



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)

«13» July 2016

Moscow

No. 20/16

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

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

Participants of the voting: **A.E. Bogashov, O.Y. Isaev, D.A. Malkov, Y.N. Mangarov, I.B. Masaleva, M.M. Saukh, D.A. Spirin, R.A. Filkin, O.V. Shatokhina, A.V. Shevchuk, N.I. Erpsher.**

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

The quorum **is present.**

Date of the minutes: **14.07.2016.**

AGENDA:

1. On approval of the Activity Plan of the Board of Directors of IDGC of Centre, PJSC for 2016-2017.
2. On consideration of the report of General Director of the Company «On the expenditure to prepare and conduct the Annual General Meeting of Shareholders of IDGC of Centre, PJSC on 08.06.2016».
3. On approval of the Private pension program for employees of IDGC of Centre, PJSC for 2H 2016.
4. On coordination of holding positions in the governing bodies of other organizations by General Director and members of the Management Board of IDGC of Centre, PJSC.

Item 1: On approval of the Activity Plan of the Board of Directors of IDGC of Centre, PJSC for 2016-2017.

Decision:

To approve the Activity Plan of the Board of Directors of IDGC of Centre, PJSC for 2016-2017 in accordance with Appendix # 1 to this decision of the Board of Directors of the Company.

Voting results:

1. Alexander Evgenyevich Bogashov - «ABSTAINED»
2. Oleg Yuryevich Isaev - «FOR»
3. Denis Alexandrovich Malkov - «FOR»
4. Yury Nikolayevich Mangarov - «FOR»
5. Irina Borisovna Masaleva - «FOR»
6. Maxim Mikhailovich Saukh - «FOR»
7. Denis Alexandrovich Spirin - «FOR»
8. Roman Alexeyevich Filkin - «FOR»
9. Oxana Vladimirovna Shatokhina - «FOR»

10. Alexander Viktorovich Shevchuk - «AGAINST»

11. Natalia Ilyinichna Erpsher - «FOR»

Total:

«FOR»	- «9»
«AGAINST»	- «1»
«ABSTAINED»	- «1»

Decision is taken.

The following dissenting opinion of a member of the Board of Directors of the Company, A.V. Shevchuk, was received on this item:

«1) I propose to exclude item 46 and item 48 "On approval of the adjusted Business plan of the Company, including the Investment Program for 2016" and "On approval of the adjusted summary on the RAS principles and consolidated on the IFRS principles Business Plan of the Group of IDGC of Centre for 2016" with the terms of 30.11 and 10.12.2016. The practice of making changes at the end of the fiscal year has a negative impact on the efficiency of the process of business planning and control over the budget performance.

2) I propose to exclude item 52 "On approval of the adjusted target values of annual and quarterly key performance indicators of General Director of the Company for 2016" with the term no later than 15.12.2016 or to adjust with the term no later than 01.10.2016, otherwise the item with the proposed timing seems controversial and distorts the essence of the annual KPI system.

3) I propose to include the following issues into the activity plan of the Board of Directors with consideration no later than September 2016:

- the KPI system for 2017;

- implementation of long-term KPIs (for the period of validity of the employment contract with General Director);

- long-term incentives.

These issues are being discussed at the level of PJSC "Rosseti" and the Ministry of Energy, it is useful to present the views of the Board of Directors of IDGC of Centre to discuss the final draft documents and the possibility of taking into account the views of the company. In case of untimely consideration of these issues, the decision approval is likely to be done as a directive without the possibility of making reasonable changes. In addition, I am sure that the additional opinion will promote the most effective dialogue of all stakeholders on the matters designated."

The following dissenting opinion of a member of the Board of Directors of the Company, A.E. Bogashov, was received on this item:

"I think it is incorrect to schedule consideration of adjustment of indicators set by the Company's planning documents, including the established KPI target values for 2016, especially at the end of the planning period.

I also think it inappropriate to include into the activity plan of the Board of Directors the approval of the adjusted activity plan for the Board of Directors, in the absence of the possibility to predict the scheduled meetings for the entire corporate year. It is necessary to submit for approval an activity plan for half a year."

Item 2: On consideration of the report of General Director of the Company «On the expenditure to prepare and conduct the Annual General Meeting of Shareholders of IDGC of Centre, PJSC on 08.06.2016».

Decision:

To take into consideration the report of General Director of the Company «On the expenditure to prepare and conduct the Annual General Meeting of Shareholders of IDGC of Centre, PJSC on 08.06.2016» in accordance with Appendix # 2 to this decision of the Board of Directors of the Company.

Voting results:

1. Alexander Evgenyevich Bogashov - «FOR»

2. Oleg Yuryevich Isaev - «FOR»

3. Denis Alexandrovich Malkov - «FOR»

4. Yury Nikolayevich Mangarov - «FOR»

5. Irina Borisovna Masaleva - «FOR»

6. Maxim Mikhailovich Saukh - «FOR»

7. Denis Alexandrovich Spirin - «FOR»

8. Roman Alexeyevich Filkin - «FOR»

9. Oxana Vladimirovna Shatokhina - «FOR»

10. Alexander Viktorovich Shevchuk - «FOR»
 11. Natalia Ilyinichna Erpsher - «FOR»

Total:

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

Decision is taken.

Item 3: On approval of the Private pension program for employees of IDGC of Centre, PJSC for 2H 2016.

Decision:

To approve the Private pension program for employees of IDGC of Centre, PJSC for 2H 2016 in accordance with Appendix # 3 to this decision of the Board of Directors of the Company.

Voting results:

1. Alexander Evgenyevich Bogashov - «ABSTAINED»
2. Oleg Yuryevich Isaev - «FOR»
3. Denis Alexandrovich Malkov - «FOR»
4. Yury Nikolayevich Mangarov - «FOR»
5. Irina Borisovna Masaleva - «FOR»
6. Maxim Mikhailovich Saukh - «FOR»
7. Denis Alexandrovich Spirin - «AGAINST»
8. Roman Alexeyevich Filkin - «AGAINST»
9. Oxana Vladimirovna Shatokhina - «FOR»
10. Alexander Viktorovich Shevchuk - «ABSTAINED»
11. Natalia Ilyinichna Erpsher - «FOR»

Total:

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

Decision is taken.

The following dissenting opinion of a member of the Board of Directors of the Company, A.E. Bogashov, was received on this item:

"In accordance with Section VI of the draft Program one of the sources of funding of NGOs Program is retained earnings of the Company. I draw your attention that the decision on the distribution of profits of the Company in accordance with applicable law is adopted by the General Shareholders' Meeting, and therefore I consider it expedient to complement the specified item of Section VI with the reference to the necessary decision of the General Shareholders' Meeting."

Item 4: On coordination of holding positions in the governing bodies of other organizations by General Director and members of the Management Board of IDGC of Centre, PJSC.

Decision:

1. To coordinate holding by General Director of the Company, Oleg Yurievich Isaev, the following positions:
 - a member of the Board in the Moscow Chamber of Commerce and Industry;
 - a member of the Board of Directors in PJSC "MOESK".
2. To coordinate holding the position of a member of the Board of Directors of JSC "Sanatorium "Energetik" by Inna Vitalievna Gromova, a member of the Management Board of the Company.

Voting results:

1. Alexander Evgenyevich Bogashov - «FOR»
2. Oleg Yuryevich Isaev - «FOR»
3. Denis Alexandrovich Malkov - «FOR»
4. Yury Nikolayevich Mangarov - «FOR»
5. Irina Borisovna Masaleva - «FOR»
6. Maxim Mikhailovich Saukh - «FOR»
7. Denis Alexandrovich Spirin - «FOR»
8. Roman Alexeyevich Filkin - «FOR»
9. Oxana Vladimirovna Shatokhina - «FOR»
10. Alexander Viktorovich Shevchuk - «FOR»
11. Natalia Ilyinichna Erpsher - «FOR»

Total:

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

Decision is taken.**Appendices:**

1. The Activity Plan of the Board of Directors of IDGC of Centre, PJSC for 2016-2017 (Appendix # 1).
2. The report of General Director of the Company «On the expenditure to prepare and conduct the Annual General Meeting of Shareholders of IDGC of Centre, PJSC on 08.06.2016» (Appendix # 2).
3. The Private pension program for employees of IDGC of Centre, PJSC for 2H 2016 (Appendix # 3).

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

Y.N. Mangarov

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

S.V. Lapinskaya