

APPROVED  
by the decision of the Annual General  
Meeting of Shareholders of JSC ROSSETI  
June 30, 2015

REGULATIONS  
for Remuneration and Compensation  
for Members of the Board of Directors  
of PJSC ROSSETI

(restated version)

Moscow  
2015

These Regulations are formulated in accordance with the Federal Law "On Joint-Stock Companies" and define the amounts and payment procedure of remuneration and compensation for members of the Board of Directors of PJSC ROSSETI (hereinafter, the "Company").

1. Remuneration and compensation shall be paid by the Company in cash.
2. These Regulations shall not apply to any members of the Board of Directors of the Company who are simultaneously members of the Company's collegial executive body or the Company's sole executive body (Director General).
3. No remuneration shall be accrued or paid to the Chairman or members of the Board of Directors of the Company who are persons falling within the purview of such restriction or ban on the receipt of any payments from business entities as imposed by federal law.
4. Payment of remuneration.

4.1. Remuneration shall be paid to members of the Board of Directors of the Company for their work for the period from their election to the Board of Directors of the Company until the election of new members of the Board of Directors of the Company.

Remuneration shall be paid to members of the Board of Directors of the Company as a lump sum in Russian rubles.

4.2. Each member of the Board of Directors of the Company shall be paid remuneration in the amount calculated by the following formula taking account of the total number of meetings of the Board of Directors of the Company in the previous corporate year and taking account of the number of meetings in which such member of the Board of Directors takes part:

$$S(1) = R_{base} \times 100/130 \left( \frac{n}{m} \right), \text{ where}$$

S(1) is the amount of remuneration payable for serving on the Board of Directors of the Company;

R<sub>base</sub> is the remuneration base amount determined in accordance with the procedure set forth in paragraph 4.3 of these Regulations;

n is the number of meetings of the Board of Directors (irrespective of the form of such meetings) in which the member of the Board of Directors takes part within the period between the Annual General Meetings of Shareholders;

m is the total number of meetings of the Board of Directors (irrespective of the form of such meetings) within the period between the Annual General Meetings of Shareholders.

4.3. The remuneration base amount (R<sub>base</sub>) shall be based on the revenues calculated in accordance with Russian Accounting Standards and received by the Company in the financial year and is as follows:

Revenues	R <sub>base</sub>
above 200 billion rubles	1,000,000 rubles
above 30 billion rubles	900,000 rubles
above 10 billion rubles	800,000 rubles
above 1 billion rubles	700,000 rubles
above 600 million rubles	600,000 rubles
below 600 million rubles	on a case-by-case basis

4.4. The remuneration specified in paragraph 4.2 of these Regulations shall be paid from net profit within 60 days after the Annual General Meeting of Shareholders of the Company that decides to pay remuneration to members of the Board of Directors of the Company.

4.5. On top of the remuneration specified in paragraph 4.2 of these Regulations, the following premiums shall apply:

4.5.1 - 30% of S(1) payable to the Chairman of the Board of Directors of the Company;

4.5.2 - 20% of S(1) payable to the chairman of a specialized committee of the Board of Directors of the Company;

4.5.3 - 10% of S(1) payable to a member of a specialized committee of the Board of Directors of the Company.

No premium for holding office as chairman and/or a member of a specialized committee shall be paid if such committee of the Board of Directors holds less than three meetings in the corporate year.

4.6. The total amount of the remuneration specified in paragraph 4.2 of these Regulations, including the premiums specified in paragraph 4.5 of these Regulations, may not be in excess of Rbase.

4.7. No remuneration shall be paid to any member of the Board of Directors of the Company if such member fails to participate in more than 50% of the meetings held (from the election of such member until the termination of such member's powers).

4.8. Any member of the Board of Directors of the Company may decline to receive the remuneration provided for in these Regulations, in full or in part, by notice thereof to the sole executive body (Director General) of the Company.

#### 5. Payment of compensation.

5.1. Any member of the Board of Directors shall be compensated for expenses in connection with participation in a meeting of the Board of Directors in accordance with the rates applied by the Company to reimbursement for travel expenses at the time of such meeting.

5.2. Compensation shall be paid by the Company within three business days after the submission of documents supporting expenses incurred.