**The Memorandum of controlling shareholder of PJSC Rosseti in the case of controlled electric grid companies**

PJSC Rosseti – is a public holding company with a government stake in authorized capital – 88,04%, set up in accordance with the Russian Federation Presidential Decree of November 22, 2012 No. 1567 in order to improve efficiency and develop the integrated power grid of the Russian Federation and also coordinate efforts to operate the integrated power grid through subsidiaries and affiliates.

PJSC Rosseti owns the controlling interest of the 14 distribution electric grid companies[[1]](#footnote-1) (PJSC Kubanenergo, PJSC Lenergo, PJSC MOESK, PJSC IDGC of Volga, PJSC IDGC of the North-West, PJSC IDGC of the North Caucasus, PJSC IDGC of Siberia, PC IDGC of Urals, PJSC IDGC of Centre, PJSC IDGC of Centre and the Volga Region, PJSC IDGC of the South, PJSC TRK, JSC Rosseti Tyumen, JSC Yantarenergo) and 1 mainstream electric grid company (PJSC FSK EES). Disposal of assets is not considered.

PJSC Rosseti determines the strategic priorities of development of the corporate group:

- providing with reliable, high quality and accessible electric power supply in the new digital environment;

- core business efficiency upgrades concerning the electric power submission;

- promoting the legislative proposals intended to the industry development;

- respect the balance of interests of all parties: the State/ consumers/ shareholders / investors;

- development of new lines of business (non-tariff and consumer services) through the digital transformation in order to provide stability of the company to changes in the industry.

The corporate group is owned by PJSC Rosseti in accordance with the corporate standards intended for implementation of efficiency of business processes, quality control, minimization of all kinds of corporate risks and also the observance of the disclosure and transparency rules (DTR).

1. PJSC Kubanenergo provides services under the brand Rosseti Kuban

   PJSC Lenenergo provides services under the brand Rosseti Lenenergo

   PJSC MOESK provides services under the brand Rosseti Moscow Region

   PJSC IDGC of Volga provides services under the brand Rosseti Volga

   PJSC IDGC of the North-West provides services under the brand Rosseti of the North-West

   PJSC of the North Caucasus provides services under the brand Rosseti the North Caucasus

   PJSC IDGC of Siberia provides services under the brand Rosseti Siberia

   PC IDGC of Urals provides services under the brand Rosseti Urals

   PJSC IDGC of Centre provides services under the brand Rosseti Centre

   PJSC IDGC of Centre and the Volga Region provides services under the brand Rosseti Centre and the Volga Region

   PJSC IDGC of the South provides services under the brand Rosseti the South

   PJSC TRK provides services under the brand Rosseti Tomsk

   JSC Yantarenergo provides services under the brand Rosseti Yantar

   PJSC FSK EES provides services under the brand Rosseti FSK EES [↑](#footnote-ref-1)