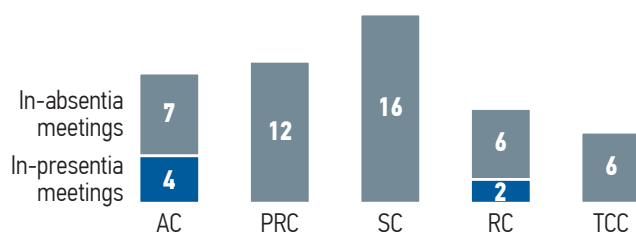


BOARD OF DIRECTORS COMMITTEES

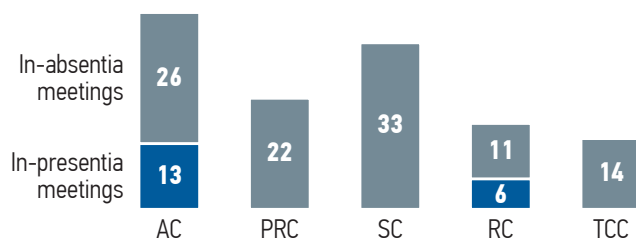
To enhance efficiency of the Board of Directors and investigate matters under its purview, the Board of Directors has established specialized functional consultative and advisory bodies – Board of Directors Committees. Primary goals of each Committee lie in preliminary examination of vital topics referred to the Board of Directors competence and in generation of recommendations used by the Board of Directors to decide on relevant aspects. If the Committees require counseling and advisory services with regard to aspects demanding specialized knowledge and skills, they are entitled to engage outside experts into examination process, relevant remunerations being paid from the Committees' budgets, approved by the Board of Directors, within allotted limits.

The Board of Directors structure comprises five permanent Committees – the Audit Committee, Personnel and Remunerations Committee, Strategy Committee, Reliability Committee and Technological Connection Committee. Any action or operation of these Committees is performed in strict compliance with the relevant Regulations stipulating the legal status, goals and objectives, rights and liabilities, structure and composition of the Committees as well as federal laws and enactments of the Russian Federation, Charter, Regulations on the Board of Directors, resolutions of the Board of Directors and Committees' Regulations.

In-presentia and in-absentia Committee meetings in 2022



Agenda items examined by the Committees on in-presentia and in-absentia meetings in 2022



During the reported period, the Committees scrutinized **125 agenda items** during 53 meetings.

The share of in-presentia Committee meetings and share of agenda items reviewed during in-presentia meetings in 2022 totaled 11.3% and 15.2%, respectively

Find the exhaustive list of examined agenda items and wording of the Committees' resolutions at Committees of the Board of Directors Section the corporate web-site (Main/About us/Governing and Oversight Bodies/Committees of the Board of Directors).

The Audit Committee

The Committee was established to examine issues related to the oversight of Company's financial and economic operations. The Committee plays a key role in overseeing integrity, accuracy and reliability of financial reporting, accountability and efficiency of the system of risk management, internal control and corporate governance and in fostering independence and impartiality of internal and external audit.

Guided by:

- The Regulations on the Board of Directors' Audit Committee at IDGC of Urals⁵³
- The Regulations on the Remunerations and Compensations due to the Board of Directors' Audit Committee at IDGC of Urals⁵⁴

Primary Objectives:

- Review of Company's accounting (financial) statements and supervision over statements preparation process;
- Supervision of reliability and efficiency of the systems of internal control and risk management and corporate governance practices;
- Supervision of external audit and auditor selection;
- Fostering of independence and impartiality of internal audit;
- Supervision of efficiency of the system combating unfair practices of Company's employees and third parties.

Compositions of the Committee and members' attendance

Name	Composition 1 (19.07.2021 – 06.09.2022)	Composition 2 (07.09.2022 – end of the reported period)	Attendance
A.V. Shevchuk	+	-	7/7 (100%)
R.A. Dmitrik	+	+	11/11 (100%)
I.A. Shagina	+	+	11/11 (100%)
Y.V. Goncharov	-	+	4/4 (100%)

One independent director with an expertise in the preparation, analysis, evaluation and audit of financial statements preparation serves on the Committee:

- R.A. Dmitrik, OOO ESIH' General Director (Committee Chair).

Committee's 2022 progress report:

During the reported period the Committee conducted 11 meetings
7 in-absentia meetings
4 in-presentia meetings (VC)
Agenda items examined: 39

Issues examined during 2022

Anticorruption monitoring (2 issues):

- Examination of the 2021 and 1H2022 report on anticorruption monitoring outcomes (minutes dated 07.04.2022 No.143, dated 23.12.2022 No.151)

Administrative issues (8 issues), incl.:

- Adoption of the Committee's activity plan and budget (minutes dated 10.10.2022 No.148, dated 16.11.2022 No.149)
- Engagement of the expert into the Audit Committee activities (minutes dated 10.10.2022 No.148):

Internal audit (10 issues), incl.:

- Examination of Internal Audit Department's activity plans and revisions to them (minutes dated 07.07.2022 No.146, dated 20.12.2022 No.150)
- Internal Audit Department's progress reports (minutes dated 07.04.2022 No.143, dated 07.07.2022 No.146, dated 06.09.2022 No.147, dated 20.12.2022 No.150)

Internal control (3 issues), incl.:

- Examination of the report on the ICS roll-out, functioning and efficiency (minutes dated 14.06.2022 No.145)

Accounting (financial) statements (8 issues), incl.:

- Examination of the Company's accounting statements (minutes dated 01.02.2022 No.141, dated 14.06.2022 No.145, dated 07.07.2022 No.146, dated 10.10.2022 No.148)
- Written information from the external auditor and management (minutes dated 01.02.2022 No.141, dated 14.06.2022 No.145)

External audit (5 issues), incl.:

- Examination of an external auditor candidate, evaluation of the efficiency of external audit, specification of the fee due to the external auditor (minutes dated 20.05.2022 No.144, dated 14.06.2022 No.145, dated 07.07.2022 No.146)

Other issues (3 issues):

- Execution of assignments of the Board of Directors by the Audit Committee (minutes dated 07.07.2022 No.146)
- CY2021-2022 Committee progress report (minutes dated 07.07.2022 No.146)
- Internal audit's CY2021-2022 report on the evaluation of the corporate governance system (minutes dated 16.11.2022 No.149).

The Personnel and Remunerations Committee

The Committee was established by the Board of Directors to examine aspects related to shaping of efficient and transparent remunerations policy and practices; HR planning, professional composition and efficiency of executive bodies and other key officers of the Company.

Guided by:

- The Regulations on the Board of Directors' Personnel and Remunerations Committee at IDGC of Urals⁵⁵
- The Regulations on the Remunerations and Compensations due to the Board of Directors' Personnel and Remunerations Committee at IDGC of Urals⁵⁶

Primary Objectives:

- Preparation of recommendations regarding remunerations due to the Company's Board of Directors.
- Elaboration of principles and criteria used to define remunerations due to the Board of Directors, members of the collegiate executive body and person performing functions of the sole executive body of the Company, including management firm or director.
- Generation of proposals used to define essence of the contracts concluded with the Board of Directors, members of the collegiate executive body and person performing functions of the sole executive body of the Company.
- Identification of criteria used to select nominees to the Board of Directors, members of the collegiate executive body and person performing functions of the sole executive body of the Company as well as preliminary evaluation of the nominees.
- Regular evaluation of the person performing functions of the sole executive body (management firm or director) and members of the collegiate executive bodies, and generation of reappointment proposals for the Board of Directors.

Compositions of the Committee and members' attendance

Name	Composition 1 (19.07.2021 – 02.08.2022)	Composition 2 (03.08.2022 – end of the reported period)	Attendance
N.A. Ozhe	+	+	12/12 (100%)
M.G. Tikhonova	+	+	12/12 (100%)
I.A. Shagina	+	+	12/12 (100%)

Committee's 2022 progress report:

During the reported period the Committee conducted
12 meetings
12 in-absentia meetings
Agenda items examined: 22

Issues examined during 2022

Administrative issues (6 issues), incl.:

- Adoption of the Committee's action plan and budgets (minutes dated 22.02.2022 No.106, dated 12.09.2022 No.112)

Approval of candidates to certain positions /
labor reserve (9 issues), incl.:

- Preliminary examination and approval of candidates to serve as the General Director, Deputy General Directors (minutes dated 07.06.2022 No.110, dated 19.08.2022 No.111, dated 30.11.2022 No.114, dated 16.12.2022 No.115, dated 23.12.2022 No.116, dated 29.12.2022 No.117)

Organizational structure (2 issues):

- Preliminary examination of proposals regarding the Company's HQ organizational structure (minutes dated 25.03.2022 No.107, dated 30.11.2022 No.114)

Evaluation of candidates to the BoD and BoD performance (1 issue):

- Examination of the CY2021-2022 report on the self-evaluation of Board of Directors' and Committees' performance (minutes dated 30.11.2022 No.114)

Material incentives (1 issue):

- Specification of the amount of the General Director's bonus to be paid after completion of FY2020 KPI "Efficiency of Innovative Activities" (minutes dated 04.05.2022 No.108)

Other issues (2 issues), incl.:

- Adoption of the Corporate Secretary's CY2021-2022 progress report (minutes dated 03.06.2022 No.109)

The Strategy Committee

The key role of the Committee is to assist the Board of Directors in developing the strategy, its revision and progress oversight as well as generating updating proposals.

Guided by:

- The Regulations on the Board of Directors' Strategy Committee at IDGC of Urals⁵⁷
- The Regulations on the Remunerations and Compensations due to the Board of Directors' Strategy and Development Committee at IDGC of Urals⁵⁸

The Committee's goal shall be to prepare and give recommendations (opinions) to the Board of Directors regarding Board of Directors' fields of concern, falling under the Committee's purview, namely: strategic development and business priorities, innovation-driven development, administration of business processes, business planning, dividend policy, risk management, evaluation of performance efficiency of the Company and its associates, as well as other goals and directions, outlined by the Corporate Governance Code⁴³.

Compositions of the Committee and members' attendance

Name	Composition 1 (19.07.2021 – 06.09.2022)	Composition 2 (07.09.2022 – end of the reported period)	Attendance
P.V. Grebtsov	+	-	11/11 (100%)
R.A. Dmitrik	+	+	16/16 (100%)
M.V. Kaloeva	+	+	16/16 (100%)
A.Y. Korneev	+	-	11/11 (100%)
D.V. Krainsky	+	+	16/16 (100%)
Y.G. Obrezkova	+	+	16/16 (100%)
N.A. Ozhe	+	+	16/16 (100%)
A.A. Polinov	+	+	13/16 (81.3%)
V.V. Rozhkov	+	+	16/16 (100%)
V.M. Shcherbakova	+	-	11/11 (100%)
A.V. Shevchuk	+	+	16/16 (100%)
S.V. Podlutskiy	-	+	5/5 (100%)

Committee's 2022 progress report:

During the reported period the Committee conducted
16 meetings
16 in-absentia meetings
Agenda items examined: 33

Issues examined during 2022

Administrative issues (5 issues), incl.:

- Adoption of the Committee's action plan and budgets (minutes dated 18.02.2022 No.174, dated 04.10.2022 No.184)

Receivables processing (4 issues):

- Adoption of the Company's action plan regarding reduction of overdue transmission receivables and reconciliation (minutes dated 13.01.2022 No.172, dated 25.04.2022 No.177, dated 06.07.2022 No.180, dated 04.10.2022 No.184)

KPI review (3 issues):

- Adoption of the KPI targets, reports on KPI completion (minutes dated 13.01.2022 No.172, dated 31.01.2022 No.173)
- Revision of the General Director's KPI Calculation and Performance Evaluation Methodology and KPI targets (minutes dated 19.12.2022 No.187)

Implementation of strategy (16 issues), incl.:

- Examination of the business plans and investment programs, business plan completion reports (minutes dated 13.01.2022 No.172, dated 31.01.2022 No.173, dated 24.02.2022 No.175, dated 24.03.2022 No.176, dated 31.05.2022 No.178, dated 12.08.2022 No.181, dated 14.09.2022 No.183, dated 04.10.2022 No.184)
- Adoption of the 2021 progress report with regard to the Company's Innovative Development Program, adoption of the progress report with regard to the 2019-2030 Digital Transformation Program (minutes dated 12.08.2022 No.181, dated 19.08.2022 No.182)

None-core asset register (1 issue):

- Examination of the non-core asset register (minutes dated 31.01.2022 No.173)

IC&RMS (2 issues):

- Examination of the 2021 Internal Audit's report on the evaluation of the IC&RMS efficiency, Adoption of the Company's risk appetite (minutes dated 15.06.2022 No.179)

Other issues (2 issues), incl.:

- CY2021-2022 Committee progress report (minutes dated 06.07.2022 No.180)

The Reliability Committee

The key role of the Committee is to assist the Board of Directors in evaluating production programs, prevention and traumatism reducing programs and quality of incident investigations, etc.

Guided by:

- The Regulations on the Board of Directors' Reliability Committee at IDGC of Urals⁵⁹
- The Regulations on the Remunerations and Compensations due to the Board of Directors' Reliability Committee at IDGC of Urals⁶⁰

Primary Objectives:

- Evaluation of production programs, plans for technical revamp, refurbishment, greenfield construction and facilities maintenance, their analysis in terms of compliance with reliability of operations and technical status of electric networks;
- Evaluation whether follow-up measures from post-incident investigations are in-depth and consistent with the rules for investigation of power sector incidents⁶¹, as well as oversight of their execution;
- Expertise of quality of incident investigations;
- Expertise of Company's incident-prevention activities (emergency preparedness, arrangement of recovery works on grid facilities);
- Expertise of programs focusing on mitigation and prevention of injury risks among personnel and outsiders as well as in oversight of their execution;
- Oversight and evaluation of activities of Company's engineering teams in terms of operation reliability and safety;
- Expertise of Company's internal technical control system;
- Expertise of Company's labor protection management system;
- Expertise of ecology policy program;
- Expertise of fire and industrial safety systems

Compositions of the Committee and members' attendance

Name	Comp. 1 (19.07.2021 – 06.09.2022)	Comp. 2 (07.09.2022 – 01.12.2022)	Comp. 3 (02.12.2022 – end of the reported period)	Attendance
S.V. Shpilevoy	+	+	+	8/8 (100%)
R.A. Dmitrik	+	+	+	8/8 (100%)
I.G. Polovnev	+	+	-	8/8 (100%)
D.O. Ulrich	+	+	+	8/8 (100%)
V.A. Ryabushev	+	+	+	8/8 (100%)
A.V. Shevchuk	-	-	+	0/0

Committee's 2022 progress report:

During the reported period the Committee conducted 8 meetings
 6 in-absentia meetings
 2 in-presentia meetings (VC)
 Agenda items examined: 17

Issues examined during 2022

Administrative issues (5 issues), incl.:

- Adoption of the Committee's action plan and budgets (minutes dated 22.02.2022 No.91, dated 11.10.2022 No.95, dated 16.11.2022 No.96)

Reliability and preparedness of the Company (6 issues), incl.:

- Examination of reports on reliability indicators, preparedness for operations during special periods (minutes dated 27.01.2022 No.89, dated 28.01.2022 No.90, dated 05.04.2022 No.92)

Production program (1 issue):

- Examination of the progress report with regard to production programs (minutes dated 16.06.2022 No.93)

Other issues (5 issues), incl.:

- CY2021-2022 Committee progress report (minutes dated 08.07.2022 No.94)

The Technological Connection Committee

The Committee was established by the Board of Directors to examine items related to generation of proposals improving antimonopoly laws, fostering non-discriminatory access to connection services, updating Company's bylaws and standards stipulating non-discriminatory access to connection services as well as to evaluate Company's efficiency in connection of customers to the networks.

Guided by:

- The Regulations on the Board of Directors' Technological Connection Committee at IDGC of Urals⁶²
- The Regulations on the Remunerations and Compensations due to the Board of Directors' Technological Connection Committee at IDGC of Urals⁶³

Primary Objectives:

- Generation of proposals to improve legislation with regard to antimonopoly regulation and provision of non-discriminatory access of consumers to connection services;
- Generation of proposals to improve Company's bylaws and standards with regard to provision of non-discriminatory access of consumers to connection services;
- Preparation of principles and criteria for evaluation of Company's connection efficiency;
- Evaluation of Company's connection efficiency;
- Evaluation of Company's efficiency in enhancing grid development planning quality;
- Analysis of current situation and generation of proposals for the Board of Directors in terms of connection to electric networks;
- Generation of proposals on the improvement of internal regulations and standards of the Company related to additional (non-tariff) services, etc.

The full list of the objectives is disclosed in the Regulations on the Technological Connection Committee.

Compositions of the Committee and members' attendance

Name	Comp. 1	Comp. 2	Comp. 3	Attendance
	(19.07.2021 06.09.2022)	(07.09.2022 01.12.2022)	(02.12.2022 – end of the reported period)	
O.Y. Klinkov	+	+	+	6/6 (100%)
D.V. Vyalkov	+	-	-	0/0
S.M. Kuryavyi	+	+	+	6/6 (100%)
N.A. Ozhe	+	-	-	4/4 (100%)
I.G. Polovnev	+	+	-	6/6 (100%)
V.A. Davydkin	+	+	+	6/6 (100%)
R.A. Dmitrik	+	+	+	6/6 (100%)
A.V. Shevchuk	-	-	+	0/0

Committee's 2022 progress report:

During the reported period the Committee conducted 6 meetings
 6 in-absentia meetings
 Agenda items examined: 14

Issues examined during 2022

Administrative issues (4 issues), incl.:

- Adoption of the Committee's action plan and budgets (minutes dated 22.02.2022 No.65, dated 22.11.2022 No.69)

Analysis of connections (4 issues):

- Examination of progress report with regard to connection (minutes dated 04.02.2022 No.64, dated 31.05.2022 No.66, dated 16.08.2022 No.67, dated 22.11.2022 No.69)

Preparation to Universiade 2023 (4 issues):

- Examination of the progress reports (minutes dated 04.02.2022 No.64, dated 31.05.2022 No.66, dated 16.08.2022 No.67, dated 22.11.2022 No.69)

Development of additional services (1 issue):

- Adoption of the roadmap, examination of the progress report with regard to the roadmap on development of additional services (minutes dated 04.02.2022 No.64)

Other issues (1 issue):

- CY2021-2022 Committee progress report (minutes dated 16.08.2022 No.67)