

AUDIT COMMITTEE

MINUTES OF THE COMMITTEE MEETING No. KA - 95 OAO IDGC of Urals

Meeting form: F2F (VC).

Meeting date: 30 November 2018.

Minutes date: 03 December 2018.

Meeting started: 13:45 (Moscow time).

Meeting ended: 14:15 (Moscow time).

Meeting location: 4/1 Ulitsa Belovezhskaya, Moscow (PAO Rosseti's HQ, Room A4-069), videoconference with Yekaterinburg (OAO IDGC of Urals' HQ) and Chelyabinsk (Chelyabenergo's HQ).

Attendees:

Aleksandr Viktorovich Shevchuk	Association of Institutional Investors' Executive Director, Chair of the Committee;
Roman Avgustovich Dmitrik	OOO ESIH's General Director;
Yury Kazbekovich Zafesov	PAO Rosseti's Procurement Department Director;
Sergey Ivanovich Miromanov	PAO Rosseti's Head of Grid Asset Consolidation Directorate of Network Perspective Development and Connection Department.

Ballots filed:

Aleksey Yuryevich Serov PAO Rosseti's Finance Department Director.

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

Invitees:

Marina Alekseevna Lelekova	PAO Rosseti's Director of Oversight Department;
Polina Vladimirovna Krivonogova	OAO IDGC of Urals' Head of Internal Audit Department;

Committee Secretary:

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

1. Examination of the 9M 2018 Internal Audit's progress report.
2. Examination and approval of the structure and headcount of Internal Audit Department.
3. Preliminary examination of the Amended and Restated Regulations on Internal Audit Department.
4. Preliminary examination of the 2019 Internal Audit Department's action plan.
5. Preliminary examination of the 2019 Internal Audit Department's budget.
6. Revision of the Company's 2017-2019 action plan regarding development and improvement of Internal Audit practices.

Agenda item No.1: Examination of the 9M 2018 Internal Audit's progress report.

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

Resolution:

To adopt the 9M 2018 Internal Audit's progress report and to take note of Internal Audit's progress, as stated in Appendix 1 hereof.

Voting results:

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

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.2: Examination and approval of the structure and headcount of Internal Audit Department.

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

Resolution:

To approve the structure and headcount of Internal Audit Department, as stated in Appendix 2 hereof.

Voting results:

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

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.3: Preliminary examination of the Amended and Restated Regulations on Internal Audit Department.

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

Resolution:

1. To approve the Amended and Restated Regulations on Internal Audit Department, as stated in Appendix 3 hereof.
2. To recommend the Board of Directors to adopt the following resolution:
 - 2.1. To approve the Amended and Restated Regulations on Internal Audit Department, as stated by Appendix No. ___ hereof.
 - 2.2. To recommend the General Director to approve the Amended and Restated Regulations on Internal Audit Department, as stated in Appendix No. ___ hereof.

Voting results:

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

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.4: Preliminary examination of the 2019 Internal Audit Department's action plan.

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

Resolution:

1. To approve the 2019 Internal Audit Department's action plan, as stated in Appendix 4 hereof.
2. To recommend the Board of Directors to adopt the following resolution:

"To approve the 2019 Internal Audit Department's action plan, as stated by Appendix No. ___ hereof".

Voting results:

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

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.5: Preliminary examination of the 2019 Internal Audit Department's budget.

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

Resolution:

1. To approve the 2019 Internal Audit Department's budget, as stated by Appendix 5 hereof.
2. To recommend the Board of Directors to adopt the following resolution:
"To approve the 2019 Internal Audit Department's budget, as stated by Appendix No. ___ hereof".

Voting results:

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

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Agenda item No.6: Revision of the Company's 2017-2019 action plan regarding development and improvement of Internal Audit practices.

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

Resolution:

1. To approve revisions to the Company's 2017-2019 action plan regarding development and improvement of Internal Audit practices, as stated by Appendix 6 hereof.
2. To recommend the Board of Directors to adopt the following resolution:
"To approve revisions to the Company's 2017-2019 action plan regarding development and improvement of Internal Audit practices, as stated by Appendix No. ___ hereof".

Voting results:

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

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Appendix No.1	9M 2018 Internal Audit's progress report.
Appendix No.2	Structure and headcount of Internal Audit Department.
Appendix No.3	Regulations on Internal Audit Department.
Appendix No.4	2019 Internal Audit Department's action plan.
Appendix No.5	2019 Internal Audit Department's budget.
Appendix No.6	2017-2019 action plan regarding development and improvement of Internal Audit practices.

The Chair

A.V. Shevchuk

The Secretary

D.V. Tikhanov