

Sale of non-core assets in 2022

OAo IDGC of Urals Non-Core Asset Sale Blueprint¹⁰³ stipulates principal approaches, philosophy and mechanism of the identification and sale of OAo IDGC of Urals' non-core assets, sets criteria for counting OAo IDGC of Urals' assets as non-core assets, management of the non-core asset register, approaches to assessment of non-core assets, principal provisions on non-core asset sale and reporting on the register progress.

Asset	Book value, RUB thousand	Real sales value, RUB thousand	Spread, RUB thousand	Spread factors
Incomplete facilities of PS 220/10 kV "Dolgoderevskaya"	9,184.22	4,364.98	-4,819.24	The sales value was defined as a result of the public offering sale
Sports and recreation facility with cellar (Artemovsky)	1,057.73	8,929.00	7,871.27	The sales value was defined as a result of the public offering sale
A room in a dorm (Room 61, 23 Ulitsa Bogdana Khmelnytskogo, Perm)	32.78	1,003.00	970.22	The sales value was defined as a result of the auction
A room in a dorm (Room 100, 3 Ulitsa Cheboksarskaya, Perm)	12.02	490.00	477.98	The sales value was defined as a result of the auction
A room in a dorm (Room 39, 3 Ulitsa Cheboksarskaya, Perm)	10.79	475.00	464.21	The sales value was defined as a result of the auction
Shares of PAO Federal Grid Company of United Energy System (PAO FSK UES)	47.81	56.41	8.6	Pursuant to the Federal Joint-Stock Companies' Law ¹⁰⁴ shares owned by OAo IDGC of Urals were repurchased by PAO Rosseti
Facilities of a health center in Chelyabinsk	1,433.33	16,893.63	15,460.30	The sales value was defined as a result of the public offering sale
Non-residential building in Bogdanovich	218.11	500.83	282.72	The sales value was defined as a result of the auction
Non-residential building in Vostochnyi	0.00	406.67	406.67	The sales value was defined as a result of the auction
Total	11,996.79	33,119.52	21,122.73	

REFERENCES

Development Strategy Section

1. Approved by the Government Decree dated 09.06.2020 No.1523-r.
2. Approved by the Government Decree dated 03.04.2013 No.511-r.

Key Performance Indicators Section

3. Clause 15.1 (item 51), Article 15 of the Charter.
4. Board of Directors Minutes dated 16.09.2020 No.373.
5. Board of Directors Minutes dated 23.12.2022 No.455.
6. Board of Directors Minutes dated 08.02.2022 No.417.
7. OAo IDGC of Urals' Decree dated 29.12.2022 No.745.

Key Risks Section

8. Executive Board Minutes dated 29.12.2022 No.317.

Operational Results Section

9. Guidelines on the calculation of reliability and quality of service levels for a company managing the unified national networks and regional grid operators, approved by Ministry of Energy Decree dated 29.10.2016 No.1 256.
10. Decree dated 11.01.2022 No.1.

Tariff Policy Section

11. Decree of the Ministry of Tariffs and Energy Power Sector of the Perm region dated 29.12.2021 No.50-e.
12. Decree of REK of the Sverdlovsk region dated 30.12.2021 No.260-PK.
13. Decree of the Ministry of Tariffs and Energy Power Sector of the Chelyabinsk region dated 29.12.2021 No.84/72.
14. Connection Fee Calculation Guidelines, approved by Russian Federal Antimonopoly Service Decree dated 29 August 2017 No.1135/17.
15. Decree of the Ministry of Tariffs and Energy Power Sector of the Perm region dated 29.12.2021 No.120-TP on setting of 2022 connection fees for RGOs in the Perm region.
16. Decree of REK of the Sverdlovsk region dated 29.12.2021 No.258-PK on setting of 2022 standardized rates, maximum capacity unit rates and connection fee formulas for RGOs in the Sverdlovsk region.
17. Decree of the Ministry of Tariffs and Energy Power Sector of the Chelyabinsk region dated 27.12.2021 No.83/2 on setting of 2022 connection fees for regional grid operators.
18. Government Decree dated 30.06.2022 No.1178.
19. Para. 4,5 and 8 item 17 of Rules of connection for power receivers, power production and grid facilities owned by gridcos and other entities, approved by Government Decree dated 27.12.2004 No.861.

20. Decree of the Ministry of Tariffs and Energy Power Sector of the Perm region dated 13.07.2022 No.41-tp on revisions to Decree of the Ministry of Tariffs and Energy Power Sector of the Perm region dated 29.12.2021 No.120-TP.
21. Decree of REK of the Sverdlovsk region dated 18.07.2022 No.83-PK on approval of a reduced rate per 1 kW of requested maximum capacity for connection to the electric networks in the Sverdlovsk region.
22. Decree of the Ministry of Tariffs and Energy Power Sector of the Chelyabinsk region dated 25.07.2022 No.60/01 on revisions to Decree of the Ministry of Tariffs and Energy Power Sector of the Chelyabinsk region dated 27.12.2021 No.83/2.
23. Revisions of the Guidelines No. 1135/17 by Russian Federal Antimonopoly Service Decree dated 21.04.2021 No.373/21.

Investments Section

24. Ministry of Energy Decree dated 24.11.2022 No.26@.
25. Federal Law dated 27.12.2018 No. 522-FZ.

Innovations Section

26. Board of Directors Minutes No.407 dated 03.09.2021.
27. Board of Directors Minutes dated 22.08.2022 No.438.

Personnel Management Section

28. Approved by OAO IDGC of Urals' Decree dated 07.06.2021 No.249.
29. Standard STO ISM-MRSK-18-2022 "Identification of Dangers and Evaluation of Professional risks. Control of Risks and Management of Professional Risks in OAO IDGC of Urals" (approved by OAO IDGC of Urals' Decree dated 27.09.2022 No.529).

Environment Protection Section

30. License 066 No.00565 dated 12.01.2017.
31. Regulations on production environmental control PL MRSK-DPBIPK-29 (approved by Decree dated 26.12.2018 No.624).
32. Board of Directors Minutes No.407 dated 03.09.2021.
33. Federal Law dated 23.11.2009 No.261-FZ on energy-saving and enhancement of energy efficiency and introduction of amendments to a number of legislative acts of the Russian Federation.

Management Systems Section

34. ISO 9001 – Quality Management System.
35. ISO 14001 – Environment Management System.
36. ISO 50001 – Energy Management System.
37. ISO 45001 – Occupational Health and Safety Management System.
38. CEN/TS 1655-1 – Innovation Management System.

Procurements Section

39. Adopted by the OAO IDGC of Urals' Board of Directors on 26 December 2018 (Minutes No. 288).

Anti-Corruption Policy and Enforcement of Economic Security of Operations Section

40. Art. 13.3 of Federal Law dated 25.12.2008 No.273-FZ on combating corruption.
41. Art. 19.28 of the Administrative Offence Code.

The Memo of the Controlling Stockholder (PAO Rosseti) with Regard to the Controlled Grid Companies Section

42. Adopted by the PAO Rosseti's Board of Directors (Minutes dated 26.12.2019 No.388).

Corporate Governance Practices Section

43. Adopted by the Bank of Russia's Board of Directors on 21.03.2014 and recommended for application by Bank of Russia's memo dated 10.04.2014 No.06-52/2463.
44. M MRSK-DVA-03-2019 "Evaluation of Corporate Governance practices in OAO IDGC of Urals"
45. Federal Law dated 18.03.2020 No.50-FZ.
46. Federal Law dated 07.04.2020 No.115-FZ.

General Meetings of Stockholders Section

47. Clause 10.2, Article 10 of the Charter.

Board of Directors' Progress Report Section

48. Clause 15.1, Article 15 of the Charter.
49. Minutes of the Personnel and Remunerations Committee dated 30.11.2022 No.114.
50. Board of Directors Minutes dated 23.12.2022 No.455.
51. Clause 16.1, Article 16 of the Charter.
52. EGM Minutes No.19 dated 23.12.2022.

Board of Directors Committees Section

53. Adopted by the resolution of the OAO IDGC of Urals' Board of Directors, Minutes dated 29.11.2022 No.451.
54. Adopted by the resolution of the OAO IDGC of Urals' Board of Directors, Minutes dated 30.11.2009 No.62, revised on 20.10.2016, Minutes dated 16.02.2016 No.185.
55. Adopted by the resolution of the OAO IDGC of Urals' Board of Directors, Minutes No.149 dated 28.07.2014.
56. Adopted by the resolution of the OAO IDGC of Urals' Board of Directors, Minutes dated 30.11.2009 No.62, revised on 19.02.2016.
57. Adopted by the resolution of the OAO IDGC of Urals' Board of Directors, Minutes No.315 dated 23.07.2019.
58. Adopted by the resolution of the OAO IDGC of Urals' Board of Directors, Minutes dated 30.11.2009 No.62, revised on 19.02.2016.
59. Adopted by the resolution of the OAO IDGC of Urals' Board of Directors, Minutes No.239 dated 29.07.2017.
60. Adopted by the resolution of the OAO IDGC of Urals' Board of Directors, Minutes dated 30.11.2009 No.62, revised on 19.02.2016.
61. Adopted by Government Decree dated 28.10.2009 No.846.
62. Adopted by the resolution of the OAO IDGC of Urals' Board of Directors, Minutes No.348 dated 24.03.2020.
63. Adopted by the resolution of the OAO IDGC of Urals' Board of Directors, Minutes No.72 dated 03.08.2010, revised on 19.02.2016.

Corporate Secretary Section

64. Adopted by the resolution of the OAO IDGC of Urals' Board of Directors on 28.09.2016 (Minutes No.207 dated 30.09.2016).

Executive Bodies Section

65. Clause 2, Article 70 of the Federal Joint-Stock Companies' Law.
66. Clause 23.3 of the Charter.
67. Board of Directors' Minutes No.451 dated 29.11.2022.

Internal Control, Risk Management and Internal Audit Section

68. Board of Directors' resolution dated 14.03.2016 (Minutes No.189).
69. IDGC of Urals' Decree dated 18.06.2021 No.271, revised by Decree dated 30.08.2022 No.479.
70. Board of Directors' Minutes dated 31.05.2021 No.398.
71. IDGC of Urals' Decree dated 30.07.2021 No.356.
72. IDGC of Urals' Decree dated 30.08.2022 No.479.
73. IDGC of Urals' Decree dated 19.09.2022 No.516.
74. IDGC of Urals' Decree dated 28.12.2022 No.744.
75. IDGC of Urals' Decree dated 28.10.2022 No.607.
76. Board of Directors' resolution dated 13.03.2021 (Minutes No.391).
77. Board of Directors' resolution dated 21.07.2022 (Minutes No.436).
78. IDGC of Urals' Decree dated 15.11.2022 No. 639.
79. Adopted by the Company's Decree dated 13.04.2020 No.193, revised by Decree dated 22.05.2020 No.243..
80. Board of Directors' Minutes dated 31.05.2021 No.398.
81. IDGC of Urals' Decree dated 30.07.2021 No.356.
82. IDGC of Urals' Decree dated 18.11.2022 No.111.
83. IDGC of Urals' Decree dated 15.11.2022 No.639.
84. IDGC of Urals' Decree dated 18.10.2022 No.95.
85. Adopted by the Board of Directors, Minutes dated 02.12.2019 No.329, revisions adopted by the Board of Directors on 10.11.2021 (Minutes dated 12.11.2021 No.410).
86. Board of Directors' resolution dated 28.12.2018 (Minutes No.290).
87. Board of Directors' resolution dated 02.12.2016 (Minutes No.210), revised on 04.04.2022 (Minutes dated 05.04.2022 No.422).
88. Adopted by the Board of Directors on 31.03.2020 (Minutes dated 31.03.2020 No.349), revisions adopted by the Board of Directors on 29.01.2021 (Minutes dated 01.02.2021 No.386).
89. Adopted by the Board of Directors (Minutes dated 06.05.2022 No.425).

Board of Internal Auditors Section

90. Clause 24.1 of the Charter.
91. Clause 24.3 of the Charter.
92. AGM Minutes dated 17.06.2022 No.18.
93. AGM Minutes dated 03.06.2021 No.17.
94. Article 27 of the Federal Bankruptcy Law.
95. Minutes of the Board of Internal Auditors dated 04.05.2022 No.3.
96. Adopted by the General Meeting (Minutes dated 31.05.2018 No.12).

External Auditor Section

97. Minutes No.7/468r dated 12.05.2022.

Stockholder Equity and Securities Section

98. Adopted by the Board of Directors on 03 December 2021 (Minutes No.411).
99. Government Decree dated 29.05.2017 No.1094-r.
100. AGM Minutes No.13 dated 24.05.2019.
101. AGM Minutes No.16 dated 29.05.2020.

Appendices Section

102. Recommended by Bank of Russia's memo dated 27.12.2021 No.IN-06-28/102 on disclosure of the CGC compliance report as a part of the annual report.
103. Revised Program was adopted by the Board of Directors on 27.01.2022 (Minutes No.416).
104. Art. 76 of Federal Joint-Stock Companies' Law dated 26.12.1995 No.208-FZ.

ABBREVIATIONS AND ACRONYMS**About the Report Section**

OAO — Open Joint-Stock Company
IDGC — Interregional Distribution Grid Company
RAS — Russian Accounting Statements

About Us Section

RUB — ruble
Km — kilometer
GVA — giga volt-ampere
FY — financial year
kWh — kilowatt-hour
MW — megawatt
IFRS — International Financial Reporting Standards

Macroeconomic and Industry Review, Market Share Section

GDP — gross domestic product
UES — United Energy System
AO — Joint-Stock Company
PAO — Public Joint-Stock Company
GRR — gross revenue requirement
YoY — year on year

Development Strategy Section

KPI — key performance indicators
F2F — face-to-face
R&D — research and development
SAIDI — System Average Interruption Duration Index
SAIFI — System Average Interruption Frequency Index

Key Performance Indicators Section

ROIC — return on invested capital
EBITDA — earnings before interest, taxes, depreciation and amortization
GM — General Meeting