**PROPOSALS CONCERNING AMENDMENTS**

**TO THE REGULATIONS FOR REMUNERATION AND COMPENSATIONS
PAYABLE TO MEMBERS OF THE INTERNAL AUDIT BOARD OF PJSC “LENENERGO”**

**SUBMITTED IN 2018**

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| **No.** | **Current wording** | **Proposed amendment** | **Rationale for amendment (with comment specifying the underlying regulation****((change in) an applicable effective provision** **of the Russian law, etc.)** |
| 1 | 1.1 These Regulations for Remuneration and Compensation Payable to Members of the Internal Audit Board of PJSC “LENENERGO” (hereinafter, the “Regulations”) is a document of PJSC “LENENERGO” (hereinafter, the “Company”) developed in accordance with Federal Law No. 208 dated December 26, 1995 *On Joint-Stock Companies*, the Articles of Association of PJSC “LENENERGO”, and other legal regulations. | 1.1 These Regulations for Remuneration and Compensation Payable to Members of the Internal Audit Board of PJSC “LENENERGO” (hereinafter, the “Regulations”) is a document of PJSC “LENENERGO” (hereinafter, the “Company”) developed in accordance with Federal Law No. 208 dated December 26, 1995 On Joint-Stock Companies, the Articles of Association of the Company, and other legal regulations. | The short term was used earlier in the text. |
| 2 | 1.3 These Regulations apply to the members of the Company’s Internal Audit Board who are not persons in respect of whom federal laws provide for a restriction or prohibition on receiving any payments from commercial organizations. No remuneration and compensations shall be paid to the members of the Internal Audit Board who are public officials (clause 3.3 of Article 12.1 of Federal Law No. 279-FZ dated December 25, 2008 *On Combating Corruption*). | 1.3 These Regulations apply to the members of the Company’s Internal Audit Board who are not persons in respect of whom federal laws provide for a restriction or prohibition on receiving any payments from commercial organizations. | The wording is removed, since the same wording is contained in paragraph 1 of clause 1.3 of the Regulations |
| 3  | 1.6 Payments to the members of the Internal Audit Board shall be made in rubles, pursuant to an application / applications of the member of the Internal Audit Board for the payment of remuneration / compensation made in the form set forth in Annexes 3 and 4 hereto, by transfer of funds in accordance with the bank account (deposit) details specified in the application of the member of the Internal Audit Board. | 1.6 Payments to the members of the Internal Audit Board shall be made in rubles, pursuant to an application / applications of the member of the Internal Audit Board for the payment of remuneration / compensation made in the form set forth in Annexes 1 and 2 hereto, by transfer of funds in accordance with the bank account (deposit) details specified in the application of the member of the Internal Audit Board. | Annex numbers are changed in accordance with the reference sequence in the document text |
| 4 | 2.2. Remuneration payable to a member of the Internal Audit Board shall be calculated based on the remuneration base amount (Rbase). The remuneration base amount payable to a member of the Internal Audit Board shall be based on the Company’s revenues calculated in accordance with Russian Accounting Standards for the financial year, in accordance with the following scale: | 2.2. Remuneration payable to a member of the Internal Audit Board shall be calculated based on the remuneration base amount (Rbase). The remuneration base amount payable to a member of the Internal Audit Board shall be based on the Company’s revenues calculated in accordance with Russian Accounting Standards (hereinafter, the “RAS”) for the financial year, in accordance with the following scale: | Explanation of the used abbreviation is provided |
| 5 | 2.3.7. The personal participation coefficient Cp shall be established by the Chairperson of the Internal Audit Board and sent to the Sole Executive Body of the Company in the format set forth in Annex 3 hereto. | 2.3.7. The personal participation coefficient Cp shall be established by the Chairperson of the Internal Audit Board and sent to the Sole Executive Body of the Company in the format set forth in Annex 1 hereto. | Annexes have been renumbered in the order as mentioned in the Regulations.t |
| 6 | 2.3.9. The calculation of the actual amount of remuneration for each member of the Internal Audit Board shall be made by the Company in the format set forth in Annex 2 hereto. | 2.3.9. The calculation of the actual amount of remuneration for each member of the Internal Audit Board shall be made by the Company in the format set forth in Annex 4 hereto. | Annexes have been renumbered in the order as mentioned in the Regulations.t |
| 7 | 2.6. Remuneration shall be paid within 30 (thirty) calendar days after the date of issue of the Internal Audit Board’s Report based on the results of an annual audit of the financial and business operations and submission by the Chairperson of the Internal Audit Board to the Company’s Sole Executive Body of the calculation of the personal participation coefficient Cp in respect of members of the Internal Audit Board. | 2.6. Remuneration shall be paid within 30 (thirty) calendar days after the annual General Meeting of the Company and submission by the Chairperson of the Internal Audit Board to the Company’s Sole Executive Body of the calculation of the personal participation coefficient Cp in respect of members of the Internal Audit Board. | Time limits for remuneration payment have been stated more preciseliy. |
|  | 3.5. To request compensation for expenses incurred, a member of the Internal Audit Board shall send a written application to the Company using the form shown in Annex 3 hereto together with the original proof of expenses, specifying the bank/deposit account details. | 3.5. To request compensation for expenses incurred, a member of the Internal Audit Board shall send a written application to the Company using the form shown in Annex 2 hereto together with the original proof of expenses, specifying the bank/deposit account details. | Annexes have been renumbered in the order as mentioned in the Regulations.t |