

MANAGEMENT OF SUBSIDIARIES AND AFFILIATES

OAo IDGC of Urals has invested in 5 firms operating in various industries, incl. grid management:

Stakes of 50%+:

- AO Yekaterinburg Electric Grid Company (Interest: 91.04%), core lines of activities: electricity transmission and connection;
- AO Yekaterinburgenergosbyt (Interest: 91.04%), core lines of activities: electricity sales.

Stake of < 2%:

- PAO Lenenergo (Interest: 1.2054%), core lines of activities: electricity transmission and connection;
- PAO O GK-2 (Interest: 0.000168%), core lines of activities: production of thermal power and electricity;
- AO EnergosbyT Plus (Interest: 0.0077%), core lines of activities: purchase and sale of electricity on wholesale and retail markets.

The Company has also stakes in the charter capital of 2 non-commercial organizations:

- NChOU DPO Training Center of IDGC of Urals (Interest: 100%), core lines of activities: educational services;
- NDOU Ryzhiki (Interest: 100%), core lines of activities: educational services.

The Company interacts with the controlled companies in line with the Russian Civil Code, Federal Joint-Stock Companies' Law, Charter of OAo IDGC of Urals and Procedure for Interaction with the Companies owned by OAo IDGC of Urals (approved by the Board of Directors in 2009). The principal mechanism for interaction between the Company and its subsidiaries and affiliates is specification of the Company's voting position (<100% interest) or sole shareholder decision-taking (100% interest). These tools enable the Company to oversee the decision-taking by the SACs' governing bodies on their key activities. The list of items is stipulated by the charters of the Company and its SACs. In 2022, the Board of Directors examined 36 agenda items (18% of total agenda items) related to specification of its position with regard to the agenda items of SACs' GM and Board of Directors meetings.



STOCKHOLDER EQUITY AND SECURITIES

As of 31.12.2022, the charter capital of the Company totaled RUB 8,743,048,571.1 (or 87,430,485,711 common shares with par value of RUB 0.1 each).

OAo IDGC of Urals has not placed preferred shares.

Shares	Quantity, pcs	Nominal value, RUB
Outstanding ordinary shares	87,430,485,711	0.1
Authorized ordinary shares	2,475,713,367	0.1

There were no changes of the Company's charter capital during 2022, no additional shares were issued or placed in 2022.

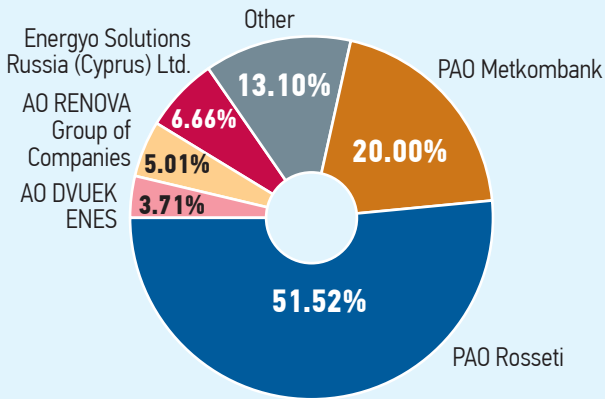
State registration number	1-01-32501-D dated 03.05.2005
ticker	MRKU
ISIN	RU000A0JPPT1

Ordinary shares of the Company are listed in Level 2 Quotation List of PAO Moscow Exchange, they are also included into the Energy Sector Index (MOEXEU), Broad Market Index (MOEXBMI), National Corporate Governance Index (RUCGI), RTS Broad Market Index (RUBMI) and RTS Energy Sector Index (RTSeu).

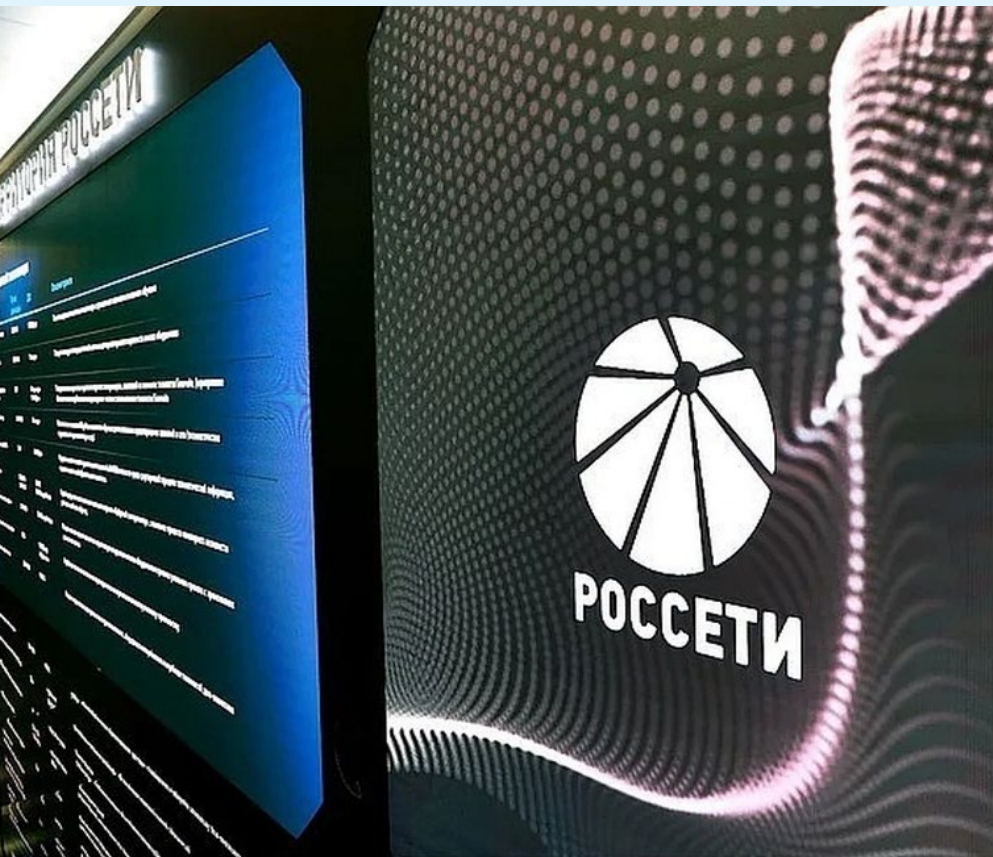
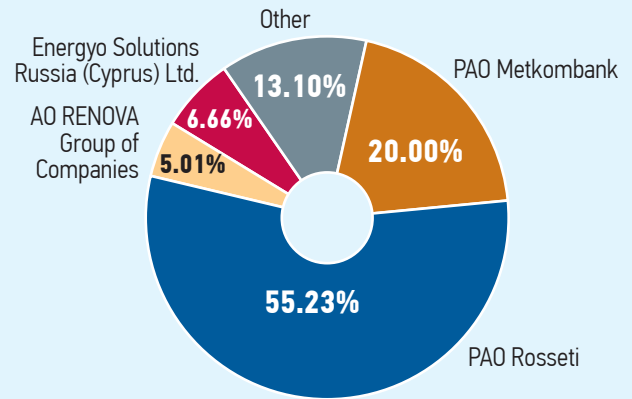
OAo IDGC of Urals has no information on other blocks of stock over 5% except for these already disclosed above. Shares owned by the Company and its controlled entities: none. Information on certain stockholders' potential or actual control, stretching out beyond their stakes in the charter capital (incl. shareholder agreements): none. Ordinary and preferred shares of unequal par value: none.

As of 31.12.2022, the register comprises 16,140 registered accounts, incl. 7 nominal holders, 97 legal entities, 15,892 individuals, 143 common-property accounts and 1 undefined owner account.

The Company's shareholder structure as of 31.12.2022*



The Company's shareholder structure as of 09.01.2023*



Post-reporting events:

The Rosseti Group's restructuring ended on 09 January 2023. Public Joint-Stock Company Russian Grids (owning 51.52% in the OAO IDGC of Urals' charter capital), AO DVUEK ENES (possessing 3.71% of OAO IDGC of Urals), AO Kuban Backbone Grids and AO Tomsk Backbone Grids have merged into Public Joint-Stock Company Federal Grid Company – Rosseti (abbreviated corporate name – PAO Rosseti), as it became the parent company of the Group. In the course of the restructuring the interest of PAO Rosseti in OAO IDGC of Urals increased to total 55.23%. There were no other changes among entities with direct or indirect control of 5%+ of votes attributed to voting shares in 2022.

Shareholder Rights

The Russian legislation guarantees that any common share gives equal rights to any shareholder. Therefore, our shareholders are entitled to:

1. Participate in a General Meeting of Stockholders (in person or by proxy) with voting power on all respective matters.
2. Introduce own proposals to the agenda of a General Meeting of Stockholders in a manner set forth by the Russian legislation and Company's Charter.
3. Obtain information on the Company and get familiarized with Company's documents in line with Article 91 of the Federal Joint-Stock Companies' Law, other regulatory enactments and Charter.
4. Collect dividends announced by the Company.
5. Preemptive acquisition of additional shares and convertible securities, placed by subscription, pro rata to the ownership in cases stipulated by the Russian legislation.
6. Obtain parts of the Company's property in case of its liquidation.
7. Enjoy other rights guaranteed by the Russian legislation and Charter.

A stockholder or a group of stockholders with at least 2% of the voting stock are entitled to introduce issues to the agenda of a General Meeting of Stockholders and promote nominees for election to the Board of Directors and Board of Internal Auditors of the Company. A stockholder or a group of stockholders with at least 10% of the voting stock are entitled to initiate an extraordinary General Meeting of Stockholders of the Company.

* As of 31.12.2022: PAO Rosseti is Public Joint-Stock Company Russian Grids;
As of 09.01.2023: PAO Rosseti is Public Joint-Stock Company Federal Grid Company – Rosseti (prior to 12.10.2022: PAO FSK UES).

The rights of IDGC of Urals' stockholders are guaranteed by the following:

- 1) The Company publicly discloses:
 - the General Meeting of Stockholders notice and materials on agenda items within 30 days prior to the General Meeting;
 - recommendations provided by the Board of Directors regarding items of the General Meeting agenda through press releases, corporate actions/events and minutes of the Board of Directors' meetings;
 - date when entities, entitled to participate in the General Meeting of Stockholders, are defined within 7 days prior to the record date;
 - minutes of the meetings of stockholders on the corporate web-site.
- 2) The Company's stockholders may submit proposals to be included into the agenda of the annual general meeting of stockholders within 60 days after the end of the calendar year.
- 3) Registration of entities, entitled to participate in the general meeting of stockholders, is stipulated in details by the Regulations on the General Meeting of Stockholders.
- 4) The Company's registrar performs the functions of the Counting Commission during the general meeting of stockholders. Since December 2010 the Company's registrar is AO STATUS (official web-site: www.rostatus.ru).
- 5) Voting results at the general meeting of stockholders are announced prior to the conclusion of the meeting and disclosed in a statutory manner.
- 6) The Company has the Dividend Policy stipulating primary principles of dividend payments, mechanics of dividend decision-taking, procedure, deadlines and form of dividend payments. The relevant Policy is disclosed on the official web-site of the Company*.

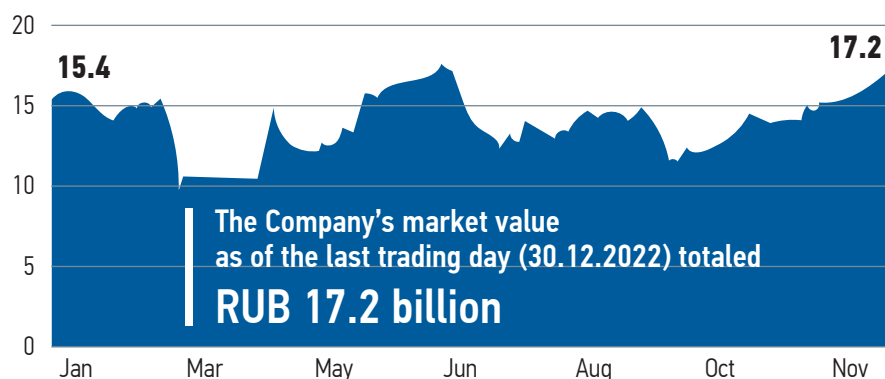
The decision to pay dividend allows stockholders to receive full details regarding dividend amount, payment procedure and deadlines.

* Section Incorporating Documents and Bylaws (Main/About us/ Incorporating Documents and Bylaws)

The Company and Stock Market

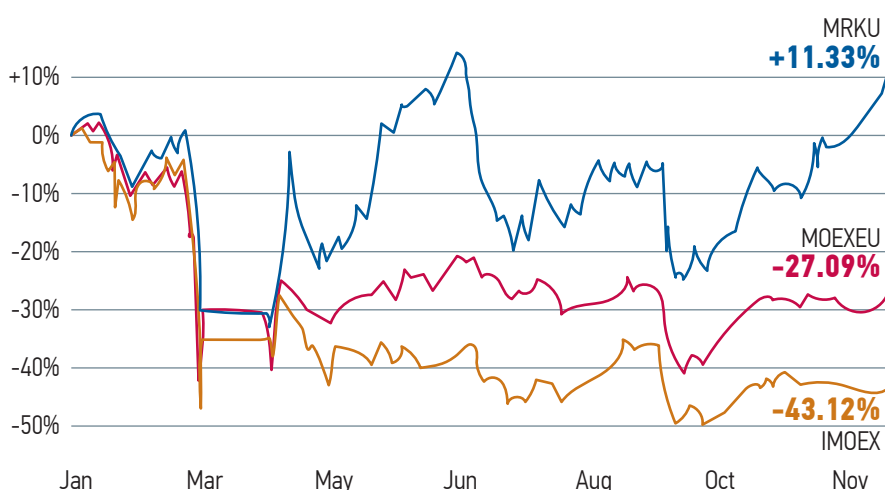
Indicator	2020	2021	2022	2022/2021, %
Market capitalization as of the last trading day, RUB billion	14.1	15.4	17.2	+11.3
Trading volume, RUB million	450.2	622.3	989.3	+59.0
Trading volume, billion shares	3.1	3.4	5.8	+70.6
Transactions, thousand	40.9	55.6	88.8	+59.7

Fluctuations of the OAO IDGC of Urals market capitalization in 2022, RUB billion



Source: Moscow Stock Exchange (www.moex.com)

Fluctuations of OAO IDGC of Urals stock quotes, indices of the Moscow Stock Exchange (IMOEX and MOEXEU) in 2022, %

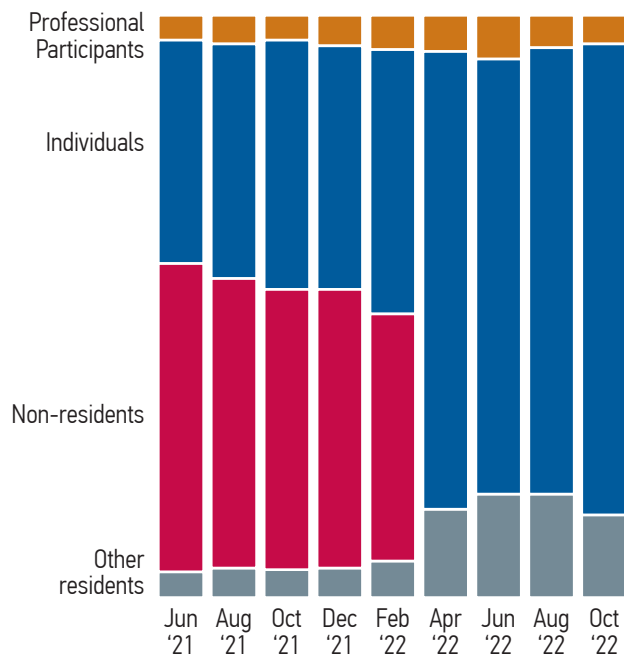


Source: Moscow Stock Exchange (www.moex.com)



In 2022, geopolitical risks occurred during 2022 had a negative impact on the Russian stock market

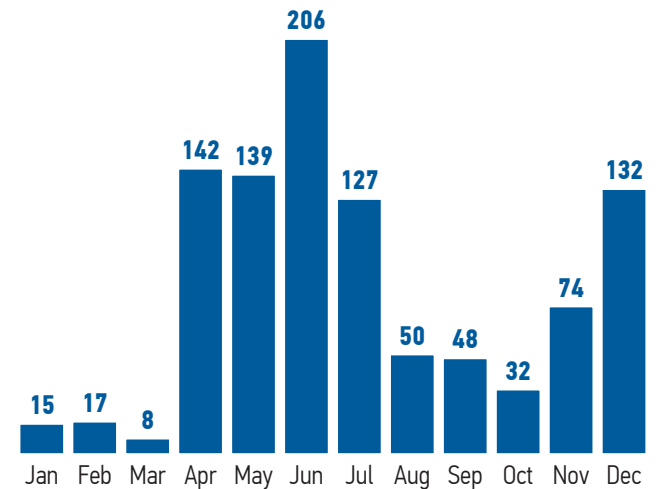
Large market players (incl. Russian ones) desisted from transactions. According to the data, provided by the Bank of Russia, by November 2022 the private investors contributed 80% to the total trading volume on the equity market, while their contribution in 2021 was around 40%.



Source: Bank of Russia

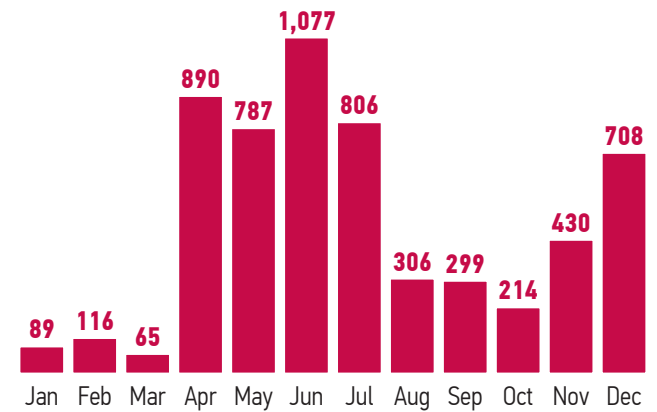
During 1Q2022 the fluctuations of the Company's stock quotes mainly copycatted the IMOEX and MOEXEU movements. Since 1Q2022, on the back of solid production and financial results and news on FY2021 and 9M2022 dividends, the Company's stock quotes outperformed IMOEX and MOEXEU, ending the year in the black. The price for the Company's shares gained 11.3% during 2022, starting from RUB 0.1766 average weighted price of the last trading day of 2021) and ending RUB 0.1966 (average weighted price of the last trading day of 2022). IMOEX has lost 43.1% by the year-end. MOEXEU was a little bit better but still ended in the red: decrease totaled 27.1% by the year-end.

IDGC of Urals' trading volume in 2022, RUB million (main market)



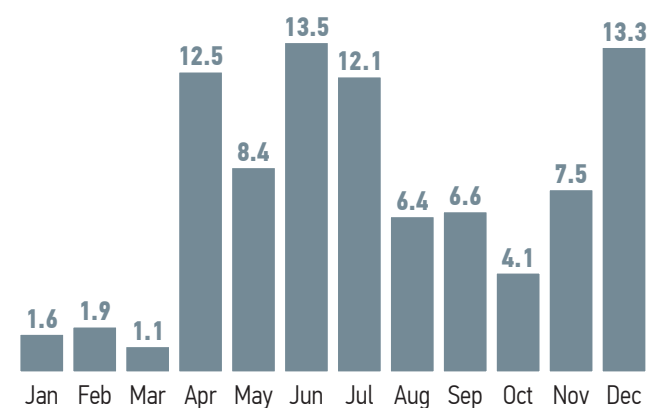
Source: Moscow Stock Exchange (www.moex.com)

IDGC of Urals' trading volume in 2022, million shares (main market)



Source: Moscow Stock Exchange (www.moex.com)

Number of transactions with OAO IDGC of Urals shares in 2022, thousand (main market)



Source: Moscow Stock Exchange (www.moex.com)

Due to increased demand for the Company's shares, the annual trading volume in monetary terms and quantitative terms totaled RUB 989.3 million (+59.0% YoY) and 5.8 billion shares (+70.6% YoY), respectively. The annual number of transactions amounted to 88.8 thousand (+59.7% YoY).



Bonds

The Company placed no exchange-traded bonds in 2022.

Key parameters of exchange-traded bonds in circulation as of 31.12.2022

Key parameters of securities	Series BO-03 exchange-traded bonds	Series BO-04 exchange-traded bonds
ID / Registration number	4B02-03-32501-D	4B02-04-32501-D
Date of ID / Registration number assignment	31.05.2013	31.05.2013
Amount	3,000,000	4,000,000
Face value, RUB	1,000	1,000
Volume, RUB thousand	3,000,000	4,000,000
Placed on	30.10.2019	30.10.2019
Maturity	10 years	10 years
Offer / Redemption	27.10.2025/17.10.2029	27.10.2025/17.10.2029
Coupon rate, % p.a.	8.80	8.80
Coupon yield per bond, RUB	43.88	43.88
Exchange	PAO Moscow Exchange	PAO Moscow Exchange
Listing	2	2
Debt as of 31.12.2022, RUB thousand	10,267	2,999

During the circulation period, in particular, in 2021, the Company complied with its obligations to pay out coupons in due terms and in full. Upon request from the owners on 31.10.2022 the issuer acquired 6,986,734 BO-03 Series and BO-04 Series ETB, presented for redemption.

In 2022, the list of securities admitted for trading at PAO Moscow Exchange also contained the following bonds: RUB 1,600 million BO-02 Series ETB (ID No. 4B02-02-32501-D dated 31.05.2013), RUB 5,000 million BO-05 ETB (ID No. 4B02-05-32501-D dated 31.05.2013). The BO-02 Series and BO-05 Series ETB were acquired by the Company in full in 2019 and cancelled in 2022.

The Company has also registered Series 001R Exchange-Traded Bond Program (ID No. 4-32501-D-001P-02E dated 08.02.2017). Total ceiling par value of exchange-traded bonds to be placed under the program is RUB 25.0 billion. Maximum maturity of exchange-traded bonds to be placed under the program is 30 years since the effective date. The maturity of the ETB program is 50 years since the date of the ID assignment to the Program.

Allocation of Profit and Dividend Policy

The Company's dividend policy focuses on the enhancement of the Company's investment prospects and market value, balancing between interests of the Company and its stockholders. The Company's dividend policy is stipulated by the Regulations on the Dividend Policy⁹⁸.

(comprehensibility) of a tool for dividend size calculation and payout;

- Enforcement of dividend upward trend, provided that Company's net income keeps growing;
- Availability of information on the Company's dividend policy for stockholders and stakeholders;
- Maintenance of required financial and technical condition of the Company (execution of investment program), enforcement of the Company's development.

Fundamentals of the Company's Dividend Policy:

- Compliance of the Company's dividend accrual and payout practices with laws of Russia and corporate governance standards⁹⁹;
- Optimum compromise between the interests of the Company and its stockholders;
- Specification of a dividend size at a minimum of 50% of net income, presented in the financial statements (incl. consolidated statements, prepared under IFRS), calculated in a manner stated by the Regulations;
- Provision of possibility to pay quarterly dividends, provided that corresponding criteria are complied with;
- Enforcement of utmost transparency

Allocation of profit in 2019–2021*

Indicator	2018 (AGM held in 2019)	2019 (AGM held in 2020)	2020 (AGM held in 2021)	2021 (AGM held in 2022)
Unallocated profit (loss) of the reported period, incl:	797,526	2,155,068	19,328	5,173,722
Reserve fund	0	0	0	0
Enterprise development	535,235	1,237,048	19,328	2,996,708
Dividends	262,291	918,020	0	2,177,019
Recovery of losses of previous periods	0	0	0	0

* Allocation of profit, as stated in AGM resolutions^{100,101,93,92}

Pursuant to the Company's charter, the Annual General Meeting of Stockholders will decide upon allocation of the FY2022 profit.

Communications with Stockholders, Investors and Other Stock Market Participants

OA O IDGC of Urals aims to promptly and regularly convey information about its operations to all those interested in receiving it to the extent necessary for them to make an informed decision about acquiring an interest in the Company or other actions that are capable of affecting the Company's financial and business operations.

The Company maintains a special web-page (www.rosseti-ural.ru/en/ir/), with answers to frequently asked questions from stockholders and investors, a regularly updated calendar of corporate events, dividend history, key performance indicators as well as other information that investors and stockholders may find useful.

The Company also uses its official web-page at Interfax newswire system (www.e-disclosure.ru/portal/company.aspx?id=12105) to disclose corporate events or actions, annual and quarterly reports, accounting (financial) statements, etc.

Useful Links

Financial Reporting under Russian Accounting Standards
www.rosseti-ural.ru/en/ir/financial-information/ras/

Financial Reporting under International Financial Reporting Standards
www.rosseti-ural.ru/en/ir/financial-information/ifrs/

IR-Calendar www.rosseti-ural.ru/en/ir/analyst-center/ir-calendar/

Quick Analyzer www.rosseti-ural.ru/en/ir/analyst-center/quick-analyzer/

Information Disclosure:

· Corporate actions and events www.rosseti-ural.ru/en/disclosure/issuer/corporate-actions/

· Lists of affiliated entities www.rosseti-ural.ru/en/disclosure/issuer/affiliate/

· Issuer's report www.rosseti-ural.ru/en/disclosure/issuer/quarterly-reports/

· Annual reports www.rosseti-ural.ru/en/disclosure/issuer/annual-reports/

Governing and Control Bodies www.rosseti-ural.ru/en/company/controls/

Highlights www.rosseti-ural.ru/en/company/highlights/finance/

Frequently Asked Questions and Answers

How can I know the exact amount of the Company's shares owned by me?

To see the exact amount of the Company's shares owned by you, you need to contact our registrar AO STATUS at its HQ (located at: 23/1 Ulitsa Novokhokhlovskaya, Moscow, Russia, 109052) or its regional branches (explore the official registrar's web-site at www.rostatus.ru to find the nearest office near you). Please, be aware that you should have your ID with you to pick up the account statement containing the exact amount of the Company's shares owned by you.

I have problems with collecting dividends through my bank account, though general meetings of stockholders regularly vote for dividend allocation. What should I do to finally collect the dividends?

The problem seemingly lies in incorrect or fragmentary data regarding your bank account or taxpayer ID number. You should contact our registrar (AO STATUS) to clear this up.

I do not receive the voting papers from your company to be able to vote at general meetings of stockholders. What should I do to start receiving the voting papers?

The register seemingly contains incorrect address details. To alter it, you should contact any registrar's office, nearest to you. The registrar alters the register only using relevant data of a questionnaire completed by the stockholder. This questionnaire can be downloaded from the official registrar's web-site (www.rostatus.ru) for completion. Alteration services are to be paid for in line with the current fees disclosed by the registrar. Please, explore the official registrar's web-site to find more details on alteration procedure.



Focus on ESG investors

To enhance confidence of investors, consumers and other stakeholders, the Company strives to disclose, to the greatest possible extent, information on sustainable development factors (ESG-factors), which are the focus of attention of socially responsible investors during their investment decision-taking