

APPROVED

by the decision of the Board of Directors  
of JSC Russian Grids

of October 21, 2013

(Minutes No. 137 of October 21, 2013)

## **REGULATIONS**

**for the Investment, Technical Policy, Reliability,**

**Energy Efficiency, and Innovation Committee**

**of the Board of Directors of JSC Russian Grids**

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## **Principal Terms, Definitions, and Abbreviations**

Company Regulations	JSC Russian Grids Regulations for the Investment, Technical Policy, Reliability, Energy Efficiency, and Innovation Committee of the Board of Directors of JSC Russian Grids
Committee	Investment, Technical Policy, Reliability, Energy Efficiency, and Innovation Committee of the Board of Directors of JSC Russian Grids
Chairman of the Committee	Chairman of the Investment, Technical Policy, Reliability, Energy Efficiency, and Innovation Committee of the Board of Directors of JSC Russian Grids
Deputy Chairman of the Committee	Deputy Chairman of the Investment, Technical Policy, Reliability, Energy Efficiency, and Innovation Committee of the Board of Directors of JSC Russian Grids
Secretary of the Committee	Secretary of the Investment, Technical Policy, Reliability, Energy Efficiency, and Innovation Committee of the Board of Directors of JSC Russian Grids
Member of the Committee	Member of the Investment, Technical Policy, Reliability, Energy Efficiency, and Innovation Committee of the Board of Directors of JSC Russian Grids
SDCs	Subsidiaries and dependent companies of JSC Russian Grids

### **1. General**

1.1. The Committee is an advisory and deliberative body and shall be established pursuant to the decision adopted by the Board of Directors of the Company, and its activities shall be governed by the applicable laws, the Articles of Association of the Company, the Regulations for the Convening and Holding Procedure for Meetings of the Board of Directors of the Company, these Regulations, and other internal documents of the Company.

1.2. These Regulations shall be the principal document setting out the legal status, goal and principal objectives, rights and duties of the Committee.

### **2. Goal and Principal Objectives of the Committee**

2.1. The goal of the Committee shall be to assist the Board of Directors of the Company in performing its functions related to ensuring the implementation of the investment and technical policies, reliability assurance, energy efficiency, and innovative development of the Company.

2.2. The principal objectives of the Committee shall be as follows:

2.2.1. Analyze proposals and formulate recommendations for the Company's Board of Directors with respect to the implementation of the investment and technical policies, reliability assurance, energy efficiency, and innovative development of the Company (in accordance with Section 3).

2.2.2. Monitor the implementation of:

- the consolidated investment program of the Company;
- the Annual Comprehensive Procurement Program of the Company's SDCs with respect to large investees;
- the Consolidated Innovative Development Program of the Company;
- the Consolidated Energy Conservation and Energy Efficiency Enhancement Program of the Company;
- the Regulations for the Uniform Technical Policy of the Company in the Distribution Grid Sector.

2.2.3. Analyze proposals and formulate recommendations for the Company's Board of Directors with respect to the preparation of and amendments to internal corporate documents (standards, codes, regulations, procedures, forms) in relation to the investment and technical activities, reliability assurance, energy efficiency, and innovative development of the Company.

2.2.4. Analyze applicable regulatory documents and formulate recommendations for the Company's Board of Directors with respect to the implementation of the investment and technical policies, reliability assurance, energy efficiency, and innovative development of the Company.

### **3. Competence of the Committee**

3.1. The Committee shall be authorized to preliminarily review, analyze, and formulate recommendations (opinions) regarding the following issues falling within the competence of the Company's Board of Directors under the Company's Articles of Association:

3.1.1. Prioritize the Company's business lines as related to the implementation of the investment and technical policies, reliability assurance, energy efficiency, and innovative development of the Company.

3.1.2. Review:

- the consolidated investment program of the Company;
- reports on the implementation of the Annual Comprehensive Procurement Program of the Company's SDCs with respect to large investees;
- the Consolidated Innovative Development Program of the Company;
- the Consolidated Energy Conservation and Energy Efficiency Enhancement Program of the Company;
- the Regulations for the Uniform Technical Policy of the Company in the Distribution Grid Sector.

3.1.3. Approve the list of and the calculation method for the key performance indicators for the Director General of the Company as related to investment, technical, energy efficiency, energy conservation, and innovative development indicators.

3.2. If so decided by the Chairman of the Committee, the Committee may address other issues falling within the competence of the Company's Board of Directors as related to the implementation of the investment and technical policies, reliability assurance, energy efficiency, and innovative development of the Company.

3.3. The decisions of the Committee with respect to the above-mentioned issues shall be advisory to the Board of Directors of the Company.

## **4. Functions of the Committee**

The Committee shall perform the following functions:

4.1. Review (prior to submitting for consideration by the Board of Directors of the Company) issues falling within the competence of the Committee and prepare recommendations for the Board of Directors of the Company in relation therewith based on the results of the review of such issues.

4.2. Monitor the planning and implementation of:

- the consolidated investment program of the Company;
- the Consolidated Innovative Development Program of the Company;
- the Consolidated Energy Conservation and Energy Efficiency Enhancement Program of the Company;
- the requirements set forth in the Regulations for the Uniform Technical Policy of the Company in the Distribution Grid Sector.

4.3. Review adjustments to:

- the consolidated investment program of the Company;
- the Consolidated Innovative Development Program of the Company;
- the Consolidated Energy Conservation and Energy Efficiency Enhancement Program of the Company;
- the Regulations for the Uniform Technical Policy of the Company in the Distribution Grid Sector.

4.4. Arrange and hold seminars on issues related to ensuring the implementation of the investment and technical policies, reliability assurance, energy efficiency, and innovative development of the Company.

4.5. Organize the work of and approve members of the Committee's working groups (including working groups on the preparation of regulatory documents (regulations, standards)) and discuss specific issues related to the implementation of the investment and technical policies, reliability assurance, energy efficiency, and innovative development of the Company.

## **5. Number of Members and Composition of the Committee**

5.1. The Committee shall be composed of at most 19 members, including:

- representatives of the government, minority shareholders represented by members of the Board of Directors of the Company, not more than 15 members;
- representatives of the Company's management, not more than 4 members.

5.2. Only individuals may be members of the Committee. A person that is not a member of the Board of Directors of the Company may be a member of the Committee.

5.3. Each member of the Committee shall be approved by the Board of Directors of the Company and elected from among the nominees proposed by members of the Company's Board of Directors. Members of the Committee may be elected to the Committee without limitation on the number of terms they may serve.

5.4. The Committee shall be chaired by its Chairman approved in his/her position by a decision of the Company's Board of Directors.

5.5. The Chairman of the Committee shall organize its work, convene, and preside at meetings of the Committee.

5.6. In the absence of the Chairman of the Committee, his/her functions shall be performed by the Deputy Chairman to be approved in his/her position by a decision of the Company's Board of Directors.

5.7. The term of office of members of the Committee shall continue until the election of the next membership of the Committee. The powers of any or all members of the Committee may be terminated earlier pursuant to a decision of the Company's Board of Directors or pursuant to a decision of the Chairman of the Committee in accordance with paragraph 9.9.

5.8. The Secretary of the Committee shall be appointed to provide organizational, information, and document support for the activities of the Committee both in connection with preparations for and the holding of the Committee's meetings and between its meetings. The Secretary of the Committee shall not be a member of the Committee and shall act in accordance with these Regulations.

## **6. Rights and Duties of the Committee**

6.1. The Committee shall have the following rights related to its functions:

6.1.1. Conduct inquiries into the issues in accordance with Section 3 of these Regulations.

6.1.2. Receive information and documents from officers of the Company and receive information and documents from SDCs through a body or a person authorized to represent the Company in SDCs as a shareholder.

6.1.3. Request information and documents related to its operation from third-party organizations through executive bodies of the Company.

6.1.4. Where necessary, invite members of the Board of Directors of the Company, members of executive bodies of the Company, the heads of business units of the Company, and other persons to attend the Committee's meetings.

6.1.5. Engage third-party organizations to provide professional services or engage (on a contractual basis) individuals to act as experts (advisers) with special knowledge in connection with issues falling within the competence of the Committee. The Committee may engage the Company's employees to act as experts (advisers). Through the First Deputy Director General for Technical Policy, the Committee may engage the chief engineers of the Company's SDCs and the Company's Scientific and Technical Council on a permanent basis to make an analysis and formulate recommendations for issues considered by the Committee.

6.2. The Committee shall have the following duties related to its functions:

6.2.1. Perform in good faith its functions and operate in accordance with these Regulations, the requirements set forth in the laws of the Russian Federation, the Articles of Association, and internal documents of the Company.

6.2.2. Provide the Company's Board of Directors with economically effective and legally feasible recommendations (opinions) on issues falling within the competence of the Committee.

6.2.3. Promptly inform the Company's Board of Directors of any risks run by the Company.

6.2.4. Meet the confidentiality requirements and not to disclose any information on the Company that constitutes its commercial secrets and/or proprietary information.

## **7. Meetings of the Committee**

### ***Action plan of the Committee***

7.1. Meetings of the Committee shall be convened by the Chairman of the Committee in accordance with the action plan approved by the Committee at its meeting (regular meetings) or otherwise as provided for in these Regulations (extraordinary meetings).

7.2. The Committee's action plan shall be prepared by the Chairman of the Committee subject to the approved Action Plan of the Company's Board of Directors and proposals of the Chairman of the Board of Directors of the Company, members of the Committee, and decisions of the Company's Board of Directors.

7.3. The Committee's action plan shall be approved by the Committee at its meeting following the meeting of the Board of Directors of the Company at which the Action Plan of the Company's Board of Directors is approved.

7.4. When convening a meeting of the Committee, the Chairman of the Committee shall determine the time, date, place, and form of the meeting, agenda, and the list of persons invited to attend an in-person meeting of the Committee.

7.5. Agendas of regular meetings shall be prepared by the Chairman of the Committee in accordance with the approved Action Plan of the Committee, proposals of members of the Committee, decisions of the Company's Board of Directors, and proposals of the Chairman of the Board of Directors of the Company.

7.6. The Chairman of the Committee shall have the right to include received proposals on the agenda of a regular meeting or convene an extraordinary meeting of the Committee.

7.7. The Chairman of the Committee shall have the right to include issues contained in a request to convene an extraordinary meeting of the Committee on the agenda of the nearest regular meeting of the Committee.

### ***Meetings of the Committee***

7.8. Notice of the meeting of the Committee shall specify the agenda, form, time, date, and place of the meeting (the deadline time and date for receipt of ballots to vote on the agenda items of the meeting). Notice of the meeting shall be prepared by the Secretary of the Committee and signed by the Chairman of the Committee or the Deputy Chairman of the Committee (where provided for in these Regulations).

7.9. Notice of the meeting shall be sent to the members of the Committee and persons invited to attend an in-person meeting of the Committee at least four (4) business days prior to the date of the Committee's meeting (the deadline date for receipt of ballots in the case of an absentee meeting). The materials and information related to the items on the agenda shall be sent to the members of the Committee and persons invited to attend an in-person meeting of the Committee at least two (2) business days prior to the date of the meeting (the deadline date for receipt of ballots in the case of an absentee meeting).

7.10. It is mandatory that the materials related to the items on the agenda of the Committee include the draft decisions on such issues. The Chairman of the Committee shall organize the formulation (preparation) of the draft decisions except where the Committee addresses any issues at the request of the persons specified in paragraph 7.16 of these Regulations.

7.11. Persons invited to attend an in-person meeting of the Committee shall be provided with the materials related to the agenda items of the Committee's meeting in whose discussion they are expected to participate.

7.12. Notice of the Committee's meeting and the materials (information) related to the agenda items may be provided (sent) to members of the Committee and persons invited to attend an in-person meeting of the Committee by personal delivery, by facsimile transmission, or by electronic mail.

7.13. If any issues put to a vote at an extraordinary meeting of the Committee are urgent, then the convocation of such extraordinary meeting and the sending of the materials related to the agenda items of such meeting may be accelerated pursuant to the relevant decision of the Chairman of the Committee.

7.14. Any in-person meeting of the Committee may, with the consent of all attending members of the Committee, address the issues that are not included on the agenda of such meeting.

7.15. Upon receipt from the Secretary of the Company's Board of Directors of any notice of the meeting of the Company's Board of Directors whose agenda contains issues falling within the competence of the Committee under these Regulations, the Chairman of the Committee shall use his/her best efforts to ensure that the Committee's meetings are promptly held to formulate recommendations (decisions) regarding such agenda items of the meeting of the Company's Board of Directors and send them to the Board of Directors of the Company.

### ***Extraordinary meetings of the Committee***

7.16. Extraordinary meetings of the Committee shall be held:

- in accordance with the notice received from the Secretary of the Company's the Board of Directors of the meeting of the Company's the Board of Directors whose agenda includes any issue(s) falling within the competence of the Committee under these Regulations;
- at the discretion of the Chairman of the Committee;
- as decided by the Company's Board of Directors or the Committee;
- as requested by a member of the Committee.

7.17. Any request made by a member of the Committee to convene a meeting of the Committee shall be sent to the Chairman of the Committee in writing and shall include the wording of the issue, the rationale for addressing the issue at the meeting, the draft decision of the Committee, and accompanying materials and information.

7.18. Any request to convene a meeting of the Committee shall be signed by the requesting person, with a copy of such request with all accompanying documents to be sent to the Secretary of the Committee.

7.19. Within one (1) business day after receipt of a request to convene an extraordinary meeting, the Chairman of the Committee shall decide either to convene an extraordinary meeting of the Committee, determine the time, date, and place of the meeting of the Committee (the deadline time and date for receipt of ballots in the case of voting in absentia), or to refuse to convene an extraordinary meeting of the Committee. The decision to refuse to convene an extraordinary meeting of the Committee, specifying the reasons therefor, shall be sent to the person or body of the Company that requests such meeting not later than the day immediately following the date when the Chairman of the Committee decides to refuse to convene the meeting.



7.20. The Chairman of the Committee may decide to refuse to convene an extraordinary meeting of the Committee if:

- any issue(s) proposed for inclusion on the agenda of the meeting of the Committee fail to fall within the competence of the Committee under these Regulations;
- any agenda item contained in the request to convene an extraordinary meeting of the Committee has already been included on the agenda of the nearest meeting to be convened pursuant to a decision made by the Chairman of the Committee before the receipt of such request;
- the method, procedure, and deadline for making a request to convene a meeting as set out in paragraphs 7.17–7.18 hereof are not satisfied.

## **8. Procedure for Holding the Committee’s Meetings**

8.1. Meetings of the Committee may be held in person (in-person meetings), in the form of voting in absentia on items of the agenda (absentee meetings), or in the form of voting in person/absentia.

### ***In-person meeting of the Committee***

8.2. Any in-person meeting of the Committee shall be declared open by the Presiding Officer of the meeting, the Chairman of the Committee or, in his/her absence, the Deputy Chairman of the Committee.

8.2.1. The in-person meeting of the Committee shall be attended by members of the Committee and invitees.

8.2.2. The Secretary of the Committee shall determine whether the in-person meeting of the Committee has a quorum.

8.2.3. The Presiding Officer of the in-person meeting shall inform the persons present at the meeting whether the meeting of the Committee has a quorum and announces the agenda of the meeting.

8.2.4. If the meeting fails to have a quorum, it is declared legally unqualified. In such event, the Presiding Officer of the meeting shall make one of the following decisions:

- through consultation with the members of the Board of Directors who are present at the meeting, determine the time until which the meeting shall be postponed;
- set the date for a new meeting with the same agenda;
- include the items on the agenda of the Committee’s meeting that fails to take place on the agenda of the Committee’s next scheduled meeting.

8.2.5. The in-person meeting of the Committee is legally qualified (has a quorum) if attended by at least half of its elected members.

8.2.6. For the purposes of tallying the votes with respect to any item on the agenda of the in-person meeting of the Committee, written opinions of the members of the Committee who are not present at the meeting shall be taken into account, provided that such opinions are in the form and received in accordance with the procedure set forth in these Regulations.

8.2.7. Written opinions of the members of the Committee who are not present at the in-person meeting of the Committee shall be only in the form of completed ballots for voting on the agenda items.

8.2.8. On the day immediately following the in-person meeting of the Committee, the Secretary of the Committee shall draw up a ballot based on the results of discussion of the agenda items and on the results of voting by the members of the Committee who are present at such meeting, to be signed by the Chairman of the Committee, and shall send its original or send it by electronic mail or by facsimile transmission to the members of the Committee who are not present at such meeting.

8.2.9. When completing a ballot, the voting member of the Committee shall leave uncrossed only one of the available voting variants (“for,” “against,” or “abstained”) for each issue put to a vote. Completed ballots shall be signed by the voting members of the Committee, specifying their respective initials and family names.

8.2.10. Completed and signed ballots shall be made by the voting members of the Committee available to the Secretary of the Committee not later than two days after the meeting of the Committee in the original, or by electronic mail or facsimile transmission followed by delivery of the original ballots to the address specified in the ballots.

8.2.11. Any unsigned ballot or any ballot received after the deadline specified in subparagraph 8.2.10 of these Regulations shall be deemed invalid and shall not be taken into account for the purposes of counting the votes and registering the voting results.

8.2.12. The results of voting on the items on the agenda of the in-person meeting shall be registered (the votes shall be tallied) based on the votes cast by the members of the Committee who are present at the in-person meeting and based on the ballots completed and signed by members of the Board of Directors and received by the Secretary of the Company within the prescribed period. The votes shall be tallied after the deadline for receipt of ballots.

### ***Absentee meeting of the Committee***

8.3. The decision to hold any meeting of the Committee in absentia shall be made by the Chairman of the Committee.

8.3.1. For the absentee meeting of the Committee to be held, ballots shall be sent to members of the Committee to vote on the agenda items along with the materials (information) related to the items on the agenda of such absentee meeting of the Committee.

8.3.2. When completing a ballot, the voting member of the Committee shall leave uncrossed only one of the available voting variants (“for,” “against,” or “abstained”) for each issue put to a vote. Completed ballots shall be signed by the voting members of the Committee, specifying their respective initials and family names.

8.3.3. Completed and signed ballots shall be made by the voting members of the Committee available to the Secretary of the Committee by such deadline time and date for receipt of ballots as specified in the ballots in the original, or by facsimile transmission followed by delivery of the original ballots to the address specified in the ballots.

8.3.4. Any unsigned ballot or any ballot received after the deadline specified in subparagraph 8.3.3 of these Regulations shall be deemed invalid, shall not be taken into account for the purposes of determining whether the absentee meeting has a quorum, and shall not be taken into account for the purposes of counting the votes and registering the voting results.

8.3.5. The absentee meeting of the Committee is legally qualified (has a quorum) if attended by at least half of its elected members.

8.3.6. The absentee meeting shall be deemed to be attended by the members of the Committee whose ballots are received by the Secretary of the Committee by the deadline time and date for receipt of ballots.

#### ***In-person/absentee meeting of the Committee***

8.4. The decision to hold any meeting of the Committee in person/absentia shall be made by the Chairman of the Committee.

8.5. In the case of the in-person/absentee meeting of the Committee, the attending members of the Committee cast open votes, and the members of the Committee who are not present at the meeting of the Committee are provided with ballots to vote on the agenda items of the meeting.

8.6. When completing a ballot for the in-person/absentee meeting, the voting member of the Committee who is not present at the meeting shall leave uncrossed only one of the available voting variants (“for,” “against,” or “abstained”) for each issue put to a vote. Completed ballots shall be signed by the voting members of the Committee, specifying their respective initials and family names.

8.7. Completed and signed ballots shall be made by the voting members of the Committee who are not present at the meeting available to the Secretary of the Committee by such deadline time and date for receipt of ballots as specified in the ballots in the original, or by facsimile transmission followed by delivery of the original ballots to the address specified in the ballots.

8.8. Any unsigned ballot or any ballot received after the deadline specified in subparagraph 8.7 of these Regulations shall be deemed invalid, shall not be taken into account for the purposes of determining whether the in-person/absentee meeting has a quorum, and shall not be taken into account for the purposes of counting the votes and registering the voting results.

8.9. The in-person/absentee meeting of the Committee is legally qualified (has a quorum) if attended by at least half of its elected members.

8.10. The in-person/absentee meeting shall be deemed to be attended by the members of the Committee whose ballots are received by the Secretary of the Committee by the deadline time and date for receipt of ballots.

#### ***Formalization of decisions adopted by the meeting of the Committee***

8.11. Any decisions of the meeting of the Committee shall be adopted by a majority of votes of the attending members of the Committee. For the purposes of deciding on any issue at the meeting, each member of the Committee shall have one vote. In the event of any equality of votes, the Chairman of the Committee shall have a casting vote. No member of the Committee may appoint any other member of the Committee or any other person to vote on his/her behalf.

8.12. The Secretary of the Committee shall, within three business days after the meeting of the Committee, draw up the minutes of the meeting.

8.13. The minutes of the meeting shall be signed by the Presiding Officer of the meeting and the Secretary of the Committee. The minutes of the meeting shall be made in two original copies, one copy accompanied by the materials and recommendations prepared therefor to be sent by the Secretary of the Committee within one business day after its signature to the Board of Directors of the Company, and one copy to be archived by the Committee. All members of the Committee shall be provided with copies of the minutes of the meeting and the materials and recommendations prepared therefor.

8.14. The Presiding Officer of the meeting and the Secretary of the Committee shall be responsible for the accuracy of the minutes of the meeting. The responsibility for storing the minutes of the meeting, ballots, materials, and recommendations of the Committee shall rest with the Secretary of the Committee.

8.15. The minutes of the meeting of the Committee shall specify:

- the form of the meeting;
- the time, date, and place of the meeting (the deadline time and date for receipt of ballots);
- the list of the members of the Committee who discussed the agenda items, stating the form of voting (in person or by ballot), and the list of other persons who attended the in-person meeting;
- the agenda;
- the proposals put forward by members of the Committee with respect to the agenda items;
- the issues put to a vote and the related voting results, stating how each member of the Committee voted;
- the adopted decisions.

8.16. If so wished by any member of the Committee, his/her brief opinion on issues on the agenda of the meeting of the Committee may be attached as an appendix to the minutes of the meeting. Such opinion shall be prepared by the member of the Committee and delivered to the Secretary of the Committee.

## **9. Support for the Committee's Activities**

9.1. The budget of the Committee shall be approved by the Board of Directors of the Company at the suggestion of the Chairman of the Committee. Prior to approval, the budget of the Committee shall be agreed upon by the Director General of the Company with respect to whether the proposed budget can be financed in the planned amount as part of the Company's economic activities in the relevant planning period.

9.2. The Chairman of the Committee shall be duly authorized to spend the allocated money in accordance with the approved budget.

9.3. The Chairman of the Committee, the Deputy Chairman of the Committee, and members of the Committee may, if so decided by the Committee, take part in international conferences and seminars, including meetings on issues falling within the competence of the Committee with the investor community, audit firms, and consulting companies both within and outside the Russian Federation.

9.4. For participation in a meeting, irrespective of the form of a meeting, the Chairman of the Committee shall be paid remuneration in the amount equal to three minimum monthly wage rates for a first-category worker as set forth in the Sectoral Wage Rate Agreement in the electricity sector of the Russian Federation as of the date of such meeting of the Committee, adjusted for the indexation provided for in the Agreement.

9.5. The Deputy Chairman of the Committee, members of the Committee, and the Secretary of the Committee shall be paid remuneration in the amount calculated as follows:

- the remuneration payable to the Deputy Chairman of the Committee and each member of the Committee for participation in a meeting, irrespective of the form of a meeting, shall be equal to 0.8 of the remuneration payable to the Chairman of the Committee;

- the remuneration payable to the Secretary of the Committee for participation in a meeting, irrespective of the form of a meeting, shall be equal to 0.5 of the remuneration payable to the Chairman of the Committee.

If the Secretary of the Committee is the Company's employee whose functions are solely the exercise and performance of the rights and duties of the Secretary of the Committee, then the remuneration payable to the Secretary of the Committee under these Regulations shall not be paid.

9.6. Remuneration shall be paid to the Chairman of the Committee, the Deputy Chairman of the Committee, the members of the Committee, and the Secretary of the Committee within two weeks after the meeting of the Committee.

9.7. In the event that any member of the Board of Directors of the Company simultaneously holds office of a member of the Committee (the Chairman of the Committee or the Deputy Chairman of the Committee), such member of the Committee shall be paid remuneration for participation in the work of the Committee in accordance with the Regulations for Remuneration and Compensation for Members of the Board of Directors of JSC Russian Grids approved by the General Meeting of Shareholders of the Company.

9.8. The Chairman of the Committee, the Deputy Chairman of the Committee, the members of the Committee, and the Secretary of the Committee shall be reimbursed for expenses connected with participation in a meeting of the Committee at the reimbursement rates applied by the Company to business travel expenses.

9.9. In the event that any member of the Committee fails to participate in three (3) consecutive meetings, the Chairman of the Committee shall be entitled to dismiss such member from the Committee, simultaneously notifying thereof the member of the Company's Board of Directors that nominated such member of the Committee for election to the Investment, Technical Policy, Reliability, Energy Efficiency, and Innovation Committee of the Board of Directors of the Company.

## **10. Confidentiality**

10.1. Within their term of office and for a period of one year after their term of office with the Committee expires, the current (former) members of the Committee, the Secretary of the Committee, and any third parties involved in the activities of the Committee shall be obliged to meet the confidentiality requirements in relation to any non-public information received in connection with their work on the Committee. The definition of non-public information related to the activities of the Company and its scope shall be determined by the decision of the authorized management body of the Company.

10.2. Members of the Committee, the Secretary of the Committee, and any third parties involved in the work of the Committee shall be entitled to receive the above-mentioned information, provided that they enter into an agreement with the Company to use the above-mentioned information.

10.3. Any documents related to the activities of the Committee shall be stored at the Company's office in accordance with the document storage procedure approved by the Company. The Secretary of the Committee shall be responsible for storing the above-mentioned documents.

## **11. Performance Reports**

11.1. The Chairman of the Committee shall submit to the Board of Directors of the Company the Committee's performance reports on an annual basis.

11.2. The Chairman of the Committee may submit to the Board of Directors of the Company separate reports on inquiries into the issues falling within the competence of the Committee.

## **12. Final Provisions**

12.1. The Board of Directors of the Company may at any time request that the Committee submit a report on its day-to-day activities. The deadline for preparing and submitting such report shall be determined by the decision adopted by the Board of Directors of the Company.

12.2. Information about separate decisions adopted by the Committee shall be posted on the Company's corporate website. The Chairman of the Committee shall determine whether it is necessary to make such information public.

12.3. These Regulations and any amendments and supplements hereto shall be approved by the Board of Directors of the Company.