

APPROVED BY
«Rosseti Lenenergo», PJSC
Annual General Shareholders' Meeting on June 18, 2019
MINUTES No. 1/2019 dated June 21, 2019

REGULATIONS
on the Management Board of
Public JOINT-STOCK COMPANY “LENENERGO”
(new version)

St. Petersburg
2019

1. GENERAL PROVISIONS

1.1. These Regulations are an internal document of Public JOINT-STOCK COMPANY “LENENERGO” (hereinafter referred to as the Company), determining the procedure for the Management Board formation, the terms and procedure for convening and holding Management Board meetings, as well as the decision-making procedure.

1.2. These Regulations have been developed in accordance with the legislation of the Russian Federation, the Articles of Association and other internal documents of the Company.

1.3. The Company’s Management Board as a collegiate executive body carries out its activities in the interests of the Company, guided by the resolutions of the General Shareholders’ Meeting and the Board of Directors of the Company and operates in accordance with the legislation of the Russian Federation, the Articles of Association of and other internal documents of the Company and these Regulations.

1.4. The Company’s Management Board shall ensure the practical implementation of the goals, development strategy and policy of the Company, manage its current operations within the competence defined by the Company’s Articles of Association and these Regulations.

The principal objectives of the Company’s Management Board are as follows:

- enforcement of rights and legitimate interests of shareholders of the Company;
- development of proposals for the Company’s development strategy;
- implementation of financial and business policy of the Company, development of resolutions on critical issues of its current business activity and coordination of its units’ operations;
- improving the efficiency of internal control and risk monitoring systems;
- ensuring the achievement of the high level of return on the Company’s assets and maximum profit from the Company’s activities.

1.5. In order to ensure the efficient operation of the Company’s Board of Directors and the adoption of balanced and informed resolutions by the Board of Directors, the Company’s Management Board is entitled to consider, develop and submit recommendations to the Board of Directors as regards matters pertaining to the competence of the Company’s Board of Directors.

2. MANAGEMENT BOARD FORMATION PROCEDURE

2.1. A resolution on the Management Board formation pertains to the competence of the Company’s Board of Directors.

2.2. Election of Management Board members and early termination of their powers shall be resolved upon by the Company’s Board of Directors.

2.3. The number of Management Board members may not be less than three (3) persons and shall be determined by the Board of Directors’ resolution.

Company’s Management Board members shall be elected by the Company’s Board of Directors as proposed by the General Director.

Should the Company’s Board of Directors reject the candidates to the Company’s Management Board proposed by the General Director, the Company’s Board of Directors may elect the candidates proposed by the Company’s Board of Directors member(s).

2.4. A candidate shall be deemed elected to the Management Board if a majority of the Board of Directors members participating in the meeting voted for him/her.

2.5. The Company shall enter into an employment agreement with the elected Management Board members.

The employment agreement shall be signed on behalf of the Company by the Chairman of or a person authorized by the Company’s Board of Directors.

The employment agreement terms and conditions, including the term of office, shall be determined by the Chairman of or a person authorized by the Company’s Board of Directors to exercise the rights and obligations of the employer on behalf of the Company in relation to the Company’s Management Board members. The amount of and procedure for the remuneration and

compensation payment to the Company's Management Board members shall be determined by the Company's Board of Directors.

2.6. The Board of Directors may at any time resolve on the early termination of powers of the Company's collegiate executive body members and on the election of a new Management Board. This provision shall be a mandatory clause of the employment agreement entered into by the Company with a Management Board member.

2.7. Termination of powers of a Management Board member shall not entail dismissal from a full-time position held by him/her in the Company.

2.8. The dismissal of a person from a full-time position held in the Company shall not be a ground for termination of the powers of the said person as the Company's Management Board member and termination of the relevant employment agreement with him/her.

2.9. Should the number of Management Board members become less than the quorum set forth in these Regulations and the Company's Articles of Association to hold a meeting, the General Director shall propose candidates for new Management Board members to replace those who have retired for consideration to the Board of Directors.

2.10. Powers of the Company's Management Board members shall be terminated on the grounds stipulated by the legislation of the Russian Federation and the employment agreement entered into by them with the Company.

3. RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF MANAGEMENT BOARD MEMBERS

3.1. MANAGEMENT BOARD MEMBERS

3.1.1. The rights and obligations of Management Board members shall be determined by the legislation of the Russian Federation, the Articles of Association and the employment agreement entered into by each of them with the Company.

3.1.2. Management Board members shall be entitled to:

1) acting as members of the Company's collegiate executive body, resolve on matters related to the management of the current operations of the Company falling within the scope of their competence;

2) receive full information about the Company's activities, get familiarized with the Company's constituent, regulatory, accounting, reporting, contractual and other documents;

3) submit explanations, make statements, make proposals on the agenda of the Management Board meetings;

4) - make written proposals on the formation of the Management Board's work plan and meeting agenda;

5) request convocation of the Company's Management Board meeting;

6) express a written dissenting opinion on resolutions of the Management Board and communicate it to the Company's Board of Directors;

7) exercise other rights provided for by the legislation of the Russian Federation, the Company's Articles of Association and the employment agreement entered into by each of them with the Company.

3.1.3. Management Board members shall:

- participate in Company's Management Board meetings;

- execute resolutions and instructions of the Company's General Shareholders' Meeting, Board of Directors and Management Board, comply with the requirements of the Company's Articles of Association and internal documents;

- act in the interests of the Company, exercise their rights and perform their duties in respect of the Company in good faith and reasonably;

- not disclose information containing official and trade secrets of the Company;

- within two (2) months from the date when they became or should have become aware of the occurrence of circumstances by virtue of which they may be recognized as related parties in transactions entered into by the Company, notify the Company:

(a) about legal entities in respect of which they, their spouses, parents, children, full or half brothers and sisters, adoptive parents and adopted children and/or their controlled organizations are controlling persons or have the right to give binding instructions;

(b) about legal entities in which they, their spouses, parents, children, full or half brothers and sisters, adoptive parents and adopted children and/or their controlled persons hold positions in any governing bodies;

(c) about executed or assumed transactions they are aware of in which they may be recognized as related parties.

In the event of a change in the specified information earlier communicated to the Company, Management Board members shall notify the Company about the change in such information within fourteen (14) days from the date when they became or should have become aware of the change.

3.1.3. Combination of positions in the governing bodies of other organizations by a Management Board members, as well as holding other paid positions in other organizations shall be allowed only with the consent of the Company's Board of Directors.

3.1.4. The rights and obligations of the employer on behalf of the Company in relation to Company's Management Board members shall be exercised by the Chairman of the Board of Directors or by a person authorized by the Company's Board of Directors.

3.1.5. Management Board members shall be liable to the Company for losses caused to the Company by their faulty actions (omissions) in accordance with the applicable legislation.

At the same time, Management Board members who voted against the resolution, which caused losses to the Company, or who did not participate in the voting, shall not be liable.

3.2. CHAIRMAN OF THE MANAGEMENT BOARD

3.2.1. The work of the Management Board shall be organized by the Chairman of the Company's Management Board, who is *ex officio* the Company's General Director.

3.2.2. The Chairman of the Company's Management Board shall:

1) submit proposals for the appointment of Management Board members for consideration by the Company's Board of Directors;

2) convene Management Board meetings:

- determine the date, place and time of the Management Board meeting,
- approve the meeting agenda,
- determine the list of persons invited to participate in the discussion of certain Management Board meeting agenda items;
- define the list of information (materials) provided to the Management Board in preparation for the Management Board meeting,
- determine the wording of resolutions to be put to the vote,

3) chair at Management Board meetings;

4) sign minutes of Management Board meetings;

5) organize work of the Management Board and ensure compliance with the legislation of the Russian Federation, the Company's Articles of Association and these Regulations in the Management Board's activities;

6) perform other actions provided for by these Regulations.

3.3. DEPUTY CHAIRMAN OF THE MANAGEMENT BOARD

3.3.1. In the event of the Chairman's temporary absence, his/her functions shall be performed by the Deputy Chairman of the Management Board.

3.3.2. The Deputy Chairman of the Management Board shall be elected at the first meeting

of the Management Board from among the Management Board members by a majority vote of the total number of elected Company's Management Board members and perform his/her functions until the expiration of his term of office as a Management Board member.

3.3.3. The Management Board may re-elect the Deputy Chairman of the Management Board at any time.

4. SECRETARY OF THE MANAGEMENT BOARD

4.1. The Secretary of the Management Board shall perform the functions of organizational and informational support of the Company's Management Board.

4.2. The Secretary shall be elected at the first Management Board meeting from among the candidates proposed by the Management Board members. The Secretary of the Management Board shall be a full-time employee of the Company. The Management Board may re-elect the Secretary of the Management Board at any time.

4.3. The Secretary of the Management Board shall:

- 1) ensure the preparation of materials for consideration at Management Board meetings;
- 2) draw up a draft work plan of the Management Board when and as instructed by the Chairman (Deputy Chairman) of the Management Board;
- 3) make proposals to elaborate the work plan of the Management Board as applicable;
- 4) notify Management Board members about the Management Board meeting by sending a notification indicating the meeting agenda and materials;
- 5) interact with the Corporate Secretary of the Company and the secretaries of the Company's Board of Directors Committees in order to coordinate the activities of the Company's Management Board, Board of Directors and Board of Directors Committees;
- 6) provide organizational and technical support for Management Board meetings;
- 7) maintain the file register of the Management Board;
- 8) monitor the implementation of resolutions of the Management Board and inform the Management Board about the resolutions implemented;
- 9) prepare drafts of individual documents and resolutions of the Management Board when and as instructed by the Chairman (Deputy Chairman) of the Management Board;
- 10) prepare and keep records of minutes of Management Board meetings;
- 11) communicate the voting results and information about the resolutions adopted to the Management Board members;
- 12) inform responsible officers about resolutions adopted by the Management Board by sending them extracts from the signed Management Board meeting minutes.

The Secretary of the Management Board shall perform other actions provided for by these Regulations.

4.4. The Secretary of the Management Board shall be responsible for the quality of the prepared minutes and extracts from the Management Board meeting minutes, as well as for the performance of other duties provided for in these Regulations.

5. MANAGEMENT BOARD WORKFLOW MANAGEMENT

5.1. Management Board meetings shall be held in accordance with the Work Plan and as required, but at least once a month.

5.2. The Work Plan of the Management Board shall include:

- 1) matters to be considered at the Company's Management Board meeting in the current year (quarterly);
- 2) schedule of Management Board meetings;
- 3) the list of persons (Company's governing bodies) responsible for preparing matters for consideration at Management Board meetings.

5.3. The Work Plan of the Management Board shall be drawn up and submitted to the

Management Board by the Chairman of the Company's Management Board.

The Work Plan shall be approved quarterly by the Company's Management Board by a majority vote of the Management Board members having participated in the voting.

5.4. The Work Plan of the Management Board shall be drawn up taking into account the resolutions of the General Shareholders' Meeting, Board of Directors, Internal Audit Board, Auditor, proposals of the General Director, Management Board members, heads of units and services of the Company.

5.5. On the proposal of the Chairman and members of the Management Board, the approved Work Plan of the Management Board may be amended and modified. Such amendments and modifications shall be approved by the Company's Management Board.

5.6. Management Board meetings shall be convened by the Chairman or (in the absence of the latter) by the Deputy Chairman of the Management Board:

- in accordance with the Work Plan of the Management Board;
- at the request of the Chairman of the Management Board or any of Management Board members;
- at the request of the Chairman of the Company's Board of Directors or by resolution of the Company's Board of Directors.

5.7. Agenda for the Management Board meeting shall be prepared on the basis of the Work Plan of the Management Board, and on the basis of resolutions of the General Shareholders' Meeting, Board of Directors, proposals of the Chairman and members of the Company's Management Board.

5.8. The request to convene a Management Board meeting shall be signed by the person having submitted the request. At the same time, a copy of the request to convene a Management Board meeting with all the attachments thereto shall be sent to the Secretary of the Management Board.

5.9. The request shall be sent to the Chairman of the Management Board in writing no later than nine (9) business days prior to the date of the meeting and contain the wording of the matter, the justification for the need to consider the matter at the meeting, the draft resolution of the Management Board, accompanying materials and information, and an indication of the Management Board meeting form. The request to convene a Management Board meeting shall be signed by the person having submitted the request.

5.10. Within one (1) business day from the date of the request to convene a meeting, the Chairman shall resolve to hold the Management Board meeting, determine the date, time and place of the meeting (the deadline for accepting questionnaires for absentee voting), or resolve to refuse to convene the Management Board meeting. A reasoned resolution to refuse to convene a Management Board meeting shall be sent to the person or body of the Company requesting such a meeting no later than the next day from the date of the Chairman's resolution to refuse to convene the meeting.

5.11. The resolution of the Chairman of the Management Board to refuse to convene a Management Board meeting may be adopted in the following cases: the matter(s) proposed for inclusion in the agenda of the meeting is (are) not pertaining to its competence; the agenda item included in the request to convene a Management Board meeting is already included in the agenda of the next scheduled meeting, or was considered by the Management Board earlier; the form, procedure and terms for submitting requests to convene a meeting as set forth in Clause 5.9 hereof have not been observed.

5.12. Management Board meetings shall be held in the form of joint attendance of Management Board members to discuss and adopt resolutions on agenda items (in person) or in the form of absentee voting (by filling out questionnaires).

On the instructions of the Chairman of the Management Board, offsite Company's Management Board meetings may be held.

Management Board meetings may be held using a specialized automated information system

designed for holding Company's Management Board meetings, including distribution of notices, materials (information) on agenda items, voting of Management Board members and summarizing the results (hereinafter referred to as the automated information system).

By resolution of the Chairman of the Company's Management Board, the Management Board members who are unable to attend the venue of the Management Board meeting may be given the opportunity to participate in the discussion of agenda items and vote remotely via conference and video conferencing.

5.13. The Management Board shall be competent if at least half of the elected Management Board members participate in the meeting (absentee voting).

5.14. The Management Board shall adopt all resolutions by a simple majority vote of all Management Board members attending the meeting (taking part in absentee voting).

5.15. Each Management Board member shall have one vote in resolving on the matters. No transfer of votes by one Management Board member to any other member, or to any other persons, shall be allowed.

If the votes of the Management Board members are equal, the vote of the Chairman of the Management Board shall be decisive.

5.16. In case of disagreement with the resolution adopted on the Management Board meeting agenda item(s), the Management Board member who participated in the meeting may state in writing his/her position on this item (these items), i.e. express a dissenting opinion. Such dissenting opinion of a Management Board member shall be attached to the Minutes of the relevant Company's Management Board meeting.

6. PROCEDURE OF CONVENING AND HOLDING MANAGEMENT BOARD MEETINGS BY JOINT ATTENDANCE

6.1. The notification of Management Board members about the venue, date, time and agenda of the Management Board meeting shall be sent to the Management Board members five (5) business days prior to the said meeting.

6.2. The notice of a Management Board meeting held by joint attendance shall contain the following information:

- abbreviated name of the Company and its location;
- the Management Board meeting agenda;
- date, time and place of the Management Board meeting;
- list of information (materials) provided to Management Board members in preparation for the meeting.

6.3. The Secretary of the Management Board shall draw up, and the Chairman or the Deputy Chairman, in cases stipulated herein, of the Management Board shall sign the notice on the meeting of the Management Board.

Simultaneously with the notice of the Management Board meeting, all necessary materials (information) and a draft resolution on the meeting agenda shall be sent to Management Board members.

6.4. The matters included in the Management Board meeting agenda shall be considered at the Management Board meetings.

In exceptional cases, with the consent of all the attending Management Board members, matters not included in the meeting agenda may be considered at meetings held in person.

6.5. Meetings of the Management Board shall be conducted by the Chairman, and in case of the absence of the latter, by the Deputy Chairman of the Management Board in accordance with Clause 3.3.1 hereof.

6.6. The Secretary of the Management Board shall determine whether there is a quorum for the Management Board meeting, and the Chairman of the Management Board shall inform those present of the quorum and announce the Management Board meeting agenda.

6.7. Consideration of the Management Board meeting agenda items shall include the

following stages:

- 1) report of a Management Board member (invited person) on the agenda item;
- 2) agenda item discussion;
- 3) proposals for the wording of a resolution on the agenda item;
- 4) voting on the agenda item;
- 5) counting of votes, summarizing and announcing the preliminary results of voting.

At a Management Board meeting held by the joint attendance of its members, the Secretary of the Management Board shall quarterly report on the implementation of earlier adopted resolutions of the Management Board.

6.8. If a Management Board member is unable to attend a Management Board meeting held in the form of a joint attendance, he/she may send a written opinion on agenda items. Such written opinion shall be sent to the Secretary of the Management Board prior to the meeting. These opinions shall be attached to the minutes and form an integral part thereof.

6.9. Based on the results of voting at the meeting, the Chairman of the Management Board shall summarize the results of voting on the agenda items and draw up minutes of the Management Board in accordance with the procedure set forth herein.

7. PROCEDURE FOR ADOPTION OF RESOLUTIONS BY ABSENTEE VOTING

7.1. The resolution of the Company's Management Board on matters pertaining to its competence may be adopted by absentee voting (with the use of questionnaires).

7.2. For the Management Board to adopt a resolution by absentee voting (with the use of questionnaires), each Management Board member shall be sent a notification of absentee voting on the agenda items, materials (information) and draft resolutions on the items included in the agenda no later than four (4) business days prior to the deadline for accepting questionnaires for absentee voting.

7.3. The notice of absentee voting shall contain:

- abbreviated name of the Company;
- the Management Board meeting agenda;
- indication of holding an absentee meeting;
- date and time of the deadline for accepting questionnaires for an absentee meeting.

7.4. Management Board members may submit their proposals and/or commentaries on the proposed draft resolutions of the Management Board on matters put to absentee voting no later than two (2) business days prior to the deadline for accepting voting questionnaires specified in the notice of absentee voting.

7.5. The Secretary of the Management Board shall prepare a questionnaire for absentee voting, taking into account the received proposals and/or commentaries on the proposed draft resolutions of the Management Board on the agenda items in accordance with Appendix 1 hereto. If a Management Board member(s) has (have) changed the wording of the draft resolutions on the agenda item(s), the Secretary of the Management Board shall include all draft resolutions on such item(s) proposed by the member(s) in the questionnaire.

7.6. The questionnaire for absentee voting shall be sent by the Secretary of the Management Board to Management Board members no later than one (1) business day prior to the deadline for accepting the questionnaires specified in the notice of absentee voting by fax, e-mail or automated information system.

7.7. The questionnaire shall contain:

- abbreviated name of the Company;
- wording of the agenda items;
- voting options;
- date and time of the deadline for accepting questionnaires;
- address for sending completed questionnaires.

7.8. When filling out the questionnaire for absentee voting, a Management Board member

shall leave only one of the possible voting options for each of the draft resolutions (for, against, abstained) not crossed out. The completed questionnaire shall be signed by the Management Board member with the indication of his/her surname and initials.

Company's Management Board members may also vote on the proposed draft resolutions in the automated information system.

7.9. A questionnaire filled out in violation of the requirements specified in Clause 7.8. hereof shall be deemed invalid and shall not participate in determining the quorum required to adopt a resolution by absentee voting, and shall not be taken into account when counting votes. In case of violations of the requirements for filling out the voting options, it shall be deemed invalid only as regards the relevant item.

7.10. The completed and signed questionnaire shall be handed over by a Management Board member to the Secretary of the Management Board within the period specified in the questionnaire, or sent by fax or e-mail, followed by sending the original questionnaire to the address specified in the questionnaire.

Members of the Management Board whose questionnaires were received by the Secretary of the Management Board no later than the deadline for questionnaire acceptance, as well as Management Board members who voted on the proposed draft resolution in the automated information system, shall be deemed to have taken part in absentee voting.

7.11. On the basis of the questionnaires received, as well as the results of voting in the automated information system, the Secretary of the Management Board shall summarize the results of absentee voting on agenda items and draw up the minutes of the Management Board in accordance with the procedure set forth herein.

8. MANAGEMENT BOARD MEETING MINUTES

8.1. The Company's Management Board meeting minutes based on the results of the Management Board meeting (results of absentee voting) shall be drawn up and signed within three (3) business days following the meeting by the Chairman and the Secretary of the Management Board, who shall be responsible for the accuracy of the minutes.

8.2. The Management Board meeting minutes shall contain:

- full corporate name of the Company;
- form of the meeting (joint attendance or absentee voting);
- venue and time of the meeting (summarizing the meeting results);
- list of Management Board members who attended the meeting (participated in absentee voting), as well as the list of invited persons;
- information about the quorum of the meeting;
- meeting agenda;
- the items put to the vote and the voting results by name;
- a summary of reports and speeches of persons having participated in the meeting (in case of a joint-attendance meeting);
- voting results;
- resolutions adopted.

8.3. The Company shall keep the Management Board meeting minutes at the location of its executive body. The Chairman of the Management Board shall be responsible for the safe-keeping of the Management Board meeting minutes.

The Company's Management Board meeting minutes shall be provided to the members of the Company's Board of Directors, Internal Audit Board, the head of the Company's Internal Audit (the head of the Company's structural unit responsible for the organization and implementation of Internal Audit, and, if an external independent organization is engaged for Internal Audit, to the head of the specified organization) and the Company's Auditor upon their request, as well as to the shareholder(s) in accordance with the requirements of the Federal Law On Joint Stock Companies.

9. CONTROL OVER IMPLEMENTATION OF MANAGEMENT BOARD RESOLUTIONS

9.1. Resolutions adopted by the Management Board shall be communicated to the Management Board members in writing by sending a copy of the Management Board meeting minutes no later than five (5) business days from the date of the Management Board meeting.

9.2. Resolutions of the Management Board shall be communicated to the responsible officers in the form of extracts on certain items from the Management Board meeting minutes, signed by the Secretary of the Management Board and endorsed by the Company's seal.

9.3. Control over the implementation of Management Board resolutions shall be exercised by the Secretary of the Management Board.

10. FINAL PROVISIONS

10.1 Amendments and addenda to these Regulations shall be made on the basis of a resolution of the General Shareholders' Meeting of the Company.

10.2 If, as a result of changes in the legislation and regulations of the Russian Federation, certain articles of these Regulation come into conflict therewith, these articles shall become invalid, and until amendments are made to the Regulations, the Management Board shall be guided by the legislation and regulations of the Russian Federation.

**MANAGEMENT BOARD
of PJSC "LENENERGO"**

QUESTIONNAIRE

**for absentee voting on the agenda of a PJSC "LENENERGO" Management Board meeting
dated _____, _____, 20_____**

Management Board member's full name

Item 1:

Resolution:

FOR

AGAINST

ABSTAINED

(leave your answer uncrossed)

Item 2:

Resolution:

FOR

AGAINST

ABSTAINED

(leave your answer uncrossed)

The completed and signed voting questionnaire shall be sent by fax _____,
to e-mail address _____ or as an original no later than _____.
/date, time/

The questionnaire received by the Company after the above deadline shall not be taken into
account when counting votes and summarizing the results of absentee voting.

Please send the original questionnaire to:

_____.

PJSC "LENENERGO" Management Board member _____/
(signature) (Full name)

**THE QUESTIONNAIRE SHALL BE INVALID UNLESS SIGNED BY THE MANAGEMENT BOARD
MEMBER**