cid:image001.png@01D51F9F.BAFAFE10**MINUTES**

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

Rostov-on-Don

September 30, 2021 No. 451/2021,

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

**Members of the Board of Directors who participated in the absentee voting**: D.V. Krainsky (Chairman), I.D. Alyushenko, P.V. Grebtsov, V.Yu. Zarkhin, A.I. Kazakov, O.Yu. Klinkov, M.V.Korotkova, M.V.Nikitchanova, E.V.Prokhorov and B.B. Ebzeev.

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

**A quorum is present.**

**Date of the Minutes:** October 01, 2021

**AGENDA**

1. *On approval of the internal document of the Company - the restated Internal Audit Policy of the Company.*
2. *On consideration of the report of the internal audit of Rosseti South PJSC on the evaluation of the effectiveness of corporate governance for the 2020-2021corporate year.*
3. *On determination of the position of Rosseti South PJSC (representatives of Rosseti South PJSC) on ​​the agenda item of the meeting of the Board of Directors of VMES JSC “On authorization of major transaction”.*
4. *On determination of the position of Rosseti South PJSC (representatives of Rosseti South PJSC) on ​​the agenda item of the meeting of the Board of Directors of VMES JSC “On authorization of major transaction”.*

**Item No. 1: On approval of the internal document of the Company - the restated Internal Audit Policy of the Company.**

**RESOLUTION:**

Approve the restated Internal Audit Policy of Rosseti South PJSC in accordance with Annex 1 to this Resolution of the Company's Board of Directors.

**Result of the vote:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| D.V. Krainsky | **-** | **"FOR"** | M.V. Korotkova | **-** | **"FOR"** |
| I. D. Alyushenko | **-** | **"FOR"** | E.V. Nikitchanova | **-** | **"FOR"** |
| P.V. Grebtsov | **-** | **"FOR"** | E.V. Prokhorov | **-** | **"FOR"** |
| V.Yu. Zarkhin | **-** | **"ABSTAINED"** | B.B. Ebzeev | **-** | **"FOR"** |
| A.I. Kazakov | **-** | **"FOR"** |  |  |  |
| O.Yu. Klinkov | **-** | **"FOR"** |  |  |  |

**The resolution was adopted.**

**Item No. 2: On consideration of the report of the internal audit of Rosseti South PJSC on the evaluation of the effectiveness of corporate governance for the 2020-2021 corporate year.**

**RESOLUTION:**

Take in consideration the internal audit report of Rosseti South PJSC on the assessment of the effectiveness of corporate governance for the 2020-2021 corporate year No. 1040-07/2021/9 in accordance with Annex 2 to this Resolution of the Company's Board of Directors.

**Result of the vote:**

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| --- | --- | --- | --- | --- | --- |
| D.V. Krainsky | **-** | **"FOR"** | M.V. Korotkova | **-** | **"FOR"** |
| I. D. Alyushenko | **-** | **"FOR"** | E.V. Nikitchanova | **-** | **"FOR"** |
| P.V. Grebtsov | **-** | **"FOR"** | E.V. Prokhorov | **-** | **"FOR"** |
| V.Yu. Zarkhin | **-** | **"ABSTAINED"** | B.B. Ebzeev | **-** | **"FOR"** |
| A.I. Kazakov | **-** | **"FOR"** |  |  |  |
| O.Yu. Klinkov |  |  |  |  |  |

**The resolution was adopted.**

**Item No. 3: On determination of the position of Rosseti South PJSC (representatives of Rosseti South PJSC) on ​​the agenda item of the meeting of the Board of Directors of VMES JSC “On authorization of major transaction”.**

**RESOLUTION:**

Instruct the representatives of Rosseti South PJSC in the Board of Directors of VMES JSC on the agenda item of the meeting of the Board of Directors of VMES JSC "On authorization of major transaction" to vote FOR the adoption of the following resolution:

"Provide authorization of major transaction - Addendum No. 1 to Dispute Settlement and Debt Restructuring Agreement dated September 15, 2020 between VMES JSC and Volgogradenergosbyt PJSC (hereinafter referred to as the "Addendum") under the following essentials:

The Parties to the Addendum:

VMES JSC (Creditor);

Volgogradenergosbyt PJSC (Debtor)

Scope and Price of the Addendum:

Amendments to the Dispute Settlement and Debt Restructuring Agreement dated September 15, 2020 between VMES JSC and Volgogradenergosbyt PJSC (hereinafter referred to as the "Agreement") shall be made in accordance with Annex 1 hereto.

The Agreement price, subject to the Addendum, shall include the undisputed amount of debt for the power transmission services of the Debtor to the Creditor under the Agreement for electric power transmission services dated November 01, 2013 No. 368, which arose before the date of the conclusion of the Agreement for the period from June 2019 until May 2020 in the total amount of 1 536 234 417 (One billion five hundred thirty-six million two hundred thirty-four thousand four hundred seventeen) roubles 81 kopecks and interest, accrued for the amount of the Debtor's undisputed debt, starting from the date of the Agreement.

The interest rate is set in the amount of the MOSPRIME 3M credit rate effective at the beginning of the accounting period (quarter), increased by 3,52 percentage points.

The Agreement price shall not amount to 50 percent or more of the book value of the assets of VMES JSC according to its financial statements as of the last reporting date.

Duration of the Addendum:

The Addendum shall come into force from the date of its signing and shall be an integral part of the Dispute Settlement and Debt Restructuring Agreement dd. September 15, 2020. The terms and conditions of the Addendum shall be applied to the relations between the Parties arising from July 01, 2021".

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

**Result of the vote:**

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| --- | --- | --- | --- | --- | --- |
| D.V. Krainsky | **-** | **"FOR"** | M.V. Korotkova | **-** | **"FOR"** |
| I. D. Alyushenko | **-** | **"FOR"** | E.V. Nikitchanova | **-** | **"FOR"** |
| P.V. Grebtsov | **-** | **"FOR"** | E.V. Prokhorov | **-** | **"FOR"** |
| V.Yu. Zarkhin | **-** | **"ABSTAINED"** | B.B. Ebzeev | **-** | **"FOR"** |
| A.I. Kazakov | **-** | **"FOR"** |  |  |  |
| O.Yu. Klinkov | **-** | **"FOR"** |  |  |  |

**The resolution was adopted.**

**Item No. 4: On determination of the position of Rosseti South PJSC (representatives of Rosseti South PJSC) on ​​the agenda item of the meeting of the Board of Directors of VMES JSC “On authorization of major transaction”.**

**RESOLUTION:**

Instruct the representatives of Rosseti South PJSC in the Board of Directors of VMES JSC on the agenda item of the meeting of the Board of Directors of VMES JSC "On authorization of major transaction" to vote FOR the adoption of the following resolution:

"Provide authorization of major transaction - an Addendum No. 1 to Debt Restructuring Agreement dated February 25, 2021 between Rosseti South PJSC and VMES JSC (hereinafter referred to as the "Addendum"), on the following essentials:

The Parties to the Addendum:

Rosseti South PJSC (Creditor);

VMES JSC - (Debtor);

Scope and Price of the Addendum:

Amendments to the Dept Restructuring Agreement dated February 25, 2021 between Rosseti South PJSC and VMES JSC (hereinafter referred to as the Agreement) in accordance with Appendix 1 hereto.

The Agreement price, subject to the Addendum shall include the undisputed amount of debt for the power transmission services of the Debtor to the Creditor under the Agreement for electric power transmission services dated December 29, 2008 No. 3470080501, which arose before the date of the Agreement conclusion for the period from January 2020 to July 2020 in the total amount of 1 486 098 607 (One billion four hundred eighty-six million ninety eight thousand six hundred and seven) roubles 95 kopecks and interest accrued on the amount of the Debtor's undisputed debt, starting from the date of the Agreement.

The interest rate is set in the amount of the MOSPRIME 3M credit rate effective at the beginning of the accounting period (quarter), increased by 2,30 percentage points.

The Agreement price shall not amount to 50 percent or more of the book value of the assets of VMES JSC according to its financial statements as of the last reporting date.

Duration of the Addendum:

The Addendum shall come into force from the date of its signing and shall be an integral part of the Debt Restructuring Agreement dated February 25, 2021. The terms and conditions of the Addendum shall be applied to the relations between the Parties arising from July 01, 2021".

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

**Result of the vote:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| D.V. Krainsky | **-** | **"FOR"** | M.V. Korotkova | **-** | **"FOR"** |
| I. D. Alyushenko | **-** | **"FOR"** | E.V. Nikitchanova | **-** | **"FOR"** |
| P.V. Grebtsov | **-** | **"FOR"** | E.V. Prokhorov | **-** | **"FOR"** |
| V.Yu. Zarkhin | **-** | **"ABSTAINED"** | B.B. Ebzeev | **-** | **"FOR"** |
| A.I. Kazakov | **-** | **"FOR"** |  |  |  |
| O.Yu. Klinkov | **-** | **"FOR"** |  |  |  |

**The resolution was adopted.**

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| **Chairman of the Board of Directors** |  | **D.V. Daniil Vladimirovich** |
| **Corporate Secretary** | **E.N. Pavlova** |