

BOARD OF INTERNAL AUDITORS

Financial and economic performance of the Company is overseen by the Board of Internal Auditors, as stated by the Charter⁹⁰. The competence of the Board, as envisaged by the Charter⁹¹, includes:

- Validation of data presented in the Company's annual report, annual financial statements;
- Analysis of Company's financial position, detection of reserves to improve Company's financial position and preparation of recommendations to Company's management bodies;
- Arrangement and conduct of the audit, namely:
 - Audit of financial, accounting, payment and other documents with regard to Company's financial and economic operations to evaluate compliance with laws of Russia, Company's charter, bylaws and other documents;
 - Oversight whether property, plant and equipment are protected and used in a proper manner;
 - Oversight whether bad debt writing-offs comply with the established procedure;
 - Oversight whether Company's monetary resources are spent in a manner compliant with the approved business plan and budget of the Company;
 - Oversight how Company's reserve fund and other funds are generated and used;
 - Oversight whether dividends, bond interest, yield on other securities are calculated and paid in a proper manner;
 - Oversight whether orders, issued earlier to eliminate exposed violations and problems, are executed;
 - Other audit-related activities.

The Board's functionality:

- 1) Oversight of financial and economic performance of the Company;
- 2) Independent evaluation of authenticity of data presented in the Company's annual report and annual financial statements;
- 3) Approval of authenticity of data presented in the Company's report on related-party transactions.

As stated by the Charter, the Board of Internal Auditors consists of 5 members. There were 2 compositions of the Board of Internal Auditors during 2022.

The present composition of the Board was elected by the Annual General Meeting⁹²:

Svetlana Nikolayevna Kovaleva

Born in 1980.

Educational background: Academy of Civil Aviation (Jurisprudence, 2002), Self-regulated auditor organization "Russian Auditor Union" (Association), Educational and Methodological Center of Russian Auditor Union Intrekon-Intellekt (Professional Internal Auditor, 2017), FGBOU VO NIU MEI (Production and project management, 2019)

Working experience:

2017 – 2022: Internal Audit Director, Head of Internal Audit Department at PAO FSK UES (facelifted into Public Joint-Stock Company Federal Grid Company – Rosseti in 2023);

2020 – 2022: Internal Audit Director, Head of Internal Audit Department at PAO Rosseti (as a second job).

Svetlana Mikhailovna Trishina

Born in 1979.

Educational background: Amur State University (Banking and Finance, 2001), International Academy of Expertise and Appraisal (professional retraining: Internal Audit and Control in Commercial Entities, 2018; skills upgrade: Internal Audit, 2021), OOO Enterprise Reform Center (Head of Internal Audit, certificate issued 01.12.2021).

Working experience:

2017 – present day: Head of Financial Audit Section; Head of Financial Audit, Methodology and Reporting Section; Head of Corporate Audit and Control in SACs Section; Deputy Head of Internal Audit Department – Head of Corporate Audit and Control in SACs Section at PAO FSK UES (facelifted into Public Joint-Stock Company Federal Grid Company – Rosseti in 2023);

2020 – 2023: Deputy Head of Internal Audit Department – Head of Corporate Audit and Control in SACs Directorate of Internal Audit Department at PAO Rosseti (as a second job).

Viktor Vladimirovich Tsarkov

Born in 1977.

Educational background: Moscow Institute of Economics (Economist, 2005), Russian Presidential Academy of Public Service (State and Municipal Management, 2007), Self-regulated auditor organization "Russian Auditor Union" (Association), Educational and Methodological Center of Russian Auditor Union Intrekon-Intellekt (Professional Internal Auditor, 2017).

Working experience:

2017 – present day: First Deputy Head of Internal Audit Department at PAO FSK UES (facelifted into Public Joint-Stock Company Federal Grid Company – Rosseti in 2023);

2020 – 2023 – First Deputy Head of Internal Audit Department at PAO Rosseti (as a second job).

Maksim Gennadyevich Kormiltsev

Born in 1988.

Educational background: Moscow State Industrial University (Lawyer, 2010), The Institute of Professional Financial Managers (Internal Auditor, issued: 07.10.2019), Association Institute of Internal Auditors (Chief Auditor, issued: 10.10.2022).

Working experience:

2016 – present day: Chief expert of Corporate Audit and Control in SACs Directorate at PAO FSK UES (facelifted into Public Joint-Stock Company Federal Grid Company – Rosseti in 2023).

Yekaterina Aleksandrovna Barmina

Born in 1984.

Educational background: Astrakhan State Technical University (Information systems in Economy, 2004), Candidate of technical sciences (Thesis Board of Astrakhan State University, 21.04.2007, Management in Social and Economic Systems).

Working experience:

2018 – 2021: Chief expert of IC&RMS Directorate of Internal Control and Risk Management Department at PAO Russian Grids;

2020 – 2021: Chief expert of IC&RMS Directorate of Internal Control and Risk Management Department at PAO FSK UES (as a second job).

2022 – present day: Chief expert of IC&RMS Directorate of Internal Control and Risk Management Department at Public Joint-Stock Company Federal Grid Company – Rosseti.

The Board of Internal Auditors, serving between 03.06.2021 and 17.06.2022, was elected by the General Meeting of Stockholders⁹³:

Svetlana Nikolayevna Kovaleva

Born in 1980.

Educational background: Academy of Civil Aviation (Jurisprudence, 2002), Self-regulated auditor organization "Russian Auditor Union" (Association), Educational and Methodological Center of Russian Auditor Union Intrekon-Intellekt (Professional Internal Auditor, 2017), FGBOU VO NIU MEI (Production and project management, 2019)

Working experience:

2017 – 2022: Internal Audit Director, Head of Internal Audit Department at PAO FSK UES (facelifted into Public Joint-Stock Company Federal Grid Company – Rosseti in 2023);

2020 – 2022: Internal Audit Director, Head of Internal Audit Department at PAO Rosseti (as a second job).

Svetlana Mikhailovna Trishina

Born in 1979.

Educational background: Amur State University (Banking and Finance, 2001), International Academy of Expertise and Appraisal (professional retraining: Internal Audit and Control in Commercial Entities, 2018; skills upgrade: Internal Audit, 2021), OOO Enterprise Reform Center (Head of Internal Audit, certificate issued 01.12.2021).

Working experience:

2017 – present day: Head of Financial Audit Section; Head of Financial Audit, Methodology and Reporting Section; Head of Corporate Audit and Control in SACs Section; Deputy Head of Internal Audit Department – Head of Corporate Audit and Control in SACs Section at PAO FSK UES (facelifted into Public Joint-Stock Company Federal Grid Company – Rosseti in 2023);

2020 – 2023: Deputy Head of Internal Audit Department – Head of Corporate Audit and Control in SACs Directorate of Internal Audit Department at PAO Rosseti (as a second job).

Viktor Vladimirovich Tsarkov

Born in 1977.

Educational background: Moscow Institute of Economics (Economist, 2005), Russian Presidential Academy of Public Service (State and Municipal Management, 2007), Self-regulated auditor organization "Russian Auditor Union" (Association), Educational and Methodological Center of Russian Auditor Union Intrekon-Intellekt (Professional Internal Auditor, 2017).

Working experience:

2017 – present day: First Deputy Head of Internal Audit Department at PAO FSK UES (facelifted into Public Joint-Stock Company Federal Grid Company – Rosseti in 2023);

2020 – 2023 – First Deputy Head of Internal Audit Department at PAO Rosseti (as a second job).

Natalya Aleksandrovna Tsyganova

Born in 1980.

Educational background: Moscow Academy of Entrepreneurship at the Government of Moscow (Jurisprudence, 2003)

Working experience:

2013 – present day: Chief expert of Corporate Audit and Control in SACs Directorate of Internal Audit Department at PAO FSK UES (facelifted into Public Joint-Stock Company Federal Grid Company – Rosseti in 2023);

2020 – 2023: Chief expert of Corporate Audit and Control in SACs Directorate of Internal Audit Department at PAO Rosseti (as a second job).

Andrey Ivanovich Yudin

Born in 1986.

Educational background: Tambov State University named after G.R. Derzhavin (Taxes and Taxation, 2008)

Working experience:

2018 – present day: Chief expert of Methodology and Reporting Section of Internal Audit Department at PAO FSK UES (facelifted into Public Joint-Stock Company Federal Grid Company – Rosseti in 2023);

2020 – 2023: Chief expert of Methodology and Reporting Section of Internal Audit Department at PAO Rosseti (as a second job).

Members of the Board of Internal Auditors do not have shares of OAO IDGC of Urals or its affiliates. There were no transactions between the Company and Board's members in 2022. The Company has not brought civil actions against Board's members.

Based on the analysis of questionnaires completed by the Board's members, the Company deems that:

- Members of the Board of Internal Auditors do not have close family ties (spouses, parents, children, adoptive parents, adoptees, siblings, grandparents, grandchildren) with members of the Board of Directors, members of the collegiate executive body or entity serving (functioning) as the sole executive body of OAO IDGC of Urals;
- Members of the Board of Internal Auditors were not held administratively liable for infringements in finance, taxes and levies, insurance and securities market or criminally liable (or had previous criminal records) for economic crimes or crimes against state;
- Members of the Board of Internal Auditors have not occupied positions in the management bodies of commercial companies going bankrupt and/or undergoing one of bankruptcy proceedings stated by the Russian bankruptcy legislation⁹⁴.

2022 progress report of the Board of Internal Auditors.

In 2022, the Board of Internal Auditors has conducted the audit of the Company's 2021 performance. The audit included: evaluation of authenticity of the accounting (financial) statements prepared as of 31.12.2021, analysis of receivables management, inspection of compliance of annual asset and liability inventory procedures, analysis of the Company's financial condition and status as of 31.12.2021, evaluation of authenticity of the FY2021 annual report, scrutiny of the Company's activities related to the arrangement of technological and price audits of investment program progress reports and measures to eliminate violations and weaknesses exposed in experts' reports that came out of the technological and price audits of investment program progress reports, inspection whether related-party transaction procedures comply with the Russian laws, other items on circumstances exposed during the audit.

The BoIA's report, approved by the Company's Board of Internal Auditors⁹⁵, expressed opinion on the authenticity of information contained in the FY2021 annual report, FY2021 accounting (financial) statements in all material respects. No evidence of misrepresentation of information contained in the 2021 report on related-party transactions has been found.

The report was included into the list of materials to be disseminated among Company's shareholders during preparation of the Annual General Meeting in 2022.

Remuneration of the Board of Internal Auditors

The amount of remuneration due to the Board of Internal Auditors and payout procedure is stipulated by the Regulations on remunerations and compensations due to the Board of Internal Auditors⁹⁶. Remuneration is charged for a member's corporate year service, depending upon the degree of member's involvement in the Board's activities. Member's remuneration is based on the fixed component, set upon the annual RAS revenues. In 2022, the Board of Internal Auditors received RUB 794 thousand (incl. taxes) as remunerations and compensations.



EXTERNAL AUDITOR

In 2022, the Company's auditor was 000 TsATR – Auditor Services. PAO Rosseti has conducted an open tender for the right to conclude a contract on a mandatory annual audit of the FY2022 statements⁹⁷. 000 TsATR – Auditor Services was acknowledged as the winner. The auditor candidate for 2022 was approved by the general meeting of stockholders⁹⁷. In 2022, the Company has paid a RUB 4,114 thousand remuneration to 000 TsATR – Auditor Services for the audit of the FY2022 statements.