

Materials that are made available for those  
entitled to participate in the Annual General Shareholders  
Meeting of PJSC “LUKOIL”  
to be held on June 23, 2020

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**NOTICE**  
**of the Annual General Shareholders Meeting**  
**of Public Joint Stock Company “Oil company “LUKOIL”**

**Dear Shareholder,**

Public Joint Stock Company “Oil company “LUKOIL” location: Moscow; address: Sretensky bulvar 11, Moscow, 101000, Russian Federation, hereby informs you that, by decision of the Board of Directors of PJSC “LUKOIL” of 18 May 2020 and based on Article 2 of Federal Law No.50-FZ of 18 March 2020, the Annual General Shareholders Meeting of PJSC “LUKOIL” will take place on **23 June 2020 in the form of an absentee voting meeting**, with the following agenda:

- 1. Approval of the 2019 Annual Report of PJSC “LUKOIL”, the annual accounting (financial) statements, distribution of profits and adoption of a decision on payment (declaration) of dividends based on the 2019 annual results.**
- 2. Election of the members of the Board of Directors of PJSC “LUKOIL”.**
- 3. On the remuneration and reimbursement of expenses to members of the Board of Directors of PJSC “LUKOIL”.**
- 4. Approval of the Auditor of PJSC “LUKOIL”.**
- 5. Decision on consent to perform an interested-party transaction.**

The deadline for the receipt of ballots

**23 June 2020**

Postal address the completed and signed ballots must be sent to:

**OOO Registrator Garant, Krasnopresnenskaya Naberezhnaya 6, Moscow, 123100, Russian Federation**

The date of determining (formalizing) the persons entitled to take part in the Annual General Shareholders Meeting:

**29 May 2020**

Classes (types) of shares whose owners have the right to vote on all agenda items of the Annual General Shareholders Meeting:

**Registered Ordinary Shares**

Identification details of the shares whose holders are entitled to take part in the Annual General Shareholders Meeting:

**State Registration Number of the securities issue:  
1-01-00077-A dated 25 June 2003**

The URL of the website on the information and telecommunications network “Internet” where electronic voting ballots may be completed, and the QR-code for prompt connection to the said website:

**<https://evoting.reggarant.ru/Voting/Lk>**



Please kindly note that the persons entitled to participate in the Annual General Shareholders Meeting of PJSC “LUKOIL” (the Company) may take part in the Company’s Annual General Shareholders Meeting by completing their voting ballots electronically on the website <https://evoting.reggarant.ru/Voting/Lk> in the information and telecommunications network Internet, with the Instructions for users of the electronic voting solution available on the Company’s websites [www.lukoil.ru](http://www.lukoil.ru) (in Russian), [www.lukoil.com](http://www.lukoil.com) (in English) in the information and telecommunications network Internet. Access for completing electronic voting ballots shall be granted from 30 May 2020 to the shareholders who register their title to shares in the Company’s Shareholder Register, while shareholders who are clients of nominee holders shall be granted access after the said nominee holders provide OOO Registrator Garant (the Registrar) keeping the Company’s Shareholder Register with information on persons entitled to participate in the Annual General Shareholders Meeting of PJSC “LUKOIL”.

If the Company’s Shareholder Register contains information on the email address of a person entitled to participate in the General Shareholders Meeting, then the ballots for voting at the Meeting shall be sent to such person in the form of an electronic message to his/her email address specified in the Company’s Shareholder Register. In this case, voting can be performed by printing, completing and sending the ballots attached to the electronic message by mail to the address: OOO Registrator Garant, Krasnopresnenskaya Naberezhnaya 6, Moscow, 123100, Russian Federation. If so, the voting ballots must be signed without fail. Information on the shareholder’s e-mail address may be provided by the shareholder by submitting the Registered Natural/Legal Person’s Form containing information about the e-mail address to the Registrar. The Registrar does not charge a fee for submitting the Registered Natural/Legal Person’s Form.

The ballots received by PJSC “LUKOIL” by the deadline for the receipt of ballots and the electronic ballots completed at <https://evoting.reggarant.ru/Voting/Lk> in the information and telecommunications network Internet by the said deadline will be counted for determining a quorum of the Annual General Shareholders Meeting of PJSC “LUKOIL” and tallying votes.

Information (materials) to be provided to persons entitled to participate in the Annual General Shareholders Meeting of PJSC “LUKOIL” in preparation for the Annual General Shareholders Meeting of PJSC “LUKOIL” will be available on the Company’s websites [www.lukoil.ru](http://www.lukoil.ru) (in Russian), [www.lukoil.com](http://www.lukoil.com) (in English) in the information and telecommunications network Internet starting from the date of publication on the said websites (no later than 2 June 2020); and from 3 June 2020, from 10:00

a.m. to 05:00 p.m. on business days, in the premises of the executive body of PJSC “LUKOIL”, at the address: Sretensky bulvar 11, Moscow, 101000 Russian Federation, tel. 8 (800) 200 9402 or 8 (495) 981 7320, as well as at the Registrar's addresses: Krasnopresnenskaya Naberezhnaya 6, Moscow, 123100, Russian Federation, tel. 8 (495) 221 3112, 8 (800) 500 2947; Ulitsa Italiyskaya, 4 A (third floor), St. Petersburg, 191186, Russian Federation tel. 8 (812) 644 87 68 and to the addresses of the transfer agents of OOO Registrator Garant indicated on the Registrar's official website <http://www.reggarant.ru/index.php/ru/transfer-agentskie-punkty>.

Access to information (materials) for the General Shareholders Meeting shall be granted for voting electronically on the website <https://evoting.reggarant.ru/Voting/Lk> in the information and telecommunications network Internet.

The decisions taken by the Annual General Shareholders Meeting of PJSC “LUKOIL” and voting results will be communicated to the persons on the list of persons entitled to take part in the Meeting in the form of a Report on Voting Results to be made available on the Company’s official websites [www.lukoil.ru](http://www.lukoil.ru), [www.lukoil.com](http://www.lukoil.com) in the information and telecommunications network Internet through 29 June 2020.

For the purpose of ensuring your rights as shareholders of PJSC "LUKOIL", we kindly ask you to inform OOO Registrator Garant, the company keeping the Company’s Shareholder Register, of any changes in your data (name, change in residence/domicile, change in banking details, passport and other data) in a timely manner by completing the Registered Natural/Legal Person’s Form and submitting it to the Registrar. Pursuant to Clause 16, Article 8.2 of the Federal Law *On Securities Market* neither the Company nor the Registrar will be liable for the loss incurred, should you fail to provide information on such changes.

Dear Shareholder,

By participating in the Annual General Shareholders Meeting of PJSC “LUKOIL” you exercise your right to participate in managing the Company by taking decisions on the most significant matters of its business operations, which matters fall within the exclusive competence of the General Shareholders Meetings.

More details on the Annual General Shareholders Meeting of PJSC “LUKOIL” will be available if contacted at: 8 (800) 200 9402 or 8 (495) 981 7320, [shareholder@lukoil.com](mailto:shareholder@lukoil.com).

**Board of Directors of PJSC “LUKOIL”**

**Agenda**  
**of the Annual General Shareholders Meeting of PJSC "LUKOIL"**

Moscow, 23 June 2020

1. Approval of the 2019 Annual Report of PJSC “LUKOIL”, the annual accounting (financial) statements, distribution of profits and adoption of a decision on payment (declaration) of dividends based on the 2019 annual results.
2. Election of the members of the Board of Directors of PJSC “LUKOIL”.
3. On the remuneration and reimbursement of expenses to members of the Board of Directors of PJSC “LUKOIL”.
4. Approval of the Auditor of PJSC “LUKOIL”.
5. Decision on consent to perform an interested-party transaction.

**DRAFT DECISIONS****OF THE 2020 ANNUAL GENERAL SHAREHOLDERS MEETING OF PJSC "LUKOIL"**

**Draft decision on item 1 on the agenda: *Approval of the 2019 Annual Report of PJSC "LUKOIL", the annual accounting (financial) statements, distribution of profits and adoption of a decision on payment (declaration) of dividends based on the 2019 annual results:***

To approve the Annual Report of PJSC "LUKOIL" for 2019, the annual accounting (financial) statements and distribute the profits based on the 2019 annual results as follows:

The net profit of PJSC "LUKOIL" based on the 2019 annual results equalled 405,759,769,370 roubles 50 kopecks.

The net profit in the amount of 242,503,016,700 roubles based on the 2019 annual results (excluding the profit distributed as interim dividends of 137,280,000,000 roubles for the first nine months of 2019) be allocated for the payment of dividends.

The remainder of the profits in the amount 25,976,752,670 roubles 50 kopecks shall be retained earnings.

To pay out dividends on ordinary shares of PJSC "LUKOIL" based on the 2019 annual results in the amount of 350 roubles per ordinary share (excluding the interim dividends of 192 roubles per ordinary share paid based on the results for the first nine months of 2019). The total amount of dividends payable for 2019 including the interim dividends already paid will be 542 roubles per ordinary share. To pay out dividends in the amount of 350 roubles per ordinary share in cash from PJSC "LUKOIL" bank account to nominee shareholders and trust managers who are professional market participants whose names are on the shareholder register of PJSC "LUKOIL" not later than 22 July 2020, and to other shareholders whose names are on the shareholder register of PJSC "LUKOIL" not later than on 12 August 2020.

The costs on the transfer of dividends, regardless of the means, will be borne by PJSC "LUKOIL".

To set 10 July 2020 as the date on which persons entitled to receive dividends based on the 2019 annual results will be determined.

**Draft decision on item 2 on the agenda: *Election of the Board of Directors of PJSC "LUKOIL":***

To elect the Board of Directors of PJSC "LUKOIL", consisting of 11 members, from the list of candidates approved by the Board of Directors of PJSC "LUKOIL" on 5 March 2020 (Minutes No.6):

1. ALEKPEROV, Vagit Yusufovich
2. BLAZHEEV, Victor Vladimirovich
3. GATI, Toby Trister
4. MAGANOV, Ravil Ulfatovich
5. MUNNINGS, Roger
6. NIKOLAEV, Nikolai Mikhailovich
7. TEPLUKHIN, Pavel Mikhailovich
8. FEDUN, Leonid Arnoldovich
9. KHOBA, Liubov Nikolaevna
10. SHATALOV, Sergei Dmitrievich
11. SCHÜSSEL, Wolfgang

**Draft decision on item 3 on the agenda: *On the remuneration and reimbursement of expenses to members of the Board of Directors of PJSC “LUKOIL”***

1. To pay remuneration and reimburse expenses to members of the Board of Directors of PJSC “LUKOIL” pursuant to Appendix No.1 hereto.

2. To establish the amounts of remuneration for the newly elected members of the Board of Directors of PJSC “LUKOIL” pursuant to Appendix No.2 hereto. To establish that during their service the newly elected members of the Board of Directors shall be reimbursed for the expenses related to the performance of their functions as members of the Board of Directors, the types of which were established by decision of the Annual General Shareholders Meeting of OAO “LUKOIL” of 24 June 2004 (Minutes No.1), in the amount of actually incurred and documented expenses, upon submission by members of the Board of Directors of written expense claims.

**Draft decision on item 4 on the agenda: *Approval of the Auditor of PJSC “LUKOIL”:***

To approve the independent auditor of PJSC "LUKOIL" - Joint Stock Company KPMG.

**Draft decision on item 5 on the agenda: *Decision on consent to perform an interested-party transaction:***

To give consent to an interested-party transaction – Contract (Policy) on Directors, Officers and Companies Liability Insurance between PJSC “LUKOIL” (Policyholder) and Ingosstrakh Insurance Company (Insurer) on the terms and conditions set forth in the Appendix hereto.

**Position and recommendations of the Board of Directors of PJSC “LUKOIL”  
on items on the agenda  
of the Annual General Shareholders Meeting of PJSC “LUKOIL”**

**On item 1 on the agenda of the Meeting: *Approval of the 2019 Annual Report of PJSC “LUKOIL”, the annual accounting (financial) statements, distribution of profits and adoption of a decision on payment (declaration) of dividends based on the 2019 annual results***

***Position:***

As provided in Clause 2, Article 54 of the Federal Law *On Joint Stock Companies*, agenda of a company's Annual General Shareholders Meeting must include approval of its Annual Report and annual accounting (financial) statements. Further, as provided in Clause 4, Article 88 of the Federal Law *On Joint Stock Companies*, the annual report of a company is subject to tentative approval by the company's Board of Directors not later than 30 days before the date of its annual general shareholders meeting.

The Board of Directors of PJSC “LUKOIL” (the Company) hereby states that the Annual Report of PJSC “LUKOIL” for 2019 reviewed by the Audit Committee of the Board of Directors on 28 April 2020 and tentatively approved by the Board of Directors on 18 May 2020 was composed in accordance with the Federal Law *On Joint Stock Companies*, requirements of the *Regulation on information disclosure by issuers of issuable securities* No. 454-P approved by the Bank of Russia as of 30 December 2014, with regard to the structure and contents of the annual report, as well as recommendations contained in the Corporate Governance Code.

The Board of Directors of PJSC “LUKOIL” believes that the Annual Report of PJSC “LUKOIL” for 2019 is fair, i.e. is presented in such a way as to ensure, in all material respects, to reflect all data subject to disclosure in accordance with requirements set by the regulatory bodies of the Russian Federation.

The accounting (financial) statements of PJSC “LUKOIL” for 2019 prepared in accordance with the Russian Accounting Standards (RAS) and consolidated financial statements of PJSC “LUKOIL” for 2019 prepared in accordance with the International Financial Reporting Standards (IFRS) underwent a prior review of the Audit Committee of the Board of Directors of PJSC “LUKOIL”.

The Board of Directors of PJSC “LUKOIL” also reviewed the Auditor's Report of the Company's independent Auditor, JSC KPMG, on the accounting (financial) statements of PJSC “LUKOIL” for 2019 prepared in accordance with the Russian Accounting Standards.

Relying on the Auditor's Report, the Board of Directors believes that the accounting (financial) statements of PJSC “LUKOIL” present fairly, in all material respects, its financial position as at 31 December 2019, results of its financial activities and the cash flows for 2019 in accordance with the RAS.

The Board of Directors, based on the financial results of the Company's operations, as reflected in the accounting (financial) statements of PJSC “LUKOIL” for 2019, prepared in accordance with the RAS, and net profit of 405,759,769,370.50 roubles received by PJSC “LUKOIL” for 2019, believes that the Company's net profit for 2019 (excluding the profit distributed as interim dividends of 137,280,000,000.00 roubles for the first nine months of 2019) shall be distributed by allocating 242,503,016,700.00 roubles for the payment of dividends for 2019, with the remainder of the profits of 25,976,752,670.50 roubles being retained earnings.

The Board of Directors proceeds from the premise that at present there is no need to distribute the Company's profit for purposes other than payment of dividends, the Reserve Fund PJSC “LUKOIL” in the amount of 15 percent of the Charter Capital has been fully formed, and there are no restrictions on payment of dividends under the current legislation.



The amount of the final dividend recommended by the Board of Directors for the results of 2019 (350 roubles per ordinary share) is deemed by the Company's Board of Directors to be optimal, as it reflects Company's financial results for the reporting period and fully complies with the principles of calculation of the final dividend amount stated in the *Regulations on the Dividend Policy of PJSC "LUKOIL"*.

It is recommended that dividends be paid in cash from the bank account of PJSC "LUKOIL" within the deadlines established by the current legislation of the Russian Federation. The Company bears all and any expenses on such dividend transfer, in line with the existing corporate practices.

Following the requirements of the Federal Law *On Joint Stock Companies*, it is proposed to set 10 July 2020 as the dividend record date for persons entitled to dividends based on the 2019 results.

***Recommendation:***

To approve the Annual Report of PJSC "LUKOIL" for 2019, the annual accounting (financial) statements and distribute the profits based on the 2019 annual results as follows:

The net profit of PJSC "LUKOIL" based on the 2019 annual results equalled 405,759,769,370 roubles 50 kopecks.

The net profit in the amount of 242,503,016,700 roubles based on the 2019 annual results (excluding the profit distributed as interim dividends of 137,280,000,000 roubles for the first nine months of 2019) be allocated for the payment of dividends.

The remainder of the profits in the amount 25,976,752,670 roubles 50 kopecks shall be retained earnings.

To pay out dividends on ordinary shares of PJSC "LUKOIL" based on the 2019 annual results in the amount of 350 roubles per ordinary share (excluding the interim dividends of 192 roubles per ordinary share paid based on the results for the first nine months of 2019). The total amount of dividends payable for 2019 including the interim dividends already paid will be 542 roubles per ordinary share. To pay out dividends in the amount of 350 roubles per ordinary share in cash from PJSC "LUKOIL" bank account to nominee shareholders and trust managers who are professional market participants whose names are on the shareholder register of PJSC "LUKOIL" not later than 22 July 2020, and to other shareholders whose names are on the shareholder register of PJSC "LUKOIL" not later than on 12 August 2020.

The costs on the transfer of dividends, regardless of the means, will be borne by PJSC "LUKOIL".

To propose that the Annual General Shareholders Meeting of PJSC "LUKOIL" set 10 July 2020 as the date on which persons entitled to receive dividends based on the 2019 annual results are determined.

The proposed decisions are based on the recommendations of the Audit Committee of the Board of Directors of PJSC "LUKOIL" (Minutes No.3 of 28 April 2020) and the Strategy, Investment and Sustainability Committee of the Board of Directors of PJSC "LUKOIL" (Minutes No.3 of 18 May 2020).

**On item 2 on the agenda of the Meeting: *Election of the members of the Board of Directors of PJSC "LUKOIL"***

***Position:***

As provided in point 9.2 of the Company Charter, members of the Board of Directors consisting of 11 (eleven) persons are elected by the General Shareholders Meeting of the Company by cumulative voting for the term lasting up to the next Annual General Shareholders Meeting.

The List of candidates for election to the Board of Directors of PJSC "LUKOIL" was determined by the Company's Board of Directors on 5 March 2020 (Minutes No.6) in accordance with the Federal Law *On Joint Stock Companies*, the Charter and internal documents of the Company.

Due to the absence of proposals on candidates for election to the Company's Board of Directors from shareholders holding at least 2% of the voting shares of PJSC "LUKOIL", the Board of Directors of PJSC "LUKOIL" acting in pursuance of Clause 7, Article 53 of the Federal Law *On Joint Stock Companies*, included the following nominees in the list of candidates for election to the Board of Directors of PJSC "LUKOIL" at its own discretion: Vagit Yusufovich Alekperov, Victor Vladimirovich Blazheev, Toby Trister Gati, Ravil Ulfatovich Maganov, Roger Munnings, Nikolai Mikhailovich Nikolaev, Pavel Mikhailovich Teplukhin, Leonid Arnoldovich Fedun, Liubov Nikolaevna Khoba, Sergei Dmitrievich Shatalov, Wolfgang Schüssel.

Therefore, the list of candidates to the Company's Board of Directors consists of 11 individuals.

The HR and Compensation Committee of the Board of Directors of PJSC "LUKOIL" has performed analysis of the professional qualifications and independence of all candidates to the Company's Board of Directors based on their available personal data and the Independence Questionnaires received from the Board candidates. The candidates for the Board of Directors are recognized to have a flawless business reputation, possess professional qualifications, knowledge, skills and experience required for decision-making on issues within the competence of the Board of Directors and for the effective performance of their functions.

Based on the assessment of compliance of candidates to the Board of Directors of PJSC "LUKOIL" with the independence criteria established by the Listing Rules of PJSC Moscow Stock Exchange and provisions of the Corporate Governance Code, the following 5 (five) candidates to the Board of Directors of PJSC "LUKOIL" shall be deemed independent: Toby Trister Gati, Roger Munnings, Pavel Mikhailovich Teplukhin, Sergei Dmitrievich Shatalov and Wolfgang Schüssel. In addition, by decision of the HR and Compensation Committee of the Board of Directors of PJSC "LUKOIL" Victor Vladimirovich Blazheev was recognized as an independent candidate to the Board of Directors of PJSC "LUKOIL" based on the substantiated opinion set out in the decision taken by the Board of Directors on 20 June 2019 (Minutes No.11) on recognizing V.V. Blazheev independent as a member of the Board of Directors of the Company despite the formal criteria of association with the Company resulting from his service on the Board of Directors of PJSC "LUKOIL" exceeding the seven-year tenure.

The requirements towards the composition of the Board of Directors set forth in Article 66 of the Federal Law *On Joint Stock Companies* and providing that members of the collegial executive body may not constitute more than one-fourth of the Board of Directors of a company will be met.

#### ***Recommendation:***

To elect the Board of Directors of PJSC "LUKOIL", consisting of 11 members, from the list of candidates approved by the Board of Directors of PJSC "LUKOIL" on 5 March 2020 (Minutes No.6).

The proposed decision is based on the recommendations of the Human Resources and Compensation Committee of the Board of Directors of PJSC "LUKOIL" (Minutes No.2 of 28 February 2020).

**On item 3 on the agenda of the Meeting: *On the remuneration and reimbursement of expenses to members of the Board of Directors of PJSC "LUKOIL"***

#### ***Position:***

As provided in Clause 2, Article 64 of the Federal Law *On Joint Stock Companies*, by decision of the General Shareholders Meeting, during their term of office members of the Board of Directors of a company may receive remuneration and reimbursement of expenses related to their performance of

the functions of the members of the Board of Directors of the company. The amount of such remuneration and reimbursement is established by decision of the General Shareholders Meeting.

The *Director Compensation and Expense Reimbursement Policy of PJSC "LUKOIL"* (hereinafter – the Policy) provides for the principles of remuneration (Board fee) and reimbursement of expenses of members of the Board of Directors of the Company, as well as types of remuneration paid to members of the Board of Directors.

The amounts of remuneration of the members of the Board of Directors elected at the 2019 Annual General Shareholders Meeting were established by decision of the Annual General Shareholders Meeting of PJSC "LUKOIL" on 20 June 2019 (Minutes No.1), including remuneration for performance of the functions of the members of the Board of Directors, for performance of the functions of the Chairman of the Board of Directors of PJSC "LUKOIL", chairmen and members of its committees, for their participation in each and every conferences and other events on written instructions from the Chairman of the Board of Directors, for attendance in person at meetings of the Board of Directors or a committee of the Board of Directors where attendance requires a transcontinental flight.

The Policy also provides for the possibility of a partial payment of remuneration for the performance of the duties of a member of the Board of Directors by decision of Extraordinary General Shareholders Meetings. The Extraordinary General Shareholders Meeting of PJSC "LUKOIL" of 03 December 2019 (Minutes No.2) passed a decision to pay a part of the remuneration to members of the Board of Directors of PJSC "LUKOIL" for performance of their functions (Board fee) for the period from the date the decision on the election of the Board of Directors was taken to the date the relevant decision was taken by the Extraordinary General Shareholders Meeting of PJSC "LUKOIL" on 03 December 2019 constituting one-half of the Board fee established by decision of the Annual General Shareholders Meeting of PJSC "LUKOIL" on 20 June 2019 (Minutes No.1). Thus, given the partial payment, remuneration to the members of the Board of Directors of PJSC "LUKOIL" for their performance of the duties of members of the Board of Directors for the period from the date the decision was taken by the Extraordinary General Shareholders Meeting of PJSC "LUKOIL" on 03 December 2019 to the date a decision is taken by the Annual General Shareholders Meeting will amount to 3,500,000 roubles payable to each member of the Board of Directors.

Due to the demise of the Chairman of the Board of Directors of PJSC "LUKOIL" Valery Isaakovich Grayfer on 24 April 2020, the remuneration of 3,500,000 roubles for performing his duties as member of the Board of Directors of PJSC "LUKOIL" and the remuneration of 5,400,000 roubles for performing the functions of the Chairman of the Board of Directors of PJSC "LUKOIL", are proposed to be paid to his children in equal amounts.

For the newly elected members of the Board of Directors of PJSC "LUKOIL" it is proposed to establish the remuneration with inflation adjustment to the amount established in 2019. The proposed remuneration is largely consistent with the balance of interests of the PJSC "LUKOIL" and the members of the Company's Board of Directors, individual contribution of each member of the Board of Directors to the Board's performance, takes their level of responsibility into account and reflects the scope of the Company's operations and the complexity of its business management.

In addition to the Board fee, members of the Board of Directors are reimbursed for expenses incurred in relation to their performance of the functions of members of the Board of Directors, the types of which were established by decision of the Annual General Shareholders Meeting of OAO "LUKOIL" of 24 June 2004 (Minutes No.1), in the amount of actually incurred documented expenses.

### ***Recommendation:***

1. With the partial payment in mind made based on the decision of the Extraordinary General Shareholders Meeting of PJSC "LUKOIL" of 03 December 2019 (Minutes No.2) on a partial payment of the remuneration to members of the Board of Directors of PJSC "LUKOIL" constituting one-half of the Board fee established by decision of the Annual General Shareholders Meeting of

PJSC “LUKOIL” on 20 June 2019 (Minutes No.1), to pay remuneration to the members of the Board of Directors of PJSC “LUKOIL” for their performance of the duties of members of the Board of Directors for the period from the adoption of the decision by the Extraordinary General Shareholders Meeting of PJSC “LUKOIL” of 03 December 2019 to the date a decision is taken by the Annual General Shareholders Meeting of PJSC “LUKOIL”, in the following amounts:

- |                   |                     |
|-------------------|---------------------|
| – V.Yu. Alekperov | – 3,500,000 roubles |
| – V.V. Blazheev   | – 3,500,000 roubles |
| – T. Gati         | – 3,500,000 roubles |
| – R.U. Maganov    | – 3,500,000 roubles |
| – R. Munnings     | – 3,500,000 roubles |
| – P.M. Teplukhin  | – 3,500,000 roubles |
| – L.A. Fedun      | – 3,500,000 roubles |
| – L.N. Khoba      | – 3,500,000 roubles |
| – S.D. Shatalov   | – 3,500,000 roubles |
| – W. Schüssel     | – 3,500,000 roubles |

2. In accordance with the decision of the Annual General Shareholders Meeting of PJSC “LUKOIL” of 20 June 2019 (Minutes No.1), to pay the members of the Board of Directors the following remuneration, in addition to that for the performance of the duties of members of the Board of Directors:

- to S.D. Shatalov, for performance of the functions of the Chairman of the Strategy, Investment and Sustainability Committee of the Board of Directors of PJSC “LUKOIL” – 1,100,000 roubles;
- to V.V. Blazheev, for performance of the functions of the Chairman of the Audit Committee of the Board of Directors of PJSC “LUKOIL” – 1,100,000 roubles;
- to R. Munnings, for performance of the functions of the Chairman of the Human Resources and Compensation Committee of the Board of Directors of PJSC “LUKOIL” – 1,100,000 roubles;
- to S.D. Shatalov, T. Gati, R.U. Maganov, L.A. Fedun, for performance of the functions of a member of the Strategy, Investment and Sustainability Committee of the Board of Directors of PJSC “LUKOIL” – 1,100,000 roubles each;
- to V.V. Blazheev, P.M. Teplukhin, S.D. Shatalov, for performance of the functions of a member of the Audit Committee of the Board of Directors of PJSC “LUKOIL” – 1,100,000 roubles each;
- to R. Munnings, V.V. Blazheev, W. Schüssel, for performance of the functions of a member of the Human Resources and Compensation Committee of the Board of Directors of PJSC “LUKOIL” – 1,100,000 roubles each.

3. Due to the demise of the Chairman of the Board of Directors of PJSC “LUKOIL” Valery Isaakovich Grayfer on 24 April 2020, the remuneration of 3,500,000 roubles for performing his duties as member of the Board of Directors of PJSC "LUKOIL" and the remuneration of 5,400,000 roubles for performing the functions of the Chairman of the Board of Directors of PJSC "LUKOIL", to pay to his children in equal amounts.

4. In addition to remuneration for performing their functions as members of the Board of Directors, to pay the members of the Board of Directors of PJSC “LUKOIL”:

- for each attendance at meetings of the Board of Directors or a committee of the Board of Directors, where attendance requires a transcontinental flight, in the amount established by

decision of the Annual General Shareholders Meeting of PJSC “LUKOIL” of 20 June 2019 (Minutes No.1);

- for each participation in conferences and other events on written instructions of the Chairman of the Board of Directors, in the amount established by decision of the Annual General Shareholders Meeting of PJSC “LUKOIL” of 20 June 2019 (Minutes No.1).

The specific amount of remuneration due for payment shall be determined as at the date of the Annual General Shareholders Meeting of PJSC “LUKOIL” on 23 June 2020, in accordance with the actual participation of members of the Board of Directors at meetings and conferences (other events).

5. To approve reimbursement of expenses to members of the Board of Directors in relation to their performance of the functions of members of the Board of Directors, the types of which were established by decision of the Annual General Shareholders Meeting of OAO “LUKOIL” of 24 June 2004 (Minutes No.1), in the amount of actually incurred documented expenses.

6. To establish the following amounts of remuneration for the newly elected members of the Board of Directors of PJSC “LUKOIL”:

- for performance of the duties of a member of the Board of Directors – 7,250,000 roubles;
- for performance by a member of the Board of Directors of the functions of the Chairman of the Board of Directors – 5,600,000 roubles;
- for performance by a member of the Board of Directors of the functions of the Chairman of a committee of the Board of Directors – 1,150,000 roubles;
- for performance by a member of the Board of Directors of the functions of a member of a committee of the Board of Directors – 1,150,000 roubles;
- for each attendance in person at a meeting of the Board of Directors or a committee of the Board of Directors which involves a transcontinental flight (a flight from one continent to another that lasts more than eight hours) – 400,000 roubles. If a member of the Board of Directors takes a transcontinental flight to attend the meetings of both a committee (committees) of the Board of Directors and of the Board of Directors itself, only a single amount of remuneration for the transcontinental flight will be paid;
- for each participation in conferences and other events on written instructions of the Chairman of the Board of Directors, in an amount of 200,000 roubles.

7. To establish that during their service the newly elected members of the Board of Directors shall be reimbursed for the expenses related to the performance of their functions as members of the Board of Directors, the types of which were established by decision of the Annual General Shareholders Meeting of OAO “LUKOIL” of 24 June 2004 (Minutes No.1), in the amount of actually incurred and documented expenses, upon submission by members of the Board of Directors of written expense claims.

The proposed decisions are based on the recommendations of the Human Resources and Compensation Committee of the Board of Directors of PJSC “LUKOIL” (Minutes No.3 of 24 March 2020).

#### **On item 4 on the agenda of the Meeting: *Approval of the Auditor of PJSC “LUKOIL”***

##### ***Position:***

As provided in Clause 2, Article 86 of the Federal Law *On Joint Stock Companies*, the General Shareholders Meeting of PJSC “LUKOIL” shall approve the Company Auditor.

The Company’s Annual General Shareholders Meeting is advised to approve KPMG Joint Stock Company (hereinafter, JSC KPMG) appraised by the Audit Committee of the Board of Directors of PJSC “LUKOIL” as the Company Auditor. The choice of JSC KPMG as the Company Auditor can be accounted for by the fact that JSC KPMG is one of the major audit service providers in Russia and one of the world’s largest audit firms. Since 1995, it has been auditor not only of PJSC “LUKOIL”, but also of the majority of the LUKOIL Group entities. Besides, JSC KPMG has a thorough knowledge of operational specifics of both PJSC “LUKOIL” and the entire LUKOIL Group, which fact facilitates to conduct audits in a highly professional manner. The fact that there is a single auditor for both the national and international financial statements makes it possible to establish a uniform approach to auditing and utilize the available knowledge and experience during audits thereby reducing the Company’s costs. Compliance by JSC KPMG with international audit standards and the ethical requirements for audit independence ensures the high quality and confidentiality of the audit.

##### ***Recommendation:***

To approve the independent auditor of PJSC "LUKOIL" - Joint Stock Company KPMG.

The proposed decision is based on the recommendations of the Audit Committee of the Board of Directors of PJSC “LUKOIL” (Minutes No.1 of 10 March 2020).

#### **On item 5 on the agenda of the Meeting: *Decision on consent to perform an interested-party transaction***

##### ***Position:***

The Board of Directors of PJSC “LUKOIL” proposes to bring an interested-party transaction, namely, a Contract (Policy) on Directors, Officers and Companies Liability Insurance between PJSC “LUKOIL” (Policyholder) and Ingosstrakh Insurance Company (Insurer), hereinafter the “Policy”, to the Annual General Shareholders Meeting of PJSC “LUKOIL” for consideration. The above transaction shall be brought to the Company’s Annual General Shareholders Meeting for consideration based on Clause 3.1, Article 83 of the Federal Law *On Joint Stock Companies*, as all the members of the Board of Directors of PJSC “LUKOIL” are recognized as interested parties with respect to this transaction for being its beneficiaries, since they shall be entitled to indemnification should any insured event occur. The President and members of the Management Committee of PJSC “LUKOIL” shall be also recognized as interested parties with respect to this transaction, since they are simultaneously its beneficiaries too. This said, the transaction is worth less than ten (10) percent<sup>1</sup> of the book value of the Company’s assets, based on its accounting (financial) statements as of the most recent reporting date.

Under the Policy, the following liability shall be insured in 2020/2021: the sole executive body, members of the governing/management bodies, employees of PJSC “LUKOIL” and/or subsidiaries of PJSC “LUKOIL”, and/or other organisations with the participation of PJSC

<sup>1</sup> In accordance with the Company’s accounting (financial) statements of PJSC “LUKOIL” as at the latest reporting date (31 March 2020), 10 percent of the book value of the Company’s assets is equal to 189,000,364,600 roubles.

“LUKOIL” and/or its subsidiary based on whose proposals the sole executive body and/or members of the governing/management bodies of such organisations were elected (Under Cover A), the liability of PJSC “LUKOIL”, subsidiaries of PJSC “LUKOIL”, other organisations with the participation of PJSC “LUKOIL” and/or its subsidiary based on whose proposals the sole executive body and/or members of the governing/management bodies of such organisations were elected (Under Cover B), and also the liability of PJSC “LUKOIL” and subsidiaries of PJSC “LUKOIL” in respect of any Securities Claims (Under Cover C).

According to the Contract, PJSC “LUKOIL” undertakes to pay the insurance premium, and Ingosstrakh Insurance Company undertakes to pay the insurance coverage (depending on the situation) to the respective insured and/or any other person entitled to such compensation, within the amount of the insurance coverage (liability limit) specified in the Contract, upon the occurrence of any of the insured events stipulated in the Contract. The total aggregate limit for Covers A, B and C is at least USD 50,000,000. The Insurance premium for coverage A, B and C shall not exceed USD 1,000,000.

Such liability insurance has been maintained by the Company since 2003, which complies with the generally accepted international practices and the Corporate Governance Code that recommends that the said insurance be maintained using joint stock companies’ own funds.

The Policy is proposed to be concluded with Ingosstrakh Insurance Company, the insurance market leader offering large-scale Directors, Officers and Companies Liability Insurance programmes in Russia, having the experience required for settling insured events of this kind, the highest reliability (maximum creditworthiness/financial strength) rating and possessing the AM Best international rating.

#### ***Recommendation:***

To give consent to an interested-party transaction – Contract (Policy) on Directors, Officers and Companies Liability Insurance between PJSC “LUKOIL” (Policyholder) and Ingosstrakh Insurance Company (Insurer).

**No special opinions on items on the agenda of the Annual General Shareholders Meeting of PJSC “LUKOIL” have been filed by the members of the Board of Directors of PJSC “LUKOIL” during preparations for the Annual General Shareholders Meeting of PJSC “LUKOIL”.**

**Recommendations of the Board of Directors of PJSC "LUKOIL"  
on the amount of dividends on shares and  
procedure for their payment**

The Board of Directors of PJSC "LUKOIL" recommends that the Annual General Shareholders Meeting of PJSC "LUKOIL":

Pay out dividends on ordinary shares of PJSC "LUKOIL" based on the 2019 annual results in the amount of 350 roubles per ordinary share (excluding the interim dividends of 192 roubles per ordinary share paid based on the results for the first nine months of 2019). The total amount of dividends payable for 2019 including the interim dividends already paid will be 542 roubles per ordinary share. Pay out dividends in the amount of 350 roubles per ordinary share in cash from PJSC "LUKOIL" bank account to nominee shareholders and trust managers who are professional market participants whose names are on the shareholder register of PJSC "LUKOIL" not later than 22 July 2020, and to other shareholders whose names are on the shareholder register of PJSC "LUKOIL" not later than on 12 August 2020.

The costs on the transfer of dividends, regardless of the means, will be borne by PJSC "LUKOIL".

Set 10 July 2020 as the date on which persons entitled to receive dividends based on the 2019 annual results will be determined.



## **Report on Interested Party Transactions Entered into by PJSC “LUKOIL” in 2019**

This Report has been prepared in pursuance of Clause 1.1, Article 81 of Federal Law No. 208-FZ *On Joint Stock Companies* dated 26 December 1995 (hereinafter, ‘the Law’).

Public Joint Stock Company “Oil company “LUKOIL” entered into 8 interested party transactions in 2019, in accordance with the Law recognized as interested party transactions: in respect of 7 of them decisions on consent to perform the transactions were taken by the Board of Directors of PJSC “LUKOIL”, while decision on one of them was taken by the General Shareholders Meeting of PJSC “LUKOIL” (hereinafter, ‘the GSM’) (see the enclosed list of transactions on 11 pages).

For the purposes of the transactions specified in the Report, members of the governing bodies of PJSC “LUKOIL” (hereinafter, ‘the Company’) shall be deemed interested parties as they:

- hold positions in the governing bodies of the legal entities that are parties to transactions (transactions Nos.1, 3, 5 and 7 approved by the Board of Directors);
- hold positions in the governing bodies of the legal entities that are beneficiaries in transactions (transactions Nos.2, 4 and 6 approved by the Board of Directors);
- are beneficiaries in one transaction (transaction No.1 approved by the Annual GSM);
- their relatives hold positions in the governing bodies of the legal entities that are parties to transactions (transactions Nos. 3, 5 and 7 approved by the Board of Directors) or beneficiaries in transactions (transactions Nos.2, 4 and 6 approved by the Board of Directors).

The above grounds for the interested parties to be recognized as such were in effect as of the time of performing the said transactions.

The amount of each of the transactions where decisions on consent to perform the transactions were taken by the Board of Directors of PJSC “LUKOIL” in pursuance of Chapter XI of the Law exceeds the limit for transaction amount established by The Bank of Russia Directive No. 4335-Ou of 31 March 2017<sup>1</sup>, but is less than 10 percent of the book value of the assets of PJSC “LUKOIL” as of the relevant accounting (financial) statements reporting date.<sup>2</sup>

One Transaction was submitted to the Annual General Shareholders Meeting of PJSC “LUKOIL” based on Clause 3.1, Article 83 of the Law, as all the members of the Board of Directors of PJSC “LUKOIL” are recognized as interested parties with respect to this transaction, being beneficiaries thereunder. The decision on consent to perform the said interested party transaction was taken by the Annual GSM on proposal of the Company’s Board of Directors.

President of PJSC “LUKOIL”

V.Yu. Alekperov

<sup>1</sup> The limit for transactions during the year was 2 billion, except for the period when the amount of the transactions was compared with the book value of the Company’s assets as of 30 September 2019; at that period the limit for transactions’s amount was 1 billion.

<sup>2</sup> If the amount of the transaction is 10% or more of the book value of the Company’s assets as of the latest accounting (financial) statements reporting date, then the decision on giving consent to performing the interested-party transaction requires approval by the Company’s General Shareholder Meeting in accordance with Clause 4, Article 83 of the Law.

**List of interested party transactions entered into by PJSC “LUKOIL” in 2019,  
where decisions on consent to perform the transaction  
in accordance with the Federal Law *On Joint Stock Companies* were taken  
by the Board of Directors of PJSC “LUKOIL”**

1. Reference Number of the transaction	1
2.1. Price (amount in US dollars)	The estimated amount of the transaction is USD 2,200,712,225.49 (loan amount of USD 2,058,602,554.47 plus interest of USD 142,109,671.02.)
2.2. Price (amount in roubles)	The estimated amount of the transaction is RUB 146,457,398,606.07 (loan amount of RUB 137,000,000,000 plus interest of RUB 9,457,398,606.07.)
3. Names of parties	RITEK (Lender) PJSC “LUKOIL” (Borrower)
4. Names of beneficiaries	-
5. Name of transaction	Supplemental Agreement to Loan Agreement No.1610385 of 02.08.2016 (hereinafter the “Agreement”)
6. Subject of the transaction	<p>In accordance with the Agreement and the Supplemental Agreements thereto, the Lender provides the Borrower with a revolving special-purpose loan (either in a lump sum or in instalments (tranches)) the total amount of debt on which may not exceed RUB 87,000,000,000 (excluding the possible increase of the loan amount under point 7.1 of the Agreement) at any time during the effective term of the Agreement, on the terms and conditions stipulated by the Agreement, and the Borrower undertakes to repay the funds received and to pay interest thereon within the deadlines and in accordance with the procedure stipulated in the Agreement.</p> <p>In accordance with the Supplemental Agreement to the Loan Agreement, point 1.1 of the Agreement is set out in a new version stipulating an increase of the loan amount to RUB 137,000,000,000.</p>
7. Interested parties, grounds for being recognised as such	<p>Valery Isaakovich Grayfer, Chairman of the Board of Directors of PJSC “LUKOIL”, is simultaneously the Chairman of the Board of Directors of RITEK.</p> <p>Azat Angamovich Shamsuarov, a member of the Management Committee of PJSC “LUKOIL”, is simultaneously a member of the Board of Directors of RITEK.</p>
8. Other material terms of the transaction	The Supplemental Agreement enters into force from the date it is signed by authorized representatives of the Parties.

9. The date the decision on consent to perform the transaction was taken by the Board of Directors of PJSC "LUKOIL" and Minutes No.	04.02.2019, Minutes No.2
<b>1. Reference Number of the transaction</b>	<b>2</b>
2.1. Price (amount in US dollars)	Credit line of USD300,000,000, plus interest of no more than USD29,100,000.
2.2. Price (amount in roubles)	Credit line of RUB19,440,000,000, plus interest of no more than RUB1,885,680,000.
3. Names of parties	PJSC "LUKOIL" (Guarantor) ING BANK N.V., DUBLIN BRANCH (Lender)
4. Names of beneficiary	LUKINTER FINANCE B.V. (Borrower)
5. Name of transaction	Amendment Agreement No.4 (hereinafter the Amendment Agreement) to Suretyship Agreement No.1510442 of 09 September 2015 ( hereinafter the Surety )
6. Subject of the transaction	<p>According to the Surety and Amendment Agreements 1,2 and 3 thereto the Guarantor shall, along with the Borrower, be accountable to the Lender for full, proper and timely fulfillment of all of the Borrower's obligations under the Agreement on Granting the Approved Revolving Credit Line in the amount of USD 300,000,000 of September 9, 2015, signed between the Borrower and the Lender (hereinafter, the Credit Agreement), including the costs, expenses and losses to be reimbursed to the Lender under the Credit Agreement; should the Borrower fail to settle any amount of the secured obligations to the Lender within the agreed period, the Guarantor shall transfer the said amount to the Lender upon request within five (5) business days following the request issued by the Lender to the Guarantor.</p> <p>Under the Amendment Agreement to the Surety, the Credit Agreement definition shall be revised to change the credit line term to 24 months from the date of signing Amendment Agreement No.4</p>
7. Interested parties, grounds for being recognised as such	<p>Alexander Kuzmich Matytsyn, a member of the Management Committee of PJSC "LUKOIL", is simultaneously Chairman of the Supervisory Board of LUKINTER FINANCE B.V.</p> <p>Stanislav Georgievich Nikitin, a member of the Management Committee of PJSC "LUKOIL", is simultaneously a Member of the Supervisory Board of LUKINTER FINANCE B.V.</p> <p>Liubov Nikolaevna Khoba, a member of the Board of Directors of PJSC "LUKOIL" and the spouse of</p>

	Alexander Kuzmich Matytsyn, Chairman of the Supervisory Board of LUKINTER FINANCE B.V. <sup>3</sup>
8. Other material terms of the transaction	All other terms of the Surety shall remain unaltered and in force. The Amendment Agreement shall come into effect the day it is signed by the Parties.
9. The date the decision on consent to perform the transaction was taken by the Board of Directors of PJSC "LUKOIL", Minutes No.	29.04.2019, Minutes No.7
<b>1. Reference Number of the transaction</b>	<b>3</b>
2.1. Price (amount in US dollars)	Loan facility in the amount of USD300,000,000, interest in the amount of USD 29,100,000 at most and the fee of USD6,000,000 at most.
2.2. Price (amount in roubles)	Loan facility in the amount of RUB19,440,000,000, interest in the amount of RUB1,885,680, 000 at most and the fee of RUB388,800,000 at most.
3. Names of parties	PJSC "LUKOIL" (Guarantor) LUKINTER FINANCE B.V. (Borrower)
4. Names of beneficiaries	-
5. Name of transaction	Supplemental Agreement to Reimbursement Agreement No.1510417 of 09 September 2015 ( hereinafter the Agreement)
6. Subject of the transaction	<p>The Parties concluded the Agreement and Supplemental Agreements Nos.1-4 in relation to the Suretyship Agreement No.1510442 of 09 September 2015 between the Surety and ING BANK N.V., DUBLIN BRANCH (the Bank), done as guarantee of the Borrower's performance of obligations to the Bank under the Loan Agreement on the extension of committed revolving facility in the amount of USD300,000,000 (hereinafter the Loan Agreement), as well as interests, forfeits, penalties, fines and other guaranteed payments.</p> <p>The Parties agreed to regard the amount paid by the Guarantor to the Bank to perform its obligations under the Suretyship Agreement as the amount subject for repayment by the Borrower to the Guarantor with interest payable for its use on the terms, at the time and in the manner established by the Agreement.</p> <p>According to the Supplemental Agreement to the Agreement and in view of the extension of the Suretyship Agreement by virtue of Supplemental Agreement No.4 thereto, Item 3.2 of the Agreement shall be amended to read that the service charge for providing surety for the Borrower' liabilities shall be 1% per annum of the liabilities to the Bank covered by the surety of the</p>

<sup>3</sup> Powers of S.G. Nikitin as member of the Management Committee of PJSC "LUKOIL" were terminated early by decision of the Board of the of Directors of PJSC "LUKOIL" on 12 December 2019 (Minutes No.19)

	Borrower's obligations to the Bank under the Loan Agreement, calculated for each day of the settlement period. The rate specified above shall remain unchanged throughout the term of the Agreement, unless otherwise duly agreed in writing by the Parties. The actual number of days in a year (365/366) shall be used to calculate the amount of payment for the surety of the Borrower's performance.
7. Interested parties, grounds for being recognised as such	Alexander Kuzmich Matytsyn, a member of the Management Committee of PJSC "LUKOIL", is simultaneously Chairman of the Supervisory Board of LUKINTER FINANCE B.V. Stanislav Georgievich Nikitin, a member of the Management Committee of PJSC "LUKOIL", is simultaneously a Member of the Supervisory Board of LUKINTER FINANCE B.V. Liubov Nikolaevna Khoba, a member of the Board of Directors of PJSC "LUKOIL" and the spouse of Alexander Kuzmich Matytsyn, Chairman of the Supervisory Board of LUKINTER FINANCE B.V.
8. Other material terms of the transaction	Supplemental Agreement shall enter into force the day it is signed by the Parties.
9. The date the decision on consent to perform the transaction was taken by the Board of Directors of PJSC "LUKOIL", Minutes No.	29.04.2019, Minutes No.7
1. Reference Number of the transaction	4
2.1 Price (amount in US dollars)	Credit line of USD200,000,000, plus interest of no more than USD17,880,000
2.2. Price (amount in roubles)	Credit line of RUB13,088,000,000, plus interest of no more than RUB1,170,067,200.
3. Names of the parties	PJSC "LUKOIL" (Guarantor) ABN AMRO BANK N.V. (Lender)
4. Name of the beneficiary	LUKINTER FINANCE B.V. (Borrower)
5. Name of the transaction	Confirmation and Amendment Deed to Deed of Guarantee No.1510168 dated 01.04.2015 (the Guarantee)
6. Subject of the transaction	Pursuant to the Guarantee and Confirmation and Amendment Deed to the Guarantee, the Guarantor irrevocably and unconditionally guarantees to the Lender the due and punctual performance by the Borrower of all the Borrower's obligations totaling USD 200,000,000 under the Facility Agreement signed between the Borrower and the Lender (Facility Agreement), plus all accrued interest, penalties, fees, documented costs, expenses and other amounts payable (or stated to be payable) to the Lender under or in connection with the Facility Agreement.

	Pursuant to the Confirmation and Amendment Deed to the Guarantee the Guarantor confirms its obligations under the Guarantee in connection with Supplemental Agreement No. 3 to the Facility Agreement, providing for the extension of the validity of the Facility Agreement for two years from the date the said Supplemental Agreement is signed.
7. Interested parties, basis for being recognised as such	Alexander Kuzmich Matytsyn, a member of the Management Committee of PJSC "LUKOIL", is simultaneously Chairman of the Supervisory Board of LUKINTER FINANCE B.V. Stanislav Georgievich Nikitin, a member of the Management Committee of PJSC "LUKOIL", is simultaneously a Member of the Supervisory Board of LUKINTER FINANCE B.V. Liubov Nikolaevna Khoba, a member of the Board of Directors of PJSC "LUKOIL" and the spouse of Alexander Kuzmich Matytsyn, Chairman of the Supervisory Board of LUKINTER FINANCE B.V.
8. Other material terms of the transaction	This Confirmation and Amendment Deed to Deed of Guarantee and all non-contractual obligations arising out of or in connection with it are governed by English law.
9. The date the decision on consent to perform the transaction was taken by the Board of Directors of PJSC "LUKOIL", Minutes No.	22.10.2019, Minutes No.18
<b>1. Reference Number of the transaction</b>	<b>5</b>
2.1. Price (amount in US dollars)	Credit line of USD200,000,000, plus interest of no more than USD17,880,000; the fee of no more than USD4,000,000
2.2. Price (amount in roubles)	Credit line of RUB13,088,000,000, plus interest of no more than RUB1,170,067,200 the fee of no more than RUB 261,760,000
3. Names of the parties	PJSC "LUKOIL" (Guarantor) LUKINTER FINANCE B.V. (Debtor)
4. Name of the beneficiaries	-
5. Name of the transaction	Supplemental Agreement to Contract of Indemnification No.1510147 of 01.04.2015 (hereinafter the "Contract").
6. Subject of the transaction	The Parties signed the Contract in connection with the Deed of Guarantee No.1510168 dated 01.04.2015 issued by the Guarantor as a guarantee to ABN AMRO BANK N.V. (the "Bank") for meeting the Debtor's liabilities worth USD200,000,000 under the Facility Agreement, plus interest, penalties, forfeits, fines and other amounts due and payable (Facility Agreement). The Parties have agreed to deem the amount paid by the Guarantor to the Bank in fulfillment of obligations under the Guarantee the amount payable by the Debtor to the Guarantor plus interest for the use of funds on the terms,



	<p>within the deadlines and in accordance with the procedure defined by the Contract.</p> <p>Under the Supplemental Agreement to the Contract and in connection with the extension of the validity of the Deed of Guarantee by Confirmation and Amendment Deed to the Guarantee Clause 3.2 of the Contract is being revised to stipulate that the cost of the Guarantee Service for the Debtor's obligation amounts to 1% per annum of the amount of the Debtor's obligations to the Bank under the Facility Agreement covered by the Guarantee and calculated for each day of the reporting period. The said rate shall not change during the validity of the Contract unless duly stipulated by the Parties in writing. In calculating the amount payable for the Guarantee Service provided the actual number of days in a year shall be used (365/366).</p>
7. Interested parties, basis for being recognised as such	<p>Alexander Kuzmich Matytsyn, a member of the Management Committee of PJSC "LUKOIL", is simultaneously Chairman of the Supervisory Board of LUKINTER FINANCE B.V.</p> <p>Stanislav Georgievich Nikitin, a member of the Management Committee of PJSC "LUKOIL", is simultaneously a Member of the Supervisory Board of LUKINTER FINANCE B.V.</p> <p>Liubov Nikolaevna Khoba, a member of the Board of Directors of PJSC "LUKOIL" and the spouse of Alexander Kuzmich Matytsyn, Chairman of the Supervisory Board of LUKINTER FINANCE B.V.</p>
8. Other material terms of the transaction	The Agreement shall enter into force from the date of signing by the Parties.
9. The date the decision on consent to perform the transaction was taken by the Board of Directors of PJSC "LUKOIL", Minutes No.	22.10.2019, Minutes No.18
<b>1. Reference Number of the transaction</b>	<b>6</b>
2.1. Price (amount in US dollars)	Credit line of USD250,000,000, plus interest of no more than USD23,050,000.
2.2. Price (amount in roubles)	Credit line of RUB16,360,000,000, plus interest of no more than RUB1,508,392,000.
3. Names of the parties	PJSC "LUKOIL" (Guarantor) SOCIETE GENERALE (Lender)
4. Name of the beneficiary	LUKINTER FINANCE B.V. (Borrower)
5. Name of the transaction	THE CONFIRMATION AND AMENDMENT DEED to the DEED OF GUARANTEE No.1510236 dated 22.04.2015 (Deed of Guarantee).
6. Subject of the transaction	Under the Deed of Guarantee and the Confirmation and Amendment Deeds, the Guarantor unconditionally and irrevocably guarantees the Lender the due and timely



	<p>fulfilment of all of the obligations undertaken by the Borrower under the Facility Agreement signed between the Lender and the Borrower (Facility Agreement), for the amount of USD250,000,000 plus all accrued interest, penalties, fees, documented costs, expenses and other amounts payable (or stated to be payable) by the Borrower to the Lender under the Facility Agreement or in connection with it.</p> <p>Pursuant to the Confirmation and Amendment Deed to the Guarantee the Guarantor confirms its obligations under the Deed of Guarantee in connection with Supplemental Agreement No. 4 to the Facility Agreement, providing for the extension of the validity of the Facility Agreement for two years from the date the said Supplemental Agreement is signed.</p>
7. Interested parties, basis for being recognised as such	<p>Alexander Kuzmich Matytsyn, a member of the Management Committee of PJSC “LUKOIL”, is simultaneously Chairman of the Supervisory Board of LUKINTER FINANCE B.V.</p> <p>Stanislav Georgievich Nikitin, a member of the Management Committee of PJSC “LUKOIL”, is simultaneously a Member of the Supervisory Board of LUKINTER FINANCE B.V.</p> <p>Liubov Nikolaevna Khoba, a member of the Board of Directors of PJSC “LUKOIL” and the spouse of Alexander Kuzmich Matytsyn, Chairman of the Supervisory Board of LUKINTER FINANCE B.V.</p>
8. Other material terms of the transaction	The Confirmation and Amendment Deed to the Deed of Guarantee and any non-contractual obligations arising out of or in connection with it are governed by English law.
9. The date the decision on consent to perform the transaction was taken by the Board of Directors of PJSC “LUKOIL”, Minutes No.	22.10.2019, Minutes No.18
<b>1. Reference Number of the transaction</b>	<b>7</b>
2.1. Price (amount in US dollars)	Credit line of USD250,000,000, plus interest of no more than USD23,050,000; the fee of no more than USD5,000,000
2.2. Price (amount in roubles)	Credit line of RUB16,360,000,000, plus interest of no more than RUB1,508,392,000; the fee of no more than RUB327,200,000
3. Names of the parties	PJSC “LUKOIL” (Guarantor) LUKINTER FINANCE B.V. (Debtor)
4. Name of the beneficiaries	-
5. Name of the transaction	Supplemental Agreement to Contract of Indemnification No.1510189 of 22.04.2015 (hereinafter the “Contract”).
6. Subject of the transaction	The Parties signed the Contract in connection with the Deed of Guarantee No.1510236 dated 22.04.2015 (Deed

	<p>of Guarantee) issued by the Guarantor as a guarantee to SOCIETE GENERALE (the “Bank”) for meeting the Borrower’s liabilities worth USD250,000,000 under the Facility Agreement, plus interest, penalties, forfeits, fines and other amounts due and payable (Facility Agreement). The Parties have agreed to deem the amount paid by the Guarantor to the Bank in fulfillment of obligations under the Guarantee the amount payable by the Debtor to the Guarantor plus interest for the use of funds on the terms, within the deadlines and in accordance with the procedure defined by the Contract.</p> <p>Under the Supplemental Agreement to the Contract and in connection with the extension of the validity of the Deed of Guarantee by Confirmation and Amendment Deed to the Guarantee Clause 3.2 of the Contract is being revised to stipulate that the cost of the Guarantee Service for the Debtor’s obligation amounts to 1% per annum of the amount of the Debtor’s obligations to the Bank under the Facility Agreement covered by the Guarantee and calculated for each day of the reporting period. The said rate shall not change during the validity of the Contract unless duly stipulated by the Parties in writing. In calculating the amount payable for the Guarantee Service provided the actual number of days in a year shall be used (365/366).</p>
7. Interested parties, basis for being recognised as such	<p>Alexander Kuzmich Matytsyn, a member of the Management Committee of PJSC “LUKOIL”, is simultaneously Chairman of the Supervisory Board of LUKINTER FINANCE B.V.</p> <p>Stanislav Georgievich Nikitin, a member of the Management Committee of PJSC “LUKOIL”, is simultaneously a Member of the Supervisory Board of LUKINTER FINANCE B.V.</p> <p>Liubov Nikolaevna Khoba, a member of the Board of Directors of PJSC “LUKOIL” and the spouse of Alexander Kuzmich Matytsyn, Chairman of the Supervisory Board of LUKINTER FINANCE B.V.</p>
8. Other material terms of the transaction	The Supplemental Agreement shall enter into force from the date of signing by the Parties.
9. The date the decision on consent to perform the transaction was taken by the Board of Directors of PJSC “LUKOIL”, Minutes No.	22.10.2019, Minutes No.18

**Interested Party Transaction Entered into by PJSC “LUKOIL” in 2019,  
where the decision on consent to perform the transaction  
in accordance with the Federal Law *On Joint Stock Companies*  
was taken by the Annual General Shareholders Meeting of PJSC “LUKOIL”**

1. Reference Number of the transaction	1
2. Price	Not more than USD 470,000 – Insurance premium for coverage A, B and C.
3. Names of parties	PJSC “LUKOIL” (Policyholder) Ingosstrakh Insurance Company (Insurer)
4. Names of beneficiaries	Under Cover A – the sole executive body, members of governing bodies, employees of PJSC “LUKOIL” and/or subsidiaries of PJSC “LUKOIL”, and/or other organisations with the participation of PJSC “LUKOIL” and/or its subsidiary based on whose proposals the sole executive body and/or members of governing bodies of such organisations were elected (hereinafter, the Insured Person). Under Cover B – PJSC “LUKOIL”, subsidiaries of PJSC “LUKOIL”, other organisations with the participation of PJSC “LUKOIL” and/or its subsidiary based on whose proposals the sole executive body and/or members of governing bodies of such organisations were elected (hereinafter, the Company for the purposes of Cover B). Under Cover C – PJSC “LUKOIL”, subsidiaries of PJSC “LUKOIL” (hereinafter the “Company”). The above parties are collectively named the Insured Party.
5. Name of the transaction	Contract (Policy) on Directors, Officers and Companies Liability Insurance (hereinafter the “Policy”).
6. Subject of the transaction	The Insurer undertakes, for the payment stipulated in the Policy (Insurance Premium), to pay the insurance coverage (indemnification) under the Policy to (as the case may be) the respective Insured Party and/or any other person entitled to such indemnification should any insured event specified in the Policy occur, within the insurance premium (liability limit) determined by the Policy. <u>An insured event for the purposes of Cover A</u> in respect of cover for the liability of any Insured Person for any Loss incurred by any third parties shall be deemed to be the onset of all of the following circumstances: (a) the liability of any Insured Person arising at any time prior to or during the Policy Period pursuant to applicable law as a consequence of the incurrence by any third parties of any Loss in connection with any Wrongful Act of the Insured Person, and (b) any Claim made against such Insured Person during the Period of Insurance (means the effective period during which the insurance set forth in the Policy shall be valid, starting from the first day of the Policy Period and ending on the expiry date of the Policy Period or, if there is a Discovery Period (a 60-day

	<p>the period immediately following the expiry of the Policy Period or early termination/cancellation of the Policy, during which written notice may be given to the Insurer of any Claim first made during such period or during the Policy Period in connection with any Wrongful Act committed prior to the end of the Policy Period), ending on the expiry date of the Discovery Period). An insured event shall be deemed to have occurred upon the Claim being made subject to subsequent confirmation by the Insurer that the insured event has occurred or to a ruling that such insured event has occurred by a court, arbitral court, arbitral tribunal or other similar competent body/institution. The Policy also covers any Loss incurred by any Insured Person and/or which any Insured Person will incur subsequent to the Period of Insurance relating to liability for Loss incurred by any third parties (including, without limitation, in the event of any ruling by a court or arbitral court, arbitral tribunal or other similar competent body/institution subsequent to the Period of Insurance), but in connection with any Claim made during the Period of Insurance.</p> <p>For the purposes of Cover A the Insurer shall pay to or on behalf of any Insured Person any Loss related to any Claim first made against any Insured Person during the Policy Period or the Discovery Period (if applicable) and reported to the Insurer in writing pursuant to the terms of the Policy, except when and to the extent that the Company has indemnified such Loss.</p> <p><u>An insured event for the purposes of Cover B</u> shall be deemed to be the incurrence of any expenses by any Company for the purposes of Cover B in connection with the indemnification for any Loss by such Company for the purposes of Cover B to any Insured Person and/or other person or entity in the interests of any Insured Person in connection with any Claim made against any Insured Person and/or the liability of any Insured Person for any Loss incurred by third parties. For the purposes of Cover B the Policy also covers such expenses incurred by any Company subsequent to the Period of Insurance but relating to any Claim made during the Period of Insurance and/or in connection with the liability of any Insured Person for any Loss incurred by third parties in relation to which a Claim was made during the Period of Insurance.</p> <p>For the purposes of Cover B the Insurer shall pay to or on behalf of any Company for the purposes of Cover B any Loss related to any Claim first made against any Insured Person during the Policy Period or the Discovery Period (if applicable) and reported to the Insurer in writing pursuant to the terms of the Policy, but only to the extent that such Company has indemnified such Loss for the purposes of Cover B.</p>
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	<p><u>An insured event for the purposes of Cover C</u> in respect of cover for the liability of any Company for any Loss incurred by any third parties shall be deemed to be the onset of all of the following circumstances: (a) the liability of any Company arising at any time prior to or during the Policy Period pursuant to applicable law as a consequence of the incurrence by any third parties of any Loss in connection with any Wrongful Act of the Company, and (b) any Securities Claim made against such Company during the Period of Insurance in connection with the Loss of any third parties. An insured event shall be deemed to have occurred upon the Securities Claim being made subject to subsequent confirmation by the Insurer that the insured event has occurred or to a ruling that such insured event has occurred by a court, arbitral court, arbitral tribunal or other similar competent body/institution. The Policy also covers any Loss incurred by any Company and/or which any Company will incur subsequent to the Period of Insurance relating to liability for Loss incurred by any third parties (including, without limitation, in the event of any ruling by a court or arbitral court, arbitral tribunal or similar competent body/institution subsequent to the Period of Insurance), but in connection with any Securities Claim made during the Period of Insurance.</p> <p>For the purposes of Cover C the Insurer shall pay to any Company or on behalf of any Company any Loss related to any Securities Claim first made against any Company during the Policy Period or the Discovery Period (if applicable) and reported to the Insurer in writing pursuant to the terms of the Policy. Insurance cover C is without any prejudice to Insurance cover A in respect of any Securities Claims.</p>
7. Interested parties, grounds for being recognised as such	The President, members of the Board of Directors and Management Committee of PJSC “LUKOIL” are simultaneously beneficiaries under the transaction.
8. Other material terms of the transaction	<p>The policy is effective from 19 July 2019 through 18 July 2020. The insurance premium (liability limit) is at least USD 150,000,000 (total aggregate limit for coverage A, B and C, including legal defence costs).</p> <p>The insurance premium will be paid in roubles at the exchange rate determined by the Parties as of the date the Policy is signed, pursuant to the terms of the Policy.</p>
9. The date the decision on consent to perform the transaction was taken by the Annual General Shareholders Meeting of PJSC “LUKOIL”, Minutes No.	20.06.2019, Minutes No.1 (dated 25.06.2019)

## INFORMATION ON CANDIDATES FOR THE BOARD OF DIRECTORS OF PJSC "LUKOIL"



Vagit Yusufovich Alekperov

President of PJSC "LUKOIL", Executive Member of the Board of Directors of PJSC "LUKOIL", Chairman of the Management Committee of PJSC "LUKOIL"

Born: 1950

Graduated from the M. Azizbekov Azerbaijan Oil and Chemistry Institute in 1974. Doctor of Economics. Full member of the Russian Academy of Natural Sciences. Distinguished energy industry specialist and Honored oil specialist. Recipient of five orders and eight medals, a Certificate of Honor and three Certificates of Gratitude from the Russian Federation President. Two times winner of the Russian Government Prize. Since 1968 worked at oil fields in Azerbaijan and Western Siberia. 1987–1990: General Director of Production Association Kogalymneftegaz of Glavtyumenneftegaz of the USSR Ministry of Oil and Gas. 1990–1991: Deputy Minister; First Deputy Minister of the USSR Ministry of Oil and Gas. 1992–1993: President of Oil Concern Langepasuraikogalymneft. 1993–2000: Chairman of the Board of Directors of OAO "LUKOIL". Since 1993: President of PJSC "LUKOIL".

Has executive/managerial experience, higher professional education in the area of the Company's core production activities, and a record of government service and expertise in government and international relations.



Victor Vladimirovich Blazheev\*

Independent Member of the Board of Directors of PJSC "LUKOIL", Rector of the O.E. Kutafin Moscow State Law University (MSAL), Chairman of the Audit Committee of the Board of Directors of PJSC "LUKOIL", Member of the Human Resources and Compensation Committee of the Board of Directors of PJSC "LUKOIL"

Born: 1961

Graduated from the evening department of the All-Union Extra-Mural Law Institute (AELI) in 1987; completed a post-graduate program at AELI-Moscow Law Institute at the department of civil litigation in 1990. Candidate of Legal Sciences (PhD), Professor. Recipient of a 2nd degree Medal of the Order "For Merits to the Fatherland". Was awarded the title "Honored Lawyer of the Russian Federation", a breastplate "Honored Worker of Higher Professional Education in the Russian Federation", the title "Honored Worker of Science and Technology of the Russian Federation". Since 1999, Mr. Blazheev has been engaged in educational (as a lecturer) and administrative activities occupying various positions at Moscow State Academy of Law (MSAL). 1999-2001: Dean of the full-time day department of MSAL. 2001-2002: Vice-Rector of MSAL in charge of academic agenda. 2002 – 2007: First Vice-Rector of MSAL in charge of academic agenda. Since 2007: Rector of the O.E. Kutafin Moscow State Law University (MSAL).

Has executive/managerial experience and experience/expertise in Economics and Finance.



Toby Trister Gati \*\*

Independent Member of the Board of Directors of PJSC "LUKOIL", Member of the Strategy, Investment and Sustainability Committee of the Board of Directors of PJSC "LUKOIL"

Born: 1946

In 1967 graduated from Pennsylvania State University (Bachelor's degree (BA) in Russian Literature and Language), in 1970 – Columbia University (Master's degree (MA) in Russian Literature), in 1972 – the Harriman Institute at Columbia University (Master's degree in International Affairs (MIA) and Certificate in Russian Studies).

1997 — April 2016: Senior Advisor on matters of international cooperation and international relations at Akin Gump Strauss Hauer & Feld LLP. Since 2016: President of TTG Global LLC. Since 2012: Member of the U.S.-Russia Business Council (USRBC). Participant in the Valdai Discussion Club.

Has executive/managerial experience, a record of government service and expertise in government and international relations.





Ravil Ulfatovich Maganov

Executive Member of the Board of Directors of PJSC "LUKOIL", Vice-Chairman of the Board of Directors of PJSC "LUKOIL", Member of the Management Committee of PJSC "LUKOIL", First Executive Vice-President of PJSC "LUKOIL" (E&P), Member of the Strategy, Investment and Sustainability Committee of the Board of Directors of PJSC "LUKOIL"

Born: 1954

Graduated from the I.M. Gubkin Moscow Institute of the Petrochemical and Gas Industry in 1977. Distinguished Oil and Gas Specialist of the Russian Federation, Honored Oil Specialist. Recipient of four orders and five medals, a Certificate of Honor from the Russian Federation President. Has a Letter of Acknowledgement from the Government of the Russian Federation. Three times winner of the Russian Government Prize in Science and Engineering. 1988–1993: Chief Engineer, Deputy General Director, General Director of OPE Langepasneftegaz. 1993–1994: Vice-President of OAO "LUKOIL" (Oil Production). 1994–2006: First Vice-President of OAO "LUKOIL" (E&P). Since 2006: First Executive Vice-President of PJSC "LUKOIL" (E&P). Since 2000: member of the Supervisory Board of LUKOIL INTERNATIONAL GmbH.

Has executive/managerial experience, higher professional education in the area of the Company's core production activities.



Roger Munnings\*\*

Independent Member of the Board of Directors of PJSC "LUKOIL", Chairman of the Human Resources and Compensation Committee of PJSC "LUKOIL", Independent member of the Board of Directors of Sistema Public Joint Stock Financial Corporation since 2010. Independent member of the Board of Directors of MMC Norilsk Nickel.

Born: 1950

Graduated from the University of Oxford in 1972, where Mr. Munnings earned a Master's Degree in Philosophy, Politics and Economics.

1996–2008: President and CEO of KPMG Russia/CIS; 1993–2008: Chairman of KPMG's Global Energy and Natural Resources Practice; 1998–2008: Member of KPMG's International Council (ultimate governance body).

Since 2012: Chairman of the Russo British Chamber of Commerce. Member of the Russian National Council on Corporate Governance, Member of the Expert Council of the Russian Institute of Directors and the Russian Union of Industrialists and Entrepreneurs, Fellow of the Institute of Chartered Accountants in England and Wales. Roger Munnings was appointed CBE in the UK in HM The Queen's New Year's Honours List in 2007.

Has executive/managerial experience, experience/expertise in Economics Finance and also expertise in government and international relations.



Nikolai Mikhailovich Nikolaev

General Director of Russian Innovative Fuel and Energy Company (RITEK), Vice-President of PJSC "LUKOIL".

Born: 1954

Graduated from the Gubkin Moscow Institute of Petrochemical and Gas Industry in 1982, Tyumen Industrial Institute in 1994 and Gubkin Russian State University of Oil and Gas in 2000. Candidate of Technical Sciences (PhD). Distinguished Oil and Gas Specialist of the Russian Federation. Recipient of two orders and three medals. 1996–1997: General Director of LUKOIL-Langepasneftegaz. 1997–2001: General Director of Langepasneftegaz, LUKOIL-Western Siberia. 2001–2009: General Director of LUKOIL-Nizhnevolzhskneft. March 2009–January 2010: General Director of LUKOIL-Volgogradneftegaz. Since 01.2010: General Director of RITEK.

Has executive/managerial experience, higher professional education in the area of the Company's core production activities.



Pavel Mikhailovich Teplukhin \*\*

Independent member of the Board of Directors of PJSC "LUKOIL", member of the Audit Committee of the Board of Directors of PJSC "LUKOIL".  
President of Matrix Advisors LLC.  
Member of the Board of Directors of RUSNANO.  
Born: 1964  
Graduated with honors from the Faculty of Economics of the Lomonosov Moscow State University; PhD in Economics in 1989 and a Master of Science in Economics degree from the London School of Economics in 1992.  
2013-present: RUSNANO-member of the Board of Directors, Chairman of the Strategy Committee. 2010-2013: member of the Board of Directors, VTB OJSC. 2008-2015: member of the Supervisory Board, World Trade Center. 2012-2016: Deutsche Bank AG, Head of the Russian Office. Since 2017-present: Matrix Capital, President.  
Has executive/managerial experience, experience/expertise in Economics and Finance.



Leonid Arnoldovich Fedun

Executive Member of the Board of Directors of PJSC "LUKOIL"<sup>1</sup>, Vice-President for Strategic Development of PJSC "LUKOIL", Member of the Strategy, Investment and Sustainability Committee of the Board of Directors of PJSC "LUKOIL"  
Born: 1956  
Graduated from the M.I. Nedelin Higher Military Command School in Rostov in 1977 and the Graduate School of Privatization and Entrepreneurship in 1993. Candidate of Philosophical Sciences (PhD). Honored Oil Specialist. Recipient of two orders and seven medals. 1993–1994: General Director of JSC LUKOIL-Consulting. 1994–January 2012: Vice-President, Head of the Main Division of Strategic Development and Investment Analysis of OAO "LUKOIL". Since February 2012: Vice-President for Strategic Development of PJSC "LUKOIL".  
Has executive/managerial experience, experience/expertise in Economics and Finance, a record of government service and expertise in government and international relations.



Liubov Nikolaevna Khoba

Non-executive Member of the Board of Directors of PJSC "LUKOIL".  
Born: 1957  
Graduated from Sverdlovsk Institute of National Economy in 1992. Candidate of Economic Sciences. Merited Economist of the Russian Federation, Honored Oil Specialist, Honored Worker of the Energy Sector. Recipient of two orders and two medals.  
1991–1993: Chief Accountant of Production Association Kogalymneftegaz. 1993-2000: Chief Accountant of OAO "LUKOIL". 2000-2003: Vice-President of OAO "LUKOIL", Head of the Main Division of Financial Accounting. In 2003-2004: Chief Accountant—Vice-President of OAO "LUKOIL". 2004-2012: Chief Accountant of OAO "LUKOIL". 1993 - May 2017: member of the Management Committee of PJSC "LUKOIL". 2012 - February 2018: Vice-President, Chief Accountant of PJSC "LUKOIL". Since 2012: Member and Chairperson of the Supervisory Board of LUKOIL Accounting and Finance Europe s.r.o. Since 2019: member of the Board of Trustees of the NSFO Foundation.  
Has executive/managerial experience and experience/expertise in Economics and Finance.

<sup>1</sup> In accordance with the recommendations of the Corporate Governance Code, executive directors are understood to be not only members of the Management Committee of PJSC "LUKOIL", but also persons employed by the Company.





Sergei Dmitrievich Shatalov

Independent member of the Board of Directors of PJSC "LUKOIL", Chairman of the Strategy, Investment and Sustainability Committee of the Board of Directors of PJSC "LUKOIL", Member of the audit Committee of the Board of Directors of PJSC "LUKOIL".

First Class State Counselor of the Russian Federation

Born: 1950

Graduated from Zhdanov Leningrad State University (Degree in Mathematics) in 1972. Candidate of Physics and Mathematical Sciences (1981). In 2003 Dr. Shatalov defended his doctoral thesis on the "Methodology of forming and developing the tax system in the Russian Federation". Docent of Economics.

2016 – 2018: Vice-President of Aktion-MTsFER Media Group.

2000 – 18 January 2016: Russia's Deputy Minister of Finance. 1998–2000: Director of Tax Department, PWC & Co.; PricewaterhouseCoopers Audit, LLC.

1995–1998: Russia's Deputy Minister of Finance. 1993 – 1995: Director of Tax Department JSC Foreign Investment and Privatization Center. 1990 – 1993:

Member of the Supreme Council of the Russian Federation.

Has executive/managerial experience, experience/expertise in Economics and Finance, a record of government service and expertise in government and international relations.



Wolfgang Schüssel\*\*

Independent Member of the Board of Directors of PJSC "LUKOIL", Member of the Human Resources and Compensation Committee of the Board of Directors of PJSC "LUKOIL", President of the Foreign Policy and United Nations Association of Austria (UNA-Austria), Chairman of the Board of Trustees of Konrad Adenauer Stiftung, Member of the Supervisory Board of RWE AG.

Born: 1945

Higher Education Degree in Economics and Law and a Doctorate from the University of Vienna.

Since 2008: President of the Foreign Policy and United Nations Association of Austria (UNA-Austria). Since March 2010: Member of the Supervisory Board of RWE AG. Since October 2015: Chairman of the Board of Trustees of Konrad Adenauer Stiftung. April 2007-December 2016: Member of the Board of Trustees of Bertelsmann Foundation. Federal Chancellor of Austria from 2000 to 2007, Chairman of the Austrian People's Party from 1995 to 2007. In 1979 - 2011: Member of Austrian National Council, 1989-1995: Austrian Federal Minister of Economic Affairs; 1995 -1999: Vice Chancellor and Federal Minister for Foreign Affairs of the Republic of Austria.

Has executive/managerial experience, experience/expertise in Economics and Finance, a record of government service and expertise in government and international relations.

\* Qualifies as an independent candidate for the Board of Directors of PJSC "LUKOIL" based on the substantiated opinion set out in the decision taken by the Board of Directors on 20 June 2019 (Minutes No.11) on recognizing V.V. Blazheev independent as a member of the Board of Directors of the Company despite the formal criteria of association with the Company resulting from his service on the Board of Directors of PJSC "LUKOIL" exceeding the seven-year tenure.

\*\* These candidates comply with the independence criteria established by the Listing Rules of PJSC Moscow Stock Exchange and provisions of the Corporate Governance Code, and are deemed independent candidates.

Based on the assessment of the candidates for the Board of Directors of PJSC "LUKOIL", the Human Resources and Compensation Committee of PJSC "LUKOIL" recognized that the candidates for the Board of Directors have a flawless business reputation, possess professional qualifications, knowledge, skills and experience required for decision-making on issues within the competence of the Board of Directors and required for the effective performance of their functions (Minutes No.3 of 24 March 2020). The Committee, specifically, notes as follows:

- All candidates to the Board of Directors have executive/managerial experience;
- Candidates to the Board of Directors: V.Y.Alekperov, R.U.Maganov, N.M.Nikolaev have higher professional education in the area of the Company's core production activities;
- Candidates to the Board of Directors: V.V.Blazheev, R.Munnings, P.M.Teplukhin, L.A.Fedun, L.N.Khoba, S.D.Shatalov, W.Schüssel have experience/expertise in Economics and Finance;
- Candidates to the Board of Directors: V.Y.Alekperov, T.Gati, L.A.Fedun, S.D.Shatalov, W.Schüssel have a record of government service and expertise in government and international relations.
- Candidates to the Board of Directors: V.Y.Alekperov, W.Schüssel, S.D.Shatalov have doctoral degrees, and V.V.Blazheev, N.M. Nikolaev, P.M. Teplukhin, L.A.Fedun, L.N.Khoba and S.D.Shatalov have PhD/Candidate of Sciences degrees.
- Candidate to the Board of Directors V.V. Blazheev is a prominent member of the professional legal community, while candidate to the Board of Directors W.Schüssel has a record of legal expertise;
- Candidates to the Board of Directors: V.Y.Alekperov, V.V.Blazheev, N.M.Nikolaev, R.U.Maganov, R.Munnings, P.M.Teplukhin, L.A.Fedun, L.N. Khoba, S.D.Shatalov, W.Schüssel have various state awards and commendations, including in their core areas of expertise.

**The candidates have given their written consent to be elected to the Board of Directors of PJSC "LUKOIL".**

PJSC "LUKOIL" (not including subsidiaries and equity affiliates)  
**BALANCE SHEET**  
as at 31 December 2019

million roubles

	As at 31.12.2019	As at 31.12.2018	As at 31.12.2017
<b><i>Non-current assets</i></b>			
Intangible assets	1,722	816	384
R&D	9	14	30
Intangible development assets	-	-	-
Tangible development assets	-	-	-
Property, plant and equipment	14,592	14,599	14,818
Income-bearing investments in tangible assets	-	-	-
Financial investments	1,490,310	1,609,456	1,585,422
Deferred tax assets	853	1,094	3,246
Other non-current assets	851	703	538
<b><u>Non-current assets, total</u></b>	<b><u>1,508,337</u></b>	<b><u>1,626,682</u></b>	<b><u>1,604,438</u></b>
<b><i>Current assets</i></b>			
Inventories	39	36	30
VAT on purchased assets	388	117	37
Accounts receivable	398,370	345,210	294,680
Financial investments (other than cash equivalents)	51,427	40,882	75,802
Cash and cash equivalents	250,606	157,287	121,545
<b><u>Current assets, total</u></b>	<b><u>700,830</u></b>	<b><u>543,532</u></b>	<b><u>492,094</u></b>
<b><u>ASSETS TOTAL</u></b>	<b><u>2,209,167</u></b>	<b><u>2,170,214</u></b>	<b><u>2,096,532</u></b>
<b><i>Equity and reserves</i></b>			
Charter capital	18	19	21
Additional paid-in capital, including revaluation of non-current assets	-	-	12,625
Reserve capital	2	2	3
Retained earnings	957,149	995,542	1,342,277
<b><u>Equity and reserves, total</u></b>	<b><u>957,169</u></b>	<b><u>995,563</u></b>	<b><u>1,354,926</u></b>
<b><i>Non-current liabilities</i></b>			
Loans and borrowings	185,717	277,883	119,749
Deferred tax liabilities	645	587	541
Other non-current liabilities	55	41	84
<b><u>Non-current liabilities, total</u></b>	<b><u>186,417</u></b>	<b><u>278,511</u></b>	<b><u>120,374</u></b>
<b><i>Current liabilities</i></b>			
Loans and borrowings	755,332	651,539	361,052
Accounts payable	306,679	241,412	241,486
Estimated liabilities	3,570	3,189	18,694
<b><u>Current liabilities, total</u></b>	<b><u>1,065,581</u></b>	<b><u>896,140</u></b>	<b><u>621,232</u></b>
<b><u>LIABILITIES AND EQUITY TOTAL</u></b>	<b><u>2,209,167</u></b>	<b><u>2,170,214</u></b>	<b><u>2,096,532</u></b>

# **INCOME STATEMENT** for the year ended 31 December

million roubles

	2019	2018
<b>Net sales revenues</b>	<b>444,471</b>	<b>264,355</b>
Including receipts from participation in the authorised capitals of other organisations	399,195	218,860
Cost of goods sold	(19,598)	(20,625)
<b>Gross profit</b>	<b>424,873</b>	<b>243,730</b>
Selling expenses	(1,420)	(1,436)
including Export customs duties	-	-
Administrative expenses	(29,317)	(30,914)
<b>Profit from sales</b>	<b>394,136</b>	<b>211,380</b>
Income from equity in other organisations	-	-
Interest receivable	44,000	56,232
Interest payable	(55,408)	(35,527)
Result of other income and expenses	22,418	(4,004)
<b>Profit before taxes</b>	<b>405,146</b>	<b>228,081</b>
Current income tax	(3,509)	(6,674)
Deferred income tax	(299)	(2,197)
Other	4,422	274
Redistribution of income tax inside the consolidated group of taxpayers	68	252
<b>Net profit</b>	<b>405,760</b>	<b>219,484</b>
Result of revaluation of non-current assets not included in net profit	-	-
Result of other transactions not included in net profit of the period	-	-
<b>Cumulative financial result of the period</b>	<b>405,760</b>	<b>219,484</b>

# **MINUTES No. 1** **of the Annual General Meeting of Shareholders** **of Public Joint Stock Company “Oil company “LUKOIL”**

**Full trade name of the company:** *Public Joint Stock Company “Oil company “LUKOIL”*

**Location of the company:** Moscow

**Address of the company:** *Sretensky bulvar 11, Moscow 101000 Russian Federation*

**Type of the General Meeting:** *annual*

**Form of the General Meeting:** *a meeting (joint attendance of shareholders to discuss agenda items and take decisions on issues put to a vote) with preliminary distribution (dispatch) of ballots before the conduct of the Meeting*

**The date of determining (formalizing) the persons entitled to participate in the General Meeting:** *27 May 2019*

**Date of the General Meeting:** *20 June 2019*

**Place of the General Meeting:** *PJSC “LUKOIL”, Sretensky bulvar 11, Moscow, Vega Conference Hall (entrance from Kostyansky pereulok)*

**Opening of the General Meeting:** *11:00 a.m.*

**Closing of the General Meeting:** *01:52 p.m.*

**Start of registration of persons entitled to participate in the General Meeting:** *9:30 a.m.*

**End of registration of persons entitled to participate in the General Meeting:** *01:14 p.m.*

**Start of counting votes:** *01:19 p.m.*

**Postal address to which completed ballots had been sent:** *ООО «Регистратор «Гарант», Краснопresnenskaya Naberezhnaya 6, Moscow, 123100, Russian Federation*

**Date of preparation of the Minutes:** *25 June 2019*

***Item 4 on the agenda. On the remuneration and reimbursement of expenses to members of the Board of Directors of PJSC “LUKOIL”.***

## **Voting results on Item 4 (point 2) on the agenda:**

1. The number of votes belonging to the persons included in the list of persons entitled to participate in the General Meeting on this Item:	750,000,000
2. The number of votes for the Company's voting shares on this agenda item determined taking into account the provisions of point 4.24 of the <i>Regulations on General Shareholders Meetings</i> , approved by Bank of Russia No.660 – P of 16.11.2018:	750,000,000
3. The number of votes belonging to the persons who took part in the General Meeting on this Item:	549,370,188 (73.2494%), the Item is quarate
The number of votes cast for each voting option:	
“For”	548,902,743
“Against”	(99.9149%)
“Abstain”	9,481
	136,562

## **Decision taken on Item 4 (point 2) on the agenda:**

*To establish the amounts of remuneration for the newly elected members of the Board of Directors of PJSC “LUKOIL” pursuant to Appendix No.2 hereto.*

*To establish that during their service the newly elected members of the Board of Directors shall be reimbursed for the expenses related to the performance of their functions as members of the Board of Directors, the types of which were established by decision of the Annual General Shareholders Meeting of OAO “LUKOIL” of 24 June 2004 (Minutes No.1), in the amount of actually incurred and documented expenses, upon submission by members of the Board of Directors of written expense claims.*

Chairman of the Meeting

R.U. Maganov

Secretary of the Meeting

N.A. Illarionov

*I hereby certify that this is a true and accurate excerpt from Minutes No.1*  
*Corporate Secretary* *N.I. Podolskaya*

To establish the following amounts of remuneration for the newly elected members of the Board of Directors of PJSC “LUKOIL”:

- for performance of the duties of a member of the Board of Directors – 7,000,000 roubles;
- for performance by a member of the Board of Directors of the functions of the Chairman of the Board of Directors – 5,400,000 roubles;
- for performance by a member of the Board of Directors of the functions of the Chairman of a committee of the Board of Directors – 1,100,000 roubles;
- for performance by a member of the Board of Directors of the functions of a member of a committee of the Board of Directors – 1,100,000 roubles;
- for each attendance in person at a meeting of the Board of Directors or a committee of the Board of Directors which involves a transcontinental flight (a flight from one continent to another that lasts more than eight hours) – 350,000 roubles. If a member of the Board of Directors takes a transcontinental flight to attend the meetings of both a committee (committees) of the Board of Directors and of the Board of Directors itself, only a single amount of remuneration for the transcontinental flight will be paid;
- for each participation in conferences and other events on written instructions of the Chairman of the Board of Directors, in an amount of 150,000 roubles.

**MINUTES No.1**  
**of the Annual General Meeting of Shareholders**  
**of Open Joint Stock Company “Oil company “LUKOIL”**

**Full trade name of the company:** *Open Joint Stock Company “Oil company “LUKOIL”*

**Location of the company:** *Sretensky bulvar 11, Moscow*

**Type of the General Meeting:** *annual*

**Form of the General Meeting:** *a meeting (joint attendance of shareholders to discuss agenda items and take decisions on issues put to a vote) with preliminary distribution (dispatch) of ballots before the conduct of the Annual General Meeting of Shareholders*

**Date of the General Meeting:** *24 June 2004*

**Place of the General Meeting:** *OAo “LUKOIL”, Sretensky bulvar 11, Moscow*

**Opening of the General Meeting:** *11:00 a.m.*

**Closing of the General Meeting:** *01:50 p.m.*

**Start of registration of persons entitled to participate in the General Meeting:** *9:30 a.m.*

**End of registration of persons entitled to participate in the General Meeting (upon closing the discussion of the last item on the agenda):** *01: 35 p.m.*

**Start of counting votes:** *01:40 p.m.*

**Postal address to which completed ballots had been sent:** *OAo Registrator NIKoil, 3-ya ulitsa Yamskogo Polya 28, Moscow 125124, Russian Federation*

**Date of preparation of the Minutes:** *8 July 2004*

***Item 5 on the agenda. On the remuneration and compensation of expenses to the members of the Board of Directors and the Audit Commission of OAo “LUKOIL”.***

**Resolution for voting on Item 5 on the agenda:**

...

*5.2. Establish the amounts of remuneration and the types of expenses for newly elected members of the Board of Directors and the Audit Commission for which members of the Board of Directors and Audit Commission shall be compensated in accordance with the Appendix hereto.*

...

**Decision taken on Item 5 on the agenda, point 5.2:**

*Establish the amounts of remuneration and the types of expenses for newly elected members of the Board of Directors and the Audit Commission for which members of the Board of Directors and Audit Commission shall be compensated in accordance with the Appendix hereto.*

*Chairman of the Meeting*

*V.I.Grayfer*

*Secretary of the Meeting*

*S.N.Malyukov*

I hereby certify that this is a true and accurate excerpt from Minutes No.1  
Corporate Secretary

*N.I. Podolskaya*

**Appendix to decision on Item 5 (point 5.2) on the agenda of the Annual General Meeting of Shareholders of Open Joint Stock Company "Oil company "LUKOIL" of 24 June 2004 (Minutes No.1)**

...

4. To establish the following types of expenses for which members of the Board of Directors and Audit Commission shall be compensated during the term of performance of their duties:
- expenses related to travel to the site of the meeting of the Board of Directors and from the site of the meeting to their point of destination, and related to their stay at the site of the meeting;
  - expenses related to travel to the site of the audit and/or meeting of the Audit Commission and from the site of the audit and/or meeting to their point of destination, and related to their stay at the site of the audit and/or meeting;
  - expenses related to participating in a meeting of the Board of Directors by telephone, using a teleconferencing system, dispatching a written opinion, and also related to absentee voting;
  - expenses related to the performance by members of the Board of Directors of their functions in the periods between meetings;
  - expenses related to engaging consultants and experts and obtaining the relevant opinions on issues of the activity of the Board of Directors in aggregate not exceeding the amount of funds planned for these purposes in the budget of the Company;
  - expenses of persons, accompanying a member of the Board of Directors during the performance thereby of the functions of a member of the Board of Directors (translator, consultant, administrative assistant), or representatives of the member of the Board of Directors on issues related to the activity of the Board of Directors, in the amount of actual documented expenses, not more than one person (support staff or representative) for each trip related to the activity of the member of the Board of Directors.

...



# Independent Auditors' Report

**on the financial statements of  
Public Joint Stock Company "Oil company "LUKOIL"  
for the year 2019**

# Independent Auditors' Report

## To the Shareholders of Public Joint Stock Company "Oil company "LUKOIL"

### Opinion

We have audited the financial statements of the Public Joint Stock Company "Oil company "LUKOIL" (the "Company"), which comprise the statement of financial position as at 31 December 2019, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with the requirements of the Russian reporting legislation (RAP).

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the independence requirements that are relevant to our audit of the financial statements in the Russian Federation and with the International Code of Ethics for Professional Accountants (including International Independence Standards), and we have fulfilled our other ethical responsibilities in accordance with the requirements in the Russian Federation and the International Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Recoverability of financial investments of the Company

Please refer to the Note 2.4.4. "Financial investments" in the financial statements.

The key audit matter	How the matter was addressed in our audit
<p>The Company had significant financial investments into subsidiaries and other related parties as at reporting date. RAP 19/02 "Financial investments" requires to account for impairment loss for the financial investments not measured at fair value if there are triggers that the financial investments demonstrate stable decline in their value.</p> <p>The Company regularly monitors if the impairment triggers exist. The Company performs an impairment testing in case such triggers are identified. The Company uses the models of discounted cash flows in order to determine the amount of future economic benefits from these investments.</p> <p>Because of the inherent uncertainty involved in forecasting and discounting future cash flows, which are the basis of the assessment of recoverability, this is one of the key judgmental areas that our audit is concentrated on.</p>	<p>In this area our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>- analysis of the Company's accounting policy in relation to determination of impairment triggers;</li> <li>- analysis of the facts that can indicate stable decline the value of the investments;</li> <li>- analysis of the Company's approach to determination of value in use;</li> <li>- testing of budgeting procedures applied by the Company;</li> <li>- testing of approach and methodology that the Company uses to prepare models of discounted cash flows.</li> </ul> <p>We used our own valuation specialists to assist us in evaluating the assumptions and methodologies used by the Company. We assessed management's macroeconomic assumptions, which include prices and volumes growth rates, terminal period growth rate, inflation rates and discount rates.</p> <p>We compared the value of discounted cash flows to the cost of the financial investments in order to determine the amount of financial investments provision.</p>

## Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual report for 2019 and the Quarterly report of the issuer of securities but does not include the financial statements and our auditors' report thereon. The Annual report for 2019 and the Quarterly report of the issuer of securities are expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether

the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with RAP, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors'

report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is:

A.I. Oussov

JSC "KPMG"

Moscow, Russia

16 March 2020

**MINUTES No. 3**  
**OF THE MEETING OF THE AUDIT COMMITTEE**  
**OF THE BOARD OF DIRECTORS**

28 April 2020

Moscow

**E X C E R P T No. KA3/28-04-20/B1/1**

THE FOLLOWING COMMITTEE MEMBERS  
PARTICIPATED IN ABSENTEE VOTING:

Chairman:

V.V. Blazheev

Committee members:

P.M. Teplukhin, S.D. Shatalov

The meeting is quorate.

**I. Assessment of the Independent Auditors' opinion for subsequent submission to shareholders as  
materials for the Company's Annual General Shareholders Meeting**

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**RESOLVED:**

Having considered the report of the Company's independent Auditor, JSC KPMG, on the accounting (financial) statements of PJSC "LUKOIL" for 2019 and based on the result of the analysis and the discussion of issues of material importance to the preparation of complete and reliable financial statements, and also in light of the fact that the audit of the accounting (financial) statements of PJSC "LUKOIL" for the period from 1 January to 31 December 2019 resulted in an unqualified audit opinion, to propose to the Board of Directors that it recommend to the Annual General Shareholders Meeting of the Company that the Meeting approve the audited accounting (financial) statements of the Company for 2019 and include the Independent Auditors' Opinion examined by the Audit Committee of the Board of Directors of PJSC "LUKOIL" in the list of materials to be provided to shareholders when preparing for the General Shareholders Meeting.

VOTING RESULTS (Votes counted by the Corporate Secretary):

IN FAVOR voted the following Committee members: V.V. Blazheev, P.M. Teplukhin, S.D. Shatalov

Decision passed unanimously.

**Chairman**

**V.V. Blazheev**

*I hereby certify that this is a true and accurate excerpt from Minutes No.3 of 28 April 2020*


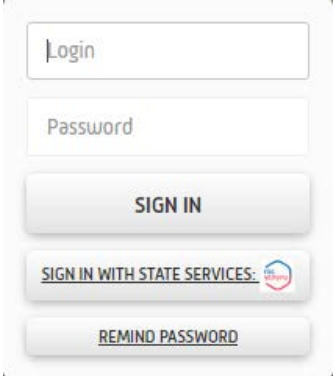
Corporate Secretary

N.I. Podolskaya

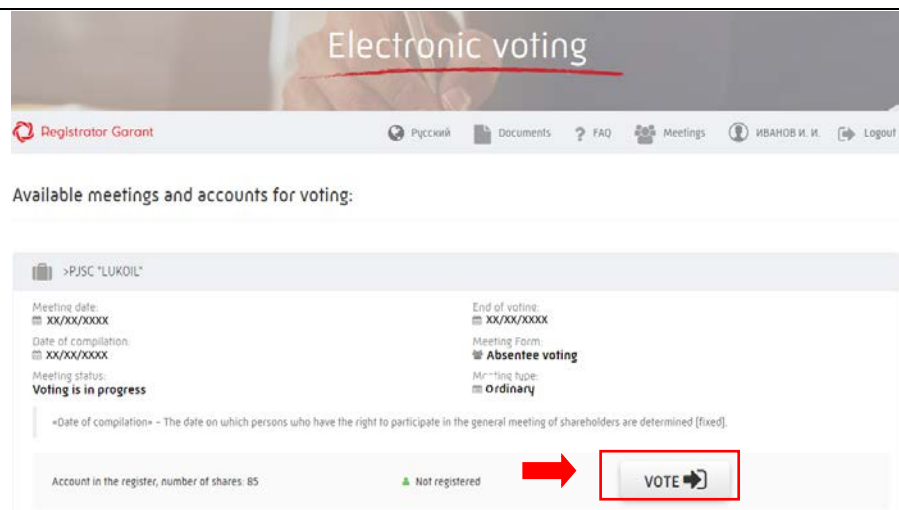
Instructions for shareholders of PJSC “LUKOIL”  
using the electronic voting solution  
for the General Shareholders Meeting of PJSC “LUKOIL”

Please be informed that access for completing electronic voting ballots shall be granted to the shareholders who register their title to shares in the Company’s shareholder register on the date following the date on which persons entitled to participate in the General Meeting are determined, while shareholders who are clients of nominee holders shall be granted access after the said nominee holders provide OOO «Registrator «Garant», the company keeping the Company’s Shareholder Register, with information on persons entitled to participate in the General Shareholders Meeting of PJSC “LUKOIL”.

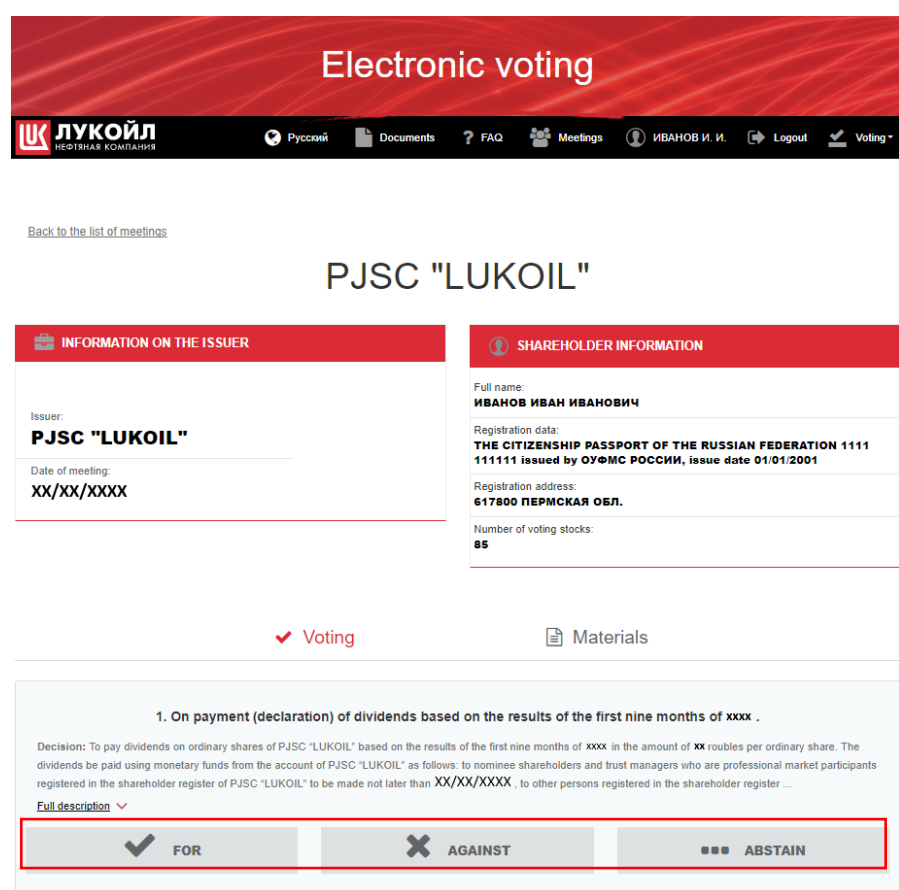
To use the e-voting service:

<p>1. Follow the link:</p> <p><a href="https://evoting.reggarant.ru/Voting/Lk">https://evoting.reggarant.ru/Voting/Lk</a></p> <p style="text-align: center;"><b>or</b></p> <p>use the QR code to reach the website immediately.</p>	
<p>2. On the opening page, choose your preferred identification method:</p> <ul style="list-style-type: none"> <li>- via your <b>certified</b> account at the State Services Portal (<a href="https://gosuslugi.ru">https://gosuslugi.ru</a>);</li> <li>- using your credentials issued by OOO «Registrator «Garant».</li> </ul> <p>If you are a registered user of the Shareholder’s Personal Account service, please use your credentials to enter.</p>	
<p>3. Check the relevant box to confirm that you agree with the e-voting rules. <b>(This is mandatory to continue using the Service).</b></p> <p>4. To receive notifications on the progress of the General Shareholders Meeting and on the voting results please provide your mobile phone number and/or email address and check <i>Email Notifications</i> and/or <i>Text (SMS) Notifications</i> boxes and confirm your mobile phone number by pressing “Confirm”.</p> <p>5. Save changes.</p>	

6. In the List of Meetings section, choose the available meeting and click on the VOTE button to proceed to the ballot.



7. On the electronic voting ballot page:  
 7.1. Read the Meeting agenda, resolutions on agenda items that have been put to the vote, and information (reference materials) for the Meeting;  
 7.2. Click to choose the voting option ("FOR," "AGAINST," "ABSTAIN") on each item on the agenda;  
 7.3. Click on the VOTE button.



Recommended specifications:

## PC

OS: Windows 7 and higher  
 Browser: Google Chrome 61+  
 Channel throughput: 10Mb and higher

## Mobile devices:

OS: Android 4.2 and higher, IOS  
 Browser: Google Chrome, Safari  
 Display resolution: 1280x720 pixels and more

If you have any questions regarding the E-voting Service, please contact OOO «Registrator «Garant»:  
 call +7 800 500 29 47 or email: [evoting@reggarant.ru](mailto:evoting@reggarant.ru).