



API Voting Recommendations for Annual General Meeting

Company: PJSC ALROSA (ALRS)

Meeting date: June 26, 2018

Record date: June 1, 2018

Company Overview

ALROSA is a Russian group of diamond mining companies, the global leader in rough diamond mining, with the world's largest rough diamond reserves. ALROSA Group is engaged in the exploration, mining, processing and sales of rough diamonds. The Group's activity is concentrated in two Russian regions (the Sakha Republic / Yakutia and Arkhangelsk region) and in the African continent.

The Group mainly derives revenues from sales of gem-quality rough diamonds, mostly under long-term framework contracts, to Russian and foreign companies processing diamonds for further use in the jewelry industry.

The authorized capital of ALROSA consists of 7,364,965,630 ordinary registered shares with a face value of 50 kopecks (RUB 0.5) each.

As of December 31, 2017, the Company's shareholding structure was as follows:

- ✓ Russia's Federal Agency for State Property Management (Rosimushchestvo), on behalf of the Russian Federation: 33.0256%;
- ✓ Ministry of Property and Land Relations of the Sakha Republic (Yakutia), on behalf of the Sakha Republic (Yakutia): 25.0002%;
- ✓ Free float: 33.9739%;
- ✓ Local government bodies of the eight districts (uluses) of the Sakha Republic (Yakutia) in which the joint-stock company is currently operating: 8.0003%.

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No.	AGM agenda item	API recommendation
1.	Approval of the annual report of PJSC ALROSA	FOR
2.	Approval of the annual accounting (financial) statements of PJSC ALROSA	FOR
3.	Approval of the profit distribution of PJSC ALROSA based on the Company's performance in 2017	FOR
4.	Approval of the distribution of previous years' retained earnings	FOR

5.	Amount, time, form of payment and record date for 2017 dividends	FOR
6	Payment of remuneration to the Supervisory Board members (except for public officers) for the service on the Supervisory Board in the amount determined by the internal regulations (by-laws) of PJSC ALROSA	FOR
7.	Payment of remuneration to the Auditing Committee members (except for public officers) for the service on the Auditing Committee in the amount determined by the internal regulations (by-laws) of PJSC ALROSA	FOR
8.	Election of the Supervisory Board members of PJSC ALROSA	API recommends voting FOR Maria Gordon and Oleg Fedorov (independent directors)*
9.	Election of the Auditing Committee members of PJSC ALROSA	API recommends voting FOR on any FIVE candidates**
10.	Approval of the auditors of PJSC ALROSA	FOR***
11.	Amendments to the Articles of Association of PJSC ALROSA	FOR
12.	Amendments to the Regulations on the Supervisory Board of PJSC ALROSA	FOR
13.	Amendments to the Regulations on the Executive Committee of PJSC ALROSA	FOR
14.	Amendments to the Regulations on the Auditing Committee of PJSC ALROSA	FOR
15.	Amendments to the Regulations on Remuneration to Members of the Supervisory Board of PJSC ALROSA	FOR

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* The API recommends that the shareholders vote for the independent directors Maria Gordon and Oleg Fedorov nominated by API members and other active institutional investors. According to our estimates, the third independent director nominated by the Government will be elected, just as last year, by the votes of the Russian Federation, according to the Government's instruction. Therefore, we ask the shareholders to consolidate their votes in favor of the two directors referred to above to maximize the number of independent directors elected to the Board.

** The API has no preference for any of the nominated candidates, the vast majority of whom are public officers. Therefore, it is recommended that the shareholders vote for any 5 candidates, given that the resolution is passed by a simple majority of votes and actually depends on Russia's Federal Agency for State Property Management (Rosimushchestvo) which has the largest block of shares.

*** We recommend that the Company's Supervisory Board include essential details on the terms and conditions of the auditor selection competition, including the price bids of the participants, the rationale for the choice of the proposed auditor, information on the cost of audit contracts in the last few years, including the cost of non-audit services, in the meeting materials.

In-depth review of the Annual General Meeting agenda:

1-2	AGM agenda item	API recommendation
1.	Approval of the annual report of PJSC ALROSA	FOR*
2.	Approval of the annual accounting (financial) statements of PJSC ALROSA	FOR

* The API should note the non-disclosure of the correlation between the remuneration payable to Executive Committee members and the achievement of target KPIs in the Company's annual report. Besides, the Company has not disclosed the individual remuneration payments, including the short-term and long-term, variable and fixed components, as it was expected to do according to best corporate governance practices.

We recommend that the Company's Supervisory Board pay attention to the need to disclose the remuneration of Executive Committee members, in particular, the long-term remuneration and its dependence on the achievement of the target KPIs.

AGENDA ITEMS 1-2 DETAILS:

The annual report of PJSC ALROSA presents information on the Company's annual performance results, development prospects, a description of the key risk factors, information on related party transactions, a report on compliance with the recommendations of the Corporate Governance Code recommended for application by the Bank of Russia, etc. The accuracy of the annual accounting (financial) statements of PJSC ALROSA prepared according to Russian Accounting Standards and the consolidated financial statements of PJSC ALROSA and its subsidiaries according to International Financial Reporting Standards is confirmed by an audit report of PricewaterhouseCoopers Audit JSC.

Please see below the key financial and operational performance results of ALROSA Group according to IFRS:

Item	2016	2017	Change, year-on-year
Revenue, billion rubles	317.1	275.4	-13.2%
Operating expenses, billion rubles	129.8	133.9	3.2%
Gross profit, billion rubles	186.1	140.3	-24.6%
Profit for the period, billion rubles	133.5	78.6	-41.1%
Profit margin, %	42.1	28.5	-13.6 p.p.
EBITDA, billion rubles	176.4	126.9	-28.1%
EBITDA margin, %	55.6	46.1	-9.5 p.p.
Net debt, billion rubles	111.9	86.0	-23.1%
Net debt / EBITDA ratio	0.63	0.68	0.05

In 2017, the Company's consolidated revenue, including income from subsidies, decreased by 13.2% to RUB 275.4 billion against RUB 317.1 billion earned in 2016. EBITDA decreased by 28.1% against the 2016 level to RUB 126.9 billion, EBITDA margin decreased from 55.6% to 46.1%. The group's net profit decreased by 41.1% to RUB 78.6 billion against the 2016 level.

The Group's weaker financial 2017 result is attributable to the Russian ruble appreciation against the US dollar by 13%, as well as a 9% reduction in the average price of the sold gem-quality diamonds following a change in the product

offering and an accident at the Mir mine. The Company's net cash flow decreased by 34% to RUB 73.5 billion against RUB 111.4 billion in 2016. The net debt / EBITDA ratio increased to 0.68 on December 31, 2017 from 0.63 last year.

DRAFT RESOLUTIONS ON AGENDA ITEMS 1-2:

ITEM 1. Approve the annual report of PJSC ALROSA for 2017.

ITEM 2. Approval of the annual accounting (financial) statements of PJSC ALROSA for 2017, including the profit and loss statement.

3-5	AGM agenda item	API recommendation
3.	Approval of the profit distribution of PJSC ALROSA based on the Company's performance in 2017	FOR
4.	Approval of the distribution of previous years' retained earnings	FOR
5.	Amount, time, form of payment and record date for 2017 dividends	FOR

AGENDA ITEMS 3-5 DETAILS:

According to the Regulations on the Dividend Policy of the Company, the amount of dividend payments shall be at least 35% of the net profit based on the consolidated IFRS financial statements.

The Supervisory Board has recommended paying 2017 dividends in the amount of RUB 5.24 per share.

It should be noted that the Supervisory Board, according to the meeting materials, takes a rather formal approach to profit distribution based on paying at least 50% of the profit according to IFRS or RAS (whichever is the greater), a principle generally accepted in Russia. It is therefore not clear how the Supervisory Board takes into account the free cash flow, the return on investments financed out of net profit and the benchmark application. We recommend that the Supervisory Board revise its approach prioritizing the economic rationale.

The Supervisory Board's recommendation is to pay RUB 38.59 billion (49% of the company's IFRS net profit) in 2017 dividends, including RUB 16.81 billion as 99.7% of the Russian GAAP (RAS) profit earned in 2017, RUB 21.78 billion out of previous years' retained earnings. Compared with the previous year, the proposed amount of dividends has decreased by 41%.

DRAFT RESOLUTIONS ON AGENDA ITEMS 3-5:

ITEM 3:

Distribute the net profit earned by PJSC ALROSA in 2017 as follows:

net profit for distribution:	RUB 16,854,208,000.00
payment of remuneration to members of the Supervisory Board of PJSC ALROSA:	RUB 43,350,000.00
payment of dividends:	RUB 16,810,858,000.00
profit left available for PJSC ALROSA:	0 rubles

ITEM 4:

Allocate part of the previous years' retained earnings as at January 1, 2018 in the amount of RUB 21,781,561,901.20 for the payment of 2017 dividends.

ITEM 5:

1) Pass a resolution on (declare) the payment of 2017 dividends in the amount of five (5) rubles twenty-four (24) kopecks per outstanding ordinary registered share of PJSC ALROSA with a face value of 50 (fifty) kopecks.

2) Establish the following payment procedure for the 2017 dividends:

- dividends to the shareholders of PJSC ALROSA included in the list of persons entitled to dividends shall be paid in cash by transfer of funds from ALROSA's account or, where a paying agent is involved, by postal or bank transfer from

the paying agent's account; the payment of dividends in cash to physical persons whose rights to the shares are recognized in the shareholder register shall be effected by transfer of money to their bank accounts if the Company's registrar has their respective payment details, or by postal transfer in case the payment details are not available; the payment of dividends to other persons whose rights to the shares are recognized in the shareholder register shall be effected by transfer of money to their respective bank accounts;

- the amount of accrued dividends calculated proceeding from the amount of dividend per share of PJSC ALROSA or in accordance with the ownership percentage of PJSC ALROSA share(s) shall be determined within the accuracy of one kopeck;

- should the transferred dividends be returned because of incorrect payment or other details, the repeated payment of dividends shall not be effected until information on changes in such payment and other details is provided to the register holder of PJSC ALROSA and the shareholder register of PJSC ALROSA is amended accordingly;

- PJSC ALROSA shall assume the expenses for the remittance fees payable for bank and/or postal transfers of dividends.

3) Set July 14, 2018 as the dividend record date, i.e. the date for determining the persons entitled to dividends.

6.	AGM agenda item	API recommendation
	Payment of remuneration to the Supervisory Board members (except for public officers) for the service on the Supervisory Board in the amount determined by the internal regulations (by-laws) of PJSC ALROSA	FOR

AGENDA ITEM 6 DETAILS:

The remuneration of Supervisory Board members shall be calculated according to the Regulations on Remuneration to Members of the Supervisory Board of PJSC ALROSA.

The amount of remuneration for participation in the work of the Supervisory Board payable to each Supervisory Board member shall be calculated taking into account the total number of the Supervisory Board meetings held during the previous corporate year, as at March 31 of the current year and the number of meetings attended by the Supervisory Board member.

Taking into account the structure of Supervisory Board members' participation in the work of the Supervisory Board and the performance by them of additional duties as chairs of the Supervisory Board and its committees, the total remuneration is RUB 43,350,000.

DRAFT RESOLUTION ON AGENDA ITEM 6:

Pay remuneration to the Supervisory Board members of PJSC ALROSA (except for public officers) for the service on the Supervisory Board in the 2017-2018 corporate period (year), in the amount and in the manner determined in accordance with the Regulations on Remuneration to Members of the Supervisory Board of PJSC ALROSA.

7.	AGM agenda item	API recommendation
	Payment of remuneration to the Auditing Committee members (except for public officers) for the service on the Auditing Committee in the amount determined by the internal regulations (by-laws) of PJSC ALROSA	FOR

AGENDA ITEM 7 DETAILS:

The Audit Committee of the Company elected for the 2017-2018 corporate year consists of 4 members, all of them being public officers.

Therefore, according to the Regulations on Remuneration to Members of the Audit Committee of PJSC ALROSA, no

remuneration shall be paid to members of the Audit Committee of the Company for the service in this capacity in the 2017-2018 corporate period (year).

DRAFT RESOLUTION ON AGENDA ITEM 7:

No remuneration shall be paid to the Auditing Committee members (except for public officers) for the service on the Auditing Committee in the 2017-2018 corporate period (year) in the amount and in the manner determined in accordance with the Regulations on Remuneration to Members of the Audit Committee of PJSC ALROSA.

8.	AGM agenda item	API recommendation
	Election of the Supervisory Board members of PJSC ALROSA	API recommends voting FOR Maria Gordon and Oleg Fedorov (independent directors supported by the API)

AGENDA ITEM 8 DETAILS:

According to the Company's Articles of Association, the Supervisory Board consists of 15 members. The shareholders have nominated 18 candidates, 13 of them being current Board members (italicized below).

Both candidates supported by the API meet the applicable director independence criteria. They are highly skilled professionals with extensive experience of serving on the Boards of Directors of Russian companies and current active members of the Company's Supervisory Board. We would also like to note the high appreciation by API-supported independent directors of Dmitry Konov elected as an independent director by the Government's votes.

No.	Name	Candidate office / position (at the primary place of employment)**	Nominated by / equity stake	Years on the Board	Status
1.	Nikolay Alexandrov	Deputy Head of the "Suntarsky ulus (district)" municipality of the Sakha Republic (Yakutia)	Governments of the municipalities of the Sakha Republic (Yakutia): "Verkhnevilyuyusky ulus (district)", "Nyurbinsky district" and "Suntarsky ulus (district)" / 2.9997	0	Non-executive director
2.	<i>Petr Alekseev</i>	<i>General Director, RIC JSC</i>	<i>Ministry of Property and Land Relations of the Sakha Republic (Yakutia) / 25.0002</i>	2	<i>Non-executive director</i>
3.	<i>Yegor Borisov</i>	<i>Head of the Sakha Republic (Yakutia)</i>	<i>Ministry of Property and Land Relations of the Sakha Republic (Yakutia) / 25.0002</i>	10	<i>Non-executive director</i>
4.	<i>Maria Gordon*</i>	<i>No data available</i>	<i>East Capital, Genesis Asset Managers, LLP, SEB Investment Management AB, Prosperity Capital Management/2.11</i>	3	<i>Independent director</i>
5.	<i>Evgenia Grigorieva</i>	<i>Minister of Property and Land Relations of the Sakha Republic (Yakutia)</i>	<i>Ministry of Property and Land Relations of the Sakha Republic (Yakutia) / 25.0002</i>	3	<i>Non-executive director</i>
6.	<i>Kirill Dmitriev</i>	<i>CEO, JSC RDIF Management Company</i>	<i>The Russian Federation represented by Rosimushchestvo / 33.0256</i>	1	<i>Non-executive director</i>
7.	Ilya Yelizarov	Assistant to Head of Rosimushchestvo	The Russian Federation represented by	0	Non-executive director

			Rosimushchestvo / 33.0256		
8.	<i>Sergey Ivanov</i>	<i>CEO, Chairman of the Executive Committee, PJSC ALROSA</i>	<i>The Russian Federation represented by Rosimushchestvo / 33.0256</i>	1	<i>Executive director</i>
9.	<i>Dmitry Konov</i>	<i>Chairman of the Management Board, PJSC SIBUR Holding</i>	<i>The Russian Federation represented by Rosimushchestvo / 33.0256</i>	1	<i>Independent director</i>
10.	<i>Valentina Lemesheva</i>	<i>No data available</i>	<i>Ministry of Property and Land Relations of the Sakha Republic (Yakutia) / 25.0002</i>	2	<i>Independent director***</i>
11.	<i>Galina Makarova</i>	<i>No data available</i>	<i>Ministry of Property and Land Relations of the Sakha Republic (Yakutia) / 25.0002</i>	3	<i>Independent director***</i>
12.	<i>Sergey Mestnikov</i>	<i>CEO, Non-profit organization "Special Purpose Fund for Future Generations of the Sakha Republic (Yakutia)"</i>	<i>Ministry of Property and Land Relations of the Sakha Republic (Yakutia) / 25.0002</i>	3	<i>Non-executive director</i>
13.	<i>Alexey Moiseev</i>	<i>Deputy Minister of Finance of the Russian Federation</i>	<i>The Russian Federation represented by Rosimushchestvo / 33.0256</i>	0	<i>Non-executive director</i>
14.	<i>Leonid Petukhov</i>	<i>General Director, autonomous nonprofit organization Far East Investment and Export Agency</i>	<i>The Russian Federation represented by Rosimushchestvo / 33.0256</i>	0	<i>Non-executive director</i>
15.	<i>Anton Siluanov</i>	<i>Minister of Finance of the Russian Federation</i>	<i>The Russian Federation represented by Rosimushchestvo / 33.0256</i>	3	<i>Non-executive director</i>
16.	<i>Oleg Fedorov*</i>	<i>No data available</i>	<i>East Capital, Genesis Asset Managers, LLP, SEB Investment Management AB, Prosperity Capital Management/2.11</i>	5	<i>Independent director</i>
17.	<i>Evgeny Chekin</i>	<i>Chairman of the Government of the Sakha Republic (Yakutia)</i>	<i>Ministry of Property and Land Relations of the Sakha Republic (Yakutia) / 25.0002</i>	0	<i>Non-executive director</i>
18.	<i>Alexey Chekunkov</i>	<i>General Director, Far East and Baikal Region Development Fund JSC</i>	<i>The Russian Federation represented by Rosimushchestvo / 33.0256</i>	3	<i>Non-executive director</i>

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Members of the Supervisory Board are elected by cumulative voting.

* The API officially supports the candidates Maria Gordon and Oleg Fedorov. We ask the shareholders to vote for these candidates giving half of the votes for each. According to our estimates, independent director Dmitry Konov, just as last year, will be elected by the Government's votes. Given the limited number of actually voting shareholders, we propose focusing on 2 directors to maximize the number of independent directors elected and ensure that the Company meets the Moscow Exchange's requirements for tier 1 (top-level) listing.

** specified as of the date of nomination

*** the status of the candidates is determined by the Company; the API is unable to assess the actual independence of the candidates. In 2017, one of the candidates refused to meet with API representatives and discuss the director's activity on the Supervisory Board. All the other independent directors met with the API.

Details on the API's engagement with independent directors are provided on the official API website:

<http://api-russia.org>.

All independent directors supported by the API are open to direct contact with shareholders; please [contact us](#) for further information.

DRAFT RESOLUTION ON AGENDA ITEM 8:

Elect candidates from the following list as members of the Supervisory Board of PJSC ALROSA:

1. Nikolay Alexandrov
2. Petr Alekseev
3. Yegor Borisov
4. Maria Gordon
5. Evgenia Grigorieva
6. Kirill Dmitriev
7. Ilya Yelizarov
8. Sergey Ivanov
9. Dmitry Konov
10. Valentina Lemesheva
11. Galina Makarova
12. Sergey Mestnikov
13. Alexey Moiseev
14. Leonid Petukhov
15. Anton Siluanov
16. Oleg Fedorov
17. Evgeny Chekin
18. Alexey Chekunkov

9.	AGM agenda item	API recommendation
	Election of the Auditing Committee members of PJSC ALROSA	API recommends voting FOR on any ANY FIVE candidates**

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AGENDA ITEM 9 DETAILS:

According to the Company's Articles of Association, the Auditing Committee consists of 5 members. There are 6 candidates in the list of nominees, including all the current Committee members (only four Committee members were nominated and elected at the Annual General Meeting in 2017). The current Committee members are italicized below.

No.	Name	Candidate office / position (at the primary place of employment)
1.	<i>Anna Vasilyeva</i>	<i>Head of the Department of Rough and Polished Diamond Complex Property, Financial, Credit and Insurance Organizations, Ministry of Property and Land Relations of the Sakha Republic (Yakutia)</i>
2.	<i>Alexander Vasilchenko</i>	<i>Deputy Director of the Corporate Governance Department, Ministry of Economic Development of the Russian Federation</i>
3.	<i>Dmitry Vladimirov</i>	<i>Head of division at the Department of Property Affairs and Privatization of Major Organizations, Federal Agency for State Property Management</i>
4.	Konstantin Pozdnyakov	Dean of the Faculty of International Tourism, Sport Business and Hospitality Industry, assistant professor at the Department of Corporate Finance and Corporate Governance, assistant professor at the Department of

		Management, Financial University under the Government of the Russian Federation
5.	<i>Viktor Pushmin</i>	<i>Deputy Minister of Finance of the Sakha Republic (Yakutia)</i>
6.	Alexander Pshenichnikov	Deputy Head, Department for State Regulation of the Production, Processing and Circulation of Precious Metals and Precious Gems and Foreign Exchange Control, Ministry of Finance of the Russian Federation

Auditing Committee members are elected by a simple majority of votes.

The API has no preference for any of the nominated candidates, the vast majority of whom are public officers. Therefore, it is recommended that the shareholders vote for any 5 candidates, given that the resolution is passed by a simple majority of votes and actually depends on Russia's Federal Agency for State Property Management (Rosimushchestvo) which has the largest block of shares.

DRAFT RESOLUTION ON AGENDA ITEM 9:

Elect candidates from the following list as members of the Auditing Committee of PJSC ALROSA:

1. Anna Vasilyeva;
2. Alexander Vasilchenko;
3. Dmitry Vladimirov;
4. Konstantin Pozdnyakov;
5. Viktor Pushmin;
6. Alexander Pshenichnikov.

10.	AGM agenda item	API recommendation
	Approval of the auditors of PJSC ALROSA	FOR

AGENDA ITEM 10 DETAILS:

According to the materials provided for the meeting, in 2016, the Company held two open tenders for the right to conclude a contract for the mandatory auditing of the Company's 2016-2018 accounting (financial) statements prepared in accordance with the Russian laws and the consolidated 2016-2018 financial statements of ALROSA Group prepared in accordance with International Financial Reporting Standards (IFRS). However, information on the other open tender participants, their bids and other significant aspects of the auditor selection procedure remain undisclosed. We recommend that the Company include these data, as well as information on the price of services (including, if any, non-audit services) offered by the winning bidder, in materials prepared for the general shareholders meeting.

DRAFT RESOLUTION ON AGENDA ITEM 10:

1. Approve JSC PricewaterhouseCoopers Audit as the auditor of PJSC ALROSA for the mandatory auditing of accounting (financial) statements of PJSC ALROSA prepared in accordance with the Russian laws under the Russian Accounting Standards (RAS) based on the 2018 results.
2. Approve JSC PricewaterhouseCoopers Audit as the auditor of PJSC ALROSA for the mandatory auditing of consolidated financial statements of ALROSA Group prepared in accordance with the International Financial Reporting Standards based on the 2018 results.

11.	AGM agenda item	API recommendation
	Amendments to the Articles of Association of PJSC ALROSA	FOR

AGENDA ITEM 11 DETAILS:

The proposed amendments to the document are aimed at bringing the Articles of Association in compliance with the current laws, correcting the misprints and erroneous numbering detected in the text of the Articles, etc. The only significant and positive change is the proposal to increase the quorum for passing resolutions on quite a number of significant issues within the competence of the Board to a majority of all Supervisory Board members from a majority of Supervisory Board members in attendance, in accordance with the 2014 Corporate Governance Code recommendations.

No innovations prejudicing the interests or restricting the rights of shareholders are proposed.

DRAFT RESOLUTION ON AGENDA ITEM 11:

Approve amendments to the Articles of Association of PJSC ALROSA (Annex 1).

12.	AGM agenda item	API recommendation
	Amendments to the Regulations on the Supervisory Board of PJSC ALROSA	FOR

AGENDA ITEM 12 DETAILS:

The proposed amendments are intended to implement a business process automation system for collegiate governing bodies at the Company with the aim of improving communications inside the Supervisory Board, between Supervisory Board members and the management, providing Supervisory Board members with faster access to materials of meetings and an opportunity to handle matters and make decisions remotely online.

No innovations prejudicing the interests or restricting the rights of shareholders are proposed.

DRAFT RESOLUTION ON AGENDA ITEM 12:

Approve amendments to the Regulations on the Supervisory Board of PJSC ALROSA (Annex 2).

13.	AGM agenda item	API recommendation
	Amendments to the Regulations on the Executive Committee of PJSC ALROSA	FOR

AGENDA ITEM 13 DETAILS:

The proposed amendments are intended to implement a business process automation system for collegiate governing bodies at the Company with the aim, among other things, of improving communications inside the Executive Committee, providing Executive Committee members with faster access to materials of meetings.

No innovations prejudicing the interests or restricting the rights of shareholders are proposed.

DRAFT RESOLUTION ON AGENDA ITEM 13:

Approve amendments to the Regulations on the Executive Committee of PJSC ALROSA.

14.	AGM agenda item	API recommendation
	Amendments to the Regulations on the Auditing Committee of PJSC ALROSA	FOR

AGENDA ITEM 14 DETAILS:

The proposed amendments are intended to implement a business process automation system for collegiate governing bodies at the Company.

No innovations prejudicing the interests or restricting the rights of shareholders are proposed.

DRAFT RESOLUTION ON AGENDA ITEM 14:

Approve amendments to the Regulations on the Auditing Committee of PJSC ALROSA (Annex 4).

15.	AGM agenda item	API recommendation
	Amendments to the Regulations on Remuneration to Members of the Supervisory Board of PJSC ALROSA	FOR

AGENDA ITEM 15 DETAILS:

The innovations proposed in the document are primarily aimed at increasing the motivation of Supervisory Board members for high activity in the Board committees. The new version provides for a special bonus for performance of additional duties related to membership in Supervisory Board committees. The bonus is calculated separately for each Committee based on a special formula taking into account the number of the Committee meetings in which the Supervisory Board member participated.

No innovations prejudicing the interests or restricting the rights of shareholders are proposed.

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DRAFT RESOLUTION ON AGENDA ITEM 15:

Approve amendments to the Regulations on Remuneration to Members of the Supervisory Board of PJSC ALROSA (Annex 5).

The Voting Recommendations are based on the Annual General Meeting reference materials published on the website of PJSC ALROSA. For questions and/or comment, please contact us at: +7 (495) 510-5306 or via email: polovnev@api-russia.org.