



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

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

«29» June 2018

Moscow

No. 21/18

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

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

Participants of the voting: **D.B. Akopyan, A.V. Varvarin, O.Y. Isaev, A.I. Kazakov, A.I. Pavlov, A.V. Rakov, L.A. Romanovskaya, M.M. Saukh, D.A. Spirin, R.A. Filkin, A.V. Shevchuk.**

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

The quorum is **present.**

Date of the minutes: **29.06.2018.**

AGENDA:

1. On the composition of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC.
2. On the composition of the Personnel and Remuneration Committee of the Board of Directors of IDGC of Centre, PJSC.
3. On the composition of the Reliability Committee of the Board of Directors of IDGC of Centre, PJSC.
4. On the recognition of A.V. Shevchuk, a member of the Board of Directors of IDGC of Centre, an independent director.
5. On the recognition of A.V. Varvarin, a member of the Board of Directors of IDGC of Centre, an independent director.

Item 1: On the composition of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC.

Decision (put to vote):

1. To define the number of members of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC - 3 (three) people.

Voting results:

«**FOR**» - **10** - D.B. Akopyan, A.V. Varvarin, O.Y. Isaev, A.I. Kazakov, A.I. Pavlov, A.V. Rakov, L.A. Romanovskaya, M.M. Saukh, D.A. Spirin, R.A. Filkin.

«**AGAINST**» – **1** - A.V. Shevchuk.

«**ABSTAINED**» - **0.**

Decision is taken.

2. To elect the following personnel of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC¹:

Alexander Viktorovich Varvarin - Vice-President - Managing Director for Corporate

¹ The elected members will be the 3 members of the Audit Committee, who received the largest number of votes in the voting.

Relations and Legal Support of Russian Union of Industrialists and Entrepreneurs

Voting results:

«FOR» - 10 - D.B. Akopyan, A.V. Varvarin, O.Y. Isaev, A.I. Kazakov, A.I. Pavlov, A.V. Rakov, L.A. Romanovskaya, M.M. Saukh, D.A. Spirin, R.A. Filkin.

«AGAINST» – 0.

«ABSTAINED» - 0.

Decision is taken.

A.V. Shevchuk did not take part in voting on the candidature.

Maxim Mikhailovich Saukh - Head of Corporate Governance Office of Corporate Governance and Interaction with Shareholders Department of PJSC «Rosseti»

Voting results:

«FOR» - 8 - D.B. Akopyan, A.V. Varvarin, O.Y. Isaev, A.I. Kazakov, A.I. Pavlov, A.V. Rakov, L.A. Romanovskaya, M.M. Saukh.

«AGAINST» – 2 - D.A. Spirin, R.A. Filkin.

«ABSTAINED» - 0.

Decision is taken.

A.V. Shevchuk did not take part in voting on the candidature.

Alexander Viktorovich Shevchuk - Executive Director of Association of Institutional Investors

Voting results:

«FOR» - 10 - D.B. Akopyan, A.V. Varvarin, O.Y. Isaev, A.I. Kazakov, A.I. Pavlov, A.V. Rakov, L.A. Romanovskaya, M.M. Saukh, D.A. Spirin, R.A. Filkin.

«AGAINST» – 0.

«ABSTAINED» - 0.

Decision is taken.

A.V. Shevchuk did not take part in voting on the candidature.

Roman Alexeyevich Filkin - Director, power engineering, machine building of Representative Office of Prosperity Capital Management (Russian Federation) Ltd.

Voting results:

«FOR» - 2 - D.A. Spirin, R.A. Filkin.

«AGAINST» – 5 - D.B. Akopyan, A.I. Kazakov, A.V. Rakov, L.A. Romanovskaya, M.M. Saukh.

«ABSTAINED» - 3 - A.V. Varvarin, O.Y. Isaev, A.I. Pavlov.

Decision is NOT taken.

A.V. Shevchuk did not take part in voting on the candidature.

3. To elect Alexander Viktorovich Varvarin as Chairperson of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC.

Voting results:

«FOR» - 10 - D.B. Akopyan, A.V. Varvarin, O.Y. Isaev, A.I. Kazakov, A.I. Pavlov, A.V. Rakov, L.A. Romanovskaya, M.M. Saukh, D.A. Spirin, R.A. Filkin.

«AGAINST» – 0.

«ABSTAINED» - 0.

Decision is taken.

A.V. Shevchuk did not take part in voting on the candidature.

Decision (taken regarding # 1):

1. To define the number of members of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC - 3 (three) people.

2. To elect the following personnel of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC:

#	Full name	Position held
1	Alexander Viktorovich Varvarin	Vice-President - Managing Director for Corporate Relations and Legal Support of Russian Union of Industrialists and Entrepreneurs
2	Maxim Mikhailovich Saukh	Head of Corporate Governance Office of Corporate Governance and Interaction with Shareholders Department of PJSC «Rosseti»
3	Alexander Viktorovich Shevchuk	Executive Director of Association of Institutional Investors

3. To elect Alexander Viktorovich Varvarin as Chairperson of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC.

Item 2: On the composition of the Personnel and Remuneration Committee of the Board of Directors of IDGC of Centre, PJSC.

Decision:

1. To define the number of members of the Personnel and Remuneration Committee of the Board of Directors of the IDGC of Centre, PJSC – 5 (five) people.

2. To elect the following personnel of the Personnel and Remuneration Committee of the Board of Directors of IDGC of Centre, PJSC:

#	Full name	Position held
1.	Alexey Viktorovich Rakov	Director of Electricity Metering and Interaction with Stakeholders of Electricity Markets Department of PJSC «Rosseti»
2.	Maxim Mikhailovich Saukh	Head of Corporate Governance Office of Corporate Governance and Interaction with Shareholders Department of PJSC «Rosseti»
3.	Alexey Igorevich Pavlov	Director of Treasury Department of PJSC «Rosseti»
4.	Roman Alexeyevich Filkin	Director, power engineering, machine building, Representative Office of Prosperity Capital Management (Russian Federation) Ltd.
5.	Alexander Viktorovich Shevchuk	Executive Director of Association of Institutional Investors

3. To elect Alexey Viktorovich Rakov as Chairperson of the Personnel and Remuneration Committee of the Board of Directors of IDGC of Centre, PJSC.

Voting results:

1. Dmitry Borisovich Akopyan - «FOR»
2. Alexander Viktorovich Varvarin - «FOR»
3. Oleg Yuryevich Isaev - «FOR»
4. Alexander Ivanovich Kazakov - «FOR»
5. Alexey Igorevich Pavlov - «FOR»
6. Alexey Viktorovich Rakov - «FOR»
7. Larisa Anatolievna Romanovskaya - «FOR»
8. Maxim Mikhailovich Saukh - «FOR»
9. Denis Alexandrovich Spirin - «FOR»
10. Roman Alexeyevich Filkin - «FOR»
11. Alexander Viktorovich Shevchuk - «FOR»

Total:

«FOR»	- «11»
«AGAINST»	- «0»

«ABSTAINED»

- «0»

Decision is taken.

Item 3: On the composition of the Reliability Committee of the Board of Directors of IDGC of Centre, PJSC.

Decision:

1. To define the number of members of the Reliability Committee of the Board of Directors of the IDGC of Centre, PJSC – 5 (five) people.
2. To elect the following personnel of the Reliability Committee of the Board of Directors of IDGC of Centre, PJSC:

#	Full name	Position held
1.	Vladimir Leonidovich Pelymsky	Deputy Chief Engineer of PJSC «Rosseti»
2.	Mikhail Vladimirovich Smaga	Deputy Director of the Branch of PJSC «Rosseti» - Technical Supervision Centre
3.	Alexander Viktorovich Pilyugin	First Deputy General Director – Chief Engineer of IDGC of Centre, PJSC
4.	Alexander Valeryevich Inozemtsev	Deputy General Director for Economy and Finance of IDGC of Centre, PJSC
5.	Igor Georgiyevich Polovnev	Financial Director of Association of Institutional Investors

3. To elect Vladimir Leonidovich Pelymsky as Chairperson of the Reliability Committee of the Board of Directors of IDGC of Centre, PJSC.

Voting results:

1. Dmitry Borisovich Akopyan - «FOR»
2. Alexander Viktorovich Varvarin - «FOR»
3. Oleg Yuryevich Isaev - «FOR»
4. Alexander Ivanovich Kazakov - «FOR»
5. Alexey Igorevich Pavlov - «FOR»
6. Alexey Viktorovich Rakov - «FOR»
7. Larisa Anatolievna Romanovskaya - «FOR»
8. Maxim Mikhailovich Saukh - «FOR»
9. Denis Alexandrovich Spirin - «FOR»
10. Roman Alexeyevich Filkin - «FOR»
11. Alexander Viktorovich Shevchuk - «FOR»

Total:

«FOR»

- «11»

«AGAINST»

- «0»

«ABSTAINED»

- «0»

Decision is taken.

Item 4: On the recognition of A.V. Shevchuk, a member of the Board of Directors of IDGC of Centre, an independent director.

Decision:

In accordance with the conducted assessment of compliance of Alexander Viktorovich Shevchuk with the independence criteria of members of a board of directors and the Recommendations of the Personnel and Remuneration Committee of IDGC of Centre, taken on 13.04.2018 (Minutes # 05/18):

1. To take into consideration the preliminary results of the assessment of the compliance of Alexander Viktorovich Shevchuk with the independence criteria set out in the Listing Rules of PJSC Moscow Exchange (Appendix 4.1) (hereinafter referred to as the Rules), in

- accordance with Appendix # 1 to this decision of the Board of Directors of the Company.
2. To note that the decision to recognize the member of the Board of Directors A.V. Shevchuk as an independent director is motivated and is exceptional.
 3. To establish that the criteria of relation of A.V. Shevchuk with a significant counterparty of the Company, a competitor of the Company and with the state (the Russian Federation, a subject of the Russian Federation) or a municipal entity have not been revealed.
 4. Guided by Articles 109-110 of the Bank of Russia's Corporate Governance Code and Paragraph 2 of Section 2.19 of Appendix 2, Appendix 4.1 to the Rules, to recognize Alexander Viktorovich Shevchuk as an independent director despite his formal criteria of relation:
 - 4.1. with the Company:
 - A.V. Shevchuk holds the position of a member of the Board of Directors in the organizations (IDGC of Centre and Volga Region, IDGC of Urals, IDGC of North-West), controlled by the entity that controls the Company (PJSC Rosseti);
 - A.V. Shevchuk held the position of a member of the Board of Directors of the Company (including participation in the Board of Directors of legal entities, subsequently reorganized) in aggregate for more than 7 (seven) but less than 12 years in the following periods: from June 2005 to June 2006 (OJSC "Bryanskenergo"), in the Company - from June 2011 to June 2012, from June 2012 to August 2012, from August 2012 to June 2013, from June 2013 to June 2014, from June 2015 to June 2016, from June 2016 to June 2017, with June 2017 to June 2018, from June 2018 to the present.
 - 4.2. with the significant shareholder of the Company:
 - A.V. Shevchuk holds the position of a member of the board of directors in more than two legal entities controlled by the substantial shareholder of the Company (PJSC Rosseti), and also under the indirect control of the Russian Federation - the entity controlling the significant shareholder of the Company (IDGC of Centre, IDGC of Centre and Volga Region, IDGC of Urals, IDGC of North-West, PJSC "OGK-2").
 5. To recognize that such relation with the Company and with the substantial shareholder of the Company is formal and will not affect the ability of A.V. Shevchuk to represent independent, objective and honest judgments, decisions made by him, his work in the Board of Directors and Committees under the Board of Directors of the Company, proceeding from the following:
 - A.V. Shevchuk was nominated as a candidate to the Board of Directors of IDGC of Centre by a non-controlling shareholder. This shareholder is not the significant shareholder, and an entity person controlled by PJSC Rosseti.
 - Long period of work of A.V. Shevchuk in the Board of Directors of the Company is his advantage. Having studied various aspects of the Company's activities, having acquired the necessary professional competence in the field of the electric power industry and extensive knowledge of the Company's business, detailed knowledge of the specifics of the Company's business processes, A.V. Shevchuk can make honest judgments on the substance of matters considered by the Board of Directors and the Committees under the Board of Directors of the Company.
 - During his time of work at the Board of Directors of the Company and being an independent director A.V. Shevchuk:
 - took an active part in the work of the Committees of the Board of Directors of the Company: in 2017 he was elected Chairperson of the Audit Committee and a member of the Strategy and Development Committee of the Board of Directors of the Company. In previous periods he was Chairperson of the Grid Connection Committee, he was a member of the Audit Committee, the Strategy and Development Committee, the Personnel and Remuneration Committee;
 - faithfully performed the functions of a member of the Board of Directors and the

Committees under the Board of Directors of the Company. In preparation for the meetings, he proposed alternative draft decisions, asked for additional information and explanations, required the management to answer difficult and critical questions, in some cases sent a dissenting opinion on the agenda issues;

- in the performance of his duties he demonstrated independent conduct, voted on the agenda of the meetings of the Board of Directors and the Committees under the Board of Directors of the Company independently and at his own discretion, based solely on his professional experience and knowledge, his expert judgments, made decisions that were not aimed at meeting the interests of certain groups shareholders, third parties or the management, but at the long-term interests of the very Company in accordance with its development strategy.

•A.V. Shevchuk does not have an obligation to vote in accordance with directives or another position established by the Russian Federation - the entity controlling the substantial shareholder of the Company (PJSC Rosseti), since the Russian Federation exercises only indirect control over IDGC of Centre;

•A.V. Shevchuk, holding the main position in the nonprofit organization Association of Institutional Investors, possesses the necessary professional competencies in the field of protecting the rights and legitimate interests of shareholders and investors, a generally recognized reputation that demonstrates his ability to independently form an independent position, is an active representative of minority shareholders and is always open for direct communication with shareholders of the Company;

•A.V. Shevchuk signed the Declaration of a member of the Board of Directors, recognized independent, in the form recommended by PJSC Moscow Exchange.

6. To recommend A.V. Shevchuk:

6.1. to refrain from committing acts, as a result of which he may cease to be independent;

6.2. immediately to notify the Board of Directors of the Company in the event of circumstances, as a result of which he ceases to be independent.

Voting results:

- | | | |
|-----|---------------------------------|---------|
| 1. | Dmitry Borisovich Akopyan | - «FOR» |
| 2. | Alexander Viktorovich Varvarin | - «FOR» |
| 3. | Oleg Yuryevich Isaev | - «FOR» |
| 4. | Alexander Ivanovich Kazakov | - «FOR» |
| 5. | Alexey Igorevich Pavlov | - «FOR» |
| 6. | Alexey Viktorovich Rakov | - «FOR» |
| 7. | Larisa Anatolievna Romanovskaya | - «FOR» |
| 8. | Maxim Mikhailovich Saukh | - «FOR» |
| 9. | Denis Alexandrovich Spirin | - «FOR» |
| 10. | Roman Alexeyevich Filkin | - «FOR» |

Total:

«FOR»	- «10»
«AGAINST»	- «0»
«ABSTAINED»	- «0»

Decision is taken.

In accordance with the methodological recommendations of PJSC Moscow Exchange, A.V. Shevchuk abstained from voting on the question of recognizing his candidacy as an independent director.

Item 5: On the recognition of A.V. Varvarin, a member of the Board of Directors of IDGC of Centre, an independent director.

Decision:

In accordance with the conducted assessment of compliance of Alexander Viktorovich Varvarin with the independence criteria of members of a board of directors and the

Recommendations of the Personnel and Remuneration Committee of IDGC of Centre, taken on 13.04.2018 (Minutes # 05/18):

1. To take into consideration the preliminary results of the assessment of the compliance of Alexander Viktorovich Varvarin with the independence criteria set out in the Listing Rules of PJSC Moscow Exchange (Appendix 4.1) (hereinafter referred to as the Rules), in accordance with Appendix # 2 to this decision of the Board of Directors of the Company.

2. To note that the decision to recognize the member of the Board of Directors A.V. Varvarin as an independent director is motivated and is exceptional.

3. To establish that the criteria of relation of A.V. Varvarin with a significant counterparty of the Company, a competitor of the Company and with the state (the Russian Federation, a subject of the Russian Federation) or a municipal entity have not been revealed.

4. Guided by Articles 109-110 of the Bank of Russia's Corporate Governance Code and Paragraph 2 of Section 2.19 of Appendix 2, Appendix 4.1 to the Rules, to recognize Alexander Viktorovich Varvarin as an independent director despite his formal criteria of relation with the Company:

- A.V. Varvarin holds the position of a member of the Board of Directors in the organization (Kubanenergo), controlled by the entity that controls the Company (PJSC Rosseti).

5. To recognize that such relation with the Company will not affect the ability of A.V. Varvarin to represent independent, objective and honest judgments, decisions made by him, his work in the Board of Directors and Committees under the Board of Directors of the Company, proceeding from the following:

Relation of A.V. Varvarina with the Company is a formal inconsistency with the independence criteria:

•A.V. Varvarin for a long time participates in the work of boards of directors of the energy companies (Kubanenergo (from 2013), IDGC of Volga (from 2011 to 2017)). Deep knowledge of the specifics of the work of the companies in the industry will allow him to make bona fide judgments on the nature of issues considered by the Board of Directors of the Company.

•A.V. Varvarin, being Honoured Lawyer of the Russian Federation, possesses the necessary professional competence and experience in preparing proposals for improving the corporate and procedural legislation of the Russian Federation, developing methodological recommendations for resolution of corporate conflicts, has a generally recognized reputation testifying to his ability at his own discretion to form an independent position;

•A.V. Varvarin signed the Declaration of a member of the Board of Directors, recognized independent, in the form recommended by PJSC Moscow Exchange.

6. To recommend A.V. Varvarin:

6.1. to refrain from committing acts, as a result of which he may cease to be independent;

6.2. immediately to notify the Board of Directors of the Company in the event of circumstances, as a result of which he ceases to be independent.

Voting results:

- | | | |
|-----|---------------------------------|---------|
| 1. | Dmitry Borisovich Akopyan | - «FOR» |
| 2. | Oleg Yuryevich Isaev | - «FOR» |
| 3. | Alexander Ivanovich Kazakov | - «FOR» |
| 4. | Alexey Igorevich Pavlov | - «FOR» |
| 5. | Alexey Viktorovich Rakov | - «FOR» |
| 6. | Larisa Anatolievna Romanovskaya | - «FOR» |
| 7. | Maxim Mikhailovich Saukh | - «FOR» |
| 8. | Denis Alexandrovich Spirin | - «FOR» |
| 9. | Roman Alexeyevich Filkin | - «FOR» |
| 10. | Alexander Viktorovich Shevchuk | - «FOR» |

Total:

«FOR»	- «10»
«AGAINST»	- «0»
«ABSTAINED»	- «0»

Decision is taken.

In accordance with the methodological recommendations of PJSC Moscow Exchange, A.V. Varvarin abstained from voting on the question of recognizing his candidacy as an independent director.

Appendices:

1. The preliminary results of the assessment of the compliance of Alexander Viktorovich Shevchuk with the independence criteria of members of a board of directors (Appendix # 1).
2. The preliminary results of the assessment of the compliance of Alexander Viktorovich Varvarin with the independence criteria of members of a board of directors (Appendix # 2).

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

A.I. Kazakov

**Corporate Secretary
of IDGC of Centre, PJSC**

S.V. Lapinskaya