

APPROVED BY:

by the Resolution of the Annual General Meeting  
of Shareholders of IDGC of Centre, PJSC  
\_\_\_.\_\_\_.2019 (Minutes # 01/19 of \_\_\_.\_\_\_.2019)

## REGULATION

on the Board of Directors  
of Interregional Distribution Grid Company of Centre, Public  
Joint-Stock Company  
(new edition)

Moscow  
2019

## **1. General Provisions**

1.1. These Regulations were drawn up in accordance with the Civil Code of the Russian Federation, the Federal Law "On Joint-Stock Companies", other normative-legal acts of the Russian Federation and the Articles of Association of "Interregional Distribution Grid Company of Centre", Public Joint-Stock Company (hereinafter referred to as the Company).

1.2. These Regulations are an internal document of the Company, determining rules for convening and carrying out of meetings of the Company's Board of Directors.

1.3. The Board of Directors is a managing body of the Company that carries out general management of the Company's activities, controls activities of the Company's executive bodies, as well as implementation of resolutions of the General Meetings of Shareholders of the Company and ensuring the legitimate interests of the Company's shareholders in accordance with the requirements of the legislation of the Russian Federation.

1.4. The main goals and objectives of activities performed by the Company's Board of Directors are:

- determining of a strategy for the Company's development, aimed at increase of its market capitalization and investment attractiveness, achieving the maximum benefit and enlarging of the Company's assets;
- providing protection of rights and legal interests of the Company's shareholders and assistance in settling the corporative conflicts;
- providing complete, reliable and objective disclosure of information on the Company to the shareholders and other interested individuals;
- establishment of effective internal control mechanisms;
- regular evaluation of the activities realized by executive bodies and administration of the Company;

For realization of the stated goals and objectives the Board of Directors must be guided by the following principles:

- passing resolutions based on reliable information on the Company's activities;
- exclusion of restrictions of the shareholders rights to participate in the Company's management, receive dividends and information on the Company;
- achieving balance of the interests of different shareholders groups and making maximum objective resolutions meeting the interests of all the Company's shareholders.

1.5. In its activities the Board of Directors is guided by the Federal Law "On Joint-Stock Companies", other normative-legal acts of the Russian Federation, the Articles of Association of the Company and the present Regulations.

## **2. Chairperson and Deputy Chairperson of the Company's Board of Directors**

2.1. Activities of the Board of Directors are organized by the Chairperson of the Company's Board of Directors.

2.2. The Chairperson of the Board of Directors is elected by the members of the Company's Board of Directors from their number by a majority vote of the total number of members of the Company's Board of Directors.

A person functioning as the Company's general director is not entitled to be elected the Chairperson of the Company's Board of Directors.

2.3. The Board of Directors is entitled to reelect the Chairperson of the Board of Directors at any time by a majority vote of the total number of members of the Company's Board of Directors.

2.4. Chairperson of the Board of Directors:

- 1) organizes activities of the Board of Directors;
- 2) convenes the Board of Directors meetings;

- 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, as well as paragraph 6.12 of this Regulation;
- 4) forms and approves agenda for the Board of Directors meetings;
- 5) determines a list of materials (information) on agenda of the meetings which are to be presented to the members of the Company's Board of Directors;
- 6) takes the necessary measures for the timely provision of information to members of the Board of Directors for decision-making on the agenda;
- 7) determines a list of persons invited for participation in discussing of certain problems on agenda of the Board of Directors meetings;
- 8) presides at the Board of Directors meetings;
- 9) signs the Minutes of the Board of Directors meetings, demands for carrying out inspection (revision) of the financial and economic activities of the Company and other documents on behalf of the Company's Board of Directors;
- 10) carries out control of implementation of the working plan of the Board of Directors activities approved by the Board of Directors;
- 11) represents the Board of Directors in relations with the Company's shareholders, administrative bodies, public organizations, mass media;
- 12) carries out correspondence of the Board of Directors with shareholders, executive bodies, staff members of the Company, other organizations;
- 13) presides at general meetings of the Company's shareholders, announces agenda, informs on coming speeches and reports and realizes other functions of the Chairperson of the general meetings of the Company's shareholders, stipulated by the Regulations on the Procedures of Preparation and Carrying out of General Meetings of the Company's Shareholders;
- 14) organizes on behalf of Board of Directors control of implementation of the resolutions of the general meetings of the Company's shareholders and Board of Directors, officially puts to the control implementation of the resolutions passed by the Company's Board of Directors and terminates control from the implemented resolutions;
- 15) organizes developing the most effective decisions on the agenda and, if necessary, free discussion of these issues, as well as constructive atmosphere of the meeting, provides meeting the requirements of the legislation of the Russian Federation, the Articles of Association of the Company, other internal documents of the Company and the present Regulations in the process of carrying out of the Board of Directors meetings;
- 16) realizes other functions stipulated by the legislation of the Russian Federation, the Articles of Association of the Company and resolutions of the Company's Board of Directors.

2.5. In case of absence of the Chairperson of the Company's Board of Directors his functions are realized by a person, elected from the number of the Board of Directors members by a majority vote of the members of the Company's Board of Directors (Deputy Chairperson of the Company's Board of Directors).

A member of the Company's Board of Directors being the General Director of the Company or a member of a corporate executive body of the Company cannot be elected a Deputy Chairperson of the Company's Board of Directors.

### **3. Members of the Board of Directors, their Rights, Duties and Responsibility**

3.1. Members of the Board of Directors within the competence of the Board of Directors are entitled to:

- 1) receive information on the Company's activities, study all the constituent, normative, accounting, reporting, contractual and other documents of the Company according to the legislation of the Russian Federation and internal documents of the Company;

2) introduce written suggestions on drawing up a plan for the Board of Directors operation;  
3) according to the approved procedure to introduce problems of the agenda of the Board of Directors meetings;

4) demand convening of the Board of Directors meetings;

5) realize other rights stipulated by the legislation of the Russian Federation, the Articles of Association of the Company and resolutions of the Company's Board of Directors.

3.2. A member of the Board of Directors is entitled to demand in written form for documents and information necessary for passing a resolution on problems within competence of the Board of Directors directly from the Company's General Director (other person acting as a sole executive body of the company) or from the Corporate Secretary of the Board of Directors as well.

3.3. The documents and information must be presented to the member of the Board of Directors no later than 5 (five) working days from the date of the corresponding demand.

3.4. First elected directors to the Board of Directors are provided with the opportunity to gain an understanding of the Company's strategy, adopted in the Company corporate governance, risk management and internal control system, distribution of responsibilities between the executive bodies of the Company and other relevant information about the production and financial-economic activities of the Company.

3.5. Members of the Board of Directors can be paid a reward and (or) a compensation of expenses connected to the implementation by the members of the Board of Directors of their functions according to the procedure fixed in the Regulations on Rewards and Compensations to the members of the Board of Directors, approved by the general meeting of the Company's shareholders.

3.6. Members of the Board of Directors in realizing their rights and responsibilities must act in the interests of the Company, honestly and reasonably realize their rights and duties.

A member of the Board of Directors, having gained access to confidential information of the Company, including a commercial secret, shall be obliged to keep it confidential.

3.7. Members of the Board of Directors respond before the Company for the losses inflicted to the Company by their actus reus (failure to act) according to the valid legislation. Those members of the Board of Directors who voted against the resolution that led to inflicting losses to the Company or those, who did not participate in the vote, are not responsible for the losses.

3.8. Members of the Board of directors must refrain from any actions that will or may result in a conflict between their interests and the interests of the Company.

In the event of a potential conflict of interest with a member of the Board of Directors, including the presence of interest in a transaction, a member of the Board of Directors shall immediately inform the Board of Directors and, in any case put the Company's interests above his or her own interests. This must be done in any case before the start of discussion of an item, on which the member of the Board of Directors has a conflict of interest, at the meeting of the Board of Directors.

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:

- 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;

- 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;

- about known transactions that they are or are undergoing, in which they can be recognized as related parties.

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.

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.

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.

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.

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.

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:

- coordinates the interaction between independent directors, including, when necessary, convenes meetings of independent directors and presides over them;
- 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;
- 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;
- 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.

#### **4. Corporate Secretary of the Company**

4.1. Technical (informational, documentary, legal, secretarial) support of the current activity of the Board of Directors is realized by the Corporate Secretary of the Company (Secretariat of the Board of Directors) functioning in accordance with the Articles of Association of the Company, present Regulations, Regulations on the Secretary of the Board of Directors, other internal documents of the Company and on the instructions of the Chairperson of the Board of Directors.

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.

#### **5. Organization of the Board of Directors' Operation**

5.1. Meetings of the Board of Directors are carried out in accordance with the approved plan of the Board of Directors operation and also in case of necessity, but no less than once in a quarter, if other is not fixed by this Regulation.

5.2. In case of necessity, the Board of Directors' Chairperson may decide on carrying out an extraordinary Board of Directors meeting or changing the date of the Board of Directors meeting, including in the agenda of the meeting of the Board of Directors additional questions, as well as direction of amended materials on the agenda of the Board of Directors.

5.3. Plan of the Board of Directors operation.

5.3.1. Plan of the Board of Directors operation may be drawn up according to the following main directions:

- strategic development of the Company;
- medium-term and current planning of the Company's activities;
- organization of the Board of Directors operation;
- control of implementation of the Board of Directors resolutions and general shareholders meeting.

5.3.2. Plan of the Board of Directors operation must include:

1) items or consideration at the Company's Board of Directors meetings in the current year (quarterly);

2) timetable of the Board of Directors meetings holding;

3) list of individuals (management bodies of the Company) responsible for preparation of the items for consideration at the Board of Directors meeting (members of the Board of Directors, General Director of the Company, other individuals);

4) the form of the meeting (absentee voting, a meeting in the form of joint attendance - in person).

5.3.3. Plan of the Board of Directors operation are based on suggestions of the Board of Directors' Chairperson and its members, Company's Audit Commission, Company's General Director, a member of the Management Board, Company's Auditor with meeting the requirements stated in paragraphs 1 and 2 of 6.4. of these Regulations.

The suggestions must be sent to the Board of Directors' Chairperson in written form and at the same time its copy must be sent to the Corporate Secretary.

5.4. Meetings of the Board of Directors may be held using a specialized automated information system intended for holding meetings of the Board of Directors of the Company, including sending notifications, materials (information) on the agenda, voting of members of the Board of Directors of the Company and summing up the results (hereinafter – the automated information system).

5.5. The Board of Directors has the right to conduct an annual assessment of the effectiveness of the Board of Directors on their own (self-esteem), or with the assistance of an independent external organization (consultant), which has the necessary qualifications to carry out such an assessment.

## **6. Convening a meeting of the Board of Directors**

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.

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.

The first meeting of Board of Directors should consider the following items:

- election of Chairperson of the Board of Directors;
- election of Deputy Chairperson of the Board of Directors.

6.2. The following meetings of the Board of Directors are convened by the Board of Directors' Chairperson (except the case stated in 2.5. of this Regulation):

- according to the schedule of carrying out the Board of Directors meetings, approved by the Plan of Board of Directors operation;
- on an initiative of the Board of Directors Chairperson;
- on written demand of a member of the Board of Directors, Company's Audit Commission, Head of the Internal Audit of the Company (the head of the Company's structural unit responsible for organizing and implementing the Internal Audit, and in the case of engaging for the implementation of the Internal Audit of an external independent organization, the head of the said organization), Company's General Director, a member of the Management Board, Company's Auditor.

6.3. Demand for convening a Board of Directors meeting must contain:

- 1) reference to the initiator of carrying out the meeting;
- 2) statement of problems on agenda;
- 3) motives for putting the stated problems on agenda;
- 4) information (materials) on the problems on agenda;
- 5) draft resolutions on the agenda items.

6.4. A demand for convening a Board of Directors meeting must be drafted in written form and signed by a person, demanding its convening.

A demand of the Company's Audit Commission for convening a Board of Directors meeting must be signed by the Audit Commission Chairperson.

A demand on convening the meeting of the Board of Directors with applying all necessary material (information) shall be sent to the Board of Directors' Chairperson with simultaneous sending a copy and appendices to the Corporate Secretary. Thus, the Company's Management Board members' proposals shall be sent to the Chairperson of the Board of Directors signed by the Chairperson of the Company's Management Board, or independently - in case the Chairperson of the Company's Management Board within 7 (seven) business days did not send the respective letter to the Board of Directors' Chairperson.

A demand of the General Director and members of the Management Board of the Company on convening the Board of Directors' meeting containing the items subject to preliminary consideration by the Management Board of the Company in accordance with the Company's internal document regulating the Management Board's activities shall be sent to the Board of Directors only after their consideration by the Management Board and working out of the recommendations on their basis.

6.5. The Board of Directors' Chairperson must consider the presented demand for convening an extraordinary Board of Directors meeting and pass a resolution on convening of such a meeting, on denial from its convening or on putting the problems stated in the demand on agenda of a coming scheduled Board of Directors meeting (according to the approved Plan of Board of Directors Operation).

Motivated resolution of the Board of Directors' Chairperson on denial from convening an extraordinary Board of Directors meeting must be sent to the person, demanding convening of such a meeting.

Not meeting with the requirements stated by 6.3. and 6.4. of this Regulation may serve as a ground for not meeting the demand for convening a Board of Directors meeting.

6.6. Notification on convening a Board of Directors meeting must be prepared by the Board of Directors Secretary and signed by the Chairperson or Deputy Chairperson of the Board of Directors (in the cases stipulated by this Regulation).

Notice of a meeting of the Board of Directors may be sent by the Corporate Secretary to members of the Board of directors in any way, including in person, by fax or by means of a notification to available with the Corporate Secretary email addresses of members of the Board of Directors and/or through the automated information system.

6.6.1. Notification on convening a Board of Directors meeting must be sent by the Corporate Secretary to every member of the Board of Directors no later than 11 (Eleven) working days before the date of carrying out of the Board of Directors meeting (deadline of collection of the questionnaires for the voting) except the case stipulated by these Regulations.

6.6.2. In case of putting on agenda of the Board of Directors meeting of the items which according to the Regulations on the Management Board and/or Regulations on the Board of directors Committees must be pre-studied by the Management Board and/or by a corresponding Board of Directors Committee (in case of its establishment) and by the moment of sending a notification the resolutions (recommendations) of the Management Board and/or the Board of Directors Committee on the items were not presented, then notification on convening such a meeting of the Board of Directors must be sent by the Corporate Secretary to every member of the Board of Directors in written form no later than 15 (Fifteen) working days before the date of carrying out of the Board of Directors meeting (deadline of collection of the questionnaires for the voting) except cases stipulated by this Regulation.

6.7. Simultaneously with notification on convening a Board of Directors meeting, materials on the items on the agenda of the meeting must be delivered to the members of the Board of Directors.

Materials (information) on the problems on agenda of the meeting are:

- draft Board of Directors resolutions on the items on agenda of the Board of Directors meeting;
- explanatory note to the draft Board of Directors resolutions on the items on agenda of the Board of Directors meeting;
- draft documents presented for approval, agreement or confirmation by the Board of Directors;
- minutes of the meetings and sittings of the governing bodies, resolutions (recommendations) of the Board of Directors Committees and other purposely established bodies and Committees of the Company for pre-study of the items (in case of establishment);
- materials proving the information stated in the draft resolutions and explanatory notes;
- other informational materials on the items on the agenda of the Board of Directors meeting.

6.8. Materials (information) on the items on agenda may be presented to the members of the Board of Directors personally, via fax, by sending materials (information) to the e-mail addresses of the members of the Board of Directors available to the Corporate Secretary and/or by providing access to the automated information system.

6.9. In case of putting on the agenda of the Board of Directors meeting of the items which according to the Regulations on the Management Board and/or the Regulations on the Board of Directors Committees must be pre-studied by the Management Board and/or by a corresponding Board of Directors' Committee, notification on the Board of Directors meeting and materials on the stated items must be presented by the Corporate Secretary of the Company's Board of Directors to the Management Board and/or to a corresponding Committee according to the terms and deadlines stipulated by 6.6.2. and 6.8. of this Regulation.

Resolutions (recommendations) of the Management Board and/or a Board of Directors Committee must be sent by the Corporate Secretary of the Company's Board of Directors to the members of the Board of Directors members in case of their presentation to the Board of Directors no later than 3 (three) working days before the date of carrying out of the Board of Directors meeting except the case mentioned in 10.19. of this Regulation. In case if the resolutions (recommendations) of the Management Board and/or the corresponding Board of Directors Committee were not presented (or were presented with violation of the fixed terms) – the Board of Directors is entitled to pass a resolution on the problem without consideration of such resolutions (recommendations).



6.10. The Board of Directors Chairman is entitled on agreement with the initiator of putting to consideration of the Board of Directors of the problem which according to the Regulations on the Board of Directors Committees must be pre-studied by a corresponding Board of Directors Committee, to delay once consideration of the stated problem in case if the Committee have not presented the necessary resolutions (recommendations) and the Committee Chairperson has sent a letter with the motivated request for such a delay.

6.11. In cases considered in 5.2. and section 10 of this Regulation the deadline of delivering of a notification on convening a Board of Directors meeting to the Board of Directors' members and presentation of the materials (information) may be reduced by a resolution of the Chairperson of the Board of Directors.

6.12. The form of the meeting of the Board of Directors is determined by the Chairman of the Board of Directors of the Company, taking into account the importance of issues on the agenda. The most important issues should be resolved at meetings held in person. These questions may include the following:

6.12.1. determination of priority areas of the Company's activities, including approval of the Company's development strategy, the Company's innovative development program and reports on their implementation;

6.12.2. approval of the business plan (adjusted business plan), and consideration of the quarterly report on the execution of the business plan (for the first quarter, first half, nine months, reporting year);

6.12.3. approval of the investment program, including changes to it, and review of the quarterly report on the results of its implementation (for the first quarter, first half, nine months, reporting year);

6.12.4. convocation of the annual and extraordinary General Meetings of Shareholders of the Company, consideration of requirements for convening an Extraordinary General Meeting of Shareholders of the Company, as well as making other decisions necessary for convening and holding General Meetings of Shareholders of the Company;

6.12.5. preliminary approval of the Company's annual report;

6.12.6. election of the Chairman of the Board of Directors of the Company and early termination of his powers;

6.12.7. election of General Director of the Company and early termination of his powers, including the adoption of a decision on early termination of the employment contract with him;

6.12.8. determination of the number of members of the Company's Management Board, election of members of the Company's Management Board, determination of remunerations and compensations paid to them, early termination of their powers;

6.12.9. adoption of a decision to suspend the powers of the managing organization (manager);

6.12.10. adoption of a decision to appoint Acting General Director of the Company in cases determined by individual decisions of the Board of Directors of the Company, as well as bringing him to disciplinary responsibility;

6.12.11. submitting for the decision of the General Meeting of Shareholders of the Company issues of the reorganization of the Company or the transfer of powers of the sole executive body of the Company to the managing organization (manager);

6.12.12. making decisions on consent to the commission or the subsequent approval of major transactions in cases provided for by chapter X of the Federal Law "On Joint Stock Companies";

6.12.13. making decisions on consent to the commission or the subsequent approval of transactions provided for by Chapter XI of the Federal Law "On Joint Stock Companies";

6.12.14. approval of the company's registrar, the terms of the contract with it, as well as the termination of the contract with it;

6.12.15. determination of the position of the Company (representatives of the Company), including the order to take or not to take part in voting on agenda items, vote on draft decisions "for", "against" or "abstain", on the following issues on agendas of general meetings of shareholders (participants) of subsidiary and dependent business companies (hereinafter - the SDCs), and meetings of the boards of directors of the SDCs:

- on reorganization, liquidation of the SDCs;
- on consent to the commission or the subsequent approval of major transactions made by the SDCs;

6.12.16. adoption of recommendations in relation to the voluntary or mandatory offer received by the Company;

6.12.17. making an application with listing of the Company's shares and (or) the Company's equity securities convertible into the Company's shares;

6.12.18. consideration of results of evaluating the performance of the Board of Directors of the Company;

6.12.19. approval of the methodology for calculating and evaluating the implementation of key performance indicators (KPI) of General Director of the Company, their target values (adjusted values) and reports on their implementation;

6.12.20. approval of the Company's risk management policy;

6.12.21. approval of the dividend policy of the Company.

## **7. Rules for Carrying out the Board of Directors' Meeting**

7.1. The Board of Directors meetings are opened by the Board of Directors' Chairperson. Chairman of the Board of Directors may decide to hold a meeting of the Board of Directors in person (joint presence) via video conferencing.

7.2. The Board of Directors members and persons invited to the meeting for every problem, being considered according to the list approved by the Board of Directors Chairperson, participate in the Board of Directors meetings.

7.3. The Board of Directors Secretary states the quorum for carrying out the Board of Directors meeting.

The quorum for carrying out the Board of Directors meeting is no less than a half of the elected members of the Company's Board of Directors.

7.4. The Board of Directors' Chairperson informs the participants on presence of the quorum necessary for carrying out the Board of Directors meeting and announces agenda of the Board of Directors meeting.

7.5. In case of absence of the quorum the meeting shall be considered incompetent. Under such circumstances the Board of Directors' Chairperson shall pass one of the following resolutions:

- 1) by way of consultations with the present Board of Directors members shall set a new time for the beginning of the meeting, but no more than two hours later;

- 2) shall set a date for another meeting instead of the cancelled one with the previously approved agenda;

A new meeting instead of the cancelled one shall be held no later than 20 days after passing the corresponding resolution by the Board of Directors' Chairperson on the problem;

- 3) shall put items of the cancelled meeting on the agenda of the coming regular meeting of the Board of Directors.

7.6. Meeting of the Board of Directors includes the following stages:

- 1) speech of the Board of Directors member or an invited person on a problem on agenda;

- 2) discussion on the problem on agenda;

- 3) suggestions on definition of a resolution of the problem on agenda;

- 4) vote on the problem on agenda;

5) counting of votes and summing up the results of the vote;

6) announcing of the results of the vote and a resolution passed on the problem on agenda.

7.7. At the Board of Directors meeting with total presence of its members, it is necessary to hear information of the Board of Directors Secretary on implementation of the previous Board of Directors resolutions.

7.8. Resolutions at the Company's Board of Directors shall be passed by a majority vote of the Board of Directors members taking part in the meeting except cases implemented by the Legislation of the Russian Federation and the Articles of Association of the Company.

7.9. While passing resolutions on the problems of Board of Directors every member of the Board of Directors has one vote.

In case of equality of votes the vote of the Board of Directors' Chairperson is the casting vote.

Transfer of a vote of one member of the Company's Board of Directors to another member of the Company's Board of Directors or any other individual is not admissible.

7.10. In the event of a conflict of interest with a member of the Board of Directors, it is recommended to refrain from voting on matters in respect of which he has a conflict of interest.

## **8. Rules for Carrying out the Board of Directors' Meeting in Person- Correspondence Form**

8.1. By a resolution of the Board of Directors' Chairperson the Board of Directors meeting may be carried out in open and postal form (including via video conferencing). Information on it shall be fixed in the notification on carrying out of the meeting.

8.2. In case of presence at the meeting of more than a half of the Board of Directors members while determining of the results of the voting on the problems on agenda it is necessary to consider written suggestions of the Board of Directors members absent at the Board of Directors meeting according to the procedure, fixed by this Regulation.

8.3. On the day of carrying out a meeting of the Board of Directors the Corporate Secretary according to the results of the vote at the meeting draws up a questionnaire (Appendix 1) signed by the Board of Directors' Chairperson which is sent via fax, e-mail or by means of the automated electronic system to the members of the Company's Board of Directors who were absent at the stated meeting.

8.4. While filling out the questionnaire a Board of Directors member must leave uncrossed only one of the suggested variants of the voting ("for", "against", "abstained") regarding every draft resolution for every item. The filled in questionnaire must be signed by the Board of Directors member and have his/her last name and initials.

Members of the Board of Directors of the Company may also vote on proposed draft decisions in the automated information system.

8.5. A filled in and signed questionnaire, as well as a dissenting opinion of a member of the Board of Directors on each item of the agenda (if any), must be presented by the Board of Directors member no later than the following day from the date of the meeting to the Corporate Secretary in the original via fax or e-mail with the following delivery of the specified documents in a paper form to the address, stated in the questionnaire.

8.6. The questionnaire filled in and presented with the violation of terms stated in 8.4. of this Regulation is considered invalid (in case of violation of the requirements to filling out of the vote variants it is considered invalid only with respect to the corresponding problem) and is not considered in the poll.

A questionnaire received by the Company after its deadline is not considered in the poll and in summing up the results of the voting.

8.7. According to the results of the vote at the meeting and questionnaires, received from the Board of Directors members, and information displayed in the automated information system,

the Corporate Secretary sums up the results of the voting on agenda items and draws up minutes of the Board of Directors according to the procedure fixed by this Regulation.

8.8. Filled in questionnaires of the Board of Directors members absent at the Board of Directors meetings, as well as dissenting opinions of members of the Board of Directors on items of the agenda (if any), shall be attached to the minutes of the Board of Directors meetings.

## **9. Rules for Passing Resolutions by the Absentee Ballot**

9.1. By decision of the Chairman of the Board of Directors resolutions of the Company's Board of Directors on the items on agenda of a meeting may be made by the absentee ballot (polling).

Items that are on the Board of Directors meetings, in accordance with the Company's Articles of Association, provided in the form of joint presence shall be considered at meetings of the Board of Directors held in the form of joint presence, except in cases when all members of the Board of Directors have agreed to hold a meeting in absentia (Appendix 2).

9.2. For passing a resolution of the Board of Directors by the absentee ballot (polling) every member of the Board of Directors shall receive a notification on carrying out the absentee ballot on the items on agenda, draft resolution and materials (information) on the items put on agenda according to the terms and procedures fixed by 6.6.-6.11. of this Regulation.

9.3. Notification on carrying out the absentee ballot shall contain:

- full name of the Company and its address;
- definition of the items on agenda;
- notification of carrying out the absentee ballot through filing a questionnaire;
- date and time of expiration of the term for collection of the questionnaires for the

absentee ballot;

- list of information (materials) presented to the members of the Board of Directors.

9.4. A questionnaire for the absentee ballot (Appendix 3) shall be sent to the Board of Directors' members before the deadline for collection of the questionnaires, fixed in the notification of carrying out the absentee ballot.

Together with a questionnaire it is necessary to send resolutions (recommendations) of the Management Board and/or corresponding Committees (in case if the latter ones were received by the Company's Corporate Secretary).

9.5. While filling in a questionnaire for the absentee ballot, the Board of Directors' member must leave uncrossed only one of the suggested variants of the voting ("for", "against", "abstained") regarding every draft resolution for every item. The filled in questionnaire must be signed by the Board of Directors member and have his/her last name and initials.

Members of the Board of Directors of the Company may also vote on proposed draft decisions in the automated information system.

9.6. The questionnaire filled in and presented with the violation of terms, stated in 9.6. of this Regulation is considered invalid (in case of violation of the requirements to filling in the vote variants it is considered invalid only with respect to the corresponding item) and does not participate in stating of the quorum, necessary for passing a resolution by the absentee ballot, and is not considered in the poll.

9.7. Filled in and signed questionnaire, as well as a dissenting opinion of a member of the Board of Directors on items of the agenda (if any), must be presented by the Board of Directors member before the deadline fixed in the questionnaire to the Corporate Secretary in the original via fax or e-mail with the following delivery of the specified documents in a paper form to the address, stated in the questionnaire.

Those members of the Board of Directors are considered taken part in the absentee ballot, whose questionnaires were received by the Corporate Secretary in the original by fax or e-mail not later than the date of expiration of the term for receipt of questionnaires stated in the

notification, as well as members of the Board of Directors who voted on proposed draft decisions in the automated information system.

A questionnaire received by the Company after its deadline is not considered in the poll and in summing up the results of the voting.

9.8. Results of the voting on the agenda items of the meeting carried out by the absentee ballot are summed up on the basis of the questionnaires filled in and signed by the Board of Directors members, received by the Company on time, fixed in the notification of carrying out the absentee ballot, and also on the basis of voting of members of the Board of Directors in the automated information system.

9.9. According to the received questionnaires and information displayed in the automated information system, the Corporate Secretary draws up minutes of the Board of Directors according to the procedure fixed by this Regulation.

9.10. Any member of the Board of Directors has the right to propose alternative formulations of draft decisions on agenda items by sending them to the Corporate Secretary in writing, by facsimile, or by email with a cover letter no later than two calendar days before the date of the meeting of the Board of Directors of the Company, and in case of consideration in the shortened time - no later than one day before the date of the meeting of the Board of Directors of the Company.

9.11. The wording of the draft decisions proposed by the member of the Board of Directors shall be included in the relevant agenda items of the questionnaires sent to the members of the Board of Directors indicating the need to vote on both draft decisions. If there are alternative formulations of draft decisions, the decision is considered adopted with the wording for which more "FOR" votes are given.

## **10. Convening and Carrying out the Board of Directors' Meetings Connected with the Establishment of the Governing Bodies of the Company**

10.1. Convening and carrying out the Board of Directors meetings connected with the establishment of the governing bodies of the Company (election, suspension, termination of the power) is realized by the common rules fixed by this Regulation with consideration of the specifications, determined by the present part.

10.2. The procedure, determined by the part shall be realized in the following cases:

- termination of the power of the General Director and election of a new General Director (or acting General Director);
- election of a General Director (in case if earlier the Board of Directors resolved on termination of the power of the General Director and on election of an acting General Director and a new General Director of the Company was not elected);
- suspension of power of the managing organization (manager) and assignment of an acting General Director.

10.3. Preparation and carrying out of a Board of Directors meeting with the agenda containing the items fixed in 10.2. of this Regulation shall include the following stages:

- notification of the Board of Directors members on Convening a meeting with a right to run a candidate for the position of the General Director (or acting General Director in case of statement of the item on suspension of the power of the managing organization (manager)) or a candidature of the managing organization (manager) in the cases stipulated by the present part;
- nomination by the Board of Directors of members of the candidatures for the position of the General Director (acting General Director, managing organization (manager));
- passing a resolution on termination of the power of the General Director or on suspension of the power of the managing organization (manager);
- passing a resolution on election of a General Director (or acting General Director in case of adoption of the item on suspension of the power of the managing organization (manager));

- passing a resolution on election of an acting General Director in case of the resolution on suspension of the power of a General Director, but as a result of voting, a resolution on election of a new General Director was not made;

- establishment of a proposal of the Board of Directors on a candidature (candidatures) of a managing organization (manager) for a vote at the Company's general shareholders meeting on the item of transfer of the power of the sole executive body of the Company to the managing organization (manager).

10.4. In case of passing a resolution on suspension of the power of the managing organization (manager) and assignment of an acting General Director, the Board of Directors is obliged to pass a resolution on carrying out an extraordinary general shareholders meeting of the Company for passing a resolution on early termination of powers of the managing organization (manager).

10.5. In case stipulated by 10.4. of this Regulation, at the meeting when the resolutions on suspension of the power of the managing organization (manager) and on assigning of an acting General Director are passed, the Board of Directors must also consider a problem on a candidature (candidatures) of a managing organization (manager), to which it is suggested to transfer the power of a sole executive body of the Company, as well as to pass other resolutions connected to suspension of the power of the managing organization (manager) and implementation by the acting General Director of his functions before carrying out of the general shareholders meeting of the Company.

10.6. Notification on Convening a Board of Directors meeting with the agenda containing the items fixed in 10.2. of this Regulation shall be sent to the Board of Directors' members no later than 3 (Three) days before the date of carrying out the Board of Directors meeting.

10.7. In case if the stated items according to the Regulations on the Board of Directors Committees shall be pre-studied by a corresponding Board of Directors committee of the Company, a notification on carrying out a Board of Directors meeting, which agenda contains the stated problems shall be delivered to the Board of Directors' members no later than 5 (Five) days before the date of carrying out the Board of Directors meeting.

10.8. If other is not fixed by a Board of Directors resolution, every member of the Board of Directors is entitled to run no more than one candidate for the position of General Director (acting General Director). A member of the Board of Directors is entitled to run a candidate for the position of acting General Director in case if a resolution is passed on termination of power of the General Director, but on the result of the vote the resolution on election of a new General Director is not made. In such a case a member of the Board of Directors is entitled to run the same candidate for the position of General Director as well as for the position of acting General Director.

10.9. In case of putting g on agenda of a meeting g of the Company's Board of Directors of an issue on suspension of the power of the managing organization (manager), a member of the Board of Directors is also entitled to run a candidate of the managing organization (manager) for formation of suggestion of the Board of Directors to the general shareholders meeting of the Company on the item of transfer of the power of a sole executive body of the Company to the managing organization (manager).

10.10. A proposal on nominating a candidate (10.8 and 10.9 of this Regulation) shall be presented in written form and signed by the member of the Board of Directors, nominating the candidate.

10.11. A proposal on nominating a candidate for the position of General Director (acting General Director) shall contain the following information:

- name of the suggested candidate;
- date and place of birth;
- information on education, specialty and qualification;
- information on presence of a scientific degree;
- information on labor activities for the latest 5 (five) years;

- quantity and categories (types) of the Company's shares owned by the candidate.

10.12. A proposal on nominating a candidature of a managing organization shall contain the following information:

- full name of the company;
- information on date and time of the state registration of the company;
- information on the company's founders;
- information on the company's shareholders (participants);
- information on the company's affiliated persons.

10.13. A proposal on nominating a candidature of a manager shall contain the information stipulated by 10.11. of this Regulation and the information on presence of a certificate of the state registration as an individual businessman.

10.14. Proposals on nominating a candidate for the position of General Director (acting General Director, managing organization (manager)), must be sent to the Company in the original via fax (with the following presentation of the original at the meeting) or by e-mail within the term no later than 1 (One) day before the meeting of the Board of Directors.

In cases stipulated by 10.7., suggestions on nominating a candidate for the position of General Director (acting General Director, managing organization (manager)), must be sent to the Company in the original via fax (with the following presentation of the original at the meeting) or by e-mail within the term no later than 3 (Three) working days before the meeting of the Board of Directors.

10.15. A proposal on nominating candidatures received from the members of the Board of Directors shall be included into the list for vote.

10.16. In case if on results of the vote (votes) on the item of election of a General Director, no candidature has the necessary number of votes the Board of Directors is entitled to appoint an acting General Director - the vote is carried out with the candidatures for the position of acting General Director, run by the Board of Directors members according to 10.8. of this part. In case if no member has run a candidate for the position of acting General Director according to 10.8. of this part, the vote is carried out with the candidatures which Board of Directors members are entitled to run in the process of the Board of Directors meeting.

10.17. Board of Directors members are entitled to demand from a member of the Board of Directors for information on his candidate.

10.18. In case if the problems, stipulated by 10.2. of this Regulation according to the Regulations on the Board of Directors Committees (in case of their establishment) must be pre-studied by a corresponding Board of Directors Committee, a notification on carrying out a meeting of the Board of Directors on the stated problems shall be sent by the Board of Directors Secretary to the corresponding committee within the terms stipulated by 10.7. of this Regulation. Suggestions on nominating a candidate for the position of a General Director (acting General Director) or a managing organization of the Company and information on them, received from the members of the Board of Directors shall be sent by the Board of Directors Secretary to the corresponding Board of Directors Committee immediately on their reception according to the procedure and terms providing their soonest delivery to the committee (via fax, e-mail, etc.)

The resolutions (recommendations) of the Board of Directors Committee in case of their reception by the Board of Directors before the date of carrying out of the Board of Directors meeting shall be immediately delivered by the Board of Directors Secretary to the members of the Board of Directors of the Company and shall be presented to the members of the Board of Directors at the Board of Directors meeting in case of carrying out the meeting in open- postal form. In case if the resolutions (recommendations) of a corresponding committee were not presented to the Board of Directors, the Board of Directors is entitled to pass a resolution without consideration of such resolutions (recommendations).

10.19. In case if according to the Articles of Association of the Company, election of a General Director shall be carried out by the general shareholders meeting, the provisions of the

present part shall be applied in a way not contradicting to the Articles of Association of the Company and the legislation of the Russian Federation.

10.20. In case of establishment in the Company of a corporative executive body, the terms of election and termination of power of its members shall be fixed by an internal document of the Company, regulating activities of the body.

## **11. Minutes of a Board of Directors' Meeting**

11.1. At a Board of Directors meeting the Secretary of the Board of Directors keeps minutes.

11.2. Minutes of a Board of Directors' meeting shall be drawn up no later than 3 (three) days after its carrying out (summing up the results of postal, open-postal vote).

11.3. The Minutes shall include:

- full name of the Company;
- form of carrying out the meeting;
- place and time of carrying out the meeting (voting results summary);
- members of the Board of Directors, present at the meeting (those who participated in postal, person-correspondence vote) and invited persons;
- information on presence of the quorum;
- agenda of the meeting;
- items put to the vote and results of the roll-call vote on them;
- summaries of the reports and speeches of the participants;
- passed resolutions.

Minutes of a Board of Directors' meeting shall be signed by the presiding person and the Corporate Secretary of the Board of Directors responsible for correct drawing up of the Minutes.

Dissenting opinions of members of the Board of Directors are attached to the minutes of the Board meetings and are an integral part thereof.

The Corporate Secretary of the Board of Directors signs all the enclosures to the Minutes of the Board of Directors' meeting (Chairperson of the Board of Directors signs the enclosures to the Minutes of the Board of Directors' meeting in case if it is stipulated by the document format).

11.4. Resolutions passed by the Board of Directors are announced to the Board of Directors' members through their delivery by the Corporate Secretary of a copy of the Minutes of the Board of Directors' meeting by e-mail, facsimile or with the automated information system within the term no later than 3 (Three) days from the moment of signing of the Minutes of the Board of Directors' meeting.

11.5. The Company is obliged to keep the Minutes of the Board of Directors' meetings at the executive body of the Company.

11.6. Minutes of the Board of Directors' meeting must be available to familiarize at the location of the executive body of the Company to any member of the Board of Directors, a member of the Audit Commission, the Company's auditor, General Director of the Company, official representatives of federal supervisory bodies, and a shareholder (shareholders) of the Company in accordance with the requirements of the Federal Law "On Joint Stock Companies".

## **12. Final provisions**

12.1. In order to improve its operation the Board of Directors is obliged to carry out a regular evaluation of efficiency of its activities.

Frequency, criteria of evaluation and other items connected to evaluation of efficiency of the Board of Directors operation shall be determined by separate resolutions of the Company's Board of Directors.



Appendix 1  
to the Regulation on the Board of Directors of  
Interregional Distribution Grid Company of Centre,  
Public Joint-Stock Company

**Board of Directors  
of "Interregional Distribution Grid Company of Centre",  
Public Joint-Stock Company**

**QUESTIONNAIRE**

for voting on the agenda items of the Board of Directors' meetings of IDGC of Centre, PJSC  
carried out in-person and absentia on " \_\_\_\_\_ " " \_\_\_\_\_ " 20\_\_

**Item**

1. \_\_\_\_\_

**Resolution (made at the meeting):**

1. \_\_\_\_\_

<b>For</b>	<b>Against</b>	<b>Abstained</b>
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*(leave your variant uncrossed)*

**Item**

2. \_\_\_\_\_

**Resolutions (made at the meeting):**

2. \_\_\_\_\_

<b>For</b>	<b>Against</b>	<b>Abstained</b>
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*(leave your variant uncrossed)*

Filled in and signed questionnaire shall be sent via fax \_\_\_\_\_ or in the original no later than

\_\_\_\_\_(date, time)

The questionnaire received by the Company after the fixed deadline is not considered when counting votes and summing up the results of in-person and absentee voting.

Please send the original of the questionnaire to the address: \_\_\_\_\_

**Member of the Board of Directors**

**of IDGC of Centre, PJSC** \_\_\_\_\_ / \_\_\_\_\_

(signature)

(full name)

**The Board of Directors' Chairperson** \_\_\_\_\_ / \_\_\_\_\_

(signature)

(full name)

**THE QUESTIONNAIRE IS CONSIDERED INVALID WITHOUT SIGNATURES OF THE BOARD OF DIRECTORS' CHAIRPERSON AND THE MEMBER OF THE BOARD OF DIRECTORS**

Appendix 2  
to the Regulation on the Board of Directors of  
Interregional Distribution Grid Company of Centre,  
Public Joint-Stock Company

**Board of Directors  
of "Interregional Distribution Grid Company of Centre",  
Public Joint-Stock Company**

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**APPROVAL SHEET**

**for the absentee voting on the agenda items of the Board of Directors' meetings  
of IDGC of Centre, PJSC**

**Agenda Items:**

**Item 1: ....**

<b>agree</b>	<b>not agree</b>
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**Item 2:...**

<b>agree</b>	<b>not agree</b>
--------------	------------------

**Item 3:...**

<b>agree</b>	<b>not agree</b>
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*(leave your variant uncrossed)*

Filled in and signed questionnaire shall be sent via fax \_\_\_\_\_ or in the original no later than  
\_\_\_\_ (date, time)

The approval sheet received by the Company after the fixed deadline is not considered when approving the  
meeting of the Board of Directors by absentee voting.

Please send the original of the approval sheet to the address: \_\_\_\_\_

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

\_\_\_\_\_ / \_\_\_\_\_  
(signature) (full name)

**THE APPROVAL SHEET IS CONSIDERED INVALID WITHOUT SIGNATURE OF THE MEMBER OF THE BOARD  
OF DIRECTORS**

Appendix 3  
to the Regulation on the Board of Directors of  
Interregional Distribution Grid Company of Centre,  
Public Joint-Stock Company

**Board of Directors  
of "Interregional Distribution Grid Company of Centre",  
Public Joint-Stock Company**

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**QUESTIONNAIRE**

**for the absentee voting on the agenda items of the Board of Directors' meetings  
of IDGC of Centre, PJSC.**

**Item 1:**

\_\_\_\_\_

**Resolution:**

\_\_\_\_\_

<b>For</b>	<b>Against</b>	<b>Abstained</b>
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*(leave your variant uncrossed)*

**Item 2:**

\_\_\_\_\_

**Resolution:**

\_\_\_\_\_

<b>For</b>	<b>Against</b>	<b>Abstained</b>
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*(leave your variant uncrossed)*

Filled in and signed questionnaire shall be sent via fax \_\_\_\_\_ or in the original no later than  
\_\_\_ (date, time)

The questionnaire received by the Company after the fixed deadline is not considered when counting votes  
and summarizing the results of absentee voting.

Please send the original of the questionnaire to the address: \_\_\_\_\_

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

\_\_\_\_\_ / \_\_\_\_\_  
(signature) (full name)

**THE QUESTIONNAIRE IS CONSIDERED INVALID WITHOUT SIGNATURE OF THE MEMBER OF THE BOARD  
OF DIRECTORS**