

AUDIT COMMITTEE

MINUTES OF THE COMMITTEE MEETING No. KA - 85 OAO IDGC of Urals

Meeting form: F2F (videoconference).

Meeting date: 12 April 2018.

Minutes date: 13 April 2018.

Meeting started: 13:00 (Moscow time).

Meeting ended: 13:45 (Moscow time).

Meeting venue: 4/1 Ulitsa Belovezhskaya, Moscow (PAO Rosseti HQ), Room A3-055.

Attending members:

Yulia Vitalyevna Yascheritsyna PAO Rosseti's Economic Planning and Budgeting Department
Director, Deputy Chair;
Aleksandr Nikolaevich Fadeev PAO Rosseti's Chief Advisor;
Roman Avgustovich Dmitrik OOO RRSK's General Director.

Members who filed ballots:

Aleksandr Viktorovich Association of Institutional Investors' Executive Director, Chair of the
Shevchuk Committee;
Aleksy Yuryevich Serov PAO Rosseti's Finance Department Director.

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

Invitees:

Elena Borisovna Sinitsyna PAO Rosseti Head of Oversight Directorate of Oversight Department,
expert of the Audit Committee;
Nadezhda Nikolayevna OOO RSM RUS' representative (Company's auditor);
Usanova
Olga Sergeevna Bubnova OOO RSM RUS' representative (Company's auditor);
Valentina Mikhailovna OAO IDGC of Urals' Deputy General Director for Economics and
Shcherbakova Finance;
Alla Aleksandrovna Petrova OAO IDGC of Urals' Deputy General Director for Corporate
Governance;
Olga Mikhailovna OAO IDGC of Urals' Chief Accountant;
Abrosimova
Polina Vladimirovna OAO IDGC of Urals' Head of Internal Audit Department;
Krivonogova

Committee Secretary:

Dmitry Vyacheslavovich OAO IDGC of Urals' Head of Corporate Events Section of Corporate

Agenda:

1. Examination of the management information with regard to unusual operations and events as well as bad debt and contingencies reserve.
2. Examination of the written information of the external auditor with regard to core problems of the Company's FY2017 RAS and IFRS financial statements and management's information on post-audit revisions of the statements.
3. Examination of the Company's FY2017 IFRS financial statements.
4. Efficiency evaluation of the audit of the Company's FY2017 accounting (financial) statements.

Agenda item No.1: Examination of the management information with regard to unusual operations and events as well as bad debt and contingencies reserve.

Report by: Valentina Mikhailovna Shcherbakova, OAO IDGC of Urals' Deputy General Director for Economics and Finance.

Resolution:

To take note of the management information with regard to unusual operations and events as well as bad debt and contingencies reserve in 2017.

Voting results:

"FOR" - 5 (Five) votes: Y.V. Yascheritsyna, A.V. Shevchuk, A.N. Fadeev, R.A. Dmitrik, A.Y. Serov.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.2: Examination of the written information of the external auditor with regard to core problems of the Company's FY2017 RAS and IFRS financial statements and management's information on post-audit revisions of the statements.

Report by: Nadezhda Nikolayevna Usanova, OOO RSM RUS' representative (Company's auditor).

Resolution:

Written information of the external auditor with regard to core problems of the Company's FY2017 RAS and IFRS financial statements examined, to note that the external auditor has no substantive remarks impacting reliability of reporting opinion and that reporting has no post-audit revisions.

Voting results:

"FOR" - 5 (Five) votes: Y.V. Yascheritsyna, A.V. Shevchuk, A.N. Fadeev, R.A. Dmitrik, A.Y. Serov.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.3: Examination of the Company's FY2017 IFRS financial statements.

Report by: Valentina Mikhailovna Shcherbakova, OAO IDGC of Urals' Deputy General Director for Economics and Finance.

Resolution:

1. To recommend the Board of Directors to submit the FY2017 RAS accounting statements for approval by the Annual General Meeting.
2. To take note of the Company's consolidated financial statement prepared under IFRS for the year ended 31 December 2017.

Voting results:

"FOR" - 5 (Five) votes: Y.V. Yascheritsyna, A.V. Shevchuk, A.N. Fadeev, R.A. Dmitrik, A.Y. Serov.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.4: Efficiency evaluation of the audit of the Company's FY2017 accounting (financial) statements.

Report by: Polina Vladimirovna Krivonogova, OAO IDGC of Urals' Head of Internal Audit Department.

Resolution:

1. To acknowledge the auditor report and procedure conducted by OOO RSM RUS in the course of the audit of the Company's FY2017 accounting (financial) statements compliant with the contract terms and laws of Russia.
2. To recommend the Board of Directors to include the Audit Committee's statement with regard to the efficiency and quality of the external audit into the list of materials, subject to dissemination among entities, entitled to participate in the Annual General Meeting, as stated in Appendix No.___hereof.

Voting results:

"FOR" - 5 (Five) votes: Y.V. Yascheritsyna, A.V. Shevchuk, A.N. Fadeev, R.A. Dmitrik, A.Y. Serov.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Appendix No.1	Management information with regard to unusual operations and events as well as bad debt and contingencies reserve in 2017.
Appendix No.2	Written information of the external auditor with regard to core problems of the Company's FY2017 RAS and IFRS financial statements.
Appendix No.3	FY2017 RAS accounting (financial) statements.
Appendix No.4	Consolidated financial statements prepared under IFRS for the year ended 31 December 2017.
Appendix No.5	Efficiency evaluation of the audit of the Company's FY2017 accounting (financial) statements.

The Deputy Chair

Y.V. Yascheritsyna

The Secretary

D.V. Tikhanov