



22

ANNUAL REPORT

**THE URALS:
THE BACKBONE
OF THE NATION**



Scope of the report

The annual report uses such notions IDGC of Urals, Rosseti Ural and Company to mean OAO IDGC of Urals.

The annual report discloses information, available to OAO IDGC of Urals as of the reporting date, and presents its performance for the period starting 01 January 2022 and ending 31 December 2022. Information, presented in the report (incl. RAS-based financial and economic performance data) covers IDGC of Urals' performance.

Disclaimer

Several statements hereof are forward-looking statements that include, but are not limited to, the following:

- Evaluation of Company's future operating and financial performance and forecasts regarding factors with potential impact on the present value of future cash flows;
- Company's intentions to hold equities of other firms;
- Company's plans to construct and revamp networks as well as capex targets;
- Flows of demand for Company's services and Company's projections of existing and new services as well as pricing;
- Company's intentions to improve its corporate governance practices;
- Future market share and scenarios for evolution of market segments;
- Economic projections and expected industry trends;
- Prospective changes of regulatory environment and evaluation of the impact a particular regulatory instrument may have on the Company;
- Other plans and projections with regard to any event that has not yet occurred.

These forward-looking statements are exposed to risks and uncertainties as well as other factors that in the long run may distort actual performance from targets. These risks, uncertainties and factors embody:

- risks related to possible political, economic and social challenges in Russia as well as changes of global economic environment;
- legislation and taxation risks that include i) multiple legal instruments governing the sector and issuance and circulation of securities; ii) ambiguous interpretation of the enactments by the regulators;
- operating risks, to name but a few: i) prospects to achieve targets, projected margins and growth rates; ii) ability to create and satisfy demand for the services, including their promotion;
- technological risks related to infrastructure performance, prospects and technological innovations;
- other risks and uncertainties.

These factors are reviewed herein (please, refer to "Key Risks" Section for details) and by other documents disclosed by the Company. Most of the factors are beyond Company's control and prediction. Therefore, with this in mind, the Company does not recommend to rely upon any forward-looking statements contained herein. The Company shall assume no liability to revise any forecast and expose any post-publication events/circumstances/unexpected events, unless required to do so by applicable laws.

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Synopsis of the report

The annual report covers the FY2022 performance and key events of Open Joint-Stock Company "Interregional Distribution Grid Company of Urals" (Rosseti Ural brand). Post-reporting events are disclosed up to and including Feb.28, 2023.

The annual report focuses on raising awareness of stakeholders on the Company's strategy, mission, social and sustainable development policies, key events and performance, impact on economics, society, environment and stakeholder liaisons.

The following information was used to prepare this annual report::

- FY2022 accounting (financial) statements prepared under Russian Accounting Standards (RAS);
- Consolidated financial statements of OAO IDGC of Urals for the year ended 31 December 2022.
- Public sources.

The report is compliant with the reporting standards and laws of the Russian Federation. The report is addressed to the multi-stakeholder communities.

Adoption of the report

Adopted by the OAO IDGC of Ural's Annual General Meeting of Stockholders on 09.06.2023 (Minutes dated 09.06.2023 No.20).

Preapproved by the Board of Directors on 04.05.2023 (Minutes dated 05.05.2023 No. 474).

Authenticity of information disclosed in the annual report was certified by the Company's Board of Internal Auditors on 25.04.2023 (Minutes dated 25.04.2023 No.3).