Annex N____

Approved by the Resolution of the
Annual General Meeting of Shareholders
of PJSC ALROSA
on June __, 2018
(Minutes N 37 of June __, 2018)

Amendments to the Regulations on the Supervisory Board of PJSC ALROSA

1. Clause 3.4. shall be amended as follows:

"3.4. For the purpose of information and documentation support of the work of the Supervisory Board, committees under the Supervisory Board and members of the Supervisory Board, any information systems, solutions and file-sharing resources or data stores available to the Company may be used, including, in addition to cloud storage technology, ftp (file transfer protocol), SSH (Secure Shell), https (HyperText Transfer Protocol Secure), e-mail, as well as any other systems of electronic data transmission and storage, allowing access to information through user authentication,

E-mail account is created on alrosa.ru domain for members of the Supervisory Board of the Company, and at the request of a member of the Supervisory Board of the Company, access to the information technologies and solutions available in the Company is provided. Access to services and solutions is terminated by the end of the term of office of a member of the Supervisory Board.

Materials and documents of the Company, including those classified as insider information, may be transferred to members of the Supervisory Board with the use of electronic system for collegial bodies support, by e-mail to addresses of members of the Supervisory Board created on alrosa.ru domain, and also in hard copy."

2. To add Clause 3.5. as follows:

"3.5. Those members of the Supervisory Board who act in breach of their duties as set out by these Regulations on the Supervisory Board and the Articles of Association of the Company shall be liable to the extent of the losses inflicted on the Company as a result of such breach by members of the Supervisory Board of their duties, including any missed profit of the Company to the extent of its market value, unless any other grounds and scope of the liability are stipulated by effective laws of the Russian Federation."

3. Clause 7.8.1. shall be amended as follows:

"7.8.1. A notice of the meeting of the Supervisory Board shall be sent to each of the members of the Supervisory Board in one of the following ways: with the use of electronic system for collegial bodies support, in writing, in compliance with Annex 1 to these Regulations, by facsimile or in the electronic form at least 15 (fifteen) days before the date of the meeting.

The notice shall include the following information:

- The date, time and place of the meeting;
- The address for sending written opinions with the results of the voting on the items of the agenda (for being taken into account when establishing the quorum and the voting results in the event of impossibility to attend the meeting by the relevant member);
- The agenda of the meeting;
- The list of reference materials to be provided to the members of the Supervisory Board for the meeting.

The notice shall include attached draft decisions on the items on the agenda, justifications of the need to take the proposed decisions, reference materials. A list of parties invited to the meeting may also be attached.

Draft decision of the Supervisory Board and materials that include any information classified as state secret, commercial secret or service secret shall be submitted to the consideration of the Supervisory Board in compliance with the relevant regulations."

4. Clause 7.8.2. shall be amended as follows:

"7.8.2. A notice of the absentee voting of the Supervisory Board shall be sent to each of the members of the Supervisory Board in one of the following ways: with the use of electronic system for collegial bodies support, in writing, in compliance with Annex 2 to these Regulations, by facsimile or in the electronic form at least 7 (seven) days before the deadline for submission of ballots. When any issues occur that cannot be delayed, the Chairman of the Supervisory Board may take a decision to establish another period for notification about the absentee voting of the Supervisory Board.

The notice shall include the following information:

- The deadline for submission of ballots by the members of the Supervisory Board on the items on the agenda;
- The address for submitting completed ballots;
- The agenda of the absentee voting;
- The list of reference materials to be provided to the members of the Supervisory Board for the absentee voting.

The notice shall include the ballot attached, with draft decisions on the items of the agenda and, if necessary, justifications of the need to take the proposed decision, and reference materials.

Draft decision of the Supervisory Board and materials that include any information classified as state secret, commercial secret or service secret shall be submitted to the consideration of the Supervisory Board in compliance with the relevant regulations.

5. Clause 8.8. shall be amended as follows:

"8.8. Following a decision of the Chairman of the Supervisory Board, a meeting of the Supervisory Board may be held in the conference call mode and/or videoconference mode (i.e., the meeting during which the members of the Supervisory Board in different locations have a possibility to see and/or to hear the reporter, ask questions to the reporter, make proposals on the draft decision of the issue under consideration). The meeting of the Supervisory Board held in the conference call mode and/or videoconference mode shall be a meeting held in the form of joint presence. The place of the meeting held in the conference call mode and videoconference mode shall be the location of the Chairman of the meeting of the Supervisory Board."

6. Clause 8.9. shall be amended as follows:

"8.9. The Chairman of the Supervisory Board shall take a decision to hold absentee voting of the Supervisory Board.

In the event of absentee voting, ballots shall be distributed to the members of the Supervisory Board in one of the following ways: with the use of electronic system for collegial bodies support, by e-mail, by facsimile or in hard copy. The ballots distributed to the members of the Supervisory Board shall be compiled by the Corporate Secretary.

The ballot shall include the following information:

1) A mention of the decision of the Supervisory Board, the Chairman of the Supervisory Board or the item of the work plan of the Supervisory Board underlying the absentee voting, and if the absentee voting is held on the initiative of any other parties and bodies – a mention of the initiators of the absentee voting;
2) The wording of the issue (item on the agenda);
3) The wording of the draft decision on each of the items on the agenda;
4) Voting versions (expressed as: "FOR", "AGAINST", "ABSTAIN");
5) A mention of the requirement to duly fill in only one of the voting versions on each of the items;
6) A description of the filling-in method of the ballot (underlining, crossing out);
7) A mention of the requirement for the member of the Supervisory Board to sign the ballot;
8) A mention of the deadline before which the filled-in ballot should be submitted;

9) The mailing address, the e-mail address and the facsimile number to which the filled-in ballot should be sent.

The date of the actual submission of the ballot shall be determined as the sending date of the ballot by the member of the Supervisory Board in one of the following ways: with the use of electronic system for collegial bodies support, by e-mail, facsimile or in hard copy as stated on the ballot or as the date of the hand-in of the ballot directly to the Corporate Secretary. If requested by any member of the Supervisory Board, the Corporate Secretary shall provide a confirmation to evidence the fact of the ballot receipt and (or) to evidence the content of the ballot (by means of sending a copy of the ballot signed by the Corporate Secretary, with the transcript of the signature and the signing date to the member of the Supervisory Board).

The Corporate Secretary shall process the ballots received from the members of the Supervisory Board.

Those members of the Supervisory Board whose ballots were submitted within the established deadline for submission of ballots shall be deemed participating in the voting.

A ballot may be deemed invalid in full or in part of any items on the following grounds:

- There are any signs in more than one box of the voting version on the item (except for cases where presence of any signs in more than one box does not prevent unambiguous understanding of the will expressed by the member of the Supervisory Board, i.e., when there are no doubts about the version he/she selects);or
- There is no signature of the voting member of the Supervisory Board on his/her ballot; or
- The ballot includes any corrections and/or reservations on the proposed draft decision.

The Corporate Secretary shall draw out the minutes of the absentee voting. If requested by any member of the Supervisory Board, the minutes of the absentee voting shall be sent to the relevant member of the Supervisory Board by a registered letter with a delivery receipt, sent by e-mail, facsimile or handed in personally within 3 (three) days after the request submission date."

7. Clause 9.1. shall be amended as follows:

"9.1. The Corporate Secretary shall register a quorum in the draft minutes of the meeting of the Supervisory Board.

Any member of the Supervisory Board who is unable to attend the meeting of the Supervisory Board in person, may express his/her opinion on the items on the agenda in writing.

If the written opinion submitted by the member of the Supervisory Board includes the results of his/her voting on the proposed draft decisions (one of the proposed draft decisions), such members of the Supervisory Board shall be deemed participating in the voting and his/her written opinion shall be counted when establishing a quorum for taking decisions on the items on the agenda and the voting results.

The member of the Supervisory Board shall submit such written opinion before the meeting of the Supervisory Board, in one of the following ways: with the use of electronic system for collegial bodies support or by means of electronic communications (a scanned image of the written opinion).

In the event any alternative draft decisions on the same item of the agenda are submitted to the Supervisory Board for consideration as per Clause 9.9.1 of these Regulations, the written opinion of the member of the Supervisory Board in a rating voting shall be counted, subject to the condition that it includes his/her voting results in such rating voting for one of the proposed alternatives and reflects the fact of his/her awareness of the other alternative draft decisions.

In the event the meeting of the Supervisory Board decides to change its decision on any item on the agenda of the Supervisory Board, the Corporate Secretary on the instructions of the Chairman of the Supervisory Board may distribute the amended ballots (updated draft decisions) to those members of the Supervisory Board who are unable to attend such meeting in person before the closure of such meeting of the Supervisory Board.

The member of the Supervisory Board shall submit his/her written opinion (updated written opinion) before the closure of the meeting of the Supervisory Board.

Chief Executive Officer –
Chairman of the Executive Committee of
PJSC ALROSA

Sergey Ivanov