

BOARD OF DIRECTORS' PROGRESS REPORT

The Board of Directors handles overall management of the Company's operations and is vital element of the corporate governance system of OAO IDGC of Urals.

- **Functionality** — General strategic management of the Company, enforcement of equal guarantees of interests of shareholders and investors
- **Direct reporting line** — Reports to the General Meeting of Stockholders
- **Election Procedure** — The Board of Directors is elected by the General Meeting of Stockholders among candidates nominated by the shareholders owning 2%+ voting shares of the Company. The Board of Directors may also nominate candidates at own discretion. The Chair is elected by the majority of votes of the Board of Directors.
- **Tenure** — Till the next Annual General Meeting of Stockholders. The Board of Directors may be reshuffled by an Extraordinary General Meeting of Stockholders.
- **Composition** — Elected Board of Directors have the following statuses:
 - Executive director (serving simultaneously on the executive bodies of the Company);
 - Independent director (compliant with independence criteria);
 - Non-executive director (other directors).

Its competence is defined in the Charter⁵¹ and is clearly demarcated from the purview of executive bodies that manage Company's day-to-day operations. The Board of Directors' expertise comprises issues stipulated by the Federal Joint-Stock Companies' Law as well as a wide range of additional issues in the spheres of finance and investments, business planning, procurements, management of affiliates in terms of core operational issues; internal control, risk management and internal audit.

Information on areas of activities approved by the Board of Directors as high-priority ones

During 2021, the Board of Directors has not approved any high-priority areas of activity.

Outcomes of the Board of Directors' activities in 2021

In 2021, the Company's Board of Directors has conducted 30 meetings: 26 in-absentia meetings and 4 mixed (in-presentia/in-absentia) meetings. The Board of Directors has scrutinized 176 agenda items during its meetings, particularly, 9 agenda items scrutinized during mixed meetings.

Year	Board of Directors meetings conducted			Agenda items examined
	Total	In-absentia	Mixed (in-presentia/in-absentia)	
2021	30	26	4	176
2020	49	45	4	185
2019	45	38	7	199

Key aspects examined by the Board of Directors

Aspect	2019	2020	2021
Corporate Governance	89	70	69
Budgeting and Finance	3	1	1
Strategic and Investment Planning	17	21	9
Revision of bylaws	12	14	11
Control and Reporting	55	56	54
Other aspects	23	23	32

Key aspects scrutinized by the Board of Directors during 2021*

Corporate Governance

- examination of agenda items to be included into the general meeting's agenda, proposed by stockholders;
- examination of nominees to be elected to the Board of Directors and Board of Internal Auditors, proposed by stockholders;
- examination of practical arrangements related to the convention of the 2020 annual general meeting of stockholders and its location, date and time;
- preliminary adoption of the Company's 2020 annual report;
- examination of issues related to FY2020 profit distribution and dividends;
- preparation of recommendations to agenda items of the annual general meeting of stockholders;
- approval of forms and wording of voting papers for the annual general meetings;
- definition of the AGSM announcement procedure;
- approval of AGSM-related expenses;
- adoption of a contract between the Company and its registrar;
- examination of agenda items regarding election of the Chair of the Board of Directors, Deputy Chair and Corporate Secretary;
- adoption of the Board of Directors action plan for 2021–2022 corporate year;
- reshuffling of the Board of Directors Committees;
- adoption of the Committees' budgets;
- determination of positions of Company's representatives serving on governing bodies of Company's affiliates.

Budgeting and Finance

- adoption of the Company's FY2022 business plan, incl. investment program, and FY2023–2026 forecast.

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

Strategic and Investment Planning

- examination of a draft of the Company’s investment program and draft of revisions introduced to it;
- adoption of the action plan to maintain efficiency and develop IC&RM system of OAO IDGC of Urals;
- adoption of the OAO IDGC of Urals’ Energy-saving and Enhanced Energy Efficiency Program till 2025;
- adoption of the OAO IDGC of Urals’ 2020–2024 Innovation Development Program to be potentially extended till 2030;
- adoption of the roadmap on the development of additional (non-tariff) services;
- adoption of the 2022 Insurance Coverage Program;
- adoption of the Company’s FY2022 Procurement Program.

Revision of bylaws

- adoption of the OAO IDGC of Urals’ Amended and Restated Risk Management Policy;
- adoption of the PAO Rosseti’s Regulations on the unified technical policy in the grids as a Company’s bylaw;
- adoption of the Amended and Restated Enhanced Operating Efficiency and Cost-cutting Regulations;
- adoption of the alterations into the OAO IDGC of Urals’ Internal Audit Policy;
- adoption of the OAO IDGC of Urals’ Regulations on the Dividend Policy;
- adoption of the Company’s Amended and Restated Corporate Governance Code;
- adoption of a Company’s bylaw: Amended and Restated Regulations on Preparation and Execution of Innovative Development Program Procedures.

Control and Reporting

- adoption of the quarterly completion reports with regard to the business plan;
- examination of reports regarding execution of Board of Directors assignments;
- examination of insurance coverage reports;
- examination of progress reports regarding the sale of non-core assets;
- examination of the 2020 information policy compliance report;
- examination of the 2020 report of the sole executive body and Executive Board with regard to the roll-out, functioning and efficiency of the risk management system;
- examination of quarterly progress reports with regard to Company’s investment projects listed as priorities;
- examination of the Internal Auditor report

- regarding efficiency of internal control and risk management system;
- examination of the 2020 report of the sole executive body and Executive Board with regard to the roll-out and functioning of the internal control system;
- examination of the SEB’s quarterly reports on execution of resolutions adopted during Board of Directors meetings.

Other aspects

- approval of Company’s underwriters;
- reshuffling of the Central Procurement Body;
- preliminary approval of a Company’s transaction related to alienation of immovable property with destination other than production, transmission, dispatching, distribution of electric and thermal power;
- preliminary approval of a transaction related to acquisition of property being fixed assets used for production, transition, dispatching and distribution of electricity and thermal power;
- authorization of related-party transactions (more details in the report on related-party transactions);
- preliminary approval of Company’s charity programs.

Information on assignments issued by the Board of Directors to the Company’s management

Total number of assignments under execution during the reported period — 37. Assignments completed during the reported period — 7.

Meeting attendance by members of the Board of Directors in 2021

Board of Directors member	BoD	AC	PRC	SC	RC	TCC
Directors serving on the Board of Directors during 2021:						
Y.V. Goncharov	30/30 (100%)			12/12 (100%)		
V.V. Anikin	30/30 (100%)					
R.A. Dmitrik	30/30 (100%)	16/16 (100%)		22/22 (100%)	7/7 (100%)	4/4 (100%)
D.V. Krainsky	30/30 (100%)			22/22 (100%)		
N.A. Ozhe	30/30 (100%)		10/10 (100%)	22/22 (100%)		6/6 (100%)
E.V. Prokhorov	30/30 (100%)			12/12 (100%)		
I.A. Shagina	30/30 (100%)	16/16 (100%)	4/4 (100%)			
A.V. Shevchuk	30/30 (100%)	16/16 (100%)		22/22 (100%)		
Directors who left the Board of Directors in 2021:						
D.A. Bobkov	14/14 (100%)					
V.A. Kapitonov	14/14 (100%)					
S.G. Dregval*	-					
Directors who entered the Board of Directors in 2021:						
V.A. Bolotin	16/16 (100%)				4/4 (100%)	
A.A. Polinov	9/16 (56%)			2/10 (20%)		
M.G. Tikhonova	16/16 (100%)		4/4 (100%)	12/12 (100%)		

* Sergey Georgievich Dregval was considered as a former Board of Directors member due to his Nov.17, 2020 written notice of resignation from the Board of Directors.

Evaluation of the Board of Directors

The Company evaluates the performance of the Board of Directors and Board of Directors Committees on an annual basis in line with recommendations of the Bank of Russia's Corporate Governance Code.

In compliance with the Board of Directors and Board of Directors Committees Performance Evaluation Methodology, the performance of the Board of Directors is evaluated in the form of self-evaluation or triennial evaluation by an independent outside agency.

Information on evaluations of performance of the Board of Directors and its Committees for the last 3 years

Year when evaluation was conducted	2019	2020	2021
Evaluation form	Self-evaluation	Evaluation by an independent consultant (NP RID)	Self-evaluation

Targets of evaluation in 2021:

1. Board of Directors performance on the whole;
2. Performance of each Board of Directors Committees;
3. Performance of the Board of Directors Chair;
4. Facilitation activities with regard to the performance of the Board of Directors and its Committees.

Components of evaluation in 2021:

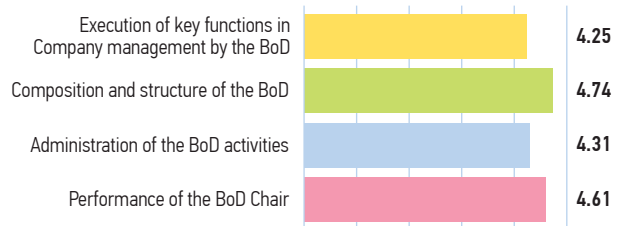
- Functional component (quality of the Board of Directors performance);
- Structural component (composition and structure of the Board of Directors, role of the Board of Directors Chair, etc.);
- Procedure-oriented component (meeting scheduling, meeting arrangement practices, information support);
- Infrastructural component (remunerations of the Board of Directors, settlement of competing interests, liability insurance, etc.).

Evaluation criteria in 2021:

- 1) Execution of key functions in company management by the Board of Directors:
 - generation and oversight of strategy implementation;
 - enforcement of establishment and oversight of efficiency of the internal control and risk management system;
 - evaluation of the C-level performance;
 - implementation of efficient C-level incentivization system;
 - asset protection.
- 2) Composition and structure of the Board of Directors.
- 3) Administration of the Board of Directors activities:
 - information support of the Board of Directors and reciprocity between the Board of Directors and executive bodies;
 - infrastructural support of the Board of Directors, incl. incentivization system for Board of Directors members,

- settlement of competing interests;
 - reciprocity between the Board of Directors and its Committees;
 - composition of the Board of Directors Committees and their performance.
- 4) Performance of the Board of Directors Chair.

Average scores on 4 criteria used in evaluation of the CY2020-2021 Board of Directors performance



Self-evaluation was conducted in the form of questioning. Respondents considered that the Board of Directors should revise its approaches in the following spheres:

- formation of a C-level labor pool;
- redesigning of the C-level incentive system for a long-term perspective;
- strengthening of control over efficiency of the system liable for the monitoring and prevention of C-level conflicts of interest.

The respondents also underlined required revisions of approaches related to correlation of executive, non-executive and independent Board of Directors members, as well as types of issues examined during F2F meetings, involvement of external experts and onboarding procedures for newly elected Board of Directors members.

Report on the self-evaluation was scrutinized by the Personnel and Remunerations Committee⁵² and Board of Directors⁵³.

The Board of Directors' Chair

The Chair of the Board of Directors bears personal responsibility for leading the activities of the Board of Directors and its performance. The Chair keeps the focus of the Board of Directors on the strategic management of the Company delegating operational control to the executive team. The Chair oversees that the Board of Directors receives accurate, reliable and relevant information in a timely manner to foster a substantive discussion of issues. The Chair fosters constructive interaction among the members of the Board of Directors and between the Board of Directors and Executive Board.

Between June 2018 and June 2021 the Board of Directors was chaired by Yuri Vladimirovich Goncharov. From June 2021 the Board of Directors is chaired by Daniil Vladimirovich Krainsky.

Independent Directors and Their Role*

As of 31.12.2021 the Board of Directors has 2 independent directors — R.A. Dmitrik and A.V. Shevchuk. Following the evaluation of compliance of the Board of Directors members' independence with the criteria, set by the PAO MOEX Listing Rules and Corporate Governance Code, the Board of Directors decided⁵⁴ to acknowledge the independent directorship of A.V. Shevchuk, despite formal criteria of affiliation with the Company and its majority shareholder on 25.08.2021.

Independent directors provide an independent perspective to the work of the Board of Directors, through their knowledge, experience and qualifications. Independent directors demonstrate a high level of expertise, independent judgment and independent votes on agenda items. The objectivity of independent directors and their constructive criticism are of great value to the Board of Directors and Company. The Company highly values the significant contribution that independent directors make to improve the performance of the Board of Directors.

Onboarding procedure for newly elected Board of Directors members

To ensure efficient performance and quickest and efficient integration of new Board of Directors members the Company conducts a range of activities:

- presentation of information on key issues related to governance and operations of the Company;
- filing of bylaws on governing bodies;
- filing of other bylaws regulating other spheres of Company's performance (corporate governance, information and dividend policies, insider information processing, risk management, internal control and audit);
- arrangement of familiarization trips, on-site visits to facilities (when possible);
- The Company's corporate secretary constantly explains how to interact with the Company in the course of the Board of Directors activities.

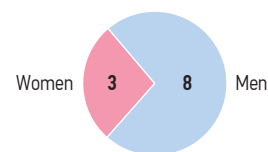
Composition of the Board of Directors

The Company's Charter⁵⁵ that the Board of Directors consists of 11 directors. The quantitative composition perfectly matches the goals and objectives of the Company and industry practices and secures a required balance of purviews of the Board of Directors.

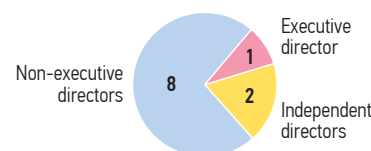
The specificity of the structure of shareholder capital (Rosseti owns 51.52% of the voting power) explains the fact that the vast majority of the Board of Directors is elected as proposed by the controlling stockholder — PAO Rosseti. 11-director composition of the Board of Directors comprises eight non-executive directors, two independent directors and one executive director.

Members of the Company Board of Directors have outstanding management and industry experience, are reputable experts in the power sector, and make a valuable contribution to the activities of the Board of Directors and its Committees.

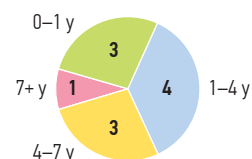
Board of Directors' gender composition



Board of Directors' categories of members



Board of Directors' length of service



Taking into account the strategic importance of the challenges facing the Board of Directors, the Board members must have the confidence of stockholders and ensure that duties entrusted to them are performed in the most efficient manner possible. The existing structure of the Board of Directors fosters appropriate level of independence from the Company's management to oversee the latter's work in the proper way. OAO IDGC of Urals has a transparent procedure for electing members of the Board of Directors, specifically:

- The Company provides stockholders with two months to promote nominees to the Board of Directors, while laws stipulate one month;
- The Company shares information regarding nominees to the Board of Directors with stakeholders in a timely manner (immediately after minutes of a Board of Directors meeting to examine the item are prepared) by disclosing a relevant corporate event/action newsletter (detailed information on nominees is posted on the Company's website in materials to a General Meeting with "Election of the Board of Directors" item on the agenda);
- The Company employs the principle of cumulative voting to elect the Board of Directors and explains its procedures;
- The Company announces the voting results on the issues examined, with presence of quorum and number of votes for each voting alternative disclosed;
- The Company discloses minutes of the general meetings of stockholders on its official website.

* OAO IDGC of Urals adheres to the independence criteria, set forth by the Bank of Russia's Corporate Governance Code.

The Board of Directors, as of 31.12.2021, was elected by the General Meeting of Stockholders, held on 03.06.2021⁵⁶:



Krainsky Daniil Vladimirovich

OA IDGC of Urals' Board of Directors' Chair
Non-executive director
PAO Rosseti's Deputy General Director for Legal Affairs
Member of the Strategy Committee
Board of Directors' member since 29.05.2020

Interest in the charter capital/Common stock owned (as of 31.12.2021): none. Security transaction statements filed with the Company in 2021: none. Loans/borrowings from the Company: none.

Short biography: Born in 1979. Graduated from Moscow State Law Academy (Jurisprudence).

Managerial positions for the past 5 years: PAO Rosseti Lenenergo's Deputy General Director for Legal and Corporate Affairs, PAO FSK UES' Deputy General Director for Legal Affairs (as a second job), AO OEK's First Deputy General Director, member of the Executive Board of PAO Rosseti Lenenergo, Chair of the Boards of Directors of AO NIC UES, AO Energy Service Company of Lenenergo, member of the Boards of Directors of PAO Rosseti Lenenergo, PAO Rosseti Moscow Region, PAO Rosseti Siberia, PAO Rosseti Center, PAO Rosseti North West, PAO TRK, PAO Rosseti Volga, AO NTC FSK UES, PAO Rosseti North Caucasus, AO Rosseti Tyumen, AO Yantarenergo, AO Tyvaenergo, PAO Rosseti South, PAO Rosseti Kuban.

Nominated by PAO Rosseti.



Anikin Vitaly Vladimirovich

Non-executive director
PAO T Plus' Deputy General Director for Strategy and Investments
Board of Directors' member since 04.12.2019

Interest in the charter capital/Common stock owned (as of 31.12.2021): none. Security transaction statements filed with the Company in 2021: none. Loans/borrowings from the Company: none.

Short biography: Born in 1976. Graduated from Kuzbass State Technical University (Economics, 1997).

Managerial positions for the past 5 years: PAO T Plus' Development Director, AO Solar Wind's General Director, Chair of the Boards of Directors of AO ETK, AO Yekaterinburggaz, OOO Gazeks-Management, AO GAZEKS, AO SG-Invest, AO Pervouralskgaz, AO Gazmontazh, member of the Boards of Directors of AO Irkutskoblgaz, AO Gazprom Gazoraspreделение Yekaterinburg, OOO Tsyfra.

Nominated by PAO Metkombank.



Bolotin Vladimir Anatolyevich

Executive director
OA IDGC of Urals' General Director, Chair of the Executive Board
Member of the Reliability Committee (tenure ended 19.07.2021)

Board of Directors' member since 03.06.2021

Interest in the charter capital/Common stock owned (as of 31.12.2021): none. Security transaction statements filed with the Company in 2021: none. Loans/borrowings from the Company: none.

Short biography: Born in 1975. Graduated from Chelyabinsk State Technical University (1997, Automated Control of Electric Systems) and South Urals State University (2010, Management).

Managerial positions for the past 5 years: Chair of the Boards of Directors of AO EESK, AO EES, member of the Executive Board of NChOU DPO Educational Center of IDGC of Urals.

Nominated by PAO Rosseti.



Goncharov Yury Vladimirovich

Non-executive director
PAO Rosseti's Chief Advisor
Member of the Strategy Committee
Board of Directors' member since 27.06.2014

Interest in the charter capital/Common stock owned (as of 31.12.2021): none. Security transaction statements filed with the Company in 2021: none. Loans/borrowings from the Company: none.

Short biography: Born in 1977. Graduated from Moscow State Mining University (2000, Management), Moscow Institute of Economics, Politics and Law (2014, Jurisprudence).

Managerial positions for the past 5 years: PAO Rosseti's Deputy General Director for Corporate Governance, member of the Board of Directors of PAO Rosseti Moscow Region, PAO Rosseti Volga, PAO Rosseti Center and Volga, AO Rosseti Tyumen, PAO Rosseti Lenenergo, PAO Rosseti North West, PAO Rosseti North Caucasus, PAO Rosseti Kuban, PAO Rosseti Siberia.

Nominated by PAO Rosseti.



Dmitrik Roman Avgustovich

Independent director
General Director at OOO Energosetinvestholding (ESIH)
Member of the Audit, Strategy, Reliability, Technological Connection Committees
Board of Directors' member since 06.06.2016

Interest in the charter capital/Common stock owned (as of 31.12.2021): none. Security transaction statements filed with the Company in 2021: none. Loans/borrowings from the Company: none.

Short biography: Born in 1971. Graduated from Perm State Technical University (2000, Electric Motors and Automation of Installations and Technological Complexes; 2002, Management), Perm State University (2005, Financial Management).

Managerial positions for the past 5 years: OOO RRSK's General Director.

Nominated by PAO Metkombank.

* The directors consented the disclosure of personal data in the report in a manner, consistent with laws of the Russian Federation.



Ozhe Natalya Aleksandrovna

Non-executive director
 Deputy General Director for Legal and Corporate Affairs at AO Gazeks
 Member of the Personnel and Remunerations, Strategy, Technological Connection Committees
 Board of Directors' member since 14.06.2013

Interest in the charter capital/Common stock owned (as of 31.12.2021): none. Security transaction statements filed with the Company in 2021: none. Loans/borrowings from the Company: none.

Short biography: Born in 1974. Graduated from Moscow State University (1997, Jurisprudence).

Managerial positions for the past 5 years: Deputy General Director for Legal and Corporate Affairs at AO Yekaterinburggaz, Deputy General Director for Legal and Corporate Affairs at AO Urals Gaz Networks, member of the Boards of Directors of AO Yekaterinburggaz, AO Gazmontazh, AO SG-Invest, AO Pervouralskgaz, AO Irkutskoblgaz, AO GAZEKS, AO EES, AO EESK, OOO GAZEKS-Management.

Nominated by PAO Metkombank.



Polinov Aleksey Aleksandrovich

Non-executive director
 PAO Rosseti Lenenergo's Deputy General Director for Economics and Finance
 Member of the Strategy Committee
 Board of Directors' member since 03.06.2021

Interest in the charter capital/Common stock owned (as of 31.12.2021): none. Security transaction statements filed with the Company in 2021: none. Loans/borrowings from the Company: none.

Short biography:

Born in 1978. Graduated from Moscow State University of Civil Engineering (2000), Candidate of economic sciences.

Managerial positions for the past 5 years:

PAO Rosseti's Chief Advisor to General Director (as a second job), PAO Rosseti Lenenergo's Advisor to General Director, Advisor to General Director at AO OEK, Chair of the Boards of Directors of AO Tymenenergo, PAO Rosseti North West, AO Yantarenergo, member of the Boards of Directors of PAO Rosseti South, PAO Rosseti Kuban, PAO Rosseti Moscow Region, PAO Rosseti Siberia, AO VOLLS-VL, AO TsiUS UES.

Nominated by PAO Rosseti.



Prokhorov Egor Vyacheslavovich

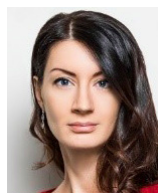
Non-executive director
 PAO Rosseti's Deputy General Director for Strategy
 Member of the Strategy Committee
 Board of Directors' member since 29.05.2020

Interest in the charter capital/Common stock owned (as of 31.12.2021): none. Security transaction statements filed with the Company in 2021: none. Loans/borrowings from the Company: none.

Short biography: Born in 1982. Graduated from St. Petersburg State University. Candidate of economic sciences.

Managerial positions for the past 5 years: PAO FSK UES' Deputy General Director for Strategy (as a second job), member of the Boards of Directors of PAO Rosseti South, PAO Rosseti Center, PAO Rosseti Center and Volga, PAO TRK, PAO Rosseti North Caucasus, AO Rosseti Tyumen.

Nominated by PAO Rosseti.



Tikhonova Maria Gennadyevna

Non-executive director
 PAO FSK UES' Deputy General Director for Corporate Governance
 Member of the Personnel and Remunerations Committee, Strategy Committee (tenure ended on 19.07.2021)

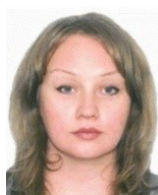
Board of Directors' member since 03.06.2021

Interest in the charter capital/Common stock owned (as of 31.12.2021): none. Security transaction statements filed with the Company in 2021: none. Loans/borrowings from the Company: none.

Short biography: Born in 1980. Graduated from Volga-Vyatka State Service Academy (2002), Academy of National Economy of the Russian Federation Government (2005), Higher School of Economics (2008), Candidate of economic sciences.

Managerial positions for the past 5 years: PAO Rosseti's Deputy General Director for Corporate Governance (as a second job), Chair of the Boards of Directors of PAO Rosseti Siberia, AO Tyvaenergo, PAO TRK, member of the Boards of Directors of PAO Rosseti Volga, AO Yantarenergo, AO Rosseti Tyumen, AO NITs UES, AO DVEUK, PAO Rosseti Kuban.

Nominated by PAO Rosseti.



Shagina Irina Aleksandrovna

Non-executive director
PAO Rosseti's Tariff Department Head
Member of the Audit, Personnel
and Remunerations Committee
Board of Directors' member since 29.05.2020

Interest in the charter capital/Common stock owned (as of 31.12.2021): none. Security transaction statements filed with the Company in 2021: none. Loans/borrowings from the Company: none.

Short biography: Born in 1979. Graduated from All-Russia Extramural Institute of Finance and Economics, Vladimirsky Law Institute of FPS of Russia (Jurisprudence).

Managerial positions for the past 5 years: PAO FSK UES' Tariff Department Head (as a second job), member of the Boards of Directors of PAO Rosseti Volga, PAO Rosseti Kuban, PAO TRK, PAO IDGC of North West, member of the Audit Committees of PAO Rosseti Kuban, PAO Rosseti North West, member of the Strategy Committees of PAO Rosseti Kuban, PAO Rosseti Lenenergo, PAO Rosseti Center, PAO Rosseti Center and Volga, PAO Rosseti Moscow Region.

Nominated by PAO Rosseti



Shevchuk Aleksandr Viktorovich

Independent director (independency acknowledged by the Board of Directors on 25.08.2021, Minutes No. 405 dated 27.08.2021)
Executive Director at Association of Professional Investors.
Chair of the Audit Committee,
member of the Strategy Committee

Board of Directors' member since 06.06.2016

Interest in the charter capital/Common stock owned (as of 31.12.2021): none. Security transaction statements filed with the Company in 2021: none. Loans/borrowings from the Company: none.

Short biography: Born in 1983. Graduated from Finance Academy under the Government of the Russian Federation (2005, Banking and Finance).

Managerial positions for the past 5 years: Member of the Boards of Directors of PAO Rosseti Center and Volga, PAO Rosseti Center, PAO Detsky Mir, PAO Rushydro, OOO Binnofarm Group, PAO Rosseti North West, PAO OGG-2, PAO MOSTOTREST.

Nominated by Energyo Solutions Russia (Cyprus) Limited.

The composition of the Board of Directors between 29.05.2020 and 03.06.2021

Yuri Vladimirovich GONCHAROV Chair of the Board of Directors Non-executive director	Born in 1977. Graduated from Moscow State Mining University (2000, Management), Moscow Institute of Economics, Politics and Law (2014, Jurisprudence). PAO Rosseti's Chief Advisor.
Vitaly Vladimirovich ANIKIN Non-executive director	Born in 1976. Graduated from Kuzbass State Technical University (Economics, 1997). PAO T Plus' Deputy General Director for Strategy and Investments.
Dmitry Alekseevich BOBKOV Non-executive director	Born in 1982. Graduated from Moscow State University (2004), Russian Academy of Sciences (2008), candidate of economic sciences. PAO Rosseti's Head of Information Policy and PR Department until 2021.
Roman Avgustovich DMITRIK Independent director	Born in 1971. Graduated from Perm State Technical University (2000, Electric Motors and Automation of Installations and Technological Complexes; 2002, Management), Perm State University (2005, Financial Management). General Director at OOO Energoinvestholding (ESIH).
Sergey Georgievich DREGVAL Executive director (Considered as a former Board of Directors member due to his Nov.17, 2020 written notice of resignation from the Board of Directors)	Born in 1971. Graduated from Kiev International Civil Aviation University (1996, technical exploitation of aircraft electrified equipment and navigation instrumentation), Tyumen State Oil & Gas University (2005, Electric Motors and Automation of Installations and Technological Complexes). OAO IDGC of Urals' General Director until November 2020.
Vladislav Albertovich KAPITONOV Non-executive director	Born in 1978. Graduated from Mariisky State Technical University (Banking and Finance), Moscow Financial Industrial Academy (Investment Analyst). Corporate Finance Director at PAO Rosseti and PAO FSK UES (as a second job).
Daniil Vladimirovich KRAINSKY Non-executive director	Born in 1979. Graduated from Moscow State Law Academy (Jurisprudence). Deputy General Director for Legal Affairs at PAO Rosseti and PAO FSK UES (as a second job).
Natalia Aleksandrovna OZHE Non-executive director	Born in 1974. Graduated from Moscow State University (1997, Jurisprudence). Deputy General Director for Legal and Corporate Affairs at AO Gazeks.
Egor Vyacheslavovich PROKHOROV Non-executive director	Born in 1980. Graduated from St. Petersburg State University. Candidate of economic sciences. Deputy General Director for Strategy at PAO Rosseti and PAO FSK UES (as a second job)
Irina Aleksandrovna SHAGINA Non-executive director	Born in 1979. Graduated from All-Russia Extramural Institute of Finance and Economics, Vladimirsky Law Institute of FPS of Russia (Jurisprudence). Tariff Department Head at PAO Rosseti and PAO FSK UES (as a second job).
Aleksandr Viktorovich SHEVCHUK Independent director	Born in 1983. Graduated from Finance Academy under the Government of the Russian Federation (2005, Banking and Finance). Executive Director at Association of Professional Investors.

D&O Liability Insurance

Corporate Governance Code Recommendation 139⁴⁸ recommends companies, at their own expense, to insure the liability of the Board of Directors so that losses, incurred by the company or third parties due to activities of the Board of Directors members, may be reimbursed.

During the reported period, the Company has concluded a D&O Liability Insurance contract with AO SOGAZ (with preliminary examination of the item by the Board of Directors), under which the following risks are covered:

- risks of claims or demands, placed to the insured by third parties, related to reimbursement of losses caused by unintentional wrong actions of the insured in the realization of their managerial activities;
- risks of claims or demands, placed by third parties, related to reimbursement of losses on Company's securities.

The insured entities according to the insurance contract are the Company, individuals or corporates which were, are or shall be:

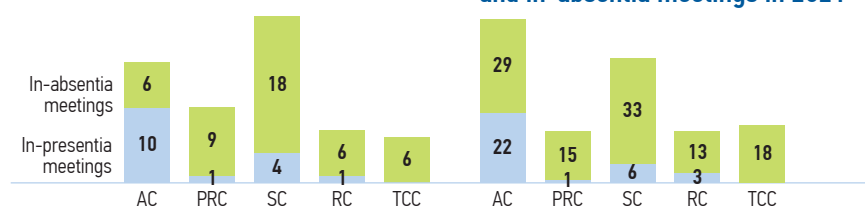
- a member of the Board of Directors, Supervisory Board or any other similar body, regardless of its title in any jurisdiction/country;
- the sole executive body (General Director), deputy sole executive body (First Deputy General Director, Deputy General Director), member of the Executive Board, Chief Accountant;
- other entities, stipulated by the insurance contract.

BOARD OF DIRECTORS COMMITTEES

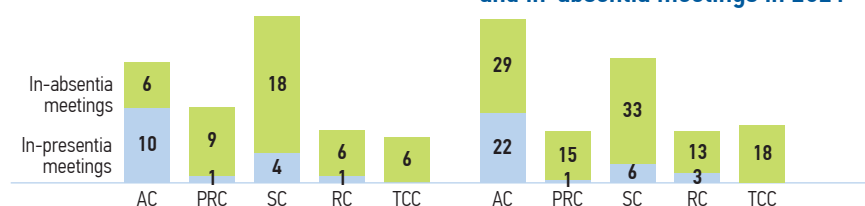
To enhance efficiency of the Board of Directors and investigate matters under its purview, the Board of Directors has established specialized functional consultative and advisory bodies — Board of Directors Committees. Primary goals of each Committee lie in preliminary examination of vital topics referred 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 2021



Agenda items examined by the Committees on in-presentia and in-absentia meetings in 2021



During the reported period, the Committees scrutinized 140 agenda items during 61 meetings. Taking into account restrictions related to conduct of in-presentia meetings during COVID-10 pandemic, the Company actively held meetings via videoconferences. The share of in-presentia Committee meetings and share of agenda items reviewed during in-presentia meetings in 2021 totaled 24% and 30%, 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 Urals⁵⁷;
- The Regulations on the Remunerations and Compensations due to the Board of Directors' Audit Committee at IDGC of Urals⁵⁸.