



Interregional Distribution Grid Company of Centre,
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MINUTES

of meeting of the Strategy and Development Committee
of the Board of Directors of IDGC of Centre, PJSC

24 May 2017

Moscow

No. 10/17

Form of the meeting: joint presence.

Time of the meeting: 10 hours 30 minutes – 12 hours 40 minutes.

Venue: Moscow, 2nd Yamskaya, 4, Floor 5, Room 507.

Video conference A4-069 at the address: Moscow, Belovezhskaya str., 4 (PJSC «Rosseti»)

Total number of members of the Strategy and Development Committee: 12 persons.

Participants of the meeting: A.N. Goncharov (Video conference), S.Y. Lebedev (Video conference regarding item # 1), A.A. Ozherelev (Video conference), Y.N. Pankstyanov (Video conference), S.V. Podlutsky (Video conference regarding items ## 1-2), S.V. Pokrovsky, S.Y. Rummyantsev, N.V. Sedyikh (Video conference), R.A. Filkin.

The written opinion (questionnaire) of the following members was taken into account while defining the results: T.V. Zobkova, S.Y. Lebedev (regarding items ## 2-3), T.P. Dronova, S.V. Podlutsky (regarding item # 3).

Members who neither participated nor provided questionnaires: A.V. Gritsenko.

The quorum is present.

Date of the minutes: 26.05.2017.

The meeting of the Strategy and Development Committee was audiotaped (hereinafter – the Committee), which is stored in the materials to the meeting of the Committee.

The meeting of the Strategy and Development Committee was chaired by Chairperson of the Committee, Y.N. Pankstyanov.

The following representatives of the management of IDGC of Centre, PJSC were present:

A.K. Akhmedova - Deputy General Director for Legal Provision

I.V. Gromova - Deputy General Director for Human Resources and Organizational Design

E.V. Kabanova – Deputy General Director for Development and Sale of Services

R.P. Mitrofanov – Deputy General Director for Capital Construction

D.V. Sklyarov – Deputy General Director for Investment

L.A. Sklyarova - Chief Accountant - Head of Financial and Tax Accounting and Reporting Department

O.V. Tikhomirova - Deputy General Director for Economy and Finance

S.V. Shpakova – Head of Internal Audit Department

At the beginning of the meeting Chairperson of the Committee, Y.N. Pankstyanov, informed the audience about the presence of a quorum for the meeting, and opened the meeting.

AGENDA:

1. On consideration of information of the Company's management «On the results of tariff regulation of the Company for 2017 and proposals on methods of tariff regulation for 2018-2022».
2. On the recommendation to the Board of Directors of the Company regarding the item «On approval of the report of General Director of the Company «On execution of the Company's Business Plan in 1Q 2017 (including performance of the Investment Program and information about key operational risks)».
3. On the recommendation to the Board of Directors of the Company regarding the item «On approval of the list of expenses additionally excluded from the volume of operating (controlled) expenses for the calculation and evaluation of the KPI performance of General Director of IDGC of Centre, PJSC «Reduction of unit operating costs (expenses)»».

Item 1. On consideration of information of the Company's management «On the results of tariff regulation of the Company for 2017 and proposals on methods of tariff regulation for 2018-2022».

Speaker - O.V. Tikhomirova.

The report (presentation) on the item is stored in the materials for the meeting of the Committee.

In discussing the report the questions were received from the following members of the Committee: S.Y. Lebedev, R.A. Filkin, S.V. Pokrovsky.

The explanations and answers to the questions were given by: Y.N. Pankstyanov, D.V. Sklyarov, O.V. Tikhomirova, S.Y. Rumyantsev.

During the discussion of the materials on the issue the members of the Committee gave the following minutes instruction to the management: in the framework of the tariff campaign of 2018, to ensure sending tariff proposals to the executive authorities of the subjects of the Russian Federation in the field of tariff regulation at an economically reasonable level.

Decision (put for voting):

To take into consideration the information of the Company's management «On the results of tariff regulation of the Company for 2017 and proposals on methods of tariff regulation for 2018-2022» in accordance with Appendix # 1 to this decision of the Strategy and Development Committee of the Board of Directors of IDGC of Centre, PJSC.

Voting results at the meeting:

- | | |
|-----------------------------------|---------|
| 1. Alexey Nikolayevich Goncharov | - «FOR» |
| 2. Sergey Yuryevich Lebedev | - «FOR» |
| 3. Alexey Alexandrovich Ozherelev | - «FOR» |
| 4. Yury Nikolayevich Pankstyanov | - «FOR» |
| 5. Sergey Vasilyevich Podlutsky | - «FOR» |
| 6. Sergey Vladimirovich Pokrovsky | - «FOR» |
| 7. Sergey Yuryevich Rumyantsev | - «FOR» |
| 8. Nadezhda Vitalyevna Sedykh | - «FOR» |
| 9. Roman Alexeyevich Filkin | - «FOR» |

Voting results by filling in the questionnaires:

- | | |
|----------------------------------|---------|
| 10. Tatiana Petrovna Dronova | - «FOR» |
| 11. Tatiana Valentinovna Zobkova | - «FOR» |

Total:

«FOR»	- «11»
«AGAINST»	- «0»
«ABSTAINED»	- «0»

Decision is taken.

Item 2. On the recommendation to the Board of Directors of the Company regarding the item «On approval of the report of General Director of the Company «On execution of the Company’s Business Plan in 1Q 2017 (including performance of the Investment Program and information about key operational risks)»».

Speaker in terms of the report on execution of the Business Plan and information about key operational risks – O.V. Tikhomirova.

Co-Speaker in terms of the report on execution of the Investment Program – R.P. Mitrofanov.

The reports (presentations) on the item are stored in the materials for the meeting of the Committee.

In discussing the reports the questions were received from the following members of the Committee: S.V. Podlutsky, S.V. Pokrovsky, R.A. Filkin, N.V. Sedyikh.

The explanations and answers to the questions were given by: O.V. Tikhomirova, D.V. Sklyarov, R.P. Mitrofanov, E.V. Kabanova, L.A. Sklyarova.

Decision (put for voting):

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

«To approve the report of General Director of the Company «On execution of the Company’s Business Plan in 1Q 2017 (including performance of the Investment Program and information about key operational risks)» in accordance with the Appendices».

Voting results at the meeting:

- | | |
|-----------------------------------|---------|
| 1. Alexey Nikolayevich Goncharov | - «FOR» |
| 2. Alexey Alexandrovich Ozherelev | - «FOR» |
| 3. Yury Nikolayevich Pankstyanov | - «FOR» |
| 4. Sergey Vasilyevich Podlutsky | - «FOR» |
| 5. Sergey Vladimirovich Pokrovsky | - «FOR» |
| 6. Sergey Yuryevich Rumyantsev | - «FOR» |
| 7. Nadezhda Vitalyevna Sedykh | - «FOR» |
| 8. Roman Alexeyevich Filkin | - «FOR» |

Voting results by filling in the questionnaires:

- | | |
|----------------------------------|---------|
| 9. Tatiana Petrovna Dronova | - «FOR» |
| 10. Tatiana Valentinovna Zobkova | - «FOR» |
| 11. Sergey Yuryevich Lebedev | - «FOR» |

Total:

«FOR»	- «11»
«AGAINST»	- «0»
«ABSTAINED»	- «0»

Decision is taken.

Item 3. On the recommendation to the Board of Directors of the Company regarding the item «On approval of the list of expenses additionally excluded from the volume of operating (controlled) expenses for the calculation and evaluation of the KPI performance of General Director of IDGC of Centre, PJSC «Reduction of unit operating costs (expenses)»».

Speaker – O.V. Tikhomirova.

The report (presentation) on the item is stored in the materials for the meeting of the Committee.

In discussing the report the questions / comments were received from the following members of the Committee: S.V. Pokrovsky, R.A. Filkin.

The explanations and answers to the questions were given by: O.V. Tikhomirova, E.V. Kabanova, L.A. Sklyarova, S.Y. Rumyantsev.

Decision (put for voting):

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

«To approve the list of expenses additionally excluded from the volume of operating (controlled) expenses for the calculation and evaluation of the KPI performance of General Director of IDGC of Centre, PJSC «Reduction of unit operating costs (expenses)»:

- for the implementation of additional measures (including incentives for personnel) aimed at reducing electricity losses in excess of those approved in the Business Plan, compensated for by an additional effect from reducing the volume of electricity losses, and the inclusion of these measures in the relevant program approved in accordance with the established procedure by the Board of Directors of the Company;*
- to provide services for unregulated activities (leasing, manufacturing of other products, goods, performance of work, services of industrial and non-industrial nature), compensated for by income from the provision of related services;*
- under contracts of assignment of the right of claim compensated for by income under contracts of assignment of the right of claim;*
- for first responding and restoration work, fully compensated for by the received income from insurance indemnities;*
- on purchased electricity for sale, compensated for by revenue from resale of electricity».*

Voting results at the meeting:

- | | |
|-----------------------------------|---------------|
| 1. Alexey Nikolayevich Goncharov | - «FOR» |
| 2. Alexey Alexandrovich Ozherelev | - «FOR» |
| 3. Yury Nikolayevich Pankstyanov | - «FOR» |
| 4. Sergey Vladimirovich Pokrovsky | - «FOR» |
| 5. Sergey Yuryevich Rummyantsev | - «FOR» |
| 6. Nadezhda Vitalyevna Sedykh | - «FOR» |
| 7. Roman Alexeyevich Filkin | - «ABSTAINED» |

Voting results by filling in the questionnaires:

- | | |
|----------------------------------|---------------|
| 8. Tatiana Petrovna Dronova | - «ABSTAINED» |
| 9. Tatiana Valentinovna Zobkova | - «ABSTAINED» |
| 10. Sergey Yuryevich Lebedev | - «FOR» |
| 11. Sergey Vasilyevich Podlutsky | - «FOR» |

Total:

«FOR»	- «8»
«AGAINST»	- «0»
«ABSTAINED»	- «3»

Decision is taken.

Appendix: the information of the Company's management «On the results of tariff regulation of the Company for 2017 and proposals on methods of tariff regulation for 2018-2022» (Appendix # 1).

The agenda of the meeting of the Committee on 24.05.2017 was exhausted. The meeting of the Committee was adjourned.

**Chairperson
of the Strategy and Development Committee**

Y.N. Pankstyanov

**Secretary
of the Strategy and Development Committee**

S.V. Lapinskaya