



Interregional Distribution Grid Company of Centre,
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MINUTES
of the meeting of the Audit Committee
of the Board of Directors of IDGC of Centre, PJSC
(in the form of joint presence)

17 February 2017

Moscow

No. 02/17

Form of the meeting: joint presence.

Total number of members of the Audit Committee: 5 persons.

Place of the meeting: Moscow, 2nd Yamskaya, 4, floor 5, office 507.

Time of the meeting: 11 hours 00 minutes – 12 hours 25 minutes.

Participants of the meeting: O.V. Shatokhina, R.A. Filkin, A.V. Shevchuk, N.I. Erpsher.

The written opinion of the following members was taken into account while defining the results: none.

Members who neither participated nor provided questionnaires: M.M. Saukh.

The quorum is present.

Date of the minutes: 17.02.2017.

The Expert conclusion of the expert of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC M.A. Lelekova was taken into account at drawing up of the minutes.

The meeting of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC was opened by Chairperson of the Audit Committee of the Board of Directors of IDGC of Centre, Oxana Vladimirovna Shatokhina.

The following invited representatives of PJSC «Rosseti» were present:

M.A. Lelekova - Director of Control Department (Expert of the Audit Committee of the Board of Directors of IDGC of Centre)

The following invited representatives of IDGC of Centre's management were present:

A.K. Akhmedova - Legal Director of Legal Provision Department

I.V. Gromova – Deputy General Director for Human Resources and Organizational Design

K.A. Mikhailik – First Deputy General Director

R.P. Mitrofanov - Deputy General Director for Capital Construction

V.V. Nikiforova - Deputy General Director for Work with Public Authorities and Anti-Corruption Activities

D.V. Sklyarov – Deputy General Director for Investment

L.A. Sklyarova - Chief Accountant - Head of Financial and Tax Accounting and Reporting Department

S.V. Shpakova – Head of Internal Audit Department.

After the announcement of a quorum regarding the agenda items, the meeting of the Audit Committee was called to order.

AGENDA:

1. Consideration of the information of the Company's management «On the implementation of the Plans of corrective actions to address the deficiencies identified in 2016 by the Company's Audit Commission, the Company's internal audit, external control (supervision) bodies, on the implementation of measures taken to inform the facts about potential fraud cases of employees, as well as the results of conducted investigations».
2. Consideration of the management's information «On the execution of the Company's Anti-Corruption Policy in 2016».
3. Preliminary consideration of the report of the Internal Audit Department of the Company «On the implementation of the work plan and the results of the internal audit for 2016, including the results of the self-assessment of quality of the internal audit activities in 2016 and the action plan for improvement of the internal audit function».

Item 1. Consideration of the information of the Company's management «On the implementation of the Plans of corrective actions to address the deficiencies identified in 2016 by the Company's Audit Commission, the Company's internal audit, external control (supervision) bodies, on the implementation of measures taken to inform the facts about potential fraud cases of employees, as well as the results of conducted investigations».

Speaker – Konstantin Alexandrovich Mikhailik.

In discussing the report the questions and comments were received from O.V. Shatokhina, R.A. Filkin, A.V. Shevchuk, M.A. Lelekova.

After the discussion the members of the Audit Committee of the Board of Directors proceeded to vote.

Decision taken at the meeting:

To take into consideration the information of the Company's management «On the implementation of the plans of corrective actions to address the deficiencies identified by the Company's Audit Commission, the Company's internal audit, external control (supervision) bodies» in accordance with Appendix # 1 to this decision of the Audit Committee.

Voting results under the decision draft, announced at the meeting:

Oxana Vladimirovna Shatokhina	- «FOR»
Roman Alexeyevich Filkin	- «FOR»
Alexander Viktorovich Shevchuk	- «FOR»
Natalia Ilyinichna Erpsher	- «FOR»

Total:

«FOR»	- «4»
«AGAINST»	- «0»
«ABSTAINED»	- «0»

Decision is taken.

Item 2. Consideration of the management's information «On the execution of the Company's Anti-Corruption Policy in 2016».

Speakers – Victoriya Victorovna Nikiforova.

In discussing the report the questions and comments were received from O.V. Shatokhina, R.A. Filkin, A.V. Shevchuk.

After the discussion the members of the Audit Committee of the Board of Directors proceeded to vote.

Decision taken at the meeting:

To recommend to the Board of Directors of IDGC of Centre, PJSC to take the following

decision:

«To take into consideration the management's information «On the execution of the Company's Anti-Corruption Policy in 2016» in accordance with the Appendix».

Voting results under the decision draft, announced at the meeting:

Oxana Vladimirovna Shatokhina	- «FOR»
Roman Alexeyevich Filkin	- «FOR»
Alexander Viktorovich Shevchuk	- «FOR»
Natalia Ilyinichna Erpsher	- «FOR»

Total:

«FOR»	- «4»
«AGAINST»	- «0»
«ABSTAINED»	- «0»

Decision is taken.

Item 3. Preliminary consideration of the report of the Internal Audit Department of the Company «On the implementation of the work plan and the results of the internal audit for 2016, including the results of the self-assessment of quality of the internal audit activities in 2016 and the action plan for improvement of the internal audit function».

Speaker – Svetlana Valeryevna Shpakova.

In discussing the report the questions and comments were received from A.V. Shevchuk, M.A. Lelekova.

After the discussion the members of the Audit Committee of the Board of Directors proceeded to vote.

Decision taken at the meeting:

1. To agree upon the reports «On the implementation of the work plan of the internal audit of IDGC of Centre, PJSC for 2016» in accordance with Appendices ## 2-3 to this decision of the Audit Committee.

2. To recommend to the Board of Directors of IDGC of Centre, PJSC to take the following decision:

«1. To approve the reports «On the implementation of the work plan of the internal audit of IDGC of Centre, PJSC for 2016» and to take into consideration the results of the self-assessment of quality of the internal audit activities in 2016 in accordance with the Appendices.

2. To instruct the internal audit of IDGC of Centre, PJSC to finalize the Action Plan for development and improvement of the internal audit activities with taking into account the remarks, specified in the Appendix».

Voting results under the decision draft, announced at the meeting:

Oxana Vladimirovna Shatokhina	- «FOR»
Roman Alexeyevich Filkin	- «FOR»
Alexander Viktorovich Shevchuk	- «FOR»
Natalia Ilyinichna Erpsher	- «FOR»

Total:

«FOR»	- «4»
«AGAINST»	- «0»
«ABSTAINED»	- «0»

Decision is taken.

Appendices:

1. The information of the Company's management «On the implementation of the plans of

corrective actions to address the deficiencies identified by the Company's Audit Commission, the Company's internal audit, external control (supervision) bodies» (Appendix # 1).

2. The reports of the Company's internal audit division «On the implementation of the work plan and the results of the internal audit for 2016, including the results of the self-assessment of quality of the internal audit activities in 2016 and the action plan for improvement of the internal audit function» (Appendices ## 2-3).

Chairperson of the Audit Committee

O.V. Shatokhina

Secretary of the Audit Committee

S.V. Lapinskaya