

## AUDIT COMMITTEE

### MINUTES OF THE COMMITTEE MEETING No. KA-112 OAO IDGC of Urals

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26 December 2019  
Meeting form: Yekaterinburg  
in-absentia (by ballots)

#### Participants:

Aleksandr Viktorovich Shevchuk	Association of Institutional Investors' Executive Director, Chair of the Committee;
Yury Kazbekovich Zafesov	PAO Rosseti's Procurement Department Director;
Roman Avgustovich Dmitrik	OOO ESIH's General Director;
Yuri Vladimirovich Goncharov	PAO Rosseti's Chief Advisor;
Tatyana Aleksandrovna Ivanova	PAO Rosseti's Tariff Department Deputy Director.

Meeting attendance: 5 / 5. A quorum for decision-making on agenda issues is duly constituted.

#### Committee Secretary:

Dmitry Vyacheslavovich Tikhanov OAO IDGC of Urals' Head of Corporate Events Section of Corporate Governance and Stockholder Relations Department.

#### Agenda:

1. Examination of the written information (audit opinion) on key problems of accounting and financial statements, prepared by the external auditor with regard to key problems of the Company's interim 9M 2019 accounting (financial) statements, and management's information on post-audit adjustments.
2. Examination of key elements of the Company's 2019 accounting policy and slated alterations for 2020.
3. Preliminary examination of the outcomes of the external independent evaluation of internal audit performance quality.

**Agenda item No.1: Examination of the written information (audit opinion) on key problems of accounting and financial statements, prepared by the external auditor with regard to key problems of the Company's interim 9M 2019 accounting (financial) statements, and management's information on post-audit adjustments.**

#### Resolution:

To take note of the written information (audit opinion) filed with the Company's management on key problems of accounting and financial statements after interim stage of the audit of the accounting (financial) statements under RAS and consolidated financial statements under IFRS for nine months ended 30 September 2019, and management's information on absence of post-audit adjustments.

#### Voting results:

"FOR" - 4 (Four) votes: T.A. Ivanova, Y.K. Zafesov, Y.V. Goncharov, A.V. Shevchuk.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 1 (One) vote: R.A. Dmitrik.

**PASSED BY THE MAJORITY.**

**Agenda item No.2: Examination of key elements of the Company's 2019 accounting policy and slated alterations for 2020.**

#### Resolution:

To take note of the Company's information on the Company's 2019 accounting policy and slated alterations for 2020.

**Voting results:**

"FOR" - 5 (Five) votes: T.A. Ivanova, Y.K. Zafesov, Y.V. Goncharov, A.V. Shevchuk, R.A. Dmitrik.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

**PASSED UNANIMOUSLY.**

**Agenda item No.3: Preliminary examination of the outcomes of the external independent evaluation of internal audit performance quality.**

**Resolution:**

To recommend the Board of Directors to adopt the following resolution:

"1. To take note of the independent expert (AO KPMG) and evaluation of the roll-out and performance of internal audit, complying with Internal Auditor Institute's International Internal Audit Professional Standards, Code of Ethics, Company's Internal Audit Policy (Appendix \_\_ hereof).

2. To entrust the Head of Internal Audit Department to enforce development and filing with the Board of Directors of the action plan on development and improvement of internal audit performance.

Deadline: on or before 01.03.2020."

**Voting results:**

"FOR" - 5 (Five) votes: T.A. Ivanova, Y.K. Zafesov, Y.V. Goncharov, A.V. Shevchuk, R.A. Dmitrik.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

**PASSED UNANIMOUSLY.**

Appendix No.1	Written information (audit opinion) filed with the Company's management on key problems of accounting and financial statements after interim stage of the audit of the accounting (financial) statements under RAS and consolidated financial statements under IFRS for nine months ended 30 September 2019, and management's information on absence of post-audit adjustments.
Appendix No.2	Key elements of the Company's 2019 accounting policy and slated alterations for 2020.
Appendix No.3	Outcomes of the external independent evaluation of internal audit performance quality.

The Chair

A.V. Shevchuk

The Secretary

D.V. Tikhanov