

MINUTES
of meeting of the Strategy Committee
of the Board of Directors of IDGC of Centre, PJSC

13 December 2019

Moscow

No. 15/19

Form of the meeting: absent voting.

Total number of members of the Strategy Committee: 11 persons.

Participants of the voting: A.V. Golovtsov, A.N. Zharikov, V.Y. Zarkhin, D.D. Mikheev, A.I. Pavlov, A.V. Pilyugin, E.V. Prokhorov, O.V. Tikhomirova, I.A. Shagina, A.V. Shevchuk.

Members who provided questionnaires: A.O. Romankov.

The quorum is present.

Date of the minutes: 13.12.2019.

AGENDA:

1. On recommendations to the Board of Directors of IDGC of Centre, PJSC regarding the item «On approval of the Schedule of activities of IDGC of Centre, PJSC to reduce overdue accounts receivable for electricity transmission services and settlement of disputes established by 01.10.2019».
2. On preliminary consideration of the Action Plan for improvement of the risk management system of IDGC of Centre, PJSC.
3. On the recommendation to the Board of Directors of the Company regarding the item «On approval of the Report on execution of key performance indicators (KPI) of General Director of the Company for 2018».

Item 1. On recommendations to the Board of Directors of IDGC of Centre, PJSC regarding the item «On approval of the Schedule of activities of IDGC of Centre, PJSC to reduce overdue accounts receivable for electricity transmission services and settlement of disputes established by 01.10.2019».

Decision:

To recommend that the Board of Directors of the Company take the following decision:

- «1. To approve the Schedule of activities of IDGC of Centre, PJSC to reduce overdue accounts receivable for electricity transmission services and settlement of disputes established by 01.10.2019, in accordance with the Appendix.
2. To take into consideration the report of General Director of the Company «On execution of the Schedule of activities of IDGC of Centre, PJSC to reduce overdue accounts receivable for electricity transmission services and settlement of disputes established by 01.07.2019, approved by the decision of the Board of Directors of the Company on 16.09.2019 (Minutes #30/19), in accordance with the Appendix.
3. To take into consideration the report of General Director of the Company «On the work performed by IDGC of Centre, PJSC in relation to newly created overdue accounts

receivable for electricity transmission services in 3Q 2019» in accordance with the Appendix.

4. To take into consideration the report of General Director of the Company «On the repayment of overdue accounts receivable, formed on 01.01.2019, following the results of 9 months of 2019» in accordance with the Appendix.

5. To note the change in arrears in 3Q 2019 in accordance with the Appendix».

Voting results:

- | | |
|------------------------------------|---------------|
| 1. Alexander Viktorovich Golovtsov | - «FOR» |
| 2. Alexey Nikolayevich Zharikov | - «FOR» |
| 3. Vitaly Yuryevich Zarkhin | - «ABSTAINED» |
| 4. Dmitry Dmitrievich Mikheev | - «FOR» |
| 5. Alexey Igorevich Pavlov | - «FOR» |
| 6. Alexander Viktorovich Pilyugin | - «FOR» |
| 7. Egor Vyacheslavovich Prokhorov | - «FOR» |
| 8. Olga Vladimirovna Tikhomirova | - «FOR» |
| 9. Irina Alexandrovna Shagina | - «FOR» |
| 10. Alexander Viktorovich Shevchuk | - «ABSTAINED» |

Total:

«FOR»	- «8»
«AGAINST»	- «0»
«ABSTAINED»	- «2»

Decision is taken.

Item 2. On preliminary consideration of the Action Plan for improvement of the risk management system of IDGC of Centre, PJSC.

Decision:

1. To approve the Action Plan for development and improvement of the risk management system of IDGC of Centre, PJSC in accordance with Appendix # 1 to this decision of the Strategy Committee of the Board of Directors of the Company.

2. To recommend that the Board of Directors of IDGC of Centre, PJSC take the following decision:

«To approve the Action Plan for development and improvement of the risk management system of IDGC of Centre, PJSC in accordance with the Appendix».

Voting results:

- | | |
|------------------------------------|---------------|
| 1. Alexander Viktorovich Golovtsov | - «FOR» |
| 2. Alexey Nikolayevich Zharikov | - «FOR» |
| 3. Vitaly Yuryevich Zarkhin | - «ABSTAINED» |
| 4. Dmitry Dmitrievich Mikheev | - «FOR» |
| 5. Alexey Igorevich Pavlov | - «FOR» |
| 6. Alexander Viktorovich Pilyugin | - «FOR» |
| 7. Egor Vyacheslavovich Prokhorov | - «FOR» |
| 8. Olga Vladimirovna Tikhomirova | - «FOR» |
| 9. Irina Alexandrovna Shagina | - «FOR» |
| 10. Alexander Viktorovich Shevchuk | - «ABSTAINED» |

Total:

«FOR»	- «8»
«AGAINST»	- «0»
«ABSTAINED»	- «2»

Decision is taken.

Item 3. On the recommendation to the Board of Directors of the Company regarding the item «On approval of the Report on execution of key performance indicators (KPI) of General Director of the Company for 2018».

Decision:

To recommend that the Board of Directors of the Company take the following decision:

«1. In order to assess the implementation of the KPI “Increasing labour productivity” at the end of 2018 and to ensure comparability of data for 2017 and 2018, to exclude the effect on the actual value of the indicator of redistribution of load in grids of PJSC FGC UES, the termination of lease contracts for “last mile” facilities that affected the reduction of electricity consumption by large consumers, providing for the calculation of the indicator an increase in revenue from electricity transmission in accordance with the consolidated financial statements of IDGC of Centre, PJSC prepared in accordance with International Financial Reporting Standards for 2018 for a total amount of 847,125 million rubles, including:

- for JSC Lebedinsky GOK in the amount of 54,585 million rubles (the decrease in energy consumption by 57 million kWh),*
- for JSC Stoilensky GOK in the amount of 291,289 million rubles (the decrease in energy consumption by 707 million kWh),*
- for PJSC NLMK in the amount of 501,251 million rubles (the decrease in consumption by 973 million kWh).*

2. To approve the Report on execution of key performance indicators (KPI) of General Director of the Company for 2018 in accordance with the Appendix».

Voting results:

- | | |
|------------------------------------|---------------|
| 1. Alexander Viktorovich Golovtsov | - «AGAINST» |
| 2. Alexey Nikolayevich Zharikov | - «ABSTAINED» |
| 3. Vitaly Yuryevich Zarkhin | - «ABSTAINED» |
| 4. Dmitry Dmitrievich Mikheev | - «FOR» |
| 5. Alexey Igorevich Pavlov | - «FOR» |
| 6. Alexander Viktorovich Pilyugin | - «FOR» |
| 7. Egor Vyacheslavovich Prokhorov | - «FOR» |
| 8. Olga Vladimirovna Tikhomirova | - «FOR» |
| 9. Irina Alexandrovna Shagina | - «FOR» |
| 10. Alexander Viktorovich Shevchuk | - «FOR» |

Total:

«FOR»	- «7»
«AGAINST»	- «1»
«ABSTAINED»	- «2»

Decision is taken.

A dissenting opinion was received on this item from a member of the Strategy Committee of the Board of Directors of the Company, A.V. Golovtsov (Appendix # 2).

Appendices:

1. The Action Plan for development and improvement of the risk management system of IDGC of Centre, PJSC (Appendix # 1).
2. The dissenting opinion from the member of the Strategy Committee of the Board of Directors of the Company, A.V. Golovtsov, on agenda item # 3 (Appendix # 2).

**Chairperson
of the Strategy Committee**

E.V. Prokhorov

**Secretary
of the Strategy Committee**

S.V. Lapinskaya