

**DRAFT RESOLUTIONS AND EXPLANATORY NOTES**  
**on Agenda Items of the «Rosseti Lenenergo», PJSC**  
**Annual General Shareholders' Meeting dated June 18, 2021**

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**Item No. 1: On approval of the Annual Report, Annual accounting (financial) statements of the Company for 2020.**

**Draft resolution:**

To approve the Annual Report of the Company for 2020, the Annual accounting (financial) statements of the Company for 2020 in accordance with Appendix No. 1 published on the official Internet website of the Company at <http://www.lenenergo.ru/shareholders/corp/control/osa/>; <https://rosseti-lenenergo.ru/shareholders/corp/control/osa/>

**Explanatory Note to Agenda Item No. 1  
of the «Rosseti Lenenergo», PJSC Annual General Shareholders' Meeting**

**On agenda item No. 1: On approval of the Annual Report, Annual accounting (financial) statements of the Company for 2020.**

**On approval of the Company's Annual Report.**

The Annual Report of «Rosseti Lenenergo», PJSC (hereinafter referred to as the Company) for 2020 (hereinafter referred to as the Annual Report) has been prepared in accordance with the requirements of Federal Law No. 208-FZ On Joint Stock Companies dated December 26, 1995 (hereinafter referred to as the Law), the Regulations on Information Disclosure by Issuers of Issue-Grade Securities, approved by the Bank of Russia under No. 454-P dated December 30, 2014, as well as pursuant to the provisions of the Corporate Governance Code recommended for application by Bank of Russia Letter No. 06-52/2463 dated April 10, 2014.

The Annual Report discloses the Company's operating and financial results for 2020.

Appendices to the Annual Report include the Company's RAS accounting statements with an unqualified auditor's opinion, a report on compliance with the principles and recommendations of the Corporate Governance Code, as well as a report on related-party transactions entered into by the Company in 2020, approved by the Company's Board of Directors in accordance with the requirements of paragraph 3, Clause 1.1, Article 81 of the Law.

The reliability of the data disclosed in the Annual Report for 2020 is confirmed by the opinion of the Internal Audit Board dated April 29, 2021.

The Annual Report for 2020 was reviewed and pre-approved by the Company's Board of Directors on May 18, 2021 (Minutes No. 70 dated May 21, 2021), and recommended for approval by the Company's Annual General Shareholders' Meeting.

Voting on this item is carried out based on the principle of "one vote per each voting share of the Company."

In accordance with Clause 2, Article 49 of the Law, the resolution on this item shall be adopted by a majority of votes of shareholders being owners of Company's voting shares participating in the Company meeting.

**On approval of the Company's Annual accounting (financial) statements.**

The Company's Accounting statements have been prepared in accordance with the accounting and reporting regulations in force in the Russian Federation, in particular, Federal Law No. 402-FZ On Accounting dated December 06, 2011, the Regulations on Accounting and Accounting Reporting in the Russian Federation approved by Order No. 34n of the Ministry of Finance of the Russian Federation dated July 29, 1998 (as amended), and the Accounting Regulations approved by Orders of the Ministry of Finance of the Russian Federation.

In accordance with Article 14 of Federal Law No. 402-FZ On Accounting dated December 06, 2011, Order No. 66n of the Ministry of Finance of the Russian Federation On the Forms of Accounting Statements of Entities dated July 02, 2010, the Company's Accounting (financial) statements consist of:

- (a) the balance sheet;
- (b) the profit and loss statement;
- (c) appendices to the balance sheet and profit and loss statement, including:
  - the statement of changes in equity,
  - the statement of cash flows,
  - other appendices to the balance sheet and profit and loss statement (explanatory notes).

The balance of the Company's balance sheet as of December 31, 2020 was 255,092 RUB mln (as of December 31, 2019 – 226,732 RUB mln), which is 28,360 RUB mln more than in the previous reporting period.

The Company's net profit for 2020 amounted to 14,147 RUB mln (in 2019 – profit of 13,568 RUB mln).

The Company's revenue for 2020 compared with 2019 increased by 275 RUB mln (0.3%) and amounted to 82,646 RUB mln.

As of December 31, 2020, the Company's net assets amounted to 173,005 RUB mln (as of December 31, 2019 – 148,326 RUB mln), and exceeded the authorized capital by 164,388 RUB mln.

The mandatory audit of the Company (in accordance with Federal Law No. 307-FZ On Auditing Activities dated December 30, 2008) for 2020 was conducted by LLC Ernst & Young. Based on the results of the audit, auditor's opinion was obtained on the fair presentation in the accounting statements of the Company's financial position as at December 31, 2020, as well as its financial results and cash flows for the year then ended, in accordance with the accounting reporting rules of the Russian Federation.

The Company's Internal Audit Board approved an opinion on the assessment of the accuracy of data contained in the RAS accounting statements for 2020, according to which the statements were recognized as true and accurate in all material respects.

In accordance with Article 47 and Sub-Clause 11, Clause 1, Article 48 of the Law, Sub-Clause 11, Clause 10.2, Article 10 of the Company's Articles of Association, the General Shareholders' Meeting is responsible for approving the Company's Annual accounting (financial) statements.

In accordance with the Resolution of the Company's Board of Directors dated May 18, 2021 (Minutes No. 70 dated May 21, 2021), the Company's Annual General Shareholders' Meeting was recommended to approve the Company's annual accounting (financial) statements for 2020.

In accordance with Clause 10.8 of the Company's Articles of Association, voting at the General Shareholders' Meeting on this item is carried out based on the principle of "one vote per each voting share."

In accordance with Clause 2, Article 49 of the Law, the resolution on this item shall be adopted by a majority of votes of shareholders being owners of Company's voting shares participating in the Company meeting.

**Item No. 2: On the distribution of profits (including the payment (declaration) of dividends) and losses of the Company for 2020.**

**Draft resolution:**

1. To approve the distribution of the Company's profit for the 2020 reporting year as follows:

Name	RUB, thousand
Retained earnings (loss) for the reporting period	14,147,013
Distribute to:	
Reserve fund	0
Profit for development	10,493,959
Dividends	3,653,054
Repayment of losses of previous years	0

2. To pay dividends on the Company's ordinary shares based on the results of 2020 in the amount of 0.2626 RUB per Company's ordinary share in cash.

The term for dividend remittance to a nominee holder or a trust manager that is a professional security market participant shall not exceed 10 business days; and the term for dividend remittance to other shareholders listed on the register shall not exceed 25 business days of the date of drawing up the list of persons entitled to receive dividends.

3. To pay dividends on the Company's preferred shares based on the results of 2020 in the amount of 15.1688 RUB per Company's preferred share in cash.

The term for dividend remittance to a nominee holder or a trust manager that is a professional security market participant shall not exceed 10 business days; and the term for dividend remittance to other shareholders listed on the register shall not exceed 25 business days of the date of drawing up the list of persons entitled to receive dividends.

4. To determine the date of drawing up the list of persons entitled to receive dividends as June 29, 2021.

**Explanatory Note to Agenda Item No. 2  
of the Annual General Shareholders' Meeting of «Rosseti Lenenergo», PJSC**

**On agenda item No. 2: On the distribution of profits (including the payment (declaration) of dividends) and losses of the Company for 2020.**

In accordance with Sub-Clause 11.1, Clause 1, Article 48 of Federal Law On Joint Stock Companies (hereinafter referred to as the Law) and Sub-Clause 11.1, Clause 10.2, Article 10 of the Articles of Association of «Rosseti Lenenergo», PJSC (hereinafter referred to as the Company), the distribution of profits (including the payment (declaration) of dividends, with the exception of profits distributed as dividends based on the results of the first quarter, half-year, nine months of the reporting year) and losses of the Company based on the results of the reporting year is the responsibility of the Company's General Shareholders' Meeting.

In accordance with paragraph 3, Clause 1, Article 47 of the Law, the Annual General Shareholders' Meeting shall resolve on, inter alia, the distribution of the Company's profits and losses based on the results of the reporting year.

In accordance with Clause 23.4, Article 23 of the Company's Articles of Association, the distribution of the Company's profits and losses is subject to preliminary approval by the Company's Board of Directors no later than thirty (30) days prior to the date of the Annual General Shareholders' Meeting of the Company.

The financial result of the Company's activities for the reporting period, according to the accounting (financial) statements prepared in accordance with Russian Accounting Standards (hereinafter, the RAS), is a net profit of 14,147 RUB mln.

In accordance with the Resolution of the Company's Board of Directors dated May 18, 2021 (Minutes No. 70 dated May 21, 2021), the Company's Annual General Shareholders' Meeting was recommended to approve the distribution of the Company's profit (loss) for 2020 as follows:

Name	RUB, thousand
Retained earnings (loss) for the reporting period	
Distribute to:	
Reserve fund	14,147,013
Profit for development	0
Dividends	10,493,959
Repayment of losses of previous years	3,653,054
	0

The rationale for the proposed distribution of net profit is additionally presented in the materials for the Company's Annual General Shareholders' Meeting for 2020.

In accordance with Clause 10.8 of the Company's Articles of Association, voting at the General Shareholders' Meeting on this item is carried out based on the principle of "one vote per each voting share."

In accordance with Clause 2, Article 49 of the Law, the resolution on this item shall be adopted by a majority of votes of shareholders being owners of Company's voting shares participating in the Company meeting.

**Item No. 3: On election of members of the Company's Board of Directors.**

**Draft resolution:**

To elect the Company's Board of Directors comprising as follows:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_
10. \_\_\_\_\_
11. \_\_\_\_\_
12. \_\_\_\_\_
13. \_\_\_\_\_

**Explanatory Note to Agenda Item No. 3  
of the «Rosseti Lenenergo», PJSC Annual General Shareholders' Meeting**

**On agenda item No. 3: On election of members of the Company's Board of Directors.**

In accordance with Sub-Clause 4, Clause 1, Article 48 of Federal Law On Joint Stock Companies (hereinafter referred to as the Law) and Sub-Clause 4, Clause 10.2, Article 10 of the Articles of Association of «Rosseti Lenenergo», PJSC (hereinafter referred to as the Company), the election of members of the Board of Directors and the early termination of their powers are the responsibilities of the General Shareholders' Meeting of the Company.

In accordance with paragraph 3, Clause 1, Article 47 of the Law, the Annual General Shareholders' Meeting shall resolve on, inter alia, the election of members of the Company's Board of Directors (Supervisory Board).

In accordance with Clause 1, Article 53 of the Law and Clause 13.1, Article 13 of the Company's Articles of Association, the Company's shareholders (shareholder) that jointly own at least two (2) percent of the Company's voting shares may nominate candidates to the Board of the Company within sixty (60) days after the end of the reporting year, the number of which may not exceed the number of members of the relevant body.

Within the specified period, the Company received proposals from two (2) shareholders:

1. Public Joint stock company «ROSSETI» (hereinafter referred to as PJSC «ROSSETI») holding at least two (2) percent of the Company's voting shares (68.69% of the Company's voting shares) as of the date of proposal submission);

2. The Federal City of Saint Petersburg represented by the Committee for City Property Management of St. Petersburg, holding at least two (2) percent of the Company's voting shares (29.31% of the Company's voting shares) as of the date of proposal submission.

The maximum number of candidates nominated by the shareholder corresponds to the number of members of the Company's Board of Directors, as determined by the Company's Articles of Association is thirteen (13).

No proposals for candidates from other shareholders were received.

In accordance with the Resolution of the Company's Board of Directors dated March 05, 2021 (Minutes No. 57 dated March 05, 2021), the nominated candidates are included in the list of candidates for voting on the election to the Board of Directors at the Company's Annual General Shareholders' Meeting in 2021.

The list of candidates for voting on the election to the Company's Board of Directors includes 19 nominees:

Item No.	Candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Board of Directors	Title, place of work of the candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Board of Directors	Full name/name of the shareholder(s) having proposed a candidate for inclusion in the voting list for the election to the Company's Board of Directors	Number of Company's voting shares owned by the shareholder(s) (as a percentage)
1.	Andrey Valeryevich Ryumin	General Director of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
2.	Andrey Vladimirovich Mayorov	First Deputy General Director - Chief Engineer of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
3.	Larisa Anatolyevna Romanovskaya	First Deputy General Director of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
4.	Aleksandr Arkadyevich Zaragatskiy	First Deputy General Director of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
5.	Pavel Vladimirovich Grebtsov	Deputy General Director for Economic and Financial Affairs of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
6.	Igor Anatolyevich Kuzmin	Acting General Director of «Rosseti Lenenergo», PJSC	PJSC «ROSSETI»	68.69
7.	Daniil Vladimirovich Krainskiy	Deputy General Director for Legal Support of PJSC «ROSSETI», Deputy General Director for Legal and Corporate Governance	PJSC «ROSSETI»	68.69



Item No.	Candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Board of Directors	Title, place of work of the candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Board of Directors	Full name/name of the shareholder(s) having proposed a candidate for inclusion in the voting list for the election to the Company's Board of Directors	Number of Company's voting shares owned by the shareholder(s) (as a percentage)
		of «Rosseti Lenenergo», PJSC		
8.	Mariya Gennadyevna Tikhonova	Deputy General Director for Corporate Governance of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
9.	Konstantin Aleksandrovich Mikhaylik	Deputy General Director for Digital Transformation of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
10.	Yegor Vyacheslavovich Prokhorov	Deputy General Director for Strategy of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
11.	Yuriy Vladimirovich Goncharov	Principal Counsellor of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
12.	Aleksey Aleksandrovich Polinov	Advisor of General Director of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
13.	Sergey Sergeevich Pikin	Director of the Energy Development Fund	The Constituent Entity of the Russian Federation – the Federal City of Saint Petersburg represented by	29.31

Item No.	Candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Board of Directors	Title, place of work of the candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Board of Directors	Full name/name of the shareholder(s) having proposed a candidate for inclusion in the voting list for the election to the Company's Board of Directors	Number of Company's voting shares owned by the shareholder(s) (as a percentage)
			the Committee for City Property Management of St. Petersburg	
14.	Sergey Georgievich Dregval	Vice Governor of Saint Petersburg	The Constituent Entity of the Russian Federation – the Federal City of Saint Petersburg represented by the Committee for City Property Management of St. Petersburg	29.31
15.	Andrey Sergeyevich Bondarchuk	Chairman of the Energy and Engineering Committee	The Constituent Entity of the Russian Federation – the Federal City of Saint Petersburg represented by the Committee for City Property	29.31

Item No.	Candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Board of Directors	Title, place of work of the candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Board of Directors	Full name/name of the shareholder(s) having proposed a candidate for inclusion in the voting list for the election to the Company's Board of Directors	Number of Company's voting shares owned by the shareholder(s) (as a percentage)
			Management of St. Petersburg	
16.	Aleksey Gennadyevich Malukhin	First Deputy Chairman of the Energy and Engineering Committee	The Constituent Entity of the Russian Federation – the Federal City of Saint Petersburg represented by the Committee for City Property Management of St. Petersburg	29.31
17.	Yekaterina Sergeyevna Golubeva	Chief of the Administrative Office of Vice Governor of St. Petersburg S.G. Dregval	The Constituent Entity of the Russian Federation – the Federal City of Saint Petersburg represented by the Committee for City Property Management of St. Petersburg	29.31

Item No.	Candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Board of Directors	Title, place of work of the candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Board of Directors	Full name/name of the shareholder(s) having proposed a candidate for inclusion in the voting list for the election to the Company's Board of Directors	Number of Company's voting shares owned by the shareholder(s) (as a percentage)
18.	Aleksandr Viktorovich German	Deputy Chairman of the Committee for City Property Management of St. Petersburg	The Constituent Entity of the Russian Federation – the Federal City of Saint Petersburg represented by the Committee for City Property Management of St. Petersburg	29.31
19.	Yelena Otaryevna Tsereteli	Director of NPO St. Petersburg Foundation for SME Development	The Constituent Entity of the Russian Federation – the Federal City of Saint Petersburg represented by the Committee for City Property Management of St. Petersburg	29.31

Information on the positions held by the candidates is indicated as of the date when the shareholders submitted their proposals for nominating candidates to the Company's Board of Directors.

Information on the receipt of written consents to the nomination and election of candidates is provided in the materials distributed among the persons entitled to participate in the Company's Annual General Shareholders' Meeting.

In accordance with Article 16 of the Company's Articles of Association, the number of members of the Company's Board of Directors is 13.

In accordance with Clause 4, Article 66 of the Law, Article 16 of the Company's Articles of Association, members of the Board of Directors shall be elected at the Company's General Shareholders' Meeting by cumulative voting for a term until the next Annual General Shareholders' Meeting.

In case of cumulative voting, the number of votes held by each shareholder shall be multiplied by the number of persons to be elected to the Company's Board of Directors and a shareholder is entitled to cast all votes received in such a manner for one candidate or distribute them between two or more candidates.

Candidates who received the majority of votes shall be deemed elected to the Company's Board of Directors (Supervisory Board).

**Item No. 4: On Election of Company's Internal Audit Board Members**

**Draft resolution:**

To elect the Company's Internal Audit Board comprising as follows:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

**Explanatory Note to Agenda Item No. 4  
of the «Rosseti Lenenergo», PJSC Annual General Shareholders' Meeting**

**On agenda item No. 4: On Election of Company's Internal Audit Board Members**

In accordance with Sub-Clause 9, Clause 1, Article 48 of Federal Law On Joint Stock Companies (hereinafter referred to as the Law) and Sub-Clause 8, Clause 10.2, Article 10 of the Articles of Association of «Rosseti Lenenergo», PJSC (hereinafter referred to as the Company), the election of members of the Internal Audit Board and the early termination of their powers are the responsibilities of the General Shareholders' Meeting of the Company.

In accordance with Clause, 1, Article 53 of the Law and Clause 13.1, Article 13 of the Company's Articles of Association, the Company's shareholders (shareholder) that jointly own at least two (2) percent of the Company's voting shares may nominate candidates to the Company's Internal Audit Board within sixty (60) days after the end of the reporting year, the number of which may not exceed the number of members of the relevant body.

The deadline for accepting proposals from the Company's shareholders expired on March 01, 2021.

Within the specified period, the Company received proposals from two (2) shareholders:

1. Public Joint stock company «ROSSETI» (hereinafter referred to as PJSC «ROSSETI») holding at least two (2) percent of the Company's voting shares (68.69% of the Company's voting shares) as of the date of proposal submission);

2. The Federal City of Saint Petersburg represented by the Committee for City Property Management of St. Petersburg, holding at least two (2) percent of the Company's voting shares (29.31% of the Company's voting shares) as of the date of proposal submission.

The maximum number of candidates nominated by the shareholder corresponds to the number of members of the Company's Internal Audit Board, as determined by the Company's Articles of Association is five (5).

No proposals for candidates from other shareholders were received.

In accordance with the Resolution of the Company's Board of Directors dated March 05, 2021 (Minutes No. 57 dated March 05, 2021), the nominated candidates are included in the list of candidates for voting on the election to the Internal Audit Board at the Annual General Shareholders' Meeting of the Company in 2021.

The list of candidates for voting on the election to the Company's Internal Audit Board includes 6 nominees:

<b>Item No.</b>	<b>Candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Internal Audit Board</b>	<b>Title, place of work of the candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Internal Audit Board</b>	<b>Full name/name of the shareholder(s) having proposed a candidate for inclusion in the voting list for the election to the Company's Internal Audit Board</b>	<b>Number of Company's voting shares owned by the shareholder(s) (as a percentage)</b>
1.	Svetlana Nikolayevna Kovaleva	Director of Internal Audit – Head of the Internal Audit Department of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
2.	Viktor Vladimirovich Tsarkov	First Deputy Head of the Internal Audit Department of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
3.	Svetlana Mikhaylovna Trishina	Deputy Head of the Internal Audit Department – Head of the Corporate Audit and Subsidiaries Control Directorate of the Internal Audit Department of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69



Item No.	Candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Internal Audit Board	Title, place of work of the candidate proposed by the shareholder(s) for inclusion in the voting list for the election to the Company's Internal Audit Board	Full name/name of the shareholder(s) having proposed a candidate for inclusion in the voting list for the election to the Company's Internal Audit Board	Number of Company's voting shares owned by the shareholder(s) (as a percentage)
4.	Oleg Nikolayevich Totmyanin	Chief Expert of the Operational Audit Directorate of the Internal Audit Department of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
5.	Igor Yurievich Bogachev	Chief Expert of the Operational Audit Directorate of the Internal Audit Department of PJSC «ROSSETI»	PJSC «ROSSETI»	68.69
6.	Valeriy Yevgenyevich Uskov	Head of the Project Support Department of the Prospective Development Directorate of the Energy and Engineering Committee	The Constituent Entity of the Russian Federation – the Federal City of Saint Petersburg represented by the Committee for City Property Management of St. Petersburg	29.31

Information on the positions held by the candidates is indicated as of the date when the shareholders submitted their proposals for nominating candidates to the Company's Internal Audit Board.

In accordance with Clause 22.1, Article 22 of the Company's Articles of Association, the number of members of the Company's Internal Audit Board is 5. The Internal Audit Board is elected at the Company's General Shareholders' Meeting with a term of office of one (1) year (until the date of the next Annual General Meeting).

In accordance with Clause 10.8 of the Company's Articles of Association, voting at the General Shareholders' Meeting on this item is carried out based on the principle of "one vote per each voting share."

In accordance with Clause 2, Article 49 of the Law and Clause 10.4, Article 10 of the Company's Articles of Association, the resolution on the election of Internal Audit Board members and the early termination of their powers shall be adopted by a majority of votes of shareholders - owners of the Company's voting shares participating in the meeting, individually for each nominee.

**Item No. 5: On approval of the Company's Auditor.**

**Draft resolution:**

To approve Joint Stock Company PricewaterhouseCoopers Audit as the Company's Auditor.

## **Explanatory Note to Agenda Item No. 5 of the «Rosseti Lenenergo», PJSC Annual General Shareholders' Meeting**

### **On agenda item No. 5: On approval of the Company's Auditor.**

In accordance with Sub-Clause 10, Clause 1, Article 48 of Federal Law No. 208-FZ On Joint Stock Companies dated December 26, 1995 (hereinafter referred to as the Law) and Sub-Clause 9, Clause 10.2, Article 10 of the Articles of Association of «Rosseti Lenenergo», PJSC (hereinafter referred to as the Company), the approval of the Company's Auditor is the responsibility of the General Shareholders' Meeting of the Company. In accordance with paragraph 3, Clause 1, Article 47 of the Law, the Annual General Shareholders' Meeting shall resolve on, inter alia, the approval of the Company's Auditor.

The proposed auditor was selected based on the results of the competitive selection of audit organizations for the mandatory audit of the Company.

The competition is determined by Federal Laws No. 307-FZ On Auditing dated December 30, 2008, No. 208-FZ On Consolidated Financial Statements dated July 27, 2010, and No. 44-FZ On the Contract System for the Procurement of Goods, Works, and Services for State and Municipal Needs dated April 05, 2013.

«Rosseti Lenenergo», PJSC held an open electronic tender on the open electronic trading platform of JSC RAD for the right to conclude a contract for mandatory annual audit of statements of «Rosseti Lenenergo», PJSC for 2021-2023, upon which JSC PricewaterhouseCoopers Audit (hereinafter referred to as JSC PwC Audit, PwC) was recognized as the winner with an offer price for «Rosseti Lenenergo», PJSC of 72,000,000.00 RUB, including VAT, with the following breakdown by year: for 2021 – 24,000,000.00 RUB, for 2022 – 24,000,000.00 RUB, for 2023 – 24,000,000.00 RUB (based on the results of the procurement procedure announced by notification No. 0400700025521000001 dated January 29, 2021, pursuant to the minutes of the meeting of the Procurement Board on summing up the results dated March 11, 2021).

JSC PwC Audit is recommended for approval as the Auditor for the audit of the RAS accounting (financial) statements for 2021, as well as the Auditor for the review of the IFRS interim consolidated condensed financial statements for the 3 and 6 months ending June 30, 2021, and the audit of the IFRS consolidated financial statements for 2021.

JSC PwC Audit is an international leader in the field of audit, taxation, transaction support and consulting. The company provides audit and consulting services on tax and financial issues.

PwC has been operating in Russia since 1989. The global PwC network has over 284,000 employees in 155 countries.

Certificate of entry in the Unified State Register of Legal Entities on a legal entity registered before July 1, 2002 – series 77 No. 007773936, PSRN 1027700148431, entry made on August 22, 2002.

JSC PwC Audit is a member of Self-regulatory organization of auditors Association «Sodruzhestvo» (SRO AAS). JSC PwC Audit is included in the master copy of the register of auditors and audit organizations under the primary registration number of the entry 12006020338.

The Auditor is completely independent of the Company's management bodies in accordance with the requirements of Article 8 of Federal Law On Auditing.

There are no factors that may affect the Auditor's independence from the Company. The Auditor (and its officers) does not hold any participatory interests in the Company's authorized capital. The Company has not granted any loans to the auditor (and its officials). There are no close business relations (participation in the promotion of products (services) of the Company, participation in joint business activities, etc.), or any kinship. The Company is not aware of its officials who are also officials of the Auditor (the Auditor).

On April 20, 2021, the Audit Committee of the Board of Directors of «Rosseti Lenenergo», PJSC (Minutes No. 139 dated April 21, 2021) considered the nominee (JSC PwC Audit) and recommended it to the Board of Directors of «Rosseti Lenenergo», PJSC for approval at the Annual General Shareholders' Meeting of «Rosseti Lenenergo», PJSC.

In accordance with the Resolution of the Company's Board of Directors dated May 18, 2021 (Minutes No. 70 dated May 21, 2021), the Company's Annual General Shareholders' Meeting was recommended to approve JSC PwC Audit as the Company's Auditor.

Shareholders were invited to vote on this item, taking into account the above.

In accordance with Clause 10.8 of the Company's Articles of Association, voting at the General Shareholders' Meeting on this item is carried out based on the principle of "one vote per each voting share."

In accordance with Clause 2, Article 49 of the Law, the resolution on this item shall be adopted by a majority of votes of shareholders being owners of Company's voting shares participating in the Company meeting.

**Item No. 6: On approval of a new version of the Articles of Association of Public Joint stock company «Rosseti Lenenergo».**

**Draft resolution:**

To approve the Company's Articles of Association in a new version in accordance with Appendix No. 11.2 posted on the Company's official Internet website at <https://rosseti-lenenergo.ru/shareholders/corp/control/osa/>

**Explanatory Note to Agenda Item No. 6  
of the «Rosseti Lenenergo», PJSC Annual General Shareholders' Meeting**

**On agenda item No. 6: On approval of a new version of the Articles of Association of «Rosseti Lenenergo», PJSC.**

In accordance with Clause 1, Article 48 of Federal Law On Joint Stock Companies (hereinafter referred to as the Law) and Sub-Clause 1, Clause 10.2, Article 10 of the Articles of Association of «Rosseti Lenenergo» (hereinafter referred to as the Company), amendments and addenda to the Articles of Association or approval of the Company's Articles of Association in a new version are the responsibilities of the General Shareholders' Meeting of the Company.

In accordance with Clause 7, Article 53 of the Law and Clause 13.4, Article 13 of the Company's Articles of Association, the Company's Board of Directors may, at its sole discretion, include item in the agenda of the General Shareholders' Meeting.

In accordance with the Resolution of the Company's Board of Directors dated May 26, 2021 (Minutes No. 72 dated May 27, 2021), the Company's General Shareholders' Meeting was proposed to approve the «Rosseti Lenenergo», PJSC Articles of Association in a new version.

It is proposed to amend the current version of the Company's Articles of Association to bring the Company's Articles of Association into compliance with the changes in the applicable legislation of the Russian Federation, as well as introduce other amendments and addenda aimed at improving the Company's corporate governance.

A comparative chart of the Articles of Association versions with an overview of all changes is included in the materials distributed among the persons entitled to participate in the Annual General Shareholders' Meeting of the Company (Appendix No. 11.3).

In accordance with Clause 10.8 of the Company's Articles of Association, voting at the General Shareholders' Meeting on this item is carried out based on the principle of "one vote per each voting share."

In accordance with Clause 2, Article 49 of the Law, the resolution on this item shall be adopted by a majority of votes of shareholders being owners of Company's voting shares participating in the Company meeting.

**Item No. 7: On approval of a new version of the Regulations on the General Shareholders' Meeting of Public Joint stock company «Rosseti Lenenergo».**

**Draft resolution:**

To approve the new version of the Regulations on General Shareholders' Meeting of Public Joint stock company «Rosseti Lenenergo» in accordance with Appendix No. 12.2 posted on the Company's official Internet website at <https://rosseti-lenenergo.ru/shareholders/corp/control/osa/>



**Explanatory Note to Agenda Item No. 7  
of the «Rosseti Lenenergo», PJSC Annual General Shareholders' Meeting**

**On agenda item No. 7: On approval of a new version of the Regulations on the General Shareholders' Meeting of Public Joint stock company «Rosseti Lenenergo».**

In accordance with Sub-Clause 19, Clause 1, Article 48 of Federal Law On Joint Stock Companies (hereinafter referred to as the Law) and Sub-Clause 18, Clause 10.2, Article 10 of the Articles of Association of «Rosseti Lenenergo», PJSC (hereinafter referred to as the Company), the approval of the Company's internal documents regulating the activities of the Company's governing bodies is the responsibility of the General Shareholders' Meeting of the Company. At the same time, the resolution on the issue of approval of internal documents regulating the activities of the Company's governing bodies may be adopted by the General Shareholders' Meeting of the Company only upon the proposal of the Company's Board of Directors (Clause 3 Article 49 of the Law, Clause 10.6, Article 10 of the Company's Articles of Association).

In accordance with Clause 7, Article 53 of the Law and Clause 13.4, Article 13 of the Company's Articles of Association, the Company's Board of Directors may, at its sole discretion, include item in the agenda of the Company's General Shareholders' Meeting.

In accordance with the Resolution of the Company's Board of Directors dated May 26, 2021 (Minutes No. 72 dated May 27, 2021), the Company's General Shareholders' Meeting was proposed to approve the Regulations on the General Shareholders' Meeting of Public Joint stock company «Rosseti Lenenergo» (hereinafter, the Regulations) in a new version.

The new version of the Regulations on the General Shareholders' Meeting of «Rosseti Lenenergo», PJSC was developed in order to bring the Regulations into compliance with the applicable legislation and take into account the recommendations of the Corporate Governance Code; in addition, technical clarifications were proposed and the Company name was updated.

A comparative chart of versions of the Company's Regulations on the General Shareholders' Meeting with an overview of all changes is included in the materials distributed among the persons entitled to participate in the Annual General Shareholders' Meeting of the Company (Appendix No. 12.3).

In accordance with Clause 10.8 of the Company's Articles of Association, voting at the General Shareholders' Meeting on this item is carried out based on the principle of "one vote per each voting share."

In accordance with Clause 2, Article 49 of the Law, the resolution on this item shall be adopted by a majority of votes of shareholders being owners of Company's voting shares participating in the Company meeting.

**Item No. 8: On approval of a new version of the Regulations on the Board of Directors of Public Joint stock company «Rosseti Lenenergo».**

**Draft resolution:**

To approve the new version of the Regulations on the Board of Directors of Public Joint stock company «Rosseti Lenenergo» in accordance with Appendix No. 13.2 posted on the Company's official Internet website at <https://rosseti-lenenergo.ru/shareholders/corp/control/osa/>

**Explanatory Note to Agenda Item No. 8  
of the «Rosseti Lenenergo», PJSC Annual General Shareholders' Meeting**

**On agenda item No. 8: On approval of a new version of the Regulations on the Board of Directors of Public Joint stock company «Rosseti Lenenergo».**

In accordance with Sub-Clause 19, Clause 1, Article 48 of Federal Law On Joint Stock Companies (hereinafter referred to as the Law) and Sub-Clause 18, Clause 10.2, Article 10 of the Articles of Association of «Rosseti Lenenergo», PJSC (hereinafter referred to as the Company), the approval of the Company's internal documents regulating the activities of the Company's governing bodies is the responsibility of the General Shareholders' Meeting of the Company. At the same time, the resolution on the issue of approval of internal documents regulating the activities of the Company's governing bodies may be adopted by the General Shareholders' Meeting of the Company only upon the proposal of the Company's Board of Directors (Clause 3 Article 49 of the Law, Clause 10.6, Article 10 of the Company's Articles of Association).

In accordance with Clause 7, Article 53 of the Law and Clause 13.4, Article 13 of the Company's Articles of Association, the Company's Board of Directors may, at its sole discretion, include item in the agenda of the Company's General Shareholders' Meeting.

In accordance with the Resolution of the Company's Board of Directors dated May 26, 2021 (Minutes No. 72 dated May 27, 2021), the Company's General Shareholders' Meeting was proposed to approve the Regulations on the Board of Directors of Public Joint stock company «Rosseti Lenenergo» (hereinafter, the Regulations) in a new version.

The new version of the Regulations on the Board of Directors of «Rosseti Lenenergo», PJSC was developed in order to bring the Regulations into compliance with the applicable legislation and take into account the recommendations of the Corporate Governance Code; in addition, technical clarifications were proposed and the Company name was updated.

A comparative chart of versions of the Company's Regulations on the Company's Board of Directors with an overview of all changes is included in the materials distributed among the persons entitled to participate in the Annual General Shareholders' Meeting of the Company (Appendix No. 13.3).

In accordance with Clause 10.8 of the Company's Articles of Association, voting at the General Shareholders' Meeting on this item is carried out based on the principle of "one vote per each voting share."

In accordance with Clause 2, Article 49 of the Law, the resolution on this item shall be adopted by a majority of votes of shareholders being owners of Company's voting shares participating in the Company meeting.

**Item No. 9: On approval of a new version of the Regulations on the Internal Audit Board of Public Joint stock company «Rosseti Lenenergo».**

**Draft resolution:**

To approve the new version of the Regulations on the Internal Audit Board of Public Joint stock company «Rosseti Lenenergo» in accordance with Appendix No. 14.2 posted on the Company's official Internet website at <https://rosseti-lenenergo.ru/shareholders/corp/control/osa/>

**Explanatory Note to Agenda Item No. 9  
of the «Rosseti Lenenergo», PJSC Annual General Shareholders' Meeting**

**On agenda item No. 9: On approval of a new version of the Regulations on the Internal Audit Board of Public Joint stock company «Rosseti Lenenergo».**

In accordance with Sub-Clause 19, Clause 1, Article 48 of Federal Law On Joint Stock Companies (hereinafter referred to as the Law) and Sub-Clause 18, Clause 10.2, Article 10 of the Articles of Association of «Rosseti Lenenergo», PJSC (hereinafter referred to as the Company), the approval of the Company's internal documents regulating the activities of the Company's governing bodies is the responsibility of the General Shareholders' Meeting of the Company. At the same time, the resolution on the issue of approval of internal documents regulating the activities of the Company's governing bodies may be adopted by the General Shareholders' Meeting of the Company only upon the proposal of the Company's Board of Directors (Clause 3 Article 49 of the Law, Clause 10.6, Article 10 of the Company's Articles of Association).

In accordance with Clause 7, Article 53 of the Law and Clause 13.4, Article 13 of the Company's Articles of Association, the Company's Board of Directors may, at its sole discretion, include item in the agenda of the Company's General Shareholders' Meeting.

In accordance with the Resolution of the Company's Board of Directors dated May 26, 2021 (Minutes No. 72 dated May 27, 2021), the Company's General Shareholders' Meeting was proposed to approve the Regulations on the Internal Audit Board of Public Joint stock company «Rosseti Lenenergo» (hereinafter, the Regulations) in a new version.

The new version of the Regulations on the Internal Audit Board of «Rosseti Lenenergo», PJSC was developed in order to bring the Regulations into compliance with the applicable legislation and take into account the recommendations of the Corporate Governance Code; in addition, technical clarifications were proposed and the Company name was updated.

A comparative chart of revisions of the Company's Regulations on the Company's Internal Audit Board with an overview of all changes is included in the materials distributed among the persons entitled to participate in the Annual General Shareholders' Meeting of the Company (Appendix No. 14.3).

In accordance with Clause 10.8 of the Company's Articles of Association, voting at the General Shareholders' Meeting on this item is carried out based on the principle of "one vote per each voting share."

In accordance with Clause 2, Article 49 of the Law, the resolution on this item shall be adopted by a majority of votes of shareholders being owners of Company's voting shares participating in the Company meeting.

**Item No. 10: On approval of a new version of the Regulations on the Management Board of Public Joint stock company «Rosseti Lenenergo».**

**Draft resolution:**

To approve the new version of the Regulations on the Management Board of Public Joint stock company «Rosseti Lenenergo» in accordance with Appendix No. 15.2 posted on the Company's official Internet website at <https://rosseti-lenenergo.ru/shareholders/corp/control/osa/>

**Explanatory Note to Agenda Item No. 10  
of the «Rosseti Lenenergo», PJSC Annual General Shareholders' Meeting**

**On agenda item No. 10: On approval of a new version of the Regulations on the Management Board of Public Joint stock company «Rosseti Lenenergo».**

In accordance with Sub-Clause 19, Clause 1, Article 48 of Federal Law On Joint Stock Companies (hereinafter referred to as the Law) and Sub-Clause 18, Clause 10.2, Article 10 of the Articles of Association of «Rosseti Lenenergo», PJSC (hereinafter referred to as the Company), the approval of the Company's internal documents regulating the activities of the Company's bodies is the responsibility of the General Shareholders' Meeting of the Company. At the same time, the resolution on the issue of approval of internal documents regulating the activities of the Company's governing bodies may be adopted by the General Shareholders' Meeting of the Company only upon the proposal of the Company's Board of Directors (Clause 3 Article 49 of the Law, Clause 10.6, Article 10 of the Company's Articles of Association).

In accordance with Clause 7, Article 53 of the Law and Clause 13.4, Article 13 of the Company's Articles of Association, the Company's Board of Directors may, at its sole discretion, include item in the agenda of the Company's General Shareholders' Meeting.

In accordance with the Resolution of the Company's Board of Directors dated May 26, 2021 (Minutes No. 72 dated May 27, 2021), the Company's General Shareholders' Meeting was proposed to approve the Regulations on the Management Board of Public Joint stock company «Rosseti Lenenergo» (hereinafter, the Regulations) in a new version.

The new version of the Regulations on the Management Board of «Rosseti Lenenergo», PJSC was developed in order to bring the Regulations into compliance with the applicable legislation; in addition, technical clarifications were proposed and the Company name was updated.

A comparative chart of revisions of the Company's Regulations on the Company's Management Board with an overview of all changes is included in the materials distributed among the persons entitled to participate in the Annual General Shareholders' Meeting of the Company (Appendix No. 15.3).

In accordance with Clause 10.8 of the Company's Articles of Association, voting at the General Shareholders' Meeting on this item is carried out based on the principle of "one vote per each voting share."

In accordance with Clause 2, Article 49 of the Law, the resolution on this item shall be adopted by a majority of votes of shareholders being owners of Company's voting shares participating in the Company meeting.

**Item No. 11: On approval of a new version of the Regulations on Remuneration and Compensatory Payments to Members of the Board of Directors of Public Joint stock company «Rosseti Lenenergo».**

**Draft resolution:**

To approve the new version of the Regulations on Remuneration and Compensatory Payments to Members of the Board of Directors of Public Joint stock company «Rosseti Lenenergo» in accordance with Appendix No. 16.2 posted on the Company's official Internet website at <https://rosseti-lenenergo.ru/shareholders/corp/control/osa/>



**Explanatory Note to Agenda Item No. 11  
of the «Rosseti Lenenergo», PJSC Annual General Shareholders' Meeting**

**On agenda item No. 11: On approval of a new version of the Regulations on Remuneration and Compensatory Payments to Members of the Board of Directors of Public Joint stock company «Rosseti Lenenergo».**

In accordance with Sub-Clause 19, Clause 1, Article 48 of Federal Law On Joint Stock Companies (hereinafter referred to as the Law) and Sub-Clause 18, Clause 10.2, Article 10 of the Articles of Association of «Rosseti Lenenergo», PJSC (hereinafter referred to as the Company), the approval of the Company's internal documents regulating the activities of the Company's governing bodies is the responsibility of the General Shareholders' Meeting of the Company. At the same time, the resolution on the issue of approval of internal documents regulating the activities of the Company's governing bodies may be adopted by the General Shareholders' Meeting of the Company only upon the proposal of the Company's Board of Directors (Clause 3 Article 49 of the Law, Clause 10.6, Article 10 of the Company's Articles of Association).

In accordance with Clause 7, Article 53 of the Law and Clause 13.4, Article 13 of the Company's Articles of Association, the Company's Board of Directors may, at its sole discretion, include item in the agenda of the Company's General Shareholders' Meeting.

In accordance with the Resolution of the Company's Board of Directors dated May 26, 2021 (Minutes No. 72 dated May 27, 2021), the Company's General Shareholders' Meeting was proposed to approve the Regulations on Remuneration and Compensatory Payments to Members of the Board of Directors of Public Joint stock company «Rosseti Lenenergo» (hereinafter, the Regulations) in a new version.

A comparative chart of revisions of the Company's Regulations on Remuneration and Compensatory Payments to Members of the Company's Board of Directors with an overview of all changes is included in the materials distributed among the persons entitled to participate in the Annual General Shareholders' Meeting of the Company (Appendix No. 16.3).

In accordance with Clause 10.8 of the Company's Articles of Association, voting at the General Shareholders' Meeting on this item is carried out based on the principle of "one vote per each voting share."

In accordance with Clause 2, Article 49 of the Law, the resolution on this item shall be adopted by a majority of votes of shareholders being owners of Company's voting shares participating in the Company meeting.

**Item No. 12: On approval of a new version of the Regulations on Remuneration and Compensatory Payments to Members of the Internal Audit Board of Public Joint stock company «Rosseti Lenenergo».**

**Draft resolution:**

To approve the new version of the Regulations on Remuneration and Compensatory Payments to Members of the Internal Audit Board of Public Joint stock company «Rosseti Lenenergo». in accordance with Appendix No. 17.2 posted on the Company's official Internet website at <https://rosseti-lenenergo.ru/shareholders/corp/control/osa/>

**Explanatory Note to Agenda Item No. 12  
of the «Rosseti Lenenergo», PJSC Annual General Shareholders' Meeting**

**On agenda item No. 12: On approval of a new version of the Regulations on Remuneration and Compensatory Payments to Members of the Internal Audit Board of Public Joint stock company «Rosseti Lenenergo».**

In accordance with Sub-Clause 19, Clause 1, Article 48 of Federal Law On Joint Stock Companies (hereinafter referred to as the Law) and Sub-Clause 18, Clause 10.2, Article 10 of the Articles of Association of «Rosseti Lenenergo», PJSC (hereinafter referred to as the Company), the approval of the Company's internal documents regulating the activities of the Company's governing bodies is the responsibility of the General Shareholders' Meeting of the Company. At the same time, the resolution on the issue of approval of internal documents regulating the activities of the Company's governing bodies may be adopted by the General Shareholders' Meeting of the Company only upon the proposal of the Company's Board of Directors (Clause 3 Article 49 of the Law, Clause 10.6, Article 10 of the Company's Articles of Association).

In accordance with Clause 7, Article 53 of the Law and Clause 13.4, Article 13 of the Company's Articles of Association, the Company's Board of Directors may, at its sole discretion, include item in the agenda of the Company's General Shareholders' Meeting.

In accordance with the Resolution of the Company's Board of Directors dated May 26, 2021 (Minutes No. 72 dated May 27, 2021), the Company's General Shareholders' Meeting was proposed to approve the Regulations on Remuneration and Compensatory Payments to Members of the Internal Audit Board of Public Joint stock company «Rosseti Lenenergo» (hereinafter, the Regulations) in a new version.

A comparative chart of revisions of the Company's Regulations on Remuneration and Compensatory Payments to Members of the Company's Internal Audit Board with an overview of all changes is included in the materials distributed among the persons entitled to participate in the Annual General Shareholders' Meeting of the Company (Appendix No. 17.3).

In accordance with Clause 10.8 of the Company's Articles of Association, voting at the General Shareholders' Meeting on this item is carried out based on the principle of "one vote per each voting share."

In accordance with Clause 2, Article 49 of the Law, the resolution on this item shall be adopted by a majority of votes of shareholders being owners of Company's voting shares participating in the Company meeting.