

ANNUAL GENERAL MEETING OF SHAREHOLDERS OF IDGC OF CENTRE, PJSC  
**08 June 2017**

INFORMATION (MATERIALS) provided to persons entitled to participate in the Annual General Meeting of Shareholders of IDGC of Centre, PJSC following the results of 2016



**ROSSETI**



**IDGC OF CENTRE**

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## NOTICE ON HOLDING THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF IDGC OF CENTRE, PJSC

### Dear shareholders!

Interregional Distribution Grid Company of Centre, Public Joint-Stock Company (IDGC of Centre, PJSC) informs about holding **08 June 2017** the Annual General Meeting of Shareholders in the form of a meeting (joint attendance) (hereinafter – the Meeting) with the following agenda:

1. On approval of the Annual Report, the annual accounting (financial) statements of the Company for 2016.
2. On distribution of profits and losses of the Company (including the dividend payment) following the results of the reporting year of 2016.
3. On election of members of the Board of Directors of the Company.
4. On election of members of the Audit Commission of the Company.
5. On approval of the Auditor of the Company.
6. On approval of the Articles of Association of IDGC of Centre, PJSC in a new edition.
7. On approval of the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC in a new edition.
8. On approval of the Regulation on the Board of Directors of IDGC of Centre, PJSC in a new edition.
9. On approval of the Regulation on the Audit Commission of IDGC of Centre, PJSC in a new edition.

**Date of the Meeting:** 08 June 2017.

**Time of the Meeting:** 10 hours 00 minutes local time.

**Time of the registration start:** 09 hours 00 minutes local time.

**Venue of the Meeting:** Moscow, Dmitrovskoye shosse, 171 (Hotel Holiday Inn Vinogradovo, conference centre).

**At registration persons, who have arrived to attend the Meeting, shall present the following documents:**

1. shareholders (individuals) – identity documents;
2. representatives of shareholders (individuals) – identity documents of a representative and powers of attorney on behalf of the shareholders, formed according to the Russian Federation legislation and legal representatives of the shareholder (s) – documents confirming their powers;
3. representatives of shareholders (legal entities) - identity documents of a representative and powers of attorney on behalf of the shareholders, formed according to the Russian Federation legislation;
4. heads of shareholders (legal entities) – documents proving the identity of the head, as well as documents confirming the appointment of the head to an appropriate position;
5. heirs and successors of persons included in the list of persons entitled to participate in the General Meeting of Shareholders, - identity documents and confirming the succession in accordance with the requirements of the Russian Federation legislation.

**Completed voting ballots can be sent to one of the following postal addresses:**

- 127018, Russia, Moscow, 2nd Yamskaya, 4, IDGC of Centre, PJSC;
- 127137, Russia, Moscow, p/o box 54, VTB Registrar.

In addition, the owner of the securities, the rights to which are recorded by a nominal holder or a foreign nominee holder, is entitled to attend the Meeting in person or by giving instructions to the nominal holder or the nominal foreign holder to vote in a certain way, if it is stipulated by the contract concluded with the nominal holder or the foreign nominal holder. Electronic document on voting electronically signed shall be sent by the owner of the securities to the nominal holder or the nominal foreign holder.

**While defining the quorum and voting results the votes represented by ballots received not later than 05 June 2017 are to be taken into account.**

## Materials to the Annual General Meeting of Shareholders of IDGC of Centre, PJSC 2017

Persons entitled to participate in the Annual General Meeting of Shareholders may learn information (materials), provided while preparing for holding the Annual General Meeting of Shareholders of IDGC of Centre, PJSC in the period from **18 May 2017 to 07 June 2017** from 10 hours 00 minutes to 17 hours 00 minutes, excluding weekends and holidays, also **08 June 2017** during the Meeting at the following addresses:

- Russia, Moscow, 2nd Yamskaya, 4, IDGC of Centre, PJSC,
- Russia, Moscow, Pravdy St., 23, VTB Registrar,

also from **18 May 2017** on the Company's website at: <http://www.mrsk-1.ru>

If a person recorded in the register of shareholders of the Company is a nominee holder of shares, this information (materials) shall be sent until **18 May 2017** in electronic form (in the form of electronic documents signed with electronic signatures) to the nominee shareholder.

The specified information (materials) shall be available to the persons entitled to participate in the Meeting at its venue: Moscow, Dmitrovskoye shosse, 171 (hotel "Holiday Inn Vinogradovo", conference centre).

Holders of the Company's ordinary registered shares have the right to vote on all items on the agenda of the General Meeting of Shareholders of the Company.

**The list of the persons eligible to participate in the Annual General Meeting of Shareholders of IDGC of Centre, PJSC is recorded as at «15» May 2017.**

If you have AGM questions, please, call: (495) 747-92-92 (30-37)

Contact person: Svetlana V. Lapinskaya – Corporate Secretary of the Company.

In preparation for the Meeting, the shareholders of IDGC of Centre are given the opportunity to ask questions to members of the executive bodies and the Board of Directors of IDGC of Centre on the agenda of the Meeting, as well as express their opinion on the agenda of the Meeting by sending relevant messages to the e-mail address: [ir@mrsk-1.ru](mailto:ir@mrsk-1.ru)

**The Board of Directors of IDGC of Centre, PJSC**



## DIRECTIONS TO THE VENUE OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF IDGC OF CENTRE, PJSC

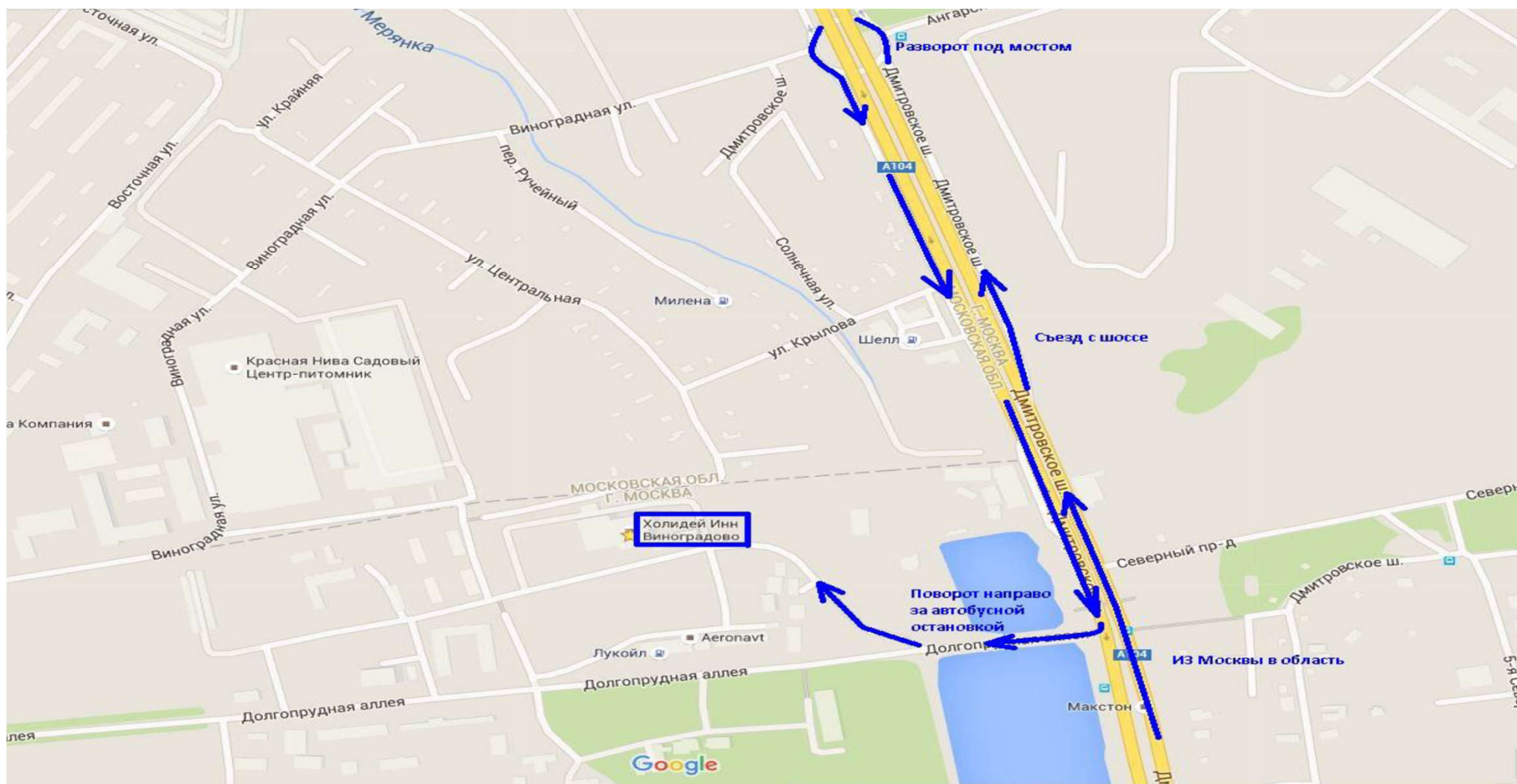
Hotel Holiday Inn Vinogradovo, 127204, Russia, Moscow, Dmitrovskoye shosse, 171

**By fixed-route taxi:**

Take bus №572 and №685 from Subway Station Name "Altufyevo" (towards Moscow Region).

**By car:**

Drive Dmitrovskoye shosse from Moscow Ring Road towards Moscow Region



## VOTING DETAILS AT THE GENERAL MEETING OF SHAREHOLDERS OF IDGC OF CENTRE, PJSC

Dear shareholders!



Interregional Distribution Grid Company of Centre,  
Public Joint-Stock Company  
2nd Yamskaya, 4, Moscow, Russia, 127018  
Tel.: +7 (495) 747-92-92, Fax: +7 (495) 747-92-95,  
Power Engineers' Direct Line: 8-800-50-50-115,  
Trust Line: +7 (495) 747-92-99,  
e-mail: posta@mrsk-1.ru, www.mrsk-1.ru

### EXTRACT FROM MINUTES

of meeting of the Board of Directors of IDGC of Centre, PJSC  
(in the form of absent voting)

«03» May 2017 Moscow No. 11/17

Form of the meeting: **absent voting.**

Total number of members of the Board of Directors: **11 people.**

Participants of the voting: **A.E. Bogashov, D.A. Malkov, Y.N. Mangarov, I.B. Masaleva, M.M. Saukh, D.A. Spirin, R.A. Filkin, O.V. Shatokhina, A.V. Shevchuk, N.I. Erpsher.**

Members who did not provide questionnaires: **O.Y. Isaev.**

The quorum is **present.**

Date of the minutes: **03.05.2017.**

**Item 3. On the record date of the list of persons eligible to participate in the Annual General Meeting of Shareholders of the Company.**

**Decision:**

To determine the record date of the list of persons eligible to participate in the Annual General Meeting of Shareholders of the Company - **15 May 2017.**

**Decision is taken.**

**Minutes signed by:**

Chairperson of the Board of Directors  
of IDGC of Centre, PJSC

Y.N. Mangarov

Corporate Secretary of  
of IDGC of Centre, PJSC

S.V. Lapinskaya

**Extract is correct:**

Corporate Secretary  
of IDGC of Centre, PJSC  
03.05.2017.

S.V. Lapinskaya

Please, familiarize yourselves with the procedure for voting on the agenda of the Meeting, as voting at the Meeting is the basic right of the shareholder, which determines decisions taken by the Meeting and the work of the Company for the future.

Voting at the Shareholders' Meeting is carried out using ballots №№ 1-3. Each ballot must be signed by the shareholder or his representative.

### Who has the right to vote at the Meeting

Persons, included in the list of persons entitled to participate in the meeting, compiled **as of 15 May 2017** (the record date) have the right to vote on the agenda of the Meeting.

In addition, in case of transfer of shares after the indicated date – their purchasers by proxy from a person included in the list, if such an opportunity is provided for in the share transfer agreement.

### Voting procedure at the Meeting

Voting at the Meeting **on items №№ 1-2, №№ 4-9** is carried out according to the principle «One voting share of the Company - one vote». When voting on items №№ 1-2, №№ 4-9 of the agenda of the Meeting, the voter **has the right to choose only one voting option** "FOR", "AGAINST" or "ABSTAINED", **having deleted unnecessary options.** When voting on item № 4 of the agenda of the Meeting - voting is carried out for each candidate to the members of the Audit Commission separately. The distribution of votes is not required.

Voting at the Meeting **on item №3** is carried out by cumulative voting on the basis of Article 59 of the Federal Law "On Joint Stock Companies". When voting on item № 3 of the agenda of the Meeting, the number of votes held by the shareholder is multiplied by «11» - the number of persons who are to be elected to the Board of Directors of the Company. The shareholder has the right to give the votes thus obtained in full for one candidate or distribute them among two or more candidates.

### Ways and terms of voting

The signed ballot is sent to the Company's Registrar or to the Company. Votes of shareholders who submitted ballots not later than two days before the date of the Meeting are to be taken into account – **no later than 05 June 2017.** The ballot can be signed at the personal presence of the shareholder at the Meeting on the day of its holding and transferred to the Registrar.

## SAMPLE FORM OF POWER OF ATTORNEY, WHICH THE SHAREHOLDER MAY ISSUE TO HIS REPRESENTATIVE, AND THE PROCEDURE FOR ITS CERTIFICATION

Sample form of power of attorney,  
which the shareholder may issue to  
his representative and the procedure for its certification

### POWER OF ATTORNEY

(place of drawing up the power of attorney to be fully specified in words)

(date of issue of the power of attorney to be fully specified in words)

This power of attorney \_\_\_\_\_  
(Surname, name, patronymic of the Shareholder),

passport # \_\_\_\_\_, issued \_\_\_\_\_  
« \_\_\_\_\_ » \_\_\_\_\_ (previously passport series \_\_\_\_\_ # \_\_\_\_\_, issued

« \_\_\_\_\_ » 19 \_\_\_\_\_), registered at: \_\_\_\_\_  
\_\_\_\_\_, hereinafter referred to as «the

Principal», authorizes \_\_\_\_\_  
(Surname, name, patronymic),

passport # \_\_\_\_\_, issued \_\_\_\_\_  
« \_\_\_\_\_ » \_\_\_\_\_, registered at: \_\_\_\_\_

\_\_\_\_\_, hereinafter referred to as «the  
Attorney», to represent the interests of the Principal at **General Meetings of Shareholders** (hereinafter  
- «the Meetings») **of Interregional Distribution Grid Company of Centre, Public Joint Stock  
Company (hereinafter - IDGC of Centre, PJSC)** and perform the following actions:

- to vote on all items of the agenda with all the shares IDGC of Centre, PJSC owned by the Principal;
- to sign voting ballots;
- to receive all necessary documents and materials provided to shareholders in preparation for the Meetings and during the Meetings;
- to sign documents required for implementation of the above authority;
- to perform all legal and factual actions related to the implementation of these powers.

The power of attorney is issued without the right of substitution.

The power of attorney is valid until the thirty-first of December two thousand seventeen inclusive.

Signature \_\_\_\_\_  
(Surname, name, patronymic of the Shareholder, signature)

The power of attorney, which does not indicate the date of the notarization, is void.

The power of attorney shall contain information about the principal and the attorney (for a natural person - name, identity document (series and (or) number, date and place of issue, issuing authority), for a legal entity - name, registered office).

The power of attorney shall be issued in accordance with the requirements of paragraph 3 of Article 185.1 of the Civil Code of the Russian Federation (can be certified by an organization in which the principal works or studies, and administration of an inpatient treatment institution in which he or she is being treated) or notarized. A power of attorney, issued by substitution, must be notarized.

<sup>1</sup> In order to identify the shareholder in the register of holders of securities in the absence in the register of information on the passport of a Russian citizen, be sure to specify in the power of attorney information of a previously issued passport

Sample form of power of attorney,  
which the shareholder may issue to  
his representative and the procedure for its certification

### POWER OF ATTORNEY

(place of drawing up the power of attorney to be fully specified in words)

(date of issue of the power of attorney to be fully specified in words)

This power of attorney \_\_\_\_\_  
(please, specify the full name of the legal entity of the shareholder of IDGC of Centre, PJSC under the By-Laws)

(hereinafter - «Principal»), represented by \_\_\_\_\_

(please, specify the name of the sole executive body of the Principal and his or her full Surname, name, patronymic)

acting on the basis of the By-Laws, registered address of the Principal: \_\_\_\_\_

(please, specify the full address of the registered office of the Principal under the By-Laws)

authorizes \_\_\_\_\_  
(please, specify the full Surname, name, patronymic of the holder of power of attorney, authorized to vote on behalf of the Principal)

passport number \_\_\_\_\_, issued \_\_\_\_\_ « \_\_\_\_\_ »  
20 \_\_\_\_\_,

(issuing authority, date of issue),

place of residence: \_\_\_\_\_  
(hereinafter - «the Attorney»),

to represent the interests of the Principal at **General Meetings of Shareholders** (hereinafter - «the Meetings») **of Interregional Distribution Grid Company of Centre, Public Joint Stock  
Company (hereinafter - IDGC of Centre, PJSC)** and perform the following actions:

- to vote on all items of the agenda with all the shares IDGC of Centre, PJSC owned by the Principal;
- to sign voting ballots;
- to receive all necessary documents and materials provided to shareholders in preparation for the Meetings and during the Meetings;
- to sign documents required for implementation of the above authority;
- to perform all actions related to the implementation of this order.

The power of attorney is issued without the right of substitution.

The power of attorney is valid until the thirty-first of December two thousand seventeen inclusive.

\_\_\_\_\_  
(the name of the sole executive body, his or her signature and Full name)

Stamp here.

The power of attorney, which does not indicate the date of the notarization, is void.

The power of attorney shall contain information about the principal and the attorney (for a natural person - name, identity document (series and (or) number, date and place of issue, issuing authority), for a legal entity - name, registered office).

The power of attorney shall be issued in accordance with the requirements of paragraph 4 of Article 185.1 of the Civil Code of the Russian Federation (power of attorney on behalf of a legal entity shall be signed by the manager or a person authorized to do so in accordance with the law and the constituent documents). A power of attorney issued by substitution shall be executed in accordance with requirements of para. 3 of Art. 187 of the Civil Code of the Russian Federation.



RECOMMENDATIONS OF THE BOARD OF DIRECTORS AND THE ORDER OF DECISION MAKING ON THE ITEMS OF THE AGENDA OF THE MEETING OF  
IDGC OF CENTRE, PJSC

No	Wording of the item and draft resolution	Initiator of the question	Recommendations of the Board of Directors to the Meeting	Order of decision making by the Meeting	Preliminarily reviewed by the Committee under the Board of Directors
1	<b>ON APPROVAL OF THE ANNUAL REPORT, THE ANNUAL ACCOUNTING (FINANCIAL) STATEMENTS OF THE COMPANY FOR 2016</b>				
	1. It is proposed to approve the Annual Report of the Company for 2016. 2. It is proposed to approve the annual accounting (financial) statements of the Company for 2016. <b>Read more on page 11 - 21</b>	Federal Law "On JSC"	<b>FOR</b>	The resolution is adopted by a majority of votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders.	Audit Committee  Strategy and Development Committee
2	<b>ON DISTRIBUTION OF PROFITS AND LOSSES OF THE COMPANY (INCLUDING THE DIVIDEND PAYMENT) FOLLOWING THE RESULTS OF THE REPORTING YEAR</b>				
	It is proposed to approve the distribution of the Company's profit and pay dividends for 2016. <b>Read more on page 22 - 24</b>	Federal Law "On JSC"	<b>FOR</b>	The resolution is adopted by a majority of votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders.	
3	<b>ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY</b>				
	It is proposed to elect the Board of Directors of the Company of 11 persons. <b>Read more on page 25 - 94</b>	Federal Law "On JSC"	<b>Recommended to vote FOR taking into account the requirements of the Listing Rules and provisions of the Corporate Governance Code on the presence in the Board of Directors of at least 1/3 of independent directors</b>	<b>Cumulative voting.</b> The number of votes held by the shareholder is multiplied by the number of persons who are to be elected to the Board of Directors. The shareholder gives the votes thus obtained in full for one candidate or distribute them among two or more candidates; or has the right to vote "against all" or "abstained on all candidates", leaving only the chosen variant of voting not crossed out. The fractional part of the vote, obtained as a result of multiplying the number of votes, belonging to the shareholder holding the fractional share, by the number of persons who are to be elected to the Board of Directors of the Company, can be given only for one candidate. 11 candidates, who obtained the largest number of votes, are considered elected to the Board of Directors of the Company.	Personnel and Remuneration Committee
4	<b>ON ELECTION OF MEMBERS OF THE AUDIT COMMISSION OF THE COMPANY</b>				
	It is proposed to elect the Audit Commission of the Company of 5 persons. <b>Read more on page 94 - 99</b>	Federal Law "On JSC"	<b>FOR</b>	The resolution is adopted by a majority of votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders.	



RECOMMENDATIONS OF THE BOARD OF DIRECTORS AND THE ORDER OF DECISION MAKING ON THE ITEMS OF THE AGENDA OF THE MEETING OF  
IDGC OF CENTRE, PJSC

No	Wording of the item and draft resolution	Initiator of the question	Recommendations of the Board of Directors to the Meeting	Order of decision making by the Meeting	Preliminarily reviewed by the Committee under the Board of Directors
5	<b>ON APPROVAL OF THE AUDITOR OF THE COMPANY</b>				
	It is proposed to approve RSM RUS Ltd. as the Company's Auditor for 2017. <b>Read more on page 100 - 104</b>	Federal Law "On JSC"	<b>FOR</b>	The resolution is adopted by a majority of votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders.	Audit Committee
6	<b>ON APPROVAL OF THE ARTICLES OF ASSOCIATION OF THE COMPANY IN A NEW EDITION</b>				
	It is proposed to approve the Articles of Association of the Company in a new edition <b>Read more on page 105 - 134</b>	Board of Directors	<b>FOR</b>	The decision is made by a three-fourths of majority of votes of shareholders - owners of voting shares of the Company participating in the General Meeting of Shareholders.	Strategy and Development Committee
7	<b>ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION</b>				
	It is proposed to approve the Regulation on the General Meeting of Shareholders of the Company in a new edition <b>Read more on page 135 - 151</b>	Board of Directors	<b>FOR</b>	The resolution is adopted by a majority of votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders.	Strategy and Development Committee
8	<b>ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION</b>				
	It is proposed to approve the Regulation on the Board of Directors of the Company in a new edition <b>Read more on page 152 - 163</b>	Board of Directors	<b>FOR</b>	The resolution is adopted by a majority of votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders.	Strategy and Development Committee
9	<b>ON APPROVAL OF THE REGULATION ON THE AUDIT COMMISSION OF THE COMPANY IN A NEW EDITION</b>				
	It is proposed to approve the Regulation on the Audit Commission of the Company in a new edition <b>Read more on page 164 - 170</b>	Board of Directors	<b>FOR</b>	The resolution is adopted by a majority of votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders.	Strategy and Development Committee

**Dear shareholders!**

Please be informed that during the year prior to the date of the General Meeting of Shareholders no shareholders' agreements were concluded.



## ITEM № 1

# ON APPROVAL OF THE ANNUAL REPORT, THE ANNUAL ACCOUNTING (FINANCIAL) STATEMENTS OF THE COMPANY FOR 2016



### ITEM № 1 «ON APPROVAL OF THE ANNUAL REPORT, THE ANNUAL ACCOUNTING (FINANCIAL) STATEMENTS OF THE COMPANY FOR 2016»

#### **Explanatory information on the item (in part of the approval of the Annual Report, including the report on related-party transactions concluded by the Company in 2016)**

In accordance with Federal Law of 26.12.1995 № 208-FZ "On Joint-Stock Companies", the issue of approval of the annual report should be included in the agenda of the Annual General Meeting of Shareholders of the Company.

The Annual Report is the most important public document, annually considered by the Annual General Meeting of Shareholders and allowing to evaluate the results of the Company's activities for the year.

The main purpose of drafting the Annual Report is to inform shareholders, investors and other stakeholders about all significant aspects of the Company's activities and proper disclosure of information.

The Annual Report of IDGC of Centre for 2016 was developed in accordance with the requirements of the current legislation of the Russian Federation (including the Regulation on the disclosure of information by issuers of equity securities approved by the Bank of Russia 30.12.2014 № 454-P), the recommendations of the Corporate Governance Code, and as well as corporate intracorporate standards of the Company and contains information about IDGC of Centre and the results of its activities over the past year and prospects for its further development.

The structure of the Annual Report is supplemented with information that meets the requirements of shareholders, in accordance with recognized international and Russian corporate practices, in particular:

- on the main program documents of the Company (strategy, innovation and investment development programs, a program for reducing electric energy losses, etc.);
- on the system of key performance indicators;
- on risk management, internal control and internal audit systems, as well as regulatory support for their operation.

The text of the Annual Report includes the Report on compliance with the principles and recommendations of the Corporate Governance Code approved by the Board of Directors of the Company 03.05.2017 and prepared on the basis of the Methodology of the Bank of Russia (Letter of 17.02.2016 № IN-06-52/8).

#### **Information on the conclusion of the Audit Commission**

Based on the audit, the Audit Commission has sufficient grounds to confirm the reliability of the data, contained in the Company's Annual Report for 2016, in all material respects.

The Annual Report of the Company for 2016 was previously approved by the Board of Directors of the Company 03.05.2017 (Minutes No. 11/17 of 03.05.2017) in accordance with the recommendations regarding the Audit Committee 18.04.2017 (Minutes No. 05/17 of 18.04.2017) and the Strategy and Development Committee 14.04.2017 (Minutes No. 07/17 of 14.04.2017).

The text of the Annual Report for 2016 can be found on the Company's website at: <https://www.mrsk-1.ru/about/management/controls/stockholders/material/gosa2017/>

In accordance with Federal Law of 26.12.1995 № 208-FZ "On Joint-Stock Companies", when preparing for holding an annual general meeting of shareholders of a public company, persons entitled to participate in the annual general meeting of shareholders should be provided with a report on the company's related-party transactions concluded in the reporting year.

The specified report was signed by General Director of the Company, the reliability of the data contained in it is confirmed by the Audit Commission of the Company.

The related-party transactions concluded by the Company in 2016 are approved by the Board of Directors of the Company. Transactions (interrelated transactions), the value of which was 2 or more percent of the book value of the Company's assets, were not closed in the reporting year.



## ITEM № 1 «ON APPROVAL OF THE ANNUAL REPORT, THE ANNUAL ACCOUNTING (FINANCIAL) STATEMENTS OF THE COMPANY FOR 2016»

## Explanatory information on the item (in part of the approval of the annual accounting (financial) statements)

In accordance with Federal Law of 26.12.1995 № 208-FZ "On Joint-Stock Companies", the agenda of the Annual General Meeting of Shareholders of the Company should include the issue of approval of the annual accounting (financial) statements.

The annual accounting (financial) statements for the year 2016 proposed for approval by the shareholders' meeting were compiled in accordance with Federal Law "On Business Accounting" dated 06.12.2011 № 402-FZ and the Regulation on Business Accounting and Accounting Reporting in the Russian Federation (Order of the Ministry of Finance of the Russian Federation of 29.07.1998 № 34-n) and the Accounting Regulations.

The annual accounting (financial) statements include:

- Form No. 1 "Balance Sheet"
- Form No. 2 "Statement of Financial Results"
- Form No. 3 "Statement of Changes in Equity"
- Form No. 4 "Cash Flow Statement"
- Explanations
- Auditor's Opinion

The RAS accounting statements of IDGC of Centre for 12 months of 2016 have the following indicators:

RUB thous.	12 M 2016	12 M 2015	Deviation	
			absolute	relative
<b>Revenue</b>	<b>86 110</b>	<b>79 817</b>	<b>6 293</b>	<b>8%</b>
from electricity transmission services	83 590	77 734	5 856	8%
from grid connection services	1 411	1 160	251	22%
from sale of electricity	52	0	52	
from other activity	1 057	923	134	15%
<b>Cost of sales</b>	<b>73 492</b>	<b>68 520</b>	<b>4 972</b>	<b>7%</b>
electricity transmission	72 517	67 620	4 897	7%
grid connection	384	398	-14	-4%
sale of electricity	27		27	
other activity	564	502	62	12%
<b>Selling costs</b>	<b>1</b>	<b>0</b>	<b>1</b>	
<b>Administrative costs</b>	<b>2 052</b>	<b>2 194</b>	<b>-142</b>	<b>-6%</b>
<b>Sales profit</b>	<b>10 565</b>	<b>9 103</b>	<b>1 462</b>	<b>16%</b>
<b>Other profit</b>	<b>3 955</b>	<b>5 497</b>	<b>-1 542</b>	<b>-28%</b>
<b>Other costs</b>	<b>12 011</b>	<b>12 636</b>	<b>-625</b>	<b>-5%</b>
<b>Profit tax and other similar payments</b>	<b>642</b>	<b>1 055</b>	<b>-413</b>	<b>-39%</b>
<b>NET PROFIT</b>	<b>1 867</b>	<b>909</b>	<b>958</b>	<b>105%</b>

### ITEM № 1 «ON APPROVAL OF THE ANNUAL REPORT, THE ANNUAL ACCOUNTING (FINANCIAL) STATEMENTS OF THE COMPANY FOR 2016»

#### **Information on the results of an independent audit**

In the opinion of the independent auditor RSM RUS Ltd., the accounting (financial) statements present fairly, in all material respects, the financial position of IDGC of Centre, PJSC as at 31.12.2016, the results of its financial and economic activities and cash flow for 2016 in accordance with the Russian Federation accounting (financial) statements preparation rules.

The Audit Committee at the meeting on 05.04.2017 reviewed the auditor's opinion on the annual accounting (financial) statements of IDGC of Centre, PJSC for 2016 and recommended to the Board of Directors of IDGC of Centre to submit for approval by the Annual General Meeting of Shareholders the annual accounting (financial) statements for 2016, and also to include an assessment of the auditor's opinion on the annual financial (accounting) statements for 2016, prepared by the Audit Committee, into the information (materials) to be submitted for review to persons entitled to participate in the Annual General Meeting of Shareholders of the Company.

#### **Information on the conclusion of the Audit Commission**

Based on the audit performed, taking into account the opinion of the external auditor of the Company, the Audit Commission has sufficient grounds to confirm the reliability of the data contained in the annual accounting (financial) statements of the Company for 2016, in all material respects.

The annual accounting (financial) statements of the Company for 2016 were preliminarily approved by the Board of Directors of the Company 03.05.2017 (Minutes No. 11/17 of 03.05.2017) in accordance with the recommendations of the Audit Committee 05.04.2017 (Minutes No. 04/17 of 05.04.2017).

The annual accounting (financial) statements for 2016 are available on the Company's website at: <https://www.mrsk-1.ru/about/management/controls/stockholders/material/gosa2017/>

ITEM № 1 «ON APPROVAL OF THE ANNUAL REPORT, THE ANNUAL ACCOUNTING (FINANCIAL) STATEMENTS OF THE COMPANY FOR 2016»

**Draft resolution on item № 1**

1. To approve the Annual Report of the Company for 2016.
2. To approve the annual accounting (financial) statements of the Company for 2016.

ITEM № 1 «ON APPROVAL OF THE ANNUAL REPORT, THE ANNUAL ACCOUNTING (FINANCIAL) STATEMENTS OF THE COMPANY FOR 2016»

## Annual Report of IDGC of Centre, PJSC for 2016, including the report on related-party transactions concluded by the Company in 2016

SEE APPENDIX 1



Interregional Distribution Grid Company of Centre,  
Public Joint-Stock Company  
2nd Yamskaya, 4, Moscow, Russia, 127018  
Tel.: +7 (495) 747-92-92, Fax: +7 (495) 747-92-95,  
Power Engineers' Direct Line: 8-800-50-50-115,  
Trust Line: +7 (495) 747-92-99,  
e-mail: [post@mrsk-l.ru](mailto:post@mrsk-l.ru), [www.mrsk-l.ru](http://www.mrsk-l.ru)

**EXTRACT FROM MINUTES**  
of meeting of the Board of Directors of IDGC of Centre, PJSC  
(in the form of absent voting)

«03» May 2017                      Moscow                      No. 11/17

Form of the meeting: **absent voting.**

Total number of members of the Board of Directors: **11 people.**

Participants of the voting: **A.E. Bogashov, D.A. Malkov, Y.N. Mangarov, I.B. Masaleva, M.M. Saukh, D.A. Spirin, R.A. Filkin, O.V. Shatokhina, A.V. Shevchuk, N.I. Erpsher.**  
Members who did not provide questionnaires: **O.Y. Isaev.**

The quorum is **present.**

Date of the minutes: **03.05.2017.**

**Item 4. On the prior approval of the Company's Annual Report for 2016.**

**Decision:**

Tentatively to approve the Company's Annual Report for 2016 (Appendix # 1 to this decision of the Board of Directors), to approve the report on related-party transactions concluded by the Company in 2016, which is an appendix to the Annual Report of the Company.

To recommend to the Annual General Meeting of Shareholders of the Company to approve the Annual Report.

**Decision is taken.**

**Appendix:** The draft of the Annual Report of IDGC of Centre, PJSC for 2016 (Appendix # 1).

**Minutes signed by:**

Chairperson of the Board of Directors  
of IDGC of Centre, PJSC

Y.N. Mangarov

Corporate Secretary of  
of IDGC of Centre, PJSC

S.V. Lapinskaya

**Extract is correct:**

Corporate Secretary  
of IDGC of Centre, PJSC  
03.05.2017.

S.V. Lapinskaya



SEE APPENDIX 2



Interregional Distribution Grid Company of Centre.  
Public Joint-Stock Company  
2nd Yamskaya, 4, Moscow, Russia, 127018  
Tel.: +7 (495) 747-92-92, Fax: +7 (495) 747-92-95,  
Power Engineers' Direct Line: 8-800-50-50-115,  
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e-mail: [posta@mrsk-1.ru](mailto:posta@mrsk-1.ru), [www.mrsk-1.ru](http://www.mrsk-1.ru)

**EXTRACT FROM MINUTES**  
of meeting of the Board of Directors of IDGC of Centre, PJSC  
(in the form of absent voting)

«03» May 2017 Moscow No. 11/17

Form of the meeting: **absent voting.**

Total number of members of the Board of Directors: **11 people.**

Participants of the voting: A.E. Bogashov, D.A. Malkov, Y.N. Mangarov, I.B. Masaleva, M.M. Saukh, D.A. Spirin, R.A. Filkin, O.V. Shatokhina, A.V. Shevchuk, N.I. Erpsher.

Members who did not provide questionnaires: **O.Y. Isaev.**

The quorum is present.

Date of the minutes: 03.05.2017.

**Item 5. On consideration of the annual accounting (financial) statements of the Company for 2016.**

**Decision:**

Tentatively to approve the annual accounting (financial) statements for 2016 (Appendix # 2 to this decision of the Board of Directors).

**Decision is taken.**

**Appendix:** The draft of the annual accounting (financial) statements of IDGC of Centre, PJSC for 2016 (Appendix # 2).

**Minutes signed by:**

Chairperson of the Board of Directors  
of IDGC of Centre, PJSC

Y.N. Mangarov

Corporate Secretary of  
of IDGC of Centre, PJSC

S.V. Lapinskaya

**Extract is correct:**

Corporate Secretary  
of IDGC of Centre, PJSC  
03.05.2017.

S.V. Lapinskaya

ITEM № 1 «ON APPROVAL OF THE ANNUAL REPORT, THE ANNUAL ACCOUNTING (FINANCIAL) STATEMENTS OF THE COMPANY FOR 2016»

# Conclusion of the Audit Commission on the results of the audit of the financial and economic activities of IDGC of Centre, PJSC for 2016

The Audit Commission  
of IDGC of Centre, PJSC

Approved by  
the Audit Commission  
of IDGC of Centre, PJSC  
(Minutes dated «24» April 2017 #4)

## REPORT OF THE AUDIT COMMISSION

of Interregional Distribution Grid Company of Centre,  
Public Joint Stock Company

### I. INTRODUCTION INFORMATION ON THE MEMBERS OF THE AUDIT COMMISSION

Members of the Audit Commission were elected by the resolution of the General Meeting of Shareholders	Minutes of the General Meeting of Shareholders of IDGC of Centre, PJSC dated 09.06.2016 № 01/16
Chairperson, Secretary of the Audit Commission were elected by the decision of the Audit Commission	Minutes No. 1 of the meeting of the Audit Commission of IDGC of Centre, PJSC dated 09.06.2016.
Chairperson of the Audit Commission	S.A. Kim
Secretary of the Audit Commission	S.V. Malyshev
Members of the Audit Commission	O.A. Medvedeva, E.S. Erandina, S.I. Ochikov.

**Term of the audit performance:** In accordance with the Federal Law "On Joint Stock Companies", the Articles of Association of IDGC of Centre, PJSC and the Regulation on the Audit Commission of Interregional Distribution Grid Company of Centre, Public Joint-Stock Company in the period from 15.03.2016 to 24.04.2016 the Audit Commission of IDGC of Centre, PJSC (hereinafter referred to as the Company) assessed the reliability of the data contained in the Company's annual report and accounting (financial) statements for 2016.

**Reason for the audit:** the decision of the Audit Commission of the Company (Minutes of the meeting dated 14 March 2017 № 3).

**Purpose of the audit:** independent assessment of the reliability of data contained in the annual report, annual accounting (financial) statements of the Company for 2016 (hereinafter referred to as the Statements). The reliability in all material respects means the degree of accuracy of the data in the Statements, which allows shareholders to draw correct conclusions about the results of operations, financial and property status of the Company and make justified decisions based on these conclusions.

**Audited period:** from 01.01.2016 to 31.12.2016.

**Audited entity:** annual accounting (financial) statements, annual report, ledgers, primary accounting documents and other documentation of the Company's financial and economic activities.

**The audit was performed in accordance with the following:**

- Federal Law No. 402-FZ of 06.12.2011 "On Business Accounting";
- Order of the Ministry of Finance of the Russian Federation No.34n of 29.07.1998 "On the Adoption of the Regulations on Business Accounting in the Russian Federation";
- Regulations (standards) on accounting;
- Order of the Ministry of Finance of the Russian Federation N 66n of 02.07.2010 "On the Forms of Financial Statements of Organisations";
- Regulation on information disclosure by issuers of securities approved by the Bank of Russia dated 30.12.2014 N 454-P;
- Accounting Policy approved by the Company's Order No. 483-CA dated 31.12.2015 "On approval of the Regulation on the Accounting Policy of IDGC of Centre, PJSC for 2016", with subsequent amendments and changes;
- other legislative and internal local regulations of the Company.

### INFORMATION ON THE COMPANY

Full company name	Interregional Distribution Grid Company of Centre, Public Joint Stock Company
Registered office	127018, Moscow, Russia, 2nd Yamskaya, 4
Postal address	127018, Moscow, Russia, 2nd Yamskaya, 4
State registration	Entered in the Unified State Register of Legal Entities of the Interdistrict Inspectorate of the Ministry of Taxes and Levies of the RF #1 in the Tver region numbered 1046900099498 December 17, 2004. Certificate series 69 #000939402

«24» April 2017  
Date of preparation

Moscow  
Place of preparation

## ITEM № 1 «ON APPROVAL OF THE ANNUAL REPORT, THE ANNUAL ACCOUNTING (FINANCIAL) STATEMENTS OF THE COMPANY FOR 2016»

Taxpayer Identification Number (TIN)	6901067107
Branches and subdivisions with separate balance	Belgorodenergo, Bryanskenergo, Voronezhenergo, Kostromaenergo, Kurskenergo, Lipetskenergo, Orelenergo, Smolenskenergo, Tambovenergo, Tverenergo, Yarenergo
Chief Executive Officer	Oleg Y. Isaev, General Director from 02.04.2013 until now.
Chief Accountant	Lyudmila A. Sklyarova, Chief Accountant – Head of Financial and Tax Accounting and Reporting Department from 19.04.2013 until now.

### INFORMATION ON THE AUDITOR

Full company name	RSM RUS Ltd.
Resolution of the General Meeting of Shareholders to approve the auditor nomination	Minutes of the General Meeting of Shareholders of IDGC of Centre, PJSC dated 08.06.2016 № 01/16
Decision of the Board of Directors to approve terms and conditions of the agreement with the auditor	Minutes of the Board of Directors of IDGC of Centre, PJSC dated 20.07.2016 № 21/16
Agreement to provide auditing services	Agreement for the provision of audit of statements № 161a067 dated 10 August 2016.
Auditor's Report	Auditor's Report on the accounting statements for 2016 dated 21.02.2017 №RSM-1173

The Audit was planned and conducted by us in such a manner as to be reasonably assured that the Statements for 2016 do not contain any material falsifications.

The Audit was planned and conducted on a sample basis and included a study through the testing of the evidence, which supports the meaning and the disclosure of the information in the Statements on the financial and economic activities of the Company, an assessment of its accounting principles and methods, the rules for the preparation of the Statements, and the identification of any essential imputations. During the course of the Audit, the materiality level was determined (the level of the aggregate tolerated error in the Statements). The materiality in our understanding is the property of the information disclosed in the Statements to influence the decisions taken by the users of these Statements. The level of the tolerated error for us is the criterion as regards to the assurance of the reliability of the Statements of the Company.

During the course of the Audit, we reviewed the observance by the Company of the legislation of the Russian Federation and internal local regulations of the Company. We checked the compliance of a number of financial and economic transactions concluded by the Company with the legislation solely to obtain a reasonable and sufficient level of assurance that the Statements do not contain any material falsifications.

We also selectively conducted reconciliation of the Annual Report and accounting (financial) statements for 2016, checked the completeness of the disclosure in the Company's annual report on compliance with the Bank of Russia on information disclosure by issuers of securities.

During the audit of the Statements the Audit Commission also relied on the Auditor's Report of RSM RUS Ltd. dated 21 February 2017 №RSM-1173.

### II. FINAL PART

The carrying value of the Company's assets as of 31.12.2016 amounted to 122 662,543 mln RUB, compared to 31.12.2015, the carrying value of assets increased by 4,1%.

Non-current assets occupy 83,4% of the assets, their value as of 31.12.2016 amounted to 102 266,654 mln RUB, which is 4,8% larger than non-current assets as of 31.12.2015.

As of 31.12.2016 the total amount of receivables (line 1230 of the balance sheet), compared with 31.12.2015, decreased by 14,5% and amounted to 15 175,766 mln RUB. The total amount of receivables, covered under the terms of the agreement, for the reporting year decreased by 2,9% and as of 31.12.2016 amounted to 28 831,284 mln RUB.

The share of overdue debt for the reporting year decreased from 69,5% to 61,5% of the total receivables, accounted under the terms of the agreement.

The amount of provision for doubtful debts, as of 31.12.2016, amounted to 13 655,518 mln RUB, which is 14,5% more than the same indicator as of 31.12.2015. The share of provision for doubtful debts in the total amount of accounts receivable, accounted under the terms of the agreement, during 2014-2015 was at the level of 39-40%, during the audited period, the share of the reserve increased to 47,4%.

Own capital in the capital structure and liabilities as of 31.12.2016 takes 47,1%, its share for the reporting year decreased by 0,7 p.p., the value amounted to 57 731,595 mln RUB.

The share of borrowed capital accounts for 52,9% in the structure of equity and liabilities, the value of borrowed capital for the reporting year rose by 5,5% and as of 31.12.2016 amounted to 64 930,948 mln RUB. It should be noted there is steadily growing share of borrowed capital in the Company's structure of equity and liabilities.

The structure of the borrowed capital has the largest share of borrowed funds (66,7%) and accounts payable (18,5%).

### ITEM № 1 «ON APPROVAL OF THE ANNUAL REPORT, THE ANNUAL ACCOUNTING (FINANCIAL) STATEMENTS OF THE COMPANY FOR 2016»

Borrowings increased by 2,8% for the reporting year and amounted to 43 292,585 mln RUB. Extension of the loan portfolio has a negative impact on the financial performance of the Company, due to increased costs to service the debt, which in the reporting year, compared with 2015, increased by 7,4%.

Total accounts payable, compared with 31.12.2015, increased by 18,3%, as of 31.12.2016 totaled 12 033,575 mln RUB, including short-term payables of 10 991,556 mln RUB. Overdue payables decreased for the reporting year by 46,2%, the level of overdue payables as of 31.12.2016 was 14,2% against 32% as of 31.12.2015.

The result of the Company's activities during the reporting year was the net profit of 1 866,675 mln RUB (the net profit in the previous reporting period amounted to 908,987 mln RUB).

The net asset value on 31.12.2016 was 57 748,421 mln RUB with the size of the authorized capital of the Company of 4 221,794 mln RUB.

Indicators of liquidity, solvency, financial stability are in the boundaries of the recommended values, which indicates a sustainable financial condition of the Company.

#### Indicators of financial condition and solvency of the Company:

Name	Recommended values	2015 actual	2016 actual
Degree of solvency for current obligations	≤6 months	2,0	2,3
Current liquidity ratio	≥1	1,54	1,21
Equity to Total Assets	0,5-0,8	0,48	0,47
Debt/EBIDTA	3-4	2,8	2,6

The set of methods of the Company's accounting making the Accounting Policy for 2016 in the reporting year was in accordance with the legislation of the Russian Federation on accounting, federal standards.

The Statements were prepared in accordance with the laws and regulations of the Russian Federation (Russian Accounting Standards) and the local regulations of the Company in all material respects.

The Company's annual report to be submitted for approval to the Annual General Meeting of Shareholders shall contain the information required by Regulation on information disclosure by issuers of securities approved by the Bank of Russia 30.12.2014 N 454-P.

#### The Company's Statements approved by the Audit Commission:

Item #	Name of the statement form	Date of signature by the management	Number of sheets in the document
1	Accounting balance sheet ended 31 December 2016	21.02.2017	2
2	Profit and loss statement for January-December 2016	21.02.2017	1
3	Statement of changes in equity for 2016	21.02.2017	3
4	Statement of cash flow for January-December 2016	21.02.2017	2
5	Explanatory note to the accounting balance sheet and P&L statement for 2016	21.02.2017	89
6	Annual report of IDGC of Centre, PJSC for 2016	n/d	413

At the time of the audit the Annual Report by the General Meeting of Shareholders has not been approved and not previously considered by the Board of Directors of the Company.

According to the results of the audit of the Company's financial and economic activities for 2016 the Audit Commission expresses opinion on the reliability of the data contained in the annual report and annual accounting (financial) statements of the Company in all material aspects.

This Report of the Audit Committee should be considered together with all the approved forms of the accounting (financial) Statements and Explanatory Note to the accounting balance sheet and P&L statement for 2016 in a text and table form, which are an integral part of the Company's Annual Report for 2016.

#### Chairperson of the Audit Commission

S.A. Kim

#### Members of the Audit Commission

S.V. Malyshev  
E.S. Erandina  
S.I. Ochikov  
O.A. Medvedeva



ITEM № 1 «ON APPROVAL OF THE ANNUAL REPORT, THE ANNUAL ACCOUNTING (FINANCIAL) STATEMENTS OF THE COMPANY FOR 2016»

# Evaluation of the conclusion of an audit organization prepared by the Audit Committee of the Board of Directors of IDGC of Centre, PJSC



Interregional Distribution Grid Company of Centre,  
Public Joint-Stock Company  
2nd Yamskaya, 4, Moscow, Russia, 127018  
Tel.: +7 (495) 747-92-92, Fax: +7 (495) 747-92-95,  
Power Engineering Direct Line: 8-800-90-90115,  
Trust Line: +7 (495) 747-92-99,  
e-mail: posta@mosel.ru, www.mosel.ru

## EXTRACT FROM MINUTES of the meeting of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC (in the form of joint presence)

05 April 2017 Moscow No. 04/17

**Form of the meeting:** joint presence.

**Total number of members of the Audit Committee:** 5 persons.

**Place of the meeting:** Moscow, 2nd Yamskaya, 4, floor 5, office 507

**Video conference room:** A3-055 at the address: Moscow, Belovozhskaya str., 4 (PJSC «Rosseti»)

**Time of the meeting:** 10 hours 30 minutes – 11 hours 35 minutes.

**Participants of the meeting:** M.M. Saukh, R.A. Filkin, O.V. Shatikhina, A.V. Shevchuk, N.I. Erpsher.

**Members who neither participated nor provided questionnaires:** none.

**The quorum** is present.

**Date of the minutes:** 05.04.2017.

The Expert conclusion of the expert of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC M.A. Lelekova was taken into account at drawing up of the minutes.

### Item 4. On evaluation of the effectiveness of the external audit process of the accounting (financial) statements of the Company for 2016.

#### Decision taken at the meeting:

1. To recognize the Auditor's Report and the procedures carried out by RSM RUS Ltd. in the course of the audit of accounting (financial) statements of the Company for 2016 compliant with the terms and conditions of the Agreement and the requirements of the Russian Federation legislation.

2. To recommend to the Board of Directors of the Company to include the Conclusion of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC on the level of efficiency and quality of the external audit process (Appendix # 2 to this decision of the Audit Committee) into the list of materials provided to persons entitled to participate the Annual General Meeting of Shareholders of the Company.

#### Decision is taken.

#### Appendix:

The Conclusion of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC on the level of efficiency and quality of the external audit process (Appendix # 2).

#### Minutes signed by:

Chairperson of the Audit Committee  
of the Board of Directors of IDGC of Centre, PJSC

O.V. Shatikhina

Secretary of the Audit Committee  
of the Board of Directors of IDGC of Centre, PJSC

S.V. Lapinskaya

#### Extract is correct:

Secretary of the Audit Committee  
of the Board of Directors of IDGC of Centre, PJSC  
05.04.2017.

S.V. Lapinskaya

Chairperson  
of the Audit Committee

O.V. Shatikhina

## Conclusion of the Audit Committee of the Board of Directors

### of IDGC of Centre, PJSC on the level of efficiency and quality of the external audit process

In accordance with paragraphs 294.2 and 294.3 of the Code of Corporate Governance, approved on 21.03.2014 by the Board of Directors of the Bank of Russia, the Audit Committee of the Board of Directors of IDGC of Centre, PJSC (hereinafter - the Company) evaluated the effectiveness of the process of external audit of accounting (financial) statements of the Company for 2016, prepared under RAS, and assessed the Auditor's report, issued by the results of this audit.

Following the results of the public competitive negotiations without prequalification of bidders for the right to sign the agreement to render services for audit of accounting (financial) statements, prepared in accordance with RAS, audit of consolidated financial statements prepared in accordance with IFRS, which is valid for the period of 2015-2018, RSM RUS Ltd. was recognized as the winner (Minutes of the meeting of the Procurement Commission dated 20.04.2015 # 5/552).

On the basis of the decisions of the Annual General Meeting of Shareholders (Minutes dated 09.06.2016 # 01/16), the Company's Board of Directors (Minutes dated 21.07.2016 # 21/16) the Company entered into Agreement dated 10.08.2016 № 161a 067/7700/00134/16 with RSM RUS (hereinafter - the External Auditor).

Registered office of the External Auditor: 4 Pudovkina street, Moscow 119285, Russia.

RSM RUS is a member of Self-regulatory organization of auditors Non-Profit partnership «Auditor Association Sodruzhestvo» (NP AAS), included in the state register of self-regulating organizations of auditors on 25.09.2013, registry number № 6938 and is located at: 119192, Moscow, Michurinsky Avenue, 21, b.4 (Membership certificate # 11306030308).

Independence and objectivity of the External Auditor was confirmed with the following information provided by RSM RUS:

•RSM RUS has implemented standards of activity, according to which this company aims to be an independent auditor and to have a reputation as an independent auditor;

•in accordance with the regulations of ethics and independence of RSM RUS, all partners and employees of RSM RUS annually confirm compliance with these regulations, including the absence of prohibited financial investments in their investment portfolio.

In addition, it should be noted that the independence of the external auditor was confirmed by the absence with RSM RUS of an extended period of services for external audit of the Company. RSM RUS carried out an audit of accounting (financial) statements of the Company for 2015 and for 2016. RSM RUS did not provide other services to the Company in 2015 and in 2016.

The External Auditor prepared and submitted the following documents:

•the Management and Governance Letter to the Company based on the results of the interim audit of accounting (financial) statements prepared in accordance with Russian Accounting Standards for the 9 months ended 30.09.2016 (39 pages);

•the Management and Governance Letter to the Company based on the results of the audit of accounting (financial) statements prepared in accordance with Russian Accounting Standards for the year ended 31.12.2016 (48 pages);

•the Auditor's Report on the accounting (financial) statements of the Company for 2016 (2 pages).

The Audit Committee of the Board of Directors at its meetings reviewed the above documents prepared by RSM RUS, discussed with the External Auditor and the Company's management the main problems of the accounting (financial) statements of the Company prepared in accordance with Russian Accounting Standards (hereinafter - RAS) (Minutes dated 20.12.2016 № 14/16 and Minutes dated 05.04.2017 № 04/17).

The content of the Management and Governance Letter, prepared by RSM RUS, meets the requirements of paragraph 10 of the Rules (Standards) № 22 "Communication of information, obtained as a result of the audit, to the management of the audited entity and representatives of its owner".

The procedures performed by RSM RUS in the course of the external audit of accounting (financial) statements of the Company for 2016 under RAS correspond to the terms and conditions of the concluded agreement and the requirements of Federal Law "On Auditing Activities" dated 30.12.2008 № 307-FZ.

The submitted Auditor's Report complies with the requirements of Federal Law dated 30.12.2008 № 307-FZ "On Auditing Activities", the federal rules (standards) of audit activity, approved by the RF Government Resolution dated 02.09.2002 № 696.

## ITEM № 2

# ON DISTRIBUTION OF PROFITS AND LOSSES OF THE COMPANY (INCLUDING THE DIVIDEND PAYMENT) FOLLOWING THE RESULTS OF THE REPORTING YEAR

# Materials to the Annual General Meeting of Shareholders of IDGC of Centre, PJSC 2017

## ITEM № 2 «ON DISTRIBUTION OF PROFITS AND LOSSES OF THE COMPANY (INCLUDING THE DIVIDEND PAYMENT) FOLLOWING THE RESULTS OF THE REPORTING YEAR»



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### Explanatory information on the item

In accordance with Federal Law dated 26.12.1995 № 208-FZ "On Joint-Stock Companies", the agenda of the Annual General Meeting of Shareholders of the Company should include questions on the distribution of profits (including the payment (declaration) of dividends) based on the results of the reporting year, and on the date on which the persons entitled to receive dividends are determined.

These decisions are made by the shareholders' meeting only on the recommendation of the Board of Directors of the Company. In accordance with paragraph 4 of Art. 42 of the Federal Law "On Joint Stock Companies", the amount of dividends may not be greater than the amount of dividends recommended by the Board of Directors of the Company.

The source of payment of annual dividends is the Company's profit after taxation (net profit) determined by the data of the Company's accounting (financial) statements compiled in accordance with the requirements of the legislation of the Russian Federation.

In accordance with the Statement of financial results as of 31.12.2016 the Company's net profit amounted to 1 866 675 thous. RUB.

When distributing profits, the Board of Directors of the Company took into account the need to establish the Company's Reserve Fund through annual deductions of 5% of the Company's net profit until the Reserve Fund reaches the established amount. As of the end of the reporting period, the size of the Company's Reserve Fund was fully formed and amounts to 211 090 thous. RUB, which corresponds to the normative level (5% of the Company's charter capital). Thus, according to the results of 2016, additional funds are not allocated to the Reserve Fund of the Company.

When deciding on the recommendation to the General Meeting of Shareholders on the amount of dividends on shares, the Board of Directors of the Company took into account the provisions of the Regulation on the Company's dividend policy.

Following the results of the reporting year of 2016, it is recommended to allocate 100% of the net profit of the Company for the payment of dividends. Therefore, the amount of dividends of the Company based on the results of work for 2016, taking into account rounding by one share in rubles to nine decimal places, will amount to 1 866 675 thous. RUB.

The deadline for paying dividends to shareholders depends on the date on which the persons entitled to receive them are determined. Such a date cannot be established earlier than 10 days from the date of adoption by the General Meeting of Shareholders of a decision on the payment of dividends and 20 days after the date of such decision. Thus, the date on which the persons entitled to receive dividends are recorded is proposed to be determined as **21.06.2017**.

The term of payment of dividends to a nominal holder and a beneficial owner registered in the register of shareholders shall not exceed 10 working days from the date on which the persons entitled to receive dividends are recorded.

Payment of dividends to persons entitled to receive them, registered in the register of shareholders, shall be made no later than 25 working days from the date on which the persons entitled to receive dividends are determined.

The Company confirms that as of the date of the decision to pay dividends and on the date of payment of dividends, the Company will not meet the signs of insolvency (bankruptcy) and these signs will not appear in the Company as a result of paying dividends in the amount recommended by the Board of Directors, and the net assets of the Company will not be Less than its authorized capital and the Reserve Fund and will not be less than their size as a result of the decision of the General Meeting of Shareholders to decide on payment (declaration) of dividends.

**For reference:** the net asset value of IDGC of Centre as of 31.12.2016 is 57 748 421 thous. RUB, and the authorized capital is – 4 221 794 thous. RUB. Thus, the value of the Company's net assets exceeds the amount of the authorized capital by 53 526 627 thous. RUB.

### MINUTES

of meeting of the Board of Directors of IDGC of Centre, PJSC  
(in the form of absent voting)

«16» May 2017 Moscow No. 12/17

Form of the meeting: **absent voting**.

Total number of members of the Board of Directors: **11 people**.

Participants of the voting: O.Y. Isaev, A.E. Bogashov, D.A. Malkov, Y.N. Mangarov, I.B. Masaleva,

M.M. Saulkh, D.A. Spirin, R.A. Filkin, O.V. Shatkhina, A.V. Shevchuk, N.I. Erpsheer.

Members who did not provide questionnaires: **none**.

The quorum is **present**.

Date of the minutes: **16.05.2017**.

**Item 6. On the recommendations on the distribution of profit (loss) of the Company following the results of 2016.**

**Decision:**  
To recommend to the Annual General Meeting of Shareholders of the Company to approve the following distribution of profits (losses) of the Company for the reporting year of 2016:

Name	(thous. RUB)
Retained earnings (loss) for the reporting period:	
To be distributed to:	1 866 675
Reserve fund	0
Profit for development	0
Dividends	1 866 675
Repayment of losses of previous years	0

**Decision is taken.**

Member of the Board of Directors of the Company, A.E. Bogashov, submitted a dissenting opinion on this issue: an exhaustive justification for the proposed decision, as well as materials on the issue under consideration, were not presented.

**Minutes signed by:**

Chairperson of the Board of Directors  
of IDGC of Centre, PJSC

Y.N. Mangarov

Corporate Secretary of  
IDGC of Centre, PJSC

S.V. Lapinskaya

**Extract is correct:**

Corporate Secretary  
of IDGC of Centre, PJSC  
16.05.2017.

S.V. Lapinskaya



Interregional Distribution Grid Company of Centre,  
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### MINUTES

of meeting of the Board of Directors of IDGC of Centre, PJSC  
(in the form of absent voting)

«16» May 2017 Moscow No. 12/17

Form of the meeting: **absent voting**.

Total number of members of the Board of Directors: **11 people**.

Participants of the voting: O.Y. Isaev, A.E. Bogashov, D.A. Malkov, Y.N. Mangarov, I.B. Masaleva,

M.M. Saulkh, D.A. Spirin, R.A. Filkin, O.V. Shatkhina, A.V. Shevchuk, N.I. Erpsheer.

Members who did not provide questionnaires: **none**.

The quorum is **present**.

Date of the minutes: **16.05.2017**.

**Item 7. On the recommendations on the amount of dividends on shares of the Company for 2016 and their payment procedure and proposals to the Annual General Meeting of Shareholders of determining the record date of a list of persons entitled to receive dividends.**

**Decision:**  
To recommend to the Annual General Meeting of Shareholders to take the following decision:

1. To pay dividends on common stocks of the Company following the results of 2016 in the amount of 0,044215195 RUB per ordinary share of the Company in cash.

The dividend payment period to a nominal holder and a beneficial owner being a professional securities market participant is no more than 10 working days, to other registered shareholders - 25 working days from the record date of the list of persons entitled to receive dividends.

2. To define the record date of the list of persons entitled to receive dividends as

**21 June 2017**

**Decision is taken.**

**Minutes signed by:**

Chairperson of the Board of Directors  
of IDGC of Centre, PJSC

Y.N. Mangarov

Corporate Secretary of  
IDGC of Centre, PJSC

S.V. Lapinskaya

**Extract is correct:**

Corporate Secretary  
of IDGC of Centre, PJSC  
16.05.2017.

S.V. Lapinskaya

**ITEM № 2 «ON DISTRIBUTION OF PROFITS AND LOSSES OF THE COMPANY (INCLUDING THE DIVIDEND PAYMENT) FOLLOWING THE RESULTS OF THE REPORTING YEAR»**

**Draft resolution on item № 2**

1. To approve the following profit (loss) distribution of the Company for the reporting year of 2016:

Name	(thous. RUB)
Retained earnings (loss) for the reporting period: To be distributed to:	<b>1 866 675</b>
Reserve fund	<b>0</b>
Profit for development	<b>0</b>
Dividends	<b>1 866 675</b>
Repayment of losses of previous years	<b>0</b>

2. To pay dividends on common stocks of the Company following the results of 2016 in the amount of **0,044215195 RUB** per ordinary share of the Company in cash.

The dividend payment period to a nominal holder and a beneficial owner being a professional securities market participant is no more than 10 working days, to other registered shareholders - 25 working days from the record date of the list of persons entitled to receive dividends.

To define the record date of the list of persons entitled to receive dividends as **21 June 2017**.



## **ITEM № 3**

# **ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY**



### ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

#### Explanatory information on the item

In accordance with Federal Law dated 26.12.1995 № 208-FZ "On Joint-Stock Companies", the agenda of the Annual General Meeting of Shareholders of the Company should include the issue of election of members of the Board of Directors of the Company.

In accordance with Article 53 of Federal Law dated 26.12.1995 № 208-FZ "On Joint-Stock Companies", paragraph 13.1 of Article 13 of the Articles of Association of the Company, shareholders (a shareholder) of the Company, who collectively own at least 2 (two) of the Company's voting shares, within 60 (sixty) days after the end of the fiscal year, have the right to raise issues in the agenda of the Annual General Meeting of Shareholders and nominate candidates to the Board of Directors and the Audit Commission of the Company, the number of which cannot exceed the number of members of the relevant body.

In accordance with paragraph 16.1 of Article 16 of the Articles of Association of the Company, the composition of the Board of Directors of the Company is 11 (eleven) persons.

By the end of the deadline for accepting offers (01.03.2017) the Company received 5 proposals to nominate candidates to the management bodies of IDGC of Centre from the following shareholders holding more than 2% of the Company's voting shares:

1. «Energosouz Holdings Limited» - 2,73 % of the authorized capital (1 candidate);
2. Company «Genhold Limited» - 15,0 % of the authorized capital (5 candidates);
3. Company «FLETCHER GROUP HOLDINGS LIMITED» - 3,20 % of the authorized capital (1 candidate);
4. PJSC Rosseti - 50,23 % of the authorized capital (11 candidates);
5. Sergey Valerievich Ilyushko - 2,30 % of the authorized capital (2 candidates).

It is recommended to elect to the Board of Directors of the Company individuals who have an impeccable business and personal reputation, who possess the professional knowledge, skills and experience necessary to take decisions within the competence of the Board of Directors, competent in a range of issues that cover both the main scope of the Company's business and individual industries and regions in which the Company operates.

In addition, in accordance with the Listing Rules of PJSC "Moscow Exchange", candidates for the members of the Board of Directors are required to be independent. Thus, independent directors should constitute at least one third of the elected members of the Board of Directors of the Company.

The Personnel and Remuneration Committee on 06.04.2017 (Minutes of 06.04.2017 № 03/17) assessed all candidates proposed by shareholders to the Board of Directors of the Company for compliance with their professional qualifications, experience and independence.

The basis of the assessment had the requirements:

- The Corporate Governance Code of the Bank of Russia and the Listing Rules of PJSC "Moscow Exchange" (compliance with the requirements for independent directors, for the purpose of listing the Company's shares in the highest quotation list);
- The Regulation on the General Meeting of Shareholders of the Company (compliance with the requirements for professional knowledge, skills and experience of candidates).
- The Code of Conduct of the Company (compliance with the requirements for the business reputation of candidates).

Based on the evaluation of candidates for election to the Board of Directors of the Company, the Personnel and Remuneration Committee:

- recommended to the Board of Directors of the Company to include the results of the evaluation of candidates to the Board of Directors of IDGC of Center in the list of materials provided to persons entitled to participate in the Annual General Meeting of Shareholders of the Company;
- recognized 3 candidates corresponding to the status of an independent director;
- recommended taking into account the explanations to recognize 5 candidates (on formal grounds dependent, but possessing a generally recognized reputation, testifying to their ability to independently form an independent position) as independent directors;
- 9 candidates are associated with the Company and with a substantial shareholder of the Company;
- candidates are associated with a substantial shareholder of the Company;
- 1 candidate is associated with the Company and with the state.

At the same time, the Personnel and Remuneration Committee noted that the Board of Directors of the Company can recognize any member of the Board of Directors as independent despite having formal criteria of linkage with the Company, a substantial shareholder of the Company, an essential counterparty or competitor of the Company established in the Criteria for Determining the Independence of Members of the Board of Directors, in the event that such relation does not affect the ability of the relevant member of the Board of Directors to make independent, objective and conscientious judgments.

By the decision of the Board of Directors of the Company on 06.03.2017 (Minutes of 07.03.2017 № 04/17) the following 20 candidates were included in the list of candidates for voting for election to the Board of Directors of IDGC of Centre:

### ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

#### Draft resolution on item № 3

To elect the following Company's Board of Directors:

№	Full name of the candidate	Position of the candidate
1	Tatiana Petrovna Dronova	Deputy General Director for Strategy and Development of ZAO "Investment Holding "Energy Alliance"
2	Denis Alexandrovich Spirin	Director for Corporate Governance of Representative Office of Prosperity Capital Management (Russian Federation) Ltd.
3	Roman Alexeyevich Filkin	Director, power engineering, machine building of Representative Office of Prosperity Capital Management (Russian Federation) Ltd.
4	Oleg Romanovich Fedorov	Member of the Supervisory Board of ALROSA
5	Alexander Viktorovich Shevchuk	Executive Director of Association of Institutional Investors
6	Denis Viktorovich Kulikov	Adviser to Executive Director of Association of Institutional Investors
7	Sergey Vladimirovich Chebotarev	Vice-President for Power Engineering of NLMK
8	Alexander Gennadievich Batalov	Director of Economic Security and Anti-Corruption Department of PJSC «Rosseti»
9	Alexander Viktorovich Varvarin	Vice-President - Managing Director for Corporate Relations and Legal Support of Russian Union of Industrialists and Entrepreneurs
10	Oleg Yuryevich Isaev	General Director of IDGC of Centre, PJSC, Acting General Director of IDGC of Centre and Volga Region, PJSC
11	Marina Alexandrovna Lavrova	Head of SDC Economy Office of Economic Planning and Budgeting Department of PJSC «Rosseti»
12	Yury Nikolayevich Mangarov	Deputy Chief of Staff of PJSC «Rosseti»
13	Alexey Igorevich Pavlov	Director of Treasury Department of PJSC «Rosseti»
14	Pavel Nikolayevich Snikkars	Director of Electric Power Industry Development Department of the Ministry of Energy of Russia
15	Alexey Viktorovich Rakov	Director of Electricity Metering and Interaction with Stakeholders of Electricity Markets Department of PJSC «Rosseti»
16	Maxim Mikhailovich Saukh	Head of Corporate Governance Office of Corporate Governance and Interaction with Shareholders Department of PJSC «Rosseti»
17	Oxana Vladimirovna Shatokhina	Deputy General Director for Economy of PJSC «Rosseti»
18	Natalia Ilyinichna Erpsheer	Head of Organizational Development Office of Personnel Policy and Organizational Development Department of PJSC «Rosseti»
19	Anastasiya Igorevna Krupenina	
20	Pavel Alexandrovich Litvinov	

\* - in accordance with item 16.1. of Article 16 of the Articles of Association of IDGC of Centre, PJSC the Board of Directors of the Company consists of 11 (Eleven) persons.

ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**List of Candidate Members to the Board of Directors of IDGC of Centre, PJSC:**

№	Full name of the Candidate Member	Nationality	Position, Place of Employment of the Candidate Member (on the date of nomination)	Full name/Name of the shareholder who proposed the Candidate to be included into the list for voting to be elected for the Company's Board of Directors/ Quantity of the Company's voting shares, owned by the shareholder, %	Availability of consent to election
1	Tatiana Petrovna Dronova	RF	Deputy General Director for Strategy and Development of ZAO "Investment Holding "Energy Alliance"	Company «Energosouz Holdings Limited» 2,73%	Available
2	Denis Alexandrovich Spirin	RF	Director for Corporate Governance of Representative Office of Prosperity Capital Management (Russian Federation) Ltd.	Company «Genhold Limited» 15,00%	Available
3	Roman Alexeyevich Filkin	RF	Director, power engineering, machine building of Representative Office of Prosperity Capital Management (Russian Federation) Ltd.	Company «Genhold Limited» 15,00%	Available
4	Oleg Romanovich Fedorov	RF	Member of the Supervisory Board of ALROSA	Company «Genhold Limited» 15,00%	Available
5	Alexander Viktorovich Shevchuk	RF	Executive Director of Association of Institutional Investors	Company «Genhold Limited» 15,00%	Available
6	Denis Viktorovich Kulikov	RF	Adviser to Executive Director of Association of Institutional Investors	Company «Genhold Limited» 15,00%	Available
7	Sergey Vladimirovich Chebotarev	RF	Vice-President for Power Engineering of NLMK	Company «FLETCHER GROUP HOLDINGS LIMITED» / 3,20%	Available
8	Alexander Gennadievich Batalov	RF	Director of Economic Security and Anti-Corruption Department of PJSC «Rosseti»	PJSC «Rosseti» / 50,23%	Available
9	Alexander Viktorovich Varvarin	RF	Vice-President - Managing Director for Corporate Relations and Legal Support of Russian Union of Industrialists and Entrepreneurs	PJSC «Rosseti» / 50,23%	Available
10	Oleg Yuryevich Isaev	RF	General Director of IDGC of Centre, PJSC, Acting General Director of IDGC of Centre and Volga Region, PJSC	PJSC «Rosseti» / 50,23%	Available
11	Marina Alexandrovna Lavrova	RF	Head of SDC Economy Office of Economic Planning and Budgeting Department of PJSC «Rosseti»	PJSC «Rosseti» / 50,23%	Available
12	Yury Nikolayevich Mangarov	RF	Deputy Chief of Staff of PJSC «Rosseti»	PJSC «Rosseti» / 50,23%	Available
13	Alexey Igorevich Pavlov	RF	Director of Treasury Department of PJSC «Rosseti»	PJSC «Rosseti» / 50,23%	Available
14	Pavel Nikolayevich Snikkars	RF	Director of Electric Power Industry Development Department of the Ministry of Energy of Russia	PJSC «Rosseti» / 50,23%	Available
15	Alexey Viktorovich Rakov	RF	Director of Electricity Metering and Interaction with Stakeholders of Electricity Markets Department of PJSC «Rosseti»	PJSC «Rosseti» / 50,23%	Available
16	Maxim Mikhailovich Saukh	RF	Head of Corporate Governance Office of Corporate Governance and Interaction with Shareholders Department of PJSC «Rosseti»	PJSC «Rosseti» / 50,23%	Available
17	Oxana Vladimirovna Shatokhina	RF	Deputy General Director for Economy of PJSC «Rosseti»	PJSC «Rosseti» / 50,23%	Available
18	Natalia Ilyinichna Erpsher	RF	Head of Organizational Development Office of Personnel Policy and Organizational Development Department of PJSC «Rosseti»	PJSC «Rosseti» / 50,23%	Available
19	Anastasiya Igorevna Krupenina	RF		Sergey Valerievich Ilyushko / 2,30%	Available
20	Pavel Alexandrovich Litvinov	RF		Sergey Valerievich Ilyushko / 2,30%	Available

ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

# Assessment of Candidate Members to the Board of Directors of IDGC of Centre, PJSC, prepared by the Personnel and Remuneration Committee of the Board of Directors of IDGC of Centre, PJSC

Preliminary Assessment of Candidate Members  
to the Board of Directors of IDGC of Centre, PJSC



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Public Joint-Stock Company  
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## EXTRACT FROM MINUTES of meeting of the Personnel and Remuneration Committee of the Board of Directors of IDGC of Centre, PJSC (in the form of absent voting)

«06» April 2017

Moscow

No. 03/17

**Form of the meeting:** absent voting.

**Total number of members of the Personnel and Remuneration Committee:** 5 persons.

**Participants of the voting:** N.I. Erpsher, D.A. Malkov, Y.N. Mangarov, R.A. Filkin, A.V. Shevchuk.

**Members who did not provide questionnaires:** none.

**The quorum is present**

**Date of the minutes:** 06.04.2017.

**Item 1: On preliminary assessment of nominations to the Board of Directors of IDGC of Centre, PJSC.**

**Decision:**

1. To submit the results of preliminary assessment of nominations to the Board of Directors of IDGC of Centre, PJSC in accordance with Appendix # 1 to this decision of the Personnel and Remuneration Committee to the Board of Directors of the Company.
2. To recommend to members of the Board of Directors of the Company to include the results of preliminary assessment of nominations to the Board of Directors of IDGC of Centre, PJSC, conducted by the Personnel and Remuneration Committee, into the list of materials to be provided to persons entitled to participate in the Annual General Meeting of Shareholders of the Company.

**Decision is taken.**

**Appendix:** The results of preliminary assessment of nominations to the Board of Directors of IDGC of Centre, PJSC (Appendix # 1).

**Minutes signed by:**

Chairperson  
of the Personnel and Remuneration Committee

N.I. Erpsher

Secretary  
of the Personnel and Remuneration Committee

S.V. Lapinskaya

**Extract is correct:**

Secretary of the Personnel and Remuneration  
06.04.2017.

S.V. Lapinskaya

The preliminary Assessment of Candidate Members to the Board of Directors of IDGC of Centre, PJSC shall be submitted as materials to the Annual General Meeting of Shareholders in accordance with clause 4.5. of the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC (hereinafter referred to as the Regulation on the General Meeting of Shareholders), according to which along with other information materials on the agenda of the General Meeting of Shareholders of the Company information should be available on candidates to the Board of Directors of the Company for familiarization to all shareholders of the Company.

In accordance with clause 4.6 of the Regulation on the General Meeting of Shareholders "the executive bodies of the Company in the period prior to the General Meeting of Shareholders shall implement the Company's information policy in such a way that it is directed to election to the Company's Board of Directors of candidates meeting the requirements of regulatory bodies and trading authorities on the securities market of the Russian Federation".

The Listing Rules of PJSC "Moscow Exchange" require that members of the Board of Directors meet the requirements set forth in Appendix 4 to the Listing Rules of PJSC "Moscow Exchange".

At the same time, it is recommended to select candidates to the Board of Directors from among specialists competent in a range of issues covering both the main sphere of the Company's activities and individual industries and regions in which the Company operates.

Thus, the Personnel and Remuneration Committee analyzed and evaluated the candidates nominated to the Board of Directors of the Company regarding the recommendations shown to the members of the Board of Directors of IDGC of Centre, PJSC by the Listing Rules, admission to placement and circulation of securities at PJSC "Moscow Exchange" (Appendix 1).

In accordance with clauses 1, 3, 4 of Article 53 of the Federal Law "On Joint-Stock Companies" of December 26, 1995 No. 208-FZ, clause 13.1 of Article 13 of the Company's Articles of Association, not later than 60 (Sixty) days after the end of the fiscal year (no later than 01.03.2017) 20 candidates to the Board of Directors of the Company were nominated from the shareholders (shareholder) of the Company who collectively own at least 2 (Two) percent of the Company's voting shares.

By the decision of the Board of Directors of the Company of 06.03.2017 (Minutes # 04/17), all 20 candidates were included in the list of candidates for voting for election to the Board of Directors of the Company.

The preliminary evaluation of the candidates is based on the available personal data of the current members of the Board of Directors, on the data submitted by the shareholders of the Company, who nominated these candidates for election to the Board of Directors of the Company, and on data submitted by candidates in accordance with the additional request of the Corporate Secretary of the Company.

In the opinion of the Personnel and Remuneration Committee, an analysis of the composition of candidates to the Board of Directors of the Company allows to conclude that:

1) submission by all candidates for election of the written consent evidences the openness of procedures for nominating and electing candidates to the Board of Directors, the willingness (if elected) to exercise the rights and perform the duties of a member of the Board of Directors, to act in the interests of the Company, exercise their rights and fulfill their obligations in respect to the Company honestly and reasonably, in accordance with applicable law, the Articles of Association and internal documents of the Company;

2) experience and education, as well as knowledge and expertise of the candidates in different areas will allow them to perform the duties of members of the Board of Directors, as well as directly contribute to the effective work of the entire Board of Directors in the interest of the Company and its shareholders;

3) candidates for the Board of Directors are represented by different groups of shareholders of the Company, which will provide:

- balance of interests - taking into account interests and viewpoints of different groups of shareholders;
- objective and independent judgment when making decisions;
- timely to review, discuss, study and effectively address all issues within the competence of the Board of Directors.
- 4) the lists of candidates for the Board of Directors include fewer than one-fourth of the candidates who are employees of the Company (namely, out of 20 - 1);

5) based on the requirements for the independence of a member of the Board of Directors as provided for by the Listing Rules of PJSC "Moscow Exchange" and the Corporate Governance Code of the Bank of Russia, an analysis was carried out according to which (at the time of the assessment) out of 20 candidates:

- 3 candidates were recognized as independent directors (T.P. Dronova, D.V. Kulikov, A.I. Krupenina);
- 5 candidates are dependent on formal grounds, but taking into account the explanations of the Personnel and Remuneration Committee the Board of Directors of IDGC of Centre, PJSC is recommended to recognize the following candidates as independent directors (O.R. Fedorov, A.V. Shevchuk, S.V. Chebotarev, A.V. Varvarin, P.A. Litvinov) in case of their election at the Annual General Meeting of Shareholders following the results of 2016;
- 9 candidates - related to the Company and with the substantial shareholder of the Company (D.A. Spirin, R.A. Filkin, O.Y. Isaev, M.A. Lavrova, Y.N. Mangarov, A.I. Pavlov, A.V. Rakov, M.M. Saukh, N.I. Erpsher);

- 2 candidates - related to the substantial shareholder of the Company (A.G. Batalov and O.V. Shatokhina);
- 1 candidate - related to the Company and with the state (P.N. Snikkars).

The Personnel and Remuneration Committee draws attention to the fact that following the results of the Annual General Meeting of Shareholders of the Company, the situation with the results of the assessment may change. Thus, the elected member of the Board of Directors will cease to appear or vice versa will be recognized as independent for one reason or another, such as: the regulator or the Exchange will change the requirements for the conditions of independence, the member of the Board of Directors will be elected or cease his or her participation in controlled entities of the person, who controls the Company and/or in legal entities controlled by the substantial shareholder of the Company or a person controlling the substantial shareholder of the Company, etc.

At the same time, the Personnel and Remuneration Committee notes that the Board of Directors of the Company may, in exceptional cases, recognize the independence of a member of the Board of Directors despite having formal criteria of relation to the Company, the substantial shareholder of the Company, a material counterparty or competitor of the Company established in the criteria for determining independence of members of the Board of Directors in the event that such a relationship does not affect the ability of the respective member of the Board of Directors to make independent, objective and conscientious judgments.

The Personnel and Remuneration Committee recommends the members of the Board of Directors to include the results of the evaluation of the candidates to the Board of Directors of IDGC of Centre, PJSC, conducted by the Personnel and Remuneration Committee, into the list of materials provided to persons entitled to participate in the Annual General Meeting of Shareholders of the Company in 2017.

Chairperson  
of the Personnel and Remuneration Committee

N.I. Erpsher



## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## Assessment of Candidate Members to the Board of Directors of IDGC of Centre, PJSC, prepared by the Personnel and Remuneration Committee of the Board of Directors of IDGC of Centre, PJSC

№	Full name of the Candidate Member	Status		
		Independent	Executive	Non-executive
1	Tatiana Petrovna Dronova	Yes	No	Yes
2	Denis Alexandrovich Spirin	No	No	Yes
3	Roman Alexeyevich Filkin	No	No	Yes
4	Oleg Romanovich Fedorov	Yes* (taking into account the explanations)	No	Yes
5	Alexander Viktorovich Shevchuk	Yes* (taking into account the explanations)	No	Yes
6	Denis Viktorovich Kulikov	Yes	No	Yes
7	Sergey Vladimirovich Chebotarev	Yes* (taking into account the explanations)	No	Yes
8	Alexander Gennadievich Batalov	No	No	Yes
9	Alexander Viktorovich Varvarin	Yes* (taking into account the explanations)	No	Yes
10	Oleg Yuryevich Isaev	No	Yes	No
11	Marina Alexandrovna Lavrova	No	No	Yes
12	Yury Nikolayevich Mangarov	No	No	Yes
13	Alexey Igorevich Pavlov	No	No	Yes
14	Pavel Nikolayevich Snikkars	No	No	Yes
15	Alexey Viktorovich Rakov	No	No	Yes
16	Maxim Mikhailovich Saukh	No	No	Yes
17	Oxana Vladimirovna Shatokhina	No	No	Yes
18	Natalia Ilyinichna Erpsher	No	No	Yes
19	Anastasiya Igorevna Krupenina	Yes	No	Yes
20	Pavel Alexandrovich Litvinov	Yes* (taking into account the explanations)	No	Yes

ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 1. Tatiana Petrovna Dronova (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1954	25.06.2015	Higher 2001, Financial Academy under the Russian Federation Government <b>Faculty:</b> Finance and credit <b>Qualification:</b> Economist	2008 - till current - Deputy General Director for Strategy and Development of ZAO "Investment Holding "Energy Alliance"  2008 - 2016 – First Deputy General Director for Economy and Finance of JSC Electrosentrionaladka	Chair of the Board of Directors: JSC "Bank "Agroros"  Member of the Board of Directors JSC ETN

## 2. Denis Alexandrovich Spirin (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1980	11.06.2009	Higher 2002, Moscow State Railway University, <b>Specialty:</b> Railway carriages <b>Qualification:</b> Railway engineer, engine operator, <b>Specialization:</b> Railway Carriages Repair Management 2006, Moscow State Law Academy, <b>Specialty:</b> Law <b>Qualification:</b> Lawyer	07.2007 - till current - Director for Corporate Governance of Representative Office of Prosperity Capital Management (Russian Federation) Ltd.	Member of the Board of Directors: - IDGC of Centre, PJSC - IDGC of South - OJSC «Kamensk-Uralsky non-ferrous processing plant» - OJSC «Smolensk Energy Repair Company» - OJSC «TGC-2»

ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

### 3. Roman Alexeyevich Filkin (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1983	11.06.2009	Higher 2005, Financial Academy under the Russian Federation Government <b>Faculty:</b> Finance and credit <b>Qualification:</b> Economist	09.2009 – till current - Director, power engineering, machine building of Representative Office of Prosperity Capital Management (Russian Federation) Ltd.	Member of the Board of Directors: - IDGC of Centre, PJSC - IDGC of South - IDGC of Centre and Volga Region - IDGC of North-West - OJSC «Kamensk-Uralsky non-ferrous processing plant» - OJSC «Smolensk Energy Repair Company» - OJSC «TGC-2» - OJSC «Dalenergomontazh»

### 4. Oleg Romanovich Fedorov (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1968		Higher 1992, Lomonosov Moscow State University <b>Specialty:</b> Mathematics, applied mathematics <b>Faculty:</b> Mechanics and Mathematics	2012-2014 - Adviser to Head of the Federal Agency for State Property Management;  2009 - 2012 - Head of Office for Interaction with Government Authorities and Companies with State Participation of Department of Investment Banking in Global Markets of CJSC VTB Capital	Member of the Board of Directors: - PJSC ALROSA - IDGC of Centre and Volga Region - Rosinfocominvest JSC

ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 5. Alexander Viktorovich Shevchuk (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1983	17.06.2011	Higher 2005, Financial Academy under the Russian Federation Government <b>Faculty:</b> Finance and credit <b>Qualification:</b> Economist	2014 – till current - Executive Director of Association of Institutional Investors  2001 – 2014 – Deputy Executive Director, Expert, Chief Expert of Association for Protection of rights of investors	Member of the Board of Directors: - IDGC of Centre, PJSC - IDGC of South - IDGC of Urals - IDGC of Centre and Volga Region - IDGC of North-West - PJSC OGC-2

## 6. Denis Viktorovich Kulikov (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1975	23.08.2012	Higher 2005, Moscow State Law University, <b>Specialty:</b> State and Law <b>Qualification:</b> Lawyer	Lawyer, Deputy Executive Director, Executive Director, Adviser to Executive Director of Association of Institutional Investors	Member of the Board of Directors: - OGC-2 - PJSC «TZA»

ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 7. Sergey Vladimirovich Chebotarev (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1980		<p>Higher 2002, Lipetsk State Technical University <b>Specialty:</b> Applied Mathematics <b>Qualification:</b> Engineer-Mathematician</p> <p>2004, Candidate of Engineering Sciences <b>Specialty:</b> Automation and management of technological processes and production (industry)</p>	<p>01.2016 - till current - Vice-President for Power Engineering of NLMK</p> <p>11.2013 - 01.2016 - Director for Energy Efficiency and Energy Markets of NLMK</p> <p>10.2007 - 11.2013 - Head of Power Engineering Policy Office of NLMK</p>	<p>Member of the Board of Directors: - Lipetsk Power Retail Company, OJSC - JSC Gazprom Gas Distribution Lipetsk</p> <p>Member of the Supervisory Board of Non-commercial partnership "Community of energy consumers"</p>

## 8. Alexander Gennadievich Batalov (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1973		<p>1994, Novosibirsk Commercial Institute (former Novosibirsk Institute of Soviet Cooperative Trade, renamed in 1992) <b>Specialty:</b> Economics and Enterprise Management</p> <p>2002, Siberian University of Consumer Cooperatives <b>Specialty:</b> Jurisprudence <b>Ph.D. in Economics, associate professor</b></p>	<p>02.2016 - till current - Director of Economic Security and Anti-Corruption Department of PJSC «Rosseti»</p> <p>12.2011 - 02.2016 - Head of Coordination and Interaction Office of the Federal Service for Financial Monitoring</p>	Does not participate



## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**9. Alexander Viktorovich Varvarin (professional experience)**

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1975		Higher 1998, Institute of International Law and Economics named after A.S. Griboedov (Moscow) <b>Specialty:</b> Jurisprudence <b>Qualification:</b> Lawyer	2006 - till current - General Director, Member of the Board of NP "Centre for Development of Corporate Relations and Resolution of Economic Disputes"  2009 - till current – Vice-President - Managing Director for Corporate Relations and Legal Support of Russian Union of Industrialists and Entrepreneurs	Member of the Board of Directors: - IDGC of Volga - Kubanenergo  Chairman of the Board of the Association "Interregional Self-Regulating Organization of Professional Arbitration Managers"

**10. Oleg Yuryevich Isaev (professional experience)**

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1969	14.06.2013	Higher 1992, Krasnoznamenny Military Institute, <b>Specialty:</b> Law <b>Qualification:</b> Lawyer 2004, Russian Academy of State Service at the President of the Russian Federation <b>Specialty:</b> State and municipal management <b>Qualification:</b> Manager 2011-2012 - Professional retraining in "Management in the Electric Power Industry" <b>Academic degree:</b> Doctor of Laws	11.2016 - till current - Acting General Director, Chair of the Management Board of IDGC of Centre and Volga Region  03.2013 – till current - General Director, Chair of the Management Board of IDGC of Centre, PJSC  2012 – 2013 - Acting General Director, Chair of the Management Board of IDGC of Centre, PJSC	Member of the Board of Directors: - IDGC of Centre, PJSC - MOESK - Moscow Chamber of Industry and Commerce

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### 11. Marina Alexandrovna Lavrova (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1982		<p>Higher 2004, State University of Management; <b>Specialty:</b> Energy sector management</p> <p>2008, Financial Academy under the Russian Federation Government <b>Specialty:</b> Finance and credit</p>	<p>07.2013 – till current - Head of SDC Economy Office of Economic Planning and Budgeting Department of PJSC «Rosseti»</p> <p>07.2008 – 07.2013 - Deputy Head of Business Planning Department of OJSC "IDGC Holding"</p>	<p>Member of the Board of Directors:</p> <ul style="list-style-type: none"> <li>- PJSC "Dagestan Energy Retail Company"</li> <li>- IDGC of North-West</li> <li>- NIC EES</li> </ul>

### 12. Yury Nikolayevich Mangarov (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1956	26.06.2014	<p>Higher 1978, Plekhanov Russian University of Economics <b>Specialty:</b> Economic cybernetics <b>Qualification:</b> Economist-Mathematician</p>	<p>08.2016 – till current - Deputy Chief of Staff of PJSC «Rosseti»</p> <p>12-2015 – till current - Adviser to General Director, Acting Head of Administration Department (part-time) of PJSC Lenenergo</p> <p>01.2015 – 08.2016 - Top Adviser of PJSC «Rosseti»</p> <p>12.2013 – 02.2015 - Adviser of PJSC «Rosseti»</p>	<p>Chair of the Board of Directors:</p> <ul style="list-style-type: none"> <li>- IDGC of Centre, PJSC</li> <li>- IDGC of North-West</li> <li>- Kubanenergo</li> <li>- JSC Yantarenergo</li> </ul> <p>Member of the Supervisory Board of JSC "NPF of the electric power industry"</p> <p>Chairman of the Supervisory Board of RaEl Association</p> <p>Member of the Supervisory Board of KEU-EES</p>

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**13. Alexey Igorevich Pavlov (professional experience)**

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1982		Higher 2004, St. Petersburg State University <b>Specialty:</b> Mathematical methods of operations research <b>Qualification:</b> Economist-Mathematician	09.2014 - till current - Head of Finance Office of Corporate Finance Department; Director of Treasury Department of PJSC «Rosseti»  04.2014-09.2014 - Chief Credit Analyst of ZAO Raiffeisenbank  02.2012-09.2014 - Deputy Head of Corporate Finance Department of FGC UES	Member of the Board of Directors: - Sevkavkazenergo - IDGC of Centre and Volga Region - NIC EES - IDGC of Volga

**14. Pavel Nikolayevich Snikkars (professional experience)**

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1978	26.06.2014	Higher 2000, Siberian Academy of Public Administration <b>Specialty:</b> State and municipal government  2005, Siberian University of Consumer Cooperatives <b>Specialty:</b> Law <b>Academic degree:</b> Ph.D. in Economics	11.2013 – till current - Director of Electric Power Industry Development Department of the Ministry of Energy of Russian Federation  2012 – 2013 - Deputy Chairman of the Management Board of NP "Market Council"  2010 - 2012 - Deputy General Director for markets of "United Energy Retail Company"	Chair of the Board of Directors: - OJSC "Centre for Financial Settlements"  Member of the Board of Directors: - Lenenergo - OJSC "Institute ENERGOSETPROEKT" - IDGC of Urals - TPK - FGC UES

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**15. Alexey Viktorovich Rakov (professional experience)**

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1975		<p>Higher 1997, Penza State Technical University <b>Specialty:</b> Software computer technology and automated systems <b>Qualification:</b> Software engineer</p> <p>2001, Penza State Technical University <b>Specialty:</b> Electrical Power Systems and Grids <b>Qualification:</b> Electrical engineer</p> <p>2012, Financial Academy under the Russian Federation Government <b>Specialty:</b> Finance and credit <b>Qualification:</b> Economist</p>	<p>01.2013 - till current - Director of Electricity Metering and Interaction with Stakeholders of Electricity Markets Department of PJSC «Rosseti»</p> <p>05.2011-01.2013 – Deputy Head of Electricity Delivery Department of IDGC of Centre</p> <p>12.2008-02.2011 – Chief specialist of ZAO "IES"</p>	<p>Member of the Board of Directors:</p> <ul style="list-style-type: none"> <li>- Kabbalkenergo</li> <li>- IDGC of North Caucasus</li> <li>- MOESK</li> </ul>

**16. Maxim Mikhailovich Saukh (professional experience)**

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1979	15.06.2012	<p>Higher 2001, St. Petersburg Humanitarian University of Trade Unions <b>Faculty:</b> Law <b>Specialty:</b> Lawyer</p>	<p>06.2013 - till current - Head of Corporate Governance Office of Corporate Governance and Interaction with Shareholders Department of PJSC «Rosseti»</p> <p>2008 - 2013 - First Deputy Head of Corporate Governance and Shareholders Interaction Department, Head of Corporate Governance and Shareholders Interaction Department of IDGC Holding</p>	<p>Member of the Board of Directors:</p> <ul style="list-style-type: none"> <li>- IDGC of Centre, PJSC</li> <li>- NIC EES</li> <li>- Kabbalkenergo</li> <li>- Pskovenergosbyt</li> </ul>

ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 17. Oxana Vladimirovna Shatokhina (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1975	23.08.2012	Higher 1999, Financial Academy under the Russian Federation Government <b>Specialty:</b> Finance and credit <b>Qualification:</b> Economist	12.2013 - till current - Deputy General Director for Economy of PJSC «Rosseti»  04.2013 - 12.2013 - Deputy General Director for Economy and Finance of JSC "Russian Grids"  07.2012 - 04.2013 - Director for Economy of IDGC Holding	Member of the Board of Directors IDGC of Centre, PJSC

## 18. Natalia Ilyinichna Erpsher (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1969	26.06.2014	Higher 1991, MIIT <b>Specialty:</b> System engineer  2002, Lomonosov Moscow State University, psychology of HR management (retraining) 2012, National Research University "Moscow Power Engineering Institute", production management and project management (Presidential Management Training Program)	2013 - till current - Head of Organizational Development Office of Personnel Policy and Organizational Development Department of PJSC «Rosseti»  2012 - 2013 - Head of Organizational Development Department of FGC UES	Member of the Board of Directors: - IDGC of Centre, PJSC - TPK  Member of the Supervisory Board of KEU-EES



ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 19. Anastasiya Igorevna Krupenina (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1985		Higher 2007, Tver State University <b>Specialty:</b> Finance and credit <b>Qualification:</b> Economist	10.2012 - till current - Economist of the 1st category of Dealer Operations Section of Securities Office of JSC "GUTA-BANK"  04.2008 – 10.2012 - Economist of the 2nd category of Dealer Operations Section of Securities Office of JSC "GUTA-BANK"	Does not participate

## 20. Pavel Alexandrovich Litvinov (professional experience)

Year of birth	Date of first election to the Company's Board of Directors	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)	Participation in management bodies of other organizations (at the time of nomination)
1979		Higher 2001, Tver State University <b>Specialty:</b> Management <b>Qualification:</b> Manager  2005, Moscow International Institute of Econometrics, Informatics, Finance and Law <b>Specialty:</b> Business valuation <b>Qualification:</b> Appraiser	2013 - till current - Head of Credit Risk Management of PJSC Alfa-Bank  07.2010 – 2013 - Head of Credit Risk Management of PJSC Alfa-Bank	Does not participate

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 1. Tatiana Petrovna Dronova (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Complies	
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	T.P. Dronova held the position of a member of the Board of Directors of the Company for a total of less than 7 years in the following periods: - From 25.06.2015 to 08.06.2016
CONCLUSION		Is not a person related to the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 1. Tatiana Petrovna Dronova (compliance with the criteria of independence)

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Complies	
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Complies	
CONCLUSION		Is not a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		
№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company's Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 2. Denis Alexandrovich Spirin (compliance with the criteria of independence)

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Does not comply	At the time of the evaluation D.A. Spirin is a member of the Board of Directors of the organization controlled by PJSC "Rosseti" (IDGC of South, PJSC)
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	D.A. Spirin held the position of a member of the Board of Directors of the Company for a total of less than 7 years in the following periods: - From 11.06.2009 to 22.06.2010 - From 22.06.2010 to 17.06.2011 - From 08.06.2016 till current
CONCLUSION		Is a person related to the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 2. Denis Alexandrovich Spirin (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Does not comply	At the time of the evaluation D.A. Spirin is an employee of Representative Office of Prosperity Capital Management (Russian Federation) Ltd., which is part of a group of organizations that includes a significant shareholder (Genhold Limited)
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Does not comply	Since 2007 D.A. Spirin has held a position in Representative Office of Prosperity Capital Management (Russian Federation) Ltd.. Representative Office of Prosperity Capital Management (Russian Federation) Ltd. is part of a group of organizations that includes a significant shareholder (Genhold Limited). Accordingly, D.A. Spirin received other payments during the last three years, not related to the remuneration and (or) reimbursement of expenses for the performance of the duties of a member of the Board of Directors, from a legal entity from a group of organizations that includes a substantial shareholder of the Company in the amount exceeding half of the annual fixed amount of remuneration of a member of the Board of Directors of the Company.
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Complies	At the time of the evaluation D.A. Spirin is a member of the Board of Directors in two legal entities under the control of the Company's significant shareholder (PJSC Rosseti) - IDGC of Centre and IDGC of South
CONCLUSION		Is a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		



## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**2. Denis Alexandrovich Spirin (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company’s Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

### 3. Roman Alexeyevich Filkin (compliance with the criteria of independence)

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Does not comply	At the time of the evaluation P.A. Filkin is a member of the Board of Directors of organizations controlled by PJSC Rosseti (IDGC of South, IDGC of Centre and Volga Region, IDGC of North-West)
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Does not comply	P.A. Filkin held the position of a member of the Board of Directors of the Company for a total of more than 7 years in the following periods: - From 11.06.2009 to 22.06.2010 - From 22.06.2010 to 17.06.2011 - From 17.06.2011 to 15.06.2012 - From 15.06.2012 to 23.08.2012 - From 23.08.2012 to 14.06.2013 - From 14.06.2013 to 26.06.2014 - From 26.06.2014 to 25.06.2015 - From 25.06.2015 to 08.06.2016 - From 08.06.2016 till current
CONCLUSION		Is a person related to the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 3. Roman Alexeyevich Filkin (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Does not comply	At the time of the evaluation P.A. Filkin is an employee of Representative Office of Prosperity Capital Management (Russian Federation) Ltd., which is part of a group of organizations that includes a significant shareholder (Genhold Limited).
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Does not comply	Since 2009 P.A. Filkin has held a position in Representative Office of Prosperity Capital Management (Russian Federation) Ltd. Representative Office of Prosperity Capital Management (Russian Federation) Ltd. is part of a group of organizations that includes a significant shareholder (Genhold Limited). Accordingly, P.A. Filkin received other payments during the last three years, not related to the remuneration and (or) reimbursement of expenses for the performance of the duties of a member of the Board of Directors, from a legal entity from a group of organizations that includes a substantial shareholder of the Company in the amount exceeding half of the annual fixed amount of remuneration of a member of the Board of Directors of the Company.
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Does not comply on formal grounds	At the time of the evaluation P.A. Filkin is a member of the Board of Directors in more than two legal entities controlled by the Company's significant shareholder (PJSC Rosseti) - IDGC of Centre, IDGC of South, IDGC of Centre and Volga Region, IDGC of North-West.
CONCLUSION		Is a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**3. Roman Alexeyevich Filkin (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company’s Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 4. Oleg Romanovich Fedorov (compliance with the criteria of independence)

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Does not comply on formal grounds*	At the time of the evaluation O.R. Fedorov is a member of the Board of Directors of an organization controlled by PJSC Rosseti (IDGC of Centre and Volga Region) O.R. Fedorov is a recognized expert in the field of electric power and in practice, in the preparation of his position on agenda items, he votes, based solely on his professional experience and knowledge. The position of this candidate on agenda items is independent. In view of the above, the Personnel and Remuneration Committee does not recognize this candidate as a person associated with the Company. The Committee recommends to the Board of Directors of IDGC of Centre, PJSC to recognize the said candidate as an independent director (in case of his election at the annual general meeting of shareholders following the results of 2016).
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	
		CONCLUSION		*Is not a person related to the Company, taking into account the explanation of this section



## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 4. Oleg Romanovich Fedorov (compliance with the criteria of independence)

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Complies	
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Complies	
CONCLUSION		Is not a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company's Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 5. Alexander Viktorovich Shevchuk (compliance with the criteria of independence)

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Does not comply on formal grounds*	At the time of the evaluation A.V. Shevchuk is a member of the Board of Directors of organizations controlled by PJSC Rosseti (IDGC of Centre and Volga Region, IDGC of South, IDGC of Urals, IDGC of North-West). The Personnel and Remuneration Committee does not recognize this candidate as a person associated with the Company's substantial shareholder. The Committee recommends to the Board of Directors of IDGC of Centre, PJSC to recognize the said candidate as an independent director (in case of his election at the annual general meeting of shareholders following the results of 2016).
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	A.V. Shevchuk held the position of a member of the Board of Directors of the Company for a total of less than 7 years in the following periods: - From 17.06.2011 to 15.06.2012 - From 15.06.2012 to 23.08.2012 - From 14.06.2013 to 26.06.2014 - From 25.06.2015 to 08.06.2016 - From 08.06.2016 till current
CONCLUSION		*Is not a person related to the Company, taking into account the explanation of this section		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 5. Alexander Viktorovich Shevchuk (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Complies	
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Does not comply on formal grounds*	At the time of the evaluation A.V. Shevchuk is a member of the Board of Directors in more than two legal entities under the control of the Company's significant shareholder (PJSC Rosseti) - IDGC of Centre, IDGC of Centre and Volga Region, IDGC of South, IDGC of Urals, IDGC of North-West. A.V. Shevchuk is a recognized expert in the field of electric power and in practice, in the preparation of his position on agenda items, he votes, based solely on his professional experience and knowledge. The position of this candidate on agenda items is independent. In view of the above, the Personnel and Remuneration Committee does not recognize this candidate as a person associated with the Company. The Committee recommends to the Board of Directors of IDGC of Centre, PJSC to recognize the said candidate as an independent director (in case of his election at the annual general meeting of shareholders following the results of 2016).
CONCLUSION		*Is not a person related to a substantial shareholder of the Company, taking into account the explanation of this section		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**5. Alexander Viktorovich Shevchuk (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company’s Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 6. Denis Viktorovich Kulikov (compliance with the criteria of independence)

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Complies	
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	D.V. Kulikov held the position of a member of the Board of Directors of the Company for a total of less than 7 years in the following periods: - From 23.08.2012 to 14.06.2013 - From 26.06.2014 to 25.06.2015
CONCLUSION		Is not a person related to the Company		



## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 6. Denis Viktorovich Kulikov (compliance with the criteria of independence)

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Complies	
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Complies	
CONCLUSION		Is not a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		
№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company's Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**7. Sergey Vladimirovich Chebotarev (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Complies	
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	
CONCLUSION		Is not a person related to the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 7. Sergey Vladimirovich Chebotarev (compliance with the criteria of independence)

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Complies	
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Complies	
CONCLUSION		Is not a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Does not comply on formal grounds*	S.V. Chebotarev is an employee of a material counterparty of the Company (Vice-President for Power Engineering of NLMK). S.V. Chebotarev holds a position in a management body of a material counterparty of the Company (Member of the Board of Directors of Lipetsk Power Retail Company, OJSC). Taking into account that IDGC of Centre has contractual relations with NLMK and OJSC "Lipetsk Power Sales Company" under market conditions, and taking into account the composition of the Company's Board of Directors, S.V. Chebotarev does not influence and cannot influence decisions made by the Company on financial and economic activities and financial results of IDGC of Centre. In view of the above, the Personnel and Remuneration Committee does not recognize this candidate as a person associated with a material counterparty of the Company. The Committee recommends to the Board of Directors of IDGC of Centre, PJSC to recognize the said candidate as an independent director (in case of his election at the annual general meeting of shareholders following the results of 2016).
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		*Is not a person related to a material counterparty or competitor of the Company, taking into account the explanation of this section		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**7. Sergey Vladimirovich Chebotarev (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company’s Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 8. Alexander Gennadievich Batalov (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Complies	
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	
CONCLUSION		Is not a person related to the Company		



## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 8. Alexander Gennadievich Batalov (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Does not comply	At the time of the evaluation A.G. Batalov is an employee of a substantial shareholder (PJSC Rosseti)
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Does not comply	Since 2016 A.G. Batalov has held a position in PJSC Rosseti. PJSC Rosseti a substantial shareholder of the Company. Accordingly, A.G. Batalov received other payments during the last three years, not related to the remuneration and (or) reimbursement of expenses for the performance of the duties of a member of the Board of Directors from a substantial shareholder of the Company (PJSC Rosseti) in the amount exceeding half of the annual fixed amount of remuneration of a member of the Board of Directors of the Company.
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Complies	
CONCLUSION		Is a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**8. Alexander Gennadievich Batalov (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company’s Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 9. Alexander Viktorovich Varvarin (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Does not comply on formal grounds*	At the time of the evaluation A.V. Varvarin is a member of the Board of Directors of organizations controlled by PJSC Rosseti (IDGC of Volga, Kubanenergo). The Personnel and Remuneration Committee does not recognize this candidate as a person associated with the Company. The Committee recommends to the Board of Directors of IDGC of Centre, PJSC to recognize the said candidate as an independent director (in case of his election at the annual general meeting of shareholders following the results of 2016).
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	
CONCLUSION		*Is not a person related to the Company, taking into account the explanation of this section		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 9. Alexander Viktorovich Varvarin (compliance with the criteria of independence)

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Complies	
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Complies	
CONCLUSION		Is not a person related to a substantial shareholder of the Company		
3	Not related to a material counterpart or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterpart or a competitor of the Company, as well as legal entities who control the substantial counterpart or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterpart or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterpart or competitor of the Company		
№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company's Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 10. Oleg Yuryevich Isaev (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Does not comply	O.Y. Isaev is and was during the last 3 years General Director / Chairman of the Management Board of IDGC of Centre
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Does not comply	At the time of the evaluation O.Y. Isaev is a member of the Board of Directors of the organization controlled by PJSC Rosseti (MOESK).
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Does not comply	O.Y. Isaev during the last three years received remuneration for the performance of his work as General Director / Chairman of the Management Board of IDGC of Centre, the size of which exceeded half of the annual fixed remuneration of a member of the Board of Directors of the Company
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	O.Y. Isaev held the position of a member of the Board of Directors of the Company for a total of less than 7 years in the following periods: - From 14.06.2013 to 26.06.2014 - From 26.06.2014 to 25.06.2015 - From 25.06.2015 to 08.06.2016 - From 08.06.2016 till current
CONCLUSION		Is a person related to the Company		



## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 10. Oleg Yuryevich Isaev (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Does not comply	At the time of the evaluation O.Y. Isaev is an employee of IDGC of Centre and IDGC of Centre and Volga Region, which are part of a group of organizations, which includes a significant shareholder (PJSC Rosseti).
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Does not comply	Since 2013 O.Y. Isaev has held a position in IDGC of Centre. Since 2016 O.Y. Isaev has held a position in IDGC of Centre and Volga Region IDGC of Centre and IDGC of Centre and Volga Region belong to the group of organizations, which includes a significant shareholder (PJSC Rosseti). Accordingly, O.Y. Isaev during the last three years, received other payments not related to the remuneration and (or) reimbursement of expenses for the performance of the duties of a member of the Board of Directors, from legal entities from a group of organizations, which includes a substantial shareholder of the Company (PJSC Rosseti), exceeding half of the annual fixed remuneration of a member of the Board of Directors of the Company.
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Complies	At the time of the evaluation O.Y. Isaev is a member of the Board of Directors in two legal entities under the control of a significant shareholder of the Company (PJSC Rosseti) - IDGC of Centre and MOESK
CONCLUSION		Is a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**10. Oleg Yuryevich Isaev (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company’s Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**11. Marina Alexandrovna Lavrova (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Does not comply	At the time of the evaluation M.A. Lavrova is a member of the Board of Directors of organizations controlled by PJSC Rosseti (PJSC "Dagestan Energy Retail Company", IDGC of North-West, NIC EES).
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	
CONCLUSION		Is a person related to the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**11. Marina Alexandrovna Lavrova (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Does not comply	At the time of the evaluation M.A. Lavrova is an employee of a significant shareholder (PJSC Rosseti).
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Does not comply	Since 2013 M.A. Lavrova has held a position in PJSC Rosseti. PJSC Rosseti is a significant shareholder of the Company. Accordingly, M.A. Lavrova during the last 3 years received other payments that are not related to the remuneration and (or) reimbursement of expenses for the performance of the duties of a member of the Board of Directors, from a substantial shareholder of the Company (PJSC Rosseti), in the amount exceeding half of the annual fixed remuneration of a member of the Board Directors of the Company.
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Does not comply on formal grounds	At the time of the evaluation M.A. Lavrova is a member of the Board of Directors in more than two legal entities controlled by a significant shareholder of the Company (PJSC Rosseti) - PJSC "Dagestan Energy Retail Company", IDGC of North-West, NIC EES.
CONCLUSION		Is a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**11. Marina Alexandrovna Lavrova (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company’s Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		



## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 12. Yury Nikolayevich Mangarov (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Does not comply	At the time of the evaluation Y.N. Mangarov is a member of the Board of Directors of organizations controlled by PJSC Rosseti (IDGC of North-West, Kubanenergo, JSC Yantarenergo)
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	Y.N. Mangarov held the position of a member of the Board of Directors of the Company for a total of less than 7 years in the following periods: - From 26.06.2014 to 25.06.2015 - From 25.06.2015 to 08.06.2016 - From 08.06.2016 till current
CONCLUSION		Is a person related to the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 12. Yury Nikolayevich Mangarov (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Does not comply	At the time of the evaluation Y.N. Mangarov is an employee of a significant shareholder of the Company (PJSC Rosseti), as well as the organization that belongs to the group of organizations (Lenenergo), which includes a significant shareholder (PJSC Rosseti).
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Does not comply	Since 2013 Y.N. Mangarov has held a position in PJSC Rosseti. Since 2016 Y.N. Mangarov has held a position in Lenenergo. PJSC Rosseti is a significant shareholder of the Company. Lenenergo belongs to the group of organizations, which includes a significant shareholder (PJSC Rosseti). Accordingly, Y.N. Mangarov during the last 3 years received other payments not related to the remuneration and (or) reimbursement of expenses for the performance of the duties of a member of the Board of Directors, from persons from a group of organizations that includes a substantial shareholder of the Company (Lenenergo) and a significant shareholder of the Company (PJSC Rosseti), in the amount exceeding half of the annual fixed remuneration of a member of the Board Directors of the Company.
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Does not comply on formal grounds	At the time of the evaluation Y.N. Mangarov is a member of the Board of Directors in more than two legal entities controlled by a significant shareholder (PJSC Rosseti) - IDGC of Centre, IDGC of North-West, Kubanenergo, JSC Yantarenergo.
CONCLUSION		Is a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**12. Yury Nikolayevich Mangarov (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company’s Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**13. Alexey Igorevich Pavlov (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Does not comply	At the time of the evaluation A.I. Pavlov is a member of the Board of Directors of organizations controlled by PJSC Rosseti (Sevkavkazenergo, IDGC of Centre and Volga Region, NIC EES, IDGC of Volga)
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	
CONCLUSION		Is a person related to the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**13. Alexey Igorevich Pavlov (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Does not comply	At the time of the evaluation A.I. Pavlov is an employee of a significant shareholder (PJSC Rosseti)
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Does not comply	Since 2014 A.I. Pavlov has held a position in PJSC Rosseti. PJSC Rosseti is a significant shareholder of the Company. Accordingly, A.I. Pavlov during the last 3 years received other payments that are not related to the remuneration and (or) reimbursement of expenses for the performance of the duties of a member of the Board of Directors, from a substantial shareholder of the Company (PJSC Rosseti), in the amount exceeding half of the annual fixed remuneration of a member of the Board Directors of the Company.
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Does not comply on formal grounds	At the time of the evaluation A.I. Pavlov is a member of the Board of Directors in more than two legal entities controlled by a significant shareholder (PJSC Rosseti) - Sevkvkazenergo, IDGC of Centre and Volga Region, NIC EES, IDGC of Volga.
CONCLUSION		Is a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		



## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**13. Alexey Igorevich Pavlov (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company’s Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 14. Pavel Nikolayevich Snikkars (compliance with the criteria of independence)

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Does not comply	At the time of the evaluation P.N. Snikkars is a member of the Board of Directors of organizations controlled by PJSC Rosseti (Lenenergo, OJSC "Institute ENERGOSETPROEKT", IDGC of Urals, TPK, FGC UES)
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	P.N. Snikkars held the position of a member of the Board of Directors of the Company for a total of less than 7 years in the period from 26.06.2014 to 25.06.2015.
CONCLUSION		Is a person related to the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**14. Pavel Nikolayevich Snikkars (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Complies	
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Does not comply on formal grounds	At the time of the evaluation P.N. Snikkars is a member of the Board of Directors in more than two legal entities controlled by a significant shareholder of the Company (PJSC Rosseti) - Lenenergo, OJSC "Institute ENERGOSETPROEKT", IDGC of Urals, TPK, FGC UES.
CONCLUSION		Is a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**14. Pavel Nikolayevich Snikkars (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Does not comply	At the time of the evaluation P.N. Snikkars is Director of Electric Power Industry Development Department of the Ministry of Energy of Russia
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company's Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 15. Alexey Viktorovich Rakov (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Does not comply	At the time of the evaluation A.V. Rakov is a member of the Board of Directors of organizations controlled by PJSC Rosseti (Kabbalkenergo, IDGC of North Caucasus, MOESK)
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	
CONCLUSION		Is a person related to the Company		



## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 15. Alexey Viktorovich Rakov (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Does not comply	At the time of the evaluation A.V. Rakov is an employee of a significant shareholder (PJSC Rosseti).
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Does not comply	Since 2013 A.V. Rakov has held a position in PJSC Rosseti. PJSC Rosseti is a significant shareholder of the Company. Accordingly, A.V. Rakov during the last 3 years received other payments that are not related to the remuneration and (or) reimbursement of expenses for the performance of the duties of a member of the Board of Directors, from a substantial shareholder of the Company (PJSC Rosseti), in the amount exceeding half of the annual fixed remuneration of a member of the Board Directors of the Company.
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Does not comply on formal grounds	At the time of the evaluation A.I. Pavlov is a member of the Board of Directors in more than two legal entities controlled by a significant shareholder of the Company (PJSC Rosseti) - Kabbalkenergo, IDGC of North Caucasus, MOESK.
CONCLUSION		Is a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**15. Alexey Viktorovich Rakov (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company’s Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 16. Maxim Mikhailovich Saukh (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Does not comply	At the time of the evaluation M.M. Saukh is a member of the Board of Directors of organizations controlled by PJSC Rosseti (NIC EES, Kabbalkenergo, Pskovenergosbyt)
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	M.M. Saukh held the position of a member of the Board of Directors of the Company for a total of less than 7 years in the following periods: - From 15.06.2012 to 23.08.2012 - From 14.06.2013 to 26.06.2014 - From 26.06.2014 to 25.06.2015 - From 25.06.2015 to 08.06.2016 - From 08.06.2016 till current
CONCLUSION		Is a person related to the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 16. Maxim Mikhailovich Saukh (compliance with the criteria of independence)

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Does not comply	At the time of the evaluation M.M. Saukh is an employee of a significant shareholder of the Company (PJSC Rosseti).
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Does not comply	Since 2008 M.M. Saukh has held a position in PJSC Rosseti. PJSC Rosseti is a significant shareholder of the Company. Accordingly, M.M. Saukh during the last 3 years received other payments that are not related to the remuneration and (or) reimbursement of expenses for the performance of the duties of a member of the Board of Directors, from a substantial shareholder of the Company (PJSC Rosseti), in the amount exceeding half of the annual fixed remuneration of a member of the Board Directors of the Company.
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Does not comply on formal grounds	At the time of the evaluation M.M. Saukh is a member of the Board of Directors in more than two legal entities controlled by a significant shareholder of the Company (PJSC Rosseti) - IDGC of Centre, NIC EES, Kabbalkenergo, Pskovenergosbyt.
CONCLUSION		Is a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**16. Maxim Mikhailovich Saukh (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company’s Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		



## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**17. Oxana Vladimirovna Shatokhina (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Complies	
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	O.V. Shatokhina held the position of a member of the Board of Directors of the Company for a total of less than 7 years in the following periods: - From 23.08.2012 to 14.06.2013 - From 14.06.2013 to 26.06.2014 - From 26.06.2014 to 25.06.2015 - From 08.06.2016 till current
CONCLUSION		Is not a person related to the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**17. Oxana Vladimirovna Shatokhina (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Does not comply	At the time of the evaluation O.V. Shatokhina is an employee of a significant shareholder of the Company (PJSC Rosseti)
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Does not comply	Since 2012 O.V. Shatokhina has held a position in PJSC Rosseti. PJSC Rosseti is a significant shareholder of the Company. Accordingly, O.V. Shatokhina during the last 3 years received other payments that are not related to the remuneration and (or) reimbursement of expenses for the performance of the duties of a member of the Board of Directors, from a substantial shareholder of the Company (PJSC Rosseti), in the amount exceeding half of the annual fixed remuneration of a member of the Board Directors of the Company.
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Complies	At the time of the evaluation O.V. Shatokhina is a member of the Board of Directors of the only legal entity controlled by a significant shareholder of the Company (PJSC Rosseti) - IDGC of Centre
CONCLUSION		Is a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**17. Oxana Vladimirovna Shatokhina (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company’s Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**18. Natalia Ilyinichna Erpsher (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Does not comply	At the time of the evaluation N.I. Erpsher is a member of the Board of Directors of an organization controlled by PJSC Rosseti (TPK)
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	N.I. Erpsher held the position of a member of the Board of Directors of the Company for a total of less than 7 years in the following periods: - From 26.06.2014 to 25.06.2015 - From 25.06.2015 to 08.06.2016 - From 08.06.2016 till current
CONCLUSION		Is a person related to the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**18. Natalia Ilyinichna Erpsher (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Does not comply	At the time of the evaluation N.I. Erpsher is an employee of a significant shareholder of the Company (PJSC Rosseti)
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Does not comply	Since 2013 N.I. Erpsher has held a position in PJSC Rosseti. PJSC Rosseti is a significant shareholder of the Company. Accordingly, N.I. Erpsher during the last 3 years received other payments that are not related to the remuneration and (or) reimbursement of expenses for the performance of the duties of a member of the Board of Directors, from a substantial shareholder of the Company (PJSC Rosseti), in the amount exceeding half of the annual fixed remuneration of a member of the Board Directors of the Company.
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Complies	At the time of the evaluation N.I. Erpsher is a member of the Board of Directors in only two legal entities controlled by a significant shareholder of the Company (PJSC Rosseti) - IDGC of Centre and TPK.
CONCLUSION		Is a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		



## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**18. Natalia Ilyinichna Erpsheer (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company’s Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**19. Anastasiya Igorevna Krupenina (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Complies	
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	
CONCLUSION		Is not a person related to the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 19. Anastasiya Igorevna Krupenina (compliance with the criteria of independence)

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial Shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Complies	
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Complies	
CONCLUSION		Is not a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Complies	
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		Is not a person related to a material counterparty or competitor of the Company		
№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company's Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

**20. Pavel Alexandrovich Litvinov (compliance with the criteria of independence)**

No	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
1	Not related to the Company, if he and (or) related persons	are not, or for the last 3 years were not members of executive bodies or employees of the Company, a controlled by the Company entity and (or) a managing entity of the Company	Complies	
		are not members of the Board of Directors of a legal entity that the Company controls, or a controlled entity or a managing organization of such a legal entity	Complies	
		for any of the last 3 years did not receive remuneration and (or) other tangible benefits from the Company and (or) its controlled companies in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		do not own shares or a beneficiary of shares of the Company, which constitute more than 1 percent of the authorized capital or the total number of voting shares of the Company or the market value of which is 20 times more than the value of the fixed annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of executive bodies and (or) employees of a legal entity, whose remuneration is determined (considered) by the Remuneration Committee of the Board of Directors of the legal entity, if the member of the executive bodies and (or) the employee of the Company is a member of the Remuneration Committee of the said legal entity	Complies	
		do not provide consulting services to the Company, a controlled by the Company person or controlled by the Company legal entities, or are not members of a management body and/or executive bodies of organizations providing the Company or the specified legal entities such services or employees of such organizations directly involved in the provision of such services	Complies	
		do not render or in the last 3 years did not render the Company, or controlled by the Company legal entities services of an appraiser, tax consultant, auditor, or accounting services, or for the last 3 years were not members of a management body and/or executive bodies of organizations, which rendered such services to the said legal entities, or a rating agency of the Company, or were not employees of such organizations or the rating agency directly involved in the provision of corresponding services to the Company	Complies	
		have not held the position of a member of the Board of Directors of the Company in aggregate for more than 7 years. In calculating the relevant period one should take into account the period of the membership of the director in the legal entity's Board of Directors subsequently reorganized, if now the director is elected to the board of directors of the successor	Complies	
CONCLUSION		Is not a person related to the Company		

## ITEM № 3 «ON ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY»

## 20. Pavel Alexandrovich Litvinov (compliance with the criteria of independence)

№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
2	Not related to the substantial shareholder by the Company, if he and (or) related persons	are not employees and (or) members of executive bodies of the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company)	Complies	
		during any of the last 3 years did not receive remuneration and (or) other tangible benefits from the substantial shareholder of the Company (a legal entity of the group of companies, which includes the substantial shareholder of the Company), in excess of half the value of the base (fixed) annual remuneration of a member of the Board of Directors of the Company	Complies	
		are not members of the board of directors in more than two legal entities, controlled by the substantial shareholder of the Company or a person who controls the substantial shareholder of the Company	Complies	
CONCLUSION		Is not a person related to a substantial shareholder of the Company		
3	Not related to a material counterparty or competitor of the Company, if he and (or) related persons	are not employees and (or) members of a management body and/or executive bodies of a substantial counterparty or a competitor of the Company, as well as legal entities who control the substantial counterparty or competitor of the Company, or its controlled companies	Does not comply on formal grounds*	P.A. Litvinov is an employee of a material counterparty of the Company (Head of Credit Risk Management of PJSC Alfa-Bank). Taking into account that IDGC of Centre has contractual relations with PJSC Alfa-Bank under market conditions, and taking into account the composition of the Company's Board of Directors, P.A. Litvinov does not influence and cannot influence decisions made by the Company on financial and economic activities and financial results of IDGC of Centre. In view of the above, the Personnel and Remuneration Committee does not recognize this candidate as a person associated with a material counterparty of the Company. The Committee recommends to the Board of Directors of IDGC of Centre, PJSC to recognize the said candidate as an independent director (in case of his election at the annual general meeting of shareholders following the results of 2016).
		are not owners of stocks (shares) or a beneficiary of stocks (shares) of a substantial counterparty or a competitor of the Company, which constitute more than 5 percent of the share capital or total number of voting shares (stakes)	Complies	
CONCLUSION		*Is not a person related to a material counterparty or competitor of the Company, taking into account the explanation of this section		
№	Group of criteria	Criteria of independence	Data on compliance/non-compliance with the criteria of independence	Evidence
4	Not related to the state or a municipal entity, if he	is not or was not for 1 year prior to the election to the Board of Directors of the Company a governmental or municipal employee, a person, filling posts in government agencies, an employee of the Bank of Russia	Complies	
		in a company in respect of which the decision was taken to use a special right to participate in management ("golden share"), is not a representative of the Russian Federation, of a subject of the Russian Federation or a municipality in the board of directors of such a company	Complies	
		has no obligation to vote for one or more matters within the competence of the Company's Board of Directors in accordance with a directive of the Russian Federation, of a subject of the Russian Federation or a municipal entity	Complies	
		is not or was not for 1 year prior to the election to the Board of Directors of the Company an employee, a member of the executive body of an organization, which is under control of the Russian Federation, a subject of the Russian Federation or a municipality, an employee of a state or municipal unitary enterprise or institution (except employees of state or municipal educational or research organizations that carry out teaching or research activities and are not persons designated (approved) to the position of the sole executive body or another office in a state and municipal educational or scientific organization by or with the consent of the state authorities (bodies of local self-government)), if the person is being nominated for election to the Board of Directors of the Company, in which more than 20 percent of the share capital or voting shares of the Company are under control of the Russian Federation, a subject of the Russian Federation or a municipality	Complies	
CONCLUSION		Is not a person related to the state or a municipal entity		



## **ITEM № 4**

# **ON ELECTION OF MEMBERS OF THE AUDIT COMMISSION OF THE COMPANY**



### ITEM № 4 «ON ELECTION OF MEMBERS OF THE AUDIT COMMISSION OF THE COMPANY»

#### Explanatory information on the item

In accordance with Federal Law dated 26.12.1995 № 208-FZ "On Joint-Stock Companies", the agenda of the Annual General Meeting of Shareholders of the Company should include the issue of electing members of the Company's Audit Commission.

In accordance with Article 53 of Federal Law dated 26.12.1995 № 208-FZ "On Joint-Stock Companies", paragraph 13.1 of Article 13 of the Articles of Association of the Company, shareholders (a shareholder) of the Company who collectively own at least 2 (two) of the Company's voting shares, within 60 (sixty) days after the end of the fiscal year, have the right to raise issues in the agenda of the Annual General Meeting of Shareholders and nominate candidates to the Board of Directors and the Audit Commission of the Company, the number of which cannot exceed the number of members of the relevant body.

In accordance with paragraph 24.1 of Article 24 of the Articles of Association of the Company, the composition of the Audit Commission of the Company is 5 (five) persons.

By the end of the deadline for accepting offers (01.03.2017) the Company received 1 proposal to nominate candidates to the management bodies of IDGC of Centre from the shareholder holding more than 2% of the Company's voting shares - PJSC Rosseti - 50,23 % of the authorized capital (5 candidates).

Members of the Audit Commission shall not simultaneously be members of the Board of Directors of the Company, and hold other positions in the Company's management bodies either.

Persons elected to the Audit Commission may be re-elected an unlimited number of times.

By the decision of the Board of Directors of the Company on 06.03.2017 (Minutes No. 04/17 of 07.03.2017) the following candidates were included in the list of candidates for voting for election to the Audit Commission of IDGC of Centre:

### ITEM № 4 «ON ELECTION OF MEMBERS OF THE AUDIT COMMISSION OF THE COMPANY»

#### Draft resolution on item № 4

To elect the following Company's Audit Commission:

№	Full name of the Candidate Member	Position of the Candidate Member
1	Svetlana Anatolyevna Kim	Head of Internal Audit Office of Internal Audit and Control Department of PJSC «Rosseti»
2	Oxana Alexeevna Medvedeva	Chief Expert of Internal Audit Office of Internal Audit and Control Department of PJSC «Rosseti»
3	Sergey Vladimirovich Malyshev	Leading Expert of Investment Audit Section of Internal Audit Office of Internal Audit and Control Department of PJSC «Rosseti»
4	Elena Stanislavovna Erandina	Chief Expert of Control and Expert Office of Internal Audit and Control Department of PJSC «Rosseti»
5	Elena Borisovna Sinitsyna	Head of Control and Expert Office of Internal Audit and Control Department of PJSC «Rosseti»

\* - in accordance with item 24.1. of Article 24 of the Articles of Association of IDGC of Centre, PJSC the Audit Commission of the Company consists of 5 (five) persons.

ITEM № 4 «ON ELECTION OF MEMBERS OF THE AUDIT COMMISSION OF THE COMPANY»

**List of candidates for the Audit Commission of IDGC of Centre, PJSC:**

№	Full name of the Candidate Member	Nationality	Position, Place of Employment of the Candidate Member (on the date of nomination)	Full name/shareholder, who proposed to include the Candidate into the list for voting to be elected for the Audit Commission of the Company / Number of voting shares of the Company held by the shareholder, %	Availability of consent to election
1	Svetlana Anatolyevna Kim	RF	Head of Internal Audit Office of Internal Audit and Control Department of PJSC «Rosseti»	PJSC «Rosseti» / 50,23%	Available
2	Oxana Alexeevna Medvedeva	RF	Chief Expert of Internal Audit Office of Internal Audit and Control Department of PJSC «Rosseti»	PJSC «Rosseti» / 50,23%	Available
3	Sergey Vladimirovich Malyshev	RF	Leading Expert of Investment Audit Section of Internal Audit Office of Internal Audit and Control Department of PJSC «Rosseti»	PJSC «Rosseti» / 50,23%	Available
4	Elena Stanislavovna Erandina	RF	Chief Expert of Control and Expert Office of Internal Audit and Control Department of PJSC «Rosseti»	PJSC «Rosseti» / 50,23%	Available
5	Elena Borisovna Sinitsyna	RF	Head of Control and Expert Office of Internal Audit and Control Department of PJSC «Rosseti»	PJSC «Rosseti» / 50,23%	Available

## ITEM № 4 «ON ELECTION OF MEMBERS OF THE AUDIT COMMISSION OF THE COMPANY»

## Information on candidates for the Audit Commission of IDGC of Centre, PJSC:

№	Full name of the Candidate Member	Year of birth	Higher vocational education	Positions in the Company and other entities for last 5 years (work experience)
1	Svetlana Anatolyevna Kim	1981	2004, MIIT <b>Qualification:</b> Commercial specialist <b>Specialty:</b> Commerce	2013 – till current - Head of Internal Audit Office of Internal Audit and Control Department of PJSC «Rosseti» 2008-2013 - Head of Investment Control of Control and Audit Department of FGC UES
2	Oxana Alexeevna Medvedeva	1978	2005, Russian Academy of Entrepreneurship <b>Specialty:</b> Accounting, analysis and audit	2014 – till current - Chief Expert of Internal Audit Office of Internal Audit and Control Department of PJSC «Rosseti» 2011-2014 - Head of Section of Control and Audit Department of FGC UES
3	Sergey Vladimirovich Malyshev	1965	1986, Yaroslavl Military Finance and Economics Institute, <b>Qualification:</b> Economics, <b>Specialty:</b> Economist-financial expert	2013 – till current - Leading Expert of Investment Audit Section of Internal Audit Office of Internal Audit and Control Department of PJSC «Rosseti» 2013 - Chief Expert, Head of Control and Audit Department of FGC UES
4	Elena Stanislavovna Erandina	1972	1994, Moscow State University of Environmental Engineering, <b>Qualification:</b> Engineer-Economist <b>Specialty:</b> Economics and Management in AIC branches, 2006, State University of Management, <b>Qualification:</b> Economist <b>Specialty:</b> Finance and credit	2016 – till current - Chief Expert of Control and Expert Office of Internal Audit and Control Department of PJSC «Rosseti» 2013-2015 - Chief Specialist of Internal Audit Service of OJSC “Elektrosetservis Enes”
5	Elena Borisovna Sinitsyna	1971	1996, Lomonosov Moscow State University, <b>Qualification:</b> Lawyer <b>Specialty:</b> Jurisprudence 2001, Russian Academy of Public Administration under the President of the Russian Federation, <b>Qualification:</b> Manager <b>Specialty:</b> State and Municipal Administration	06.2013 – till current - Head of methodology section of Control and Risk Office of Internal Audit and Control Department; Deputy Head of Control and Risk Office of Internal Audit and Control Department; Head of Control and Risk Office of Control Department; Head of Control and Expert Office of Internal Audit and Control Department of PJSC «Rosseti» 06.2012 - 06.2013 - Head of control of Internal Control Directorate of FGC UES



## **ITEM № 5**

### **ON APPROVAL OF THE AUDITOR OF THE COMPANY**



### ITEM № 5 «ON APPROVAL OF THE AUDITOR OF THE COMPANY»

#### Explanatory information on the item

In accordance with Federal Law dated 26.12.1995 № 208-FZ "On Joint-Stock Companies", the agenda of the Annual General Meeting of Shareholders of the Company should include the issue of approving the auditor.

Federal Law dated 26.12.1995 № 208-FZ "On Joint-Stock Companies" does not specify the term and procedure for nominating an auditor to be included in the voting list on the issue of approving the Company's auditor. The Federal Law does not give shareholders the right to nominate an auditor either.

In this regard, the candidacy of the auditor for approval at the Annual General Meeting of Shareholders of the Company shall be determined by the Board of Directors of the Company within the framework of the preparation of the Annual General Meeting of Shareholders of the Company.

In accordance with Order of JSC Rosseti dated 12.12.2014 №552r, an open one-stage tender was conducted without preliminary qualification selection for the right to conclude agreements to conduct mandatory annual audit of statements of subsidiaries and affiliates of JSC Rosseti for the period of 2015-2107. According to the results of the tender, RSM RUS Ltd. (Minutes of the Tender Committee Meeting dated 14.04.2105 №552r) was declared the winner, the proposal of which was recognized as the best.

In accordance with the determined amount of payment for the auditor's services by the Board of Directors of the Company on 31.08.2015 (Minutes No. 17/15 of 02.09.2015), 20.07.2016 (Minutes No. 21/16 of 21.07.2016) the Company concluded with RSM RUS Ltd. agreements for provision of services for the audit of the accounting (financial) statements prepared in accordance with RAS, the audit of the consolidated financial statements prepared in accordance with IFRS that were in force in the period of 2015-2016, 2016-2017, subject to approval by the Annual General Meeting of Shareholders of the candidacy of RSM RUS Ltd. as an external auditor for the audit of the Company's accounting (financial) statements prepared in accordance with RAS and for the audit of the consolidated financial statements prepared in accordance with IFRS for 2016 and 2017.

The audit organization chosen by the results of the tender was approved by the Audit Committee on 05.04.2017 (Minutes No. 04/17 of 05.04.2017), and recommended by the Board of Directors of the Company on 16.05.2017 (Minutes No. 12/17) to the Annual General Meeting Shareholders for approval as the Auditor for the conduct in 2017 of an audit in accordance with the laws of the Russian Federation and the requirements of international audit standards.

In accordance with Federal Law dated 30.12.2008 N 307-FZ "On Auditing Activity", an audit is an independent check of accounting (financial) statements of an audited entity to express an opinion on the reliability of such reporting.

In this connection, the Federal Law "On Auditing Activity" provides for mandatory requirements for the independence of the auditor.

The auditor does not have the right to carry out actions that lead to the emergence of a conflict of interests or create a threat of such a conflict. Conflict of interest means a situation in which the interest of the auditor may affect the opinion of such an auditor on the reliability of accounting (financial) statements of an audited entity.

The Audit Committee on 05.04.2017 (Minutes No. 04/17 of 05.04.2017) recognized RSM RUS Ltd. to be consistent with the principles of independence, objectivity and recognized the absence of a conflict of interest between RSM RUS Ltd. and the Company following the results of 2016, based on the following facts:

- IDGC of Centre, PJSC did not provide borrowed funds to RSM RUS Ltd. (its officers);
- IDGC of Centre, PJSC has no business relationships (participation in the promotion of products (services), participation in joint business activities, etc.), contracts for services not related to audit, as well as related links with officials of RSM RUS Ltd.;
- RSM RUS Ltd. performed an audit of the Company's accounting statements for 2015 and for 2016 prepared in accordance with RAS and an audit of the consolidated financial statements for the year ended 31.12.2015 and 31.12.2016, prepared in accordance with IFRS.

The Board of Directors of the Company on 03.05.2017 (Minutes No. 11/17 of 03.05.2017) included the results of evaluating the candidacy of the Auditor in the list of materials provided to persons entitled to participate in the Annual General Meeting of Shareholders of the Company.

ITEM № 5 «ON APPROVAL OF THE AUDITOR OF THE COMPANY»

**Draft resolution on item № 5**

To approve RSM RUS Ltd. (INN/KPP 7722020834/772901001, 4 Pudovkina street, Moscow 119285, Russia) as the Company's Auditor.

ITEM № 5 «ON APPROVAL OF THE AUDITOR OF THE COMPANY»

## Information on the Auditor nomination of IDGC of Centre, PJSC

Full company name of the auditor	Limited liability company RSM RUS (RSM RUS Ltd.)
Primary State Registration Number:	1027700257540
Taxpayer Identification Number (INN)	7722020834
Record Validity Code (KPP)	772901001
Russian Business and Organization Classification (OKPO)	17409093
Russian Standard Industrial Classification of Economic Activities (OKVED)	74.12.2
Legal address:	4 Pudovkina street, Moscow 119285, Russia
Postal address:	4 Pudovkina street, Moscow 119285, Russia
Telephone:	+7 (495) 363-28-48
Fax:	+7 (495) 981-41-21
E-mail, Auditor's website	mail@rsmrus.ru <a href="http://www.rsmrus.ru">http:// www.rsmrus.ru</a>
Membership in a self-regulatory organization of auditors:	Membership certificate # 6938, issued in accordance with the resolution of NP AAS dated 25.09.2013, in Self-regulatory organization of auditors Non-Profit partnership «Auditor Association Sodruzhestvo»

ITEM № 5 «ON APPROVAL OF THE AUDITOR OF THE COMPANY»

Evaluation of the Auditor's nomination prepared by the Audit Committee of the Board of Directors of IDGC of Centre, PJSC



Interregional Distribution Grid Company of Centre,  
Public Joint-Stock Company  
2nd Yamskaya, 4, Moscow, Russia, 127018  
Tel.: +7 (495) 747-92-92, Fax: +7 (495) 747-92-95,  
Power Engineers' Direct Line: 8-800-50-50-115,  
Trust Line: +7 (495) 747-92-99,  
e-mail: posta@irmic-1.ru, www.irmic-1.ru

**EXTRACT FROM MINUTES**  
of the meeting of the Audit Committee  
of the Board of Directors of IDGC of Centre, PJSC  
(in the form of joint presence)

05 April 2017

Moscow

No. 04/17

**Form of the meeting:** joint presence.

**Total number of members of the Audit Committee:** 5 persons.

**Place of the meeting:** Moscow, 2nd Yamskaya, 4, floor 5, office 507

**Video conference room** A3-055 at the address: Moscow, Belovezhskaya str., 4 (PJSC «Rosseti»)

**Time of the meeting:** 10 hours 30 minutes – 11 hours 35 minutes.

**Participants of the meeting:** M.M. Saukh, R.A. Filkin, O.V. Shatokhina, A.V. Shevchuk, N.I. Erpsher.

**Members who neither participated nor provided questionnaires:** none.

**The quorum** is present.

**Date of the minutes:** 05.04.2017.

The Expert conclusion of the expert of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC M.A. Lelekova was taken into account at drawing up of the minutes.

**Item 5. Preliminary consideration of the nomination of the external auditor of the Company to audit the accounting (financial) statements of the Company for 2017.**

**Decision taken at the meeting:**

To recommend to the Board of Directors of the Company to propose the Annual General Meeting of Shareholders of the Company to approve the Company's Auditor "RSM RUS" Ltd. (4 Pudovkina street, Moscow, 119285, Russia), recognized as the winner of an open one-stage tender without prequalification of bidders (Minutes of the Procurement Commission from 14.04.2014 № 5/552r).

**Decision is taken.**

**Minutes signed by:**

Chairperson of the Audit Committee  
of the Board of Directors of IDGC of Centre, PJSC

O.V. Shatokhina

Secretary of the Audit Committee  
of the Board of Directors of IDGC of Centre, PJSC

S.V. Lapinskaya

**Extract is correct:**

Secretary of the Audit Committee  
of the Board of Directors of IDGC of Centre, PJSC  
05.04.2017.

S.V. Lapinskaya

CONDITION	Complies/ does not comply
General Director of RSM RUS and his deputies <b>are not</b> founders (participants) of IDGC of Centre's entities, their officials, accountants and other persons responsible for the organization and conduct of accounting and preparation of accounting (financial) statements in IDGC of Centre	COMPLIES
General Director of RSM RUS and his deputies <b>are not</b> closely related (parents, spouses, brothers, sisters, children, as well as brothers, sisters, parents and children of spouses) with the founders (participants) of IDGC of Centre, their officials, accountants and other persons responsible for the organization and conduct of accounting and preparation of accounting (financial) statements in IDGC of Centre	COMPLIES
IDGC of Centre in relation to RSM RUS <b>is not</b> a founder (participant), RSM RUS in relation to IDGC of Centre, subsidiaries, branches and representative offices of IDGC of Centre is not a founder (participant)	COMPLIES
RSM RUS <b>did not provide</b> , for the three years immediately preceding the audit, services for the restoration and maintenance of accounting records, as well as for the preparation of accounting (financial) statements to individuals and legal entities with respect to these persons	COMPLIES
RSM RUS <b>is not</b> a founder (participant) of IDGC of Centre, its managers, accountants and other persons responsible for the organization and maintenance of accounting records and preparation of accounting (financial) statements	COMPLIES
RSM RUS <b>is not</b> closely related to founders (participants) of IDGC of Centre, its officials, accountants and other persons responsible for the organization and maintenance of accounting records and the preparation of accounting (financial) statements, (parents, spouses, brothers, sisters, children, as well as brothers, sisters, parents and children of spouses)	COMPLIES
RSM RUS in relation to IDGC of Centre <b>is not</b> an insurance organization with which RSM RUS has concluded liability insurance agreements	COMPLIES
The procedure for payment and the amount of remuneration to RSM RUS for an audit (including compulsory) and the provision of related services are determined by contracts for the provision of audit services and cannot be made subject to any requirements of audited entities on the content of findings that may be made as a result of the audit	COMPLIES



## **ITEM № 6**

# **ON APPROVAL OF THE ARTICLES OF ASSOCIATION OF THE COMPANY IN A NEW EDITION**



### ITEM № 6 «ON APPROVAL OF THE ARTICLES OF ASSOCIATION OF THE COMPANY IN A NEW EDITION»

#### Explanatory information on the item

In accordance with Federal Law dated 26.12.1995 № 208-FZ "On Joint-Stock Companies", the issue of introducing amendments and additions to the Articles of Association of the Company / approval of the Articles of Association in a new edition falls within the competence of the General Meeting of Shareholders of the Company.

The need to approve the Articles of Association in the new edition is due to:

- amending the Federal Law "On Joint Stock Companies";
- making changes recommended by the Bank of Russia;
- introduction of legal and technical amendments.

#### MAIN CHANGES AND ADDITIONS refer to:

##### 1. Adjustment to the current Federal Law "On Joint Stock Companies", in particular, in the field of:

- terms of convocation and holding of the Meeting, the date of recording the list of persons entitled to participate in the Meeting;
- consent to/subsequent approval of major transactions and related-party transactions;
- possibility of sending to shareholders the notice of the Meeting by e-mail, electronic voting at the Meeting;
- opportunities for remote participation in the Meeting using information and communication technologies, etc.

##### 2. Clarification of the competence of the Board of Directors of the Company in the part of:

- consideration of a quarterly report on the implementation of the Company's business plan, approval of the investment program and a report on the results of its implementation;
- internal audit, internal control and risk management systems.

##### 3. Clarification of the competence of General Director of the Company:

- exclusion of the issue of submitting to the Board of Directors reports on financial and economic activities of subsidiaries and affiliates, and information on other organizations in which the Company participates.

##### 4. Formulation of Art. 3 of the Articles of Association in accordance with the Federal Laws:

- on industrial safety of hazardous production facilities;
- on licensing of certain types of activities.

The draft revision of the Articles of Association was preliminary reviewed by the Strategy and Development Committee on 26.04.2017 (Minutes No. 08/17 of 26.04.2017) and the Board of Directors on 16. 05.2017 (Minutes No. 12/17) and recommended for approval by the Annual General Meeting of Shareholders of the Company.

The current version of the Articles of Association of the Company, the draft of the Articles of Association of the Company in a new edition, as well as the summary table of amendments and additions to the Company's Articles of Association, are attached.

ITEM № 6 «ON APPROVAL OF THE ARTICLES OF ASSOCIATION OF THE COMPANY IN A NEW EDITION»

**Draft resolution on item № 6**

To approve the Articles of Association of IDGC of Centre, PJSC in a new edition.



ITEM № 6 «ON APPROVAL OF THE ARTICLES OF ASSOCIATION OF THE COMPANY IN A NEW EDITION»

**Draft of the Articles of Association of IDGC of Centre, PJSC in a new edition**

SEE APPENDIX 3



ITEM № 6 «ON APPROVAL OF THE ARTICLES OF ASSOCIATION OF THE COMPANY IN A NEW EDITION»

**Articles of Association of IDGC of Centre, PJSC in the current edition**

SEE APPENDIX 4



## ITEM № 6 «ON APPROVAL OF THE ARTICLES OF ASSOCIATION OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Articles of Association of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Articles of Association	Edition of proposed amendments and additions to the Articles of Association of the Company	Comments
<b>Article 2. Legal Status of the Company</b>			
1	Subparagraph 1 of paragraph 2.8 of Article 2 of the Articles of Association of the Company «Legal Status of the Company»  2.8. The Company may establish branch offices and representative offices both in and outside the Russian Federation.	To read as follows:  The Company may establish branch offices and representative offices in accordance with the provisions of the Civil Code of the Russian Federation, the Federal Law "On Joint Stock Companies" and other federal laws.	Changes are made to bring the Articles of Association in accordance with Art. 5 of Federal Law dated 26 December 1995 № 208-FZ «On Joint-Stock Companies (in the edition of Federal Law dated 29.06.2015 № 210-FZ), which provides for: «Article 5. The Company may establish branch offices and representative offices in accordance with the provisions of the Civil Code of the Russian Federation, this Federal Law and other federal laws».
2	Subparagraph 6 of paragraph 2.8 of Article 2 of the Articles of Association of the Company «Legal Status of the Company» Information on branches and representative offices of the Company shall be specified in the Appendix to these Articles of Association.	To read as follows:  Information on branches and representative offices of the Company shall be specified in the unified state register of legal entities.	It is brought into line with p. 3 of art. 55 of the Civil Code of the Russian Federation, according to which «branches and representative offices shall be specified in the unified state register of legal entities».
<b>Article 3. Goal and Scope of the Company's Business</b>			
3	3.2. For the purposes of profit making and own benefit the Company shall be entitled to perform any activity not prohibited by the law including: ... – operation of explosive, chemically dangerous and inflammable industrial facilities; ... – other types of activity.	To read p. 23 of art. 3.2. of the Articles of Association of the Company as follows:  – operation of dangerous industrial facilities;	Changes are made on the basis of norms of p. 1 of art. 2 and Appendix 1 to Federal Law «On industrial safety of hazardous production facilities» (in the edition of Federal Laws dated 30.12.2008 № 309-FZ, dated 04.03.2013 № 22-FZ, dated 02.06.2016 № 170-FZ), in accordance with which all the facilities listed in this standard refer to hazardous production facilities.
4	3.2. For the purposes of profit making and own benefit the Company shall be entitled to perform any activity not prohibited by the law including: – performing manufacturing control over industrial safety status of industrial facilities;	3.2. For the purposes of profit making and own benefit the Company shall be entitled to perform any activity not prohibited by the law including: – organization and performance of manufacturing control over compliance with industrial safety requirements of dangerous industrial facilities;	Bringing in accordance with Federal Law dated 21.07.1997 № 116-FZ «On industrial safety of hazardous production facilities» p.1 of art. 9.
5	3.2. For the purposes of profit making and own benefit the Company shall be entitled to perform any activity not prohibited by the law including: ... – carrying out fire prevention and extinguishing activities; ... – other types of activity.	To read p. 36 of art. 3.2. of the Articles of Association of the Company as follows:  – carrying out fire prevention activities;	In accordance with p. 14 of part 1 of art. 12 of the Federal Law "On licensing of certain types of activities", fire extinguishing activities in populated areas, at production facilities and infrastructure facilities are classified as licensed activities. Fulfillment of the requirements for the license applicant, stipulated by Resolution of the Government of the Russian Federation of 31.01.2012 № 69 "On the licensing of activities to extinguish fires in populated areas, at production facilities and infrastructure facilities," entails significant temporary, organizational and financial costs. IDGC of Centre, PJSC does not have the appropriate licenses and does not carry out activities to obtain them. On the basis of the above, it is proposed to exclude the words "and extinguishing" from the given norm of the Articles of Association of the Company.



## ITEM № 6 «ON APPROVAL OF THE ARTICLES OF ASSOCIATION OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Articles of Association of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Articles of Association	Edition of proposed amendments and additions to the Articles of Association of the Company	Comments
<b>Article 5. Shares, Bonds and other Securities of the Company</b>			
6	<p><b>Paragraph 5.4. of Article 5 of the Articles of Association of the Company (Shares, Bonds and other Securities of the Company)</b></p> <p>The Company shall be entitled to issue additional shares and other equity securities by their distribution among the Company's Shareholders, offering and conversion.</p>	<p>To read as follows:</p> <p>The Company shall be entitled to issue additional shares and other equity securities by their offering and conversion. <b>In the event of an increase in the authorized capital of the Company from its property, the company shall place additional shares by distributing them among shareholders.</b></p>	<p>Amended pursuant to p. 1 of art. 39 of the Federal Law about JSC, according to which:</p> <p>«The company shall be entitled to issue additional shares and other equity securities by their offering and conversion. In the event of an increase in the authorized capital of the company from its property, the company shall place additional shares by distributing them among shareholders».</p>
<b>Article 6. Rights and obligations of the Company's Shareholders</b>			
7	<p><b>Art. 6 of the Articles of Association of the Company «Rights and obligations of the Company's Shareholders»:</b></p> <p>Does not exist</p>	<p>To amend <b>art. 6 of the Articles of Association «Rights and obligations of the Company's Shareholders»</b> with paragraph 6.3 (accordingly changing the subsequent numbering) as follows:</p> <p><b>«6.3. Shareholders on the basis of an agreement with the Company have the right, for the purpose of financing and maintaining activities of the Company, at any time to contribute to the Company's property gratuitous deposits in cash or in any form that does not increase the authorized capital of the Company and does not change the nominal value of shares (stakes in the property of the Company)».</b></p> <p><b>The contract, on the basis of which, the shareholder contributes to the property of the company, must be preliminarily approved by the decision of the Board of Directors of the Company.</b></p>	<p>Changes are made to bring the Articles of Association in accordance with p.1 of art. 32.2 of Federal Law dated 26 December 1995 № 208-FZ «On Joint-Stock Companies (in the edition of Federal Law dated 03.07.2016 № 339-FZ), which provides for:</p> <p>Shareholders on the basis of an agreement with the company have the right, for the purpose of financing and maintaining the company's activities at any time, to contribute to the company's property gratuitous deposits in cash or in another form that do not increase the charter capital of the company and do not change the nominal value of shares (hereinafter - contributions to the property of the company).</p> <p>The property contributed by shareholders as a contribution must refer to the types specified in clause 1 of Article 66.1 of the Civil Code of the Russian Federation.</p> <p>The provisions of the Civil Code of the Russian Federation on the gift agreement are not applied to contracts on the basis of which contributions are made to the property of the company.</p> <p>The contract on the basis of which the shareholder contributes to the property of the company must be preliminarily approved by the decision of the board of directors (supervisory board) of the company, with the exception of cases of making contributions to the property of the company provided for by paragraph 3 of this Article.</p>
8	<p><b>Paragraph 6.3. of Article 6 of the Articles of Association of the Company «Rights and obligations of the Company's Shareholders»</b></p> <p>Subparagraph 7 does not exist</p>	<p>Paragraph 6.3. to rename into paragraph 6.4. and supplement with subparagraph 7 as follows:</p> <p><b>7) to notify in advance other shareholders of the Company of the intention to file a lawsuit against the decision of the General Meeting of Shareholders of the Company, as well as to compensate losses caused to the Company or to recognize the transaction of the Company as invalid or to apply the consequences of the invalidity of the transaction by sending a notice to the Company in writing, which must be received by the Company at least five days prior to the day of applying to the court.</b></p>	<p>Amended pursuant to p. 1 of art. 93.1 of the Federal Law about JSC:</p> <p>«A shareholder contesting a decision of the general meeting of shareholders of the company, as well as a shareholder or a member of the company's board of directors (supervisory board), demanding compensation for losses caused to the company or recognizing the transaction of the company as invalid or applying consequences of the invalidity of the transaction, must notify other shareholders of the company in advance on his claim to the court by sending a notice to the company in writing, which must be received by the company not less than five days before the day of appeal to the court».</p>

## ITEM № 6 «ON APPROVAL OF THE ARTICLES OF ASSOCIATION OF THE COMPANY IN A NEW EDITION»

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Item #	# of article (paragraph, subparagraph) of the current edition of the Articles of Association	Edition of proposed amendments and additions to the Articles of Association of the Company	Comments
<b>Article 7. Dividends</b>			
9	<p><b>Paragraph 7.1 of Article 7 of the Articles of Association of the Company «Dividends»</b></p> <p>7.1. The Company shall be entitled to adopt resolution on (declare) payment of dividends on issued shares for the first quarter, six months, nine months of the <b>financial</b> year and (or) for the <b>financial</b> year. The resolution on payment (declaration) of dividends for the first quarter, six months and nine months of the <b>financial</b> year may be adopted within three months after the end of the respective period.</p> <p>The Company shall pay all dividends that are declared on each category (type) of its shares, unless otherwise stipulated by the Federal Law "On Joint Stock Companies".</p>	<p>Editorial revision proposed:</p> <p>7.1. The Company shall be entitled to adopt resolution on (declare) payment of dividends on issued shares for the first quarter, six months, nine months of the <b>reporting</b> year and (or) for the <b>reporting</b> year. The resolution on payment (declaration) of dividends for the first quarter, six months and nine months of the <b>reporting</b> year may be adopted within three months after the end of the respective period.</p> <p>The Company shall pay all dividends that are declared on each category (type) of its shares, unless otherwise stipulated by the Federal Law "On Joint Stock Companies".</p>	<p>It is brought in line with the current edition of the Federal Law about JSC, in which the term «fiscal year» was replaced by «reporting year».</p> <p>Example: P. 1 of art. 42 of the Federal Law about JSC: «The company has the right to take decisions (announce) on payment of dividends on placed shares based on the results of the first quarter, six months, nine months of the reporting year and (or) based on the results of the reporting year, unless otherwise provided for by this Federal Law. The decision on payment (declaration) of dividends based on the results of the first quarter, six months and nine months of the reporting year can be made within three months after the end of the corresponding period».</p>
10	<p><b>Paragraph 7.4 of Article 7 of the Articles of Association of the Company «Dividends»</b></p> <p>7.4. The dividends shall be paid out of the Company's profit net of tax (net profit of the Company). The Company's net profit is determined on the basis of the accounting statements of the Company.</p>	<p>Editorial revision proposed:</p> <p>7.4. The dividends shall be paid out of the Company's profit net of tax (net profit of the Company). The Company's net profit is determined on the basis of the accounting (<b>financial</b>) statements of the Company.</p>	<p>Amended pursuant to p. 2 of art. 42 of the Federal Law about JSC: «The source of payment of dividends is the company's profit after taxation (net profit of the company). Net profit of the company is determined by the data of the company's accounting (financial) statements».</p> <p>Further similar changes were made in the text of the Articles of Association of the Company, due to a similar amendment to the text of the Federal Law about JSC.</p>
11	<p><b>Subparagraph 5 p. 7.5 of Article 7 of the Articles of Association of the Company «Dividends»</b></p> <p>Payment of dividends in cash to individuals, whose rights to shares are recorded in the register of shareholders of the Company, is made by money order <b>or with the appropriate application of the said persons by transferring money to their bank accounts</b>, and to other persons, whose rights to shares are recorded in the register of shareholders, by transferring money to their bank accounts. Obligation of the Company to pay dividends to <b>such</b> persons shall be considered performed from the date of receiving remittances by an organization of the federal postal service or from the date of receipt of funds in the credit institution in which a bank account of the person entitled to receive <b>such</b> dividends is opened.</p>	<p>It is proposed to read the paragraph as follows:</p> <p>Payment of dividends in cash to individuals, whose rights to shares are recorded in the register of shareholders of the Company, is made by <b>transfer of funds to their bank accounts, the details of which are available from the registrar of the Company, or in the absence of information about bank accounts</b> by money order, and to other persons, whose rights to shares are recorded in the register of shareholders, by transferring money to their bank accounts. Obligation of the Company to pay dividends to <b>such</b> persons shall be considered performed from the date of receiving remittances by an organization of the federal postal service or from the date of receipt of funds in the credit institution in which a bank account of the person entitled to receive dividends is opened, <b>and in the case if such a person is a credit organization - to its account.</b></p>	<p>It is brought into line with p. 8 of art. 42 of the Federal Law about JSC: «Payment of dividends in cash to individuals whose rights to shares are accounted for in the register of shareholders of the company is made by transferring money to their bank accounts, the details of which are available to the company's registrar, or in the absence of information about bank accounts by postal transfer of money, and other persons whose rights to shares are accounted for in the company's shareholder register by transferring funds to their bank accounts. The obligation of the company to pay dividends to such persons is considered fulfilled from the date of receipt of transferred funds by the organization of the federal postal service or from the date of receipt of funds to the credit institution in which the bank account of the person entitled to receive dividends is opened, and in case this person is a credit organization, to its account».</p>

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Item #	# of article (paragraph, subparagraph) of the current edition of the Articles of Association	Edition of proposed amendments and additions to the Articles of Association of the Company	Comments
<b>Article 10. General Meeting of the Company's Shareholders</b>			
12	Subparagraph 13 of paragraph 10.1 of Article 10 of the Articles of Association of the Company «General Meeting of the Company's Shareholders»  13) approval of annual reports, annual accounting statements, including profit and loss statements (profit and loss accounts) of the Company and profit distribution (including the payment (declaration) of dividends, except for the profits distributed as dividends according to the results of the first quarter, six months, nine months, financial year) and losses of the Company according to the results of the financial year;	Subparagraph 13) of paragraph 10.2. of Article 10 of the Articles of Association of the Company is proposed to read as follows: <b>13) «approval of the annual report, annual accounting (financial) statements of the Company.»</b>  <b>Paragraph 10.2 of Article 10 of the Articles of Association of the Company is proposed to supplement with paragraph 13.1 as follows:</b> <b>13.1.) «profit distribution (including the payment (declaration) of dividends, except for the profits distributed as dividends according to the results of the first quarter, six months, nine months, reporting year) and losses of the Company according to the results of the reporting year».</b>	It is brought into line with sp. 11, 11.1 of p. 1 of art. 48 of the Federal Law about JSC: «11) approval of the annual report, annual accounting (financial) statements of the company, if the company's charter does not put these issues in the competence of the board of directors (supervisory board) of the company; (subp. 11 in the edition of Federal Law dated 29.06.2015 N 210-FZ) 11.1) profit distribution (including the payment (declaration) of dividends, except for the profits distributed as dividends according to the results of the first quarter, six months, nine months, reporting year) and losses of the company according to the results of the reporting year;»
13	Subparagraph 14) of paragraph 10.1. of Article 10 of the Articles of Association of the Company «General Meeting of the Company's Shareholders»: - payment (declaration) of the dividends according to the results of the first quarter, six months, nine months of the financial year;	To read as follows:  payment (declaration) of the dividends according to the results of the first quarter, six months, nine months of the reporting year;	Subp.10.1. of p.10 of art. 48 of the Federal Law (subp. 10.1 introduced by Federal Law dated 31.10.2002 N 134-FZ; in the edition of Federal Law dated 29.06.2015 N 210-FZ
14	Subparagraphs 16-17 of paragraph 10.1 of Article 10 of the Articles of Association of the Company «General Meeting of the Company's Shareholders» 16) adopting resolutions on approval of transactions in the cases provided for by Article 83 of Federal Law "On Joint Stock Companies"; 17) adopting resolutions on approval of major transactions in the cases provided for by Article 79 of Federal law "On Joint Stock Companies";	It is proposed to read as follows:  16) adopting resolutions on consent to making or on subsequent approval of transactions in the cases provided for by Article 83 of Federal Law "On Joint Stock Companies"; 17) adopting resolutions on consent to making or on subsequent approval of major transactions in the cases provided for by Article 79 of Federal law "On Joint Stock Companies";	It is brought into line with sp. 15-16 of p. 1 of art. 48 of the Federal Law about JSC: «15) adopting resolutions on consent to making or on subsequent approval of transactions in the cases provided for by Article 83 of this Federal Law; (in the edition of Federal Law dated 03.07.2016 N 343-FZ) 16) adopting resolutions on consent to making or on subsequent approval of major transactions in the cases provided for by Article 79 of this Federal law;»
15	Paragraph 10.4. of Article 10 of the Articles of Association of the Company «General Meeting of the Company's Shareholders»: 10.4. The resolution of the General Meeting of Shareholders on a voting issue is adopted by the majority of votes of the holders of Company's voting shares taking part in the meeting unless otherwise provided for by the Federal Law "On Joint Stock Companies".	Paragraph 10.4. of Article 10 of the Articles of Association of the Company is proposed to read as follows: 10.4. The resolution of the General Meeting of Shareholders on a voting issue is adopted by the majority of votes of the holders of Company's voting shares taking part in the meeting unless otherwise provided for by the Federal Law "On Joint Stock Companies". <b>For each issue put to a vote, only a separate (independent) decision can be taken.</b>	Amended pursuant to p. 2 of art. 49 of the Federal Law about JSC: «For each issue put to a vote, only a separate (independent) decision can be taken».
16	Bullet 9 of paragraph 10.5 of Article 10 of the Articles of Association of the Company «General Meeting of the Company's Shareholders» – adopting resolutions on approval of any major transaction which deals with the property with value over 50% (fifty percent) of the balance sheet value of Company's assets;	To read as follows: - adopting resolutions on consent to making or on subsequent approval of any major transaction which deals with the property with value over 50% (fifty percent) of the balance sheet value of Company's assets;	It is brought into line with sp. 16 of p. 1 of art. 48 of the Federal Law about JSC: «16) adopting resolutions on consent to making or on subsequent approval of major transactions in the cases provided for by Article 79 of this Federal law;»

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17	It does not exist in the current version	<b>Add bullet 11 to paragraph 10.5. as follows:</b> - acquisition by the company of outstanding shares in cases provided for by the Federal Law "On Joint Stock Companies";	Amended pursuant to p. 4 of art. 49 of the Federal Law about JSC: «The decision on the issues specified in subparagraphs 1 - 3, 5, 16, 17 and 19.2 of paragraph 1 of Article 48 of this Federal Law, shall be adopted by the general meeting of shareholders by a majority of three quarters of votes of shareholders owning voting shares participating in the general meeting of shareholders, unless otherwise provided by this Federal Law».
18	<b>Subparagraph 2 of paragraph 10.5 of Article 10 of the Articles of Association of the Company «General Meeting of the Company's Shareholders»</b> Resolutions <b>on approval</b> of a related-party transaction in accordance with Article 83 of the Federal Law "On Joint Stock Companies" shall be adopted by the General Meeting of Company's Shareholders by the majority of votes of all not-related shareholders holding voting shares.	It is proposed to read as follows:  Resolutions <b>on consent to making or on subsequent approval</b> of a related-party transaction in accordance with Article 83 of the Federal Law "On Joint Stock Companies" shall be adopted by the General Meeting of Company's Shareholders by the majority of votes of all not-related shareholders holding voting shares, <b>who are taking part in the voting</b> .	It is brought into line with p. 4 of art. 83 of the Federal Law about JSC: «4. The decision on consent to a related-party transaction is taken by the general meeting of shareholders by a majority vote of all shareholders who are not related to the transaction - owners of voting shares of the company participating in voting, in the following cases: if the subject of the transaction or several interrelated transactions is property the value of which is 10 and more percent of the book value of the company's assets according to its accounting (financial) statements as of the last reporting date, with the exception of transactions stipulated in the third and fourth subparagraphs of this paragraph; if the transaction or several interrelated transactions are the sale of ordinary shares constituting more than two percent of ordinary shares previously placed by the company and ordinary shares into which previously placed issued securities convertible into shares may be converted, unless the charter of the company provides for a smaller number of shares; if the transaction or several interrelated transactions are the sale of preferred shares constituting more than two percent of shares previously placed by the company and shares into which previously placed issued securities convertible into shares may be converted, unless the charter of the company provides for a smaller number of shares".
<b>Article 11. Holding of the Company's General Meeting of Shareholders in the form of compresence</b>			
19	<b>Paragraph 11.1. of Article 11 of the Articles of Association of the Company «Holding of the Company's General Meeting of Shareholders in the form of compresence»</b> 11.1. The Annual General Meeting of the Company's Shareholders shall be held within the period between two and six months following the end of a <b>financial</b> year. The Annual General Meeting of Shareholders shall necessarily deal with issues regarding election to the Board of Directors, Audit Commission, approval of the Company's Auditor, approval of the annual report, annual accounting statements, presented by the Company's Board of Directors, <b>including profit and loss statements (profit and loss accounts) of the Company and</b> profit distribution (including the payment (declaration) of dividends, except for the profits distributed as dividends according to the results of the first quarter, six months, nine months of the <b>financial</b> year) and losses of the Company according to the results of the <b>financial</b> year.	Paragraph 11.1. of Article 11 of the Articles of Association of the Company is proposed to read as follows: 11.1. The Annual General Meeting of the Company's Shareholders shall be held within the period between two and six months following the end of a <b>reporting</b> year. The Annual General Meeting of Shareholders shall necessarily deal with issues regarding election to the Board of Directors, Audit Commission, approval of the Company's Auditor, approval of the annual report, annual accounting ( <b>financial</b> ) statements, presented by the Company's Board of Directors, profit distribution (including the payment (declaration) of dividends, except for the profits distributed as dividends according to the results of the first quarter, six months, nine months of the <b>reporting</b> year) and losses of the Company according to the results of the <b>reporting</b> year.	It is brought into line with p. 1 of art. 47 of the Federal Law about JSC, taking into account the preservation of the issue of distribution of profits and payment of dividends as mandatory for consideration at the AGM in accordance with the established practice.  <i>For reference:</i> <i>P.1 of art. 47 of the Federal Law about JSC:</i> <i>At the annual general meeting of shareholders, the issues on electing the company's board of directors (supervisory board), the company's audit commission (auditor), approving the company's auditor, matters stipulated by subparagraph 11 of paragraph 1 of Article 48 of this Federal Law shall be resolved, and other issues, referred to the competence of the general meeting of shareholders, may be settled.</i>



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20	<p><b>Paragraph 11.4 of Article 11 of the Articles of Association of the Company «Holding of the Company's General Meeting of Shareholders in the form of compresence»</b></p> <p>11.4. The list of persons entitled to participate in General Meetings of the Shareholders shall be made pursuant to the register of the Company's shareholders.</p> <p>The date of making a list of persons entitled to take part in the General Meeting of Company's Shareholders cannot be established earlier than 10 (ten) days from the date of adopting resolution on convening the General Meeting of Company's Shareholders and not later than 50 (Fifty) days before the date of holding the General Meeting of Shareholders except for the cases provided for by Clause 14.9 of these Articles of Association.</p> <p>The date of recording the list of persons entitled to attend the General Meeting of Shareholders is disclosed at least 7 (Seven) days prior to that date.</p>	<p>To read as follows:</p> <p>11.4. The list of persons entitled to participate in General Meetings of the Shareholders shall be made in accordance with the rules of the legislation of the Russian Federation on securities to record a list of persons exercising rights under securities.</p> <p>The date of determining (recording) persons entitled to take part in the General Meeting of Company's Shareholders cannot be established earlier than 10 (ten) days from the date of adopting resolution on convening the General Meeting of Company's Shareholders and not later than 25 (Twenty five) days before the date of holding the General Meeting of Shareholders, and in the case provided for in subparagraph 14.9. of these Articles of Association - more than 55 (Fifty five) days before the date of the General Meeting of Shareholders.</p> <p>In the event of holding a general meeting of shareholders whose agenda contains the issue of reorganizing the company, the date on which persons entitled to participate in such meeting are determined (recorded) shall not be established more than 35 days before the date of the general meeting of shareholders.</p> <p>The date of determining (recording) persons entitled to attend the General Meeting of Shareholders of the Company is disclosed at least 7 (Seven) days prior to that date.</p> <p>The list of persons entitled to participate in the General Meeting of Shareholders, with the exception of information on the will of such persons, is submitted by the Company for review at the request of persons included in this list and possessing not less than 1 (one) percent of votes. At the same time, information allowing identification of individuals included in this list, with the exception of the last name, first name, patronymic, is provided only with the consent of these persons.</p>	<p>It is brought into line with p. 1-2 of art. 51 of the Federal Law about JSC:</p> <p>1. The list of persons entitled to participate in a general meeting of shareholders shall be made in accordance with the rules of the legislation of the Russian Federation on securities to record a list of persons exercising rights under securities. In the event that a special right for the participation of the Russian Federation and the subject of the Russian Federation in the management of the said company ("golden share") is applied to the company, this list also includes representatives of the Russian Federation, the subject of the Russian Federation.</p> <p>The date of determining (recording) persons entitled to take part in the general meeting of shareholders of the company cannot be established earlier than 10 days from the date of adopting resolution on convening the general meeting of shareholders of the company and not later than 25 days before the date of holding the general meeting of shareholders, and in the case provided for in paragraph 2 of Article 53 of this Federal Law, - more than 55 days before the date of the general meeting of shareholders.</p> <p>In the event of holding a general meeting of shareholders whose agenda contains the issue of reorganizing the company, the date on which persons entitled to participate in such meeting are determined (recorded) shall not be established more than 35 days before the date of the general meeting of shareholders.</p> <p>It is aligned with the terminology used in the Federal Law about JSC, in particular, the term «the date of recording the list of persons» was replaced by «the date of determining (recording) persons».</p> <p>Amended pursuant to p. 4 of art. 51 of the Federal Law about JSC:</p> <p>The list of persons entitled to participate in the general meeting of shareholders, with the exception of information on the will of such persons, is submitted by the Company for review at the request of persons included in this list and possessing not less than 1 (one) percent of votes. At the same time, information allowing identification of individuals included in this list, with the exception of the last name, first name, patronymic, is provided only with the consent of these persons.</p>
21	<p><b>Subparagraph 1 of paragraph 1 11.5 of Article 11 of the Articles of Association of the Company «Holding of the Company's General Meeting of Shareholders in the form of compresence»</b></p> <p>11.5. The notice of a General Meeting of Shareholders shall be posted on the web-site of the Company on the Internet at <a href="http://www.mrsk-1.ru">www.mrsk-1.ru</a> not later than 30 (thirty) days before the date of holding such meeting.</p>	<p>It is proposed to supplement with paragraph 2:</p> <p>11.5. The notice of a General Meeting of Shareholders shall be posted on the web-site of the Company on the Internet at <a href="http://www.mrsk-1.ru">www.mrsk-1.ru</a> not later than 30 (thirty) days before the date of holding such meeting.</p> <p>The text of the notice of the General Meeting of Shareholders pursuant to a decision of the Board of Directors may additionally be sent electronically to those shareholders of the Company who informed the Company or the registrar of the email addresses to which such communications can be sent.</p>	<p>Updated in accordance with subpar. 1 of p. 1.2 of art. 52 of the Federal Law about JSC:</p> <p>1.2. The company's charter may provide for one or more of the following ways to communicate the notice of the general meeting of shareholders to persons entitled to participate in the general meeting of shareholders and registered in the shareholders' register of the company:</p> <ol style="list-style-type: none"> <li>1) sending an electronic message to the e-mail address of the relevant person specified in the company's shareholder register;</li> <li>2) sending a text message containing the procedure for acquaintance with the message on holding a general meeting of shareholders to the contact telephone number or e-mail address specified in the company's shareholder register;</li> <li>3) publication in a printed publication determined by the company's charter and placement on a website determined by the company's charter on the Internet or placement on a website determined by the company's charter on the Internet.</li> </ol>

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Item #	# of article (paragraph, subparagraph) of the current edition of the Articles of Association	Edition of proposed amendments and additions to the Articles of Association of the Company	Comments
22	<p>Subparagraph 2 of paragraph 11.5 of the Articles of Association of the Company: The notice on holding the General Meeting of Shareholders should specify:</p> <ul style="list-style-type: none"> <li>- full corporate name of the Company and registered office of the Company;</li> <li>- form of holding the General Meeting of Shareholders (meeting or absentee voting);</li> <li>- date, place (including information about premises), time of the General Meeting of Shareholders and postal address, to which filled-in ballots may be sent;</li> <li>- date of recording the list of persons, entitled to participate in the General Meeting of Shareholders;</li> <li>- agenda of the General Meeting of Shareholders;</li> <li>- procedure of familiarization with the information (materials) subject to provision during preparation for holding General Meeting of Shareholders, and address (addresses), at which it is possible to learn them;</li> <li>- information about documents, which it is required to show for the admission into the premises, in which General Meeting of Shareholders will be conducted, in case the access to the room is not free.</li> </ul>	<p>To read as follows:</p> <p>The notice on holding the General Meeting of Shareholders should specify:</p> <ul style="list-style-type: none"> <li>- full corporate name of the Company and registered office of the Company;</li> <li>- form of holding the General Meeting of Shareholders (meeting or absentee voting);</li> <li>- date, place (including information about premises), time of the General Meeting of Shareholders and postal address, to which filled-in ballots may be sent;</li> <li>- <b>date of determining (recording) persons, entitled to participate in the General Meeting of Shareholders;</b></li> <li>- agenda of the General Meeting of Shareholders;</li> <li>- procedure of familiarization with the information (materials) subject to provision during preparation for holding General Meeting of Shareholders, and address (addresses), at which it is possible to learn them;</li> <li>- <b>categories (types) of shares, whose owners have the right to vote on all or some items on the agenda of the General Meeting of Shareholders;</b></li> <li>- <b>the e-mail address for sending filled-in ballots and/or the website address on the "Internet", where the electronic form of the ballots can be filled, if such ways of sending and (or) filling in the ballots are stipulated by the decision of the Board of Directors of the Company in preparation for the General Meeting of Shareholders;</b></li> <li>- information about documents, which it is required to show for the admission into the premises, in which General Meeting of Shareholders will be conducted, in case the access to the room is not free;</li> <li>- <b>time of beginning of registration of persons participating in the General Meeting of Shareholders.</b></li> </ul>	<p>It is brought into line with p. 2 of art. 52 of the Federal Law about JSC: «In the notice of the general meeting of shareholders, the following shall be indicated:</p> <ul style="list-style-type: none"> <li>full company name and the location of the company;</li> <li>form of holding a general meeting of shareholders (meeting or absentee voting);</li> <li>date, place, time of the general meeting of shareholders, and in the event that, in accordance with paragraph 3 of Article 60 of this Federal Law, the completed ballots can be sent to the company, the postal address for which the completed ballots can be sent, or in the event of a general meeting of shareholders in the form of absentee voting, the end date for the receipt of voting ballots and the postal address to which the completed ballots should be sent;</li> <li>date on which persons who have the right to participate in the general meeting of shareholders are determined (recorded);</li> <li>agenda of the general meeting of shareholders;</li> <li>procedure for acquaintance with the information (materials) to be provided in preparation for the general meeting of shareholders, and the address (addresses) at which it is available;</li> <li>the e-mail address for sending filled-in ballots and/or the website address on the "Internet", where the electronic form of the ballots can be filled, if such ways of sending and (or) filling in the ballots are stipulated by the company's charter;</li> <li>categories (types) of shares, whose owners have the right to vote on all or some items on the agenda of the general meeting of shareholders».</li> </ul>
23	<p>Paragraph 11.5. of Article 11 of the Articles of Association of the Company «Holding of the Company's General Meeting of Shareholders in the form of compresence».</p> <p>The proposed paragraph is not in the current version.</p>	<p>Paragraph 11.5 of Article 11 of the Articles of Association of the Company to supplement with paragraph 4 as follows:</p> <p><b>If a person registered in the company's shareholder register is a nominal holder of shares, a notice of the general meeting of shareholders and information (materials) to be provided to persons entitled to participate in the general meeting of shareholders in preparing for the general meeting of shareholders of the company shall be provided in accordance with the rules of the legislation of the Russian Federation on securities to provide information and materials to persons exercising rights in securities.</b></p>	<p>Amended pursuant to p. 4 of art. 52 of the Federal Law about JSC: «If a person registered in the company's shareholder register is a nominal holder of shares, a notice of the general meeting of shareholders and information (materials) to be provided to persons entitled to participate in the general meeting of shareholders in preparing for the general meeting of shareholders of the company shall be provided in accordance with the rules of the legislation of the Russian Federation on securities to provide information and materials to persons exercising rights in securities».</p>



## ITEM № 6 «ON APPROVAL OF THE ARTICLES OF ASSOCIATION OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Articles of Association of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Articles of Association	Edition of proposed amendments and additions to the Articles of Association of the Company	Comments
24	Paragraph 11.5. of Article 11 of the Articles of Association of the Company «Holding of the Company's General Meeting of Shareholders in the form of compresence».  The proposed paragraph is not in the current version.	Paragraph 11.5 of Article 11 of the Articles of Association of the Company to supplement with paragraph 5 as follows: <b>The Company shall keep information on the direction of communications provided for in this article, five years from the date of the general meeting of shareholders.</b>	Amended pursuant to p. 1.3 of art. 52 of the Federal Law about JSC: «1.3. The company shall keep information on the direction of communications provided for in this article, five years from the date of the general meeting of shareholders».
25	<b>Paragraph 11.6 of Article 11 of the Articles of Association of the Company «Holding of the Company's General Meeting of Shareholders in the form of compresence»</b>  Voting ballots on items on the agenda shall be sent by registered mail at the address specified in the list of persons entitled to participate in the General Meeting of Shareholders or handed out against signature to each person specified in the list of persons entitled to participate in the General Meeting of Shareholders no later than 20 (twenty) days before the date of holding the General Meeting of Shareholders.  Each person specified in the list shall receive one voting ballot for all items on the agenda or two or more voting ballots for different items.	It proposed to supplement and read as follows: <b>Voting at the General Meeting of Shareholders is carried out only by ballots for voting on all items on the agenda. The form and text of the ballot paper are approved by the Board of Directors. The receipt by the Company's registrar of information on the will of persons, who have the right to participate in the General Meeting of Shareholders is considered to be voting by ballots, they are not registered in the register of shareholders of the company and, in accordance with the requirements of the legislation of the Russian Federation on securities, gave to persons, registering their rights to shares, instructions on voting.</b>	Amended pursuant to p. 1 of art. 60 of the Federal Law about JSC: «Voting on the agenda of the general meeting of shareholders may be carried out by voting ballots. Voting on the agenda of the general meeting of shareholders of a public company or a non-public company with the number of shareholders owning voting shares of 50 or more, as well as voting on items on the agenda of the general meeting of shareholders held in the form of absentee voting, shall be carried out by ballots for voting. The receipt by the company's registrar of messages about the will of persons who are entitled to participate in the general meeting of shareholders, is equal to the voting, are not in the register of shareholders of the company and, in accordance with the requirements of the legislation of the Russian Federation on securities, given to the persons who register their rights to shares, instructions about voting».
26	P. 11.6 of the Articles of Association of the Company:  Voting ballots on items on the agenda shall be sent by registered mail at the address specified in the list of persons entitled to participate in the General Meeting of Shareholders or handed out against signature to each person specified in the list of persons entitled to participate in the General Meeting of Shareholders no later than 20 (twenty) days before the date of holding the General Meeting of Shareholders.  Each person specified in the list shall receive one voting ballot for all items on the agenda or two or more voting ballots for different items.	To read as follows: <b>The ballot paper must be handed in against signature to each person listed on the list of persons entitled to participate in the General Meeting of Shareholders (his representative) registered for participation in the General Meeting of Shareholders.</b> <b>Voting ballots on items on the agenda shall be sent by registered mail at the address specified in the list of persons entitled to participate in the General Meeting of Shareholders or handed out against signature to each person specified in the list of persons entitled to participate in the General Meeting of Shareholders no later than 20 (twenty) days before the date of holding the General Meeting of Shareholders.</b> <b>Each person specified in the list, or his representative, shall receive one voting ballot for all items on the agenda or two or more voting ballots for different items.</b>	It is brought into line with p. 2 of art. 60 of the Federal Law about JSC: «2. The ballot paper must be handed in against signature to each person listed on the list of persons entitled to participate in the general meeting of shareholders (his representative) registered for participation in the general meeting of shareholders, except for the cases provided for in this article. When holding a general meeting of shareholders in the form of absentee voting and holding a general meeting of shareholders of a public company or a non-public company with the number of shareholders owning voting shares of 50 or more, as well as another company whose charter provides for mandatory sending or handing of ballots before the general meeting of shareholders, a voting ballot shall be sent or delivered against signature to each person registered in the register of shareholders of the company with the right to participate in the general meeting of shareholders not later than 20 days prior to the general meeting of shareholders. The sending of voting ballots in the case stipulated in the second paragraph of this paragraph shall be carried out by registered mail, unless another way of sending them, including in the form of an electronic message to the e-mail address of the relevant person specified in the register of shareholders of the company, is provided for by the charter of the company.» The opportunity to participate in the Meeting of a representative of a shareholder is supplemented in accordance with p. 1 of art. 57 of the Federal Law about JSC: «The right to participate in the general meeting of shareholders is exercised by a shareholder either in person or by proxy».

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## Summary table of amendments to the Articles of Association of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Articles of Association	Edition of proposed amendments and additions to the Articles of Association of the Company	Comments
27	<p><b>P. 11.7. of Article 11 of the Articles of Association of the Company «Holding of the Company's General Meeting of Shareholders in the form of compresence»</b></p> <p>The information (materials) on items on the agenda of the General Meeting of Shareholders shall be available to the persons entitled to participate in the meeting at the premises of the Company's executive body, or at other places specified in the notice on the General Meeting of Shareholders, at least 20 (twenty) days prior to the meeting and 30 (thirty) days if one of the items on the agenda is the reorganization of the Company. Such information (materials) shall be available to the participants of the General Meeting of Shareholders during the meeting. At this the Company aims to ensure the availability of materials for the General Meeting of Shareholders not less than 30 days prior to the meeting.</p> <p>The procedure for familiarization of persons entitled to participate in the General Meeting of Shareholders with the information (materials) on items on the agenda of the General Meeting of Shareholders and the list of such information (materials) shall be determined by the decision of the Board of Directors of the Company.</p>	<p>Subparagraph 1 of paragraph 11.7. of Article 11 of the Articles of Association to read as follows:</p> <p>«The information (materials) on items on the agenda of the General Meeting of Shareholders shall be available to the persons entitled to participate in the meeting at the premises of the Company's executive body, or at other places specified in the notice on the General Meeting of Shareholders, <b>as well as on the web-site of the Company at <a href="http://www.mrsk-1.ru">www.mrsk-1.ru</a></b>, at least 20 (twenty) days prior to the meeting and 30 (thirty) days if one of the items on the agenda is the reorganization of the Company. Such information (materials) shall be available to the participants of the General Meeting of Shareholders during the meeting. At this the Company aims to ensure the availability of materials for the General Meeting of Shareholders not less than 30 days prior to the meeting.</p> <p>The procedure for familiarization of persons entitled to participate in the General Meeting of Shareholders with the information (materials) on items on the agenda of the General Meeting of Shareholders and the list of such information (materials) shall be determined by the decision of the Board of Directors of the Company».</p>	<p>Amended pursuant to p. 3 of art. 52 of the Federal Law about JSC:</p> <p>«The information (materials), provided for in this article, within 20 days, and in case of holding a general meeting of shareholders whose agenda contains the issue of reorganization of the company, within 30 days before the general meeting of shareholders should be available to persons entitled to participate in the general meeting of shareholders for familiarization in the premises of the executive office of the company and other places whose addresses are indicated in the message on holding the general meeting of shareholders, and if this is provided for by the company's charter or by an internal document of the company that regulates the procedure for preparing and holding a general meeting of shareholders, as well as on the company's website on the Internet. The specified information (materials) should be accessible to persons participating in the general meeting of shareholders during its carrying out».</p>
28	<p><b>Paragraph 11.9 of Article 11 of the Articles of Association of the Company «Holding of the Company's General Meeting of Shareholders in the form of compresence»</b></p> <p>11.9. When a General Meeting of Shareholders is held in the form of compresence, the persons included in the list of persons entitled to participate in the General Meeting of Shareholders (their proxies), may <b>participate</b> in such meeting <b>or</b> send the filled-out ballots to the Company.</p>	<p>It is proposed to make editorial corrections:</p> <p>11.9. When a General Meeting of Shareholders is held in the form of compresence, the persons included in the list of persons entitled to participate in the General Meeting of Shareholders, <b>or their proxies</b>, may <b>register for participation</b> in such meeting, <b>or</b> send the filled-out ballots to the Company, <b>or fill out the electronic form of the ballot on the website, whose address is indicated in the notice about holding the General Meeting of Shareholders, if such a method of filling the ballot is provided for by the Board of Directors of the Company in preparation for the General Meeting of Shareholders of the Company.</b></p>	<p>It is brought into line with p. 4 of art. 60 of the Federal Law about JSC:</p> <p>«When holding a general meeting of shareholders, with the exception of the general meeting of shareholders held in the form of absentee voting, in companies that send or receive ballots in accordance with paragraph 2 of this Article or publish ballot forms in accordance with paragraph 3 of this Article, persons included in the list of persons entitled to participate in the general meeting of shareholders, or their representatives have the right to register for participation in such a meeting or send completed ballots to the company. The company's charter may provide for filling out the electronic form of ballots by a person entitled to participate in the general meeting of shareholders on a website on the Internet, the address of which is indicated in the message on holding a general meeting of shareholders. The electronic form of the ballots on the website may be filled out by shareholders during the general meeting of shareholders, if they did not exercise their right to participate in such a meeting in a different way. When completing the electronic ballot form on the website, the date and time of their filling should be recorded».</p>

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Item #	# of article (paragraph, subparagraph) of the current edition of the Articles of Association	Edition of proposed amendments and additions to the Articles of Association of the Company	Comments
29	<p><b>Subparagraph 2 of paragraph 11.10 of Article 11 of the Articles of Association of the Company «Holding of the Company's General Meeting of Shareholders in the form of compresence»</b></p> <p>Shareholders shall be deemed to have participated in the General Meeting of Shareholders if they are registered as participants and shareholders, whose ballots have been received within two days prior to the General Meeting of Shareholders.</p>	<p>It is proposed to read as follows:</p> <p><b>Shareholders shall be deemed to have participated in the General Meeting of Shareholders if they are registered as participants in it, including via the specified in the notice of the General Meeting of Shareholders web-site (if such a possibility was envisaged by a decision of the Board of Directors of the Company), and shareholders whose ballots have been received, or the electronic form of the ballots that are filled on the web-site specified in the notice (if such a possibility was envisaged by a decision of the Board of Directors of the Company), no later than two days prior to the date of the General Meeting of Shareholders.</b></p> <p><b>Shareholders shall be also deemed to have participated in the General Meeting of Shareholders, who, in accordance with the rules of the Russian Federation legislation on securities, issued to persons, registering their rights to shares, instructions on voting, if notifications about their will have been received no later than two days before the date of the general meeting of shareholders.</b></p>	<p>It is brought into line with p. 1 of art. 58 of the Federal Law about JSC:</p> <p>1. The general meeting of shareholders is eligible (has a quorum) if shareholders who possess in aggregate more than half of the votes of the placed voting shares of the company took part in it.</p> <p>Shareholders registered for participation in it are considered to have participated in the general meeting of shareholders, including on the website specified in the notice of the general meeting of shareholders on the Internet, as well as shareholders whose ballots are received or whose electronic form is filled out on the website specified in such a message on the Internet not later than two days before the date of the general meeting of shareholders.</p> <p>Those who participated in the general meeting of shareholders held in the form of absentee voting are considered to be shareholders whose ballots are received or the electronic form of the ballots is filled out on the website specified in the notice of the general meeting of shareholders on the Internet before the deadline for the receipt of ballots.</p> <p>Those who participated in the general meeting of shareholders are also shareholders who, in accordance with the rules of the Russian Federation securities legislation, gave to persons registering their rights to shares instructions on voting, if messages of their will are received no later than two days before the date of holding a general meeting of shareholders or until the deadline for the receipt of ballots when holding a general meeting of shareholders in the form of absentee voting.</p>
30	<p><b>Subparagraph 4 of p. 11.11 of Article 11 of the Articles of Association of the Company «Holding of the Company's General Meeting of Shareholders in the form of compresence»</b></p> <p>If the reconvened General Meeting of Shareholders is held less than 40 (forty) days following the invalid meeting, the persons entitled to take part in the General Meeting of Shareholders shall be determined <b>pursuant to the list of persons that were entitled to take part in the invalid meeting.</b></p>	<p>It is proposed to read as follows:</p> <p>If the reconvened General Meeting of Shareholders is held less than 40 (forty) days following the invalid meeting, the persons entitled to take part in the General Meeting of Shareholders shall be determined <b>(recorded) on the date, on which persons that were entitled to take part in the invalid meeting were determined (recorded).</b></p>	<p>It is brought into line with p. 4 of art. 58 of the Federal Law about JSC:</p> <p>4. If the reconvened general meeting of shareholders is held less than 40 days following the invalid meeting, the persons entitled to take part in the general meeting of shareholders shall be determined (recorded) on the date, on which persons that were entitled to take part in the invalid meeting were determined (recorded).</p>
31	<p><b>Subparagraph 2 of paragraph 11.13 of Article 11 of the Articles of Association of the Company «Holding of the Company's General Meeting of Shareholders in the form of compresence»</b></p> <p>If on the record date of the list of persons entitled to attend the General Meeting of Shareholders in the register of shareholders of the Company the person is a nominee shareholder, the Voting Report shall be sent in electronic form (in the form of an electronic document signed by electronic signature) to the nominal holder of shares. The nominee shareholder shall inform his depositors about the Voting Report obtained by him in accordance with this clause of the Articles of Association, in the manner and within the time established by regulations of the Russian Federation or a contract with the depositor.</p>	<p>It is proposed to read in a new edition:</p> <p><b>If on the determination (record) date of persons, entitled to attend the General Meeting of Shareholders in the register of shareholders of the Company, the person is a nominee shareholder, the information contained in the Voting Report is provided to the nominal holder of shares in accordance with the rules of the securities legislation of the Russian Federation for the provision of information and materials to persons exercising rights in securities.</b></p>	<p>It is brought into line with p. 4 of art. 62 of the Federal Law about JSC:</p> <p>If on the determination (record) date of persons, entitled to attend the general meeting of shareholders in the register of shareholders of the company, the person is a nominee shareholder, the information contained in the voting report is provided to the nominal holder of shares in accordance with the rules of the securities legislation of the Russian Federation for the provision of information and materials to persons exercising rights in securities.</p>

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## Summary table of amendments to the Articles of Association of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Articles of Association	Edition of proposed amendments and additions to the Articles of Association of the Company	Comments
32	Paragraph 11.14 of art. 11 of the Articles of Association of the Company «Holding of the Company's General Meeting of Shareholders in the form of compresence»: It does not exist in the current version	It is proposed to supplement the paragraph by reading as follows: <b>11.14. When holding a general meeting of shareholders in the form of a meeting, information and communication technologies can be used to allow for the possibility of remote participation in the general meeting of shareholders, discussion of issues on the agenda and decision-making on issues put to the vote without attendance at the venue of the general meeting of shareholders.</b>	Amended pursuant to p. 11 of art. 49 of the Federal Law about JSC: 11. When holding a general meeting of shareholders in the form of a meeting (joint presence of shareholders to discuss issues on the agenda and take decisions on issues put to the vote) information and communication technologies can be used to allow for the possibility of remote participation in the general meeting of shareholders, discussion of issues on the agenda and decision-making on issues put to the vote without attendance at the venue of the general meeting of shareholders.
<b>Article 12. Holding of the General Meeting of Shareholders in the form of absentee voting</b>			
33	Paragraph 12.1 of Article 12 of the Articles of Association of the Company «Holding of the General Meeting of Shareholders in the form of absentee voting»: Subpar. 2) 12.1. Voting on items on the agenda of the General Meeting of Shareholders held in absentia shall be made upon voting ballots <b>only</b> .	It is proposed to supplement the paragraph by reading as follows:  Subpar. 2) 12.1. Voting on items on the agenda of the General Meeting of Shareholders held in absentia shall be made upon voting ballots <b>only</b> . <b>The form and text of the ballot paper are approved by the Board of Directors. The receipt by the company's registrar of information on the will of persons, who have the right to participate in the general meeting of shareholders is considered to be voting by ballots, they are not registered in the register of shareholders of the company and, in accordance with the requirements of the legislation of the Russian Federation on securities, gave to persons, registering their rights to shares, instructions on voting.</b>	<b>Updated in accordance with subpar. 9 of p. 1 of art. 54 of the Federal Law about JSC:</b>  1. «In preparing for the general meeting of shareholders, the board of directors (supervisory board) of the company determines: 9) the form and text of the voting ballot in the case of voting by ballots, as well as the wording of resolutions on the agenda of the general meeting of shareholders, which must be sent electronically (in the form of electronic documents) to nominal holders of shares registered in the company's shareholder register.»  <b>Amended pursuant to p. 1 of art. 60 of the Federal Law about JSC:</b> The receipt by the company's registrar of information on the will of persons, who have the right to participate in the general meeting of shareholders is considered to be voting by ballots, they are not registered in the register of shareholders of the company and, in accordance with the requirements of the legislation of the Russian Federation on securities, gave to persons, registering their rights to shares, instructions on voting.
34	Paragraph 12.3 of Article 12 of the Articles of Association of the Company «Holding of the General Meeting of Shareholders in the form of absentee voting»: 12.3. The list of persons entitled to participate in the absentee voting on items on the agenda of the General Meeting of Shareholders shall be made pursuant to the Register of the Company's Shareholders. The date of making the list of persons entitled to participate in the absentee voting on items on the agenda of the General Meeting of Shareholders cannot be established earlier than 10 (ten) days from the date of adopting resolution on convening the General Meeting of Shareholders and more than 50 (Fifty) days prior to voting ballots receipt deadline by the Company. The date of recording the list of persons entitled to attend the General Meeting of Shareholders is disclosed at least 7 (Seven) days prior to that date.	It is proposed to clarify the terms and make editorial corrections: 12.3. The list of persons entitled to participate in the absentee voting on items on the agenda of the General Meeting of Shareholders shall be made <b>in accordance with the rules of the legislation of the Russian Federation on securities to record a list of persons exercising rights in securities.</b> The date of determining (recording) persons entitled to participate in the absentee voting on items on the agenda of the General Meeting of Shareholders cannot be established earlier than 10 (ten) days from the date of adopting resolution on convening the General Meeting of Shareholders and more than of the Company and more than <b>25 (twenty five) days</b> prior to voting ballots receipt deadline by the Company. <b>In the event of holding a General Meeting of Shareholders, the agenda of which contains the issue of reorganization of the Company, the date on which persons entitled to participate in such meeting are determined (recorded), shall not be established more than 35 days before the date of the general meeting of shareholders.</b> The date of determining (recording) persons entitled to attend the General Meeting of Shareholders is disclosed at least 7 (Seven) days prior to that date.	It is brought into line with p. 1 of art. 51 of the Federal Law about JSC: 1. The list of persons entitled to participate in a general meeting of shareholders shall be made in accordance with the rules of the legislation of the Russian Federation on securities to record a list of persons exercising rights under securities. In the event that a special right for the participation of the Russian Federation and the subject of the Russian Federation in the management of the said company ("golden share") is applied to the company, this list also includes representatives of the Russian Federation, the subject of the Russian Federation. The date of determining (recording) persons entitled to take part in the general meeting of shareholders of the company cannot be established earlier than 10 days from the date of adopting resolution on convening the general meeting of shareholders of the company and not later than 25 days before the date of holding the general meeting of shareholders, and in the case provided for in paragraph 2 of Article 53 of this Federal Law, - more than 55 days before the date of the general meeting of shareholders. In the event of holding a general meeting of shareholders, the agenda of which contains the issue of reorganization of the company, the date on which persons entitled to participate in such meeting are determined (recorded), shall not be established more than 35 days before the date of the general meeting of shareholders.



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35	Paragraph 12.4 of Article 12 of the Articles of Association of the Company «Holding of the General Meeting of Shareholders in the form of absentee voting»:	It is proposed to supplement with paragraph 2: The text of the notice of the General Meeting of Shareholders pursuant to a decision of the Board of Directors may additionally be sent electronically to those shareholders of the Company who informed the Company or the registrar of the email addresses to which such communications can be sent.	Updated in accordance with subpar. 1 of p. 1.2 of art. 52 of the Federal Law about JSC: 1.2. The company's charter may provide for one or more of the following ways to communicate the notice of the general meeting of shareholders to persons entitled to participate in the general meeting of shareholders and registered in the shareholders' register of the company: 1) sending an electronic message to the e-mail address of the relevant person specified in the company's shareholder register; 2) sending a text message containing the procedure for acquaintance with the message on holding a general meeting of shareholders to the contact telephone number or e-mail address specified in the company's shareholder register; 3) publication in a printed publication determined by the company's charter and placement on a website determined by the company's charter on the Internet or placement on a website determined by the company's charter on the Internet. Changes are made in accordance with p. 34 of art. 3 210-FZ. see the position under p.11.5.
36	Subparagraph 6 of p. 12.4 of Article 12 of the Articles of Association of the Company «Holding of the General Meeting of Shareholders in the form of absentee voting»:  - date of recording the list of persons, entitled to participate in the General Meeting of Shareholders;	It is proposed to read as follows: - date of determining (recording) persons entitled to attend the General Meeting of Shareholders;	
37	Paragraph 12.4 of Article 12 of the Articles of Association of the Company «Holding of the General Meeting of Shareholders in the form of absentee voting»: The notice on holding the General Meeting of Shareholders should specify: - full corporate name of the Company and registered office of the Company; - form of holding the General Meeting of Shareholders (meeting or absentee voting); - deadline for the receipt of ballots for voting and the postal address to which the completed ballots should be sent; - date of recording the list of persons, entitled to participate in the General Meeting of Shareholders; - agenda of the General Meeting of Shareholders; - procedure of familiarization with the information (materials) subject to provision during preparation for holding General Meeting of Shareholders, and address (addresses), at which it is possible to learn them.	To read as follows: The notice on holding the General Meeting of Shareholders should specify: - full corporate name of the Company and registered office of the Company; - form of holding the General Meeting of Shareholders (meeting or absentee voting); - deadline for the receipt of ballots for voting and the postal address to which the completed ballots should be sent; - date of determining (recording) persons entitled to attend the General Meeting of Shareholders; - agenda of the General Meeting of Shareholders; - procedure of familiarization with the information (materials) subject to provision during preparation for holding General Meeting of Shareholders, and address (addresses), at which it is possible to learn them; - the e-mail address for sending filled-in ballots and/or the website address on the "Internet", where the electronic form of the ballots can be filled, if such ways of sending and (or) filling in the ballots are stipulated by the decision of the Board of Directors of the Company in preparation for the General Meeting of Shareholders; - categories (types) of shares, whose owners have the right to vote on all or some items on the agenda of the General Meeting of Shareholders. If a person registered in the Company's shareholder register is a nominal holder of shares, a notice of the General Meeting of Shareholders and information (materials) to be provided to persons entitled to participate in the General Meeting of Shareholders in preparing for the General Meeting of Shareholders of the Company shall be provided in accordance with the rules of the legislation of the Russian Federation on securities to provide information and materials to persons exercising rights in securities. The Company shall keep information on the direction of communications provided for in this article, five years from the date of the General Meeting of Shareholders.	It is brought into line with p. 2 of art. 52 of the Federal Law about JSC: In the notice of the general meeting of shareholders, the following shall be indicated: full company name and the location of the company; form of holding a general meeting of shareholders (meeting or absentee voting); date, place, time of the general meeting of shareholders, and in the event that, in accordance with paragraph 3 of Article 60 of this Federal Law, the completed ballots can be sent to the company, the postal address for which the completed ballots can be sent, or in the event of a general meeting of shareholders in the form of absentee voting, the end date for the receipt of voting ballots and the postal address to which the completed ballots should be sent; date on which persons who have the right to participate in the general meeting of shareholders are determined (recorded); agenda of the general meeting of shareholders; procedure for acquaintance with the information (materials) to be provided in preparation for the general meeting of shareholders, and the address (addresses) at which it is available; the e-mail address for sending filled-in ballots and/or the website address on the "Internet", where the electronic form of the ballots can be filled, if such ways of sending and (or) filling in the ballots are stipulated by the company's charter; categories (types) of shares, whose owners have the right to vote on all or some items on the agenda of the general meeting of shareholders. Amended pursuant to p. 4 of art. 52 of the Federal Law about JSC: «If a person registered in the company's shareholder register is a nominal holder of shares, a notice of the general meeting of shareholders and information (materials) to be provided to persons entitled to participate in the general meeting of shareholders in preparing for the general meeting of shareholders of the company shall be provided in accordance with the rules of the legislation of the Russian Federation on securities to provide information and materials to persons exercising rights in securities». Amended pursuant to p. 1.3 of art. 52 of the Federal Law about JSC: «1.3. The company shall keep information on the direction of communications provided for in this article, five years from the date of the general meeting of shareholders holding».

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Item #	# of article (paragraph, subparagraph) of the current edition of the Articles of Association	Edition of proposed amendments and additions to the Articles of Association of the Company	Comments
38	<p><b>Paragraph 12.5 of Article 12 of the Articles of Association of the Company «Holding of the General Meeting of Shareholders in the form of absentee voting»:</b></p> <p>12.5. Voting ballots on items on the agenda shall be sent by registered mail at the address specified in the list of persons entitled to participate in the General Meeting of Shareholders or handed out against signature to each person specified in the list of persons entitled to participate in the General Meeting of Shareholders within 20 (twenty) days prior to voting deadline.</p> <p>Each person specified in the list of persons entitled to participate in the General Meeting of Shareholders shall receive one voting ballot for all items on the agenda or two or more voting ballots for different items.</p> <p>The procedure for familiarization of persons entitled to participate in the General Meeting of Shareholders with the information (materials) on items on the agenda of the General Meeting of Shareholders and the list of such information (materials) shall be determined by the resolution of the Board of Directors of the Company.</p>	<p>To read as follows:</p> <p>12.5. Voting ballots on items on the agenda shall be sent by registered mail at the address specified in the list of persons entitled to participate in the General Meeting of Shareholders or handed out against signature to each person, <b>recorded in the register of shareholders of the Company</b> and entitled to participate in the General Meeting of Shareholders or handed out against signature to each person specified in the list of persons entitled to participate in the General Meeting of Shareholders within 20 (twenty) days prior to voting deadline.</p> <p>Each person specified in the list of persons entitled to participate in the General Meeting of Shareholders shall receive one voting ballot for all items on the agenda or two or more voting ballots for different items.</p> <p>The procedure for familiarization of persons entitled to participate in the General Meeting of Shareholders with the information (materials) on items on the agenda of the General Meeting of Shareholders and the list of such information (materials) shall be determined by the resolution of the Board of Directors of the Company.</p>	<p>1) It is brought into line with p. 2 of art. 60 of the Federal Law about JSC:</p> <p>2. The ballot paper must be handed in against signature to each person listed on the list of persons entitled to participate in the general meeting of shareholders (his representative) registered for participation in the general meeting of shareholders, except for the cases provided for in this article.</p> <p>When holding a general meeting of shareholders in the form of absentee voting and holding a general meeting of shareholders of a public company or a non-public company with the number of shareholders owning voting shares of 50 or more, as well as another company whose charter provides for mandatory sending or handing of ballots before the general meeting of shareholders, a voting ballot shall be sent or delivered against signature to each person registered in the register of shareholders of the company with the right to participate in the general meeting of shareholders not later than 20 days prior to the general meeting of shareholders.</p> <p>The sending of voting ballots in the case stipulated in the second paragraph of this paragraph shall be carried out by registered mail, unless another way of sending them, including in the form of an electronic message to the e-mail address of the relevant person specified in the register of shareholders of the company, is provided for by the company's charter.</p>
39	<p><b>Subparagraph 2 of paragraph 12.6 of Article 12. of the Articles of Association of the Company «Holding of the General Meeting of Shareholders in the form of absentee voting»:</b></p> <p>Shareholders shall be deemed to have participated in the General Meeting of Shareholders held by absentee voting if their voting ballots were received within the voting deadline.</p>	<p>It is proposed to read as follows:</p> <p>Shareholders shall be deemed to have participated in the General Meeting of Shareholders held by absentee voting if their voting ballots were received <b>and (or) the electronic form of the ballots is filled out on the web-site on the Internet (indicated in the notice on holding the general meeting of shareholders) (if such an opportunity was provided for by the decision of the Board of Directors of the Company) within the voting deadline, as well as shareholders who, in accordance with the rules of the legislation of the Russian Federation on securities, gave persons registering their rights to shares, instructions on voting, if messages of their have been received before the deadline for the receipt of ballots.</b></p>	<p>It is brought into line with p. 1 of art. 58 of the Federal Law about JSC:</p> <p>1. The general meeting of shareholders is eligible (has a quorum) if shareholders who possess in aggregate more than half of the votes of the placed voting shares of the company took part in it.</p> <p>Shareholders registered for participation in it are considered to have participated in the general meeting of shareholders, including on the website specified in the notice of the general meeting of shareholders on the Internet, as well as shareholders whose ballots are received or whose electronic form is filled out on the website specified in such a message on the Internet not later than two days before the date of the general meeting of shareholders.</p> <p>Those who participated in the general meeting of shareholders held in the form of absentee voting are considered to be shareholders whose ballots are received or the electronic form of the ballots is filled out on the website specified in the notice of the general meeting of shareholders on the Internet before the deadline for the receipt of ballots.</p> <p>Those who participated in the general meeting of shareholders are also shareholders who, in accordance with the rules of the Russian Federation securities legislation, gave to persons registering their rights to shares instructions on voting, if messages of their will are received no later than two days before the date of holding a general meeting of shareholders or until the deadline for the receipt of ballots when holding a general meeting of shareholders in the form of absentee voting.</p>
40	<p><b>Subparagraph 2 of paragraph 12.8 of Article 12 of the Articles of Association of the Company «Holding of the General Meeting of Shareholders in the form of absentee voting»:</b></p> <p>If on the record date of the list of persons entitled to attend the General Meeting of Shareholders in the register of shareholders of the Company the person is a nominee shareholder, the Voting Report shall be sent in electronic form (in the form of an electronic document signed by electronic signature) to the nominal holder of shares. The nominee shareholder shall inform his depositors about the Voting Report obtained by him in accordance with this clause of the Articles of Association, in the manner and within the time established by regulations of the Russian Federation or a contract with the depositor.</p>	<p>It is proposed to read as follows:</p> <p>If on the <b>determination (record) date of persons</b>, entitled to attend the General Meeting of Shareholders in the register of shareholders of the Company, the person is a nominee shareholder, <b>the information contained in the Voting Report is provided to the nominal holder of shares in accordance with the rules of the securities legislation of the Russian Federation for the provision of information and materials to persons exercising rights in securities.</b></p>	<p>It is brought into line with p. 4 of art. 62 of the Federal Law about JSC:</p> <p>If on the determination (record) date of persons, entitled to attend the general meeting of shareholders in the register of shareholders of the company, the person is a nominee shareholder, the information contained in the voting report is provided to the nominal holder of shares in accordance with the rules of the securities legislation of the Russian Federation for the provision of information and materials to persons exercising rights in securities.</p>



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<b>Article 13. Proposals to the agenda of the Annual General Meeting of Shareholders of the Company</b>			
41	<p><b>Paragraph 13.2. of Article 13 of the Articles of Association of the Company Proposals to the agenda of the Annual General Meeting of Shareholders of the Company</b></p> <p>13.2. The proposal on introducing issues to the agenda of the General Meeting of Shareholders and on nomination of nominations shall be made in writing specifying the names (trade names) of the Shareholders (Shareholder) proposing them, number and category (type) of shares held by them and shall be signed by the Shareholders (Shareholder).</p>	<p>Paragraph 13.2. of Article 13 of the Articles of Association of the Company to read as follows:</p> <p>13.2. The proposal on introducing issues to the agenda of the General Meeting of Shareholders and on nomination of nominations shall be made with indication of the name (s) of the shareholders (shareholder) submitting them, the number and category (type) of their shares, and must be signed by the shareholders (shareholder) or their representatives. Shareholders (shareholder) of the Company, who are not registered in the register of shareholders of the Company, have the right to submit proposals to the agenda of the General Meeting of Shareholders and proposals for nominating candidates also by giving appropriate instructions to a person who accounts their rights to shares. Such instructions are given in accordance with the rules of the legislation of the Russian Federation on securities.</p>	<p>Changes are made to bring the Articles of Association in accordance with paragraph 3 of art. 53 of Federal Law dated 26 December 1995 № 208-FZ «On Joint-Stock Companies (in the edition of Federal Law dated 29.06.2015 № 210-FZ), which provides for:</p> <p><i>The proposal on introducing issues to the agenda of the general meeting of shareholders and on nomination of nominations shall be made with indication of the name (s) of the shareholders (shareholder) submitting them, the number and category (type) of their shares, and must be signed by the shareholders (shareholder) or their representatives. Shareholders (shareholder) of the company, who are not registered in the register of shareholders of the company, have the right to submit proposals to the agenda of the general meeting of shareholders and proposals for nominating candidates also by giving appropriate instructions to a person who accounts their rights to shares. Such instructions are given in accordance with the rules of the legislation of the Russian Federation on securities.</i></p>
42	<p><b>Paragraph 13.6. of Article 13 of the Articles of Association of the Company «Proposals to the agenda of the Annual General Meeting of Shareholders of the Company»</b></p> <p>13.6. The motivated resolution of the Board of Directors of the Company regarding refusal to include the proposed item in the agenda of the General Meeting of Shareholders or the nomination in the voting list of nominations for election to the respective Company's body shall be sent to the Shareholder (Shareholders) who has (have) proposed the item or nominated the nomination not later than within 3 (Three) days from the date of its adoption.</p>	<p>Paragraph 13.6. of Article 13 of the Articles of Association of the Company to read as follows:</p> <p>13.6. The motivated resolution of the Board of Directors of the Company regarding refusal to include the proposed item in the agenda of the General Meeting of Shareholders or the nomination in the voting list of nominations for election to the respective Company's body shall be sent to the Shareholder (Shareholders) who has (have) proposed the item or nominated the nomination not later than within 3 (Three) days from the date of adoption of such decision. If these proposals are received by the Company from persons who are not registered in the register of shareholders of the Company and have given an instruction to the person, who records their rights to shares, this decision of the Board of Directors of the Company shall be sent to such persons not later than 3 (Three) days from the date of its adoption in accordance with the rules of the legislation of the Russian Federation on securities to provide information and materials to persons exercising rights in securities.</p>	<p>It is brought into line with p. 6 of art. 53 of the Federal Law about JSC:</p> <p>The motivated resolution of the board of directors (supervisory board) of the company regarding refusal to include the proposed item in the agenda of the general meeting of shareholders or the nomination in the voting list of nominations for election to the respective company's body shall be sent to the shareholder (shareholders) who has (have) proposed the item or nominated the nomination not later than within three days from the date of adoption of such decision. If these proposals are received by the company from persons who are not registered in the register of shareholders of the company and have given an instruction to the person, who records their rights to shares, this decision of the board of directors (supervisory board) of the company shall be sent to such persons not later than three days from the date of its adoption in accordance with the rules of the legislation of the Russian Federation on securities to provide information and materials to persons exercising rights in securities.</p>
<b>Article 14. Convocation of the Extraordinary General Meetings of Shareholders of the Company</b>			
43	<p><b>Subparagraph 2 of paragraph 14.3 of Article 14 of the Articles of Association of the Company «Convocation of the Extraordinary General Meetings of Shareholders of the Company»</b></p> <p>Such General Meeting of Shareholders shall be held within 50 (Fifty) days from the date of the request to convene the Extraordinary General Meeting of Shareholders except for case provided for by Clause 14.9 of these Articles of Association.</p>	<p>It is proposed to clarify the period:</p> <p>Such General Meeting of Shareholders shall be held within <b>40 (Forty)</b> days from the date of the request to convene the Extraordinary General Meeting of Shareholders except for case provided for by Clause 14.9 of these Articles of Association.</p>	<p>Changes are made on the basis of Federal Law-210 dated 29.06.2015 according to which p. 2 of Article 55 of the Federal Law about JSC has been changed in the part of the term of the general meeting of shareholders and set forth as follows:</p> <p><i>«An extraordinary general meeting of shareholders convened at the request of the company's audit commission (auditor), the company's auditor or shareholders (shareholder) owning at least 10 percent of the company's voting shares, must be held within 40 days from the date of submission of the request to hold an extraordinary general meeting of shareholders».</i></p> <p><i>Paragraph entered into force 01.07.2016</i></p>

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44	<p><b>Paragraph 14.7. of Article 14 of the Articles of Association of the Company «Convocation of the Extraordinary General Meetings of Shareholders of the Company»:</b></p> <p>14.7. The resolution of the Board of Directors to convene the Extraordinary General Meeting of Shareholders or motivated refusal shall be sent to the persons who requested the convocation of such meeting not later than within 3 (Three) days from the date of adoption of such resolution.</p>	<p>Paragraph 14.7. of Article 14 of the Articles of Association of the Company is proposed to read as follows:</p> <p>14.7. The resolution of the Board of Directors to convene the Extraordinary General Meeting of Shareholders or motivated refusal shall be sent to the persons who requested the convocation of such meeting not later than within 3 (Three) days from the date of adoption of such resolution. <b>If the request to hold an extraordinary general meeting of shareholders was received from persons who are not registered in the register of shareholders of the company and gave an instruction to the person, who records their rights to shares, this decision of the board of directors of the company shall be sent to such persons not later than three days from the date of its adoption in accordance with the rules of the legislation of the Russian Federation on securities for the provision of information and materials to persons exercising rights in securities.</b></p>	<p>Changes are made on the basis of Federal Law-210 dated 29.06.2015 according to which p. 7 of Article 55 of the Federal Law about JSC has been amended and supplemented with the paragraph as follows:</p> <p><i>7. The decision of the board of directors (supervisory board) of the company to convene an extraordinary general meeting of shareholders or a reasoned decision to refuse to convene it shall be forwarded to persons requesting its convocation no later than three days after the adoption of such a decision. If a request to hold an extraordinary general meeting of shareholders was received from persons who are not registered in the register of shareholders of the company and gave instructions to the person who records their rights to shares, this decision of the board of directors (supervisory board) of the company shall be sent to such persons not later three days from the date of its adoption in accordance with the rules of the legislation of the Russian Federation on securities for the provision of information and materials to persons exercising the rights for securities.</i></p> <p>Paragraph entered into force 01.07.2016</p>
45	<p><b>Paragraph 14.9.1 of Article 14 of the Articles of Association of the Company «Convocation of the Extraordinary General Meetings of Shareholders of the Company»</b></p> <p>14.9.1. General Meeting of Shareholders shall be held within <b>95 (Ninety five)</b> days following the date of submitting the request to convene the Extraordinary General Meeting of Shareholders of the Company.</p>	<p>It is proposed to supplement the paragraph by reading as follows:</p> <p>14.9.1. General Meeting of Shareholders shall be held within <b>75 (Seventy five)</b> days following the date of submitting the request to convene the Extraordinary General Meeting of Shareholders of the Company. <b>In this case, the board of directors of the company is obliged to determine the date to which proposals of shareholders will be accepted on nominating candidates for election to the board of directors of the company.</b></p>	<p>Changes are made on the basis of Federal Law-210 dated 29.06.2015, according to which p. 2 of Article 55 of the Federal Law about JSC has been amended and supplemented with the paragraph as follows:</p> <p><i>If the proposed agenda of the extraordinary general meeting of shareholders contains the issue of electing members of the company's board of directors (supervisory board), such a general meeting of shareholders must be held within 75 days from the date of submission of the request to hold an extraordinary general meeting of shareholders, unless the company's charter provides for a shorter period. In this case, the board of directors (supervisory board) of the company is obliged to determine the date by which shareholders' proposals for nominating candidates for election to the board of directors (supervisory board) of the company are to be accepted.</i></p> <p>Paragraph entered into force 01.07.2016</p>
46	<p><b>Paragraph 14.9.3 and 14.9.4 of Article 14 of the Articles of Association of the Company «Convocation of the Extraordinary General Meetings of Shareholders of the Company»</b></p> <p>14.9.3. The date of <b>making a list</b> of persons entitled to take part in the General Meeting of Company's Shareholders cannot be established earlier than 10 (Ten) days from the date of adopting resolution on convening the General Meeting of Company's Shareholders and later than <b>80 (Eighty)</b> days before the date of holding the General Meeting of Shareholders of the Company.</p> <p>14.9.4. The notice on holding the Extraordinary General Meeting of Shareholders shall be sent not later than <b>70 (Seventy)</b> days prior to the date of its holding.</p>	<p>It is proposed to clarify the period:</p> <p>14.9.3. The date of <b>determining (recording)</b> persons entitled to take part in the General Meeting of Company's Shareholders cannot be established earlier than 10 (Ten) days from the date of adopting resolution on convening the General Meeting of Company's Shareholders and later than <b>55 (Fifty five)</b> days before the date of holding the General Meeting of Shareholders of the Company.</p> <p>14.9.4. The notice on holding the Extraordinary General Meeting of Shareholders shall be sent not later than <b>50 (Fifty)</b> days prior to the date of its holding.</p>	<p>Changes are made on the basis of Federal Law-210 dated 29.06.2015 according to which p. 1 of Article 51 of the Federal Law about JSC has been changed and set forth as follows:</p> <p><i>The date of determining (recording) persons entitled to take part in the general meeting of shareholders of the company cannot be established earlier than 10 days from the date of adopting resolution on convening the general meeting of shareholders of the company and not later than 25 days before the date of holding the general meeting of shareholders, and in the case provided for in paragraph 2 of Article 53 of this Federal Law, - more than 55 days before the date of the general meeting of shareholders.</i></p> <p>Paragraph entered into force 01.07.2016</p> <p>In accordance with subp. 2 of p.1 of art. 52 of the Federal Law about JSC: <i>In the cases provided for in paragraphs 2 and 8 of Article 53 of this Federal Law, a notice on holding a general meeting of shareholders shall be made no later than 50 days before the date of its holding.</i></p> <p>(p. 1 in the edition of Federal Law dated 29.06.2015 № 210-FZ)</p>

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47	It does not exist in the current version	Article 14 of the Articles of Association of the Company «Convocation of the Extraordinary General Meetings of Shareholders of the Company» to supplement with paragraph 14.10. as follows: <b>14.10. In cases where, in accordance with the Federal Law "On Joint Stock Companies", the Board of Directors of the Company is required to decide on holding an extraordinary General Meeting of Shareholders to elect members of the Board of Directors of the Company, such General Meeting of Shareholders shall be held within 70 (Seventy) days since the decision to hold it made by the Board of Directors of the Company.</b>	Changes are made in accordance with subparagraph 2 of paragraph 3 of Article 55 of the Federal Law «On Joint-Stock Companies» in the edition of Federal Law dated 29.06.2015 № 210-FZ: <i>«3. In cases where, in accordance with articles 68 - 70 of this Federal Law, the board of directors (supervisory board) of the company is obliged to take a decision to hold an extraordinary general meeting of shareholders, such a general meeting of shareholders shall be held within 40 days from the date of the decision to hold it by the board of directors (supervisory board) of the company, if the company's charter does not provide for a shorter period.</i> <i>In cases where, in accordance with this Federal Law, the board of directors (supervisory board) of the company is obliged to take a decision to hold an extraordinary general meeting of shareholders to elect members of the company's board of directors (supervisory board), such a general meeting of shareholders shall be held within 70 days from the decision on its holding by the board of directors (supervisory board) of the company, unless an earlier period is provided for by the company's charter.</i>
<b>Article 15. The Company's Board of Directors</b>			
48	<b>Subparagraph 19 of paragraph 15.1. of Article 15 of the Articles of Association of the Company «The Company's Board of Directors»</b> 19) approval of business-plan (adjusted business-plan) including investment program and quarterly report of the results of its performance.	It is proposed to amend the paragraph by reading as follows: 19) approval of business-plan (adjusted business-plan) and <b>consideration of a quarterly report on performance of business-plan (for the first quarter, half year, nine months, the reporting year);</b>	Consideration by the Board of Directors of IDGC of Centre, PJSC of issues on approving business plans and investment programs of the Company is currently not synchronized in terms. The business plan of the Company is approved by the Board of Directors before 30 November of the year preceding the planned one and is adjusted based on the results of the adoption of tariff and balance decisions in the 1st quarter of the planned year. In this process, the formation, coordination and approval of the investment program of the Company continues throughout the planned year and ends on 01.11. In this regard, it is proposed to exclude consideration of investment programs of IDGC of Centre, PJSC, as well as reports on the results of execution from the issues of consideration of the business plan of the Company. Questions about the approval of the investment program of the Company and reports on the results of implementation are proposed to be considered by the Board of Directors of the Company as separate issues.
49	<b>Subparagraph 20 of paragraph 15.1. of Article 15 of the Articles of Association of the Company «The Company's Board of Directors»</b> 20) on investment program consideration including its amendments;	It is proposed to amend the paragraph by reading as follows: 20) on approval of investment program including its amendments, <b>and a quarterly report on results of its implementation;</b>	In connection with making changes to subp. 19 of p. 15.1 of art. 15 of the Articles of Association of the Company it is required to supplement subp. 20 of p. 15.1 of art. 15 of the Articles of Association of the Company with the norm that retains the competence of the Board of Directors of the Company to consider the report on the implementation of the investment program of the Company. In accordance with the Criteria for assigning subjects of the electric power industry to the number of entities whose investment programs are approved by the authorized federal executive body..., approved by RF Government Resolution dated 01.12.2009 № 977 (hereinafter referred to as Resolution № 977) the investment program of IDGC of Centre is subject to approval by the Ministry of Energy of the Russian Federation.

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			<p>Paragraph 9 of the Rules for the approval of investment programs for electricity entities (approved by Resolution № 977) established that the review and approval of investment programs and (or) changes that are made to investment programs are carried out on the basis of investment program drafts placed on the official website in accordance with information disclosure standards.</p> <p>Paragraph 11 (g) of Resolution of the Government of the Russian Federation dated 21.01.2004 № 24 "On the approval of information disclosure standards for wholesale and retail electricity market participants" stipulates that the investment program package should include, among other things, a copy of the decision on approval of the draft investment program by the board of directors of a grid organization.</p> <p>Thus, the current legislation refers to the competence of the Ministry of Energy of Russia the confirmation of investment programs, and to the competence of the board of directors of the grid organization – the <b>approval</b> of investment programs.</p> <p>Assuming that the investment program is subject to approval by the board of directors of the grid organization, the report on the implementation of the investment program is also subject to <b>approval</b>.</p>
50	<p><b>Subparagraph 23 of paragraph 15.1 of Article 15 of the Articles of Association of the Company «The Company's Board of Directors»</b></p> <p>23) establishment of branches and representative offices of the Company and their liquidation, <b>as well as amending the Articles of Association of the Company related to establishment of branches and representative offices of the Company (including change of data on names and locations of such branches and representative offices of the Company) and their liquidation;</b></p>	<p>It is proposed to clarify the wording of the subparagraph:</p> <p>23) establishment of branches and representative offices of the Company and their liquidation;</p>	<p>Changes are made in connection with the deletion of paragraph 5 from art. 12 of Federal Law dated 26 December 1995 № 208-FZ «On Joint-Stock Companies (in the edition of Federal Law dated 29.06.2015 № 210-FZ)</p>
51	<p><b>Subparagraph 24 of paragraph 15.1 of Article 15 of the Articles of Association of the Company «The Company's Board of Directors»</b></p> <p>24) adopting resolutions on the Company's participation in other organisations (on entering operation organisation or establishment of a new organisation including approval of constituent documents) as well as on purchase, assignment and encumbrance of shares or equity interests in the authorised capitals of the organisations in which the Company participates, change of equity interests in the authorised capital of the respective organisation and termination of the Company's participation in other organisations;</p>	<p>It is proposed to clarify the wording of the subparagraph:</p> <p>24) adopting resolutions on the Company's participation in other organisations (on entering operation organisation or establishment of a new organisation including approval of constituent documents) as well as on purchase, assignment and encumbrance of shares or equity interests in the authorised capitals of the organisations in which the Company participates, change of equity interests in the authorised capital of the respective organisation and termination of the Company's participation in other organisations, <b>with the exception of the decisions on participation provided for in subpara. 18 of para. 10.2 of Article 10 of these Articles of Association;</b></p>	Clarifying revision
52	<p><b>Subparagraphs 26, 27 of paragraph 15.1 of Article 15 of the Articles of Association of the Company «The Company's Board of Directors»</b></p> <p>26) <b>approval</b> of major transactions provided for by Chapter XI of the Federal Law "On Joint Stock Companies";</p> <p>27) <b>approval</b> of transactions provided for by Chapter XI of the Federal Law "On Joint Stock Companies";</p>	<p>Editorial revision proposed:</p> <p>26) <b>consent to making or further approval</b> of major transactions provided for by Chapter XI of the Federal Law "On Joint Stock Companies",</p> <p>27) <b>consent to making or further approval</b> of transactions provided for by Chapter XI of the Federal Law "On Joint Stock Companies",</p>	<p>It is brought into line with p. 1 of art. 65 of the Federal Law about JSC:</p> <p>The competence of the board of directors (supervisory board) of the company includes the following issues:</p> <p>15) consent to making or subsequent approval of transactions in cases provided for by this Federal Law;</p> <p>(subp. 15 in the edition of Federal Law dated 03.07.2016 N 343-FZ)</p> <p>16) consent to making or subsequent approval of transactions, provided for by chapter XI of this Federal Law;</p>



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Item #	# of article (paragraph, subparagraph) of the current edition of the Articles of Association	Edition of proposed amendments and additions to the Articles of Association of the Company	Comments
53	Subparagraph «g» of subparagraph 37 of paragraph 15.1. of Article 15 of the Articles of Association of the Company «The Company's Board of Directors» g) on approval of major transactions made by SDC;	g) consent to making or further approval of major transactions made by SDC;	It is brought into line with p. 1 of art. 65 of the Federal Law about JSC: The competence of the board of directors (supervisory board) of the company includes the following issues: 15) consent to making or subsequent approval of transactions in cases provided for by this Federal Law; 16) consent to making or subsequent approval of transactions, provided for by chapter XI of this Federal Law;
54	Paragraph 38 of Article 15 of the Articles of Association of the Company «The Company's Board of Directors»: 38. determination of the position of the Company (the Company's representatives) including guideline to participate or not to participate in the voting on items on the agenda, on draft resolutions "for", "against" or "abstained" on the following items on the agenda of the general meetings of shareholders (members) of subsidiaries and dependent companies (hereinafter referred to as SDCs), and meetings of SDC's boards of directors: n) on approval of business-plan (adjusted business-plan) including investment program and quarterly report of the results of its performance. o) on approval (consideration) of business plan status report.	It is proposed to amend the paragraph by reading as follows: <b>n) on approval of business-plan (adjusted business-plan of SDC.</b> <b>o) on consideration of business plan status report of SDC for the reporting year.</b>	<b>On paragraph «n»:</b> In order to synchronize the materials submitted to the Board of Directors of IDGC of Centre and the Boards of Directors of IDGC of Centre's subsidiaries on issues related to the approval of the business plan (adjusted business plan), it is proposed to exclude materials on the investment program from materials on business-plans of IDGC of Centre's subsidiaries. <b>On paragraph «o»:</b> Reports on the execution of business plans of IDGC of Centre's subsidiaries are formed on the basis of actual data generated in accordance with accounting statements, and therefore it is proposed to review reports on the execution of business plans of IDGC of Centre's subsidiaries and to take them into account.
55	Subparagraph 48 of paragraph 15.1 of Article 15 of the Articles of Association of the Company «The Company's Board of Directors» 48) approval of a nomination of an independent appraiser (appraisers) for evaluating shares, property and other assets of the Company in cases provided for by the Federal Law "On Joint Stock Companies", these Articles of Association and separate resolutions of the Company's Board of Directors;	Editorial revision proposed: 48) approval of a nomination of an appraiser (appraisers) for evaluating shares, property and other assets of the Company in cases provided for by the Federal Law "On Joint Stock Companies", these Articles of Association and separate resolutions of the Company's Board of Directors;	Deleted in connection with the introduction of similar changes in the Federal Law about JSC. Example: P. 2 of art. 77 of the Federal Law about JSC: Attraction of the <b>appraiser</b> to determine the market value is mandatory for determining the purchase price by the company from the shareholders of their shares in accordance with Article 76 of this Federal Law, as well as in other cases, if expressly provided for by this Federal Law.
56	Subparagraph 58 of paragraph 15.1 of Article 15.1 of the Articles of Association of the Company «The Company's Board of Directors» Determination of principles and approaches to the organization of the risk management and internal control <b>system</b> in the Company	It is proposed to read the subparagraph as follows:  Determination of principles and approaches to the organization of <b>internal audit</b> , the risk management and internal control <b>systems</b> in the Company	1) Subparagraph 1 of paragraph 267 of the Code of Corporate Governance provides: «approval by the Board of Directors (Audit Committee) of the internal audit policy (provisions on internal audit) that defines the goals, objectives and functions of internal audit». In accordance with p.p. 1.1, 1.9 of the Internal Audit Policy approved by the Board of Directors of the Company: The Policy defines «the basic principles of the organization and operation of internal audit» and «is approved by the decision of the Board of Directors, taking into account the preliminary consideration by the Audit Committee.» 2) Technical editing. In accordance with the Internal Control Policy and the Risk Management Policy approved by the Board of Directors of the Company, the Company operates a risk management system and an internal control system.



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57	<b>Subparagraph 60 of paragraph 15.1 of Article 15.1 of the Articles of Association of the Company «The Company's Board of Directors»</b> Organization of carrying out not less often 1 times a year analysis and evaluation of functioning of the risk management and internal control <b>system</b>	It is proposed to read the subparagraph as follows:  Organization of carrying out not less often 1 times a year analysis and evaluation of functioning of the risk management and internal control <b>systems, including on the basis of data from reports regularly received from the executive bodies of the company, internal audit and external auditors of the company</b>	1) Technical editing. In accordance with the Internal Control Policy and the Risk Management Policy approved by the Board of Directors of the Company, the Company operates a risk management system and an internal control system. 2) In accordance with p. 72 of the Code of Corporate Governance: «The board of directors should at least once a year organize the analysis and evaluation of the functioning of the risk management and internal control system. Such analysis and evaluation can be based on data from reports that are regularly received from the executive bodies of the company, the internal audit unit and external auditors of the company, as well as on their own observations of the board of directors and on information obtained from other sources». In fact, the Board of Directors of the Company considers in accordance with clause 4.1.2.2 of the Regulation on the Audit Committee of the Board of Directors approved by the Board of Directors of the Company: - internal audit reports on the effectiveness of internal control, risk management and corporate governance systems, as well as similar reports on the results of external independent evaluation; - CEO reports on the organization and functioning of internal control and risk management systems; - CEO reports on management of key operational risks
58	<b>Subparagraph 61 of paragraph 15.1 of Article 15.1 of the Articles of Association of the Company «The Company's Board of Directors»</b> Annual consideration of issues on organization, functioning and effectiveness of the risk management and internal control <b>system</b> in the Company	It is proposed to read the subparagraph as follows:  Annual consideration of issues on organization, functioning and effectiveness of the risk management and internal control <b>systems</b> in the Company	Technical editing. In accordance with the Internal Control Policy and the Risk Management Policy approved by the Board of Directors of the Company, the Company operates a risk management system and an internal control system.
59	<b>Subparagraph 62 of paragraph 15.1 of Article 15.1 of the Articles of Association of the Company «The Company's Board of Directors»</b> Control and organization of activity of the internal audit <b>unit</b> , including approval of a plan of internal audit activity, the report on performance of the plan of activities of internal audit and budget of the internal audit <b>unit</b> , approval of decisions on the appointment, termination, and also definition of remuneration of the head of the internal audit <b>unit</b>	It is proposed to read the subparagraph as follows: Control and organization of activity of the internal audit, including <b>approval of the provision on the division of internal audit, in case of involvement of an external independent organization for the internal audit - approval of such an organization and conclusion of a contract with it</b> , approval of a plan of internal audit activity, the report on performance of the plan of activities of internal audit and budget of the internal audit, approval of decisions on the appointment, termination, and also definition of remuneration of the head of the internal audit, <b>review of results of assessment of the quality of the internal audit function</b>	1) Regarding the deletion of the words «unit»: In accordance with p.p. 5.2 and 5.2.1 of the Code of Corporate Governance: «5.2. For a systematic independent evaluation of the reliability and effectiveness of the risk management and internal control system and corporate governance practices, a company must organize an internal audit. 5.2.1. The organization of internal audit is recommended to be carried out through the creation of a separate structural unit (internal audit unit) or with the involvement of an independent external organization.» In accordance with p. 4.1 of the Methodical Recommendations of Rosimushchestvo to build the function of internal audit (Order of Rosimushchestvo from 03.09.2014 № 330) the possibility is provided for «full or partial outsourcing/co-sourcing of the internal audit function of SDCs».

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			<p>In accordance with p. 1.8 of the Internal Audit Policy approved by the Board of Directors of the Company:  <i>«The form of realization of the internal audit function in the Company is the creation of an internal audit unit (a separate structural subdivision) or the involvement of an independent external organization (outsourcing). The decision on the most optimal form of implementing the internal audit function is taken by the Company's Board of Directors.»</i></p> <p>Thus, the Board of Directors should monitor and organize the activities of internal audit, in whatever form it was organized.</p> <p>2) Concerning the addition with the words «approval of the provision on the internal audit subdivision»:</p> <p>Paragraphs 5.2.1, 267 of the Code of Corporate Governance to ensure the independence of the internal audit unit it is recommended to subordinate it functionally to the board of directors. Such subordination means consideration by the board of directors of the most important aspects of the internal audit activity, including in the area of organization of the internal audit function.</p> <p>In order for the Board of Directors to exercise this competence, it is advisable to review the internal documents of the Company by the board of directors (with preliminary consideration by the audit committee), defining the goals, tasks, powers and functions of the internal audit, including the provision on the internal audit subdivision.</p> <p>For these purposes in 2016, the Board of Directors of the Company reviewed and approved the provision on the internal audit subdivision.</p> <p>3) Concerning the addition with the words «in case of involvement of an external independent organization for the internal audit – approval of such an organization and conclusion of a contract with it»:</p> <p><i>In accordance with sp. 9 of p. 2.18 and subp. 6 of p. 2.19 of the Listing Rules registered by the CBR 07.09.2016, the board of directors determines «in the event that an external independent organization is involved in the internal audit – also the procedure for choosing such an organization and concluding an agreement with it».</i></p> <p>4) Concerning the addition with the words «consideration of the results of the evaluation of the quality of the internal audit function»:</p> <p>In accordance with sp. 3 «f» of p. 172 of the Code of Corporate Governance the main tasks of the audit committee, created to facilitate the effective performance of the functions of the board of directors in terms of control over the financial and business activities of the company, include:  <i>«evaluation of the effectiveness of the internal audit function».</i></p> <p>In accordance with p. 8.1.8 of the Internal Audit Policy approved by the Board of Directors of the Company, internal audit interacts with the Board of Directors (Audit Committee) in the following main areas:  <i>«providing to the Board of Directors (Audit Committee) the results of internal and external assessments of the quality of internal audit activities».</i></p>

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<b>Article 18. Meetings of the Board of Directors of the Company</b>			
60	<b>Paragraph 18.3. of Article 18 of the Articles of Association of the Company «Meetings of the Board of Directors of the Company»</b> P. 18.3. The first meeting of newly elected members of the Company's Board of Directors shall obligatory resolve issues regarding election of the Chairman of the Board of Directors, the Deputy Chairman and <b>the Corporate Secretary of the Company.</b>	Paragraph 18.3. is proposed to amend as follows: «18.3. The first meeting of newly elected members of the Company's Board of Directors shall obligatory resolve issues regarding election of the Chairman of the Board of Directors, the Deputy Chairman <b>of the Company's Board of Directors.</b> ».	It is envisaged that the Corporate Secretary of the Company shall perform his or her duties <b>until the Board of Directors makes a decision to release him or her from the position.</b>
61	<b>Subparagraph 2 of paragraph 18.7 of Article 18 of the Articles of Association of the Company «Meetings of the Board of Directors of the Company»</b> Provided that a transaction shall be <b>approved</b> by the Company's Board of Directors on several grounds simultaneously (established by these Articles of Association and established by Chapter X or Chapter XI of the Federal Law "On Joint Stock Companies"), the procedure for approval of such transaction shall be regulated only by provisions of the Federal Law "On Joint Stock Companies".	To read as follows: Provided that <b>decision on a transaction</b> shall be <b>taken</b> by the Company's Board of Directors on several grounds simultaneously (established by these Articles of Association and established by Chapter X or Chapter XI of the Federal Law "On Joint Stock Companies"), the procedure for <b>its taking</b> shall be regulated by provisions of the Federal Law "On Joint Stock Companies".	It is brought into line with p. 1 of art. 65 of the Federal Law about JSC: The competence of the board of directors (supervisory board) of the company includes the following issues: 15) consent to making or subsequent approval of transactions in cases provided for by this Federal Law; 16) consent to the completion or subsequent approval of transactions provided for by chapter XI of this Federal Law;
62	<b>Subparagraph 1 of paragraph 18.8 of Article 18 of the Articles of Association of the Company «Meetings of the Board of Directors of the Company»</b> 18.8. The resolution of the Company's Board of Directors <b>on approval</b> of a major transaction shall be adopted by all members of the Board of Directors unanimously.	Editorial revision proposed: 18.8. The resolution of the Company's Board of Directors <b>on consent to making or on subsequent approval</b> of a major transaction shall be adopted by all members of the Board of Directors unanimously.	It is brought into line with p. 1 of art. 65 of the Federal Law about JSC: The competence of the board of directors (supervisory board) of the company includes the following issues: 15) consent to making or subsequent approval of transactions in cases provided for by this Federal Law; 16) consent to the completion or subsequent approval of transactions provided for by chapter XI of this Federal Law;
63	<b>Paragraph 18.9 of Article 18 of the Articles of Association of the Company «Meetings of the Board of Directors of the Company»</b> 18.9. The resolution on <b>approval</b> of any related-party transaction shall be adopted by the Company's Board of Directors in accordance with Article 83 of the Federal Law "On Joint Stock Companies".	Editorial revision proposed: 18.9. The resolution on <b>consent to making or on subsequent approval</b> of any related-party transaction shall be adopted by the Company's Board of Directors in accordance with Article 83 of the Federal Law "On Joint Stock Companies".	Brought into accordance with Art. 1 of Federal Law dated 03.07.2016 № 343-FZ, according to which subp.15) of paragraph 1 of Article 48 of the Federal Law about JSC has been amended: <i>15) decision making on consent to commit or on subsequent approval of transactions in cases provided for in Article 83 of this Federal Law.</i> Paragraph will enter into force from 01.01.2017

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<b>Article 20. Corporate Secretary of the Company</b>			
64	<p><b>Paragraphs 20.2-20.6 of Article 20 of the Articles of Association of the Company «Corporate Secretary of the Company»</b></p> <p>20.2. The Agreement on behalf of the Company with the Corporate Secretary of the Company shall be executed by the Chairman of the Company's Board of Directors or the person authorised by the Company's Board of Directors.</p> <p>20.3. The terms and conditions of the agreement with the Company's Corporate Secretary as well as amount of its fee shall be determined by the Company's Board of Directors or the person authorised by the Company's Board of Directors.</p> <p>20.4. The Company's Corporate Secretary's functions refer to:</p> <ul style="list-style-type: none"> <li>- organizational support of the Board of Directors of the Company, participation in the organization of preparation and holding of General Meetings of Shareholders of the Company;</li> <li>- providing the work of the Board of Directors and Committees of the Board of Directors;</li> <li>- participation in the implementation of the policy of the Company on the disclosure, the policy to ensure the storage of corporate documents of the Company, as well as providing storage of corporate documents of the Company;</li> <li>- participation in the improvement of the corporate governance system and practices of the Company;</li> <li>- other functions stipulated by the Regulation on the Corporate Secretary of the Company.</li> </ul> <p>20.5. The members of the management bodies and officers of the Company shall assist to the Corporate Secretary of the Company in exercising his/her functions. The activity of the Corporate Secretary of the Company shall be regulated by the Company's Board of Directors.</p> <p>20.6. Operating procedure as well as procedure for appointment and termination of powers, term of powers, rights and obligations of the Corporate Secretary of the Company shall be determined by the Regulation on the Corporate Secretary approved by the Company's Board of Directors.</p>	<p>To exclude paragraphs 20.2-20.6, supplementing after the deletion with paragraph 20.2 as follows:</p> <p><b>20.2. The status of the Corporate Secretary, requirements for his or her candidacy, procedure for appointment and termination of powers of the Corporate Secretary, his or her subordination and the procedure for interaction with management bodies and structural divisions of the Company, as well as other issues related to the activities of the Corporate Secretary of the Company are governed by the Regulation on the Corporate Secretary approved by the Board of Directors of the Company.</b></p>	Changes are made with a view to excluding duplicate provisions, in connection with the approval by the Board of Directors of the Company of the Regulation on the Corporate Secretary.
<b>Article 22. The Company's Management Board</b>			
65	<p>22.2. The following issues refer to the competence of the Company's Management Board:</p> <ul style="list-style-type: none"> <li>2) drawing up of <b>annual (quarterly)</b> business-plan including investment program and report of the results of their performance as well as approval (adjustment) of the indicators of cash (budget) flow of the Company;</li> <li>3) drawing up of <b>annual report on the Company's business</b>, implementation by the Management Board of resolutions of the General Meeting of Shareholders and the Board of Directors of the Company;</li> </ul>	<p>22.2. The following issues refer to the competence of the Company's Management Board:</p> <ul style="list-style-type: none"> <li>2) drawing up of business-plan (adjusted business-plan) and a report on business-plan execution (<b>for the first quarter, half year, nine months, the reporting year</b>), as well as approval (adjustment) of the indicators of cash (budget) flow of the Company;</li> <li>3) drawing up of the Company's annual report, <b>a report on</b> implementation by the Management Board of resolutions of the General Meeting of Shareholders and the Board of Directors of the Company;</li> </ul>	Changes are made to bring it into line with the wording of subp. 13, 19 of p. 15.1 of art. 15 of the Articles of Association of the Company.

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66	22.2. The competence of the Management Board of the Company include the following issues: 6) drawing up and submitting following reports on business activity of the business companies to the Board of Directors, 100 (One hundred) per cent of the Authorised capital of which belong to the Company;	To be excluded	It is excluded due to the fact that the competence of the Board of Directors of the Company does not include the consideration of reports on financial and economic activities of business entities, 100 (one hundred) percent of the authorized capital of which belongs to the Company.
Article 23. General Director of the Company			
67	23.3. The General Director of the Company shall act on behalf of the Company without any Power of Attorney, taking into account limitations provided for by the applicable laws of the Russian Federation, these Articles of Association and resolutions of the Company's Board of Directors: - submit for consideration of the Company's Board of Directors the reports on financial and business activity of subsidiaries and dependent companies, shares (equity interests) of which the Company holds as well as information regarding other organisations in which the Company participates except for cases provided for by Sub-clause 6) of Clause 22.2 of Article 22 of these Articles of Association;	To be excluded	Changes are made in connection with the exclusion of subp. 6 of p. 22.2 of the Articles of Association of the Company
Article 24. Audit Commission and Auditor of the Company			
68	<b>Paragraph 24.9 of Article 24 of the Articles of Association of the Company «Audit Commission and Auditor of the Company»</b> 24.9. The General Meeting of Shareholders of the Company shall approve the Auditor of the Company, not connected by property interests with the Company and its shareholders, every year for audit and confirmation of annual financial statements of the Company.	Editorial revision proposed: 24.9. The General Meeting of Shareholders of the Company shall approve the Auditor of the Company, not connected by property interests with the Company and its shareholders, every year for audit and confirmation of annual <b>accounting</b> (financial) statements of the Company.	Changes are made in accordance with subp. d) of p. 63 of art. 3 210-FZ.
Article 25. Accounting and Reporting of the Company			
69	<b>Article 25 of the Articles of Association of the Company «Accounting and Reporting of the Company»</b>	Editorial revision proposed: «Business accounting and accounting (financial) statements of the Company»	Changes are made in accordance with p. 63 of art. 3 210-FZ.



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70	<b>Paragraph 25.1 of Article 25 of the Articles of Association of the Company «Business accounting and accounting (financial) statements of the Company»</b> 25.1. The Company shall keep accounting records and submit financial reports pursuant to the procedure established by the law of the Russian Federation and these Articles of Association.	Editorial revision proposed: 25.1. The Company shall keep accounting records and submit <b>accounting</b> (financial) statements pursuant to the procedure established by the law of the Russian Federation and these Articles of Association.	Changes are made in accordance with p. 63 of art. 3 210-FZ.
71	<b>Paragraph 25.2 of Article 25 of the Articles of Association of the Company «Business accounting and accounting (financial) statements of the Company»</b> 25.2. In accordance with the laws of the Russian Federation and these Articles of Association, the Company's <b>General Director</b> shall be responsible for organisation and accuracy of accounting in the Company, submission of <b>annual financial statements and other financial reports</b> to the relevant <b>governmental</b> authorities in due time as well as for representation of information on the Company's activity furnished to Shareholders of the Company, creditors and mass media.	Editorial revision proposed: 25.2. In accordance with the laws of the Russian Federation and these Articles of Association, the Company's <b>executive body</b> shall be responsible for organisation and accuracy of business accounting in the Company, submission of <b>accounting</b> (financial) statements to the relevant authorities in due time as well as for representation of information on the Company's activity furnished to Shareholders of the Company, creditors and mass media.	Changes are made in accordance with p. 2 of art. 88 of the Federal Law about JSC: Article 88. <i>Business accounting and accounting (financial) statements of the company</i> 2. <i>Responsibility for the organization, condition and reliability of business accounting in the company, timely submission of accounting (financial) statements to the relevant authorities, as well as information on the company's activities submitted to shareholders, creditors and the media, shall be borne by the executive body of the company in accordance with this Federal Law, other legal acts of the Russian Federation, the company's charter.</i> (p. 2 in the edition of Federal Law dated 29.06.2015 № 210-FZ)
72	<b>Paragraph 25.3 of Article 25 of the Articles of Association of the Company «Business accounting and accounting (financial) statements of the Company»</b> 25.3. The accuracy of data contained in the Company's annual report and annual financial statements shall be confirmed by the Audit Commission and the Auditor of the Company.	Editorial revision proposed: 25.3. The accuracy of data contained in the Company's annual report and annual accounting (financial) statements shall be confirmed by the Audit Commission of the Company.	Changes are made in accordance with subp. a) p. 64 of art. 3 210-FZ.
73	<b>Paragraph 25.3. of Article 25 of the Articles of Association of the Company «Business accounting and accounting (financial) statements of the Company»</b> 3. The accuracy of data contained in the Company's annual report and annual financial statements shall be confirmed by the Audit Commission and the Auditor of the Company.	Paragraph 25.3. to read as follows: 25.3. «The accuracy of data contained in the Company's annual report and annual accounting (financial) statements shall be confirmed by the Audit Commission and the Auditor of the Company. <b>The Company is obliged to attract for an annual audit of annual accounting (financial) statements an audit organization that is not related to property interests with the company or its shareholders».</b>	p.3 of art. 88 of Federal Law dated 26.12.1995 № 208-FZ (edition dated 29.06.2015) «On Joint-Stock Companies» «3. <i>The accuracy of data contained in the company's annual report, annual accounting (financial) statements shall be confirmed by the audit commission (auditor) of the company.</i> <b>The company is obliged to attract for an annual audit of annual accounting (financial) statements an audit organization that is not related to property interests with the company or its shareholders.»;</b> Paragraph entered into force from 01.07.2016.
74	<b>Paragraph 25.4. of Article 25 of the Articles of Association of the Company «Business accounting and accounting (financial) statements of the Company»</b> 4. The annual report, annual financial statements, profit and loss statement and allocation of profit and losses of the Company, shall be preliminarily approved by the Company's Board of Directors not later than 30 (Thirty) days prior to the date of the Annual General Meeting of Shareholders of the Company.	Paragraph 25.4. to read as follows: The annual report, annual <b>accounting (financial)</b> statements, profit and loss statement and allocation of profit and losses of the Company, shall be preliminarily approved by the Company's Board of Directors not later than 30 (thirty) days prior to the date of the Annual General Meeting of Shareholders of the Company.	Technical editing

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<b>Article 26. Safekeeping of Documents by the Company. Providing information by the Company</b>			
75	Subparagraph 9 of p. 26.1 of Article 26 of the Articles of Association of the Company «Safekeeping of Documents by the Company. Providing information by the Company» 9) accounting reports;	Editorial revision proposed: 9) accounting (financial) reports;	Changes are made in accordance with subp. a) of p. 64 of art. 3 210-FZ.
76	Subparagraph 12 of p. 26.1 of Article 26 of the Articles of Association of the Company « Safekeeping of Documents by the Company. Providing information by the Company» 12) reports of independent appraisers;	Editorial revision proposed: 12) reports of appraisers;	Changes are made in accordance with subp. b) of p. 64 of art. 3 210-FZ.
77	Paragraph 26.7 of Article 26 of the Articles of Association of the Company « Safekeeping of Documents by the Company. Providing information by the Company»  26.7. The amount of fee shall be fixed by the General Director of the Company and shall not exceed the amount of expenses for making copies of documents.	It is proposed to read as follows: 26.7. The amount of fee shall be fixed by the General Director of the Company and shall not exceed costs for making copies of documents.  <b>In the event that the eligible person does not pay the costs of the Company for making copies of documents of the Company on the earlier received and executed Request, the period for providing copies of the Company's documents on subsequent requests shall be calculated from the date of receipt of such payment.</b>	Amendments are made to ensure the application of the provision of Clause 19 of the Instruction of the Bank of Russia dated 22.09.2014 №3388-U «On additional requirements to the procedure for providing documents stipulated by paragraph 1 of Article 89 of the Federal Law «On Joint-Stock Companies», and the procedure for providing copies of such documents», which provides for:  «19. The charter of the joint-stock company or other internal documents may stipulate that in the event that the eligible person does not pay the expenses of the joint-stock company for making copies of the company's documents on the earlier received and fulfilled request, the period for providing copies of the company's documents for subsequent request shall be calculated from the date of receipt of such payment
<b>Appendix # 1 «List of branches and representative offices of IDGC of Centre, PJSC»</b>			
78	Appendix # 1	It is proposed to delete	See explanations to paragraph 2 of this table.

## ITEM № 7

# ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION



### ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

#### 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 Regulation on the General Meeting of Shareholders of the Company in a new edition is due to:

- amending the Federal Law "On Joint Stock Companies";
- making changes recommended by the Bank of Russia;
- introduction of changes to the Regulation on additional requirements to the procedure of preparation, convocation and holding of the General Meeting of Shareholders;
- introduction of legal and technical amendments.

#### MAIN CHANGES AND ADDITIONS refer to:

- the procedure for preparing for the General Meeting of Shareholders;
- the procedure for sending notices to shareholders about the holding of the Meeting by e-mail and electronic voting at the Meeting;
- the procedure for convening an extraordinary General Meeting of Shareholders;
- the procedure for participation in the Meeting in cases where the registered person in the register of shareholders is a nominal holder, etc.

The initiator of the approval of the Regulation on the General Meeting of Shareholders of the Company in a new edition is the Board of Directors of the Company in connection with the amendments to the legislation that have come into force and bringing the Regulation in line with the Articles of Association and the requirements of the current legislation.

The draft revision of the Regulation on the General Meeting of Shareholders of the Company was preliminarily considered by the Strategy and Development Committee on 26.04.2017 (Minutes No. 08/17 of 26.04.2017) and the Board of Directors on 16.05.2017 (Minutes No. 12/17) and recommended for approval by the Annual General Meeting of Shareholders of the Company.

The current version of the Regulation on the General Meeting of Shareholders of the Company, the draft Regulation on the General Meeting of Shareholders of the Company in a new edition, as well as the summary table of amendments and additions to the Regulation on the General Meeting of Shareholders of the Company, are attached.

ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

**Draft resolution on item № 7**

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





ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

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

SEE APPENDIX 5

ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

**Current edition of the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC**

SEE APPENDIX 6

## ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the General Meeting of Shareholders	Proposed revision	Comments
<b>Article 2. Convening and Preparation for the General Shareholders Meeting</b>			
1	2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors <b>and other persons, in cases stipulated by paragraph 3.1 of these Regulations</b> , shall be entitled to take the following decisions:	2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors shall be entitled to take the following decisions:	Excluded in accordance with p. 1 of art. 55 of the Federal Law about JSC: An extraordinary general meeting of shareholders is held by the decision of the board of directors (supervisory board) of the company on the basis of its own initiative, a requirement of the audit commission (auditor) of the company, the company's auditor, as well as shareholders (shareholder) owning not less than 10 percent of the company's voting shares on the date of presentation of the requirement.
2	2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors and other persons, in cases stipulated by paragraph 3.1 of these Regulations, shall be entitled to take the following decisions: 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);	2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors shall be entitled to take the following decisions: 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), <b>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>	It is brought into line with subp. 3 of p. 1 of art. 54 of the Federal Law about JSC, according to which, in preparation for the general meeting of shareholders, the board of directors (supervisory board) of the company determines: ...3) the postal address where filled out ballots can be sent in case if voting is carried out in accordance with Article 60 of this Federal Law by ballots, and in case this possibility is provided for by the charter of the company, and 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.
3	2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors and other persons, in cases stipulated by paragraph 3.1 of these Regulations, shall be entitled to take the following decisions: d) on determination of the date of compiling the list of persons who are entitled to take part in the General Shareholders Meeting;	2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors shall be entitled to take the following decisions: <b>d) on the determination of the date of identification (record) of persons entitled to participate in the General Shareholders Meeting;</b>	It is brought in line with the terminology used in the current version of the Federal Law about JSC. For example, subp. 4 of p. 1 of art. 54 of the Federal Law about JSC provides that in preparing for the general meeting of shareholders, the board of directors (supervisory board) of the company determines: 4) the date of determination (record) of persons entitled to participate in the general meeting of shareholders.
4	It does not exist in the current version.	2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors shall be entitled to take the following decisions: <b>e) on determining the deadline for accepting proposals of shareholders on nominating candidates for election to the Board of Directors of the Company, if the agenda of an extraordinary general meeting of shareholders contains the issue of electing members of the Board of Directors of the Company;</b>  <i>Note: In connection with the addition of clause 2.2 of the Regulation with this subparagraph "e", the numbering of the following subparagraphs is adjusted.</i>	Supplemented in accordance with subp. 5 of p. 1 of art. 54 of the Federal Law about JSC, which provides that in preparing for the general meeting of shareholders, the board of directors (supervisory board) of the company determines: 5) the deadline for accepting proposals of shareholders on nominating candidates for election to the company's board of directors (supervisory board), if the agenda of the extraordinary general meeting of shareholders contains the issue of electing members of the board of directors (supervisory board) of the company.

## ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the General Meeting of Shareholders	Proposed revision	Comments
5	2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors and other persons, in cases stipulated by paragraph 3.1 of these Regulations, shall be entitled to take the following decisions: f) on determination of the list of information (materials) to be presented to the shareholders during the preparation for the General Shareholders Meeting holding and the order of examination by shareholders of the specified information;	2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors shall be entitled to take the following decisions: g) on determination of the list of information (materials) to be presented to the shareholders during the preparation for the General Shareholders Meeting holding and the order of <b>its provision</b> ;	It is brought in line with subp. 8 of p. 1 of art. 54 of the Federal Law about JSC:  1. In preparing for the general meeting of shareholders, the board of directors (supervisory board) of the company determines: 8) a list of information (materials) provided to shareholders in preparation for the general meeting of shareholders, and the procedure for its provision;
6	2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors and other persons, in cases stipulated by paragraph 3.1 of these Regulations, shall be entitled to take the following decisions: h) on determination of the form and text of the voting ballots during the General Shareholders Meeting;	2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors shall be entitled to take the following decisions: h) on determination of the form and text of the voting ballots during the General Shareholders Meeting, <b>as well as wording of decisions on the agenda of the General Shareholders Meeting, which should be sent electronically (in the form of electronic documents) to nominee shareholders registered in the register of shareholders of the Company</b> ;	It is brought in line with subp. 9 of p. 1 of art. 54 of the Federal Law about JSC, which provides that in preparing for the general meeting of shareholders, the board of directors (supervisory board) of the company determines: 9) the form and the text of the voting ballot in the case of voting by ballots, as well as the wording of decisions on the agenda of the general meeting of shareholders, which should be sent electronically (in the form of electronic documents) to nominal holders of shares registered in the shareholders' register of the company.
7	2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors and other persons, in cases stipulated by paragraph 3.1 of these Regulations, shall be entitled to take the following decisions: k) on the election of the Secretary of the General Shareholders Meeting, <b>and also on determination of the person exercising the functions of the Counting Commission of the Company in cases when the amount of shareholders – owners of the Company's voting shares - is less than 100 (one hundred) and the Counting Commission was not established in the Company</b> ;	2.2. During the process of preparation to the General Shareholders Meeting, the Board of Directors shall be entitled to take the following decisions: k) on the election of the Secretary of the General Shareholders Meeting;	The change is made due to the fact that the Company has more than 10 shareholders of owners of voting shares of the Company.
8	2.3. The sole executive body of the Company shall organize the Board of Directors' decisions implementation connected with the preparation and carrying out of the General Shareholders Meeting, including: - ensuring the voting ballots sending to the shareholders and the reception of the filled voting ballots <b>if the General Shareholders Meeting is carried out in the form of the absentee voting or if the voting at the General Shareholders Meeting which is held in the form of a meeting can be fulfilled by means of sending the filled voting ballots to the Company</b> ;	2.3. The sole executive body of the Company shall organize the Board of Directors' decisions implementation connected with the preparation and carrying out of the General Shareholders Meeting, including: - ensuring the voting ballots sending to the shareholders and the reception of the filled voting ballots, <b>and if the Board of Directors of the Company decides on the possibility of sending completed ballots for voting to the e-mail address and (or) filling out the electronic form of the ballots on the Internet site determined by the Board of Directors, - the functioning of these electronic means for receiving completed ballots for voting</b> ;	It is brought into line with subp. 3 of p. 1 of art. 54 of the Federal Law about JSC, which provides that in preparing for the general meeting of shareholders, the board of directors (supervisory board) of the company determines:  ...3) the postal address where filled out ballots can be sent if, in accordance with Article 60 of this Federal Law, voting is carried out by ballots, and in case this possibility is stipulated in the company's charter, also the e-mail address for sending completed ballots and (or) the address of the web-site on the Internet, at which the electronic form of the ballots can be filled.

## ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the General Meeting of Shareholders	Proposed revision	Comments
9	It does not exist in the current version.	<p>2.3. The sole executive body of the Company shall organize the Board of Directors' decisions implementation connected with the preparation and carrying out of the General Shareholders Meeting, including:</p> <ul style="list-style-type: none"> <li>- ensuring the provision by the Company of a list of persons entitled to participate in the General Shareholders Meeting, for acquaintance with it at the request of persons included in this list and possessing not less than one percent of the votes, in accordance with the requirements of the current legislation of the Russian Federation, from the date of its receipt by the Company;</li> </ul>	<p>Amendments are aimed at improving the corporate governance practices of the Company.</p> <p>The proposed amendments establish the terms for submitting the list of persons entitled to participate in the general meeting of shareholders of the Company at the request of persons included in this list and possessing not less than 1 (one) percent of the votes.</p> <p>The terms for the provision of the list of persons are regulated by clause 3.7 of the Regulation on additional requirements to the procedure for preparation, convocation and holding of a general meeting of shareholders approved by Order of the Federal Financial Markets Service of Russia dated 02.02.2012 №12-6/pz-n:</p> <p>3.7. Provision for familiarization of the list of persons entitled to participate in the general meeting and its copy is carried out at the request of a person (persons) included in the said list and having not less than 1 percent of votes for any item on the agenda of the general meeting, in the order established by this Regulation for the provision of information (materials) in preparation for the general meeting.</p> <p>The terms of provision of information (materials) in preparation for the general meeting of shareholders are provided by paragraph 3.6 of the Regulation on additional requirements to the procedure of preparation, convening and holding the general meeting of shareholders, according to which</p> <p>«The terms of provision of information (materials) in preparation for the general meeting of shareholders are provided by paragraph 3.6 of the Regulation on additional requirements to the procedure of preparation, convening and holding the general meeting of shareholders, according to which "The company is obliged, at the request of a person entitled to participate in the general meeting of shareholders, to provide him with copies of the said documents within 7 days from the date of receipt of the relevant request by the company (from the date of the term during which information (materials), subject to provision to persons, who have the right to participate in the general meeting, should be available to such persons if the relevant requirement was received by the company before the beginning of the specified period), if a shorter period is not provided for by the charter of the company or an internal document regulating the activities of the general meeting».</p> <p>In addition, the proposed changes are in line with the recommendation of the Corporate Governance Code recommended by the Bank of Russia for use by joint stock companies whose shares are admitted to on-exchange trading (hereinafter – the Corporate Governance Code):</p> <p>«Clause 12. The opportunity to get acquainted with the list of persons entitled to participate in the general meeting allows shareholders to assess the balance of forces at the upcoming meeting, jointly nominate candidates for election to the bodies of the company, discuss and agree on possible options for voting, and appoint a representative for participation in the general meeting. The company is recommended to provide shareholders who have the right to familiarize themselves with this list with the opportunity to get acquainted with it from the date of receipt by the company.»</p>



## ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the General Meeting of Shareholders	Proposed revision	Comments
<b>Article 3. Peculiarities of Convening of the Extraordinary General Shareholders Meeting</b>			
10	3.1. The extraordinary General Shareholders Meeting may be convened by the Auditing Committee of the Company, Company's Auditor and shareholder(s) of the Company who are the owners of at least 10 (Ten) percent of the Company's voting shares in case during 5 (Five) days since the date of the demand raise on the convening of the extraordinary General Shareholders Meeting the Company's Board of Directors did not take the decision on the extraordinary General Shareholders Meeting convening or rejected its convening.	3.1. The Extraordinary General Shareholders Meeting is held by decision of the Board of Directors of the Company on the basis of its own initiative, the requirement of the Audit Commission of the Company, the auditor of the Company or the shareholders of the Company owning not less than 10 (Ten) percent of voting shares of the Company, as of the date of the request.	It is brought into line with p. 1 of art. 55 of the Federal Law about JSC: An extraordinary general meeting of shareholders is held by the decision of the board of directors (supervisory board) of the company on the basis of its own initiative, a requirement of the audit commission (auditor) of the company, the company's auditor, as well as shareholders (shareholder) owning not less than 10 percent of the company's voting shares on the date of presentation of the requirement.
11	3.2. Persons who convened the extraordinary General Shareholders Meeting in accordance with the procedure stipulated by paragraph 3.1 of these Regulations personally fulfill the actions on preparation and holding of the extraordinary General Shareholders Meeting.	3.2. Within five (5) days from the date of the request of the Audit Commission of the Company, the Auditor of the Company or the shareholder (shareholders) owning not less than 10 (Ten) percent of the voting shares of the Company, the convening of an Extraordinary General Shareholders Meeting of the Company, the Board of Directors of the Company must decide to convene an Extraordinary General Shareholders Meeting of the Company or to refuse to convene it.	Supplemented in accordance with p. 6 of art. 55 of the Federal Law about JSC: Within five days from the date of presentation of the request of the audit commission (auditor) of the company, the auditor of the company or the shareholders (shareholder) owning not less than 10 percent of the voting shares of the company to convene an extraordinary general meeting of shareholders, the board of directors (supervisory board) of the company must decide to convene an extraordinary general meeting of shareholders or to refuse to convene it.
12	It does not exist in the current version.	3.3. The decision of the Board of Directors of the Company to convene an extraordinary General Shareholders Meeting of the Company or a reasoned decision to refuse its convocation shall be sent to the persons requesting its convocation no later than 3 (Three) days after the date of such decision.	It is brought into line with p. 7 of art. 55 of the Federal Law about JSC: The decision of the board of directors (supervisory board) of the company to convene an extraordinary general meeting of shareholders or a reasoned decision to refuse to convene it shall be sent to the persons requesting its convocation no later than three days after the date of such decision.
<b>Article 4. Information Support of Carrying Out the General Shareholders Meeting</b>			
13	4.1. Notification on carrying out of the General Shareholders Meeting and information materials concerning the agenda issues of the General Shareholders Meeting, besides other ways of bringing information to the shareholders of the Company, shall be presented on the Company's website on or prior to the deadline for the notification of the shareholders on carrying out of the General Shareholders Meeting. The abovementioned materials are recommended to be also presented in English. Information (materials) concerning the agenda of the General Shareholders' Meeting within 30 (thirty) days before the General Meeting of Shareholders shall be available to the persons entitled to attend the General Meeting of Shareholders for familiarization at the premises of the executive body of the Company and other locations specified in the notice of the General Meeting of Shareholders, as well as posted on the Company's website on the Internet at www.mrsk-1.ru.	4.1. A notice of the holding of the General Shareholders Meeting must be posted on the website of the Company on the Internet no later than the expiration of the notice of shareholders on the holding of the General Shareholders Meeting. 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. Information (materials) on the agenda of the General Shareholders Meeting within 20 (Twenty) days, and in case of the General Shareholders Meeting, the agenda of which contains the issue of the reorganization of the Company, within 30 (thirty) days before holding of the General Shareholders Meeting shall be available to persons entitled to participate in the General Shareholders Meeting for familiarization in the premises of the executive office of the Company and other places whose addresses are indicated in the notice of the General Shareholders Meeting, and on the website of the Company on the "Internet" at www.mrsk-1.ru. At the same time, the Company seeks to ensure the availability of materials to the General Meeting of Shareholders not less than 30 days before the date of its holding. The specified information (materials) should be accessible to persons participating in the General Shareholders Meeting during its holding. The abovementioned materials are recommended to be also published in English.	It is brought into line with the current edition of the Federal Law about JSC, and also in accordance with the changes proposed for inclusion in the Articles of Association of the Company at the Annual General Meeting of Shareholders in 2017. Including, it is brought into conformity with p. 11.5 of the Articles of Association of the Company, subp. 1 of p. 1.2 of art. 52 of the Federal Law about JSC, p. 3 of art. 52 of the Federal Law about JSC and others.

## ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the General Meeting of Shareholders	Proposed revision	Comments
14	<p>4.1.2. 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>- annual accounting statements, including the Auditor's Report, the Opinion of the Audit Commission on the results of audit of the annual accounting statements;</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 candidates of the indicated information about the candidates to the Audit Commission of the Company, information about the management organization;</li> <li>- 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;</li> <li>- 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;</li> <li>- draft resolutions of the General Meeting of Shareholders;</li> <li>- information on travel to the venue of the General Meeting of Shareholders;</li> <li>- a sample form of proxy that the shareholder may give his or her representative and the procedure of its certification;</li> <li>- information (materials) provided for by the legislation of the Russian Federation and the Company's Articles of Association.</li> </ul> <p>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.</p>	<p>4.1.2. 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>- <b>the Company's annual report and the opinion of the Audit Commission of the Company on the results of its audit;</b></li> <li>- annual accounting (financial) statements, including <b>the audit report</b>, the opinion of the Audit Commission on the results of the audit of <b>such statements</b>;</li> <li>- <b>justification of the proposed distribution of net profit;</b></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 candidates of the indicated information about the candidates to the Audit Commission of the Company, <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;</b></li> <li>- <b>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);</b></li> <li>- <b>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;</b></li> <li>- 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, <b>as well as comparative tables of changes introduced with their justification;</b></li> <li>- 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, <b>as well as comparative tables of changes introduced with their justification;</b></li> <li>- draft resolutions of the General Meeting of Shareholders;</li> <li>- <b>information on shareholder agreements concluded within a year before the date of the General Meeting of Shareholders;</b></li> <li>- <b>conclusions of the Board of Directors of the Company on a major transaction;</b></li> <li>- <b>a report on related-party transactions entered into by the company in the reporting year;</b></li> <li>- <b>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.</b></li> <li>- information on travel to the venue of the General Meeting of Shareholders;</li> <li>- a sample form of proxy that the shareholder may give his or her representative and the procedure of its certification;</li> <li>- information (materials) provided for by the legislation of the Russian Federation and the Company's Articles of Association.</li> </ul> <p>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.</p>	<p>It is brought into line with p. 3 of art. 52 of the Federal Law about JSC:</p> <p>Information (materials) to be provided to persons entitled to participate in the general meeting of shareholders when preparing for the general meeting of shareholders of the company include</p> <ul style="list-style-type: none"> <li>- the annual report of the company and the opinion of the audit commission (auditor) of the company on the results of its audit,</li> <li>- annual accounting (financial) statements,</li> <li>- the audit report and the conclusion of the audit commission (auditor) of the company based on the results of the audit of such statements,</li> <li>- information on the candidate (s) to the executive bodies of the company, the board of directors (supervisory board) of the company, the audit commission (auditors) of the company, the counting commission of the company,</li> <li>- draft amendments and additions to the charter of the company, or draft of the company's charter in a new edition,</li> <li>- draft internal documents of the company,</li> <li>- draft resolutions of the general meeting of shareholders,</li> <li>- information provided in Article 32.1 of this Federal Law on shareholder agreements concluded within a year before the date of the general meeting of shareholders,</li> <li>- the opinion of the board of directors (supervisory board) of the company on a major transaction,</li> <li>- a report on related-party transactions entered into by the company in the reporting year, as well as information (materials) stipulated by the company's charter.</li> </ul> <p>Additional changes are made to improve the corporate governance practices of the Company, in accordance with paragraph 10 of the Corporate Governance Code, and in accordance with section 3 of the Regulation on additional requirements to the procedure for preparation, convocation and holding of a general meeting of shareholders (approved by Order of the Federal Financial Markets Service of Russia dated 02.02.2012 № 12-6/pz-n)</p>

## ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the General Meeting of Shareholders	Proposed revision	Comments
15	4.2. The minutes of the General Shareholders Meeting should be presented on the Company's website not later than 4 (four) business days from the General Shareholders Meeting closing.	4.2. The minutes of the General Shareholders Meeting <b>are posted on the website of the Company on the Internet not later than 3 (three) days from the date of its compilation.</b>	It is brought into line with p. 11.12 of the Articles of Association of the Company: The minutes of the General Shareholders Meeting are posted on the official website of the Company on the Internet at www.mrsk-1.ru no later than 3 (three) days after the date of its compilation.
16	4.3. The Company's shareholders during the process of nomination of candidates to the Company's Board of Directors shall present the following information about the candidates: 4.3.1. Last name, name, and patronymic; 4.3.2. Citizenship; 4.3.3. Place of residence (country, city); 4.3.4. Education; 4.3.5. Occupation; 4.3.6. Primary employment; 4.3.7. Information about the time record for 5 years prior to the date of nomination; 4.3.8. Information on the shareholding of the Company and its subsidiaries and dependent companies (S&D) (the amount of shares owned); 4.3.9. Whether the nominee is a member of the Board of Directors, Collegial Executive Body, other collegial management body or other legal entity; 4.3.10. Whether the nominee is an official of another economic entity, the official body of which is a nominee to the Company's Board of Directors. 4.3.11. Whether the nominee is the spouse, parent, son, daughter, brother, sister of the officials (manager) of the Company (officials of the Company's managing organization); 4.3.12. Whether the nominee is the party in relation to the Company concerning its liabilities, the conditions of which entitle to acquire property (acquire money means), the cost of which makes up at least ten percent of the joint annual income of the nomination, besides the remuneration for the participation in the Board of Directors' activity of the Company; 4.3.13. Whether the nominee is (will be as a result of his/her election to the Company's Board of Directors) the representative of the State, that is the person who is (will be as a result of the election to the Company's Board of Directors) the Representative of the Russian Federation in the Board of Directors of the joint-stock company in relation to whom a special decision was taken concerning the use of the special right (the "golden share"), and, persons who are obliged (will be obliged as a result of their election to the Company's Board of Directors) to vote on the basis of the written directives (regulations, etc.) of the entity of the Russian Federation or the municipal entity;	4.3. The Company's shareholders during the process of nomination of candidates to the Company's Board of Directors shall present the following information about the candidates: 4.3.1. Last name, name, and patronymic; 4.3.2. <b>Data of the identity document (series and (or) number of the document, date and place of issue, issuing authority);</b> 4.3.3. Citizenship; 4.3.4. Place of residence (country, city); 4.3.5. <b>Age and Education;</b> 4.3.6. Occupation; 4.3.7. Primary employment; 4.3.8. <b>Positions held by the candidate at the time of the nomination, as well as information on the positions held for five years preceding the date of nomination;</b> 4.3.9. Information on the shareholding of the Company and its subsidiaries and dependent companies (S&D) (the amount of shares owned); 4.3.10. Whether the nominee is a member <b>(candidate for election)</b> of the Board of Directors, a member <b>(candidate for election)</b> of the Collegial Executive Body, other collegial management body or other legal entity; 4.3.11. Whether the nominee is an official of another economic entity, the official body of which is a nominee to the Company's Board of Directors. 4.3.12. Whether the nominee is the spouse, parent, son, daughter, brother, sister of the officials (manager) of the Company (officials of the Company's managing organization); 4.3.13. Whether the nominee is the party in relation to the Company concerning its liabilities, the conditions of which entitle to acquire property (acquire money means), the cost of which makes up at least ten percent of the joint annual income of the nomination, besides the remuneration for the participation in the Board of Directors' activity of the Company; 4.3.14. Whether the nominee is (will be as a result of his/her election to the Company's Board of Directors) the representative of the State, that is the person who is (will be as a result of the election to the Company's Board of Directors) the Representative of the Russian Federation in the Board of Directors of the joint-stock company in relation to whom a special decision was taken concerning the use of the special right (the "golden share"), and, persons who are obliged (will be obliged as a result of their election to the Company's Board of Directors) to vote on the basis of the written directives (regulations, etc.) of the entity of the Russian Federation or the municipal entity;	Supplemented with the aim of improving the corporate governance practices of the Company in accordance with the recommendations of the Corporate Governance Code and in accordance with p. 4 of art. 53 of the Federal Law about JSC:  The proposal to include items on the agenda of the general meeting of shareholders should contain the wording of each proposed issue, and the proposal for nomination of candidates - the name and data of the identity document (series and (or) document number, date and place of issue, issuing body), of each proposed candidate, the name of the body for which he is nominated, as well as other information about him or her provided for by the company's charter or internal documents.

ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

Summary table of amendments to the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the General Meeting of Shareholders	Proposed revision	Comments
17	It does not exist in the current version.	<p>4.7. In preparation for the General Shareholders Meeting in the form of a joint presence, the Company provides invitations to members of the executive bodies of the Company, members and candidates to the Board of Directors, members and candidates to the Audit Commission of the Company, the Auditor of the Company for participation in the General Shareholders Meeting.</p> <p>4.8. Shareholders have the right to apply through the Corporate Secretary to officials of the Company for additional explanations regarding the issues of the agenda of the General Shareholders Meeting. Questions are drawn up in writing and sent to the Company by e-mail: <a href="mailto:ir@mnsk-1.ru">ir@mnsk-1.ru</a></p>	<p>Supplemented with the aim of improving the practice of corporate governance of the Company in accordance with pp. 26, 27 of the Corporate Governance Code:</p> <p>26. In order to increase the participation of shareholders in the control over the financial and business activities of the company, shareholders should be given the opportunity to ask questions to the sole executive body, chief accountant, members of the audit committee, chairman or another member of the audit committee of the board of directors, as well as auditors of the company in relation to their opinions and, accordingly, to receive answers to the questions asked. Therefore, it is recommended to invite the said persons by the company to participate in the general meeting of the company.</p> <p>27. The company is recommended to invite candidates nominated for election to the board of directors and the audit commission of the company, to attend the relevant general meeting (and invited candidates are encouraged to attend such a general meeting) for shareholders to have the opportunity to ask questions and evaluate the said candidates.</p>
Article 5. Holding of the General Shareholders Meeting in the Form of Meeting			
18	5. Holding of the General Shareholders Meeting in the Form of Meeting Holding of the General Shareholders Meeting in the form of meeting shall be carried out by the direct presence of shareholders of the Company at the discussion of the agenda issues and decision taking concerning the items brought to the agenda.	<p>5. Holding of the General Shareholders Meeting in the Form of Meeting Holding of the General Shareholders Meeting in the form of meeting shall be carried out by the direct presence of shareholders of the Company at the discussion of the agenda issues and decision taking concerning the items brought to the agenda.</p> <p>In carrying out of the General Shareholders Meeting in the form of a meeting (joint attendance of shareholders to discuss agenda items and make decisions on issues put to a vote), information and communication technologies can be used to allow for the possibility of remote participation in the General Shareholders Meeting, discussing the agenda items and taking decisions on issues put to vote, without attendance at the venue of the General Meeting of Shareholders.</p>	<p>Supplemented in accordance with p. 11 of art. 49 of the Federal Law about JSC:</p> <p>11. When holding a general meeting of shareholders in the form of a meeting (joint presence of shareholders to discuss agenda items and make decisions on issues put to a vote), information and communication technologies can be used to enable remote participation in the general meeting of shareholders, discussion of agenda items and adoption of decisions on issues put to vote, without attendance at the venue of the general meeting of shareholders.</p>
19	5.1.1. Registration of persons who are entitled to participate in the General Shareholders Meeting shall be carried out by the Counting Commission or another person carrying out the functions of the Counting Commission at the place the General Shareholders Meeting is held, which is indicated in the notice on the meeting holding.	<p>5.1.1. Registration of persons eligible to participate in the General Shareholders Meeting is carried out by <b>the person performing the functions of the counting commission (hereinafter referred to as the Counting Commission)</b> at the location of the General Shareholders Meeting specified in the notice on holding the meeting. <b>In the event that this is stipulated in the notice of the meeting holding, the shareholders also have the right to register for participation in it on the Internet site specified in the notice.</b></p>	<p><b>In the part of the counting commission:</b></p> <p>Corrected in accordance with p. 1 of art. 56 of the Federal Law about JSC:</p> <p>1. In a company with a number of shareholders holding voting shares of the company of more than one hundred, a counting commission is set up, the quantitative and personal composition of which is approved by the general meeting of shareholders.</p> <p>In a company with a number of shareholders holding voting shares of more than 500, the function of the counting commission is performed by the registrar.</p> <p><b>In the rest:</b></p> <p>Supplemented in accordance with p. 1 of art. 58 of the Federal Law about JSC:</p> <p>Shareholders registered for participation in it are considered to have participated in the general meeting of shareholders, including on the Internet web-site specified in the notice of the general meeting of shareholders, as well as shareholders whose ballots have been received or the electronic form of the ballots has been filled out on the indicated in such notice web-site on the Internet not later than two days before the date of the general meeting of shareholders.</p>



## ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the General Meeting of Shareholders	Proposed revision	Comments
20	5.1.2. Registrable shall be the persons who are entitled to participate in the General Shareholders Meeting.	5.1.2. Persons <b>(their representatives)</b> eligible to participate in the General Shareholders Meeting are subject to registration for participation in the General Shareholders Meeting, held in the form of a meeting.	Supplemented in accordance with p. 1 of art. 57 of the Federal Law about JSC: The right to participate in the general meeting of shareholders is exercised by the shareholder, either personally or through his or her representative.
21	Subpara. 2 of p. 5.1.2 of the Regulation: If the voting on agenda items of the General Shareholders Meeting held in the form of meeting may be carried out by means of sending to the Company the filled out voting ballots, the persons whose ballots were received later than two days prior the date of the General Shareholders Meeting shall not be subject to registration for the participation in the General Shareholders Meeting.	<b>In case voting on the agenda of the General Shareholders Meeting, held in the form of a meeting, can be carried out by sending completed voting ballots to the Company and (or) filling out an electronic form of ballots on the Internet web-site on the address indicated in the notice of the conduct of the General Shareholders Meeting (if such possibility is provided by the decision of the Board of Directors), registration for participation in the General Shareholders Meeting shall be made by the persons whose ballots are received or the electronic form of the ballots is filled, not later than two days before the date of the General Shareholders Meeting.</b> <b>Those who participated in the General Shareholders Meeting are also shareholders who, in accordance with the rules of the securities legislation of the Russian Federation, gave to persons registering their rights to shares instructions on voting, if messages of their will have been received no later than two days before the date of the General Shareholders Meeting.</b>	It is brought into line with p. 1 of art. 58 of the Federal Law about JSC: 1. The general meeting of shareholders is eligible (has a quorum) if shareholders who possess in aggregate more than half of the votes of the placed voting shares of the company took part in it. Shareholders registered for participation in it are considered to have participated in the general meeting of shareholders, including on the website specified in the notice of the general meeting of shareholders on the Internet, as well as shareholders whose ballots are received or whose electronic form is filled out on the website specified in such a message on the Internet not later than two days before the date of the general meeting of shareholders. Those who participated in the general meeting of shareholders held in the form of absentee voting are considered to be shareholders whose ballots are received or the electronic form of the ballots is filled out on the website specified in the notice of the general meeting of shareholders on the Internet before the deadline for the receipt of ballots. Those who participated in the general meeting of shareholders are also shareholders who, in accordance with the rules of the Russian Federation securities legislation, gave to persons registering their rights to shares instructions on voting, if messages of their will are received no later than two days before the date of holding a general meeting of shareholders or until the deadline for the receipt of ballots when holding a general meeting of shareholders in the form of absentee voting.
22	Subpara. 2 of p. 5.1.5 of the Regulation: If the voting at the General Shareholders Meeting may be carried out by means of presentation the filled voting ballots to the Company, on demand of persons registering for participation in the General Shareholders Meeting, which ballot papers were not received by the Company or were received later than 2 (Two) days before the date of meeting holding, these persons should be given voting papers with the note proving their reissue.	If the voting at the General Shareholders Meeting may be carried out by means of presentation the filled voting ballots to the Company, on demand of persons, <b>included in the list of persons entitled to participate in such in the General Shareholders Meeting, they are issued voting ballots with a note about their reissue.</b>	It is brought into line with p. 4.18 of the Regulation on additional requirements to the procedure for preparation, convocation and holding of a general meeting of shareholders (approved by Order of the Federal Financial Markets Service of Russia dated 02.02.2012 № 12-6/pz-n): 4.18. If the voting at a general meeting, held in the form of a meeting, can be carried out by sending completed voting ballots to the company, and also in the case of holding a general meeting in the form of absentee voting, at the request of persons included in the list of persons entitled to participate in such a general meeting, they receive ballot papers with a note about their reissue.



## ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the General Meeting of Shareholders	Proposed revision	Comments
23	5.2.1. The representative of the Counting Commission <b>or another body who exercises the functions of the Counting Commission</b> in time that is in accordance with the announcement on carrying out of the General Shareholders Meeting is the time the General Shareholders Meeting begins, shall declare the presence of quorum concerning the agenda items of the General Shareholders Meeting.	5.2.1. The representative of the Counting Commission in time that is in accordance with the announcement on carrying out of the General Shareholders Meeting is the time the General Shareholders Meeting begins, shall declare the presence of quorum concerning the agenda items of the General Shareholders Meeting.	Excluded in accordance with changes proposed in p. 5.1.1 of this Regulation.
24	Subpara. 4 of p. 5.2.2. of the Regulation: To take the decision on the transaction approval, which conclusion is of importance, the quorum shall be formed by the shareholders - the holders of the voting shares of the Company who are not interested in the Company's transaction conclusion, possessing of more than a half of shareholders' votes – owners of voting shares of the Company, not interested in the Company's transaction conclusion.	To be excluded	Excluded in accordance with p. 4 of art. 83 of the Federal Law about JSC: The decision on consent to making a related-party transaction is taken by the general meeting of shareholders by a majority vote of all shareholders who are not related to the transaction - owners of voting shares of the company participating in the voting
25	5.4.2. Voting on the agenda issues of the General Shareholders Meeting is carried out by the voting ballots.	5.4.2. Voting on the agenda issues of the General Shareholders Meeting is carried out by the voting ballots. <b>The receipt by the Company's registrar of information on the will of persons entitled to participate in the General Meeting of Shareholders not registered in the register of shareholders of the Company and in accordance with the legislation of the Russian Federation on securities, accounting their rights to shares, gave instructions on voting, is equal to voting by ballots.</b>	Supplemented in accordance with p. 1. of art. 60 of the Federal Law about JSC: The receipt by the company's registrar of messages about the will of persons who are entitled to participate in the general meeting of shareholders, is equal to the voting, are not in the register of shareholders of the company and, in accordance with the requirements of the legislation of the Russian Federation on securities, given to the persons who register their rights to shares, instructions about voting.
26	5.5.1. Counting and summing up of the voting results concerning the agenda of the General Shareholders Meeting shall be performed by the Counting Commission <b>or another body carrying out the functions of the Counting Commission</b> , in accordance with the requirements of the current legislation.	5.5.1. Counting and summing up of the voting results concerning the agenda of the General Shareholders Meeting shall be performed by the Counting Commission in accordance with the requirements of the current legislation.	Excluded in accordance with changes proposed in p. 5.1.1 of this Regulation.
27	Subpara. 2 of p. 5.5.2 of the Regulation: If on the record date of the list of persons entitled to attend the General Meeting of Shareholders in the register of shareholders of the Company the person is a nominee shareholder, the Voting Report shall be sent in electronic form (in the form of an electronic document signed by electronic signature) to the nominal holder of shares. The nominee shareholder shall inform his depositors about the Voting Report obtained by him in accordance with this paragraph, in the manner and within the time established by regulations of the Russian Federation or a contract with the depositor.	<b>In the event that as of the date of determination (record) of persons entitled to participate in the General Shareholders Meeting registered in the register of shareholders of the Company, the person was a nominal holder of shares, the information contained in the Voting Report is provided to the nominal shareholder in accordance with the rules of the legislation of the Russian Federation on securities to provide information and materials to persons exercising rights in securities.</b>	It is brought into line with p. 4 of art. 62 of the Federal Law about JSC: In the event that as of the date of determination (record) of persons entitled to participate in the general shareholders meeting registered in the register of shareholders of the company, the person was a nominal holder of shares, the information contained in the voting report is provided to the nominal shareholder in accordance with the rules of the legislation of the Russian Federation on securities to provide information and materials to persons exercising rights in securities.

## ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the General Meeting of Shareholders	Proposed revision	Comments
<b>Article 6. Holding of the General Shareholders Meeting by Absentee Voting</b>			
28	6.1. Voting on agenda items of the General Shareholders Meeting which is carried out in the form of absentee voting shall be organized by voting ballots.	6.1. Voting on agenda items of the General Shareholders Meeting which is carried out in the form of absentee voting shall be organized by voting ballots. <b>The receipt by the Company's registrar of information on the will of persons entitled to participate in the General Meeting of Shareholders not registered in the register of shareholders of the Company and in accordance with the legislation of the Russian Federation on securities, accounting their rights to shares, gave instructions on voting, is equal to voting by ballots</b>	Supplemented in accordance with p. 1 of art. 60 of the Federal Law about JSC:  The receipt by the company's registrar of messages about the will of persons who are entitled to participate in the general meeting of shareholders, is equal to the voting, are not in the register of shareholders of the company and, in accordance with the requirements of the legislation of the Russian Federation on securities, given to the persons who register their rights to shares, instructions about voting.
29	6.2. The filled ballots should be directed to the Company not later than on the day that is the dead line for the ballots' submission in accordance with the decision on convening and carrying out of the General Shareholders Meeting adopted in accordance with the Federal Law "On Joint Stock Companies" and these Regulations.  In case the deadline for the submission of the voting ballots falls on a non-business day, the deadline of the filled ballots submission is the following business day.  The deadline of the filled ballots submission expires on the day of voting ballots submission by the hour when in the Company in accordance with the set rules the business day ends.	6.2. <b>Those who participated in the General Shareholders Meeting, held in the form of absentee voting, are considered to be the shareholders whose ballots have been received and (or) the electronic form of the ballots has been filled out on the website specified in the notice on the General Shareholders Meeting holding on the Internet (if such possibility was provided for by the decision of the Board of Directors of the Company) before the deadline for the acceptance of ballots by the Company specified in them, as well as shareholders who, in accordance with the rules of the securities legislation of the Russian Federation, gave persons, accounting their rights to shares, instructions on voting, if messages of their have been received before the deadline for the receipt of ballots.</b>  In case the deadline for the submission of the voting ballots falls on a non-business day, the deadline of the filled ballots submission is the following business day.  The deadline of the filled ballots submission expires on the day of voting ballots submission by the hour when in the Company in accordance with the set rules the business day ends.	It is brought into line with p. 1 of art. 58 of the Federal Law about JSC:  1. The general meeting of shareholders is eligible (has a quorum) if shareholders who possess in aggregate more than half of the votes of the placed voting shares of the company took part in it.  Shareholders registered for participation in it are considered to have participated in the general meeting of shareholders, including on the website specified in the notice of the general meeting of shareholders on the Internet, as well as shareholders whose ballots are received or whose electronic form is filled out on the website specified in such a message on the Internet not later than two days before the date of the general meeting of shareholders.  Those who participated in the general meeting of shareholders held in the form of absentee voting are considered to be shareholders whose ballots are received or the electronic form of the ballots is filled out on the website specified in the notice of the general meeting of shareholders on the Internet before the deadline for the receipt of ballots.  Those who participated in the general meeting of shareholders are also shareholders who, in accordance with the rules of the Russian Federation securities legislation, gave to persons registering their rights to shares instructions on voting, if messages of their will are received no later than two days before the date of holding a general meeting of shareholders or until the deadline for the receipt of ballots when holding a general meeting of shareholders in the form of absentee voting.

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Summary table of amendments to the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the General Meeting of Shareholders	Proposed revision	Comments
30	6.3. Filled ballots may be submitted to the Company by the first class letter, under signed receipt given to the person, who is carrying out the functions of the Company's sole executive body, or the person authorized to receive the correspondence addressed to the Company, and also sent to the Registrar of the Company (in case he/she exercises the functions of the Counting Commission).	6.3. Filled ballots may be submitted to the Company by the first class letter, under signed receipt given to the person, who is carrying out the functions of the Company's sole executive body, or the person authorized to receive the correspondence addressed to the Company, and also sent to the Registrar of the Company or to an e-mail address determined by a decision of the Board of Directors of the Company in preparation for the General Shareholders Meeting. If an appropriate decision is taken by the Board of Directors of the Company, an electronic form of voting ballots can also be filled in on the Internet web-site, determined by the relevant decision of the Board of Directors of the Company and indicated in the notice of the General Shareholders Meeting.	It is brought into line with p. 1 of art. 58 of the Federal Law about JSC: 1. The general meeting of shareholders is eligible (has a quorum) if shareholders who possess in aggregate more than half of the votes of the placed voting shares of the company took part in it. Shareholders registered for participation in it are considered to have participated in the general meeting of shareholders, including on the website specified in the notice of the general meeting of shareholders on the Internet, as well as shareholders whose ballots are received or whose electronic form is filled out on the website specified in such a message on the Internet not later than two days before the date of the general meeting of shareholders. Those who participated in the general meeting of shareholders held in the form of absentee voting are considered to be shareholders whose ballots are received or the electronic form of the ballots is filled out on the website specified in the notice of the general meeting of shareholders on the Internet before the deadline for the receipt of ballots. Those who participated in the general meeting of shareholders are also shareholders who, in accordance with the rules of the Russian Federation securities legislation, gave to persons registering their rights to shares instructions on voting, if messages of their will are received no later than two days before the date of holding a general meeting of shareholders or until the deadline for the receipt of ballots when holding a general meeting of shareholders in the form of absentee voting.
31	6.4. The body fulfilling the functions of the sole executive body of the Company shall organize the collection, safe keeping, and transfer of the filled ballots for voting to the Counting Commission <b>or another person exercising the functions of the Counting Commission.</b>	6.4. The body fulfilling the functions of the sole executive body of the Company shall organize the collection, safe keeping, and transfer of the filled ballots for voting to the Counting Commission.	Excluded in accordance with changes proposed in p. 5.1.1 of this Regulation.
32	Subpara. 2 of p. 6.8 of the Regulation: To take the decision about a related party transaction, the quorum shall be made up of shareholders who are owners of the Company's voting shares and who are not interested in the Company's transaction conclusion, who possess more than a half of votes of the shareholders being owners of the voting shares of the Company who are not interested in the Company's transaction conclusion.	Excluded	Excluded in accordance with p. 4 of art. 83 of the Federal Law about JSC: The decision on consent to making a related-party transaction is taken by the general meeting of shareholders by a majority vote of all shareholders who are not related to the transaction - owners of voting shares of the company participating in the voting

## ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the General Meeting of Shareholders of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the General Meeting of Shareholders	Proposed revision	Comments
33	Subpara. 2 of p. 6.9 of the Regulation: If on the record date of the list of persons entitled to attend the General Meeting of Shareholders in the register of shareholders of the Company the person is a nominee shareholder, the Voting Report shall be sent in electronic form (in the form of an electronic document signed by electronic signature) to the nominal holder of shares. The nominee shareholder shall inform his depositors about the Voting Report obtained by him in accordance with this paragraph, in the manner and within the time established by regulations of the Russian Federation or a contract with the depositor.	<b>In the event that as of the date of determination (record) of persons entitled to participate in the General Shareholders Meeting registered in the register of shareholders of the Company, the person was a nominal holder of shares, the information contained in the Voting Report is provided to the nominal shareholder in accordance with the rules of the legislation of the Russian Federation on securities to provide information and materials to persons exercising rights in securities.</b>	It is brought into line with p. 4 of art. 62 of the Federal Law about JSC: In the event that as of the date of determination (record) of persons entitled to participate in the general shareholders meeting registered in the register of shareholders of the company, the person was a nominal holder of shares, the information contained in the voting report is provided to the nominal shareholder in accordance with the rules of the legislation of the Russian Federation on securities to provide information and materials to persons exercising rights in securities.
<b>Article 7. Working Bodies of the General Shareholders Meeting of the Company</b>			
34	7.4. The functions of the Counting Commission at the General Shareholders Meeting shall be exercised by the professional equity market participant, who is the holder of the shareholder's Register of the Company (Registrar of the Company).	7.4. The functions of the Counting Commission at the General Shareholders Meeting shall be exercised by the professional equity market participant, <b>who has a license to carry out activities to maintain the register</b> , who is the holder of the shareholder's Register of the Company (Registrar of the Company).	It is brought into line with p. 1 of art. 8 of the Federal Law "On the securities market": The person carrying out activities to maintain the register is called the registrar. The holder of the register on behalf of the issuer or a person liable for securities may be a professional participant in the securities market who has a license to carry out activities to maintain the register (hereinafter referred to as the registrar) or, in cases provided for by federal laws, another professional participant of the securities market.
35	Subpara. 2 of p. 7.4 of the Regulation: If the number of shareholders who are owners of the voting shares of the Company does not outnumber 100 (one hundred), the functions of the Counting Commission of the General Shareholders Meeting may be exercised by the person authorized by the Company's Board of Directors.	To be excluded	Excluded due to the fact that the Company has more than 100 shareholders of owners of voting shares of the Company
36	7.5. The Counting Commission shall exercise the following functions: ...j) other functions stipulated by the Legislation of the Russian Federation and the Company's Articles of Association and the Agreement signed by the Company with the Registrar <b>(if the Registrar exercises the functions of the Counting Commission).</b>	7.5. The Counting Commission shall exercise the following functions: j) other functions stipulated by the Legislation of the Russian Federation and the Company's Articles of Association and the Agreement signed by the Company with the Registrar.	Corrected in accordance with p. 1 of art. 56 of the Federal Law about JSC: In a company with a number of shareholders holding voting shares of the company of more than one hundred, a counting commission is set up, the quantitative and personal composition of which is approved by the general meeting of shareholders. In a company with a number of shareholders holding voting shares of more than 500, the function of the counting commission is performed by the registrar.
37	7.6. The Functions of the Secretary of the General Shareholders Meeting shall be exercised by the Company's Corporate Secretary if no other decision was taken by persons who convene the General Shareholders Meeting, in case stipulated by paragraph 3.1. of Article 3 of these Regulations. If the Corporate Secretary of the Company cannot fulfill the functions, the Secretary of the General Shareholders Meeting shall be elected by the Board of Directors to decide the items concerning the preparation to the General Shareholders Meeting, or by the persons who convene the General Shareholders Meeting in case stipulated by paragraph 3.1. of Article 3 of these Regulations.	7.6. The Functions of the Secretary of the General Shareholders Meeting shall be exercised by the Company's Corporate Secretary if no other decision was taken <b>by the Board of Directors of the Company.</b> If the Corporate Secretary of the Company cannot fulfill the functions, the Secretary of the General Shareholders Meeting <b>shall be elected by the Board of Directors to decide the items concerning the preparation to the General Shareholders Meeting.</b>	Corrected in accordance with changes proposed in p. 2.2 and art. 3 of this Regulation, as well as in accordance with p. 1 of art. 55 of the Federal Law about JSC: An extraordinary general meeting of shareholders is held by the decision of the board of directors (supervisory board) of the company on the basis of its own initiative, a requirement of the audit commission (auditor) of the company, the company's auditor, as well as shareholders (shareholder) owning not less than 10 percent of the company's voting shares on the date of presentation of the requirement.

**ITEM № 8**

**ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE  
COMPANY IN A NEW EDITION**





### ITEM № 8 «ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION»

#### 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 Board of Directors of the Company is due to:

- amending the Federal Law "On Joint Stock Companies";
- making changes recommended by the Bank of Russia;
- introduction of legal and technical amendments.

#### MAIN CHANGES AND ADDITIONS refer to:

##### 1. Adjustment to the recommendations of the Corporate Governance Code of the Bank of Russia:

- the procedure for determining the form of meetings was clarified, taking into account the importance of issues on the agenda;
- rules for the activities of an independent director are fixed;
- the possibility to elect a Senior Independent Director is provided;
- the procedure for submitting a dissenting opinion of a member of the Board of Directors on the agenda issues was clarified.

##### 2. Adjustment to the current Federal Law "On Joint Stock Companies", in particular, in the field of:

- obligations of members of the Board of Directors to notify the Company of the occurrence of circumstances by virtue of which they may be deemed to be related to transactions made by the Company.

##### 3. The activities of the Corporate Secretary:

- duplicating norms were excluded in connection with the approval in 2016 by the Board of Directors of the Company of a new edition of the Regulation on the Corporate Secretary regulating his or her status, functions, procedures for appointing and terminating powers, etc.

The new version of the Regulation on the Company's Board of Directors 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 Board of Directors of the Company was preliminarily considered by the Strategy and Development Committee on 26.04.2017 (Minutes No. 08/17 of 26.04.2017) and the Board of Directors on 16.05.2017 (Minutes No. 12/17) and recommended for approval by the Annual General Meeting of Shareholders of the Company.

The current edition of the Regulation on the Board of Directors of the Company, the draft of the new edition of the Regulation on the Board of Directors of the Company, as well as the summary table of amendments and additions to the Regulation on the Board of Directors of the Company, are attached.

ITEM № 8 «ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION»

**Draft resolution on item № 8**

To approve the Regulation on the Board of Directors of IDGC of Centre, PJSC in a new edition.

ITEM № 8 «ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION»

**Draft of the Regulation on the Board of Directors of IDGC of Centre, PJSC in a new edition**

SEE APPENDIX 7

ITEM № 8 «ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION»

**Regulation on the Board of Directors of IDGC of Centre, PJSC in the current edition**

SEE APPENDIX 8

## ITEM № 8 «ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the Board of Directors of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the Board of Directors	Proposed revision	Comments
<b>Article 2. Chairperson and Deputy Chairperson of the Company's Board of Directors</b>			
1	2.4. Chairperson of the Board of Directors: 3) determines a mode for carrying out the Board of Directors meetings;	2.4. Chairperson of the Board of Directors: 3) determines a form of holding meetings of the Board of Directors taking into account the importance of issues on the agenda and the recommendations provided for in paragraph 168 of the Corporate Governance Code recommended by the Bank of Russia for use by joint stock companies whose shares are admitted to on-exchange trading;	<p>The change is proposed to improve the corporate governance practices of the Company and improve the quality of activities of the Company's Board of Directors.</p> <p>Corporate Governance Code 168. It is recommended that the form of the meeting of the Board of Directors be determined taking into account the importance of issues on the agenda. The most important issues should be resolved at meetings held in-person. Such issues include, in particular:</p> <ol style="list-style-type: none"> <li>1) approval of priority activities and financial and economic plan of the company;</li> <li>2) convocation of the annual general meeting of shareholders and adoption of resolutions necessary for its convening and holding, convocation or refusal to convene an extraordinary general meeting of shareholders;</li> <li>3) preliminary approval of the annual report of the company;</li> <li>4) election and re-election of the chairman of the board of directors;</li> <li>5) formation of executive bodies of the company and early termination of their powers, if this is attributed to the competence of the board of directors by the company's charter;</li> <li>6) suspension of powers of the sole executive body of the company and appointment of a temporary sole executive body, unless this is not attributed to the competence of the board of directors by the company's charter the company's charter;</li> <li>7) submitting to the general meeting of shareholders issues of reorganization (including the definition of the conversion ratio of the company's shares) or liquidation of the company;</li> <li>8) approval of material transactions of the company &lt;1&gt;;</li> </ol>



## ITEM № 8 «ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the Board of Directors of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the Board of Directors	Proposed revision	Comments
			<p>9) approval of the company's registrar and terms of the contract with it, as well as termination of the contract with the registrar;</p> <p>10) submitting to the general meeting of shareholders the issue of transferring the powers of the sole executive body of the company to the managing organization or the manager;</p> <p>11) consideration of significant aspects of the activities of entities under the control of the company &lt;1&gt;;</p> <p>-----</p> <p>&lt;1&gt; Significant aspects of the activities of entities under the control of the company are understood to mean transactions of entities controlled by the company, as well as other aspects of their activities that, in the opinion of the company, have a significant impact on the financial position, financial performance and changes in the financial position of the group of organizations, which includes the company and its legal entities.</p> <p>12) issues related to the receipt by the company of a mandatory or voluntary proposal;</p> <p>13) issues related to the increase of the charter capital of the company (including the determination of the price of property to be paid in order to pay additional shares to be placed by the company);</p> <p>14) consideration of financial activity of the company for the reporting period (quarter, year);</p> <p>15) issues related to the listing and delisting of shares of the company;</p> <p>16) consideration of the results of the evaluation of the effectiveness of the work of the board of directors, executive bodies of the company and key management personnel;</p> <p>17) decision making on the remuneration of members of the executive bodies of the company and other key management personnel;</p> <p>18) review of the risk management policy;</p> <p>19) approval of the dividend policy of the company.</p>

## ITEM № 8 «ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the Board of Directors of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the Board of Directors	Proposed revision	Comments
<b>Article 3. Members of the Board of Directors, their Rights, Duties and Responsibility</b>			
2	It does not exist in the current version.	<p><b>3.9. Members of the Board of Directors within two months from the day when they learned or should have learned about the occurrence of circumstances by virtue of which they can be recognized as related to the Company's transactions, are obliged to notify the Company:</b></p> <ul style="list-style-type: none"> <li>- on legal entities in respect of whom they, their spouses, parents, children, full-blooded and half-brothers and sisters, adoptive parents and adopted persons and (or) their controlled organizations are controlling persons or have the right to give mandatory instructions;</li> <li>- on legal entities in whose management bodies they, their spouses, parents, children, full-blooded and half-brothers and sisters, adoptive parents and adopted persons and (or) their subordinated persons hold positions;</li> <li>- about known transactions that they are or are undergoing, in which they can be recognized as related parties.</li> </ul> <p>In the event that the said information is changed, the members of the Board of Directors of the Company are obliged to notify the company about the change of such information within 14 days from the day when they learned or should have learned about their change.</p>	<p>Supplemented in accordance with p. 1-2 of art. 82 of the Federal Law about JSC:</p> <p>1. The persons indicated in the first subparagraph of paragraph 1 of Article 81 of this Federal Law within two months from the day when they learned or should have learned about the occurrence of circumstances by virtue of which they can be recognized as related in making transactions by the company are obliged to notify the company:</p> <p>1) on legal entities in respect of whom they, their spouses, parents, children, full-blooded and half-brothers and sisters, adoptive parents and adopted persons and (or) their controlled organizations are controlling persons or have the right to give mandatory instructions;</p> <p>2) on legal entities in whose management bodies they, their spouses, parents, children, full-blooded and half-brothers and sisters, adoptive parents and adopted persons and (or) their subordinated persons hold positions;</p> <p>3) about known transactions that they are or are undergoing, in which they can be recognized as related parties.</p> <p>2. In the event of a change in the information specified in subparagraphs 1 and 2 of paragraph 1 of this article, after receipt by the company of the notification provided for in paragraph 1 of this article, the persons specified in the first subparagraph of paragraph 1 of Article 81 of this Federal Law are obliged to notify the company of the change in such information within 14 days from the date they learned or should have been informed about the change.</p>
3	It does not exist in the current version.	<p><b>3.10. The Board of Directors of the Company may include independent directors who have sufficient professionalism, experience and independence to form their own position, are able to make objective and honest judgments that are independent of the influence of the executive bodies of the company, certain groups of shareholders or other stakeholders.</b></p> <p><b>3.11. An independent director must refrain from committing acts, as a result of which he can cease to be independent. A member of the Board of Directors is obliged to notify the Board of Directors of the Company about the circumstances in which he ceases to be independent within 5 working days from the date of occurrence of such circumstances.</b></p>	<p>The additions were made to improve the corporate governance practices of the Company, as well as the implementation of recommendations from the Corporate Governance Code recommended by the Bank of Russia, stipulated in paragraphs 2.5.1, 117-121, 206 of the Code.</p>

ITEM № 8 «ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION»

Summary table of amendments to the Regulation on the Board of Directors of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the Board of Directors	Proposed revision	Comments
		<p>3.12. In exceptional cases, the Board of Directors of the Company may recognize an independent member of the Board of Directors, despite having formal criteria for his dependence (connected with the Company, a substantial shareholder of the Company, an essential counterparty or competitor of the Company, the state and/or municipal entity), if it will not influence the ability of the relevant member of the Board of Directors to make independent, objective and honest judgments.</p> <p>The Company, when recognizing a member of the Board of Directors as an independent director, assessing the compliance of candidates for members of the Board of Directors or members of the Board of Directors with independence criteria, is guided by the requirements of the Listing Rules of PJSC Moscow Exchange.</p> <p>3.13. In the event that the Chairperson of the Board of Directors of the Company is not an independent director, members of the Board of Directors from among the elected independent directors are entitled to elect the Senior Independent Director who:</p> <ul style="list-style-type: none"> <li>- coordinates the interaction between independent directors, including, when necessary, convenes meetings of independent directors and presides over them;</li> <li>- together with the Chairperson of the Board of Directors, facilitates effective organization of the work of the Board of Directors, establishing and maintaining a dialogue between members of the Board of Directors and shareholders of the Company;</li> <li>- in conflict situations, in particular, in case of significant disagreements between the members of the Board of Directors, makes efforts to resolve the conflict through interaction with their participants;</li> <li>- plays a key role in the evaluation of the effectiveness of the Chairperson of the Board of Directors of the Company conducted by independent directors.</li> </ul>	
		<b>Article 4. Corporate Secretary of the Company</b>	
4	<p>4.2. Corporate Secretary of the Board of Directors is elected by members of the Company's Board of Directors by a majority vote of the members, participating in the meeting. Board of Directors is entitled to reelect the Corporate Secretary of the Board of Directors at any time.</p> <p>The candidate for the Corporate Secretary of the Board of Directors is suggested by the Chairperson of the Board of Directors.</p> <p>In case if the suggested candidate is a member of the Company's staff his candidature must be approved by the General Director of the Company.</p> <p>In order to provide an effective operation of the Corporate Secretary of the Board of Directors, the Board of Directors by its resolution is entitled to establish a Secretariat of the Board of Directors composed of members of the Company's staff.</p>	<p>To replace p. 4.2 as follows:</p> <p><b>4.2. The status of the Corporate Secretary, requirements for his or her candidacy, procedure for appointment and termination of powers of the Corporate Secretary, his or her subordination and the procedure for interaction with management bodies and structural divisions of the Company, as well as other issues related to the activities of the Corporate Secretary of the Company are governed by the Regulation on the Corporate Secretary approved by the Board of Directors of the Company.</b></p>	<p>The provisions are deleted to eliminate duplicate provisions in the Company's internal documents and in connection with the adoption by the Company's Board of Directors of the Regulation on the Company's Corporate Secretary regulating the status of the Corporate Secretary, his or her functions, requirements for his or her candidacy, the procedure for appointing and terminating the powers of the Corporate Secretary, its subordination and the procedure of interaction with the management bodies and structural subdivisions of the Company, other issues of the activities of the Corporate Secretary.</p>

ITEM № 8 «ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION»

Summary table of amendments to the Regulation on the Board of Directors of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the Board of Directors	Proposed revision	Comments
	<p>Management of the Secretariat of the Board of Directors (in case of its establishment) must be realized by the Secretary of the Board of Directors.</p> <p>4.3. Functions of the Corporate Secretary of the Board of Directors to ensure the current activity of the Board of Directors include:</p> <ol style="list-style-type: none"> <li>1) drawing up and presentation to the Chairperson of the Board of Directors of a draft agenda for the coming meeting of the Board of Directors according to the Plan of Operation of the Board of Directors and the suggestions from the members of the Board of Directors, the Company's General Director, members of the Management Board, Auditing Committee, Auditor of the Company;</li> <li>2) providing preparation and delivery of the documents (materials) necessary for organization and carrying out of Board of Directors meetings (notification on carrying out meetings, draft resolutions of the problems on the agenda of the meeting, project of the documents for pre-studying, etc.);</li> <li>3) organizational and technical support for carrying out a vote at the Board of Directors meetings;</li> <li>4) organization of cooperation of the Board of Directors with the executive bodies of the Company, Board of Directors committees and departments of the Company;</li> <li>5) organization of preparation and presentation of the documents (information) on demands of the Board of Directors members;</li> <li>6) organization of demands and replies for the letters on behalf of the Company's Board of Directors on instruction of the Chairperson of the Board of Directors;</li> <li>7) collection of the questionnaires filled in by the Board of Directors members;</li> <li>8) drawing up minutes of Board of Directors meetings and extracts from the minutes of Board of Directors meetings;</li> <li>9) delivery of the documents approved by the Board of Directors;</li> <li>10) drawing up and carrying out a nomenclature of the Board of Directors activities;</li> <li>11) systematization and storing of the Board of Directors documents and materials;</li> <li>12) control of implementation of the Board of Directors resolutions;</li> <li>13) preparation of demands for presenting information (materials) on the problems on agenda of the Board of Directors meetings;</li> <li>14) control over reliability of information being presented and correct designing of the documents presented for consideration and approval to the Board of Directors;</li> <li>15) preparation on instruction of the Board of Directors Chairperson (Deputy Chairperson of the Board of Directors) of drafts of certain documents and resolutions of the Board of Directors including a draft Plan of the Board of Directors Operation;</li> </ol>		

## ITEM № 8 «ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the Board of Directors of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the Board of Directors	Proposed revision	Comments
	<p>16) organization of keeping record of the Board of Directors meetings, including on agreement of the participating members, on electronic devices; 17) realizing other functions stipulated by the present Regulations, instructions of the Chairperson and members of the Company's Board of Directors.</p> <p>4.4. Corporate Secretary of the Board of Directors provides coordinated and operative cooperation of Board of Directors members with the Company's shareholders and their representatives, with executive body of the Company, heads and employees of the Company's departments in order to provide an effective operation of the Board of Directors.</p> <p>Secretariat of the Board of Directors must technically provide an effective operation of the Board of Directors, render every kind of assistance to the operation of the committees, Committees and other Board of Directors bodies;</p> <p>4.5. Corporate Secretary of the Board of Directors is entitled to demand and receive information, necessary for the Board of Directors operation, including that according to the demands of members of the Company's Board of Directors from departments of the executive body of the Company.</p> <p>4.6. Corporate Secretary of the Board of Directors is responsible for:</p> <ul style="list-style-type: none"> <li>- timely delivery of notifications on the Board of Directors meetings and materials for the meetings to the Board of Directors members;</li> <li>- quality of design and reliability of the information contained in the Minutes of the Board of Directors meetings;</li> <li>- timely delivery of Minutes to the Board of Directors members.</li> </ul> <p>4.7. Bodies and officials of the Company must render assistance to the Corporate Secretary of the Board of Directors in realizing his functions.</p> <p>4.8. It is possible to sign a contract with the Corporate Secretary of the Company's Board of Directors on realizing functions of the Corporate Secretary of the Company's Board of Directors.</p> <p>Terms of the contract with the Corporate Secretary of the Company's Board of Directors, including terms of rewarding the Secretary of the Board of Directors for realization of his/her duties are determined by the Company's Board of Directors or by a person entitled by the Company's Board of Directors.</p> <p>4.9. Expenses on providing operation of the of Board of Directors Secretariat and on salary for its employees are covered by the Company's assets within the estimate approved by the Board of Directors resolution on presentation of Corporate Secretary.</p>		



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## Summary table of amendments to the Regulation on the Board of Directors of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the Board of Directors	Proposed revision	Comments
<b>Article 6. Convening a meeting of the Board of Directors</b>			
5	<p>6.1. First meeting of the Board of Directors elected in its new composition shall be convened by a member of the Company's Board of Directors through delivering a notification on convening a meeting to all the other members of the Company's Board of Directors and to the Company addressed for the General Director.</p> <p>The General Director must render assistance and present all the information necessary for organization of the first meeting of Board of Directors elected in its new composition.</p> <p>The first meeting of Board of Directors should consider the following items:</p> <ul style="list-style-type: none"> <li>- election of Chairperson of the Board of Directors;</li> <li>- election of Deputy Chairperson of the Board of Directors;</li> <li>- <b>election of Corporate Secretary.</b></li> </ul>	<p>6.1. First meeting of the Board of Directors elected in its new composition shall be convened by a member of the Company's Board of Directors through delivering a notification on convening a meeting to all the other members of the Company's Board of Directors and to the Company addressed for the General Director.</p> <p>The General Director must render assistance and present all the information necessary for organization of the first meeting of Board of Directors elected in its new composition.</p> <p>The first meeting of Board of Directors should consider the following items:</p> <ul style="list-style-type: none"> <li>- election of Chairperson of the Board of Directors;</li> <li>- election of Deputy Chairperson of the Board of Directors.</li> </ul>	<p>Excluded in accordance with p. 3.8 of the Regulation on the Corporate Secretary of the Company:</p> <p>The Corporate Secretary of the Company shall perform his or her duties until the Board of Directors makes a decision to release him or her from the position. This decision of the Board of Directors of the Company is the basis for termination by the General Director of the Company of an employment contract with the Corporate Secretary of the Company in the manner established by the legislation of the Russian Federation.</p>
<b>Article 8. Rules for Carrying out the Board of Directors Meeting in Person-Correspondence Form</b>			
6	<p>8.5. A filled in and signed questionnaire must be presented by the Board of Directors member no later than the following day from the date of the meeting to the Board of Directors Corporate Secretary in the original via fax or e-mail with the following delivery of the original questionnaire in a paper form to the address, stated in the questionnaire.</p>	<p>8.5. A filled in and signed questionnaire, <b>as well as a dissenting opinion of a member of the Board of Directors on each item of the agenda (if any)</b>, must be presented by the Board of Directors member no later than the following day from the date of the meeting to the Board of Directors Corporate Secretary in the original via fax or e-mail with the following delivery of the <b>specified documents</b> in a paper form to the address, stated in the questionnaire.</p>	<p>Changes are made with the purpose of reflection of the established practice in the Company, and also with a view of maintenance of execution of paragraph 166 of the Corporate Governance Code:</p> <p>«Dissenting opinions of members of the board of directors should be attached to the minutes of meetings of the board of directors and be their integral part.»</p>
7	<p>8.8. Filled in questionnaires of the Board of Directors members absent at the Board of Directors meetings shall be enclosed to the minutes of the Board of Directors meetings.</p>	<p>8.8. Filled in questionnaires of the Board of Directors members absent at the Board of Directors meetings, <b>as well as dissenting opinions of members of the Board of Directors on items of the agenda (if any)</b>, shall be attached to the minutes of the Board of Directors meetings.</p>	<p>Changes are made with the purpose of reflection of the established practice in the Company, and also with a view of maintenance of execution of paragraph 166 of the Corporate Governance Code:</p> <p>«Dissenting opinions of members of the board of directors should be attached to the minutes of meetings of the board of directors and be their integral part.»</p>
<b>Article 9. Rules for Passing Resolutions by the Absentee Ballot</b>			
8	<p>9.7. Filled in and signed questionnaire must be presented by the Board of Directors member before the deadline fixed in the questionnaire to the Board of Directors Corporate Secretary in the original via fax or e-mail with the following delivery of the questionnaire in a paper form to the address, stated in the questionnaire.</p>	<p>9.7. Filled in and signed questionnaire, <b>as well as a dissenting opinion of a member of the Board of Directors on items of the agenda (if any)</b>, must be presented by the Board of Directors member before the deadline fixed in the questionnaire to the Board of Directors Corporate Secretary in the original via fax or e-mail with the following delivery of the <b>specified documents</b> in a paper form to the address, stated in the questionnaire.</p>	<p>Changes are made with the purpose of reflection of the established practice in the Company, and also with a view of maintenance of execution of paragraph 166 of the Corporate Governance Code:</p> <p>«Dissenting opinions of members of the board of directors should be attached to the minutes of meetings of the board of directors and be their integral part.»</p>

**ITEM № 9**

**ON APPROVAL OF THE REGULATION ON THE AUDIT COMMISSION OF THE COMPANY  
IN A NEW EDITION**



### ITEM № 9 «ON APPROVAL OF THE REGULATION ON THE AUDIT COMMISSION OF THE COMPANY IN A NEW EDITION»

#### 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 Regulation on the Audit Commission of the Company in a new edition is due to:

- making changes recommended by the Bank of Russia;
- introduction of legal and technical amendments.

#### MAIN CHANGES AND ADDITIONS refer to:

##### 1. Expansion of duties of the Company's employees in the part of:

- development and implementation of compensatory and preventive measures to eliminate and prevent the occurrence of violations and shortcomings identified by the Audit Commission;
- submission to the Audit Commission of a report on implementation of plans of the said activities.

##### 2. Clarification of the wording in the part of:

- the possibility for members of the Audit Commission to submit to the Chair of the Audit Commission of the Company a written vote on all issues on the meeting agenda.

The new version of the Regulation on the Company's Audit Commission 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 Audit Commission of the Company was preliminarily considered by the Strategy and Development Committee on 26.04.2017 (Minutes No. 08/17 of 26.04.2017) and the Board of Directors on 16.05.2017 (Minutes No. 12/17) and recommended for approval by the Annual General Meeting of Shareholders of the Company.

The current edition of the Regulation on the Audit Commission of the Company, the draft of the new edition of the Regulation on the Audit Commission of the Company, as well as the summary table of amendments and additions to the Regulation on the Audit Commission of the Company, are attached.

ITEM № 9 «ON APPROVAL OF THE REGULATION ON THE AUDIT COMMISSION OF THE COMPANY IN A NEW EDITION»

**Draft resolution on item № 9**

To approve the Regulation on the Audit Commission of IDGC of Centre, PJSC in a new edition.



ITEM № 9 «ON APPROVAL OF THE REGULATION ON THE AUDIT COMMISSION OF THE COMPANY IN A NEW EDITION»

**Draft of the Regulation on the Audit Commission of IDGC of Centre, PJSC in a new edition**

SEE APPENDIX 9



ITEM № 9 «ON APPROVAL OF THE REGULATION ON THE AUDIT COMMISSION OF THE COMPANY IN A NEW EDITION»

**Regulation on the Audit Commission of IDGC of Centre, PJSC in the current edition**

SEE APPENDIX 10

## ITEM № 9 «ON APPROVAL OF THE REGULATION ON THE AUDIT COMMISSION OF THE COMPANY IN A NEW EDITION»

## Summary table of amendments to the Regulation on the Audit Commission of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the Audit Commission	Proposed revision	Comments
<b>Article 6. The Company's rights and obligations</b>			
1	<p>6.1. Within the limits of the available competence employees of the Company are obliged:</p> <p>1) to create to members of the Company's Audit Commission and employed by the Audit Commission specialists (experts) the conditions providing effective carrying out of check, to give the necessary information and documentation, and also to give by their inquiry (oral or written) explanations and clarifications in the oral and written form. Required documents and materials shall be presented to members of the Company's Audit Commission within 2 (two) working days from the moment of inquiry receipt;</p> <p>2) expeditiously to eliminate all infringements revealed by the Company's Audit Commission, including on conducting the business accounting and drawing up of accounting statements and other financial reporting;</p> <p>3) not to allow any actions at carrying out of check, directed on restriction of a circle of questions which are subject to finding out at carrying out of the check;</p> <p>4) to promote observance of the rights of the Company's Audit Commission;</p>	<p>6.1. Within the limits of the available competence employees of the Company are obliged:</p> <p>1) to create to members of the Company's Audit Commission and employed by the Audit Commission specialists (experts) the conditions providing effective carrying out of check, to give the necessary information and documentation, and also to give by their inquiry (oral or written) explanations and clarifications in the oral and written form. Required documents and materials shall be presented to members of the Company's Audit Commission within 2 (two) working days from the moment of inquiry receipt;</p> <p>2) expeditiously to eliminate all infringements revealed by the Company's Audit Commission, including on conducting the business accounting and drawing up of accounting statements and other financial reporting;</p> <p>3) not to allow any actions at carrying out of check, directed on restriction of a circle of questions which are subject to finding out at carrying out of the check;</p> <p>4) to promote observance of the rights of the Company's Audit Commission;</p> <p>5) <b>timely to develop and implement measures of a compensatory and preventive nature aimed at eliminating and preventing the occurrence of violations and shortcomings identified by the Audit Commission. At the same time, the developed action plans should contain the planned effect from the implementation of each activity;</b></p> <p>6) <b>to submit to the Audit Commission a report on the implementation of action plans aimed at eliminating and preventing the occurrence of violations and shortcomings identified by the Audit Commission, with an assessment of the effect of the implementation of measures taken by the Company.</b></p>	<p>Changes are made to improve the effectiveness of the response to violations and shortcomings identified by audit commissions.</p> <p>Currently, the proposed norm is implemented only through separate decisions of the Audit Committee / Board of Directors of the Company. It is proposed to provide for the obligation of the Company to develop action plans in all cases when the audit commission determines violations and shortcomings.</p>
<b>Article 8. The order of organisation and carrying out of sessions of the Company's Audit Commission</b>			
2	<p>8.12. In case of impossibility of participation in a session of the Company's Audit Commission "in praesentia" a member of the Company's Audit Commission can express the opinion by filling in a questionnaire on all questions of the agenda of the session and its sending to the Chair of the Company's Audit Commission. The questionnaire shall be received by the Chair of the Company's Audit Commission not later than 1 (one) working day before the session carrying out.</p>	<p>8.12. In case of impossibility of participation in a session of the Company's Audit Commission in person a member of the Company's Audit Commission can express the opinion <b>by sending a written vote to the Chair of the Audit Commission of the Company on all issues on the agenda of the meeting. The written vote must be received by the Chair of the Audit Commission of the Company no later than the date and time of the in-person meeting of the Audit Commission.</b></p>	<p>Changes are made for the purpose of harmonizing with the established practice.</p>

ITEM № 9 «ON APPROVAL OF THE REGULATION ON THE AUDIT COMMISSION OF THE COMPANY IN A NEW EDITION»

Summary table of amendments to the Regulation on the Audit Commission of IDGC of Centre, PJSC

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the Audit Commission	Proposed revision	Comments
3	8.13. The opinion of absent members of the Company's Audit Commission, expressed by sending questionnaires, is disclosed by the Chair of the Company's Audit Commission at the session and recorded in the minutes.	8.13. The opinion of absent members of the Company's Audit Commission, expressed by <b>sending written votes</b> , is disclosed by the Chair of the Company's Audit Commission at the session and recorded in the minutes.	Changes are made for the purpose of harmonizing with the established practice.
4	8.21. The session Minutes of the Company's Audit Commission shall contain: 3) the list of members of the Company's Audit Commission, voting by filling in questionnaires;	8.21. The session Minutes of the Company's Audit Commission shall contain: 3) the list of members of the Company's Audit Commission, voting by <b>sending written votes</b> ;	Changes are made for the purpose of harmonizing with the established practice.