

APPROVED BY:

the Annual General Meeting of
Shareholders of PJSC Inter RAO
on June __, 2017
(Minutes No. ____ dated June __, 2017)

REGULATION
on Payment of Remunerations and Compensations
to the Members of the Board of Directors of
Public Joint Stock Company
Inter RAO UES
(revised version)

Moscow
2017

1. General

1.1. This Regulation is developed in accordance with the Federal Law "On Joint Stock Companies", the Articles of Association of the Public Joint Stock Company Inter RAO UES (hereinafter referred to as the "Company"), and the Regulation on the Board of Directors of Public Joint Stock Company Inter RAO UES and defines the terms, amount of and procedure for the payment of remuneration and compensation to the members of the Board of Directors of the Company for the costs related to the performance of functions of the members of the Board of Directors during the period of their office.

1.2. This Regulation shall not be applied to the members of the Company's Board of Directors being the Company's sole executive body or members of the Company's collective executive body.

Remunerations and compensations to the Chairman and members of the Company's Board of Directors being the persons in respect of whom the federal law provides for a restriction or prohibition on receiving any payments from commercial organizations shall not be accrued or paid.

All the members of the Board of Directors have a right to receive compensations stipulated in Section 3 hereof.

1.3. The amounts of remuneration and compensation calculated under this Regulation are subject to taxation pursuant to the laws of the Russian Federation.

1.4. Remunerations and compensations shall be paid by the Company in cash, unless otherwise provided for by a resolution of the General Meeting of Shareholders, in Russian rubles or in other currency at the rate of the Central Bank of the Russian Federation as of the date of the remuneration and/or compensation transfer, as instructed by the recipient.

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

1.6. Remuneration and compensation shall be paid by means of transfer to the bank account stated by a member of the Board of Directors in accordance with an application of that member, filled in accordance with Appendix No. 1 hereto and sent to the Company.

2. Remuneration Amount

2.1. The members of the Company's Board of Directors shall be remunerated for the participation in the work of the Company's Board of Directors in the amount calculated by the formula:

$$R_{mBoD} = \frac{R_{framework} \times \left(0,7 \times \left(\frac{j}{m} \right) + 0,3 \times \left(\frac{n}{k} \right) \right) * T}{12}$$

where:

" R_{mBoD} " means the amount of the remuneration paid to a member of the Company's Board of Directors;

" $R_{framework}$ " means the basic part of the remuneration determined under the procedure established in clause 2.2 hereof;

"j" means the number of meetings of the Board of Directors (held in absentia and in the form of joint attendance), in which the respective member of the Board of Directors took part;

"m" means the total number of meetings of the Board of Directors (held in absentia and in the form of joint attendance) for the period from the date of the previous annual General Meeting of Shareholders to the date of the annual General Meeting of Shareholders at which a new Board of Directors was elected;

"n" means the number of meetings of the Board of Directors held in the form of joint attendance, in which the respective member of the Board of Directors took part;

"k" means the total number of meetings of the Board of Directors held in the form of joint attendance for the period from the date of the previous annual General Meeting of Shareholders to the date of the annual General Meeting of Shareholders at which a new Board of Directors was elected (for $k > 0$);

"T" means the number of full calendar months of acting in the capacity of a member of the Board of Directors from the election date to the date of termination of powers based on the resolution of the Company's General Meeting of Shareholders. In this case:

- if a member is elected to the Board of Directors on or before the fifteenth (15th) day of a calendar month, the remuneration shall be paid as for the full month;

- if the powers of a member of the Board of Directors are terminated before the fifteenth (15th) day of a calendar month, the remuneration for the respective calendar month shall not be paid;

- if a member is elected to the Board of Directors after the fifteenth (15th) day of a calendar month, inclusive, the remuneration for the respective calendar month shall not be paid;

- if the powers of a member of the Board of Directors are terminated after the fifteenth (15th) day of the calendar month, inclusive, the remuneration shall be paid as for the full month;

- if a member of the Board of Directors submitted a written opinion to the meeting held in the form of joint presence, such participation shall be regarded as absentee participation for the purposes of calculation of the remuneration.

2.2. The basic part of the remuneration (*Бáза*) amounts to 3,000,000 rubles.

2.3. The amount of remuneration paid under clause 3.1 hereof shall be increased:

2.3.1. for the Chairman of the Board of Directors – by 30%;

2.3.2. for the Chairmen of the Board of Directors Committees – by 15%;

2.3.3. for the members of the Board of Directors for their participation in the work of the Board of Directors Committees – by 10% for the participation in the work of each Board of Directors Committee they are a member of.

2.3.4. The mark-ups specified in this clause shall be summarized.

2.4. The amounts of remunerations provided for by clause 2.3 hereof for the participation in the work of the Committees of the Company's Board of Directors shall not apply when calculating the remunerations of the members of the Committees who are not the members of the Company's Board of Directors.

2.5. The remuneration shall be paid to all the members of the Board of Directors who performed their obligations after the date of the previous annual meeting within the month after the date of the Company's annual General Meeting of Shareholders at which the resolution on the election of new members to the Board of Directors was adopted.

2.6. The remuneration shall not be paid if a member of the Board of Directors did not take part in more than 50% of the meetings held (in absentia and in the form of joint attendance, from the date of his/her election up to termination of his/her powers).

2.7. A member of the Company's Board of Directors may refuse to receive the remuneration provided for by this Regulation, either in whole or in part, by sending a respective application addressed to the Chairman of the Company's Management Board.

3. Payment of Compensations

3.1. The compensations, including the costs of traveling to the place of the Board of Directors and Committees meetings and back, accommodation costs, as well as any costs not related to the participation in the meeting, but related to the Company's activities shall be paid in the amount of actual reasonable expenses, including:

3.1.1. For traveling to the place of the meeting or the place of another event related to the Company's activities and back to the place of permanent work or residence (including the insurance premium for mandatory personal insurance of transport passengers, payment for preparation of travel documents, etc.) in the amount of actual expenses confirmed by travel documents, but not more than the travel cost:

- by railway transport – in a business class car of enhanced comfort (sleeping car, sleeper);
- by sea or river transport – at the rates established by a carrier, but not more than the cost of traveling in a luxe cabin with full package of passenger services;
- by air transport – at the rate of business class;
- by motor transport – by leased car or taxi;

3.1.2. For the rent of accommodation (except when a member of the Board of Directors is provided with a free accommodation) – in the amount of actual expenses confirmed by the respective documents, but not more than five minimum monthly rates of a first rate worker established by the industrial tariff agreement in the electric power complex of the Russian Federation as of the date of cost reimbursement, subject to the indexation set forth by the Agreement, for each day of lodging.

3.2. The Company shall pay compensations within seven business days after submission of the application for compensation of expenses and the documents supporting such expenses.

3.3. The Company shall be entitled, in the event of application of a member of the Board of Directors, to unilaterally book and buy tickets and rent accommodation. Within seven days after the fulfillment of his/her obligations, a member of the Board of Directors shall transfer the documents confirming his/her actually incurred expenses to the Company.

4. Validity of the Regulation

4.1. This Regulation shall enter into force upon its approval by decision of the Company's General Meeting of Shareholders.

4.2. The proposals on introducing amendments and supplements to this Regulation or approval of a revised version of the Regulation shall be submitted in the manner stipulated by the Company's Articles of Association for making proposals on the agenda of the General Meeting of Shareholders.

4.3. If, as a result of any changes in the laws of the Russian Federation, individual clauses hereof conflict with them, such clauses shall become void and the laws of the Russian Federation shall be governing until amendments to the Regulations are made to the respective extent.

To the Chairman of the
Management Board
of PJSC Inter RAO

_____ (full name in the dative case)

In accordance with the Regulation on Payment of Remunerations and Compensations to the Members of the Company's Board of Directors, I hereby notify you that I

am asking to pay the remuneration I am entitled to as a member of the Board of Directors of PJSC Inter RAO using the following details; or

am a person whom the federal law prohibits to receive any payments from commercial organizations; or

am asking to transfer the remuneration due to me in favor of an individual / legal entity (the details are attached); or

refuse to receive the remuneration.

(choose one option only)

Information on the Board of Directors member *(to be filled in if the first option is selected)*

Full name	
Address of the place of residence, including ZIP code	
Passport details (series, number, issuing authority, date of issue, code of subdivision, date of birth)	
Taxpayer Identification Number (INN)	
State pension insurance certificate No.	
Bank details for the transfer of payments	Bank: Correspondent account: BIK: Settlement account: Beneficiary: Personal account: Payment purpose: remuneration to a member of the Board of Directors

**Member of the Board of Directors
of PJSC Inter RAO**

_____/full name/