the discussion of the agenda item providing for the election of members of the Board of Directors of the Company, the representative of the person performing the functions of the Counting Commission announces the number of cumulative votes given for each of the candidates included in the voting list, by ballots received or electronically filled out on the website on the Internet, no later than two days before the date of the general meeting.</b>	Changes are made on the basis of paragraph 4.13 of the Regulation on general meetings of shareholders of the Bank of Russia, according to which: <i>«4.13. Before discussing the issue of election (formation) of a body of a company whose members are elected by cumulative voting, the information on the number of votes cast for each candidate elected to the body of the company by cumulative voting, bulletins which are received or which electronic form is filled out on the Internet site, should be communicated to persons present at the general meeting no later than two days before the date of the general meeting»</i> .