**MINUTES**

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

Rostov-on-Don

May 11, 2021 No. 430/2021

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

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

**The polling forms were not provided and did not take part in the voting:** absent.

**A quorum is present.**

**Date of the minutes:** May 13, 2021

**AGENDA**

*1. On approval of the timed action plan of Rosseti South PJSC for reduction of overdue receivables for power transmission services and settlement of disagreements that occurred as of January 01, 2021*

*2. On consideration of the Internal Audit Report of Rosseti South PJSC on the assessment of the effectiveness of internal control and risk management systems.*

**Item No. 1: On approval of the timed action plan of Rosseti South PJSC for reduction of overdue receivables for power transmission services and settlement of disagreements that occurred as of January 01, 2021**

**RESOLUTION:**

Approve the timed action plan of Rosseti South PJSC for reduction of overdue receivables for power transmission services and settlement of disagreements occurred as of January 01, 2021 in accordance with Annex No. 1 to this Resolution of the Company's Board of Directors.

2. Take in consideration the report on implementation of the timed action plan of
Rosseti South PJSC for reduction of overdue receivables for
power transmission services and settlement of disagreements occurred as of October 01, 2020, approved by the Resolution of the Company's Board of Directors on December 29, 2020 (Minutes dd. December 29, 2020 No. 411/2020), in accordance with Annex 2 to this Resolution of the Board of the Company's Board of Directors.

3. Take into consideration the Activity Report of Rosseti South PJSC for
Q4 2020 in relation to newly formed overdue receivables for power transmission services, in accordance with Annex 3 to this Resolution of the Company's Board of Directors.

4. Take into account the report on the repayment of overdue receivables by Rosseti South PJSC within
12 months of 2020, as of
January 01, 2020, in accordance with Annex 4 to this Resolution of the Company's Board of Directors.

5. Take into account the Report on repayment of overdue receivables by VMES JSC within
12 months of 2020 as of January 01, 2020, in accordance with Annex 5 to this Resolution of the Company's Board of Directors.

6. Instruct the Sole Executive Body of the Company:

6.1. Ensure repayment of 3 803.8 million roubles of overdue receivables in 2021 from the amount as at January 01, 2020, including 661.6 million roubles in Q1 2021, 862.4 million roubles in Q2 2021, 398.6 million roubles in Q3 2021, 1,881.2 million roubles in Q4 2021.

6.2. Ensure quarterly submission within the framework of this issue of information on the progress of execution of the order specified in p. 6.1. of this Resolution (on a cumulative total from the beginning of the year).

7. Instruct the Sole Executive Body of Rosseti South PJSC to ensure, using corporate governance methods, the repayment of VMES JSC in 2021 in the amount of 846.9 million roubles of overdue receivables for power transmission services provision from the value as of January 01, 2020, including 237. 5 million roubles in Q1 2021, 165.5 million roubles in Q2 2021 and 165.5 million roubles in Q3 2021, 278.4 million roubles in Q4 2021 and provision of the information on the progress of the execution of this order within the framework of this issue on quarterly basis, (on a cumulative total from the beginning of the year).

**Result of the vote:**

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

**The resolution was adopted.**

**Item No. 2: On consideration of the Internal Audit Report of Rosseti South PJSC on the assessment of the effectiveness of internal control and risk management systems.**

**RESOLUTION:**

1. Take into consideration the Audit Report dd. March 23, 2021 No. 1040-07 / 2021/3 based on the results of assessing the effectiveness of the internal control system of Rosseti South PJSC for 2020, Audit Report dated dd. March 23, 2021 No. 1040-07/2021/4 to the results of assessing the effectiveness of the risk management system of Rosseti South PJSC for 2020, the Internal Auditor's Opinion of Rosseti South PJSC based on the results of the assessed reliability and efficiency of the internal control system and the risk management system of the Company in accordance with the appendices.

2. Provide a recommendation for to the Company's Sole Executive Body to enter the Internal Auditor's Opinion of Rosseti South PJSC based on the results of the assessed reliability and efficiency of the internal control system and the risk management system, the Company's corporate management, in a list of materials provided to persons entitled to participate in the Annual General Meeting of the Company's Shareholders

**Result of the vote:**

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

**The resolution was adopted.**

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