

Nomination and Remuneration Committee

Message from the Chairman of the Nomination and Remuneration Committee



In 2018, the Nomination and Remuneration Committee fully met its objectives and made recommendations to the Board of Directors on issues concerning nominations and remuneration.

In particular, the Committee conducted an analysis of the professional qualifications and independence of candidates nominated to the Company's Board of Directors and prepared recommendations for the Company's shareholders. As part of an annual self-assessment of the activities of the Board of Directors and its committees, we drafted recommendations for improving the activities of these bodies.

We also considered HR issues concerning the election of members of the Company's Management Board and bonuses for the Corporate Secretary. As is customary, during an in-person meeting at the end of 2018, we considered

issues related to the compliance of the management remuneration system with the principles of the Corporate Governance Code.

The Committee continued to focus on the Training and Development Program for members of the Board of Directors, for which members of the Nomination and Remuneration Committee suggested approaches for its drafting. Selected training seminar (workshop) topics are devoted to the development of additional paid services for power supply companies of the Inter RAO Group and work with big data.

Ron Pollett,
Chairman of the Committee

The size of the Committee is determined by a resolution of the Company's Board of Directors in a range of three to seven people. According to the Regulation on the Nomination and Remuneration Committee, this Committee should be solely comprised of independent directors.

Most important items considered by the Committee

1. Preliminary consideration of issues concerning the self-assessment of the activities of PJSC Inter RAO Board of Directors and review of the self-assessment results.
2. Preliminary consideration of issues falling within the purview of the General Meeting of Shareholders: the payment of remuneration to members of the Company's Board of Directors and Revision Commission as well as an analysis of the professional qualifications and independence of candidates nominated to the Company's Board of Directors and the preparation of recommendations for the Company's shareholders regarding voting on the election of candidates to the Board of Directors.

3. Preliminary consideration of issues concerning financial incentives for the Chairman and members of the Company's Management Board and the head of the unit that performs the functions of the Company's Corporate Secretary as well as the annual monitoring of the compliance of the remuneration system with the recommendations of the Corporate Governance Code.
4. Recommendations for the Board of Directors on the election of members of the Management Board and the early termination of their powers.