

of shares and the registration of inheritance rights and an increase in inquiries for the updating of personal data. The Company attributes these results to work that was continued in 2018 as part of the Program for Work with Minority Shareholders.

It should be noted that there was a significant increase in the number of inquiries to provide shareholders with a 2-Personal Income Tax certificate to confirm income they received in the form of dividends paid.

Inter RAO employees answered 219 calls and 61 electronic inquiries from shareholders, prepared 25 2-Personal Income Tax certificates based on shareholders' requests, and held four personal meetings with the Company's shareholders. In addition, the call center of the Company's Registrar responded to 5,779 calls from shareholders and 159 electronic inquiries.

Credit ratings

In 2018, international rating agencies revised the credit rating of the Inter RAO Group.

Dividends

The Regulation on the Dividend Policy of PJSC Inter RAO is used to determine the amount of dividends and the procedure for their payment. The Dividend Policy of PJSC Inter RAO¹ implies a balanced approach to the distribution of profits taking into account the interests of the Company's long-term development and an increase in return and value for shareholders.

The Dividend Policy aims to meet the following objectives:

- enhancing investment appeal
- optimizing the distribution of net income
- respect for the rights and legitimate interests of shareholders

The Regulation on the Dividend Policy sets a dividend payment target level that is equal to 25% of the Company's consolidated profit as determined based

Fitch Ratings

Fitch Ratings affirmed the Inter RAO Group's global credit rating at BBB– and revised the outlook from Stable to Positive. Thus, the Inter RAO Group's rating corresponds to the sovereign credit rating of the Russian Federation (BBB– with a Positive outlook).

At the same time, Fitch revised the Inter RAO Group's independent credit rating from BB+ to BBB–, which, according to a press release from Fitch Ratings, "reflects the Group's strong position on the energy market and is a result of its top financial performance among electric power companies rated by the agency in Russia and the CIS."

Moody's Investors Service

As part of an extraordinary revision, the global credit rating of the Inter RAO Group was raised from Ba1 (Stable outlook) to Baa3 (Stable outlook). Thus, the Inter RAO Group's credit rating was assigned to the investment category.

The agency's press release says that the credit rating reflects the high level of solvency of the Inter RAO Group due to the Group's flexible business model, diversified business profile, and high asset efficiency. The agency also noted the Group's low level of debt and strong position in terms of current liquidity.

on the results of the reporting year using IFRS consolidated financial statements. When determining the amount of net profit allocated for the payment of dividends, the following factors are taken into account:

- the need to create funds
- projected net profit for the next fiscal year
- the need to fund the investment activities of PJSC Inter RAO
- the availability and optimality of sources to fund the investment activities of PJSC Inter RAO

When determining the amount of net profit allocated for dividend payments, no adjustments were made to this indicator in 2018.

¹ Approved by a resolution of the Board of Directors dated June 30, 2014 (Minutes No. 118 dated July 03, 2014). The changes made to the Regulation on the Dividend Policy were approved by the Board of Directors on April 12, 2016 (Minutes No. 166 dated April 14, 2016).