

STATEMENT BY THE CHAIRMAN OF THE BOARD OF DIRECTORS

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Boosting capitalization and enhancing the transparency of our operations is the main objective of PJSC Inter RAO when working with shareholders and the investment community. As a result, the Company has been clearly pursuing a dividend policy for more than five years: per this policy, payments to shareholders have been increased to 25% of IFRS net profit. Thus, the PJSC Inter RAO Board of Directors recommended that the General Meeting of Shareholder adopt the decision to pay dividends of RUB 17.919 billion based on the results of 2018. Inter RAO is also working to increase the liquidity of the Company's shares. Last year, we wrapped up transactions that made it possible to increase the volume of shares in free-float.

Electronic services have been introduced as part of the Company's direct management to enable each shareholder to not only participate remotely in voting, but to also monitor the process of dividend payments and their receipt. This has resulted in an increase in the number of shareholders who use the electronic voting system at the General Meeting of Shareholders from year to year, which helps the Company slightly reduce costs while also improving the quality of engagement with securities holders.

Igor Sechin

Chairman of the Board of Directors

Corporate governance awards

1. Winner of the 21st Annual Competition of Annual Reports organized by PJSC Moscow Exchange and the RCB Media Group in the nomination 'Best Information Disclosure on Corporate Governance in an Annual Report.'

In addition, the Annual Report of PJSC Inter RAO was on the short-list in the category 'Best Annual Report of a Company with Capitalization of More Than RUB 200 Billion' and 'Best Presentation of a Company's Strategy and Investment Appeal in an Annual Report.'

2. Winner of the 2018 'Most Transparent Company on the Russian Stock Market' award presented by the Interfax and AK&M information agencies accredited by the Bank of Russia to disclose corporate information.
3. Highest level of corporate governance quality according to ISS Corporate Solutions – 1.

