

Approved  
Resolution of the Board of Directors  
of PJSC Inter RAO  
dated August 29, 2018  
(minutes dated August 31, 2018 No. 230)

**Regulation on the Strategy and Investments Committee  
of the Board of Directors  
of Public Joint Stock Company  
"Inter RAO UES"  
(revised)**

Moscow 2018

## **1. GENERAL PROVISIONS**

1.1. The Regulation on the Strategy and Investments Committee of the Board of Directors of Public Joint Stock Company "Inter RAO UES" (hereinafter – the Regulation) was developed in accordance with the laws of the Russian Federation, the Articles of Association of Public Joint Stock Company "Inter RAO UES" (hereinafter – the Company), the Code of Corporate Governance recommended for use by the Central Bank of the Russian Federation (hereinafter – the Code of Corporate Governance)<sup>1</sup>, and the Regulation on the Board of Directors of Public Joint Stock Company "Inter RAO UES".

1.2. The Strategy & Investments Committee of the Board of Directors of Public Joint Stock Company Inter RAO UES (hereinafter – the Committee) shall be established by resolution of the Board of Directors of the Company as a consultative and advisory body for ensuring that the Board of Directors of the Company effectively performs its functions for the overall management of the Company's activity.

1.3. The Committee is not a body of the Company and is not entitled to act on behalf of the Company.

1.4. Resolutions of the Committee shall be of an advisory nature for the Board of Directors of the Company.

1.5. The Committee shall act pursuant to this Regulation, which set out the legal status, aims and objectives, rights and obligations, structure and membership of the Committee. In its work the Committee shall comply with federal laws, other legal regulations of the Russian Federation, the Articles of Association of the Company, the Code of Corporate Governance, the Regulation on the Board of Directors of the Company, and resolutions of the Board of Directors and the Meeting of Shareholders of the Company.

## **2. GOALS AND FUNCTIONS OF THE COMMITTEE**

2.1. The primary purpose for creating the Committee is to ensure the effectiveness of the Board of Directors of the Company in resolving issues within its competence.

2.2. The functions of the Committee include elaboration and provision of recommendations (opinions) to the Company's Board of Directors in the following areas:

2.2.1. Determining priority areas, strategic goals, and basic principles of the Company's strategic development;

2.2.2. Increasing the investment attractiveness of the Company;

2.2.3. Improving investment activities and making sound investment-related decisions;

2.2.4. Determining the key areas, goals, and objectives of the innovative development of the Company.

## **3. COMPETENCE OF THE COMMITTEE**

3.1. For the purpose of implementing the Company's strategy, investment program, and innovation development program approved by the Board of Directors of the Company, the competence of the Committee shall include elaboration of recommendations for the Company's Board of Directors on the following matters:

3.1.1. Defining the priorities of the Company's activities, the strategy of the Company, including the consideration of the Strategic Development Priorities of the Company and of the Reports of their accomplishment;

3.1.2. Submitting the following agenda items to the General Meeting of Shareholders:

3.1.2.1. Reorganization and liquidation of the Company, appointment of the liquidation commission and approval of interim and final liquidation balance sheets;

3.1.2.2. Increase of the authorized capital of the Company by increasing the par value of the shares or by distribution of additional shares among the Company's shareholders at the expense of the Company's property;

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<sup>1</sup> Letter No. 06-52/2463 of the Bank of Russia dated April 10, 2014 "On the Code of Corporate Governance".

3.1.2.3. Increase of the authorized capital by placing additional shares (issue-grade securities convertible into Company's shares) in private offering, as well as by placing ordinary shares of the Company (issue-grade securities convertible into Company's shares) that make more than 25 % of the previously placed ordinary shares of the Company in public offering;

3.1.2.4. Reducing the authorized capital of the Company by way of reducing the par value of the shares;

3.1.2.5. Reducing the authorized capital of the Company by way of repurchasing a part of the shares with the aim of reducing the total number of shares, as well as by way of redemption of shares purchased or repurchased by the Company;

3.1.2.6. Splitting and consolidation of the Company's shares;

3.1.2.7. Payment (announcement) of dividends, including the recommendations to the Shareholders Meeting on the amount of dividends on the shares and the procedure for payment of the dividends, and the date as of which the persons entitled to receive the dividends are determined;

3.1.2.8. Consent to carrying out or subsequent approval of major transactions in the cases provided for by Article 79 of the Federal Law "On Joint Stock Companies";

3.1.2.9. Participation in financial and industrial groups, associations, and other alliances of profit organizations;

3.1.2.10. Addressing a request for delisting of the Company's shares and/or equity securities convertible into shares;

3.1.3. Increasing the authorized capital of the Company by way of placement in an open offering of additional shares from the number of authorized shares, as well as placement of bonds convertible into shares and other equity securities convertible into shares, the total amount of which shall not exceed 25% of all the placed shares of the Company;

3.1.4. Placement of additional shares of the Company converted from the privileged shares of a certain type that were placed by the Company and that are convertible into ordinary or privileged shares of other types, provided that such replacement is not due to increase of authorized capital of the Company, as well as placement by the Company of bonds or other equity securities, with the exception of shares;

3.1.5. Determining the price (monetary evaluation) of the property, the price of placement or the procedure for determining this price, and the price of repurchase of equity securities in the cases provided for by the Federal Law "On Joint Stock Companies";

3.1.6. Repurchase by the Company of its shares, bonds or other securities in the cases provided for by the Company's Articles of Association and by the Federal Law "On Joint Stock Companies" and other federal laws;

3.1.7. Use of the Reserve Fund and other funds of the Company, approval of the estimates of the use of resources for the funds and review of the reports on accomplishment of the estimated of the use of resources for the funds of the Company, as well as approval of internal documents of the Company that regulate the procedure for forming and using the funds of the Company;

3.1.8. Approval of the business plan (adjusted business plan) and report on the results of its accomplishment, including approval, amendment, and supplementation of investment program of the Company;

3.1.9. Approval of transactions (including series of a interrelated transactions), which entail or might entail the Company's obligations in an amount equal to or exceeding five (5) percent of the balance sheet value of the Company's assets according to its financial statements as of the last reporting date, with the exception of transactions:

- related to the exercise of the right of first refusal for the traded shares of the Company and for the issue-grade securities that are convertible into shares, as well as to a public debt offering of the Company that is non-convertible into shares;
- related to the purchase and repurchase by the Company of its shares and bonds;
- related to restructuring of the Company through the merger (takeover) of companies;

- that the Company concludes pursuant to the federal laws and/or other legal acts of the Russian Federation, provided that the accounts under these transactions are based on the prices defined through the procedure established by the government of the Russian Federation, or on the prices and rates set by the executive body authorized by the government of the Russian Federation;
- settled in accordance with clauses 6-8 of Article 8 of Federal Law "On Electrical Energy Industry" No. 35-FZ dated March 26, 2003;

3.1.10. Participation and termination of participation of the Company in other organizations (including by way of founding organizations, including preliminary approval of resolution on foundation, on the approval of the Articles of Association of the company, and on the election of candidacies for the management and control bodies), change of participation interest (the number of shares, the amount of interest (shares), the encumbrance of shares (interest), with the exception of the cases provided for by sub-clause 10.1.21 of clause 10.1 of Article 10 of the Company's Articles of Association;

3.1.11. Alienation (sale) of the shares of the Company that the Company acquired as the result of purchase or repurchase from its shareholders, as well as in other cases provided for by the legislation of the Russian Federation;

3.1.12. Consent to carrying out or subsequent approval of major transactions in the cases provided for by Article 79 of the Federal Law "On Joint Stock Companies";

3.1.13. Approval of the Innovative Development Program (adjusted program) of the Company and the reports on its implementation;

3.1.14. Requesting a listing of the Company's shares and/or equity securities convertible into shares of the Company.

3.1.15. On the review of the reports of the Management Board on the Company's activity and on the fulfillment of the resolutions of the General Shareholders Meeting and the Board of Directors of the Company regarding the implementation of the strategy approved by the Company's Board of Directors, including reports on interaction with investors, and other matters specified in this article;

3.1.16. On setting up branches and opening representative offices of the Company, and on their liquidation;

3.1.17. Evaluation of voluntary and mandatory offers to purchase the Company's securities;

3.1.18. Review of the matters of reorganization and liquidation of the entities controlled by the Company;

3.1.19. Other issues, as instructed by the Board of Directors, which fall within the competence of the Board of Directors.

#### **4. RIGHTS OF THE COMMITTEE**

4.1. In order to perform the functions entrusted to it, the Committee may:

4.1.1. Carry out research on matters within its competence;

4.1.2. Request and obtain any information and documents from the Chairman of the Management Board and members of the Management Board of the Company that may be necessary for its activities;

4.1.3. Engage employees, Company management, and members of other Committees of the Board of Directors of the Company in the meetings in praesentia of the Committee;

4.1.4. Suggest that the Board of Directors consider any issue within its competence.

#### **5. DUTIES OF THE COMMITTEE**

5.1. The Committee shall:

5.1.1. Perform functions entrusted to the Committee pursuant to this Regulation, the requirements of laws of the Russian Federation, and the Articles of Association and internal documents of the Company;

5.1.2. Provide the Board of Directors with cost-effective and legally substantiated recommendations (opinions) on matters within the competence of the Board of Directors of the Company that fall within the competence of the Committee;

5.1.3. Inform the Board of Directors of the Company about risks the Company is exposed to in a timely manner on matters within the competence of the Board of Directors that fall within the competence of the Committee;

5.1.4. Comply with confidentiality requirements and not disclose any information about the Company that is a commercial secret and/or proprietary data.

## **6. THE MEMBERSHIP OF THE COMMITTEE, FORMATION OF THE COMMITTEE AND THE RIGHTS AND RESPONSIBILITIES OF COMMITTEE MEMBERS**

6.1. The number of Committee members shall be determined by decision of the Company's Board of Directors, and shall be not less than three (3) and not more than eleven (11) persons.

6.2. In order to ensure the fair representation of each member of the Board of Directors in the work of the committee and to form a committee of highly professional experts capable of expressing their judgment to ensure the protection of the interests of the Company and its shareholders and a balance between the interests of all parties to corporate relations, the Committee shall be formed on the basis of the following principles:

6.2.1. Only members of the Board of Directors or their representatives may become members of the Strategy and Investments Committee.

6.2.2. Executive and non-executive members of the Board of Directors shall have the right to nominate one representative each to the Committee.

6.2.3. Independent directors shall have the right to nominate more than one representative to the Committee.

6.2.4. The following persons must be elected to the Committee: (a) nominated independent and non-executive members of the Board of Directors or one representative of each of them; (b) the executive director or a member of the Management Board of the Company upon recommendation of the executive director. The remaining seats shall be occupied by representatives of independent members of the Board of Directors of the Company, and if the number of such nominees is exceeded, the decision shall be made by voting on each nominee. The nominees who have received the most votes from the members of the Board of Directors shall be deemed elected to the Committee.

6.3. Only individuals may be elected as members of the Committee.

6.4. The nominations of candidates for membership in the Committee made by members of the Board of Directors of the Company shall be presented to the Chairman of the Board of Directors of the Company in writing at least five (5) days before the Board of Directors holds the meeting (the final date ballots for absentee voting are accepted), whose agenda includes the election of members to the Committee.

6.5. A nomination of a person who is not a member of the Board of Directors of the Company for membership in the Committee shall contain the following details about the candidate:

- The candidate's full name;
- Place of work and position of the candidate at the moment of nomination;
- Information on the candidate's education;
- Information about the candidate's employment for the last five (5) years.
- Information on ownership of the Company's shares.

The aforesaid information shall include a consent to nomination and election to the Committee and to personal data processing as per the form given in Appendix No. 1 hereto.

The nomination (nominations) to the Committee shall be signed by a member of the Board of Directors of the Company.

6.6. Members of the Committee shall be elected on the conditions hereof for a term that expires on the date of the first meeting of the Board of Directors composed of newly elected members.

6.7. The nominees to the Committee who are not members of the Board of Directors of the Company shall possess higher education in the field of economics, finance, or law; alternatively, possess higher technical education and at least 5 years of work experience in corporate management.

The Board of Directors of the Company, as proposed by the Management Board of the Company, shall be entitled to set additional professional criteria for candidates to the Committee who are not members of the Board of Directors.

6.8. The powers of any member of the Committee may be revoked by decision of the Board of Directors of the Company.

6.9. The Chairman of the Committee and members of the Committee may resign by giving the Chairman of the Board of Directors of the Company and the Chairman of the Committee notice of their resignation.

6.10. If the membership of the Committee falls below the minimum quorum specified herein and required for meetings to be held by the Committee, the Chairman of the Board of Directors shall convene an extraordinary meeting of the Board of Directors to elect members to the Committee or include the matter of the election of members of the Committee in the agenda of the next scheduled meeting of the Board of Directors of the Company.

6.11. Members of the Committee may, within the competence of the Committee:

6.11.1. Request documents and information that are necessary for making decisions on the issues falling within the competence of the Committee from the Chairman of the Management Board of the Company and members of the Management Board of the Company. The request shall be made in writing and signed by the Chairman of the Committee;

Documents and information necessary for making decisions on the issues falling within the competence of the Committee may be requested by the Committee members no later than one business day before the date of the Committee meeting.

6.11.2. Exercise other rights stipulated herein.

6.12. Members of the Committee shall review the materials for the meeting of the Committee and develop their own opinion on each item of the meeting's agenda.

6.13. When exercising their rights and performing their obligations, the Committee members shall act for the benefit of the Company and exercise their rights and perform their obligations towards the Company reasonably and in good faith.

## **7. CHAIRMAN OF THE COMMITTEE, ELECTION PROCEDURE**

7.1. The management of the Committee and the organization of its activities is performed by the Chairman of the Committee.

7.2. The Chairman of the Committee shall be elected by the Board of Directors of the Company from among the elected members of the Committee by a majority of votes of the members of the Board of Directors of the Company in attendance at the meeting of the Board of Directors.

7.3. The Chairman of the Management Board, a member of the Management Board of the Company, or an individual who holds a title in the managing organization of the Company may not be elected Chairman of the Committee.

7.4. The Board of Directors of the Company may reelect the Chairman of the Committee at any time.

7.5. The Deputy Chairman of the Committee shall perform the duties of the Chairman of the Committee in the event of the absence of the latter. The Deputy Chairman of the Committee shall be elected by members of the Committee from among themselves by a majority

of votes of all elected members of the Committee. Any candidate for the position of Deputy Chairman is subject to the limitations set forth in clause 7.3 hereof.

7.6. The Chairman of the Committee shall:

7.6.1. Convene and preside over Committee meetings;

7.6.2. Define the form and approve the agenda of the Committee meeting;

7.6.3. Determine the list of individuals invited to participate in the meeting in praesentia of the Committee. Officials and/or employees of the Company are invited to the meetings in praesentia of the Committee (consideration of certain items of the agenda of the meeting) by being sent a relevant invitation in the name of the Chairman of the Management Board of the Company. The Chairman of the Management Board of the Company shall ensure the participation of officials and/or employees of the Company invited to a Committee meeting (consideration of certain items of the agenda of the meeting) or any other individuals who have due powers, information, and qualifications necessary for productive involvement in the Committee meeting (consideration of items of the agenda of the meeting, provision of information, involvement in a discussion, decision making, etc.);

7.6.4. Arrange the keeping of minutes at the Committee meetings and sign them;

7.6.5. Represent the Committee during its collaboration with the Board of Directors of the Company, other Committees of the Board of Directors, executive bodies of the Company, the Auditor, the Revision Committee of the Company, managers of business units of the executive office of the Company, and other bodies and individuals;

7.6.6. Maintain the official correspondence of the Committee and sign requests, letters, and documents on behalf of the Committee;

7.6.7. Delegate responsibilities among the Committee members;

7.6.8. Develop and submit the action plan of the Committee for approval to the Committee and monitor the fulfillment of resolutions and action plans of the Committee;

7.6.9. Ensure that the requirements of the laws of the Russian Federation, the Articles of Association of the Company, other internal documents of the Company, and this Regulation are met during the Committee's activities;

7.6.10. Perform any other functions prescribed by legislation, the Articles of Association of the Company, this Regulation and other internal documents of the Company.

## **8. SECRETARY OF THE COMMITTEE**

8.1. The Secretary of the Committee shall be elected by a majority of the votes of all elected members of the Committee. Candidates for Secretary of the Committee shall be nominated by the Chairman of the Management Board of the Company from among the Company's employees.

8.2. The Secretary of the Committee carries out technical support (information, documentation, minutes, secretarial functions) for the current operations of the Committee, including:

8.2.1. Ensuring preparation for and holding of Committee meetings;

8.2.2. Collecting and systematizing materials for the meetings;

8.2.3. Ensuring that members of the Committee and invitees are given timely notice of meetings of the Committee and sent meeting agendas, materials on agenda items, and ballots;

8.2.4. Keeping minutes at the meetings and preparing draft resolutions of the Committee;

8.2.5. Keeping records of correspondence addressed to the Committee and/or members of the Committee (including queries, requests, applications), and ensuring that members of the Committee obtain the necessary information;

8.2.6. Archiving meeting minutes of the Committee and any other documents and materials related to the activities of the Committee pursuant to the documentation archiving procedure in place at the Company;

8.2.7. Implementing the instructions of the Chairman of the Committee within the powers of the Chairman of the Committee;

8.2.8. Performing any other functions in accordance with this Regulation.

8.3. The Secretary of the Committee may, if so resolved by the Board of Directors of the Company, be paid remuneration and/or compensation of expenses incurred within the performance of his/her responsibilities.

A supplementary agreement to the employment contract shall be executed with the Secretary of the Committee to include the functions of the Secretary of the Committee based on the resolution by the Committee to elect the Secretary of the Committee.

The terms and conditions of the supplementary agreement to the employment contract with the Secretary of the Committee, including the amount of remuneration, shall be determined by the Board of Directors of the Company or an individual so authorized by the Board of Directors of the Company.

The supplementary agreement to the employment contract with the Secretary of the Committee shall be signed by the Chairman of the Management Board of the Company on behalf of the Company.

## **9. COMMITTEE MEETINGS**

9.1. Committee meetings shall be convened by the Chairman of the Committee (or, in the event of his/her absence, by the Deputy Chairman) in accordance with the action plan (scheduled meetings) approved at a Committee meeting or in other cases prescribed herein (extraordinary meetings).

9.2. The Committee's operational plan is prepared by the Chairman of the Committee based on the approved operational plan of the Board of Directors of the Company.

9.3. The operational plan of the Committee shall be approved at a meeting of the Committee to be held within twenty (20) days of the meeting of the Board of Directors of the Company where the operational plan of the Board of Directors of the Company was approved.

9.4. Committee meetings are held in Moscow or any other location determined by the Chairman of the Committee.

When convening a Committee meeting, the Chairman specifies the date, time, location, format, and agenda of the meeting, and the list of individuals invited to participate in the meeting in praesentia of the Committee.

The agenda of a scheduled meeting shall be prepared by the Chairman of the Committee based on the approved agenda of the Board of Directors and/or at the discretion of the Chairman of the Committee if additional issues need to be considered.

9.5. Extraordinary meetings of the Committee shall be held when an extraordinary meeting of the Board of Directors is held, pursuant to notice received from the Secretary of the Board of Directors of the Company of a meeting of the Board of Directors of the Company, whose agenda includes an item(s) falling within the competence of the Committee hereunder or by decision of the Chairman of the Committee.

9.6. Notice of a meeting of the Committee along with the agenda shall include the agenda of the meeting, the form of the meeting, and the date, location, and time of the meeting (the date and time ballots for voting on agenda items of the meeting must be received). Notice of the meeting shall be prepared by the Secretary of the Committee and signed by the Chairman of the Committee or the Deputy Chairman of the Committee (in cases provided for herein).

Notice of the meeting of the Committee shall be sent to individuals who are to attend the meeting at least 5 (five) business days before the date of the meeting (the date when ballots should already be received for absentee voting) and include the name of the person responsible for the preparation of each agenda item. Materials and information on agenda items shall be sent to the Committee members and to the invitees no later than five (5) business days before the date of the meeting.

When it is necessary to translate materials on agenda items, materials in English must be sent to foreign members of the Committee no later than three (3) business days before the date of the meeting.

Notice and materials (information) on agenda items may be provided to members of the Committee in person, by fax, or by email, while notice of a meeting of the Committee must be provided to members of the Committee by fax or in the original hard copy.

Materials for the agenda items of the Committee meeting must include draft resolutions on these items. The preparation of draft resolutions shall be arranged by the Chairman of the Committee.

Individuals invited to attend a meeting in praesentia of the Committee are sent materials on those items of the agenda of the meeting of the Committee that they are expected to participate in the discussion of.

9.7. When notice of a meeting of the Board of Directors of the Company, which has an agenda that includes items referred by this Regulation to the competence of the Committee, is received from the Secretary of the Board of Directors of the Company, the Chairman of the Committee shall take all measures to ensure that Committee meetings are held in a timely manner to prepare and send recommendations (resolutions) on said agenda items of the meeting of the Board of Directors of the Company to the Board of Directors pursuant to the approved Regulation on the Board of Directors of the Company.

If the Committee fails to provide the Board of Directors with recommendations (opinions) on a given agenda item of the meeting of the Board of Directors of the Company for any reason (no quorum, not enough time to address the issue, etc.), this issue may be considered without the recommendations (opinions) of the Committee of the Board of Directors.

## **10. PROCEDURE FOR HOLDING COMMITTEE MEETINGS**

10.1. Committee meetings shall be held in the form of joint attendance of the Committee members (meeting in praesentia) or in the form of absentee voting on the agenda items of the meeting (meeting in absentia).

10.2. A meeting in praesentia of the Committee shall be opened by the Chairperson of the meeting, i.e., the Chairman of the Committee, or in the case of his or her absence, by the Deputy Chairman or by the Chairperson of the meeting elected by the majority vote of the Committee members present at the meeting in praesentia.

10.2.1. A meeting in praesentia of the Committee shall be attended by members of the Committee and invitees.

10.2.2. The Secretary of the Committee shall determine whether a meeting in praesentia of the Committee has a quorum. The Chairperson of the meeting in praesentia shall advise those present of whether there is a quorum for the Committee meeting to be valid and announce the meeting agenda.

10.2.3. If there is no quorum, the meeting shall be declared invalid. In this event, the Chairperson of the meeting shall make one of the following decisions:

10.2.3.1. set the time the meeting is to be reconvened by consulting with the individuals attending the meeting, but not more than two hours later;

10.2.3.2. set the date of the repeated meeting with the same agenda;

10.2.3.3. include items that should have been considered at the invalid meeting of the Committee in the agenda of the next scheduled Committee meeting.

10.2.4. A meeting in praesentia of the Committee is valid (has a quorum) when attended by at least half of the elected Committee members. Participation in a Committee meeting via electronic (telephone) communications shall be deemed equal to physical presence.

10.2.5. When determining the outcome of voting on the agenda items of a meeting in praesentia of the Committee attended by at least half of all Committee members (including the participation of Committee members in the meeting by telephone or electronic means of

communication), the opinions of absent members of the Committee written and received as required herein shall be taken into consideration.

10.2.6. The respective member of the Committee shall send the signed written opinion at least two (2) hours before the meeting is held to the Secretary of the Committee in the original copy or via fax, followed by sending the original written opinion to the location of the Company.

10.3. The decision to hold a Committee meeting in the form of absentee voting shall be made by the Chairman of the Committee.

10.3.1. When a meeting of the Committee is to be held in absentia, the ballots necessary for voting on items of the agenda of the meeting, prepared in accordance with Appendix No. 2 hereto, shall be sent to the members of the Committee along with the materials (information) on the agenda items of the meeting in absentia.

10.3.2. When completing an absentee ballot, the member of the Committee shall strike out all but one answer (for, against, abstain) for each item put to a vote. The completed ballot shall be signed by the respective member of the Committee and include his/her last name and initials. The completed and signed ballot shall be submitted by the member of the Committee to the Secretary of the Committee on or before the date and time ballots are to be received (indicated on the ballot), in the original copy or by fax, followed by the original ballot sent to the address given on the ballot.

10.3.3. Any ballots completed with violations of the requirements set forth in paragraph one, subclause 10.3.2. hereof shall not be counted towards the total votes as concerns the corresponding item.

An unsigned ballot or a ballot submitted after the dates referred to in subclause 10.3.2. hereof shall be invalid and excluded from the calculation of the quorum necessary for a resolution to be made in absentia and not included in the calculation of votes and the determination of voting outcomes.

10.3.4. The meeting of the Committee in absentia is valid (has a quorum) if attended by at least half of the elected members of the Committee.

10.3.5. Participants of a meeting in absentia shall be members of the Committee whose ballots were received by the Secretary of the Committee on or before the date and time ballots should be received.

10.4. Resolutions at the Committee meetings shall be adopted by a simple majority vote of the Committee members attending the meeting.

10.5. When resolving issues at the meeting, each Committee member shall have one vote. In the event of a tie, the Chairman of the Committee shall have the deciding vote. A vote may not be assigned by one member of the Committee to another member of the Committee or another individual.

10.6. The Secretary of the Committee shall prepare the minutes of the meeting within three (3) business days following the meeting of the Committee.

10.7. The minutes of the Committee meeting are signed by the Chairman of the meeting and the Secretary of the Committee. The minutes or an excerpt from the minutes on agenda items of the meeting of the Board of Directors shall be sent by the Secretary of the Committee within one (1) business day after being signed to the Board of Directors of the Company, along with the materials and recommendations prepared for it. All members of the Committee shall be sent copies of the minutes, prepared materials, and recommendations.

10.8. The Chairman and Secretary of the Committee shall be responsible for the accurate preparation of the minutes. The Secretary of the Committee shall be responsible for archiving the minutes, ballots, materials, and recommendations of the Committee.

10.9. The Minutes of the Committee meeting shall include:

10.9.1. Form of the meeting;

10.9.2. Date, location, and time of the meeting (closing date and time for receiving the ballots);

- 10.9.3. List of the Committee members present at the meeting (participating in absentee voting, voting in person and in absentia) and invitees;
- 10.9.4. Information on the quorum at the meeting;
- 10.9.5. Agenda;
- 10.9.6. Proposals of Committee members on agenda items;
- 10.9.7. Issues put to a vote and voting results, including details on how each Committee member voted;
- 10.9.8. Resolutions adopted;
- 10.9.9. Information on the person counting votes.
- 10.10. If requested by a member of the Committee, a summary of his/her opinion on the agenda items of the meeting of the Committee may be attached to the minutes of the meeting of the Committee. Such an opinion shall be prepared by the member of the Committee and submitted to the Secretary of the Committee.

## **11. INTERACTION WITH THE BODIES OF THE COMPANY AND OTHER ENTITIES**

11.1. When performing its duties, the Committee shall maintain effective work relations with management, controlling bodies, the subdivision performing the functions of a corporate secretary, and structural subdivisions of the Company, as well as other Committees of the Board of Directors of the Company and other entities and individuals.

11.2. The Chairman and the Secretary of the Committee shall ensure informational, technical and coordinated interaction between the Committee and the Board of Directors, executive bodies and business units of the Company and other Committees of the Board of Directors of the Company.

11.3. The Chairman of the Management Board and members of the Management Board shall, based on a request signed by the Chairman of the Committee, provide information and materials that members of the Committee may need in order to make decisions on matters within the competence of the Committee. Such information and materials must be provided within one (1) business day of receiving the request, unless a longer period is expressly stated therein.

Members of the Committee may request additional information (materials) if incomplete or inaccurate information (materials) is (are) provided.

11.4. The recommendations (opinions) prepared (elaborated) by the Committee shall be submitted by the Chairman of the Committee to the Board of Directors of the Company, while copies thereof shall be provided to the Chairman of the Management Board of the Company.

## **12. CONFIDENTIALITY**

12.1. Individuals that are (were) members of the Committee, the Secretary of the Committee and third parties engaged in the activities of the Committee shall, during the period when members of the Committee are performing their responsibilities and for three (3) years after their powers in the Committee expire, observe confidentiality requirements, regarding proprietary information that they receive in connection with their duties in the Committee. The concept of proprietary information shall apply to the operations of the Company, and the content of such information shall be established by a resolution of the authorized management body of the Company.

12.2. The Committee members who are neither members of the Board of Directors of the Company nor Company employees and the third parties who are not Company employees and who are engaged in work in the Committee shall have the right to receive the said information subject to concluding an agreement between them and the Company on the use of the said information (Appendix No. 3 hereto).

12.3. Any and all documents related to the activities of the Committee shall be kept at the location of the Company pursuant to the document archiving procedure in place at the Company. The Secretary of the Committee shall be responsible for archiving said documents.

### **13. SUPPORT OF COMMITTEE ACTIVITIES**

13.1. This Regulation establishes the procedure and amount for payment of remuneration to the Committee members who are not members of the Board of Directors. The payment procedure and amount of remuneration for the Committee members who are members of the Board of Directors shall be governed by the Regulation on Payment of Remunerations and Compensations to the Members of the Board of Directors of Public Joint Stock Company “Inter RAO UES”, approved by the General Meeting of Shareholders.

13.2. Remunerations to members of a Company Committee who are persons in respect of whom federal law restricts or prohibits receipt of any payments from commercial organizations shall not be accrued or paid.

13.3. Remuneration shall not be accrued or paid to Committee members who are not members of the Board of Directors, but who have signed an employment agreement with the Company.

13.4. Remuneration shall consist of two parts: a base amount and a variable amount.

13.5. The base amount of the remuneration shall be paid to the Committee members on an annual basis for their participation in the work of the Committee. The base amount of remuneration shall be calculated using the formula below.

$$B_{cm} = 50\,000 \times j$$

where:

j is the number of Committee meetings in which a Committee member who is not a member of the Board of Directors took part.

13.6. The base amount of remuneration shall not be paid if the Committee member did not take part in more than half of the Committee meetings that were held after the member's election.

13.7. The base amount of remuneration shall be paid to all Committee members who performed their duties after the date of the previous annual meeting, within a month following the date of the first meeting of the Board of Directors after their election at the Annual General Meeting of Company Shareholders. The base amount of remuneration shall be paid to all Committee members who performed their duties after the date of the previous annual meeting, within a month following the date of the first meeting of the Board of Directors after their election at the Annual General Meeting of Company Shareholders.

13.8. A variable amount of remuneration for Committee members shall depend on the expenses actually incurred by them in connection with participation in the meetings in praesentia<sup>2</sup>(expenses for transportation, accommodation, and meals, and other expenses). A variable amount of remuneration shall be calculated using the formula below:

$$K_{cm} = \frac{P}{1 - n/100}$$

where:

P is the amount of expenses directly associated with the participation of the Committee members in the meetings in praesentia (actual and duly documented expenses of the Committee member as determined in accordance with clause 13.10 hereof);

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<sup>2</sup> An event in praesentia means a meeting in praesentia of the Committee, as well as other sittings, meetings, and events in praesentia, as provided for by the Training and Development Program approved by the Board of Directors, meetings in praesentia of the Board of Directors, the Meeting of Shareholders, and other activities associated with the Company's activities.

n is the applicable personal income tax rate.

13.9. The Company shall pay the variable part of the remuneration within seven business days following the receipt by the Company of an original application for payment of the variable part of the remuneration in connection with the participation in an event held in praesentia, with the attachment of documents (or copies thereof) confirming the expenses incurred.

13.10. The variable amount of remuneration shall be calculated on the basis of the following actual and duly documented expenses of the Committee members:

- expenses for travel to the place of an event in praesentia and back to the place of permanent work or residence (including an insurance fee for mandatory personal insurance of transportation passengers, payment for the services of travel documents issuance, etc.), in the amount of the actual expenses supported by travel documents, which shall not exceed the cost of traveling by railway in a luxury carriage; by sea and river transport at the tariffs established by the carrier, which shall not exceed the cost of traveling in a luxury stateroom with comprehensive service of passengers; by air transport at the business class tariff; or by motor transport in a rented car or taxi;
- expenses for the rental of living accommodations, in the amount of actual expenses confirmed by the respective documents, which shall not exceed the amount of seven minimum monthly wages for a first-class worker established by the industry rate agreement of the electrical energy complex of the Russian Federation for one compensated day, subject to the indexation established by the Agreement for each day of accommodation;
- expenses for meals, in the amount of actual expenses confirmed by the respective documents, which shall not exceed the amount of three minimum monthly wages for a first-class worker established by the industry rate agreement of the electrical energy complex of the Russian Federation for one compensated day, subject to the indexation established by the Agreement;
- other expenses directly associated with the participation of the Committee member in the event in praesentia, such as payment for communication services, receiving and registration of an official international passport, obtaining a visa and expenses for the exchange of cash currency or cheques at a bank for cash foreign currency, etc.

13.11. Remuneration to the Committee members who are not members of the Board of Directors shall be paid in monetary form.

13.12. The amounts of remuneration calculated pursuant to this Regulation are subject to taxation pursuant to the laws of the Russian Federation.

13.13. If the actual expenses were incurred in a currency other than the currency of the Russian Federation, the variable amount of remuneration shall be calculated using the formula given in clause 13.8 hereof, where the amounts of actual expenses shall be converted into the currency of the Russian Federation based on the exchange rate of the Central Bank of the Russian Federation as of the date of filing a claim for the reimbursement of expenses.

13.14. The Company shall pay remuneration (base and variable amounts) in monetary form in Russian rubles. Based on the claim of a Committee member who is a non-resident of the Russian Federation, remuneration or part thereof (whether base or variable) may be transferred to such member in a currency different from the currency of the Russian Federation (currency of payment). In this case, the remuneration or part thereof (whether base or variable) shall be converted into the currency of payment based on the exchange rate of the Central Bank of the Russian Federation as of the date of funds transfer.

13.15. The date of funds transfer under this Regulation shall be the date when the Company's settlement account is debited.

13.16. Payment of remunerations shall be effected by way of money transfer to the bank account indicated by the Committee member in his/her application.

## **14. FINAL PROVISIONS**

14.1. The Committee shall submit a report on the activity of the Committee to the Board of Directors of the Company at least once annually. The final report on the Committee's activities shall be reviewed by the Board of Directors in accordance with the time frames for preparing the annual report of the Company.

14.2. The Chairman of the Committee may provide the Board of Directors of the Company with separate reports on issues within the competence of the Committee.

14.3. Details on individual resolutions of the Committee may be published on the Company's website. Whether information needs to be published shall be determined by the Chairman of the Committee of the Board of Directors of the Company with regard to the confidentiality requirement.

14.4. Information on the activities of the Committee shall be included in the Annual Report of the Company.

14.5. This Regulation and any and all amendments hereto shall be approved by the Board of Directors of the Company.

14.6. Any matters other than those governed by this Regulation shall be governed by the Articles of Association of the Company, the Regulation on the Board of Directors of the Company and other internal documents of the Company, applicable laws, and resolutions of the Board of Directors of the Company.

14.7. If, as a result of amendments to any laws or regulations of the Russian Federation, certain sections hereof come into conflict with them, such sections shall lose legal effect and Committee members shall be governed by the laws and regulations of the Russian Federation until this Regulation is amended.

**WRITTEN CONSENT OF THE CANDIDATE  
TO THE STRATEGY AND INVESTMENTS COMMITTEE OF THE BOARD OF  
DIRECTORS  
OF PJSC INTER RAO**

I, \_\_\_\_\_  
(surname, first name, patronymic of the candidate)

(passport of a citizen of \_\_\_\_\_ series \_\_\_\_\_ No. \_\_\_\_\_, issued on \_\_\_\_\_ by \_\_\_\_\_), registered at the address: \_\_\_\_\_, hereby confirm to Public Joint Stock Company "Inter RAO UES" (hereinafter also referred to as "PJSC Inter RAO", the "Company"), located at: 27 Bolshaya Pirogovskaya St., Building 2, Moscow:

1. My consent to my nomination as a candidate to the Strategy and Investments Committee of the Board of Directors of PJSC Inter RAO;
2. My consent to my election to the Strategy and Investments Committee of the Board of Directors of PJSC Inter RAO;
3. My consent to the processing of my personal data with or without using means of automation, including collection, recording, filing, accumulation, storage, detailing (updating, alteration), retrieval, use, distribution, disclosure, transfer, depersonalization, blocking, destruction and any other actions (operations) with personal data in accordance with the requirements of the applicable law.

This consent to the processing of personal data listed below is given for the following purposes:

No.	Purpose	Data	With the right to publish them in publicly available sources for access by the general public	Note on consent to personal data processing (Yes/No)
1.	Ensuring additional (voluntary) disclosure of information according to the Regulation on the Information Policy, the Regulation on the Board of Directors, and other internal documents of PJSC Inter RAO.	Full name	V	
		Place of residence (country, city)	V	
		Citizenship	V	
		Primary place of employment	V	
		Title	V	
		Personal photo	V	
		Information on education (level, specialty, educational institution, year of graduation)	V	
		Positions held over the last 5 years and at present in chronological order (including concurrent jobs)	V	
		Current positions (membership) in the management bodies of other	V	

No.	Purpose	Data	With the right to publish them in publicly available sources for access by the general public	Note on consent to personal data processing (Yes/No)
		legal entities		
		Share in the authorized capital of PJSC Inter RAO and its subsidiaries	V	
		Information on awards (name, degree, date, place)	V	
2.	Performance of duties by the Company as stipulated by laws of the Russian Federation for countering illegal use of insider information and market manipulation <b>(maintenance of the list of insiders)</b>	Full name	V	
		Date of birth	-	
		Place of birth	-	
		Passport details (including name, number, series, date of issue, and issuing authority)	-	
3.	Organizing the process of nomination and election to the Strategy and Investments Committee of the Board of Directors of the Company <b>(consent to nomination to the Strategy and Investments Committee of the Board of Directors)</b>	Full name	V	
		Passport details and/or copy of the main and/or other identification document, including its name, number, series, issue date, and issuing authority	-	
		Place of registration	-	
4.	Organizing payment of remuneration for work in the Strategy and Investments Committee of the Board of Directors in accordance with the Regulation on the Strategy and Investments Committee of the Board of Directors of PJSC Inter RAO	Full name	V	
		Address of the place of residence, including postal code	-	
		Date of birth	-	
		Passport details and/or copy of the main and/or other identification document, including its name, number, series, issue date, issuing authority, special marks	-	
		Bank account details	-	
		Details of and/or a copy of the certificate of assignment of an taxpayer individual number (INN) and/or of tax registration	-	
		Data on and/or a copy of the insurance certificate of state pension insurance	-	

This consent is given to the following persons, who are entitled to process my personal data based on the above consent and in accordance with the above goals, namely: the Company and its shareholders, as well as the members of its Board of Directors nominating the candidate to the Strategy and Investments Committee of the Board of Directors of PJSC Inter RAO, the trade organizer (PJSC Moscow Exchange), and the Russian securities market regulator (Bank of Russia).

I am aware that, in accordance with Article 14 of Federal Law No. 152-FZ dated July 27, 2006 "On Personal Data":

- the Company shall provide, upon my written request, information concerning the processing of my personal data, except as otherwise stipulated by Part 8, Article 14 of the above federal law;
- I am entitled to demand that the Operator (PJSC Inter RAO) correct, block, or destroy my personal data in the event that the personal data are found to be incomplete, outdated, inaccurate, illegally obtained, or are not necessary for the declared purpose of processing, as well as to take measures stipulated by law to protect my rights.

The above personal data may be processed using any method, provided that the Company uses the necessary organizational and technical measures to protect the personal data from unauthorized or accidental access thereto, as well as from destruction, alteration, blocking, copying, distribution, and other illegal actions.

The consent to personal data processing shall be valid from the day of its signing and for ten (10) years from the date of the meeting of the Board of Directors where the matter of electing members to the Strategy and Investments Committee of the Board of Directors was considered, and, should I be elected to the Strategy and Investments Committee of the Board of Directors of the Company, for 10 years after the termination of my membership in the Strategy and Investments Committee of the Board of Directors of PJSC Inter RAO.

This consent may be revoked in writing by sending a written statement with the hand-written signature of the candidate to the Strategy and Investments Committee of the Board of Directors/of the member of the Strategy and Investments Committee of the Board of Directors to the Company address: 27 Bolshaya Pirogovskaya St., Building 2, Moscow, with the note "To the Secretariat of the Board of Directors of PJSC Inter RAO".

Should I revoke my consent to personal data processing, the Company shall stop such processing and, if there is no more need to keep the personal data for the purposes of their processing, destroy them within a period not exceeding thirty days from the date of receipt of the said revocation, except when the Company is entitled to continue personal data processing without my consent thereto on the grounds established by laws of the Russian Federation<sup>3</sup>.

\_\_\_\_\_/\_\_\_\_\_  
(signature) (printed name)

\_\_\_\_\_, 20\_\_

<sup>3</sup> According to Part 2, Article 9 of Federal Law No. 152-FZ dated July 27, 2006 "On Personal Data", if a personal data subject revokes his/her consent to personal data processing, the Operator (PJSC Inter RAO) shall have the right to continue personal data processing without the consent of the personal data subject upon the grounds specified in [clauses 2 - 11, Part 1 of Article 6](#), [Part 2 of Article 10](#), and [Part 2 of Article 11](#) of the said federal law, inter alia, in the case of processing of personal data which are subject to publication or mandatory disclosure in accordance with the Federal Law.

**COMMITTEE OF THE BOARD OF DIRECTORS**  
**of Public Joint Stock Company Inter RAO UES**  
**QUESTIONNAIRE**  
**for voting on agenda items of the meeting**  
**of the Strategy & Investments Committee of the Board of Directors of PJSC Inter RAO**  
**held in the form of absentee voting on \_\_\_\_\_, 20\_\_.**

**Item:**

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

**Decision:**

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

**FOR**

**AGAINST**

**ABSTAINED**

*(Please strike through all but your response)*

**Item:**

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

**Decision:**

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

**FOR**

**AGAINST**

**ABSTAINED**

*(Please strike through all but your response)*

The completed and signed ballot is to be sent by fax to (\_\_\_\_)\_\_\_\_\_ or in the original on or before \_\_\_\_\_ (date, time).

Any ballot received by the Company after the date and time above will not be included in the vote count and the summary of absentee voting.

Please send the original ballot to:

\_\_\_\_\_  
**Committee member**  
**of the Board of Directors of PJSC Inter RAO** \_\_\_\_\_ / \_\_\_\_\_  
**(signature) (full name)**

**VOTING BALLOT IS NOT VALID WITHOUT THE SIGNATURE OF A MEMBER OF  
THE COMMITTEE OF THE BOARD OF DIRECTORS**

**CONFIDENTIALITY AGREEMENT  
AGREEMENT**

**Moscow \_\_\_\_\_, 20\_\_**

PJSC Inter RAO, a legal entity under the laws of the Russian Federation (hereinafter – the Disclosing Party), represented by the Chairman of the Management Board, Mr. Boris Y. Kovalchuk, acting under the Articles of Association, of the one part, and \_\_\_\_\_, elected to the Strategy & Investments Committee of the Board of Directors of PJSC Inter RAO by decision of the Board of Directors of PJSC Inter RAO (hereinafter – the Receiving Party), of the other part, hereinafter collectively referred to as the "Parties", enter into this Agreement to the following effect:

**1. SCOPE**

1.1. The subject of this Agreement covers the procedure and conditions for using and protecting certain information provided by the Disclosing Party to the Receiving Party in connection with his/her rights and duties as a member of the Strategy and Investments Committee of the Board of Directors of PJSC Inter RAO (hereinafter – "Information").

1.2. Information to be kept in secret and not to be disclosed hereunder shall include the following:

- a) any information belonging to the Disclosing Party which is not publicly available;
- b) information classified as insider information according to the Regulation on Insider Information of PJSC Inter RAO.

1.3. Information subject to protection and non-disclosure pursuant to this Agreement shall be provided to the Receiving Party marked "commercial secret".

**2. OBLIGATIONS OF THE PARTIES**

2.1. The Parties shall not disclose or discuss the contents and shall not provide copies, publish or otherwise disclose the Information to third parties without the prior written consent of the other Party, unless otherwise provided for by the laws of the Russian Federation and except as otherwise specified in Clause 2.2 hereof.

2.2. The Receiving Party may disclose the information received from the Disclosing Party to employees of the organization at which he/she is employed and inform such employees of the terms and conditions of this Agreement, pursuant to the bylaws on confidentiality of this organization, only on a need-to-know basis and in the scope required for the fulfillment of their obligations.

2.3. The Parties shall:

2.3.1. Use the Information in compliance with the terms and conditions of this Agreement.

2.3.2. Not disclose the transfer or receipt of the Information to any third parties.

**3. LIABILITIES OF THE PARTIES**

3.1. The liabilities of the Parties for the failure to fulfill their obligations hereunder shall be governed by Russian law.

**4. VALIDITY OF THE AGREEMENT**

4.1. This Agreement shall come into effect on the date of its signing and shall be terminated upon expiry of five (5) years after the effective date hereof.

## **5. SETTLEMENT OF DISPUTES**

5.1. The Parties shall take all necessary measures to settle their disputes through negotiations.

5.2. If it is not possible to settle disagreements through negotiations, disputes shall be settled in court in accordance with the requirements of Russian law.

## **6. MISCELLANEOUS**

6.1. All annexes, amendments and appendices to the present Agreement shall be valid provided that they are executed in writing and signed by both Parties hereto. All duly executed annexes, amendments and appendices hereto shall constitute an integral part of the present Agreement.

6.2. This Agreement is made in two copies, one copy for each Party. Both copies have equal legal force.

## **LEGAL ADDRESSES AND DETAILS OF THE PARTIES:**

**Disclosing Party**

**Receiving Party**

of PJSC Inter RAO

27 Bolshaya Pirogovskaya Street, Building 2, Moscow 119435, Russian Federation.

Tel.: +7 (495) 664-88-40

Fax: +7 (495) 664-88-41

**Chairman of the Management Board B. Y. Kovalchuk**

**Member of the Strategy &**

**Investments Committee of the Board of Directors of PJSC Inter RAO**