

AUDIT COMMITTEE

MINUTES OF THE COMMITTEE MEETING No. KA - 89 OAO IDGC of Urals

23 July 2018
Meeting form:

Yekaterinburg
in-absentia (by ballots)

Participants:

Aleksandr Viktorovich Shevchuk	Association of Institutional Investors' Executive Director, Chair of the Committee;
Sergey Ivanovich Miromanov	PAO Rosseti's Head of Grid Asset Consolidation Directorate of Network Perspective Development and Connection Department;
Yury Kazbekovich Zafesov	PAO Rosseti's Procurement Department Director;
Roman Avgustovich Dmitrik	OOO ESIH's General Director;
Aleksey Yuryevich Serov	PAO Rosseti's Finance Department 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. Election of the Committee Deputy Chair.
2. Election of the Committee Secretary.
3. Engagement of an expert into the Committee's activities.
4. Adoption of the CY2018-2019 Committee action plan.
5. Preliminary examination of the Committee budget for 2H 2018 and 1H 2019.
6. Preliminary examination of the auditor fee for the audit of the Company's FY2018 financial statements, prepared under RAS, and audit of the consolidated financial statements for the year ending 31.12.2018, prepared under IFRS.

Agenda item No.1: Election of the Committee Deputy Chair.

Resolution:

To elect PAO Rosseti's Finance Department Director Aleksey Yuryevich Serov to serve as the Committee Deputy Chair.

Voting results:

"FOR" - 5 (Five) votes: A.V. Shevchuk, R.A. Dmitrik, S.I. Miromanov, Y.K. Zafesov, A.Y. Serov.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.2: Election of the Committee Secretary.

Resolution:

To elect OAO IDGC of Urals' Head of Corporate Events Section of Corporate Governance and Stockholder Relations Department Dmitry Vyacheslavovich Tikhanov to serve as the Committee Secretary.

Voting results:

"FOR" - 5 (Five) votes: A.V. Shevchuk, R.A. Dmitrik, S.I. Miromanov, Y.K. Zafesov, A.Y. Serov.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.3: Engagement of an expert into the Committee's activities.

Resolution:

To engage PAO Rosseti's Head of Oversight Directorate of Oversight Department Elena Borisovna Sinitsyna into the Committee's activities as a Committee expert.

Voting results:

"FOR" - 5 (Five) votes: A.V. Shevchuk, R.A. Dmitrik, S.I. Miromanov, Y.K. Zafesov, A.Y. Serov.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.4: Adoption of the CY2018-2019 Committee action plan.

Resolution:

To adopt the CY2018-2019 Committee action plan, as stated in Appendix No.1 hereof.

Voting results:

"FOR" - 5 (Five) votes: A.V. Shevchuk, R.A. Dmitrik, S.I. Miromanov, Y.K. Zafesov, A.Y. Serov.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.5: Preliminary examination of the Committee budget for 2H 2018 and 1H 2019.

Resolution:

To recommend the Board of Directors to adopt the Committee budget for 2H 2018 and 1H 2019, as stated in Appendix No.2 hereof.

Voting results:

"FOR" - 5 (Five) votes: A.V. Shevchuk, R.A. Dmitrik, S.I. Miromanov, Y.K. Zafesov, A.Y. Serov.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.6: Preliminary examination of the auditor fee for the audit of the Company's FY2018 financial statements, prepared under RAS, and audit of the consolidated financial statements for the year ending 31.12.2018, prepared under IFRS.

Resolution:

To recommend the Board of Directors to set the price of the external auditor contract on the audit of the Company's FY2018 financial statements prepared under RAS and audit of the consolidated financial statements prepared under IFRS, to be concluded between the Company and OOO Ernst & Young, at RUB 5,265,334.31, incl. VAT.

Voting results:

"FOR" - 4 (Four) votes: A.V. Shevchuk, S.I. Miromanov, Y.K. Zafesov, A.Y. Serov.

"AGAINST" - 0 (Zero) votes.

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

PASSED BY THE MAJORITY.

Appendix No.1 CY2018-2019 Committee action plan.

Appendix No.2 Committee budget for 2H 2018 and 1H 2019.

The Chair

A.V. Shevchuk

The Secretary

D.V. Tikhanov