

AUDIT COMMITTEE

MINUTES OF THE COMMITTEE MEETING No. KA-117 OAO IDGC of Urals

28 May 2020
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 Company's 3M2020 RAS interim accounting (financial) statements.
2. Examination of the internal audit's 3M2020 progress report.
3. Preliminary review of the auditor fee for the audit of the Company's FY2020 accounting (financial) and consolidated financial statements.
4. Execution of the Audit Committee's assignments in CY2019/2020.
5. Audit Committee's CY2019/2020 progress report.

Agenda item No.1: Examination of the Company's 3M2020 RAS interim accounting (financial) statements.

Resolution:

1. To take note of the Company's 3M2020 RAS interim accounting (financial) statements, as stated in Appendix 1 hereof.
2. To note:
 - reduction of the sales margin;
 - reduction of the net profit.
3. To recommend the sole executive body of the Company to take measures against adverse tendencies, stipulated in clause 2 hereof.

Voting results:

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

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.2: Examination of the internal audit's 3M2020 progress report.

Resolution:

To approve the Internal Audit Department's 3M2020 progress report, as stated in Appendix 2 hereof.

Voting results:

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

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.3: Preliminary review of the auditor fee for the audit of the Company's FY2020 accounting (financial) and consolidated financial statements.

Resolution:

To recommend the Board of Directors to determine the auditor fee for the audit of the Company's FY2020 accounting (financial) statements, prepared under RAS, and consolidated financial statements for the year ended 31.12.2020, prepared under IFRS, at RUB 5,354,577.23, incl. 20% VAT of RUB 892,429.54, provided that OOO Ernst & Young is approved as the Company's auditor by the Annual General Meeting.

Voting results:

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

"AGAINST" - 0 (Zero) votes.

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

PASSED BY THE MAJORITY.

Agenda item No.4: Execution of the Audit Committee's assignments in CY2019/2020.

Resolution:

To take note of the report on the execution of the Audit Committee's assignments in CY2019/2020, as stated in Appendix 3 hereof.

Voting results:

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

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.5: Audit Committee's CY2019/2020 progress report.

Resolution:

1. To recommend the Board of Directors to take note of the Audit Committee's CY2019/2020 progress report, as stated in Appendix 4 hereof.

2. The Committee secretary, submitting the Audit Committee's CY2019/2020 progress report to the Board of Directors for review, should update the information by adding to it the attendance of the Committee members on the present meeting and sign the finalized report by the Committee Chair.

Voting results:

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

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Appendix No.1	Company's 3M2020 RAS interim accounting (financial) statements.
Appendix No.2	Internal audit Department's 3M2020 progress report.
Appendix No.3	Report on the execution of the Audit Committee's assignments in CY2019/2020.
Appendix No.4	Audit Committee's CY2019/2020 progress report.

The Chair **A.V. Shevchuk**

The Secretary **D.V. Tikhanov**