

CORPORATE GOVERNANCE PRACTICES

The Corporate Governance Code⁴¹ interprets corporate governance as a notion embracing relationships between executive bodies of a joint-stock company, its Board of Directors, shareholders and other stakeholders. Corporate governance is a tool for identifying firm's goals and ways to achieve these goals as well as for fostering efficient oversight of firm's operations for shareholders and other stakeholders.

Core goals of corporate governance are: i) crafting of an effective system for protection and efficient disposal of shareholder's resources; ii) reduction of risks which investors are unable to evaluate and unwilling to accept and management of which by investors in the long run shall inevitably result in reduction of firm's investment prospects and share prices.

Our corporate governance practices are premised on the principles, described below:

- ACCOUNTABILITY:

Accountability of the Company's Board of Directors to all stockholders is statutory and serves as guidance for the Board of Directors in formulating the strategy and administering executive bodies of the Company

- FAIRNESS:

The Company is voluntarily committed to protecting stockholder rights and enforcing equal treatment of all stockholders. The Board of Directors provides all stockholders with an opportunity of viable defense if their rights are disregarded

- TRANSPARENCY:

The Company enforces just-in-time disclosure of reliable information regarding all corporate events or actions, including but not limited to its financial position, performance, ownership structure and management, and oversees that any stakeholder has an unhindered access to such information

- RESPONSIBILITY:

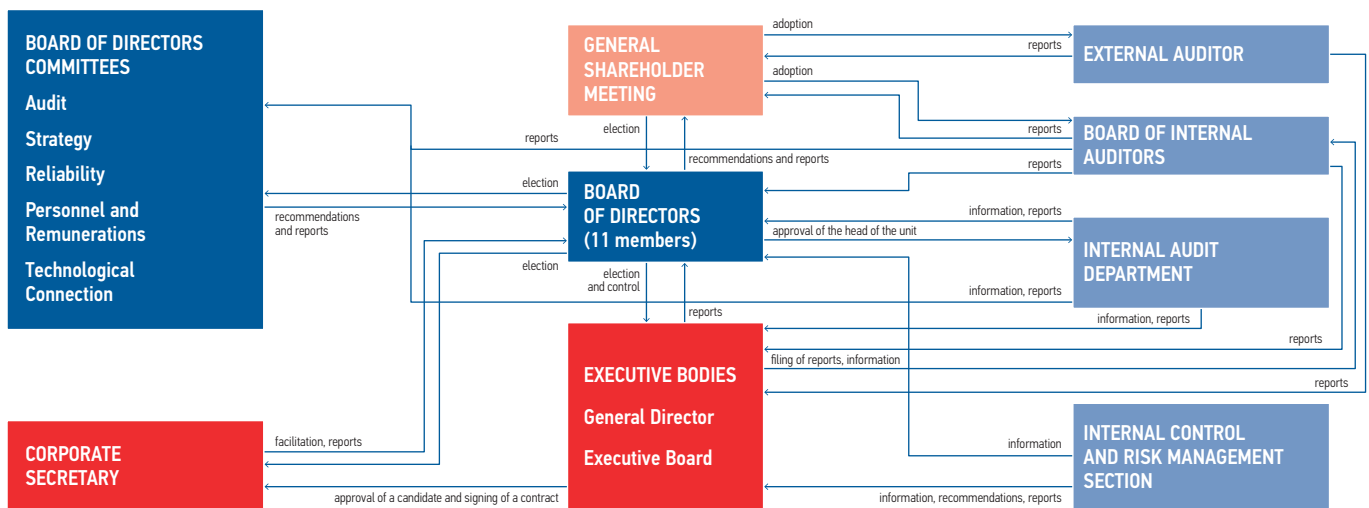
The Company recognizes its liability to all stockholders of the Company

Its corporate governance practices constantly upgraded, the Company keeps its fingers on the pulse of corporate governance trends evolving in Russia. The Company highlights the importance of the Corporate Governance Code, adopted and enforced by the Central Bank since 2014. Principles and recommendations of the Code set the bar high and serve as a guidemark for further development of the corporate governance system by the Company. We also focus hard on regulatory requirements to reflect them in our corporate governance practices.

The corporate governance system of PAO Rosseti Ural is based on principles designed to multiply assets, enhance investment prospects and market value, maintain the Company's financial stability and profitability as well as respect the rights and interests of stockholders and stakeholders.

Please, visit our official website to examine bylaws regulating corporate governance principles, practices and procedures.

Corporate governance structure



Self-evaluation of corporate governance level

The Company conducts self-evaluation of corporate governance practices on an annual basis in compliance with the Methodology⁴².
CY2022-2023 evaluation of efficiency of corporate governance*

Component	Number of criteria under evaluation	Largest possible score	Internal Audit's evaluation	Compliance, %	Evaluation of corporate governance
Shareholder rights	19	71	65	92%	Developed practices
Board of Directors	51	185	120	65%	Good practices
Executive bodies	5	40	34	85%	Developed practices
Transparency and disclosures	15	135	113	84%	Developed practices
Risk management, internal control and internal audit	16	63	63	100%	Best practices
Corporate social responsibility, business ethics	6	31	31	100%	Best practices
Total score	112	525	426	81%	Developed practices

* Pursuant to Federal Laws⁴³⁻⁴⁵ items 16,18,19 of the questionnaire are not taken into account in CY2020-2023 evaluations.

Compliance with the principles of the Corporate Governance Code**

Aspects	Principles, recommended by the Code	Principles complied with in full	Principles complied with in part	Principles that are not complied with by the Company
Rights of stockholders and equal treatment of stockholders in the exercising of their rights	13	12	0	1
Board of Directors	36	26	8	2
Corporate Secretary	2	2	0	0
Remuneration system	10	8	2	0
Risk Management and Internal Control System	6	6	0	0
Information disclosure, information policy	7	6	1	0
Significant and important corporate actions and events	5	3	2	0
Total	79	63	13	3

** The statistical data is an aggregate from the report regarding Company's compliance with principles and recommendations of the Corporate Governance Code.

Examine the Appendix for more details on the Company's compliance with the principles and recommendations of the Corporate Governance Code.

GENERAL MEETINGS OF STOCKHOLDERS

General Meeting of Stockholders is the supreme governing body of PAO Rosseti Ural. The exhaustive list of the General Meeting's purview is described in the Federal Joint-Stock Companies' Law and Company's Charter⁴⁶. Aspects comprising the General Meeting's purview cannot be delegated to the Board of Directors, Executive Board and General Director of the Company. The General Meeting is not entitled to examine and decide on aspects that are not affirmed as its competence by the Federal Joint-Stock Companies' Law. The Federal Joint-Stock Companies' Law, Bank of Russia's Regulations on General Meetings of Stockholders, the Charter and Regulations on the General Meeting of Stockholders stipulate preparation and conduct of the general meetings of stockholders of PAO Rosseti Ural.

Guided by recommendations of the Corporate Governance Code, the Company strives to provide its stockholders with a large variety of materials during arrangement of the general meeting to enhance feasibility of their decisions, including but not limited to the position of the Board of Directors with regard to the meeting agenda, charts and tables for comparison of the current versions and to-be-introduced revisions of the Company's bylaws. All materials are posted on the Company's official web-site and Interfax newswire web-page (agency accredited by the Bank of Russia for disclosures on securities and other financial instruments).

The Regulations on the General Meeting of Stockholders stipulate, in an easy-to-understand manner, the mechanics of the meeting, with stockholders permitted to discuss the agenda items and address relevant questions. Votes regarding agenda items of the General Meeting are tallied by the counting board. Its functions are performed by the independent registrar of the Company.

Annual General Meeting of Shareholders

Meeting date:
09.06.2023

Form: Letter ballot

Quorum: 86.9490%