APPROVED

under Resolution of the Annual General Meeting of PJSC “LENENERGO” of June 08, 2018

(Minutes No. 2/2018 of June 13, 2018)

**PUBLIC JOINT-STOCK COMPANY “LENENERGO”**

**REGULATIONS**

**for the Board of Directors**

(amended and restated)

Saint Petersburg

2018

**1. General**

1.1. These Regulations have been prepared in accordance with the Civil Code of the Russian Federation, Federal Law No. 208-FZ *On Joint-Stock Companies* of December 26, 1995 (hereafter referred to as the Federal Law *On Joint-Stock Companies*), other Russian legal regulations, and the Articles of Association of Public Joint-Stock Company “LENENERGO” (hereafter, the “Company”).

1.2. These Regulations are the Company’s bylaw that sets out the procedure for convening and holding the meetings of the Board of Directors of the Company.

1.3. The Board of Directors is a governing body of the Company that is responsible for the overall management of the Company, monitors the activities of the executive bodies of the Company, follows up on the implementation of resolutions adopted by the Company’s General Meeting, and safeguards the lawful interests of shareholders of the Company in accordance with the Russian laws.

1.4. The main goals and objectives of the Board of Directors of the Company are to:

- identify the strategy for the Company’s development aimed at increasing its market capitalization and investment attractiveness, obtaining the highest possible profit, and increasing the Company’s assets;

- ensure the implementation and protection of the rights and interests of the Company’s shareholders and facilitate the resolution of corporate conflicts;

- ensure the complete, accurate, and objective disclosure of information about the Company to its shareholders and other stakeholders;

- create efficient mechanisms of internal control;

- regularly assess the activities and operations of the Company’s executive bodies and management.

In order to fulfill these objectives and goals the Board of Directors shall observe the following principles:

- make decisions based on the accurate information on the Company’s operations;

- not limit the shareholders’ rights to participate in the management of the Company’s operations and business, receive dividend, and obtain information about the Company;

- balance the interests of various shareholder groups make decisions in the most objective manner for the benefit of all the shareholders.

1.5. In its activities, the Board of Directors is governed by the Federal Law *On Joint-Stock Companies*, other Russian legal regulations, the Company’s Articles of Association, and these Regulations.

**2. Chairperson and Deputy Chairperson of the Board of Directors**

2.1. The Chairperson of the Board of Directors of the Company organizes the Board of Directors’ operations.

2.2. The members of the Board of Directors elect its Chairperson from among their number by a majority vote of all members of the Board of Directors.

The person acting as the Company’s CEO may not at the same time act as the Chairperson of the Company’s Board of Directors.

2.3. The Board of Directors may at any time re-elect its Chairperson by a majority vote of all members of the Company’s Board of Directors.

2.4. The Chairperson of the Board of Directors:

1) organizes the Board of Directors’ operations;

2) convenes the Board of Directors’ meetings;

3) decides the format of the meetings in view of the importance of the items on the agenda and the recommendations provided under clause 168 of the Corporate Governance Code recommended by the Bank of Russia for the joint-stock companies listed for the on-exchange trading;

4) prepares and approves the agendas of the Board of Directors’ meetings;

5) sets out the lists of materials (information) on items on the agenda of the meetings to be provided to the members of the Board of Directors;

6) takes necessary steps to promptly provide the members of the Board of Directors with information required to decide on the items on the agenda;

7) approves the list of persons to be invited to participate in the discussion of separate items on the agenda of the Board of Directors’ meetings;

8) presides over the meetings of the Board of Directors;

9) signs the minutes of the Board of Directors’ meetings, requests for the inspections (audits) of the financial and business operations of the Company, and other documents on behalf of the Company’s Board of Directors;

10) arranges for the preparation of, and controls the implementation of the Board of Directors’ Work Schedule approved by the Board of Directors;

11) represents the Board of Directors when interacting with the shareholders of the Company, the government agencies, public entities, and mass media;

12) conducts the Board of Directors’ correspondence with the shareholders, executive bodies and personnel of the Company, as well as with other entities;

13) presides over the general meetings of the Company, announces the agenda, informs of the planned speeches and reports, and otherwise acts as a chairperson of the general meeting of the Company under the Regulations for the General Meeting of the Company;

14) arranges on behalf of the Board of Directors for the control over the implementation of the resolutions and decisions of the General Meeting and the Board of Directors, formally controls the implementation of the resolutions and decisions of the Board of Directors, and stops the control of the resolutions and decisions of the Board of Directors already implemented;

15) arranges for drafting of the most effective solutions to the agenda items and, if necessary, a free discussion of such items, as well as ensures constructive proceedings at the meetings, and ensures that the requirements of Russian laws, the Company’s Articles of Association, other bylaws, and these Regulations are complied with during the meetings of the Board of Directors;

16) performs other functions pursuant to the Russian laws, the Company’s Articles of Association, and the resolutions of the Board of Directors.

2.5. In the absence of the Chairperson of the Company’s Board of Directors, a person elected from among the members of the Board of Directors by a majority vote of such members (Deputy Chairperson of the Board of Directors) performs such functions.

A member of the Board of Directors who is also the CEO or a member of a collective executive body of the Company may not be elected as the Deputy Chairperson of the Board of Directors.

**3. Members of the Board of Directors; Their Rights, Duties, and Liability**

3.1. Members of the Board of Directors shall have the right, within the competence of the Board of Directors, to:

1) obtain information on the Company’s operations, including information that constitutes the commercial secret of the Company, and get access to all constituent, regulatory, accounting, reporting, contractual, and other documents of the Company subject to the Russian laws and the Company’s bylaws;

2) make written proposals on the work schedule of the Board of Directors;

3) introduce items into the agenda of the Board of Directors’ meetings in accordance with the established procedure;

4) call for the meeting of the Board of Directors to be convened;

5) exercise other rights subject to the Russian laws, the Company’s Articles of Association, other bylaws, and these Regulations.

3.2. Any member of the Board of Directors may request in writing the documents and information required to make a decision on matters within the competence of the Board of Directors both directly from the CEO of the Company (or another person acting as the Sole Executive Body) and through the Corporate Secretary[[1]](#footnote-1).

3.3. The documents and information of the Company shall be provided to such a member of the Board of Directors within 5 (five) business days after receipt of the relevant request.

3.4. Directors elected to the Board of Directors for the first time are provided with the opportunity to be introduced to the Company’s strategy, the corporate governance system, risk management and internal control system, responsibilities allocation among the executive bodies of the Company, and other essential information on the operations as well as financial and business activities of the Company.

3.5. The members of the Board of Directors may receive remuneration and/or compensation for expenses related to the performance by the members of the Board of Directors of their functions in accordance with the procedure set forth in the Regulations for Remuneration and Compensations Payable to Members of the Board of Directors as approved by the Company’s General Meeting.

3.6. The members of the Board of Directors shall exercise their rights and perform their duties acting in the best interests of the Company, in good faith and reasonably.

A member of the Board of Directors who has obtained access to the Company’s confidential information, including that which is a commercial secret, shall keep it confidential.

3.7. Members of the Board of Directors shall be held liable to the Company for losses caused by their faulty action (inaction) pursuant to the applicable laws.

Members of the Board of Directors who vote against a resolution that later causes losses to the Company or who do not vote shall be released from the liability for such losses.

3.8. The members of the Board of Directors shall refrain from actions that will or can result in the conflict of interest between them and the Company.

In case of a possible conflict of interest, including an interest in a Company’s transaction.   
a member of the Board of Directors immediately notifies the Board of Directors accordingly and, in any case, hold the Company's interest above their own personal ones. Such a notice shall be made in any case prior to the beginning of the discussion of the relevant issue at the meeting of the Board of Directors.

3.9. Members of the Board of Directors shall notify the Company within two months from the date when they learned or should have learned of circumstances that may lead to their being considered interested in the Company’s transactions about:

- corporate entities, in respect of which they, their spouses, parents, children, full and half-siblings, adoptive parents, and adopted children, and/or their controlled organizations are controlling persons or have the right to give binding instructions;

- corporate entities, in governing bodies of which they, their spouses, parents, children, full and half-siblings, adoptive parents, and adopted children, and/or their controlled persons hold any positions;

- existing or contemplated transactions in which they could be deemed interested parties.

In case of changes to the above circumstances, the members of the Board of Directors shall notify the Company of such a change within 14 days from the date when they learned or should have learned of it.

3.10. Independent directors having the required level of professional training, experience, and independence in forming their own opinion, and capable of making objective and reasonable judgments not influenced by the Company’s executive bodies, certain shareholder groups, or other stakeholders, may be the members of the Board of Directors.

3.11. An independent director shall refrain from taking any actions that may affect their independence. A member of the Board of Directors shall notify the Board of Directors of any circumstances that can result in such a member’s ceasing to be independent within 5 business days of the occurrence of such circumstances.

3.12. The Company’s Board of Directors may in exceptional cases recognize a member of the Board of Directors as an independent director, despite the existence of formal signs of dependence (affiliation with the Company, a significant shareholder in the Company, a significant counterparty, or competitor of the Company, the government, and/or a municipal entity), if such affiliation does not affect the ability of the respective member of the Board of Directors to make independent, objective, and bona fide judgments.

To recognize a member of the Board of Directors as an independent director or assessing the compliance of nominees to the Board of Directors or members of the Board of Directors with the independence criteria, the Company shall be guided by the requirements of the Moscow Exchange’s Listing Rules.

3.13. If the Chairperson of the Company’s Board of Directors is not an independent director, the members of the Board of Directors may elect a Senior Independent Director from among the elected independent directors, who will:

- coordinate interactions between the independent directors, including convening and presiding over meetings of independent directors as necessary;

- together with the Chairperson of the Board of Directors, promote the effective organization of the Board of Directors’ work, establish and maintain the dialog between the members of the Board of Directors and shareholders of the Company;

- in conflict situations, in particular, in case of material disagreements between the members of the Board of Directors, make efforts to resolve the conflict through cooperation with the members of the Board of Directors;

- play a key role in the performance assessment of the Chairperson of the Company’s Board of Directors conducted by independent directors.

**4. Corporate Secretary of the Company.**

4.1. The Corporate Secretary of the Company acting in accordance with the Articles of Association of the Company, these Regulations, the Regulations for the Corporate Secretary of the Company, and other internal documents of the Company and in accordance with the instructions of the Chairperson of the Board of Directors shall provide technical support (including information, document flow management, organizational, and secretary services) for the ongoing activities of the Board of Directors.

4.2. The status of the Corporate Secretary, their functions, requirements to the candidate, the procedure for appointing and terminating the powers of the Corporate Secretary, their subordination and accountability, and the procedure for interaction with the governing bodies and structural divisions of the Company, as well as other issues regarding the Corporate Secretary of the Company are outlined in the Regulations for the Corporate Secretary of the Company approved by resolution of the Company’s Board of Directors.

**5. Board of Directors Operations**

5.1. The meetings of the Board of Directors are held under the approved Work Schedule of the Board of Directors, as well as when necessary, but at least once every six weeks, unless otherwise provided for herein.

5.2. Where necessary, the Chairperson of the Board of Directors may decide to hold an unscheduled meeting of the Board of Directors, change the date of a planned meeting of the Board of Directors, include additional items on the agenda of the Board of Directors’ meeting, or distribute updated materials on the agenda items of the Board of Directors’ meeting.

5.3. Work Schedule of the Board of Directors.

5.3.1. The Work Schedule of the Board of Directors may cover the following focus areas:

- strategic development of the Company;

- medium-term and operative planning of the Company’s activities;

- organization of the Board of Directors’ operations;

- follow-up on resolutions adopted by the Board of Directors and the General Meeting.

5.3.2. Work Schedule of the Board of Directors shall include:

1) issues to be considered at meetings of the Company’s Board of Directors in the current year (broken down by quarters);

2) the schedule of meetings of the Board of Directors;

3) a list of persons (governing bodies of the Company) responsible for drafting the items to be considered at the meetings of the Board of Directors (members of the Board of Directors, CEO, other persons).

5.3.3. The Work Schedule of the Board of Directors is prepared based on proposals from the Chairperson and the members of the Board of Directors, the Internal Audit Board of the Company, the Company’s CEO, and the Company’s Auditor in compliance with the requirements outlined in the first and second paragraphs of clause 6.4 hereof.

Such proposals are submitted to the Chairperson of the Board of Directors in writing along with submission of a copy of the proposals to the Corporate Secretary.

5.4. The meetings of the Board of Directors may be held using a specialized automated information system designed to hold meetings of the Company’s Board of Directors, including the distribution of notices, materials (information) on agenda items, organization of voting by the members of the Board of Directors, and summarizing of the results (hereafter referred to as the automated information system).

5.5. The Board of Directors may conduct an annual performance assessment of the Board of Directors on its own (self-assessment) or engaging an independent external entity (consultant) that is qualified to conduct such an assessment.

**6. Convening the Board of Directors Meetings**

6.1. The first meeting of every newly elected Board of Directors shall be convened by one of the members of the Company’s Board of Directors by sending a notice of the meeting to other members of the Company’s Board of Directors and to the Company’s CEO.

The CEO shall provide assistance and all information necessary for the organization of the first meeting of the newly elected Board of Directors.

The first meeting of the Board of Directors shall consider the following matters:

- election of the Chairperson of the Board of Directors;

- election of the Deputy Chairperson of the Board of Directors.

6.2. The Chairperson of the Board of Directors convenes all the subsequent meetings of the Board of Directors (except for the case specified in clause 2.5 hereof):

- under the meeting schedule approved in the Work Schedule of the Board of Directors;

- by the Chairperson’s own initiative;

- at a written request of a member of the Board of Directors, the Internal Audit Board of the Company, the CEO of the Company, or the Company’s Auditor.

6.3. A request to convene a meeting of the Board of Directors shall specify:

1) the meeting’s initiator;

2) the wording of the agenda items;

3) the reasons for inclusion of these items in the agenda;

4) the information (materials) on the agenda items;

5) the draft resolutions on the agenda items.

6.4. The request to convene a meeting of the Board of Directors shall be made in writing and signed by the person requesting the meeting.

The request of the Company’s Internal Audit Board to convene a meeting of the Board of Directors shall be signed by the Chairperson of the Internal Audit Board.

The request to convene a meeting of the Board of Directors with all necessary materials (information) attached thereto is sent to the Chairperson of the Board of Directors, with a copy of relevant proposals to be sent to the Corporate Secretary.

6.5. The Chairperson of the Board of Directors shall review the request to convene an extraordinary meeting of the Board of Directors and decide to convene such a meeting, refuse to convene such a meeting, or include the matters contained in the request in the agenda of a scheduled (under the approved Work Schedule of the Board of Directors) meeting of the Board of Directors.

A motivated refusal by the Chairperson of the Board of Directors to convene an extraordinary meeting of the Board of Directors is sent to the person requesting the convening of such a meeting.

Failure to comply with the requirements set out in clauses 6.3 and 6.4 hereof may serve as a basis for refusal to convene a meeting of the Board of Directors.

6.6. The Corporate Secretary executes, and the Chairperson or the Deputy Chairperson of the Board of Directors signs the notice of the meeting of the Board of Directors in cases stipulates herein. The notice of a meeting of the Board of Directors is executed in writing, and the Corporate Secretary may send it to the members of the Board of Directors by any means, including personal delivery, by fax, to email addresses of the members of the Board of Directors available to the Corporate Secretary, and/or via the automated information system.

6.6.1. The Corporate Secretary sends the notice of the Board meeting to each member of the Board of Directors at least 11 (eleven) business days prior to the date of the meeting (the deadline for the voting ballots submission), except for the cases otherwise stipulated herein.

6.6.2. If the agenda of the meeting includes items that require a preliminary review by a Committee of the Board of Directors subject to the relevant Regulations for the Committees of the Board of Directors (if such a committee exists), and by the time of sending the notice no resolutions (recommendations) of the relevant Committee of the Board of Directors concerning such items are provided to the Board of Directors, the Corporate Secretary sends the notice of such meeting of the Board of Directors to each member of the Board of Directors in writing at least 15 (fifteen) business days prior to the date of the meeting (the deadline for the voting ballots submission), except for the cases otherwise stipulated herein.

6.7. Simultaneously with the notice of the meeting of the Board of Directors, the members of the Board of Directors are sent the materials (information) on the agenda items.

The materials (information) on the agenda items of the meeting shall include:

- draft resolutions of the Board of Directors on the items on the agenda of the meeting of the Board of Directors;

- an explanatory note for the draft resolutions of the Board of Directors on the items on the agenda of the meeting of the Board of Directors;

- draft documents that are submitted for approval, sign-off, or consent of the Board of Directors;

- minutes of meetings of the governing bodies, resolutions (recommendations) of Committees of the Board of Directors, and other ad hoc bodies or commissions of the Company set up for preliminary review of the items (if any);

- materials supporting the information outlined in the draft resolutions and explanatory notes;

- other information and materials on the items on the agenda of the meeting of the Board of Directors.

6.8. The members of the Company’s Board of Directors may receive the materials (information) on the agenda items through personal delivery, by fax, email at the addresses of the members of the Board of Directors available to the Corporate Secretary, and/or by accessing the automated information system.

6.9. If the agenda of the meeting includes items that require a preliminary review by a Committee of the Board of Directors subject to the relevant Regulations for the Committees of the Board of Directors, the Corporate Secretary of the Company sends a notice of such meeting of the Board of Directors and materials on such agenda items to the relevant Committee in such a manner and within such a time as are set out in sub-clause 6.6.2 and clause 6.8 hereof.

The Corporate Secretary of the Company presents the resolutions (recommendations) of the relevant Committee of the Board of Directors to the members of the Board of Directors provided that they are received by the Board of Directors at least 3 (three) business days before the date of the meeting of the Board of Directors, except for the case provided for in clause 10.18 hereof. If the resolutions (recommendations) of the Management Board of the Company and/or the relevant Committee are not presented (or are presented with a delay), the Board of Directors has the right to adopt a resolution on the item without taking such resolutions (recommendations) into account.

6.10. Upon the consent of the initiator of the presentation of an item to the Board of Directors for review, which is subject to a preliminary review by a Committee of the Board of Directors under the Regulations for the relevant Committee of the Board of Directors, the Chairperson of the Board of Directors may postpone the review of such an item once if the Committee fails to submit the required resolutions (recommendations), and the Chairperson of the Committee has sent a letter with a motivated request for such postponement.

6.11. In the cases specified in clause 5.2 and Section 10 hereof, the Chairperson of the Board of Directors may resolve to shorten the timelines for notifying the members of the Board of Directors of the Board of Directors’ meeting and providing materials (information).

**7. Procedure for Meetings of the Board of Directors**

7.1. The Chairperson of the Board of Directors opens the meetings of the Board of Directors. The Chairperson of the Board of Directors may decide to hold a meeting of the Board of Directors in person (with all of the members present) via video conferencing.

7.2. The members of the Company’s Board of Directors and persons invited to the meeting to discuss every item to be reviewed attend the meetings in accordance with the list approved by the Chairperson of the Board of Directors.

7.3. The Corporate Secretary determines whether there is a quorum for the Board of Directors’ meeting.

The quorum for a meeting of the Board of Directors is at least half of the elected members of the Board of Directors of the Company.

7.4. The Chairperson of the Board of Directors informs those attending that the quorum for the Board of Directors’ meeting is present and announces the agenda of the Board of Directors’ meeting.

7.5. In the absence of a quorum, the meeting shall be declared invalid. The Chairperson of the Board of Directors takes one of the following decisions:

1) by consulting with the members of the Board of Directors present at the meeting, determines the time for adjourning the beginning of the meeting but not more than for a period of two hours;

2) determines the date of a new meeting with the same agenda to replace the meeting that fails to take place;

A new meeting may be held instead of the failed meeting within 20 days after the relevant decision of the Chairperson of the Board of Directors on this issue;

3) includes the items on the agenda of the failed meeting in the agenda of the next scheduled meeting of the Board of Directors.

7.6. The meeting of the Board of Directors includes the following stages:

1) a report on the relevant agenda item by a member of the Board of Directors or an invited person;

2) a discussion of the agenda item;

3) suggestions regarding the wording of a resolution on the agenda item;

4) voting on the agenda item;

5) counting of votes and tallying the voting results;

6) announcement of the voting results and the resolution adopted on the agenda item.

7.7. In the Board of Directors’ in-person meetings, the Corporate Secretary shall report about the implementation of previous resolutions of the Board of Directors.

7.8. The resolutions of the Board of Directors’ meetings are adopted by a majority vote of the members of the Board of Directors attending the meeting, except for cases provided for in the Russian laws and the Company’s Articles of Association.

7.9. Each member of the Board of Directors has one vote in deciding on the matters at the Board of Directors’ meetings.

In the case of a voting tie the Chairperson of the Board of Directors has a casting vote.

No member of the Board of Directors may transfer their vote to another member of the Board of Directors or another person.

7.10. If members of the Board of Directors have a conflict of interest, it is recommended that they abstain from voting on matters with respect to which they have a conflict of interest.

**8. Procedures for Mixed-Mode (In-Person/In-Absentia) Meetings of the Board of Directors**

8.1. The Chairperson of the Board of Directors may resolve to hold a meeting of the Board of Directors in a mixed format (including via video conferencing). This information shall be specified in the notice of the meeting.

8.2. If at least half of the members of the Board of Directors are present at the meeting, the written opinions of the members of the Board of Directors who are absent from the meeting of the Board of Directors are taken into account when determining the results of voting on agenda items in line with the procedure set forth herein.

8.3. On the day of the meeting of the Board of Directors, the Corporate Secretary prepares a voting ballot based on the voting results of the meeting (Annex 1) to be signed by the Chairperson of the Board of Directors and sends it by fax, email, or via the automated electronic system to the members of the Board of Directors who were absent from the meeting.

8.4. When completing a voting ballot, the member of the Board of Directors shall cross out all but one of the possible voting options (“for”, “against”, or “abstained”) for each draft resolution and for each item put to the vote. Once the voting ballot is completed, the member of the Board of Directors shall sign it and specify their surname and initials.

Members of the Company’s Board of Directors may also vote on proposed draft resolutions via the automated information system.

8.5. The member of the Board of Directors shall send the completed and signed voting ballot along with their special opinion on each agenda item (if any) within the day following the meeting to the Corporate Secretary in its original form, by fax, or by email, with the hard copies of such documents to be later sent to the address specified therein.

8.6. Voting ballots completed in violation of the requirements specified in clause 8.4 hereof are deemed invalid (or, in case of violation of the requirements for completing the voting options, are deemed invalid only to the extent of the relevant item) and are not taken into account when counting the votes.

Voting ballots received by the Company after the expiry of the deadline specified therein are not accepted for counting votes and tallying the voting results.

8.7. Based on the voting results at the meeting, voting ballots received from members of the Board of Directors, and information entered into the automated information system, the Corporate Secretary sums up the results of voting on the agenda items and drafts the minutes of meeting of the Board of Directors in accordance with the procedure set forth herein.

8.8. The completed voting ballots of those members of the Company’s Board of Directors who are absent from the meetings of the Board of Directors along with their special opinion on the agenda items (if any) are attached to the minutes of such meetings of the Board of Directors.

**9. Absentee Voting Procedure**

9.1. As the Chairperson of the Company’s Board of Directors may decide, the resolutions on the agenda items may be adopted via absentee voting (using voting ballots).

9.2. In order to pass a resolution of the Board of Directors via absentee voting (using voting ballots), each member of the Board of Directors is sent a notice of absentee voting on the agenda items, draft resolutions on such items, and materials (information) on the items included in the agenda in such a manner and within such a time as are set out in clauses 6.6–6.11 hereof.

9.3. The notice of absentee voting shall contain:

- the full corporate name of the Company and its location;

- the wording of the agenda items;

- an indication that the absentee voting will be conducted using voting ballots;

- the deadline for submission of voting ballots for absentee voting;

- the list of information (documents) to be provided to the members of the Board of Directors.

9.4. Any member of the Board of Directors may submit their suggestions and/or comments concerning the proposed draft resolutions of the Board of Directors at least 5 (five) business days prior to the deadline set for submission of the voting ballots in the notice of absentee voting.

9.5. Absentee voting ballots are sent to the Board of Directors’ members no later than the deadline set for submission of the voting ballots in the notice of absentee voting.

Resolutions (recommendations) of the respective Committees (if received by the Corporate Secretary of the Company) are sent to the members of the Board of Directors together with the voting ballot.

9.6. When completing an absentee voting ballot, the member of the Board of Directors shall cross out all but one of the possible voting options (“for”, “against”, or “abstained”) for each draft resolution and for each item put to the vote. Once the voting ballot is completed, the member of the Board of Directors shall sign it and specify their surname and initials.

Members of the Company’s Board of Directors may also vote on proposed draft resolutions via the automated information system.

9.7. Voting ballots completed in violation of the requirements specified in clause 9.6 hereof are deemed invalid (or, in case of violation of the requirements for completing the voting options, are deemed invalid only to the extent of the relevant item) and are not taken into account when determining the quorum required for the resolution to be taken via absentee voting, or when counting the votes.

9.8. The member of the Board of Directors shall send the completed and signed voting ballot along with their special opinion on agenda item (if any) within the timelines specified in the ballot to the Corporate Secretary in its original form, by fax, or by email with the hard copies of such documents to be later sent to the address specified therein.

Members of the Board of Directors whose voting ballots the Corporate Secretary receives in the original form or by fax, or by email within the deadline for the voting ballots submission as specified in the notice, as well as the members of the Board of Directors who vote on the proposed draft resolutions via the automated information system are deemed having participated in the absentee voting.

Voting ballots received by the Company after the expiry of the deadline specified therein are not accepted for counting votes and tallying the absentee voting results.

9.9. The results of the voting on the agenda items of a meeting held in absentia are summed up based on the voting ballots completed and signed by the members of the Board of Directors, and received by the Company before the deadline specified in the notice of absentee voting, as well as based on the votes of the members of the Board of Directors received via the automated information system.

9.10. The Corporate Secretary executes the minutes of the Board of Directors based on the voting ballots received and the information entered into the automated information system in accordance with the procedure set forth herein.

**10. Convening and Holding of a Meeting of the Board of Directors   
to Form/Terminate the Company’s Executive Bodies**

10.1. The meeting of the Board of Directors to form/terminate the Company’s executive bodies (including their election, termination and suspension) shall be convened and held in accordance with the general rules set forth herein, in view of the specifics outlined in this Section.

10.2. The procedure outlined in this Section applies in the following cases:

- termination of the powers of the CEO and election of a new CEO (or an Acting CEO);

- election of the CEO (if the Board of Directors has previously resolved to terminate the powers of the CEO and elect an Acting CEO, but no new CEO of the Company has been elected);

- suspension of the powers of the managing organization (manager) and appointment of an Acting CEO.

10.3. The preparation and holding of the Board of Directors’ meeting, the agenda of which includes matters specified in clause 10.2 hereof, shall include the following stages:

- notifying members of the Board of Directors of convening the meeting specifying their right to nominate candidates for the position of CEO (or Acting CEO if the issue of suspending the powers of the managing organization (manager) is raised) or for the position of managing organization (manager) in cases provided for in this Section;

- nomination by members of the Board of Directors of candidates for the position of CEO (Acting CEO, managing organization (manager));

- adopting a resolution to terminate the powers of the CEO or to suspend the powers of the managing organization (manager);

- adopting a resolution to elect the CEO (Acting CEO if the issue of suspending the powers of the managing organization (manager) is raised);

- adopting a resolution to elect the Acting CEO if the resolution to terminate the powers of the CEO is passed, but no resolution to elect a new CEO is adopted as a result of voting;

- preparation of a proposal by the Board of Directors regarding the candidate(s) for the position of managing organization (manager) for voting at the Company’s General Meeting on transferring the powers of the Company’s sole executive body to a managing organization (manager).

10.4. If a resolution is adopted to suspend the powers of the managing organization (manager) and appoint an Acting CEO, the Board of Directors shall adopt a resolution to hold an extraordinary General Meeting of the Company in order to resolve the matter related to early termination of the powers of the managing organization (manager).

10.5. In the case provided by clause 10.4 of this Section, at the meeting at which the Board of Directors considers a resolution to suspend the powers of the managing organization (manager) and appoint an Acting CEO, the Board of Directors shall also consider the candidate(s) for the position of managing organization (manager) to whom it is proposed to transfer the powers of the Company’s sole executive body, as well as adopt other resolutions related to the suspension of powers of the managing organization (manager) and the performance of functions by the Acting CEO until the General Meeting of the Company’s Shareholders.

10.6. The notice of a meeting of the Board of Directors, the agenda of which contains items provided for in clause 10.2 hereof, shall be served on the members of the Board of Directors at least 3 (three) calendar days before the date of the Board of Directors’ meeting.

10.7. If such items are to be preliminarily reviewed by the relevant Committee of the Company’s Board of Directors in accordance with the respective Regulations on the Committees of the Board of Directors, the notice of the meeting of the Board of Directors the agenda of which contains such items shall be served on the members of the Board of Directors at least 5 (five) days before the date of the meeting of the Board of Directors.

10.8. Unless otherwise provided for in the resolution of the Board of Directors, each member of the Board of Directors may nominate no more than one candidate for the position of CEO (Acting CEO). A member of the Board of Directors may also nominate a candidate to the position of Acting CEO in case a resolution is passed to terminate the powers of the CEO, but no resolution to elect a new CEO is adopted as a result of voting. A member of the Board of Directors may nominate the same person both for the position of CEO and for the position of Acting CEO.

10.9. If an item related to the suspension of the powers of the managing organization (manager) is included in the agenda of the meeting of the Company’s Board of Directors, a member of the Company’s Board of Directors also has the right to nominate a candidate for the position of managing organization (manager) for a proposal of the Board of Directors to the Company’s General Meeting regarding the transfer of the powers of the Company’s sole executive body to a managing organization (manager).

10.10. The nomination of a candidate (clauses 10.8 and 10.9 hereof) is submitted in writing and signed by the member of the Company’s Board of Directors who nominates the candidate.

10.11. The nomination of a candidate for the position of CEO (Acting CEO) shall contain the following information:

- the nominee’s name;

- the nominee’s date and place of birth;

- the information on the nominee’s education, area of expertise, and competence;

- the information on an academic title;

- the information on employment over the past 5 (five) years;

- the number and categories (classes) of the Company’s shares held by the nominee.

10.12. The nomination of a candidate for the managing organization shall contain the following information:

- the full business name of the entity;

- the date and place of state registration of the entity;

- the information on the entity’s founders;

- the information on the shareholders (members) of the entity;

- the information on the entity’s affiliates.

10.13. The nomination of a candidate for the position of manager shall contain information provided in clause 10.12 hereof, as well as the information on the availability of a certificate of state registration as a sole proprietor.

10.14. Nominations of candidates for the position of CEO (Acting CEO, managing organization (manager)) shall be submitted to the Company in the original, by fax (with the original to be later presented at the meeting), or by email at least 1 (one) calendar day before the meeting of the Board of Directors.

In the cases provided for in clause 10.7 hereof, nominations of candidates for the position of CEO (Acting CEO, managing organization (manager)) shall be submitted to the Company in the original, by fax (with the original to be later presented at the meeting), or by email at least 3 (three) calendar days before the meeting of the Board of Directors.

10.15. The nominations received from members of the Company’s Board of Directors are included in the list for voting.

10.16. If, based on the results of voting on the election of the CEO, none of the nominees obtains the required number of votes, the Board of Directors may appoint an Acting CEO. In such a case, voting is conducted on the candidates for the positions of Acting CEO nominated by the members of the Board of Directors in accordance with clause 10.8 of this Section. If none of the members of the Board of Directors has nominated a candidate for the position of Acting CEO in accordance with clause 10.8 of this Section, the voting is conducted on the candidates nominated by the members of the Board of Directors at meetings of the Board of Directors.

10.17. Members of the Board of Directors are entitled to request additional information from a member of the Board of Directors on the candidate nominated by such member.

10.18. If matters provided for in clause 10.2 hereof are to be preliminarily reviewed by the relevant Committee of the Board of Directors in accordance with the respective Regulations on the Committees of the Company’s Board of Directors (if such a committee exists), the Corporate Secretary sends a notice of such meeting of the Board of Directors on such matters to the relevant Committee within such time as set out in clause 10.7 hereof. The Corporate Secretary of the Company sends the nominations of candidates for the position of CEO (Acting CEO) or the managing organization of the Company and information on them received from the members of the Board of Directors to the relevant Committee of the Board of Directors immediately after their receipt in such a manner and using such methods as will ensure their prompt receipt by the Committee (by fax, email, etc.).

The Corporate Secretary immediately sends the resolutions (recommendations) of the Committee of the Board of Directors if they are received by the Board of Directors before the date of the meeting of the Board of Directors to the members of the Company’s Board of Directors, and also makes them available to the members of the Board of Directors directly at the meeting of the Board of Directors where the meeting is held in person or in a mixed form. If the resolutions (recommendations) of the relevant Committee are not presented to the Board of Directors, the Board of Directors may adopt a resolution on the respective matter without taking into account such resolutions (recommendations).

10.19. If, in accordance with the Articles of Association of the Company, the General Meeting carries out the election of the CEO, the provisions of this Section shall apply to the extent not contradicting the Articles of Association of the Company and the Russian laws.

10.20. If a collective executive body is set up at the Company, the procedure for electing and terminating the powers of its members is outlined in the Company’s bylaw regulating the activities of such body.

**11. Minutes of the Meeting of the Board of Directors**

11.1. The Corporate Secretary keeps the minutes of meetings of the Board of Directors.

11.2. The minutes of meetings of the Company’s Board of Directors are prepared within 3 (three) calendar days after the meeting (after the results of absentee voting or mixed voting are summed up).

11.3. The minutes of meetings shall contain the following:

- the full business name of the Company;

- the format of the meeting;

- the place and time of the meeting (tallying the voting results);

- the members of the Board of Directors attending the meeting (participating in the absentee or mixed voting), as well as invited persons;

- the information on the presence of a quorum at the meeting;

- the meeting’s agenda;

- the items put to the vote and the voting results by name;

- a summary of reports and speeches by persons participating in the meeting;

- the decisions made/ resolutions passed.

The person presiding over the meeting and the Corporate Secretary, who is responsible for the accuracy of the minutes, sign the minutes of meetings of the Company’s Board of Directors.

The differing opinions received from the members of the Board of Directors are attached to the minutes of the respective meeting of the Board of Directors and form an integral part of such minutes.

The Corporate Secretary signs off all attachments to the minutes of meetings of the Company’s Board of Directors (the Chairperson of the Board of Directors signs off attachments to the minutes of meetings of the Company’s Board of Directors if so required by the format of the document).

11.4. The Corporate Secretary informs the members of the Board of Directors of the resolutions passed by the Board of Directors by sending a copy of the minutes of the Board of Directors’ meeting by email, by fax, or via the automated information system within 3 (three) calendar days from the signing of the minutes of the Board of Directors’ meeting.

11.5. The Company shall keep the minutes of meetings of the Board of Directors at the location of the Company’s executive body.

11.6. The minutes of meetings of the Company’s Board of Directors shall be available for review at the location of the Company’s executive body to any member of the Board of Directors, member of the Internal Audit Board, the Company’s Auditor, the Company’s CEO, official representatives of federal regulatory authorities, as well as to any shareholder (shareholders) of the Company in accordance with the requirements of the Federal Law *On Joint-Stock Companies*.

**12. Final Provisions**

12.1. The Company’s Board of Directors shall regularly assess its performance in order to improve it.

The Company’s Board of Directors determines the regularity, assessment criteria, and other matters related to the performance assessment of the Company’s Board of Directors via separate resolutions.

Annex 1

to the Regulations for the Board of Directors of Public Joint-Stock Company “LENENERGO”

**PUBLIC JOINT-STOCK COMPANY “LENENERGO”**

**THE BOARD OF DIRECTORS**

**BALLOT**

**for voting on the items on the agenda**

**of an attendee/absentee meeting**

**of the Board of Directors of PJSC “LENENERGO”, to be held on \_\_\_\_\_\_\_\_\_\_, 20\_\_**

**Item:**

**1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Resolution (passed during the meeting):**

**1.** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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| --- | --- | --- | --- | --- |
| **FOR** |  | **AGAINST** |  | **ABSTAINED** |

*(cross out as appropriate leaving your answer not crossed)*

**Item:**

**2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Resolution (passed during the meeting):**

**2.** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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| **FOR** |  | **AGAINST** |  | **ABSTAINED** |

*(cross out as appropriate leaving your answer not crossed)*

The completed and signed voting ballot shall be faxed to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, emailed, or its original shall be submitted no later than \_\_\_\_ on \_\_\_\_\_\_\_\_\_\_\_\_\_\_.

/time and date/

Voting ballots received by the Company after the expiry of the deadline are not accepted for counting votes and tallying the attendee/absentee voting results.

Please send the completed original voting ballots to: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Member   
Board of Directors**

**PJSC “LENENERGO” \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_/ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

(signature) (full name)

**Chairperson   
Board of Directors \_\_\_\_\_\_\_\_\_\_\_\_\_\_/ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

(signature) (full name)

**THE VOTING BALLOT IS INVALID UNLESS SIGNED BY THE CHAIRPERSON AND THE MEMBER OF THE BOARD OF DIRECTORS**

Annex 2

to the Regulations for the Board of Directors of Public Joint-Stock Company “LENENERGO”

**PUBLIC JOINT-STOCK COMPANY “LENENERGO”**

**THE BOARD OF DIRECTORS**

**BALLOT**

**for absentee voting on the items on the agenda of the meeting**

**of the Board of Directors of PJSC “LENENERGO”**

**Item 1:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Resolution:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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| **FOR** |  | **AGAINST** |  | **ABSTAINED** |

*(cross out as appropriate leaving your answer not crossed)*

**Item 2:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Resolution:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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| --- | --- | --- | --- | --- |
| **FOR** |  | **AGAINST** |  | **ABSTAINED** |

*(cross out as appropriate leaving your answer not crossed)*

The completed and signed voting ballot shall be faxed to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, or its original shall be submitted no later than \_\_\_\_ on \_\_\_\_\_\_\_\_\_\_\_\_\_\_.

/time and date/

Voting ballots received by the Company after the expiry of the deadline are not accepted for counting votes and tallying the absentee voting results.

Please send the completed original voting ballots to: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Member   
Board of Directors**

**PJSC “LENENERGO” \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

(signature) (full name)

**THE VOTING BALLOT IS INVALID UNLESS SIGNED BY THE MEMBER OF THE BOARD OF DIRECTORS**

1. Hereinafter, the Corporate Secretary, unless otherwise provided for in the Company’s Articles of Association, is referred to as Secretary of the Board of Directors. [↑](#footnote-ref-1)