

Materials that are made available for those
entitled to participate in the Annual General Shareholders
Meeting of PJSC “LUKOIL”
to be held on June 24, 2021

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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 21 April 2021 and based on Article 3 of Federal Law No.17-FZ of 24 February 2021, the Annual General Shareholders Meeting of PJSC “LUKOIL” will take place on **24 June 2021 in the form of an absentee voting meeting**, with the following agenda:

- 1. Approval of the 2020 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 2020 annual results.**
- 2. Election of the members of the Board of Directors of PJSC “LUKOIL”.**
- 3. Appointment of the President of PJSC “LUKOIL”.**
- 4. On the remuneration and reimbursement of expenses to members of the Board of Directors of PJSC “LUKOIL”.**
- 5. Approval of the Auditor of PJSC “LUKOIL”.**
- 6. Approval of Addenda to the Charter of Public Joint Stock Company “Oil company “LUKOIL”.**
- 7. Decision on consent to perform an interested-party transaction.**

The deadline for the receipt of ballots

24 June 2021

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

**OOO Registrator Garant, Krasnopresnenskaya
Naberezhnaya 8, Moscow, 123100, Russian Federation**

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

31 May 2021

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 (in Russian), www.lukoil.com (in English) in the information and telecommunications network Internet. Access for completing electronic voting ballots shall be granted from 1 June 2021 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 8, 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 (in Russian), 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 3 June 2021); and from 4 June 2021, 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 (495) 981 7320 or 8 (495) 780 1943, as well as at the Registrar's addresses: Krasnopresnenskaya Naberezhnaya 8, Moscow, 123100, Russian Federation, tel. 8 (495) 221 3112, 8 (800) 500 2947; Nevsky Prospect, 21 A, facility 13H-1/1, (fifth floor), office 511, (Business Center “Dom Mertensa”), St. Petersburg, 191186, Russian Federation tel. +7 (812) 644 8768, +7 (904) 645 5786, +7 (495) 221 3112 (ext. 2936, 2937) and to the addresses of the transfer agents of OOO Registrant 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, www.lukoil.com in the information and telecommunications network Internet through 30 June 2021.

For the purpose of ensuring your rights as shareholders of PJSC "LUKOIL", we kindly ask you to inform OOO Registrant 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 (495) 981 7320 or 8 (495) 780 1943, shareholder@lukoil.com.

Board of Directors of PJSC “LUKOIL”

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

Moscow, 24 June 2021

1. Approval of the 2020 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 2020 annual results.
2. Election of the members of the Board of Directors of PJSC “LUKOIL”.
3. Appointment of the President of PJSC “LUKOIL”.
4. On the remuneration and reimbursement of expenses to members of the Board of Directors of PJSC “LUKOIL”.
5. Approval of the Auditor of PJSC “LUKOIL”.
6. Approval of Addenda to the Charter of Public Joint Stock Company “Oil company “LUKOIL”.
7. Decision on consent to perform an interested-party transaction.

**DRAFT DECISIONS
OF THE 2021 ANNUAL GENERAL SHAREHOLDERS MEETING OF PJSC "LUKOIL"**

Draft decision on item 1 on the agenda: Approval of the 2020 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 2020 annual results:

To approve the Annual Report of PJSC "LUKOIL" for 2020, the annual accounting (financial) statements and distribute the profits based on the 2020 annual results as follows:

The net profit of PJSC "LUKOIL" based on the 2020 annual results equalled 197,559,111,491 roubles 71 kopecks.

The net profit in the amount of 147,580,407,306 roubles based on the 2020 annual results (excluding the profit distributed as interim dividends of 31,871,825,052 roubles for the first nine months of 2020) be allocated for the payment of dividends.

The remainder of the profits in the amount 18,106,879,133 roubles 71 kopecks shall be retained earnings.

To pay out dividends on ordinary shares of PJSC "LUKOIL" based on the 2020 annual results in the amount of 213 roubles per ordinary share (excluding the interim dividends of 46 roubles per ordinary share paid based on the results for the first nine months of 2020). The total amount of dividends payable for 2020 including the interim dividends already paid will be 259 roubles per ordinary share. To pay out dividends in the amount of 213 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 14 July 2021, and to other shareholders whose names are on the shareholder register of PJSC "LUKOIL" not later than on 2 August 2021.

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

To set 5 July 2021 as the date on which persons entitled to receive dividends based on the 2020 annual results will be determined.

Draft decision on item 2 on the agenda: Election of the members 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 2021 (Minutes No.3):

1. ALEKPEROV, Vagit Yusufovich
2. BLAZHEEV, Victor Vladimirovich
3. GATI, Toby Trister
4. MAGANOV, Ravil Ulfatovich
5. MUNNINGS, Roger
6. PORFIREV, Boris Nikolaevich
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: *Appointment of the President of PJSC “LUKOIL”.*

To appoint Vagit Yusufovich Alekperov as the President of PJSC “LUKOIL”.

Draft decision on item 4 on the agenda: *On the remuneration and reimbursement of expenses to members of the Board of Directors of PJSC “LUKOIL”:*

1. To pay remuneration 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 5 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 6 on the agenda: *Approval of Addenda to the Charter of Public Joint Stock Company “Oil company “LUKOIL”.*

To approve Addenda to the Charter of Public Joint Stock Company “Oil company “LUKOIL”, pursuant to the Appendix hereto.

Draft decision on item 7 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 IPJSC “Ingosstrakh” (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 2020 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 2020 annual results*

Position:

Pursuant to 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. Further, as provided for 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 2020 reviewed by the Audit Committee of the Board of Directors on 26 April 2021 and tentatively approved by the Board of Directors on 18 May 2021 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 2020 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 2020 prepared in accordance with the Russian Accounting Standards (RAS) and consolidated financial statements of PJSC “LUKOIL” for 2020 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 2020 prepared in accordance with the Russian Accounting Standards.

Having considered the report of the Company's independent Auditor, the Board of Directors believes that the accounting (financial) statements of PJSC “LUKOIL” present fairly, in all material respects, its financial position as of 31 December 2020, results of its financial activities and the cash flows for 2020 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 2020, prepared in accordance with the RAS, and the net profit of 197,559,111,491.71 roubles received by PJSC “LUKOIL” for 2020, believes that the Company's net profit for 2020 (excluding the profit distributed as interim dividends of 31,871,825,052.00 roubles for the first nine months of 2020) shall be distributed by allocating 147,580,407,306.00 roubles for the payment of dividends for 2020, with the remainder of the profits of 18,106,879,133.71 roubles as 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 of 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 2020 (213 roubles per ordinary share) is deemed by the Company's Board of Directors to be optimal, as it

reflects the 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 is proposed to bear 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 5 July 2021 as the dividend record date for persons entitled to dividends based on the 2020 results.

Recommendation:

To approve the Annual Report of PJSC "LUKOIL" for 2020, the annual accounting (financial) statements and distribute the profits based on the 2020 annual results as follows:

The net profit of PJSC "LUKOIL" based on the 2020 annual results equalled 197,559,111,491 roubles 71 kopecks.

The net profit in the amount of 147,580,407,306 roubles based on the 2020 annual results (excluding the profit distributed as interim dividends of 31,871,825,052 roubles for the first nine months of 2020) be allocated for the payment of dividends.

The remainder of the profits in the amount 18,106,879,133 roubles 71 kopecks shall be retained earnings.

To pay out dividends on ordinary shares of PJSC "LUKOIL" based on the 2020 annual results in the amount of 213 roubles per ordinary share (excluding the interim dividends of 46 roubles per ordinary share paid based on the results for the first nine months of 2020). The total amount of dividends payable for 2020 including the interim dividends already paid will be 259 roubles per ordinary share.

To pay out dividends in the amount of 213 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 14 July 2021, and to other shareholders whose names are on the shareholder register of PJSC "LUKOIL" not later than on 02 August 2021.

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

The Board of Directors of PJSC "LUKOIL" proposes that the Annual General Shareholders Meeting of PJSC "LUKOIL" set 5 July 2021 as the date on which persons entitled to receive dividends based on the 2020 annual results will be 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 6 April 2021) and the Strategy, Investment, Sustainability and Climate Adaptation Committee of the Board of Directors of PJSC "LUKOIL" (Minutes No.2 of 8 April 2021).

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

Position:

Pursuant to 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.

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" at the meeting on 5 March 2021 (Minutes No.3) 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, Boris Nikolaevich Porfirev, Pavel Mikhailovich Teplukhin, Leonid Arnoldovich Fedun, Liubov Nikolaevna Khoba, Sergei Dmitrievich Shatalov and 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 6 (six) candidates to the Board of Directors of PJSC “LUKOIL” shall be deemed independent: Toby Trister Gati, Roger Munnings, Boris Nikolaevich Porfirev, Pavel Mikhailovich Teplukhin, Sergei Dmitrievich Shatalov and Wolfgang Schüssel.

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 2021 (Minutes No.3).

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.3 of 31 March 2021).

On item 3 on the agenda of the Meeting: *Appointment of the President of PJSC “LUKOIL”.*

Position:

According to point 10.1 of the Company Charter, the President of the Company is appointed by the General Shareholders Meeting of the Company for a term of 5 years.

Due to the absence of proposals on candidates for inclusion in the list of candidates for voting for the position of the President of PJSC “LUKOIL” 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*, at its own discretion, included Vagit Yusufovich Alekperov in the said list, who has been President of the Company since 1993.

Recommendation:

To appoint Vagit Yusufovich Alekperov as the President of PJSC “LUKOIL”.

On item 4 on the agenda of the Meeting: *On the remuneration and reimbursement of expenses to members of the Board of Directors of PJSC “LUKOIL”*

Position:

Pursuant to 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 reimbursements 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 2020 Annual General Shareholders Meeting were established by decision of the Annual General Shareholders Meeting of PJSC “LUKOIL” on 23 June 2020 (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” on 3 December 2020 (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 3 December 2020 constituting one-half of the Board fee established by decision of the Annual General Shareholders Meeting of PJSC “LUKOIL” on 23 June 2020 (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 3 December 2020 to the date a decision is taken by the Annual General Shareholders Meeting will amount to 3,625,000 roubles payable to each member of the Board of Directors.

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 2020. 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, 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 2020 (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 23 June 2020 (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 2020 to the date a decision is taken by the Annual General Shareholders Meeting of PJSC “LUKOIL”, in the following amounts:

- V.Yu. Alekperov – 3,625,000 roubles
- V.V. Blazheev – 3,625,000 roubles
- T. Gati – 3,625,000 roubles
- R.U. Maganov – 3,625,000 roubles
- R. Munnings – 3,625,000 roubles
- N.M. Nikolaev – 3,625,000 roubles
- P.M. Teplukhin – 3,625,000 roubles
- L.A. Fedun – 3,625,000 roubles
- L.N. Khoba – 3,625,000 roubles
- S.D. Shatalov – 3,625,000 roubles
- W. Schüssel – 3,625,000 roubles

2. In accordance with the decision of the Annual General Shareholders Meeting of PJSC “LUKOIL” of 23 June 2020 (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 R.U. Maganov, for performance of the functions of the Chairman of the Board of Directors of PJSC “LUKOIL” – 5,600,000 roubles;

- to S.D. Shatalov, for performance of the functions of the Chairman of the Strategy, Investment, Sustainability and Climate Adaptation Committee of the Board of Directors of PJSC “LUKOIL” – 1,150,000 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” – 1,150,000 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” – 1,150,000 roubles;

- to S.D. Shatalov, T. Gati, N.M. Nikolaev, L.A. Fedun, for performance of the functions of a member of the Strategy, Investment, Sustainability and Climate Adaptation Committee of the Board of Directors of PJSC “LUKOIL” – 1,150,000 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” – 1,150,000 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” – 1,150,000 roubles each.

3. 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 23 June 2020 (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 23 June 2020 (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 24 June 2021, in accordance with the actual participation of members of the Board of Directors at meetings and conferences (other events).

4. 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 – 7,600,000 roubles;
- for performance by a member of the Board of Directors of the functions of the Chairman of the Board of Directors – 5,850,000 roubles;
- for performance by a member of the Board of Directors of the functions of the Vice-Chairman of the Board of Directors – 3,000,000 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 – 1,200,000 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 – 1,200,000 roubles;
- for each attendance in person at a meeting of the Board of Directors or a committee of the Board of Directors where attendance requires 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.

5. 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 31 March 2021).

On item 5 on the agenda of the Meeting: *Approval of the Auditor of PJSC “LUKOIL”*

Position:

Pursuant to 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 Joint Stock Company KPMG (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 the leading audit service provider 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 audits.

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.2 of 10 March 2021).

On item 6 on the agenda of the Meeting: Approval of Addenda to the Charter of Public Joint Stock Company "Oil company "LUKOIL".

Position:

Pursuant to Article 12 of the Federal Law *On Joint Stock Companies*, addenda to the company's charter are made by decision of the General Shareholders Meeting.

Addenda to the Charter of Public Joint Stock Company "Oil company "LUKOIL" are proposed for approval by the Annual General Shareholders Meeting of the Company, due to the need to clarify the competence of the Board of Directors of PJSC "LUKOIL" and to include provisions on the form of dividend payments to the Company's shareholders in the Company Charter, namely:

- in connection with the entry into force from 01.01.2021 of Clause 2, Article 87.1 of the Federal Law *On Joint Stock Companies*, whereby the competence of the Board of Directors of a public company includes approval of the terms of the employment contract with the head of the structural unit responsible for organizing and performing internal audit, the competence of the Board of Directors of PJSC "LUKOIL" is supplemented by the provision on approval by the Board of Directors of the terms of the employment contract with the Head of the Internal Audit Service of the Company (sub-point 9.7.23 of point 9.7 of the Company Charter);

- taking into account Clause 1, Article 42 of the Federal Law *On Joint Stock Companies*, whereby dividends can be paid in cash, and in cases provided by the charter by other property, it is proposed to supplement the Company Charter with a provision providing for the possibility of paying dividends to shareholders both in cash and with other property of the Company, including securities. This provision will allow the Company, with a relevant decision of the General Shareholders Meeting, in addition to the dividends paid in cash to pay dividends to the Company's shareholders with other property held by the Company. At the same time, the Board of Directors assumes that in this case the recommended amount of the dividend paid in cash will be determined in accordance with the basic principles provided for in section 5 of the *Regulations on the Dividend Policy of PJSC "LUKOIL"*.

Recommendation:

To approve Addenda to the Charter of Public Joint Stock Company "Oil company "LUKOIL".

On item 7 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 point 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 the 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) percent¹ 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 2021/2022: 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 “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 Policy, 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 Policy. The total aggregate limit for Covers A, B and C is at least USD50,000,000. The Insurance premium for coverage A, B and C shall not exceed USD1,000,000.

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 IPJSC “Ingosstrakh” (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”.

¹ In accordance with the Company’s accounting (financial) statements of PJSC “LUKOIL” as at the latest reporting date (31 March 2021), 10 percent of the book value of the Company’s assets is equal to 189,528,963.1 thousand roubles.

**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 2020 annual results in the amount of 213 roubles per ordinary share (excluding the interim dividends of 46 roubles per ordinary share paid based on the results for the first nine months of 2020). The total amount of dividends payable for 2020 including the interim dividends already paid will be 259 roubles per ordinary share. Pay out dividends in the amount of 213 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 14 July 2021, and to other shareholders whose names are on the shareholder register of PJSC “LUKOIL” not later than on 02 August 2021. The costs on the transfer of dividends, regardless of the means, will be borne by PJSC “LUKOIL”.

The Board of Directors of PJSC “LUKOIL” proposes that the Annual General Shareholders Meeting of PJSC “LUKOIL” set 5 July 2021 as the date on which persons entitled to receive dividends based on the 2020 annual results will be determined.

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 Langeepasuraikogalymneft. 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

Vice-Chairman of the Board of Directors of PJSC "LUKOIL", 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, Sustainability and Climate Adaptation 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

Chairman of the Board of Directors of PJSC "LUKOIL", Member of the Board of Directors of PJSC "LUKOIL", 2006-2020: First Executive Vice-President of PJSC "LUKOIL" (E&P).

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 Production Association "Langepasneftegaz". 1993–1994: Vice-President of OAO "LUKOIL" (Oil Production). 1994–2006: First Vice-President of OAO "LUKOIL" (E&P). 2006–2020: First Executive Vice-President of PJSC "LUKOIL" (E&P). 2000–2020: 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 PJSC "AFC Sistema". Independent member of the Board of Directors of PJSC "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 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 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. In 2007 Roger Munnings was awarded a title of the Member of the Order of the British Empire, class III.

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



Boris Nikolaevich Porfirev*

Independent candidate to the Board of Directors of PJSC "LUKOIL", Research Director of the Institute of Economic Forecasting, the Russian Academy of Sciences (RAS).

Born: 1955

Academician of RAS, Doctor of Economics, Professor. Graduated from the Faculty of Geography of Moscow State University, Deputy Chairman of the Research Council of the Russian Academy of Sciences on Earth Climate Issues, Member of the RAS Research Council on Environmental Issues, Member of the RAS Committee on *The Earth Future* International Program, Member of the Working Group on Environmental Safety within the Presidential Commission for Strategic Development of the Fuel and Energy Sector and Environmental Security, Vice-President of the Russian Scientific Society for Risk Analysis.

Boris Porfirev is a Laureate of E. Varga RAS award for outstanding research on the world economy issues and a Laureate of the EMERCOM research and technological award.

Has experience/expertise in forecasting natural and technogenic risks, environmental economics, and climate change.



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 JSC 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.

Since 2013-present: JSC RUSNANO-member of the Board of Directors, Chairman of the Strategy Committee. 2010-2013: VTB JSC - member of the Board of Directors.

2008-2015: JSC WTC - member of the Supervisory Board. 2012- 2016:

Deutsche Bank Ltd, Chief Executive Director. Since 2017-present: Matrix

Advisors LLC, President.

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



Leonid Arnoldovich Fedun

Executive Member of the Board of Directors of PJSC "LUKOIL"¹, Vice-President for Strategic Development of PJSC "LUKOIL", Member of the Strategy, Investment, Sustainability and Climate Adaptation 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 of OAO "LUKOIL".

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.

¹ 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, Sustainability and Climate Adaptation 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".

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.

* 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 31 March 2021). 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 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, B.N.Porfirev 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: T. Gati, R.U. Maganov, R. Munnings, B.N. Porfirev, L.A. Fedun have experience/expertise in sustainable development/ESG issues (environmental/climate, social responsibility and corporate governance);
- Candidates to the Board of Directors: V.Y.Alekperov, B.N.Porfirev, W.Schüssel, S.D.Shatalov have doctoral degrees, and V.V.Blazheev, 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, candidate to the Board of Directors B.N.Porfirev is a member of the Russian Academy of Sciences and a prominent member of the Scientific Council of the Russian Academy of Sciences on Global Environmental Issues 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, 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".

INFORMATION ON THE CANDIDATE FOR THE POSITION OF THE PRESIDENT 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 the Oil Concern Langepasuraikogalymneft. 1993–2000: Chairman of the Board of Directors of OAO «LUKOIL». Since 1993: President of PJSC «LUKOIL».

The candidate has given his written consent to be appointed President of PJSC "LUKOIL".

PJSC "LUKOIL" (not including subsidiaries and equity affiliates)
BALANCE SHEET
as at 31 December 2020

million roubles

	As at 31.12.2020	As at 31.12.2019	As at 31.12.2018
<i>Non-current assets</i>			
Intangible assets	2,365	1,722	816
R&D	11	9	14
Intangible development assets	-	-	-
Tangible development assets	-	-	-
Property, plant and equipment	15,441	14,592	14,599
Income-bearing investments in tangible assets	-	-	-
Financial investments	1,352,027	1,490,310	1,609,456
Deferred tax assets	15,494	10,916	13,527
Other non-current assets	621	851	703
<u>Non-current assets, total</u>	<u>1,385,959</u>	<u>1,518,400</u>	<u>1,639,115</u>
<i>Current assets</i>			
Inventories	62	39	36
VAT on purchased assets	228	388	117
Accounts receivable	218,441	398,369	345,210
Financial investments (other than cash equivalents)	107,674	51,427	40,882
Cash and cash equivalents	15,964	250,606	157,287
<u>Current assets, total</u>	<u>342,369</u>	<u>700,829</u>	<u>543,532</u>
<u>ASSETS TOTAL</u>	<u>1,728,328</u>	<u>2,219,229</u>	<u>2,182,647</u>
<i>Equity and reserves</i>			
Charter capital	17	18	19
Additional paid-in capital, including revaluation of non-current assets	(37)	-	-
Reserve capital	2	2	2
Retained earnings	772,201	966,199	1,007,622
<u>Equity and reserves, total</u>	<u>772,183</u>	<u>966,219</u>	<u>1,007,643</u>
<i>Non-current liabilities</i>			
Loans and borrowings	332,441	185,717	277,882
Deferred tax liabilities	1,201	645	587
Estimated liabilities	837	845	323
Other non-current liabilities	16	55	41
<u>Non-current liabilities, total</u>	<u>334,495</u>	<u>187,262</u>	<u>278,833</u>
<i>Current liabilities</i>			
Loans and borrowings	523,016	755,332	651,539
Accounts payable	94,084	306,679	241,412
Estimated liabilities	4,550	3,737	3,220
<u>Current liabilities, total</u>	<u>621,650</u>	<u>1,065,748</u>	<u>896,171</u>
<u>LIABILITIES AND EQUITY TOTAL</u>	<u>1,728,328</u>	<u>2,219,229</u>	<u>2,182,647</u>

PJSC "LUKOIL" (not including subsidiaries and equity affiliates)

INCOME STATEMENT
for the year ended 31 December

million roubles

	2020	2019
Net sales revenues	322,812	444,471
Including receipts from participation in the authorised capitals of other organisations	281,770	399,195
Cost of goods sold	(15,899)	(19,598)
Gross profit	306,913	424,873
Selling expenses	(647)	(1,420)
including Export customs duties	-	-
Administrative expenses	(30,393)	(29,487)
Profit from sales	275,873	393,966
Income from equity in other organisations	-	-
Interest receivable	28,331	44,000
Interest payable	(46,523)	(55,408)
Result of other income and expenses	(63,182)	22,355
Profit before taxes	194,499	404,913
Current income tax	12,156	(3,509)
Deferred income tax	4,014	(2,755)
Other	(13,110)	4,422
Redistribution of income tax inside the consolidated group of taxpayers	(13,091)	68
Net profit	197,559	403,071
Result of revaluation of non-current assets not included in net profit	-	-
Result of other transactions not included in net profit (loss) of the period	(45)	-
Income tax on transactions that are not included in the net profit (loss) of the period	8	-
	197,522	403,071



Independent Auditors' Report

**on the financial statements of
Public Joint Stock Company "Oil company "LUKOIL"
for the year 2020**



Independent Auditors' Report

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

Opinion

We have audited the financial statements of Public Joint Stock Company "Oil company "LUKOIL" (the "Company"), which comprise the statement of financial position as at 31 December 2020, 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 2020, 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 Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the requirements in the Russian Federation and the IESBA Code. 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.

Audited entity: Public Joint Stock Company "Oil company "LUKOIL"

Registration number in the Unified State Register of Legal Entities:

No. 1027700035769

Moscow, Russia

Independent auditor: JSC "KPMG", a company incorporated under the Laws of the Russian Federation, a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Registration number in the Unified State Register of Legal Entities: No. 1027700125628.

Member of the Self-regulatory Organization of Auditors Association "Sodruzhestvo" (SRO AAS). Principal registration number of the entry in the Register of Auditors and Audit Organisations: No. 12006020351

Recoverability of financial investments of the Company

Please refer to the Note 3.4. "Financial investments" in the financial statements.

The key audit matter	How the matter was addressed in our audit
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. As at 31 December 2020 the financial investments of the Company are significant. 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. 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.	In this area our audit procedures included the following: - analysis of the Company's accounting policy in relation to determination of impairment triggers; - analysis of the facts that can indicate stable decline in the value of the investments; - analysis of the Company's approach to determination of value in use; - testing of budgeting procedures applied by the Company; - testing of approach and methodology that the Company uses to prepare models of discounted cash flows. 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 interest rates. We compared the value of discounted cash flows to the cost of the financial investments to determine the amount of financial investments provision. Also, we assessed whether appropriate financial investments disclosures were included in the notes to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Quarterly report of the issuer of securities for the first quarter of 2021 but does not include the financial statements and our auditors' report thereon. The



Quarterly report of the issuer of securities is 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 do not and 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 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, actions taken to eliminate threats of safeguards applied.

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:

Klimanova L.V.

JSC "KPMG"

Moscow, Russia

17 March 2021

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

06 April 2021

Moscow

E X C E R P T No. KA3/06-04-21/B1/1

CHAIRING THE MEETING:

V.V. Blazheev

PRESENT:

Committee members

P.M. Teplukhin, S.D. Shatalov

The Committee meeting is being held with the attendance of three members of the Committee.
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**

(V.A. Verkhov, P.M. Teplukhin, A.K. Matytsyn, V.V. Blazheev)

RESOLVED:

Having considered the report of the Company's independent Auditor, JSC KPMG, on the accounting (financial) statements of PJSC "LUKOIL" for 2020 and based on the result of the analysis and the discussion of issues of material importance for 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 2020 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 2020 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 Committee Chairman):

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 06 April 2021

Corporate Secretary

N.I. Podolskaya

**Addenda
to the Charter of Public Joint Stock Company
“Oil company “LUKOIL”**

1. Revise sub-point 9.7.23. of point 9.7. of Article 9 “The Board of Directors” to read as follows:

“9.7.23. passing a decision on appointment and dismissal of the head of the internal audit subdivision accountable to the Board of Directors of the Company, and approval of his/her employment contract terms;”.

2. Add the third paragraph to point 12.4. of Article 12 “Profits, Dividends and Funds” reading as follows:

“Dividends shall be paid in cash and/or with other property of the Company, including securities.”.

**Table of Addenda to the current version
of the Charter of Public Joint Stock Company “Oil company “LUKOIL”**

№	Current version of the Company Charter	New version of the Company Charter	Comments
1.	Sub-point 9.7.23. of point 9.7.: “9.7.23. passing a decision on appointment and dismissal of the head of the internal audit subdivision accountable to the Board of Directors of the Company;”.	Sub-point 9.7.23. of point 9.7.: “9.7.23. passing a decision on appointment and dismissal of the head of the internal audit subdivision accountable to the Board of Directors of the Company, <u>and approval of his/her employment contract terms;</u> ”.	This addendum is being made in order to reflect in sub-point 9.7.23 of point 9.7 of the Charter of PJSC “LUKOIL” (hereinafter also the Company) the provisions of Clause 2, Article 87.1 of Federal Law No. 208-FZ of 26.12.1995 <i>On Joint Stock Companies</i> (hereinafter referred to as <i>the Federal Law on Joint Stock Companies</i>), that entered into force on 01.01.2021, whereby the competence of the Board of Directors of a public company includes approval of the terms of the employment contract with the head of the structural unit responsible for organizing and performing internal audit.
2.	Not in the current version.	<u>Add the third paragraph to point 12.4 reading as follows:</u> <u>“Dividends shall be paid in cash and/or with other property of the Company, including securities.”.</u>	This addendum is being made in order to include in the Company Charter a provision providing for the possibility of paying dividends to shareholders both in cash and with other property of the Company, including securities. This provision will allow the Company, with a relevant decision of the General Shareholders Meeting, in addition to the dividends paid in cash, to pay dividends to the Company's shareholders with other property held by the Company. This addendum is based on Clause 1, Article 42 of the Federal Law <i>On Joint Stock</i>

			<i>Companies, whereby dividends can be paid in cash, and in cases provided by the company charter, by other property.</i>
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New provisions are shown as bold and underlined text in this table.

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: *absentee voting*

The date of determining (formalizing) the persons entitled to participate in the General Meeting: *29 May 2020*

The deadline for the receipt of ballots (Date of the General Meeting): *23 June 2020*

Postal address to which completed ballots had been sent: *OOO «Registrator «Garant», Krasnopresnenskaya Naberezhnaya 6, Moscow, 123100, Russian Federation*

The URL of the website on the information and telecommunications network “Internet” where electronic voting ballots may be completed: <https://evoting.reggarant.ru/Voting/Lk>

Date of preparation of the Minutes: *23 June 2020*

Chairman of the Annual General Shareholders Meeting of PJSC “LUKOIL” (hereinafter also the Meeting): Vice-Chairman of the Board of Directors of PJSC “LUKOIL” Ravil Ulfatovich Maganov (based on clause 9.16 of the *Regulations on the Procedure for Preparing and Holding the General Shareholders Meeting of PJSC “LUKOIL”*).

Secretary of the Meeting: Nikolay Anatolievich Illarionov

The functions of the Counting Commission were performed by the Registrar of PJSC "LUKOIL" - Limited Liability Company «Registrator «Garant» (location: Russian Federation, Moscow; address: 123100, Moscow, Krasnopresnenskaya Naberezhnaya, 6, floor 2, room 219).

Persons authorized by the registrar performing the functions of the Counting Commission, who performed the vote counting:

1. Dmitry Igorevich Irshenkov (by power of attorney No. 8 of 05 March 2019);
2. Marina Vladimirovna Uspenskaya (by power of attorney No. 9 of 05 March 2019);
3. Tatyana Mikhailovna Safronova (by power of attorney No. 10 of 05 March 2019).

The number of votes held by the persons included in the list of persons entitled to participate in the Annual General Shareholders Meeting of PJSC “LUKOIL” – 692,865,762 votes.

The number of votes held by the persons who took part in the Annual General Shareholders Meeting of PJSC “LUKOIL” – 529,115,501 votes (76.3662%).

In accordance with Clause 1, Article 58 of the Federal Law *On Joint Stock Companies*, the Annual General Shareholders Meeting of PJSC “LUKOIL” is entitled (has a quorum), since it was attended by shareholders who collectively hold more than half of the votes of the issued voting shares of PJSC “LUKOIL”.

Item 3 on the agenda. On the remuneration and reimbursement of expenses to members of the Board of Directors of PJSC “LUKOIL”.

Resolution on Item 3 on the agenda (Ballot No.3):

...

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.

Voting results on Item 3 (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: 692,865,762

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 *Regulations on General Shareholders Meetings*, approved by the Bank of Russia on 16.11.2018 (No.660 – P): 692,865,762

3. The number of votes belonging to the persons who took part in the General Meeting on this Item:

529,115,501
(73.3662%),
the Item is quorate

The number of votes cast for each voting option:

“For”	526,351,214 (99.4776%)
“Against”	39,661
“Abstain”	2,609,945

Decision taken on Item 3 (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 Secretay*

N.I. Podolskaya

**Appendix to decision on Item 3 (point 2) on
the agenda of the Annual General Meeting of
Shareholders of Public Joint Stock Company
“Oil company “LUKOIL” of 23 June 2020
(Minutes No.1)**

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.

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.

...

Report on Interested Party Transactions Entered into by PJSC “LUKOIL” in 2020

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 10 interested party transactions in 2020, in accordance with the Law recognized as interested party transactions: in respect of 9 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 14 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, 2, 4, 6, 7 and 9 approved by the Board of Directors);
- hold positions in the governing bodies of the legal entities that are beneficiaries in transactions (transactions Nos. 3, 5, and 8 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. 4, 6, 7 and 9 approved by the Board of Directors) or beneficiaries in transactions (transactions Nos. 3, 5 and 8 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 2017¹, 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.²

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

¹ The limit for transactions during the year was 1 billion, except for the period when the amount of the transactions was compared with the book value of the Company’s assets as of 31 December 2019; at that period the limit for transactions’ amount was 2 billion.

² 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 2020,
where decisions on consent to perform the transactions
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 approximate interest fee to maturity of the Loan Agreement is USD29,242,628.77
2.2. Price (amount in roubles)	The approximate interest fee to maturity of the Loan Agreement is RUB1,828,541,576.93
3. Names of parties	PJSC “LUKOIL” (Lender) OOO “TsentrCaspneftegaz” (Borrower)
4. Names of beneficiaries	-
5. Name of transaction	Supplemental Agreement to Loan Agreement No.0710253 of 09.04.2007 (hereinafter the “Agreement”)
6. Subject of the transaction	In accordance with the Agreement and the Supplemental Agreements thereto, the Lender provides the Borrower with a special-purpose loan in an amount of up to RUB1,920,000,000, and the Borrower undertakes to repay the funds received and to pay interest thereon by the dates and pursuant to the procedure indicated in the Agreement. In accordance with the Supplemental Agreement to the Loan Agreement: 1. Point 4.1 of the Agreement shall be revised to extend the Loan through 25.12.2020, with the early repayment option. 2. From 01.01.2020, the interest rate under the Agreement and point 5.1 of the Agreement shall be revised whereby the Borrower shall pay the Lender an interest on the loan amount received, based on 110 percent of the Bank of Russia reference rate effective on the interest accrual date for the entire term of the actual use of borrowed funds under the Agreement.
7. Interested party, basis for being recognised as such	Ilya Emmanuilovich Mandrik, a member of the Management Committee of PJSC “LUKOIL”, is simultaneously a member of the Board of Directors of OOO “TsentrCaspneftegaz”
8. Other material terms of the transaction	The Supplemental Agreement enters into force from the date of its signing and applies to the legal relations between the Parties arising from 24.12.2019, except Point 1.2 of the Supplemental Agreement. Point 1.2 of the Supplemental Agreement applies to the legal relations between the Parties arising from 01.01.2020.
9. The date the decision on consent to perform the transaction was taken by the Board of Directors of PJSC “LUKOIL” and Minutes No.	20.01.2020, Minutes No.2
1. Reference Number of the transaction	2

2.1. Price (amount in US dollars)	The approximate interest fee to maturity of the Loan Agreement is USD29,588,014.82
2.2. Price (amount in roubles)	The approximate interest fee to maturity of the Loan Agreement is RUB1,850,138,566.56
3. Names of parties	PJSC “LUKOIL” (Lender) OOO “TsentrCaspneftegaz” (Borrower)
4. Names of beneficiaries	-
5. Name of transaction	Supplemental Agreement to Loan Agreement No. 0810300 of 29.04.2008 (hereinafter the “Agreement”)
6. Subject of the transaction	In accordance with the Agreement and the Supplemental Agreements thereto, the Lender provides the Borrower with a special-purpose loan in an amount of RUB2,346,217,000, and the Borrower undertakes to repay the funds received and to pay interest thereon by the dates and pursuant to the procedure indicated in the Agreement. In accordance with the Supplemental Agreement to the Loan Agreement: 1. From 01.01.2020, the interest rate under the Agreement and point 2.1 of the Agreement shall be revised whereby the Borrower shall pay the Lender an interest on the loan amount received, based on 110 percent on the Bank of Russia reference rate effective on the interest accrual date for the entire term of the actual use of borrowed funds under the Agreement. 2. Point 3.1 of the Agreement shall be revised to extend the Loan through 25.12.2020, with the early repayment option.
7. Interested party, basis for being recognised as such	Ilya Emmanuilovich Mandrik, a member of the Management Committee of PJSC “LUKOIL”, is simultaneously a member of the Board of Directors of OOO “TsentrCaspneftegaz”
8. Other material terms of the transaction	The Supplemental Agreement enters into force from the date of its signing and applies to the legal relations between the Parties arising from 24.12.2019, except Point 1.1 of the Supplemental Agreement. Point 1.1 of the Supplemental Agreement applies to the legal relations between the Parties arising from 01.01.2020.
9. The date the decision on consent to perform the transaction was taken by the Board of Directors of PJSC “LUKOIL” and Minutes No.	20.01.2020, Minutes No.2
1. Reference Number of the transaction	3
2.1. Price (amount in US dollars)	Credit line of USD500,000,000, plus interest of no more than USD15,424,400
2.2. Price (amount in roubles)	Credit line of RUB38,605,000,000, plus interest of no more than RUB1,190,917,924
3. Names of parties	PJSC “LUKOIL” (Guarantor) CITIBANK N.A., LONDON BRANCH (Bank)

4. Name of the beneficiary	LUKINTER FINANCE B.V. (Principal)
5. Name of transaction	Corporate Guarantee for Specific Liabilities (hereinafter – Guarantee)
6. Subject of the transaction	Pursuant to the Guarantee, the Guarantor irrevocably and unconditionally guarantees to the Bank the due and punctual performance by the Principal of all the Principal's obligations totaling USD 500,000,000 under the Facility Agreement signed between the Principal and the Bank (the Facility Agreement), plus all accrued interest, penalties, fees, documented costs, expenses and other amounts payable (or stated to be payable) to the Bank under or in connection with the Facility Agreement.
7. Interested parties, basis for being recognised as such	Alexander Kuzmich Matytsyn, a member of the Management Committee of PJSC "LUKOIL", is simultaneously the Chairman 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, the Chairman of the Supervisory Board of LUKINTER FINANCE B.V.
8. Other material terms of the transaction	Interest rate: LIBOR + 2 percent per annum. This Guarantee and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, English law.
9. The date the decision on consent to perform the transaction was taken by the Board of Directors of PJSC "LUKOIL" and Minutes No.	26.03.2020, Minutes No.7
1. Reference Number of the transaction	4
2.1 Price (amount in US dollars)	Credit line of USD500,000,000, plus interest of no more than USD15,424,400; the fee of no more than USD3,750,000
2.2. Price (amount in roubles)	Credit line of RUB38,605,000,000, plus interest of no more than RUB1,190,917,924; the fee of no more than RUB 289,537,500
3. Names of the parties	PJSC "LUKOIL" (Guarantor) LUKINTER FINANCE B.V. (Debtor)
4. Names of beneficiaries	-
5. Name of the transaction	Contract of Indemnification (hereinafter the "Contract")
6. Subject of the transaction	The Parties signed the Contract in connection with the Corporate Guarantee for Specific Liabilities issued by the Guarantor (the Guarantee) as a guarantee to CITIBANK N.A., LONDON BRANCH. (the "Bank") for meeting the Debtor's liabilities worth USD500,000,000 under the Facility Agreement, plus interest, penalties, forfeits, fines and

	other amounts due and payable (the 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.
7. Interested parties, basis for being recognised as such	Alexander Kuzmich Matytsyn, a member of the Management Committee of PJSC “LUKOIL”, is simultaneously the Chairman 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, the Chairman of the Supervisory Board of LUKINTER FINANCE B.V.
8. Other material terms of the transaction	The Debtor undertakes to pay a remuneration to the Guarantor for the provision of services to ensure the obligation of the Debtor by the Guarantee. The service charge for providing guarantee for the Debtor's liabilities shall be 0.75% per annum of the liabilities to the Bank covered by the surety of the Debtors' obligations to the Bank under the Facility 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. The Debtor shall pay the Guarantor an interest at LIBOR 3M+3% per annum on the funds transferred by the Guarantor to the Bank. LIBOR 3M shall mean for any payment the London Inter-Bank offered USD deposit rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) with a three-months maturity as of 15:00 Moscow time for two (2) business days before the Guarantee obligations are executed by the Guarantor.
9. The date the decision on consent to perform the transaction was taken by the Board of Directors of PJSC “LUKOIL” and Minutes No.	26.03.2020, Minutes No.7
1. Reference Number of the transaction	5
2.1. Price (amount in US dollars)	Credit line of USD200,000,000, plus interest of no more than USD12,780,520
2.2. Price (amount in roubles)	Credit line of RUB15,546,000,000, plus interest of no more than RUB993,429,819.60
3. Names of the parties	PJSC “LUKOIL” (Guarantor) UNICREDIT S.P.A. (the Lender)

4. Name of the beneficiary	LUKINTER FINANCE B.V. (Borrower)
5. Name of the transaction	Confirmation and Amendment Deed to Deed of Guaranty No. 1810371 of 07.06.2018 (hereinafter – the Guarantee)
6. Subject of the transaction	Under the Guarantee the Guarantor unconditionally and irrevocably guarantees the Lender the due and timely fulfilment of all of the obligations undertaken by the Borrower under the Facility Agreement signed between the Lender and the Borrower (the Facility Agreement), for the amount of USD200,000,000 plus all accrued interest, penalties, fees, documented costs, expenses and other amounts payable (or stated to be payable) to the Lender under the Facility Agreement or in connection with it. Pursuant to the Confirmation and the Amendment Deed to the Guarantee the Guarantor confirms its obligations under the Guarantee in connection with Supplemental Agreement No.1 to the Facility Agreement, providing for the extension of the validity of the Facility Agreement for two years from the date the Supplemental Agreement No. 1 is signed and appoints LUKOIL Capital Markets Limited, as its agent for service of process in relation to any proceedings commenced in accordance with this Guarantee.
7. Interested parties, basis for being recognised as such	Alexander Kuzmich Matytsyn, a member of the Management Committee of PJSC “LUKOIL”, is simultaneously the Chairman 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, the 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 Guaranty 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” and Minutes No.	10.04.2020, Minutes No.8
1. Reference Number of the transaction	6
2.1. Price (amount in US dollars)	Credit line of USD200,000,000, plus interest of no more than USD12,780,520; the fee of no more than USD3,000,000
2.2. Price (amount in roubles)	Credit line of RUB15,546,000,000, plus interest of no more than RUB993,429,819.60; the fee of no more than RUB 233,190,000
3. Names of the parties	PJSC “LUKOIL” (Guarantor) LUKINTER FINANCE B.V. (Borrower)

4. Names of beneficiaries	-
5. Name of the transaction	Supplemental Agreement to the Contract of Indemnification No.1810361 of 07.06.2018 (hereinafter the "Contract")
6. Subject of the transaction	The Parties have entered into the Contract in connection with the Deed of Guarantee (hereinafter – the Guarantee) to be signed by the Guarantor and UNICREDIT S.P.A. (the Bank) to ensure the Borrower's obligations before the Bank under the Facility agreement entered into on the date of the Deed (or a date close thereto) to the total amount of USD200,000,000 (hereinafter – the Facility Agreement) plus all interest, forfeits, fines, penalties and other guaranteed amounts payable. The Parties have agreed that the amount paid by the Guarantor to the Bank in fulfillment of obligations under the Guarantee shall be deemed the amount payable by the Debtor to the Guarantor plus the interest for using the money on the terms and conditions, by the deadlines and in accordance with the procedure determined by the Contract. Under the Supplemental Agreement to the Contract and in connection with the extension of the validity of the Deed of Guarantee No. 1810371 of 07.06.2018 by the Confirmation and Amendment Deed to the Guarantee Clause 3.2 of Article 3 of the Contract is being revised to stipulate that the cost of the Guarantee Service for the Debtor's obligation amounts to 0.75% 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).
7. Interested parties, basis for being recognised as such	Alexander Kuzmich Matytsyn, a member of the Management Committee of PJSC "LUKOIL", is simultaneously the Chairman 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, the Chairman of the Supervisory Board of LUKINTER FINANCE B.V.
8. Other material terms of the transaction	The Contract 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	10.04.2020, Minutes No.8

Directors of PJSC “LUKOIL” and Minutes No.	
1. Reference Number of the transaction	7
2.1. Price (amount in US dollars)	The approximate amount of the transaction will be USD2,517,923,972.60 (loan amount - up to USD2,500,000,000, accrued interest of not more than USD17,923,972.60)
2.2. Price (amount in roubles)	The approximate amount of the transaction will be RUB179,024,394,451.86 (loan amount - up to RUB177,750,000,000, accrued interest of not more than RUB1,274,394,445.86)
3. Names of the parties	LUKINTER FINANCE B.V. (Lender) PJSC “LUKOIL” (Borrower)
4. Names of beneficiaries	-
5. Name of the transaction	Loan Agreement (hereinafter the “Agreement”)
6. Subject of the transaction	Pursuant to this Agreement, the Lender agrees to provide a USD 2,500,000,000 (two billion five hundred million) special-purpose loan facility to the Borrower on a revolving basis under the terms and conditions of Agreement, while the Borrower undertakes to repay the amount received along with the interest within the timeline and in line with the procedure specified in the Agreement. The loan may be provided in full or in parts upon the Borrower’s instructions. The loan shall be repayable, subject to a term, interest, and purpose
7. Interested parties, basis for being recognised as such	Alexander Kuzmich Matytsyn, a member of the Management Committee of PJSC “LUKOIL”, is simultaneously the Chairman 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, the Chairman of the Supervisory Board of LUKINTER FINANCE B.V.
8. Other material terms of the transaction	The loan funds shall be provided to finance the Borrower’s activities according to its Articles of Association. The Borrower shall not utilize the loan funds for any purposes other than those specified in Agreement. The Borrower shall pay to the Lender the interest at the rate of LIBOR + 0.83% per annum. The interest shall accrue on the Borrower’s actual debt on a monthly basis. The loan shall be repaid on or before 31.12.2020, with the right of early repayment. If neither Party notifies the other in writing to the contrary on or before December 30, the term of the Loan shall be automatically extended to December 31 of the following year. This Agreement becomes effective the moment the funds are transferred to the Borrower, and shall cease to be in force the moment the Parties have performed

	their respective obligations. This Agreement shall be governed by and construed in accordance with the law of the Russian Federation (without regard to conflict of law principles).
9. The date the decision on consent to perform the transaction was taken by the Board of Directors of PJSC "LUKOIL" and Minutes No.	18.06.2020, Minutes No.10
1. Reference Number of the transaction	8
2.1. Price (amount in US dollars)	Credit line of USD200,000,000, plus interest of no more than USD10,960,000.
2.2. Price (amount in roubles)	Credit line of RUB15,122,000,000, plus interest of no more than RUB828,685,600.
3. Names of the parties	PJSC "LUKOIL" (Guarantor) CITIBANK N.A., LONDON BRANCH (Lender)
4. Name of the beneficiary	LUKINTER FINANCE B.V. (Borrower)
5. Name of the transaction	Amended Facility Agreement – Second Guarantee Confirmation and Second Amendment to the Guarantee No.1710237 of 12.04.2017 in connection with amendment to the Facility Agreement (Guarantee Confirmation)
6. Subject of the transaction	In accordance with the Guarantee No.1710237 of 12.04.2017 (hereinafter, the Guarantee), the Guarantor shall guarantee performance of the Borrower's obligations to the Lender under the Facility Agreement dated 12 April 2017 (hereinafter, the "Facility Agreement") for the principal amount of debt of USD250,000,000, plus all accrued interest, penalties, fees, documented costs, expenses and other amounts due and payable to the Lender. According to the Guarantee Confirmation: 1) the Guarantor confirms its consent to the amendments made by the Amendment Letter to the Facility Agreement, which provide for: - reduction of the loan amount to 200,000,000 US dollars; - reduction of the Commitment Fee Rate for using the credit line limit to 0.5% per annum; - extension of the term of the Facility Agreement for 2 years from the date of signing the specified Amendment Letter; 2) the Guarantee shall be amended as follows: - the definition of the term "Facility Agreement" in point 1.1 shall be revised to reduce the loan amount from USD250,000,000 to USD200,000,000; - Sub-point (b) of point 2.8 (Term and Amount of Guarantee) of the Guarantee shall be amended by replacing "USD250,000,000" with "USD200,000,000"; 3) the Guarantor confirms that its obligations under the Guarantee shall remain in full force and effect, subject to the above changes.

7. Interested parties, basis for being recognised as such	Alexander Kuzmich Matytsyn, a member of the Management Committee of PJSC “LUKOIL”, is simultaneously the Chairman of the Supervisory Board of LUKINTER FINANCE B.V. Pavel Vladimirovich Zhdanov³, 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, the Chairman of the Supervisory Board of LUKINTER FINANCE B.V.
8. Other material terms of the transaction	Guarantee Confirmation shall be governed by, and construed in accordance with English law. Any dispute shall be referred to and finally resolved by arbitration under the LCIA Rules.
9. The date the decision on consent to perform the transaction was taken by the Board of Directors of PJSC “LUKOIL” and Minutes No.	30.09.2020, Minutes No.16
1. Reference Number of the transaction	9
2.1. Price (amount in US dollars)	Credit line of USD200,000,000, plus interest of no more than USD10,960,000; the fee of no more than USD3,000,000
2.2. Price (amount in roubles)	Credit line of RUB15,122,000,000, plus interest of no more than RUB828,685,600; the fee of no more than RUB226,830,000
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 the Indemnity Agreement No.1710198 of 12 April 2017 (hereinafter the Agreement)
6. Subject of the transaction	The Parties signed the Agreement in connection with the Deed of Guarantee No.1710237 of 12 April 2017 (hereinafter, the Guarantee) issued by the Guarantor as a guarantee to CITIBANK N.A., LONDON BRANCH (the “Bank”) for meeting the Debtor’s liabilities worth USD250,000,000 under the Facility Agreement between the Debtor and the Bank, plus interest, penalties, forfeits, fines and other amounts due and payable (the 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 Agreement. The Debtor undertakes to pay the

³ Pavel Vladimirovich Zhdanov was elected to the Management Committee of PJSC “LUKOIL” by the Board of the Directors on 14.07.2020 (Minutes No.12)

	Guarantor a fee for the service of providing the Guarantee for the Debtor's obligation amounting to 1% per annum of the amount of the Debtor's obligations to the Bank covered by the Guarantee under the Facility Agreement and calculated for each day of the reporting period. In accordance with the Supplemental Agreement to the Agreement: - due to reduction of the loan amount to USD200,000,000 and extension of the validity period of the Guarantee in point 1.1. of the Agreement shall be revised to replace "USD250,000,000" with "USD200,000,000". - point 3.2 of the Agreement shall be revised to stipulate that the cost of the service of the Guarantee for the Debtor's obligation shall amount to 0.75% per annum of the amount of the Debtor's obligations to the Bank under the Facility Agreement and calculated for each day of the reporting period. The said rate shall not change during the validity of the Agreement unless duly stipulated by the Parties in writing. In calculating the amount payable for the Service provided the actual number of days in a year shall be used (365/366).
7. Interested parties, basis for being recognised as such	Alexander Kuzmich Matytsyn, a member of the Management Committee of PJSC "LUKOIL", is simultaneously the Chairman of the Supervisory Board of LUKINTER FINANCE B.V. Pavel Vladimirovich Zhdanov, 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, the Chairman of the Supervisory Board of LUKINTER FINANCE B.V.
8. Other material terms of the transaction	Supplemental Agreement shall become effective upon being 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" and Minutes No.	30.09.2020, Minutes No.16

Interested Party Transaction Entered into by PJSC “LUKOIL” in 2020, where decision on consent to perform the transaction was taken by the Annual General Shareholders Meeting of PJSC “LUKOIL”

1. Reference Number of the transaction	1
2. Price	Not more than USD 1,000,000 – 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 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.

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

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An insured event for the purposes of Cover B 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. 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. <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. 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.
7. Interested parties, grounds for being	The President, members of the Board of Directors

recognised as such	and Management Committee of PJSC “LUKOIL” are simultaneously beneficiaries under the transaction.
8. Other material terms of the transaction	The policy is effective from 19 July 2020 through 18 July 2021. The insurance premium (liability limit) is at least USD 50,000,000 (total aggregate limit for coverage A, B and C, including legal defense costs). 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.
9. The date the decision on consent to perform the transaction was taken by the Annual General Shareholders Meeting of PJSC “LUKOIL”, Minutes No.	23.06.2020, Minutes No.1 (dated 23.06.2020)

SUMMARY OF PJSC “LUKOIL” 2020 PERFORMANCE RESULTS

In 2020, migration restrictions due to COVID-19 pandemic resulted in a sharp drop in demand for hydrocarbons and hydrocarbon prices, strong volatility and disbalanced macro parameters. LUKOIL Group has yet again demonstrated resilience to external shocks, achieved high financial performance in the current market environment, managed to retain its strong financial standing, and proceeded with the implementation of the long-term strategy.

Geological exploration and hydrocarbon reserves

By the end of 2020, the Group’s proved hydrocarbon reserves (according to the SEC classification) totalled 15.4 billion boe, of which 76% stood for liquids. The proved reserves replacement ratio, net of changes in the macroeconomic parameters used in the evaluation, totalled 93% in 2020. The proven reserve life of LUKOIL is 20 years.

The application of cutting-edge geological exploration methods resulted in the success rate of exploration drilling reaching 90% in 2020, as well as the discovery of three new fields and 54 deposits. Further active geological exploration works were carried out in the Caspian Sea: exploration wells were drilled at the Severo-Rakushechnaya and Khazri structures, experts started studying drilling results, at the end of 2020, prospecting well drilling was initiated at the Titonskaya structure. Most international exploration drilling activities were concentrated at Block 10 in Iraq where the earlier discovered Eridu field was evaluated.

Oil and gas production

During 2020, production of hydrocarbons by LUKOIL Group amounted to 2.1 million boe per day, with liquid hydrocarbons accounting for 78.0% of production, and natural and associated petroleum gas accounting for the remaining 22.0%. Net of the West Qurna-2 project, hydrocarbon production decreased by 12.2% compared to 2019 due to a forced cut in oil production resulting from the OPEC+ deal and a decline in gas production in Uzbekistan on the back of a temporary China’s demand contraction on account of COVID-19 pandemic.

Despite a sharp decline in oil prices and external oil production restrictions, priority projects were continued. More specifically, in 2020 cumulative oil and gas condensate production in West Siberia at the V. Vinogradov, Imilorskoye, Sredne-Nazymskoye and Pyakyakhinskoye fields grew by 20.4% y-o-y, up to 4.2 million tonnes.

High-viscosity crude oil production at the Yarega field and the Permian-carboniferous deposit in the Usinskoye field rose in 2020 to 5.2 million tonnes, or +6.2% y-o-y.

Through the implementation of drilling programmes, production at the V. Filanovsky and Yu. Korchagin fields in the Caspian Sea was maintained at target levels.

Cumulative oil and gas condensate production in 2020 totalled 7.4 million tonnes. Infrastructure development works were continued at the V. Grayfer field: ice-resistant fixed platform jackets and the living quarter platform were installed in the Caspian Sea, both platforms' topside structures were built at shipyards.

In 2020, the above projects accounted for 22% (2019: 18%) in LUKOIL Group's cumulative oil production, net of the West Qurna-2 project.

LUKOIL Group's gas production in 2020 amounted to 29.0 billion cubic metres, or 17.2% lower against the previous year level due to a decline in production volumes from Uzbek projects on the back of a temporary contraction of China's demand for Uzbek gas on account of COVID-19 pandemic.

Oil refining

Refinery output at LUKOIL Group's own refineries in 2020 decreased by 14.7% against the same in 2019 down to 58.6 million tonnes, with this accounting for 73% of oil production. The decline in oil refining volumes is a result of throughput optimisation at some refineries on the back of fall in demand for petroleum products and oil refining margins plunge driven by COVID-19 and scheduled workovers. Russia-based refineries accounted for 68% of total output performance.

Efforts undertaken in 2020 to optimise the yield structure resulted in an increase in the yield of middle distillates to a record high of 51% and a decrease in the yield of fuel oil to a record low of 7%.

Notwithstanding COVID-19 pandemic, projects at specific refineries were continued as planned. Construction of the delayed coking complex and the isomerisation unit at the Nizhny Novgorod refinery was going forward (with the stage of completion at the end of 2020 to reach 86% and 88%, respectively). Construction of the solvent deasphalting unit at the Volgograd refinery was completed (with the unit commissioned in January 2021).

Priority distribution channels

Retail distribution. In 2020, total retail distribution of petroleum products amounted to 12.7 million tonnes. In Russia, retail distribution of petroleum products reached 9.0 million tonnes, or 9.1% lower y-o-y. International retail distribution of petroleum products amounted to 3.7 million tonnes, or 12.6% lower y-o-y. The above decrease may be attributed to reduction of customer traffic at petrol stations due to restrictions in the pandemic environment. However, gross profit from sales of non-fuel goods and services in Russia grew by 8.3% y-o-y up to RUB 9.3 billion. International sales of non-fuel goods and services rose by 10.3% y-o-y to RUB 7.1 billion.

Branded fuels. Sales of EKTO fuels in Russia in 2020 totalled 7.2 million tonnes, with their share in total retail distribution growing to 79% as opposed to 2019. In 2020, gasoline EKTO 100 sales rose by 27% to amount to 164 thousand tonnes.

Lubricating oils. Lubricants production at LUKOIL Group's refineries (full cycle) in 2020 amounted to 923 thousand tonnes, sales of brand-name lubricating oils – to 611 thousand tonnes, up 6.4% y-o-y.

Bunkering and aircraft refuelling. During 2020, LUKOIL Group sold 2.7 million tonnes of bunker fuel (down by 36.0% y-o-y). Sales of aviation fuel in 2020 reached 2.5 million tonnes, down by 24.4% y-o-y. The decrease was driven by COVID-19 impacts.

Corporate social responsibility

Occupational safety and health protection in the pandemic environment. During 2020, LUKOIL promptly responded to COVID-19 challenges by taking necessary measures to protect health of its employees and customers. LUKOIL provided support to Russian regions and other countries of presence. Total spending to contain the spread of COVID-19 exceeded RUB 2 billion.

Development of sustainability management system. In 2020, the primary focus was on climate change issues: functions of the Strategy, Investment and Sustainability Committee of the Board of Directors were expanded, a member of the Board of Directors responsible for climate change issues was appointed, and the Working Group on Decarbonisation and Climate Change Adaptation Issues was established.

Mitigation of environmental impact. Despite challenging market environment and cost optimisation, in 2020 LUKOIL continued with the implementation of all occupational safety and environment protection programmes. The level of beneficial use of APG rose to a record of 97.8%, while pollutant emissions were reduced by 8%.

Corporate governance

In 2020, considerable attention was paid to improving internal corporate procedures and practices in accordance with the recommendations of the Code of Corporate Governance. The following measures were taken:

- **Redemption of quasi-treasury stock.** 22.1 million ordinary shares (including 21.8 million ordinary shares held by LUKOIL SECURITIES LIMITED, a wholly owned subsidiary of PJSC “LUKOIL”) were repurchased from shareholders to reduce the total number of shares; in February 2020, these shares were redeemed. As a result, the total number of issued/outstanding ordinary shares of PJSC “LUKOIL” reduced to 692.9 million units, with the number of quasi-treasury stock reduced to zero.
- **Anti-Corruption Policy of PJSC “LUKOIL” was approved.**
- **Human Capital Management Policy of PJSC “LUKOIL” was approved.**

- **Decision on holding the external performance assessment of the Board of Directors was made.**

IFRS consolidated financial performance

Sales revenue for 2020 amounted to RUB 5,639 billion, or 28.1% lower y-o-y. A decline in hydrocarbon prices, reduction of production, output volumes and trading in petroleum products, as well as a decrease in petroleum products retail distribution, had a negative impact on revenue dynamics.

EBITDA amounted to RUB 687 billion, or 44.4% lower y-o-y. The decrease is primarily a result of adverse COVID-19 impacts on hydrocarbon prices, refining margins and production output. Price declines for oil also resulted in a negative effect of a time lag in export duties and MET and in opening inventory balances at refineries. At the same time, EBITDA was supported by rising trading margins and specific aspects of hedge accounting, as well as the improved oil production structure in Russia and RUB devaluation.

In 2020, net profit attributable to shareholders of PJSC “LUKOIL” amounted to RUB 15 billion (2019: RUB 640 billion). Besides EBITDA, non-cash losses from asset impairment and foreign exchange losses also contributed to lower profits.

Free cash flow in 2020 amounted to RUB 281 billion, or 59.9% lower y-o-y. The decrease is substantially a result of a lower cash flow from operations. In each quarter 2020, free cash flow was positive.

Share and depositary receipt performance

During 2020, the price of PJSC “LUKOIL” shares at the Moscow Exchange declined by 16% down to RUB 5,168 per share at the year-end. The price of PJSC “LUKOIL” depositary receipts traded on the London Stock Exchange was down by 31% down to USD 68.2 at the year-end.

INTERNAL AUDITORS' OPINION

following the assessment of the reliability and efficiency of risk management and internal control, as well as corporate governance at PJSC “LUKOIL” for 2020

This Internal Auditors' Opinion has been prepared by the Internal Audit Service of PJSC “LUKOIL” in accordance with the requirements of Federal Law No.208-FZ of 26 December 1995 *On Joint Stock Companies*.

Opinion

The Internal Audit Service of PJSC “LUKOIL” (hereinafter also “the Internal Audit Service”) has assessed the reliability and efficiency of risk management and internal control, as well as corporate governance at PJSC “LUKOIL” for 2020.

The audit evidence obtained provides a reasonable basis for this opinion.

According to the Internal Audit Service:

1. Risk management and internal control at LUKOIL Group are organized and performed in accordance with the requirements of laws of the Russian Federation, in line with the principles and approaches set by the Board of Directors of PJSC “LUKOIL” and in-house regulatory documents of PJSC “LUKOIL”, which apply to risk management and internal control.

Risk management and internal control are integrated into a single system, including in the course of making management decisions, which contributes to an efficient strategy implementation and achievement of PJSC “LUKOIL” goals.

No significant deviations and deficiencies have been identified which could otherwise affect the achievement by PJSC “LUKOIL” of its goals.

2. The risk management and internal control system in place at PJSC “LUKOIL” demonstrates reliable and efficient operation at an acceptable level.

3. Corporate governance at PJSC “LUKOIL” is performed in accordance with the applicable requirements of laws of the Russian Federation, those of regulators, in-house regulatory documents, and generally accepted corporate governance concepts and practices and ensures that PJSC “LUKOIL” operations are managed efficiently and its goals are successfully achieved.

Basis for opinion

The Internal Audit Service has drawn its opinion based on the following:

- results of audit engagements and consultations held during 2020 with respect to operations of LUKOIL Group organisations;

- internal audit assessment of the reliability and efficiency of the risk management and internal control at LUKOIL Group, as well as corporate governance system at PJSC “LUKOIL” for 2020.

The Internal Audit Service believes that the audit evidence obtained is sufficient and appropriate to provide a basis for an unbiased and independent opinion expressed herein.

Description of approaches and assessment criteria

The internal assessment of the reliability and efficiency of the risk management and internal control, as well as corporate governance system at PJSC “LUKOIL” has been performed by reference to the methodologies approved by the Head of Internal Audit¹ and taking into account the International Professional Practices Framework of The Institute of Internal Auditors.

Methodologies used by the Internal Audit Service contain assessment criteria that are premised on principles of and approaches to successful organization and performance of risk management and internal control, as well as corporate governance, set out in:

- COSO enterprise risk management² and internal control³ concepts;
- International standards of ISO 31000 series;
- The Code of Corporate Governance recommended⁴ by the Bank of Russia for application by joint stock companies whose securities have been admitted to organised trading;
- Recommendations on the organization of risk management, internal control, internal auditing, operations of the audit committee of the board of directors (supervisory board) of public joint stock companies⁵.

During the audit assessment results of audit engagements and consultations performed by the Internal Audit Service and divisions of internal audit at LUKOIL Group organisations during 2020, as well as information on current risks and risk management methods applied by Owners of Business processes and decisions made by governing bodies of PJSC “LUKOIL”, were used.

Audit engagements and consultations

During 2020, the Internal Audit Service and divisions of internal audit at LUKOIL Group organisations performed 107 audit engagements and 18 consultations

¹ Vice President – Head of the Internal Audit Service of PJSC “LUKOIL”.

² Document (concept) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) “Enterprise Risk Management – Integrating with Strategy and Performance” (2017).

³ Document (concept) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) “Internal Control – Integrated Framework” (2013).

⁴ Letter of the Bank of Russia No. 06-52/2463 of 10 April 2014 “On the Code of Corporate Governance”.

⁵ Appendix to Letter of the Bank of Russia No. IN-06-28/143 of 1 October 2020.

which cover LUKOIL Group organisations' operations for 2020 and, in specific cases, for 2019–2020. Audit engagements and consultations were held in accordance with the requirements of the International Standards for the Professional Practice of Internal Auditing.

In the course of audit engagements and consultations the true state and operation of risk management and internal control, as well as corporate governance were assessed and improvement recommendations were developed.

The Internal Audit Service facilitates monitoring of the progress of action plans, which provide for both the elimination of deviations and deficiencies identified during audit engagements and consultations and the improvement of the risk management and internal control, as well as corporate governance system at LUKOIL Group.

Independence of internal auditing

Internal auditing at LUKOIL Group is performed by the Internal Audit Service and divisions of internal audit at LUKOIL Group organisations.

The Head of the Internal Audit Service, who also is a functional manager of divisions of internal audit at LUKOIL Group organisations, directly manages the Internal Audit Service.

The Head of the Internal Audit is functionally subordinate and accountable to the Board of Directors of PJSC “LUKOIL” and administratively subordinate to the President of PJSC “LUKOIL”.

No limitations on powers of internal auditing or other limitations which could affect the performance of the internal auditing function at LUKOIL Group were identified.

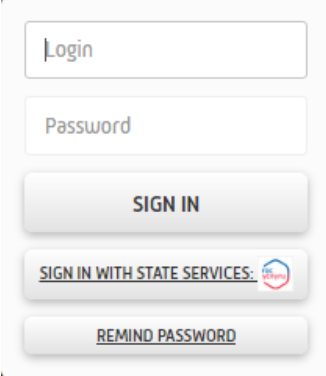
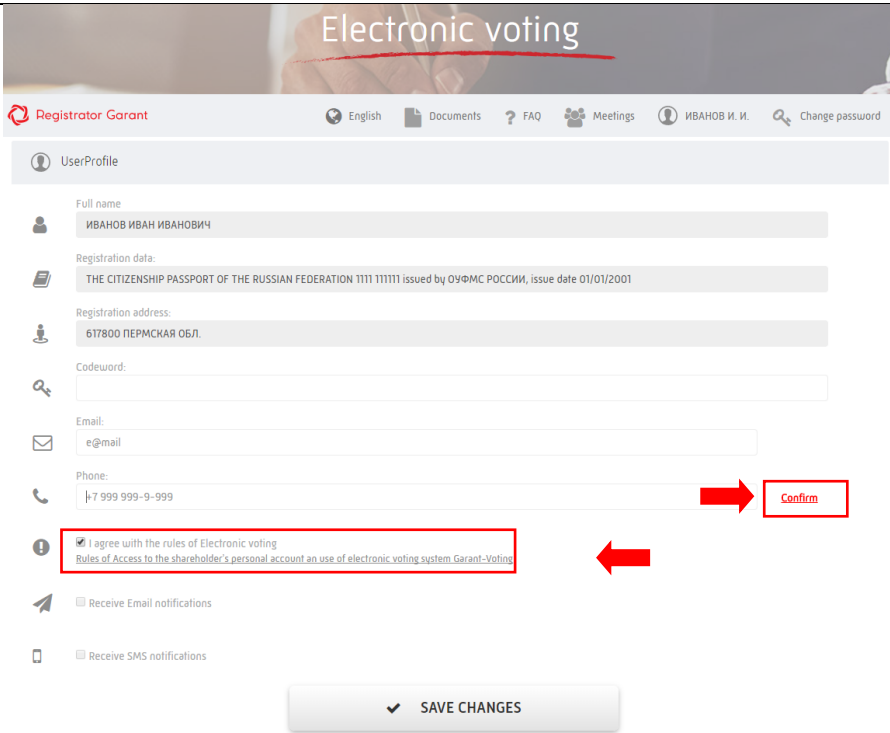
Assessment of the internal auditing activity

Based on the results of 2020, the Audit Committee of the Board of Directors of PJSC “LUKOIL” endorsed the performance of the Internal Audit Service in the area of assessing the reliability and efficiency of the risk management, internal control, as well as corporate governance system at LUKOIL Group, and found it to be in compliance with the Mission of Internal Audit, the Core Principles for the Professional Practice of Internal Auditing, the Definition of Internal Auditing, and the Code of Ethics adopted by The Institute of Internal Auditors.

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:

1. Follow the link: https://evoting.reggarant.ru/Voting/Lk or use the QR code to reach the website immediately.	
2. On the opening page, choose your preferred identification method: - via your certified account at the State Services Portal (https://gosuslugi.ru); - using your credentials issued by OOO «Registrator «Garant». If you are a registered user of the Shareholder’s Personal Account service, please use your credentials to enter.	
3. Check the relevant box to confirm that you agree with the e-voting rules. (This is mandatory to continue using the Service). 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”. 5. Save changes.	

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

Electronic voting

Registrator Garant

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Available meetings and accounts for voting:

>PJSC "LUKOIL"

Meeting date: XX/XX/XXXX End of voting: XX/XX/XXXX
 Date of compilation: XX/XX/XXXX Meeting Form: Absentee voting
 Meeting status: Voting is in progress Meeting type: Ordinary

«Date of compilation» - The date on which persons who have the right to participate in the general meeting of shareholders are determined (fixed).

Account in the register, number of shares: 85 Not registered **VOTE**

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.

Electronic voting

ЛУКОЙЛ НЕФТЯНАЯ КОМПАНИЯ

Русский Documents ? FAQ Meetings ИВАНОВ И. И. Logout Voting

[Back to the list of meetings](#)

PJSC "LUKOIL"

INFORMATION ON THE ISSUER

Issuer: PJSC "LUKOIL"

Date of meeting: XX/XX/XXXX

SHAREHOLDER INFORMATION

Full name: ИВАНОВ ИВАН ИВАНОВИЧ

Registration data: THE CITIZENSHIP PASSPORT OF THE RUSSIAN FEDERATION 1111 111111 issued by ОУФМС РОССИИ, issue date 01/01/2001

Registration address: 617800 ПЕРМСКАЯ ОБЛ.

Number of voting stocks: 85

✓ Voting Materials

1. Approval of the XXXX 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 XXXX annual results:

Decision: To approve the Annual Report of PJSC "LUKOIL" for XXXX, the annual accounting (financial) statements and distribute the profits based on the XXXX annual results as follows:
 The net profit of PJSC "LUKOIL" based on the XXXX annual results equalled XXXXXX roubles.

Full description

✓ FOR ✗ AGAINST ■■■ ABSTAIN

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 ООО «Registrator «Garant»:
 call +7 800 500 29 47 or email: evoting@reggarant.ru.