Explanatory Note to items 8, 9 of the Agenda of the Annual General Meeting of Shareholders of PJSC ALROSA

Election of members of the Supervisory Board of PJSC ALROSA (hereinafter – the Company) and members of the Auditing Committee of the Company is conducted annually and falls within the jurisdiction of the Annual General Meeting of Shareholders of the Company (Subclauses 4 and 9, Clause 1, Article 48 of the Federal Law On Joint Stock Companies).

The Company's shareholder(s) collectively holding at least two per cent of the Company's voting shares, have the right to propose nominees to the Company's Supervisory Board and Auditing Committee within the 75 days after the end of the financial year (Chapter 1, Article 53 of the Federal Law On Joint Stock Companies, and Clause 11.3.1.2. of the Articles of Association of the Company).

On March 21, 2018 the Supervisory Board of the Company considered, in due time, the candidates proposed by the Company's shareholders, and resolved to add them to the list of nominees to the Supervisory Board and the Auditing Committee to be elected at the Annual General Meeting of Shareholders.

Considering the above, the Company's General Meeting of Shareholders is requested to elect members of the Company's Supervisory Board and the Auditing Committee for the 2018-2019 corporate year.