

AUDIT COMMITTEE

MINUTES OF THE COMMITTEE MEETING No. KA-74

19 October 2017

Meeting form:

Yekaterinburg

in-absentia (by ballots)

Participants:

Aleksandr Viktorovich Shevchuk	Executive Director of Association of Institutional Investors, Chair of the Committee;
Yulia Vitalyevna Yascheritsyna	Director of Economic Planning and Budgeting Department at Rosseti (PAO);
Aleksandr Nikolaevich Fadeev	Chief Advisor at Rosseti (PAO);
Roman Avgustovich Dmitrik	General Director at RRSK (OOO)
Aleksey Yuryevich Serov	Director of Finance Department at Rosseti (PAO).

5 out of 5 members have participated in the meeting. A quorum for decision-making on agenda issues is duly constituted.

Committee Secretary:

Dmitry Vyacheslavovich Tikhonov Head of Corporate Events Section of Corporate Governance and Stockholder Relations Department at IDGC of Urals (OAO).

Agenda:

1. Preliminary examination of the Internal Audit's 2017 adjusted activity plan.
2. Examination of a Company's progress report with regard to creation and retirement of provisions in 2016-2017.
3. Examination of the factor analysis of shifts in the 2016-2017 target and actual values of the EESK and EES net profit.

Agenda item No.1: Preliminary examination of the Internal Audit's 2017 adjusted activity plan.

Resolution:

1. To adopt adjustments of the Internal Audit's 2017 activity plan, as stated in Appendix No.1 hereof.
2. To recommend the Board of Directors to adopt the following resolution: "To adopt adjustments of the Internal Audit's 2017 activity plan, as stated in the Appendix hereof".

Voting results:

"FOR" - 4 (Four) votes: Y.V. Yascheritsyna, A.V. Shevchuk, A.N. Fadeev, A.Y. Serov.

"AGAINST" - 0 (Zero) votes.

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

PASSED BY MAJORITY.

Agenda item No. 2: Examination of a Company's progress report with regard to creation and retirement of provisions in 2016-2017 (in fulfilment of a Sept.05, 2017 Board of Director assignment, clause 3.5 of agenda item No.1, Minutes No.244).

Resolution:

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

"To take note of the management report with regard to creation and retirement of provisions in 2016-2017, as stated in Appendix No.2 hereof".

Voting results:

"FOR" - 4 (Four) votes: Y.V. Yascheritsyna, A.V. Shevchuk, A.N. Fadeev, A.Y. Serov.

"AGAINST" - 0 (Zero) votes.

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

PASSED BY MAJORITY.

Agenda item No. 3: Examination of the factor analysis of shifts in the 2016-2017 target and actual values of the EESK and EES net profit (in fulfilment of a Sept.05, 2017 Board of Director assignment, clause 3.10 of agenda item No.1, Minutes No.244).

Resolution:

To take note of the management report with regard to factor analysis of shifts in the 2016&1H2017 target and actual values of the EESK and EES net profit, as stated in Appendix No.3 hereof.

Voting results:

"FOR" - 4 (Four) votes: Y.V. Yascheritsyna, A.V. Shevchuk, A.N. Fadeev, A.Y. Serov.

"AGAINST" - 0 (Zero) votes.

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

PASSED BY MAJORITY.

The Chair

A.V. Shevchuk

The Secretary

D.V. Tikhanov

Minutes prepared on 19.10.2017.