**Report: Related Party Transactions Entered into by PJSC “Lenenergo” in 2017**

The Report reflects related party transactions with the value below two percent (2%) of the book value of the PJSC “Lenenergo” assets

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Transaction date | Approval/authorization date | Company’s management body approving the transaction | Scope and material terms of the transaction | Related parties and why they are treated as related parties |
| 1 | September 03, 2018 | On June 20, 2018, the related party transaction in question was notified to persons specified by Federal Law No. 208-FZ *On Joint Stock Companies* of December 26, 1995(Para 1.1., Article 81). The notification was sent at least fifteen days before the transaction date.No meeting of the Board of Directors of PJSC “Lenenergo” was requested to be convened in order for the related party transaction to be authorized by persons specified by Federal Law No. 208-FZ *On Joint Stock Companies* of December 26, 1995(Para 1.1., Article 83).  | Parties:1. Public Joint Stock Company “Lenenergo” (Customer) and2. Joint Stock Company “Power Grid Optical Networks Engineering”Purpose:1. The Contractor will, subject to the supply and service contract concerning the installation of 10kV power metering facilities (with remote data collection) at the parties’ grid boundaries, and pursuant to the terms of the Agreement, supply the materials and equipment specified in the Specifications. And the Customer will accept and pay for the equipment and materials supplied as specified in the Agreement (agreed price).2. Delivery addresses (as specified in the Agreement):- Gatchinskiye Power Grid (a branch of PJSC “Lenenergo”): Gatchina, Prigorodny Area, ul. Lenenergo, 1; - Novoladozhskiye Power Grid (a branch of PJSC “Lenenergo”): Novaya Ladoga, ul. Sadovaya, 25; - Tikhvinskiye Power Grid (a branch of PJSC “Lenenergo”): Tikhvin, ul. Ulitov ruchey, 1; - Prigorodniye Power Grid (a branch of PJSC “Lenenergo”): Pushkin, ul. Setevaya, 22;- Kingiseppskiye Power Grid (a branch of PJSC “Lenenergo”): Kingisepp, pr. K. Marksa, 64;- Vyborgskiye Power Grid (a branch of PJSC “Lenenergo”): Goncharovo Rural Area, Perovo village, ul. Zavodskaya, 1.3. Agreed delivery term: as per the Time Schedule.4. The agreed cost of equipment and materials will be sixteen million four hundred ninety-eight thousand two hundred fifty point ninety-two rubles (RUB 16,498,250.92) including the VAT of two million five hundred sixteen thousand six hundred eighty-two point thirty-four rubles (RUB 2,516,682.34).Price:Subject to the Agreement, the total cost of the materials and services (to be) supplied under the Contract throughout its term will be capped to two hundred seventy-seven million eight hundred thirty-eight thousand nine hundred twenty-nine point sixty rubles (RUB 277,838,929.60) including all taxes and charges payable under the Russian law. Other material terms:The Agreement comes into force upon its signing and will continue in effect until fulfilled by performance. | PJSC “Rosseti” (controlling party) |

In 2018, the Company has not entered into any related party transactions with the value equal to or greater than two percent (2%) of the book value of the PJSC “Lenenergo” assets.

The Internal Audit Commission Report verifying the above Relater-Party Transactions Report is a part of the Materials for the General Meeting (Appendix 1.1) that are made available to persons eligible to participate in the Company’s General Meeting in 2019 and was posted at: <http://www.lenenergo.ru/shareholders/corp/control/osa/>