



EXTRACT FROM THE MINUTES

of a Meeting of the Audit Committee
under the Board of Directors of IDGC of the North-West, PJSC

27.04.2018

St. Petersburg

No. 12

Arrangement form of the meeting of the Audit Committee under the Board of Directors of IDGC of the North-West, PJSC (hereinafter referred to as the Committee) – joint attendance.

Meeting venue: Office A5-048, 4 Belovezhskaya St., Moscow.

Time of the beginning of the meeting: 10:30 a.m.

Chairperson (person performing the votes tally): Chairman of the Committee – Alexandr Viktorovich Shevchuk

Committee members participating in the meeting:

1. M.D. Stepanova
2. M.M. Shvankova
3. O.R. Fedorov
4. M.A. Lavrova

The number of the Committee members having participated in the meeting (voting) is 5 persons out of 5 elected members of the Committee. The quorum was present.

The decisions considered at the Committee meeting are made by a simple majority of votes of the total number of the Committee members.

Acting Committee Secretary: V.S. Makhaeva

AGENDA:

6. On preliminary examination of a candidacy of external auditor of the Company for performing audit of the Company's accounting (financial) statements for 2018.

ISSUE No. 6: On preliminary examination of a candidacy of external auditor of the Company for performing audit of the Company's accounting (financial) statements for 2018.

SPEAKER: Irina Grigoryevna Zhdanova, Chief Accountant – Head of the Department for Financial and Fiscal Accounting and Reporting of IDGC of the North-West, PJSC.

Report on the issue “On preliminary consideration of the candidacy of an external auditor of the Company to audit the accounting (financial) statements for 2018” is attached to the Minutes.

The issue was discussed by the following: A.V. Shevchuk, O.R. Fedorov, M.D. Stepanova, M.A. Lelekova, V.S. Bashmakov

Issue put to vote:

1. To consider the decision of the Tender Committee on holding pre-contract negotiations to reduce the bidding cost with the winner of an open tender (Minutes No. 13/595r dated 16.04.2018).

2. To recommend the Board of Directors of IDGC of the North-West, PJSC to suggest to the annual General Meeting of Shareholders of IDGC of the North-West, PJSC to approve Ernst & Young LLC (Building 1, 77 Sadovnicheskaya Embankment, 115035, Moscow, Russia), which was recognized as the winner by the results of an open tender without preliminary qualification selection (Minutes of the Procurement Commission meeting No.13/595r dated 16.04.2018), as the auditor of the Company.

Results of the voting on the issue concerned:

Item No.	Full name of the Committee member	Voting options		
		“For”	“Against”	“Abstained”
1	A.V. Shevchuk	“For”	–	–
2	M.A. Lavrova	“For”	–	–
3	M.D. Stepanova	“For”	–	–
4	O.R. Fedorov	“For”	–	–
5	M.M. Shvankova	“For”	–	–

Decision made.

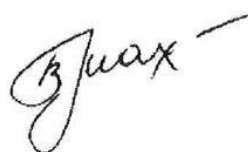
DECISIONS MADE:**On Issue No. 6 on the agenda:**

1. To consider the decision of the Tender Committee on holding pre-contract negotiations to reduce the bidding cost with the winner of an open tender (Minutes No. 13/595r dated 16.04.2018).

2. To recommend the Board of Directors of IDGC of the North-West, PJSC to suggest to the annual General Meeting of Shareholders of IDGC of the North-West, PJSC to approve Ernst & Young LLC (Building 1, 77 Sadovnicheskaya Embankment, 115035, Moscow, Russia), which was recognized as the winner by the results of an open tender without preliminary qualification selection (Minutes of the Procurement Commission meeting No.13/595r dated 16.04.2018), as the auditor of the Company.

Minutes generation date: April 28, 2018.

**The extract is true:
Acting Committee Secretary**



V.S. Makhaeva