

PARTICULARS OF RIGHTS ATTACHING TO AMERICAN DEPOSITARY RECEIPTS ("**ADRs**")
ISSUED UNDER THE LEVEL 1 DEPOSIT AGREEMENT IN RESPECT OF COMMON SHARES OF
PJSC "LUKOIL" (the "**Agreement**")

Cash Distributions

Whenever Citibank, N.A., acting in its capacity as depositary under the Agreement (the "**depositary**"), receives any cash dividend or other cash distribution on (i) common shares of PJSC "LUKOIL" ("**Company**"), par value 25 Russian roubles each, ("**Shares**") deposited under the Agreement, or (ii) any and all other securities, property and cash received by the depositary or any custodian appointed under the Agreement (together with the Shares, the "**Deposited Securities**"), the depositary will convert the dividend or distribution into United States dollars ("**Dollars**") and distribute the amount received (net of the fees and expenses of the depositary and any withholding taxes, and rounded to the nearest whole cent) to the Owners entitled thereto, in proportion to the number of ADRs in respect of American Depositary Shares ("**ADSs**") representing such Deposited Securities held by them respectively. "**Owners**" are those persons in whose name ADSs are registered on the books of the depositary.

Distribution in Shares

If a distribution upon any Deposited Securities consists of a dividend in, or free distribution of, Shares, the depositary may (or is required to, if the Company makes a request) distribute (net of the fees and expenses of the depositary and any tax or other governmental charge) to Owners entitled thereto, in proportion to the number of ADSs representing such Deposited Securities held by them respectively, additional ADSs representing the amount of Shares received as such dividend or free distribution (unless the depositary does not receive reasonably satisfactory assurances from the Company that such distribution does not require registration or is exempt from registration under the United States Securities Act of 1933). Instead of delivering fractional ADSs, the depositary will sell the amount of Shares represented by the aggregate of such fractions and distribute the net proceeds as a cash distribution. If additional ADSs are not distributed, each ADS will thereafter also represent the additional Shares distributed upon the Deposited Securities represented thereby.

Distribution Rights to Purchase Additional ADSs

The Company will give the depositary timely notice if it intends to distribute to all or certain Owners of ADSs rights to subscribe for additional Shares by purchasing additional ADSs. Upon receipt of such notice, the depositary will determine whether it is lawful and reasonably practicable to make such rights available to the relevant Owners. Where the depositary has made such determination, it will establish procedures to enable the relevant Owners to exercise such rights by paying the subscription price, any applicable fees, charges and expenses of the depositary, and any applicable taxes. In circumstances where rights would otherwise not be distributed, if an Owner of ADSs requests distribution of warrants or other instruments to exercise those rights, the depositary will make such rights available to such Owner if (a) the Company has elected in its sole discretion permit such rights to be exercised by such Owner, and (b) such Owner provides such documents the Company determines in its sole discretion are reasonably required by applicable law. If the depositary is not required to make rights to purchase additional ADSs available to relevant Owners, or if rights made available are not exercised and appear about to lapse, the depositary will determine whether it is lawful and reasonably practicable to sell those rights. Upon such sale, the depositary will distribute the proceeds as a cash distribution.

Distributions other than Cash, Shares or Rights to Purchase Additional ADSs

Whenever the depositary receives a distribution other than a cash distribution, a distribution of Shares or a distribution of rights to purchase additional ADSs, the depositary will cause the securities or

property received by it to be distributed (net of fees and expenses of the depositary and any taxes or other governmental charges) to the Owners entitled thereto, in proportion to the number of ADSs representing such Deposited Securities held by them respectively, in a manner that the depositary deems to be reasonably practicable. If the depositary does not believe that it can make the distribution proportionately among the Owners entitled thereto, or the depositary deems the distribution is not reasonably practicable for any other reason, it can adopt any method it deems reasonably practicable to make such distribution, including, amongst other things, a public or private sale of the securities or property received, and distribute the net proceeds thereof as a cash distribution.

Conversion of Foreign Currency.

If the depositary receives foreign currency in respect of a dividend or distribution or the net proceeds of any sale, and it determines that such foreign currency can be converted on a practicable basis into Dollars and the resulting Dollars can be transferred to the United States, then it will convert the foreign currency into Dollars and distribute them (net of any expenses of conversion into Dollars incurred by the depositary) to the Owners entitled thereto. If the depositary determines all or any foreign currency is not convertible on a practicable basis into Dollars, or any required governmental approval or licence is not obtainable, the depositary may distribute the relevant foreign currency (or an appropriate document evidencing the right to receive such foreign currency) to the Owners entitled to receive the same, or the depositary may hold such foreign currency uninvested and without liability for interest thereon, for the respective accounts of the Owners entitled to receive the same.

Voting of Deposited Securities

If the depositary receives notice of a meeting at which holders of Deposited Securities are entitled to vote, or of solicitation of consents or proxies from such holders, the depositary shall, if requested by the Company in a timely manner and no US legal prohibitions exist, distribute to Owners as of the applicable record date (a) a notice of such meeting or solicitation of consent or proxy, (b) a statement that such Owners will be entitled to instruct the Depositary to exercise any applicable voting rights pertaining to Deposited Securities, and (c) a brief statement as to the manner in which voting instructions may be given. Upon timely receipt of voting instructions from an eligible Owner, the depositary will so far as practicable and permissible (and subject to receipt of any required information or documentation from the Owner) vote or cause the custodian to vote the relevant Deposited Securities (in person or by proxy) in accordance with such voting instructions. If any eligible Owner fails to provide voting instructions in a timely manner, its vote will be disregarded. If any eligible Owner fails to specify the manner in which the depositary is to vote on one or more items to be voted on, the depositary will vote "abstain" for those item(s).

Surrender of ADSs and Withdrawal of Deposited Securities

An Owner has the right to exchange its ADSs for the Deposited Securities represented by the ADSs. Subject to satisfaction of any applicable requirements and payment of any applicable costs, the depositary will direct the custodian to deliver without unreasonable delay the Deposited Securities represented by the ADSs. The Owner must surrender ADSs that represents at least one Share. If the ADSs do not represent a whole number of Shares, the depositary will cause ownership of the appropriate whole number of Shares to be delivered to the person surrendering ADSs and, at the depositary's discretion, will either (a) return to such person the number of ADSs representing any fractional Share, or (b) sell the fractional Share represented by such ADSs and remit the proceeds of sale (net of any applicable fees and expenses of the depositary and any taxes) to the person surrendering the ADSs.