

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

29 August 2019

Moscow

No. 15/19

Form of the meeting: joint presence.

Time of the meeting: 17 hours 00 minutes – 19 hours 00 minutes.

Place of the meeting: Moscow, 2nd Yamskaya, 4, Floor 5, Room 507.

Video conference A4-069 at the address: Moscow, Belovezhskaya str. 4 (PJSC «Rosseti»)

Total number of members of the Audit Committee: 3 persons.

Participants of the meeting: A.V. Varvarin, M.M. Saukh (Video conference), A.V. Shevchuk.

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

Members who neither participated nor provided questionnaires: none.

The quorum is present.

Date of the minutes: 29.08.2019.

The Expert conclusion of the expert of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC T.V. Zaitseva was taken into account at drawing up of the minutes.

The meeting of the Audit Committee was audiotaped (hereinafter – the Committee), which is stored in the materials to the meeting of the Committee.

The meeting of the Committee was opened by Chairperson of the Committee, Alexander Viktorovich Varvarin.

The following persons were present from IDGC of Centre:

A.G. Aleshin - Acting Deputy General Director for Economy and Finance

O.A. Danshina - Acting Deputy General Director for Corporate and Legal Activities

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

The following persons were present from PJSC «Rosseti»:

I.O. Posevina - Director of Internal Audit Department

Ernst & Young LLC was represented by:

T.L. Okolotina – Partner

Ernst & Young - assessment and consulting services LLC was represented by:

V.I. Zuev - Senior manager

O.V. Ladnev - Partner

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

At the suggestion of Chairperson of the Committee, A.V. Varvarin, and with the consent of all the members of the Committee present at the meeting, the agenda of the

meeting of the Committee was adjusted - item # 1 of the agenda «On consideration of the Management and governance letter, presented by the external auditor on the main problems of the financial statements of the Company for an interim period (6 months) of 2019, prepared under IFRS, and the Company's management information about adjustments made on the results of the external audit of the statements» - was reviewed last.

AGENDA:

1. On consideration of the report of Ernst & Young - assessment and consulting services LLC «On the results of a comprehensive examination of the financial and economic activities of IDGC of Centre, PJSC».
2. On consideration of the Management and governance letter, presented by the external auditor on the main problems of the financial statements of the Company for an interim period (6 months) of 2019, prepared under IFRS, and the Company's management information about adjustments made on the results of the external audit of the statements.

Item 1. On consideration of the report of Ernst & Young - assessment and consulting services LLC «On the results of a comprehensive examination of the financial and economic activities of IDGC of Centre, PJSC».

Speaker / co-speaker – Oleg Vyacheslavovich Ladnev / Artem Gennadyevich Aleshin.

When discussing the report, questions-comments on the report came from A.V. Varvarin, A.V. Shevchuk, M.M. Saukh, A.V. Golovtsov, V.Y. Zarkhin.

After the discussion the members of the Committee proceeded to vote.

Decision taken at the meeting:

1. To take into consideration the report of Ernst & Young - assessment and consulting services LLC on the results of financial and legal examination and expertise of the development of information systems of IDGC of Centre, PJSC (Appendix # 1 to this decision of the Audit Committee)».
2. To recommend that the management of the Company, if the Company participates in a centralized purchase organized by PJSC Rosseti, in attracting consultants for provision of services related to examination of financial and economic activities of the Company, consider the possibility of attracting members of the Audit Committee for preliminary approval of the terms of reference.

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

Alexander Viktorovich Varvarin - «FOR»

Maxim Mikhailovich Saukh - «FOR»

Alexander Viktorovich Shevchuk - «FOR»

Total:

«FOR»	- «3»
«AGAINST»	- «0»
«ABSTAINED»	- «0»

Decision is taken.

Item 2. On consideration of the Management and governance letter, presented by the external auditor on the main problems of the financial statements of the Company for an interim period (6 months) of 2019, prepared under IFRS, and the Company's management information about adjustments made on the results of the external audit of the statements.

Speaker / co-speaker – Tatyana Leonidovna Okolotina / Lyudmila Alexeevna Sklyarova.

When discussing the report, questions-comments on the report came from A.V. Varvarin, A.V. Shevchuk, M.M. Saukh, A.V. Golovtsov, V.Y. Zarkhin.

After the discussion the members of the Committee proceeded to vote.

Decision taken at the meeting:

To take into consideration the auditor's report of Ernst & Young LLC to shareholders and the Board of Directors of IDGC of Centre, PJSC based on the results of a review of the consolidated interim condensed financial statements prepared in accordance with IAS 34 "Interim Financial Reporting" for the three and six months ended 30.06.2019, and information from the Company's management on the absence of adjustments according to the audit results in accordance with Appendix # 2 to this decision of the Audit Committee.

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

Alexander Viktorovich Varvarin - «FOR»

Maxim Mikhailovich Saukh - «FOR»

Alexander Viktorovich Shevchuk - «FOR»

Total:

«FOR»	- «3»
«AGAINST»	- «0»
«ABSTAINED»	- «0»

Decision is taken.

Appendices:

1. The report of Ernst & Young - assessment and consulting services LLC on the results of financial and legal examination and expertise of the development of information systems of IDGC of Centre, PJSC (Appendix # 1).
2. The auditor's report of Ernst & Young LLC to shareholders and the Board of Directors of IDGC of Centre, PJSC based on the results of a review of the consolidated interim condensed financial statements prepared in accordance with IAS 34 "Interim Financial Reporting" for the three and six months ended 30.06.2019, and information from the Company's management on the absence of adjustments according to the audit results (Appendix # 2).

Chairperson of the Audit Committee

A.V. Varvarin

Secretary of the Audit Committee

S.V. Lapinskaya