

# Address of the Chairman of the Board of Directors



## Dear Shareholders!

In 2018, the development vector of PJSC IDGC of Siberia absolutely met the strategic goals of the company, including increase in the reliability of power supply to consumers, ensuring the sustainable operation of the grid complex of nine Siberian regions and preparing for its digital transformation.

Due to precise and relevant management decisions, the financial and economic position of PJSC IDGC of Siberia has been stabilized. Energy supply for a world-class sporting event, the XXIX World Winter Universiade in Krasnoyarsk, was prepared and implemented at a high level. At the same time, a serious reserve has been created for the development of the city for the next 5-8 years, the problem of power shortage for technological connection has been solved.

**The company has become the flagship of the digital transformation of the electric power industry** in nine Siberian regions, and today it is simultaneously implementing 15 digital projects. In the future, by 2030, the power company will fully switch to smart energy metering systems, which will completely solve the problem of unaccounted consumption, automate grids and implement an integrated management system. Digital transformation today is a socio-economic transformation of the entire Russian community and the entire economy, based on the mass introduction of new technologies for information creating, processing and transmitting. For obvious reasons, electricity enterprises are at the forefront of these processes.

**Consolidation of power grid assets on the basis of PJSC IDGC of Siberia** – the largest grid company in the Siberian Federal Territory – is the only acceptable measure that will allow to bring the power grid complex of the regions to a new level of reliability and create a platform for switching the power industry to digital mode. In 2018, due to the consolidation of PJSC IDGC of Siberia, they added 1,823 MVA of transformer capacity and 12,141 km of power lines.

**The five-year maximum of the growth of IDGC of Siberia shares**, fixed at the very beginning of 2019, is partly associated by analysts with a well-thought-out and clear consolidation program implemented by the Company. Shares of the company added on 65% of the value and continue to grow. I consider this to be a logical outcome of the implementation of the PJSC IDGC of Siberia development strategy aimed at achieving results in all areas of the company business. This is also thanks to the Company Board of Directors, during 2018, reviewed and approved 189 documents, among which there were particularly significant decisions that became the basis for the further systematic work of PJSC IDGC of Siberia.

On March 29, 2019 PJSC IDGC of Siberia appointed a new Director General: Vitaly Ivanov switched to another, no less difficult, part of work in the Rosseti Group of Companies, and the Company was headed by Pavel Akilin. This means that the company will continue to develop in the same direction and will steadily move towards achievement of all plans and strategic goals, to new records and success.

Dear Shareholders! Thank you for your trust in the Company and I am pleased to present to your attention the Annual Report of PJSC IDGC of Siberia for 2018, which describes in detail the main results of our work during this period.

Chairman of the Board of Directors PJSC IDGC of Siberia

**YURIY GONCHAROV**