

**MINUTES**

**of the Meeting of the Board of Directors, Rosseti South PJSC**

Rostov-on-Don

04.11.2020 №404/2020

**Meeting format:** in absentia (by poll)

**Members of the Board of Directors who took part in absentee voting:** Grebtsov P.V., Guryanov D.L., Zarkhin V.Yu., Kapitonov V.A., Kolyada A.S., Korotkova M.V., Mikhailik K.A., Perets A.Yu., Romankov A.O., Selivanova L.V., Ebzeev B.B.

**The polling forms were not provided and did not take part in the voting:** none.

**A quorum is present.**

**Date of the minutes:** 05.11.2020.

**AGENDA**

1. *On implementation of paragraph 3 of the Resolution of the Board of Directors of Rosseti South PJSC on item 1 "On the consideration of the report on the implementation of the business plan of Rosseti South PJSC for the 1st quarter of 2020" (Minutes of August 14, 2020 No. 391/2020).*
2. *On determination of position of Rosseti South PJSC (Representatives of Rosseti South PJSC) on agenda of the Meeting of the Board of Directors of VMES JSC "On consideration of the Credit Policy Report of VMES JSC for the 1st quarter of 2020".*
3. *On determination of the position of Rosseti South PJSC on the agenda of the meeting of the Board of Directors of VMES JSC "On approval of the report on the implementation of key performance indicators (KPIs) of the General Director of VMES JSC for 2019".*
4. *On consideration of the RAS-based summary and IFRS-based consolidated business plans of Rosseti South PJSC for the first half of 2020.*

**Item No.1: On implementation of paragraph 3 of the Resolution of the Board of Directors of Rosseti South PJSC on item 1 "On the consideration of the report on the implementation of the business plan of Rosseti South PJSC for the 1st quarter of 2020" (Minutes of August 14, 2020 No. 391/2020).**

**RESOLUTION:**

Take in consideration the measures taken by Rosseti South PJSC to ensure that the planned level of payment for the provided electric power transmission services is achieved in the 1st quarter of 2020 in accordance with Annex 1 to this Resolution of the Company's Board of Directors.

**Result of the vote:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Grebtsov P.V. | **-** | **"FOR"** | Mikhailik K.A. | **-** | **"FOR"** |
| Guryanov D.L. | **-** | **"FOR"** | Romankov A.O. | **-** | **"FOR"** |
| Zarkhin V.Yu. | **-** | **"ABSTAINED"** | Selivanova L.V. | **-** | **"FOR"** |
| Kapitonov V.A. | **-** | **"FOR"** | Ebzeev B.B. | **-** | **"FOR"** |
| Kolyada A.S. | **-** | **"FOR"** | Perets A.Yu. | **-** | **"FOR"** |
| Korotkova M.V. | **-** | **"FOR"** |  |  |  |

**The resolution was carried.**

**Item No.2: On determination of position of Rosseti South PJSC (Representatives of Rosseti South PJSC) on agenda of the Meeting of the Board of Directors of VMES JSC "On consideration of the Credit Policy Report of VMES JSC for the 1st quarter of 2020".**

**RESOLUTION:**

Instruct the representatives of Rosseti South PJSC on agenda of the meeting of the Board of Directors of VMES JSC "On consideration of the Credit Policy Report of VMES JSC for the 1st quarter of 2020" to vote FOR the adoption of the following decision:

"1. Take in consideration the Credit Policy Report of VMES JSC for the 1st quarter of 2020 in accordance with Annex to this Resolution of the Company's Board of Directors.

2. Agree to temporarily exceed the target limit on medium-term liquidity as of March 31, 2020.

3. Note the violation of the requirements of the Credit Policy Regulation approved by the Board of Directors of VMES JSC in terms of the deadlines for submission of the Credit Policy report to the Company's Board of Directors".

 *In accordance with Clause 18.10 of Article 18 of the Company's Charter, a resolution on this item shall made by a two-thirds majority vote of the members of the Board of Directors of the Company participating in the meeting.*

**Result of the vote:**

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| --- | --- | --- | --- | --- | --- |
| Grebtsov P.V. | **-** | **"FOR"** | Mikhailik K.A. | **-** | **"FOR"** |
| Guryanov D.L. | **-** | **"FOR"** | Romankov A.O. | **-** | **"FOR"** |
| Zarkhin V.Yu. | **-** | **"ABSTAINED"** | Selivanova L.V. | **-** | **"FOR"** |
| Kapitonov V.A. | **-** | **"FOR"** | Ebzeev B.B. | **-** | **"FOR"** |
| Kolyada A.S. | **-** | **"FOR"** | Perets A.Yu. | **-** | **"FOR"** |
| Korotkova M.V. | **-** | **"FOR"** |  |  |  |

**The resolution was carried.**

**Item No.3: On determination of the position of Rosseti South PJSC on the agenda of the meeting of the Board of Directors of VMES JSC "On approval of the report on the implementation of key performance indicators (KPIs) of the General Director of VMES JSC for 2019".**

**RESOLUTION:**

Instruct the representatives of Rosseti South PJSC in the Board of Directors of VMES JSC on the agenda of the meeting of the Board of Directors of VMES JSC "On approval of the report on the implementation of key performance indicators (KPI) of the General Director of VMES JSC for 2019" to vote FOR the adoption of the following decision:

"1. Approve the report on implementation of key performance indicators (KPI) of the General Director of VMES JSC for 2019 in accordance with the Annex to this Resolution of the Company's Board of Directors.

2. Note the non-fulfillment of KPI "Implementation of the plan for reduction of receivables", "Implementation of the plan for net profit for the year 2019".

*In accordance with Clause 18.10 of Article 18 of the Company's Charter, a resolution on this item shall made by a two-thirds majority vote of the members of the Board of Directors of the Company participating in the meeting.*

**Result of the vote:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Grebtsov P.V. | **-** | **"FOR"** | Mikhailik K.A. | **-** | **"FOR"** |
| Guryanov D.L. | **-** | **"FOR"** | Romankov A.O. | **-** | **"FOR"** |
| Zarkhin V.Yu. | **-** | **"AGAINST"** | Selivanova L.V. | **-** | **"FOR"** |
| Kapitonov V.A. | **-** | **"FOR"** | Ebzeev B.B. | **-** | **"FOR"** |
| Kolyada A.S. | **-** | **"FOR"** | Perets A.Yu. | **-** | **"FOR"** |
| Korotkova M.V. | **-** | **"FOR"** |  |  |  |

**The resolution was carried.**

**Item No.4: On consideration of the RAS-based summary and IFRS-based consolidated business plans of Rosseti South PJSC for the first half of 2020.**

**RESOLUTION:**

1. Take in consideration the reports on performance of the RAS-based summary and IFRS-based consolidated business plans of Rosseti South PJSC for the first half of 2020 in accordance with Annexes 2, 3 to this Resolution of the Company's Board of Directors.

2. Note, based on the work results for the first half of 2020, the failure to meet the planned indicators in accordance with Annex 4 to this Resolution of the Company's Board of Directors.

**Result of the vote:**

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| --- | --- | --- | --- | --- | --- |
| Grebtsov P.V. | **-** | **"FOR"** | Mikhailik K.A. | **-** | **"FOR"** |
| Guryanov D.L. | **-** | **"FOR"** | Romankov A.O. | **-** | **"FOR"** |
| Zarkhin V.Yu. | **-** | **"ABSTAINED"** | Selivanova L.V. | **-** | **"FOR"** |
| Kapitonov V.A. | **-** | **"FOR"** | Ebzeev B.B. | **-** | **"FOR"** |
| Kolyada A.S. | **-** | **"FOR"** | Perets A.Yu. | **-** | **"FOR"** |
| Korotkova M.V. | **-** | **"FOR"** |  |  |  |

**The resolution was carried.**

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| **Chairman of the Board of Directors** |  | **P.V. Grebtsov** |
| **Corporate Secretary** | **E.N. Pavlova** |