

PJSC “Rosseti Lenenergo”

Energy Conservation and Energy Efficiency Policy

General

Public Joint Stock Company “Rosseti Lenenergo” is Russia’s biggest and oldest electricity distribution company. From 2005, after the country’s electricity industry was reformed, PJSC “Rosseti Lenenergo” has focused on the electricity distribution using 0.4 to 110 kV cable lines and offering electricity network connection services in Saint Petersburg and the Leningrad Region. The Company’s main goal is to provide people with reliable, high-quality electricity and ensure seamless, non-discriminatory network connection service.

The Energy Conservation and Energy Efficiency Policy of PJSC “Rosseti Lenenergo” (“Policy”) sets out the public commitment to achieving this on the part of the top management of PJSC “Rosseti Lenenergo” (“Company”, “we”, “our”). The Policy’s goal is to prove to all stakeholders that the Company is committed to using energy in a lean way, making the Company’s more energy efficient and moving from local operational efforts to consistent system-wide solutions both technologically and managerially.

Scope

The provisions and requirements of this Policy must be followed by to the Company’s management and teams throughout divisions.

It is understood that our efforts to drive energy conservation and energy efficiency require that all the divisions must contribute to implementing and meeting the Policy.

Objectives

In accordance with the Energy Strategy of the Russian Federation 2035 (Russian Governmental Decree No. 1523-pr of June 9, 2020), the Russian Fuel and Energy Sector Engineering Technological Outlook 2035 approved by the Ministry of Energy of the Russian Federation on October 14, 2016, and the Russian energy conservation and energy efficiency regulations, this Policy is to make sure that energy is saved to the greatest possible extent and that natural resources and fuel are used most effectively, including by:

- Consistently boosting the Company’s energy efficiency by efficiently managing its (production) processes and using innovative, energy efficient equipment and technology;
- Reducing environmental impact by using less energy (fuel) as part of the Company’s main (production) processes; and
- Ongoingly improving the energy conservation and energy efficiency practices across the Company’s branches.

Our Key Energy Conservation and Energy Efficiency Commitments Are to:

- Guarantee that we follow energy conservation and energy efficiency requirements prescribed by the Russian law and local law of countries where we operate, as well as by the applicable international law, regulations, rules, and standards;
- Implement national and regional energy conservation and energy efficiency requirements and manage (cap) the Company's energy consumption levels;
- Achieve greater energy efficiency of production processes;
- Use more reliable energy-efficient innovative equipment and use and promote modern energy saving technology;
- Make sure that energy (fuel) is used reasonably and in a financially sound way as an electricity distribution resource;
- Make sure that any services, equipment, and materials procured (including for new (design) projects) meet the Company's energy efficiency requirements;
- Make sure that energy performances are tracked and that the Company's operations are consistently assessed for compliance with our energy conservation and energy efficiency commitments;
- Make sure that employees at all levels are involved into efforts to maintain and consistently improve our energy management practices and boost our energy performances;
- Ensure that energy audits are conducted, that energy consumption is controlled and that specific energy (fuel) consumption rates be set for specific activities;
- Promote the framework for developing our employees' energy conservation and energy efficiency competence, awareness and commitment;
- Grow our employees' energy conservation and energy efficiency awareness and competence, and getting teams and individuals to become more motivated to use energy in a lean way; and to
- Make sure that this Policy is available to all stakeholders and the information regarding its principles is transparent enough.

The implementation of the Company's Energy Conservation and Energy Efficiency Policy is being enabled by:

- Implementing and developing an ISO 50001 compliant energy management system;
- Developing and implementing corporate energy conservation and energy efficiency programs including metering, management and consistently tracking the use across major resources;
- Implementing innovative energy conservation and energy efficiency projects; and
- Adopting energy performance requirements for the materials and equipment used as part of the Company standards.

The implementation of this Policy will enable the Company's sustainable development and boost its appeal to investors and competitive performance and so drive higher levels of the national energy efficiency and environmental security.