

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

30 April 2020

Moscow

No. 08/20

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, A.O. Romankov, O.V. Tikhomirova, I.A. Shagina, A.V. Shevchuk.

Members who provided questionnaires: none.

The quorum is present.

Date of the minutes: 30.04.2020.

AGENDA:

1. On recommendations to the Board of Directors of the Company regarding the item «On consideration of the report of General Director «On the organization and functioning in 2019 of the risk management system, including the implementation of measures to improve the risk management system to increase the level of maturity of the RMS»».
2. On recommendations to the Board of Directors of the Company regarding the item «On consideration of the report of General Director of the Company «On management of key operational risks of the Company for 2019»».
3. On recommendations to the Board of Directors of the Company regarding the item «On consideration of the report on approval of draft amendments entered into the Investment Program of IDGC of Centre, PJSC for 2016-2022 with authorized bodies of executive power of the Russian Federation in accordance with the requirements of Resolution of the Government of the Russian Federation dated 01.12.2009 № 977».
4. On recommendations to the Board of Directors of the Company regarding the item «On approval of the summary on the RAS principles and consolidated on the IFRS principles Business Plans of the Group of IDGC of Centre for the period of 2020-2024»».

Item 1. On recommendations to the Board of Directors of the Company regarding the item «On consideration of the report of General Director «On the organization and functioning in 2019 of the risk management system, including the implementation of measures to improve the risk management system to increase the level of maturity of the RMS»».

Decision:

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

«1. To take into consideration the report «On the organization and functioning in 2019 of the risk management system, including the implementation of measures to improve the risk management system to increase the level of maturity of the RMS» in accordance with the Appendix.

2. General Director of the Company to ensure inclusion of information on the effectiveness of the functioning risk management system and its impact on the achievement of the goals of the Company in the annual Report «On the organization and functioning of the risk

management system, including the implementation of measures to improve the risk management system to increase the level of maturity of the RMS».

3. To evaluate the actions of management to manage key operational risks of the Company in the framework of the annual Report of the sole executive body of the Company on managing key operational risks of the Company for 2019».

Voting results:

- | | |
|------------------------------------|---------|
| 1. Alexander Viktorovich Golovtsov | - «FOR» |
| 2. Alexey Nikolayevich Zharikov | - «FOR» |
| 3. Vitaly Yuryevich Zarkhin | - «FOR» |
| 4. Dmitry Dmitrievich Mikheev | - «FOR» |
| 5. Alexey Igorevich Pavlov | - «FOR» |
| 6. Alexander Viktorovich Pilyugin | - «FOR» |
| 7. Egor Vyacheslavovich Prokhorov | - «FOR» |
| 8. Andrey Olegovich Romankov | - «FOR» |
| 9. Olga Vladimirovna Tikhomirova | - «FOR» |
| 10. Irina Alexandrovna Shagina | - «FOR» |
| 11. Alexander Viktorovich Shevchuk | - «FOR» |

Total:

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

Decision is taken.

Item 2. On recommendations to the Board of Directors of the Company regarding the item «On consideration of the report of General Director of the Company «On management of key operational risks of the Company for 2019».

Decision:

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

«1. To take into consideration the report of General Director of the Company on management of key operational risks of the Company for 2019 in accordance with the Appendix.

2. To mark implementation of risks:

- KOR-001 «Risk of deviation in the volume of electric energy transmission services compared to the set value in the business plan» due to transfer of the load of large consumers to grids of PJSC FGC, as well as a decrease in energy consumption of consumers belonging to the «Population» group, because of an increase in the average annual temperature;

- KOR-003 «Risk of deviation of volumes of grid connections compared to the value specified in the business plan», mainly due to failure to meet deadlines on the part of applicants under grid connection contracts with JSC LGEK (Lipetskenergo branch);

- KOR-007 «Risk of deviation of the volume of overdue receivables from the amount set out in the business plan», mainly due to the postponement of the termination of bankruptcy proceedings in relation to OJSC Smolenskenergosbyt (LLC GC Energostrim) and the estimated debt cancellation in the amount of 1 490 million RUB not earlier than 2020;

- KOR-008 «Risk of deviation of the Debt/EBITDA indicator in comparison with the established value in the business plan» due to a decrease in revenue from electricity transmission and the accrual of reserves for doubtful debts and legal claims for the debt of the counterparty PJSC TNS Energo Yaroslavl;

- KOR-009 «Risk of deviation of net profit from the amount established in the business plan», mainly due to a decrease in revenue for electricity transmission in the amount of 1 668,7 million RUB (implementation of the KOR-001 risk) and the creation of additional reserves for doubtful debts and legal claims for the debts of PJSC TNS Energy Yaroslavl in the amount of 1 162 million RUB;

- KOR-010 «Risk of non-fulfillment of the main parameters of the investment program» according to the parameters «Development of investments» (non-fulfillment in the amount of 609,5 million RUB) and «Financing of the investment program» (non-fulfillment in the amount of 773,9 million RUB), mainly due to the implementation of the anti-crisis program of the Lipetskenergo branch regarding the reduction of the proceeds from the electricity transmission.

3. General Director of the Company should ensure that the risk owners increase the efficiency and effectiveness of the risk management process, develop effective measures to prevent the implementation of risks that have a “significant” and “critical” level of materiality and their implementation».

Voting results:

- | | |
|------------------------------------|---------|
| 1. Alexander Viktorovich Golovtsov | - «FOR» |
| 2. Alexey Nikolayevich Zharikov | - «FOR» |
| 3. Vitaly Yuryevich Zarkhin | - «FOR» |
| 4. Dmitry Dmitrievich Mikheev | - «FOR» |
| 5. Alexey Igorevich Pavlov | - «FOR» |
| 6. Alexander Viktorovich Pilyugin | - «FOR» |
| 7. Egor Vyacheslavovich Prokhorov | - «FOR» |
| 8. Andrey Olegovich Romankov | - «FOR» |
| 9. Olga Vladimirovna Tikhomirova | - «FOR» |
| 10. Irina Alexandrovna Shagina | - «FOR» |
| 11. Alexander Viktorovich Shevchuk | - «FOR» |

Total:

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

Decision is taken.

Item 3. On recommendations to the Board of Directors of the Company regarding the item «On consideration of the report on approval of draft amendments entered into the Investment Program of IDGC of Centre, PJSC for 2016-2022 with authorized bodies of executive power of the Russian Federation in accordance with the requirements of Resolution of the Government of the Russian Federation dated 01.12.2009 № 977.

Decision:

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

«To take into consideration the report of General Director of the Company on approval of draft amendments entered into the Investment Program of IDGC of Centre, PJSC for 2016-2022 with authorized bodies of executive power of the Russian Federation in accordance with the requirements of Resolution of the Government of the Russian Federation dated 01.12.2009 № 977 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. Andrey Olegovich Romankov | - «FOR» |
| 9. Olga Vladimirovna Tikhomirova | - «FOR» |
| 10. Irina Alexandrovna Shagina | - «FOR» |

11. Alexander Viktorovich Shevchuk - «FOR»

Total:

«FOR»	- «10»
«AGAINST»	- «0»
«ABSTAINED»	- «1»

Decision is taken.

Item 4. On recommendations to the Board of Directors of the Company regarding the item «On approval of the summary on the RAS principles and consolidated on the IFRS principles Business Plans of the Group of IDGC of Centre for the period of 2020-2024».

Decision put to vote:

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

«1. To approve the summary on the RAS principles and consolidated on the IFRS principles Business Plan of the Group of IDGC of Centre for 2020 and take into consideration the forecast indicators for 2021-2024 in accordance with the Appendices.

2. To mark violation of the approval deadlines of the summary on the RAS principles and consolidated on the IFRS principles Business Plan of the Group of IDGC of Centre for 2020-2024, stipulated by the Regulation of business planning of the Company (Minutes of the Board of Directors dated 02.08.17 # 18/17)».

Voting results:

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

Total:

«FOR»	- «7»
«AGAINST»	- «3»
«ABSTAINED»	- «1»

Decision is taken.

Alternative draft decision regarding item # 4:

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

«1. To take into consideration the summary on the RAS principles and consolidated on the IFRS principles Business Plan of the Group of IDGC of Centre for 2020 and forecast indicators for 2021-2024 in accordance with the Appendices.

2. To instruct within a month to submit a Business Plan adjusted to today's realities, with the maximum possible optimization of capital and operating costs».

Voting results:

1. Alexander Viktorovich Golovtsov	- «FOR»
2. Alexey Nikolayevich Zharikov	- «FOR»
3. Vitaly Yuryevich Zarkhin	- «FOR»
4. Dmitry Dmitrievich Mikheev	- «AGAINST»
5. Alexey Igorevich Pavlov	- «AGAINST»
6. Alexander Viktorovich Pilyugin	- «ABSTAINED»

7. Egor Vyacheslavovich Prokhorov - «AGAINST»
8. Andrey Olegovich Romankov - «AGAINST»
9. Olga Vladimirovna Tikhomirova - «AGAINST»
10. Irina Alexandrovna Shagina - «AGAINST»
11. Alexander Viktorovich Shevchuk - «FOR»

Total:

«FOR»	- «4»
«AGAINST»	- «6»
«ABSTAINED»	- «1»

Decision is not taken.

Decision taken regarding item # 4:

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

«1. To approve the summary on the RAS principles and consolidated on the IFRS principles Business Plan of the Group of IDGC of Centre for 2020 and take into consideration the forecast indicators for 2021-2024 in accordance with the Appendices.

2. To mark violation of the approval deadlines of the summary on the RAS principles and consolidated on the IFRS principles Business Plan of the Group of IDGC of Centre for 2020-2024, stipulated by the Regulation of business planning of the Company (Minutes of the Board of Directors dated 02.08.17 # 18/17)».

**Chairperson
of the Strategy Committee**

E.V. Prokhorov

**Secretary
of the Strategy Committee**

S.V. Lapinskaya