

AS APPROVED BY:

The Annual General Meeting of Stockholders of
OAO IDGC of Urals

Minutes No.13 dated as of 24 May 2019.

REGULATIONS
On the Executive Board of
OAO IDGC of Urals

Yekaterinburg
2019

1. GENERAL PROVISIONS

1.1. The present Regulations is a bylaw of Open Joint-Stock Company Interregional Distribution Grid Company of Urals (hereinafter referred to as the Company), describing the constitution of the Executive Board (or the EB, for short), terms and procedure for the convention and conduct of its meetings as well as decision-making mechanics.

1.2. The Regulations are prepared pursuant to the Russian Civil Code, Federal Joint-Stock Companies' Law, other statutory enactments of Russia and Charter.

1.3. The Executive Board, as a collegiate executive body, shall conduct activities in the interests of the Company, follow resolutions of General Meetings of Shareholders and Board of Directors, be governed by the laws of Russia, Charter, other bylaws and present Regulations.

1.4. The Executive Board shall be liable for the implementation of goals, development strategy and policy of the Company. It shall administer day-to-day operations within the competence outlined by the Charter, resolutions of General Meetings and Board of Directors.

Key objectives of the Executive Board shall be:

- Enforcement of rights and legitimate interests of the Company;
- Development of proposals regarding the Company's development strategy;
- Business policy implementation, tackling vital day-to-day business challenges and coordination of structural units;
- Improvement of the internal control and risk monitoring systems;
- Stimulation of high asset yield and maximization of proceeds.

2. CONSTITUTION PROCEDURE

2.1. The Executive Board shall be elected and removed by the Board of Directors.

2.2. Own candidacy omitted, the General Director shall file with the Board of Directors the Executive Board slate, matching the number of members defined by the Charter or Board of Directors resolution.

Should General Director's nominees be waived by the Board of Directors, the Board of Directors shall be entitled to elect nominees proposed by its member(s).

2.3. A nominee shall be deemed to have been elected to serve on the Executive Board, if the nominee is endorsed by the majority of the attending Board of Directors members.

2.4. Elected members of the Executive Board shall have their labor contracts concluded.

The contracts shall be signed by the Board Chairperson or another signatory mandated by the Board of Directors.

Contract conditions, also covering tenure, shall be determined by the Board of Directors or a person mandated by the Board of Directors to act as the employer on behalf of the Company for the Executive Board members.

2.5. The Board of Directors shall be entitled to terminate authorities and contract of any of the EB members at any time. This clause shall be a mandatory provision for the contract concluded between the Company and EB member.

2.6. Removal from the Executive Board shall not mandatorily end in resignation.

2.7. Resignation from the Company shall not mandatorily end in removal from the Executive Board and termination of the relevant labor contract.

2.8. If the composition of the Executive Board falls below a qualified quorum, stated herein and by the Charter, the General Director shall file the substituting candidates slate with the Board of Directors for review.

2.9. An EB member may step down from office by forwarding a letter of resignation to the Board of Directors Chair in a statutory manner.

3. RIGHTS, DUTIES AND LIABILITIES

3.1. MEMBERS

3.1.1. Rights and duties of the members of the Executive Board shall be stipulated by the Russian laws, Charter of the Company and personal labor contracts.

3.1.2. The members of the Executive Board shall be entitled to:

- 1) Administer day-to-day operations acting as the members of the Company's collegiate executive body;
- 2) Acquire a detailed information on Company's performance and examine Company's documents (founding, accounting, reporting, contractual and other);
- 3) Submit notes, make statements, introduce suggestions regarding agenda items;
- 4) Introduce written suggestions to the Executive Board action plan or agenda of an Executive Board meeting;
- 5) Call for an Executive Board meeting;
- 6) Oppose EB resolutions in writing and inform the Board of Directors on it;
- 7) Exercise other rights set forth by the laws, Charter and personal labor contracts.

3.1.3. The Executive Board members shall be obliged to:

- Attend meetings of the Executive Board;
 - Execute resolutions and assignments of General Shareholder Meeting, Board of Directors and Executive Board, abide by the Charter and bylaws of the Company;
 - Act in the interest of the Company, exercise rights and discharge duties with regard to the Company in good faith and on reasonable grounds;
 - Within 2 (Two) months after they have or should have come to know of circumstances by virtue of which they may be identified as interested in Company's transactions, the members shall notify the Company of:
 - a) legal entities in which they, their spouses, parents, children, siblings and half-siblings, adoptive parents and adoptees and (or) their controlled firms, are controlling entities or entitled to instruct;
 - b) legal entities in which governing bodies are occupied by them, their spouses, parents, children, siblings and half-siblings, adoptive parents and adoptees and (or) their controlled firms;
 - c) implemented or future transactions, known to them, in which they may be identified as interested entities.
- Should this information, already filed with the Company, change, the members shall notify the Company of the changes within 14 (Fourteen) days after they have or should have come to know of the changes;
- Hold Company's trade or commercial secrets confidential.
- 3.1.3. Simultaneous service of the EB members on the management bodies or other paid positions in other companies shall be possible only if approved by the Board of Directors.
- 3.1.4. Employer's rights and duties towards the EB members on behalf of the Company shall be exercised by the Board of Directors or a person mandated by the Board of Directors.
- 3.1.5. Members of the Executive Board shall be held liable for the Company's losses due to their misconduct or omissions under applicable laws.
- Therewith, members of the Executive Board, who have voted against hemorrhaging resolutions or have not voted at all, shall not be held liable.

3.2. CHAIRPERSON

3.2.1. The Executive Body shall be administered by the Chairman (ex-officio General Director).

3.2.2. The Chair shall:

- 1) File the Executive Board slate with the Board of Directors;
- 2) Convene a meeting:
 - Designate place, location and hour of a meeting,
 - Approve the meeting agenda,
 - List invitees to debate on agenda items;
 - List information (materials) distributed among the Executive Board in the course of a meeting arrangement,
 - Designate the form and text of a ballot (for ballot voting),
- 3) Preside at EB meetings;
- 4) Sign meeting's minutes;
- 5) Administer the Executive Board and enforce the laws, Charter, present Regulations into the Board activities;
- 6) Perform other actions stated herein.

3.3. DEPUTY CHAIRPERSON

3.3.1. If the Chair is temporary absent, s/he shall be substituted by the Deputy Chairman.

3.3.2. The Deputy shall be elected among the members by the majority of votes on the first Executive Board meeting to serve as the Deputy till the tenure ends.

3.3.3. The Executive Board shall be entitled to elect a new Deputy Chair at any time.

4. SECRETARY

4.1. The Secretary shall provide administrative and information support for the Executive Board.

4.2. The Secretary shall be appointed by the EB Chairperson from the Company's employees. The Chair shall be entitled to appoint a new Secretary at any time.

The Company's staff schedule may contain the position of the EB Secretary.

4.3. The Secretary shall be obliged to:

- 1) Oversee the preparation of materials for meetings;
- 2) Prepare a draft Executive Board action plan within one month prior to the forthcoming quarter;
- 3) If needed, introduce adjustments to the action plan;
- 4) Notify on a meeting by distributing a notice, agenda and materials among the members;
- 5) Cooperate with the Corporate Secretary and Secretaries of the Board Committees to align the activities of the Executive Board, Board of Directors and Board Committees;
- 6) Support Board meetings both technically and administratively;

- 7) Arrange the file register of the Executive Board;
- 8) Oversee the execution of resolutions of the Executive Board and inform the Executive Board on that;
- 9) Prepare draft documents and resolutions of the Executive Board upon command of the EB Chair or its Deputy;
- 10) Keep records of meetings;
- 11) Delate voting results and resolutions to the members of the Executive Board;
- 12) Inform doers of the resolutions by forwarding extracts of meeting minutes to them.

The Secretary shall execute other functions stated herein.

4.4. The Secretary shall be held liable for the quality of minutes extracts and other functions stated herein.

5. ADMINISTRATION OF ACTIVITIES

5.1. Meetings shall be arranged in conformity with the action plan and as deemed necessary but at least once a month.

5.2. The action plan shall mandatorily be comprised of:

- 1) Items subject to review by the Executive Board during the year (on a quarterly basis);
- 2) Meeting schedule;
- 3) List of doers (management bodies), liable for the preparation of items to be reviewed by the Executive Board.

5.3. The action plan shall be prepared and routed for the EB review by the Chair.

The action plan shall be approved by the majority of votes of the attending Executive Board members on a quarterly basis.

5.4. The action plan shall be prepared in line with resolutions of the General Meeting, Board of Directors, Board of Internal Auditors, auditor and with proposals of the General Director, members of the Executive Board and heads of structural units.

5.5. The approved action plan may be amended upon suggestions from the Chair and members of the Executive Board, with amendments to be approved by the Executive Board.

5.6. Meetings shall be convened by the Chair, or Deputy if the Chair is absent:

- In conformity with the action plan;
- Upon initiative of the Executive Board Chair or any member of the Executive Board;
- Upon resolutions of the Board of Directors, Board of Internal Auditors and auditor.

5.7. The agenda of a meeting shall be prepared in line with the action plan and resolutions of the General Meeting, Board of Directors, Board of Internal Auditors and auditor as well as with suggestions of the General Director and members of the Executive Board.

5.8. The purview of the Executive Board shall be set by the Charter.

5.9. To stimulate efficacy of the Board of Directors as well as weighted and balanced decision-taking the Executive Board shall preview, prepare and present recommendations to the Board of Directors with regard to the issues falling under the competence of the Board of Directors.

5.10. If items, falling under the competence of the Board of Directors, are previewed according to the approved Board action plan or upon the initiative of the General Director, recommendations produced by the Executive Board shall be forwarded to the Corporate Secretary within 11 (Eleven) business days prior to the Board meeting reviewing the items.

If items, falling under the competence of the Board of Directors, are previewed according to a meeting notice and materials forwarded by the Corporate Secretary, resolutions (recommendations) of the Executive Board shall mandatorily be submitted to the Corporate Secretary within 3 (Three) business days after the Executive Board meeting reviewing the items and at least 4 (Four) business days prior to the relevant Board meeting.

If items, falling under the competence of the Board of Directors, are also subject to preview by a relevant Board Committee, resolutions (recommendations) of the Executive Board shall mandatorily be forwarded to the Committee within 3 (Three) business days after the Executive Board meeting reviewing the items and at least 4 (Four) business days prior to the Committee meeting.

The Chair of the Executive Board shall take all measures to enforce the timely conduct of meetings to adopt resolutions (to prepare recommendations) regarding items, previewed by the Executive Board, and their timely submission to the Board of Directors and, in cases stipulated by para. 3 clause 5.11 hereof, Board Committees.

5.11. The Executive Board shall hold meetings for debates and decision-taking on agenda items in the form of compresence (in-presentia meeting) or ballot voting (in-absentia meeting).

The Executive Board may have offsite meetings if the Chairperson orders so. Executive Board meetings may be held with the use of the specialized information system, designed for Executive Board meeting administration, incl. dissemination of notices, materials (information) on agenda items, voting results of the Executive board members (hereinafter referred to as the automated information system).

As decided by the Chair, an Executive Board member, being a no-show at the meeting venue, may participate in the debates and voting remotely (via conference or videoconference calls).

5.12. The Executive Board shall be duly constituted, if at least 50% of the composition takes part in the meeting (or absentee voting).

5.13. All resolutions of the Executive Board shall be adopted by the simple majority of votes of members attending the meeting (or participating in absentee voting).

5.14. During decision-taking procedure each member of the Executive Board shall have one vote. Delegation of votes from one member of the Executive Board to another or other persons shall be prohibited.

In case of equality of votes a vote of the Chairperson shall be decisive.

5.15. If a member of the Executive Board, attending the meeting, opposes adopted resolutions on agenda items, s/he shall be entitled to state his/her opinion in writing, with writings to be filed with the meeting minutes.

CONVENTION AND CONDUCT OF COMPRESENCE MEETINGS (F2F MEETINGS)

6.1. A notice on place, date and hour and meeting agenda shall be forwarded to the Executive Board within 2 (Two) business days prior to the meeting.

6.2. A notice on a F2F meeting shall mandatorily be comprised of:

- Full company name and location;
- Meeting agenda;
- Meeting date, hour and location;
- List of information (materials) disseminated among the Executive Board prior to the meeting.

6.3. A notice shall be prepared by the Secretary and signed by the Chairperson or Deputy in cases stipulated hereof.

The notice shall be forwarded to the members in company with all required materials and draft resolutions.

6.4. The Executive Board shall review items from the meeting agendas during its meetings.

In exceptional circumstances in-presentia meetings may review off-agenda items, if all attending members of the Executive Board approve this unanimously and a quorum is present.

6.5. A meeting shall be administered by the Chairperson or Deputy (if the Chair is absent) in compliance with clause 3.3.1. hereof.

6.6. The Secretary shall determine a quorum and the Chairperson shall announce a quorum and agenda for the attendees.

6.7. Review of agenda issues shall include the following stages:

- 1) Presentation and report of an EB member (invitee) on an agenda item;
- 2) Debates;
- 3) Resolution proposals;
- 4) Polling;
- 5) Vote count, preliminary tally of votes (net of written opinions of missing EB members).

During a compresence meeting the Secretary shall mandatorily report on the execution of resolutions adopted earlier by the Executive Board.

6.8. If less than 50% of the members attend the meeting, the tally of votes shall include written opinions of the absent members in a manner stated herein.

6.9. On a meeting day, after the voting, the Secretary shall prepare a ballot (Appendix No.1 hereof), signed by the Chairperson (or his/her Deputy if s/he is absent), to be forwarded by fax, e-mail or via the automated information system to the absent members.

6.10. When a member completes the ballot, only one possible voting alternative (FOR, AGAINST, ABSTAIN) on each draft resolution shall be left uncrossed, with the surname, initials and signature to be put on the ballot. The Executive Board members may also vote on the draft resolutions in the automated information system.

6.11. A completed and signed ballot shall be forwarded by the member within 24 hours after the meeting to the Secretary in the original or by fax or e-mail, with the original ballot forwarded afterwards to the address on the ballot.

6.12. A ballot, non-complying with requirements of clause 6.10. hereof, shall be deemed void (if only voting requirements are violated, it is deemed void only with regard to the relevant item) and shall not be counted.

A late ballot shall not be counted and shall not be used for the tally of votes.

6.13. Using voting results from the meeting, automated information system and received ballots the Secretary shall tally the votes and prepare meeting minutes in a manner stated herein.

7. IN ABSENTIA MEETINGS (BALLOT VOTING)

7.1. The Executive Board may adopt resolutions on issues referred to its competence via absentee voting (ballot voting).

7.2. For in-absentia decision-taking (ballot voting) each member shall receive a notice on in-absentia meeting,

materials (information) and draft resolutions on agenda items within 3 (Three) business days prior to the ballot deadline.

7.3. A notice on in-absentia meeting shall mandatorily contain:

- Full company name and location;
- Agenda;
- Absentee voting reference;
- Ballot deadline (date and hour);
- List of information (materials) disseminated among members.

7.4. The members shall be entitled to propose and/or comment on draft resolutions within 2 (Two) business days prior to the ballot deadline set by the notice.

7.5. The Secretary shall use the Appendix No.2 form to prepare a ballot using proposals and/or comments regarding draft resolutions. Should the wording of draft resolutions on agenda items be changed by a member (members), the Secretary shall be obliged to include all member-proposed draft resolutions on the item(s) into the ballot.

7.6. The Secretary shall forward a ballot by fax, e-mail or automated information system to the Executive Board within 1 (One) business day prior to the ballot deadline set by the notice.

7.7. A ballot shall mandatorily contain:

- Full company name and location;
- Wording of agenda items;
- Voting alternatives;
- Ballot deadline (date and hour);
- Address for completed ballots;

7.8. When a member completes the ballot, only one possible alternative on each draft resolution on each agenda issue (FOR, AGAINST, ABSTAIN) shall be left uncrossed. Then s/he shall put surname, initials and signature on the ballot. The Executive Board members may also vote on the draft resolutions in the automated information system.

7.9. A ballot, non-complying with requirements of clause 7.8. hereof, shall be deemed void (if only voting requirements are violated, it is deemed void only with regard to the relevant item) and shall not constitute a quorum required for in-absentia decision-taking and shall not be counted.

7.10. A completed and signed ballot shall be handed over to the Secretary within the deadline set by the notice or forwarded by fax, e-mail, with the original ballot forwarded afterwards to the address on the ballot.

The members, with ballots received by the Secretary prior to the ballot deadline or votes cast through the automated information system, shall be deemed to have voted.

7.11. Using received ballots and voting results from the automated information system the Secretary shall tally the votes and prepare meeting minutes in a manner stated herein.

8. MEETING MINUTES

8.1. Minutes of an in-presential/in-absentia meeting shall be prepared and signed within 2 (Two) business days after the meeting by the Chair and Secretary, held liable for the minutes accuracy.

8.2. A meeting protocol shall contain:

- Full company name;
- Meeting form (F2F or ballot voting);
- Hour and location of a meeting (tally of votes);
- List of attendees (participants of ballot voting) and invitees;
- Information on a quorum;
- Agenda;
- Items put for voting and detailed voting results;
- Brief summary of reports and presentations of meeting attendants (in case of a F2F meeting);
- Resolutions.

8.3. The Company shall be obliged to store minutes at the principal executive office, with the liability of keeping minutes in safe custody imposed onto the Executive Board Chair.

Minutes of the Executive Board meetings shall be accessible to the Board of Directors, Board of Internal Auditors, head of Internal Audit unit (head of a Company's unit liable for the roll-out and enforcement of internal audit or, if an external independent agency is engaged in the enforcement of internal audit, head of such agency), auditor upon their request, shareholder (shareholders), as stated by the Federal Joint-Stock Companies' Law.

9. EXECUTION OF RESOLUTIONS OVERSIGHT

9.1. Resolutions of the Executive Board shall be delated to the members in writing by forwarding a minutes copy within 3 (Three) business days after signing.

9.2. Resolutions of the Executive Board shall be delated to related doers via extracts from minutes signed by the Secretary and attested with Company's seal.

9.3. The execution of resolutions shall be overseen by the Secretary.

10. FINAL PROVISIONS

10.1 The Regulations on the Executive Board shall be approved by the General Shareholder Meeting.

10.2 The Regulations shall be revised and restated by the General Shareholder Meeting.

10.3 Should the Russian laws and statutory enactments change and some provisions of the Regulations contradict them, these provisions shall be repealed, with the Executive Board abiding by the Russian laws and statutory enactments until the Regulations are revised.

EXECUTIVE BOARD
Open Joint-Stock Company
Interregional Distribution Grid Company of Urals

BALLOT
For voting on agenda items of an Executive Board meeting
OAo IDGC of Urals,
To be held in the form of compresence on " ____ " _____ 200__

Item:

1. _____

Resolution:

1. _____

FOR

AGAINST

ABSTAIN

(leave your variant uncrossed)

Item:

2. _____

Resolution:

2. _____

FOR

AGAINST

ABSTAIN

(leave your variant uncrossed)

A completed and signed ballot should be forwarded by fax _____, or e-mail _____ or in
the original prior to _____.

/date, hour/

A late ballot shall not be counted.

Please, forward the original to: _____

Board member _____ / _____

Chairperson _____ / _____

Void if not signed by the Chairperson and Board member

EXECUTIVE BOARD
Open Joint-Stock Company
Interregional Distribution Grid Company of Urals

BALLOT
For absentee voting on agenda items of an Executive Board meeting
OAO IDGC of Urals

Item 1:

Resolution:

FOR

AGAINST

ABSTAIN

(leave your variant uncrossed)

Item 2:

Resolution:

FOR

AGAINST

ABSTAIN

(leave your variant uncrossed)

A completed and signed ballot should be forwarded by fax _____, or e-mail _____ or in the original prior to _____.

/date, hour/

A late ballot shall not be counted.

Please, forward the original to: _____

Board member _____ / _____

VOID IF NOT SIGNED BY BOARD MEMBER