



Materials that are made available for those entitled to participate in
the Extraordinary General Shareholders Meeting of
PJSC “LUKOIL”
to be held on December 3, 2018

(in the form of absentee voting)

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NOTICE
of the Extraordinary 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, based on the decision of the Board of Directors of PJSC "LUKOIL" of 19 October 2018, an Extraordinary General Shareholders Meeting of PJSC "LUKOIL" will take place on **3 December 2018 in the form of absentee voting**, with the following agenda:

- 1. On payment (declaration) of dividends based on the results of the first nine months of 2018**
- 2. On payment of a part of the remuneration to members of the Board of Directors of PJSC “LUKOIL” for their performance of the functions of the members of the Board of Directors**
- 3. Approval of Amendments and Addenda to the Charter of Public Joint Stock Company “Oil company “LUKOIL”**

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

OOO “Registrator “Garant”, Krasnopresnenskaya Naberezhnaya 6, Moscow, 123100, Russian Federation

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

8 November 2018

The deadline for the receipt of ballots

3 December 2018

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

Registered Ordinary Shares

Identification details of the shares whose holders are entitled to take part in the Extraordinary 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 Extraordinary General Shareholders Meeting of PJSC “LUKOIL” (the Company) may take part in the Company’s Extraordinary General Shareholders Meeting by completing their voting ballots electronically on the website on the information and telecommunications network “Internet” <https://evoting.reggarant.ru/Voting/Lk> , with the Instructions for users of the electronic voting solution available on the information and telecommunications network “Internet” on the Company’s official websites www.lukoil.ru (in Russian), www.lukoil.com (in English). Access for completing electronic voting ballots shall be granted from 9 November 2018 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” keeping the Company’s Shareholder Register with information on persons entitled to participate in the Extraordinary General Shareholders Meeting of PJSC “LUKOIL”.

The ballots received by PJSC “LUKOIL” and the electronic ballots completed on the information and telecommunications network “Internet” <https://evoting.reggarant.ru/Voting/Lk> by **3 December 2018**, the deadline for receipt of voting ballots, will be counted for determining a quorum of the Meeting and tallying votes.

Information (materials) to be provided to persons entitled to participate in the Extraordinary General Shareholders Meeting of PJSC “LUKOIL” in preparation for the Extraordinary General Shareholders Meeting of PJSC “LUKOIL” will be available on the Company’s official websites www.lukoil.ru (in Russian), www.lukoil.com (in English) starting from the date of publication on the said websites (by 2 November 2018); and from 13 November 2018, from 10:00 a.m. to 05:00 p.m. on

Office "Ulyanovsky", ulitsa Karla Libknekhta 24/5A building 1, Ulyanovsk	telephone: 8-800-700-78-77
Office No1 in Urai, ulitsa Lenina 118, Urai, Tyumen oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, 628285	telephone: (34676) 2-03-17
Office "Ufinsky", ulitsa Tsyurupy 16, Kirovsky district, Ufa, Republic of Bashkortostan, 450057	telephone: (347) 226-72-70
Office «Khabarovskyy», Amursky Bulvar18, Khabarovsk, 680000	telephone: 8-800-700-78-77
Office "Cheboksarsky", prospect Lenina 6A, Cheboksary, Chuvashskaya Republic-Chuvashiya, 428000	telephone: 8-800-700-78-77
Office "Electrostal", ulitsa Nikolaeva 17A, office 01, Electrostal, Moskovskaya oblast, 144000	telephone: 8-800-700-78-77
Office «Yuzhno-Sakhalinsky», ulitsa Pogranichnaya 28A, Yuzhno-Sakhalinsk, 693007	telephone: 8-800-700-78-77

Joint Stock Company VTB Registrar

Ulitsa Zhukovskogo 31A, Maikop, Republic of Adygeya, 385000	telephone: (8772) 52-51-09
6 district 2, office 1, Elista, Republic of Kalmykiya, 358014	telephone: (84722) 6-56-92

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

The decisions taken by the Extraordinary 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 through 7 December 2018.

For the purpose of ensuring your rights as shareholders of PJSC "LUKOIL", we kindly ask you to inform OOO «Registrator «Garant», the company keeping the Company's Shareholder Register (the Registrar), 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 of Article 8.2 of the Federal Law *On Securities Market* neither the Company nor OOO «Registrator «Garant» will be liable for the loss incurred, should you fail to provide information on such changes.

Dear Shareholder,

By participating in the Extraordinary 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 Extraordinary General Shareholders Meeting of PJSC "LUKOIL" will be available if phoned at: 8 (800) 200 9402, shareholder@lukoil.com.

Board of Directors of PJSC "LUKOIL"



AGENDA

of the 2018 Extraordinary General Shareholders Meeting of PJSC "LUKOIL"

1. On payment (declaration) of dividends based on the results of the first nine months of 2018.
2. On payment of a part of the remuneration to members of the Board of Directors of PJSC "LUKOIL" for their performance of the functions of the members of the Board of Directors.
3. Approval of Amendments and Addenda to the Charter of Public Joint Stock Company "Oil company "LUKOIL".



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

On item 1 on the agenda of the Meeting: ‘On payment (declaration) of dividends based on the results of the first nine months of 2018’

Position:

The current legislation provides for payment of dividends to shareholders of PJSC “LUKOIL” more than once a year.

According to the *Regulations on the Dividend Policy of PJSC “LUKOIL”* (the Regulations), to ensure steady dividend payouts, the Company seeks to pay dividends to its shareholders at least twice a year: based on its results for the first nine months of the reporting year (the “Interim Dividends”), and based on the reporting year results (the “Final Dividends”).

The Company’s Interim Dividend payment practice contributes to increase market value of its securities and attract long-term investors.

Under the Regulations, the Company seeks to ensure that the amount of the Interim Dividends is at least 50% of the amount of the Final Dividends paid for the preceding reporting year¹ and plans to round the value of the recommended Interim Dividend to a multiple of five Russian roubles.

The Board of Directors believes that the recommended Interim Dividend payment based on the Company’s results for the first nine months of 2018 in the amount of 95 roubles per ordinary share appears optimal, as it:

- Complies with all the Interim Dividend calculation guidelines stipulated by the Regulations;
- Maintain the competitive level of dividend payments for shareholders of PJSC “LUKOIL”;
- Reflects the Company’s successful financial performance in the reporting period;
- Meets the expectations of stock analysts and confirms the steadiness of dividend distribution of the Company;

There are no restrictions imposed by the effective legislation of the Russian Federation on dividend payments based on results for the first nine months of 2018.

In accordance with the norms of the Federal Law *On Joint Stock Companies*, the dividend payout period is dependent on the date on which persons entitled to receive dividends (dividend record date) are determined. Such date is determined only based on a proposal by the Board of Directors of a company and may not be set earlier than 10 days from the date a decision on payment (declaration) of dividends is passed by the general shareholders meeting or later than 20 days after such a decision.

Dividend payments to nominee shareholders and trust managers registered in the shareholder register must take place within 10 business days from the date on which persons entitled to receive dividends are determined, and to other persons registered in the shareholder register – within 25 business days from that date.

Recommendation:

¹ The Final Dividend for 2017 was RUB 130 per ordinary share, excluding the Interim Dividend paid based on results for the first nine months of 2017.

To pay dividends on ordinary shares of PJSC “LUKOIL” based on the results of the first nine months of 2018 in the amount of 95 roubles per ordinary share. The dividends be paid using monetary funds from the account of PJSC “LUKOIL” as follows: to nominee shareholders and trust managers who are professional market participants registered in the shareholder register of PJSC “LUKOIL” to be made not later than 11 January 2019, to other persons registered in the shareholder register of PJSC “LUKOIL” to be made not later than 1 February 2019. The costs on the transfer of dividends, regardless of the means, will be paid by PJSC “LUKOIL”.

To propose that the Extraordinary General Shareholders Meeting set 21 December 2018 as the date on which persons entitled to receive dividends based on the results of the first nine months of 2018 will be determined.

The proposed decisions are based on the recommendations of the Strategy and Investment Committee of the Board of Directors of PJSC “LUKOIL” (Minutes No.5 of 5 October 2018).

On item 2 on the agenda of the Meeting: ‘On payment of a part of the remuneration to members of the Board of Directors of PJSC “LUKOIL” for their performance of the functions of the members of the Board of Directors’

Position:

In accordance with Clause 2, Article 64 of Federal Law *On Joint Stock Companies*, by decision of the general meeting of shareholders, the members of the board of directors of a company may be paid remuneration in the period during which they perform their duties. The amount of such remuneration shall be established by decision of the general meeting of shareholders.

The *Director Compensation and Expense Reimbursement Policy of PJSC “LUKOIL”* provides that subject to a decision by an Extraordinary General Shareholders Meeting, members of the Company’s Board of Directors may be paid a part of the remuneration for their performance of responsibilities as members of the Board of Directors.

Also the *Procedure for the remuneration and reimbursement of expenses of members of the Board of Directors and Audit Commission of PJSC “LUKOIL”* stipulates a possibility of a partial payment prior to the Annual Shareholders Meeting of the remuneration to members of the Board of Directors for the performance of their functions (Board fee) by decision of the Company’s Extraordinary General Shareholders Meeting.

Partial payments of the remuneration to members of the Board of Directors for the performance of their functions have become a company practice since 2015, being widely used by Russian issuers. A partial payment of the Board fee will compensate Directors’ inflation losses, and align, to the greatest extent possible, with the current macroeconomic environment and the balance of interest between the Company and its Board members.

The Board fee for the newly elected members of the Board of Directors of PJSC “LUKOIL” was established by decision of the Annual General Shareholders Meeting of PJSC “LUKOIL” on 21 June 2018 (Minutes No.1) in the amount of 6,750,000 roubles. The Board of Directors recommends that one-half of this amount (i.e. 3,375,000 roubles) be paid to each member of the Board of Directors.

Recommendation:

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 decision is taken by the Extraordinary General Shareholders Meeting of PJSC “LUKOIL” constituting one-half (i.e. 3,375,000 roubles each) of the Board fee established by decision of the Annual General Shareholders Meeting of PJSC “LUKOIL” on 21 June 2018 (Minutes No.1).

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.4 of 2 October 2018).

On item 3 on the agenda of the Meeting: ‘Approval of Amendments and Addenda to the Charter of Public Joint Stock Company “Oil company “LUKOIL”’

Position:

In accordance with Article 12 of the Federal law *On Joint Stock Companies* amendments to the charter of a company shall be made by decision of a general meeting of shareholders.

Due to the introduction of amendments to the Federal Law *On Joint Stock Companies* by Federal Law No.209-FZ of 19.07.2018 *On Amendments to the Federal Law ‘On Joint Stock Companies’* Amendments and Addenda to the Charter of Public Joint Stock Company "Oil company "LUKOIL" are proposed for approval by the Extraordinary General Shareholders Meeting, namely:

– The Company Charter provision on placing items on the agenda of the General Shareholders Meeting and nominating candidates for the list of candidates for voting (point 8.6) is supplemented by a provision enshrining the right of the Company’s Board of Directors, at its own discretion, to place items on the agenda of the General Shareholders Meeting and/or nominate candidates to the Company’s relevant governing body. The number of such candidates may not exceed the number of positions in the said body;

– The Company Charter is being amended to stipulate that the General Shareholders Meeting of PJSC “LUKOIL” shall be deemed quorate when taking a decision on granting consent to or subsequent approval of an interested party transaction irrespective of the number of shareholders participating in the Meeting and having no material benefit (interest) in concluding the transaction. It also specifies the Charter provision (point 8.17) stipulating that such decisions be taken by a majority vote of the shareholders who participate in the General Shareholders Meeting and have no material benefit (interest) in concluding the transaction;

– The list of persons at whose request the meetings of the Board of Directors of PJSC “LUKOIL” are convened, given in the first paragraph of point 9.9 of the Company Charter, shall include the Head of the Company’s Internal Audit division;

– The Board of Directors’ authority to form committees and commissions of the Board of Directors and approve internal by-laws determining their proceedings (sub-point 9.7.21 of point 9.7 of the Company Charter) is being expanded to determine composition, appoint and terminate chairmen and members of the committees/commissions.

Also amendments are being made to the Charter provisions related to accounting and IFRS consolidated financial reporting (points 14.1 and 14.2) to update the title of the person responsible for accounting and tax reporting at PJSC “LUKOIL”, i.e. ‘Chief Accountant’, in line with the Company’s current organizational structure and staff list.

Recommendation:

To approve Amendments and Addenda to the Charter of Public Joint Stock Company “Oil company “LUKOIL”.

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



Draft Decisions of the Extraordinary General Shareholders Meeting of PJSC "LUKOIL"

Draft decision on item 1 on the agenda 'On payment (declaration) of dividends based on the results of the first nine months of 2018':

To pay dividends on ordinary shares of PJSC "LUKOIL" based on the results of the first nine months of 2018 in the amount of 95 roubles per ordinary share. The dividends be paid using monetary funds from the account of PJSC "LUKOIL" as follows: to nominee shareholders and trust managers who are professional market participants registered in the shareholder register of PJSC "LUKOIL" to be made not later than 11 January 2019, to other persons registered in the shareholder register of PJSC "LUKOIL" to be made not later than 1 February 2019. The costs on the transfer of dividends, regardless of the means, will be paid by PJSC "LUKOIL".

To set 21 December 2018 as the date on which persons entitled to receive dividends based on the results of the first nine months of 2018 will be determined.

Draft decision on item 2 on the agenda 'On payment of a part of the remuneration to members of the Board of Directors of PJSC "LUKOIL" for their performance of the functions of the members of the Board of Directors':

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 this decision is taken constituting one-half (i.e. 3,375,000 roubles each) of the Board fee established by decision of the Annual General Shareholders Meeting of PJSC "LUKOIL" on 21 June 2018 (Minutes No.1).

Draft decision on item 3 on the agenda 'Approval of Amendments and Addenda to the Charter of Public Joint Stock Company "Oil company "LUKOIL"':

To approve Amendments and Addenda to the Charter of Public Joint Stock Company "Oil company "LUKOIL", pursuant to the Appendix hereto.



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

1. In Article 8 « Shareholders Meeting»:

a) Revise point 8.6 to read as follows:

«8.6. Company shareholder (shareholders) holding in aggregate at least two percent of the Company’s voting shares are entitled to propose items for the agenda of the Annual Shareholders Meeting and candidates to the Board of Directors and Audit Commission, and to the office of President. The number of candidates such shareholders may nominate to the Board of Directors and Audit Commission may not exceed the number of positions in the relevant body. Such proposals shall be received by the Company not later than 60 days after the end of the reporting year of the Company.

In addition to issues proposed for the agenda of the Shareholders Meeting by shareholders, and to the candidates nominated by the shareholders to the relevant body of the Company, the Board of Directors may at its own discretion place issues on the agenda and/or nominate candidates to the relevant body. The number of candidates nominated by the Company’s Board of Directors may not exceed the number of positions in the relevant body. »;

b) Revise point 8.17 to read as follows:

«8.17. Decisions on issues specified in sub-point 8.2.15 of point 8.2 of this Charter shall be made by a majority vote of the holders of the Company’s voting shares participating in the Shareholders Meeting who have no material benefit (interest) in concluding the transaction.

For the purposes of taking a decision under sub-point 8.2.15 of point 8.2 of this Charter the Shareholders Meeting shall be deemed quorate irrespective of the number of shareholders, who own voting shares in the Company, participating in the Meeting and having no material benefit (interest) in concluding the transaction.».

2. In Article 9 “The Board of Directors”:

a) Revise sub-point 9.7.21 of point 9.7 to read as follows:

«9.7.21. formation of committees and commissions of the Board of Directors, approval of internal regulations determining their authority and proceedings, composition, appointment and termination of chairmen and members of the committees and commissions;»;

b) Revise the first paragraph of point 9.9 to read as follows:

«9.9. The Board of Directors shall hold meetings as necessary. Meetings shall be called by the Chairman of the Board of Directors on his own initiative or at the request of a member of the Board of Directors, the Audit Commission, the Head of the Company’s Internal Audit division, the Company’s Auditor, the President or the Company’s Management Committee.».

3. In Article 14 “Accounting and Reporting”:

a) In the second paragraph of point 14.1 replace the words “Vice-President, Chief Accountant” with the words “Chief Accountant”;

b) In the second paragraph of point 14.2 replace the words “Vice-President, Chief Accountant” with the words “Chief Accountant”.

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

№	Current version of the Company Charter	Proposed amendments and addenda to the Charter	Comments
1.	<p>Point 8.6: «8.6. Proposals for the agenda of the Annual Shareholders Meeting and candidates to the Board of Directors and Audit Commission, and to the office of President shall be made by Company shareholder (shareholders) holding in aggregate at least two percent of the Company’s voting shares. Such proposals shall be received by the Company not later than 60 days after the end of the reporting year of the Company. The number of candidates such shareholders may nominate to the Board of Directors and Audit Commission may not exceed the number of positions in the relevant body.</p> <p>In addition to issues proposed for the agenda of the Shareholders Meeting by shareholders, and also in cases where no such issues are submitted or no candidates or an insufficient number of candidates are nominated by the shareholders to the relevant body of the Company, the Board of Directors may at its own discretion place issues on the agenda and nominate candidates.».</p>	<p>Point 8.6: «8.6. Proposals <u>Company shareholder (shareholders) holding in aggregate at least two percent of the Company’s voting shares are entitled to propose items</u> for the agenda of the Annual Shareholders Meeting and candidates to the Board of Directors and Audit Commission, and to the office of President shall be made by Company shareholder (shareholders) holding in aggregate at least two percent of the Company’s voting shares. Such proposals shall be received by the Company not later than 60 days after the end of the reporting year of the Company. The number of candidates such shareholders may nominate to the Board of Directors and Audit Commission may not exceed the number of positions in the relevant body. <u>Such proposals shall be received by the Company not later than 60 days after the end of the reporting year of the Company.</u></p> <p>In addition to issues proposed for the agenda of the Shareholders Meeting by shareholders, and also in cases where no such issues are submitted or no <u>to the</u> candidates or an insufficient number of candidates are nominated by the shareholders to the relevant body of the Company, the Board of Directors may at its own discretion place issues on the agenda and nominate candidates/<u>or nominate candidates to the relevant body. The number of candidates nominated by the Company’s Board of Directors may not exceed the number of</u></p>	<p>These amendments are proposed to bring the wording of the first paragraph of point 8.6 of the Charter of PJSC "LUKOIL" (the Company) in accordance with Clause 1, Article 53 of Federal Law <i>On Joint Stock Companies</i> (the JSC Law) and the second paragraph of point 8.6 of the Company Charter in accordance with the provision of the second paragraph of Clause 7, Article 53 of the JSC Law as amended by Federal Law No.209-FZ of 19.07.2018 <i>On Amendments to the Federal Law ‘On Joint Stock Companies’</i> (Law No.209-FZ), which came into force on 01.09.2018, enshrining the right of the Company’s Board of Directors, at its own discretion, to place items on the agenda of the General Shareholders Meeting and/or nominate candidates to the Company’s relevant governing body, whether or not items on the agenda of the General Shareholders Meeting and candidates for election to the bodies of the Company have been received from shareholders. The number of such candidates may not exceed the number of positions in</p>

		<u>positions in the relevant body.»</u>	the said body.
2.	Point 8.17: «8.17. 8.17. Decisions on issues specified in sub-point 8.2.15 of point 8.2 of this Charter shall be made by a majority vote of the holders of the Company’s voting shares participating in the voting who have no material benefit (interest) in concluding the transaction.».	Point 8.17: «8.17. Decisions on issues specified in sub-point 8.2.15 of point 8.2 of this Charter shall be made by a majority vote of the holders of the Company’s voting shares participating in the voting <u>Shareholders Meeting</u> who have no material benefit (interest) in concluding the transaction. <u>For the purposes of taking a decision under sub-point 8.2.15 of point 8.2 of this Charter the Shareholders Meeting shall be deemed quorate irrespective of the number of shareholders, who own voting shares in the Company, participating in the Meeting and having no material benefit (interest) in concluding the transaction.».</u>	The addendum and amendment are proposed to bring the wording of point 8.17 of the Company Charter in accordance with Clause 4, Article 83 of the JSC Law as amended by Law No.209-FZ, including the reflection in the Charter of the provision stipulating that the Company’s General Shareholders Meeting be deemed quorate when taking a decision on granting consent to or subsequent approval of an interested party transaction irrespective of the number of shareholders having no material benefit (interest) in concluding the transaction and participating in the Meeting.
3.	Sub-point 9.7.21 of point 9.7: «9.7.21. formation of committees and commissions of the Board of Directors, approval of internal regulations governing formation and proceedings of such committees and commissions;».	Sub-point 9.7.21 of point 9.7: «9.7.21. formation of committees and commissions of the Board of Directors, approval of internal regulations <u>determining their authority governing formation and proceedings, composition, appointment and termination of chairmen and members</u> of such the committees and commissions;	This amendment is proposed to bring the wording of sub-point 9.7.21 of point 9.7 of the Company Charter in accordance with Sub-Clause 9.1, Clause 1, Article 65 of the JSC Law as amended by Law No.209-FZ determining the authority of the Board of Directors regarding formation of committees.
4.	The first paragraph of point 9.9: «9.9. The Board of Directors shall hold meetings as necessary. Meetings shall be called by the Chairman of the Board of Directors on his own initiative or at the request of a member of the Board of Directors, the Audit Commission, the Company’s Auditor, the President or the	The first paragraph of point 9.9: «9.9. The Board of Directors shall hold meetings as necessary. Meetings shall be called by the Chairman of the Board of Directors on his own initiative or at the request of a member of the Board of Directors, the Audit Commission, <u>the Head of the Company’s Internal Audit division</u> , the	This amendment is proposed to bring the wording of the first paragraph of point 9.9 of the Company Charter in accordance with Clause 1, Article 68 of the JSC Law as amended by Law No.209-FZ providing for calling of a meeting of the Board of Directors at

	Company's Management Committee. ».	Company's Auditor, the President or the Company's Management Committee.	the request of the officer responsible for the organization and implementation of internal audit at the Company.
5.	The second paragraph of point 14.1: «The Company shall, alongside with its accounting (financial) statements, prepare its consolidated financial statements in accordance with the International Financial Reporting Standards, which shall bear the signature of the President and Vice-President-Chief Accountant of the Company, or if absent, signatures of persons acting in such capacity in accordance with the established procedure. The annual consolidated financial statements shall be submitted to the Company shareholders within the times provided by the applicable laws, by publishing them on the Company's official websites on the information and telecommunications network "Internet", i.e. <u>www.lukoil.ru, www.lukoil.com.</u> ».	The second paragraph of point 14.1: «The Company shall, alongside with its accounting (financial) statements, prepare its consolidated financial statements in accordance with the International Financial Reporting Standards, which shall bear the signature of the President and Vice-President Chief Accountant of the Company, or if absent, signatures of persons acting in such capacity in accordance with the established procedure. The annual consolidated financial statements shall be submitted to the Company shareholders within the times provided by the applicable laws, by publishing them on the Company's official websites on the information and telecommunications network "Internet", i.e. <u>www.lukoil.ru, www.lukoil.com.</u> ».	This amendment is proposed to update the title of the person responsible for accounting at PJSC "LUKOIL"
6.	The second paragraph of point 14.2: «The Vice-President, Chief Accountant of the Company will be responsible for keeping financial and tax accounts.».	The second paragraph of point 14.2: «The Vice-President , Chief Accountant of the Company will be responsible for keeping financial and tax accounts.».	Please see comment to point 5 of this Table.

Deleted provisions are shown in this table as strikethrough text, and new provisions are shown as bold and underlined text.



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

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

Location of the company: Moscow

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

Type of the General Meeting: *annual*

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

The date of determining (formalizing) the persons entitled to participate in the General Meeting: *28 May 2018*

Date of the General Meeting: *21 June 2018*

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

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

Closing of the General Meeting: *01:45 p.m.*

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

End of registration of persons entitled to participate in the General Meeting: *01: 04 p.m.*

Start of counting votes: *01:12 p.m.*

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

Date of preparation of the Minutes: *25 June 2018*

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

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

1. The number of votes belonging to the persons included in the list of persons entitled to participate in the General Meeting on this Item:	850,563,255
2. The number of votes for the Company's voting shares on this agenda item is determined taking into account the provisions of point 4.20 of the <i>Regulations on additional requirements to the procedure of preparation, convocation and holding of General Shareholders Meetings</i> , approved by FSFM Order No.12-6/pz-n of 02.02.2012:	850,563,255
3. The number of votes belonging to the persons who took part in the General Meeting on this Item:	642,894,413 (75.5846%), the Item is quorate

The number of votes given for each voting option:
“For”

633,497,377

(98.5383%)

“Against”

888,206

“Abstain”

284,654

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

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

Chairman of the Meeting

V.I. Grayfer

Secretary of the Meeting

N.A. Illarionov

Appendix to decision on Item 4 (point 2) on the agenda of the Annual General Meeting of Shareholders of Public Joint Stock Company “Oil company “LUKOIL” of 21 June 2018 (Minutes No.1)


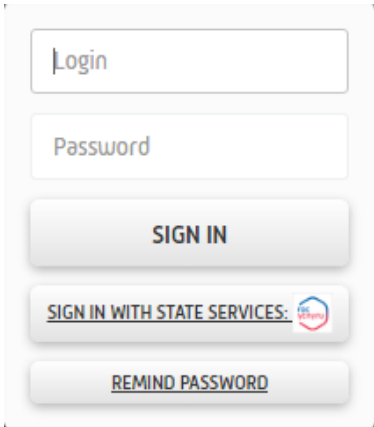
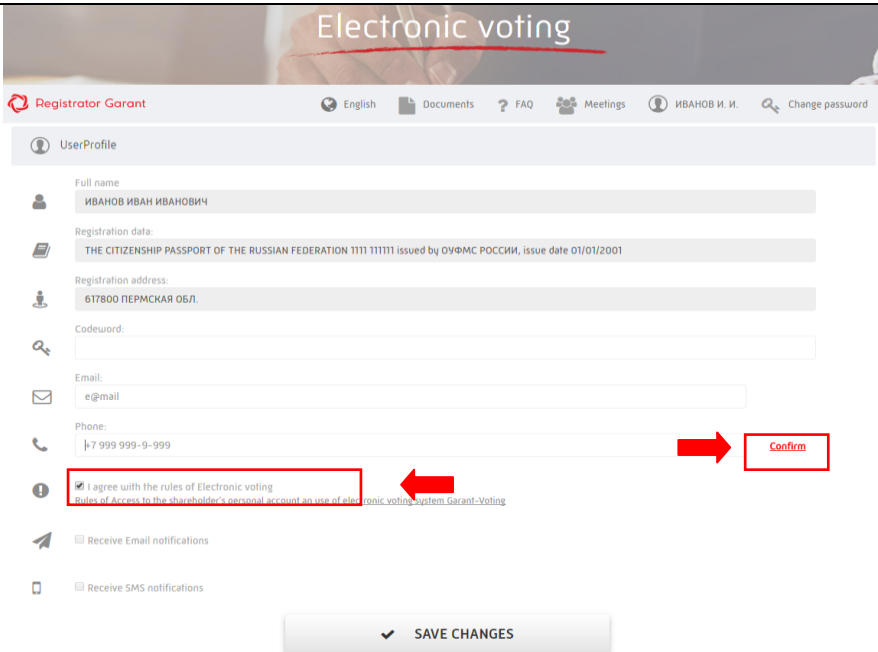
To establish the following amounts of remuneration for the newly elected members of the Board of Directors of PJSC “LUKOIL”:

- for performance of the duties of a member of the Board of Directors – 6,750,000 roubles;
- for performance by a member of the Board of Directors of the functions of the Chairman of the Board of Directors – 5,200,000 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 – 1,050,000 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 – 1,050,000 roubles;
- for attendance in person at a meeting of the Board of Directors or a committee of the Board of Directors which involves a transcontinental flight (a flight from one continent to another that lasts more than eight hours) – 350,000 roubles. If a member of the Board of Directors takes a transcontinental flight to attend the meetings of both a committee (committees) of the Board of Directors and of the Board of Directors itself, only a single amount of remuneration for the transcontinental flight will be paid;
- for each participation in conferences and other events on written instructions of the Chairman of the Board of Directors, in an amount of 150,000 roubles.

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

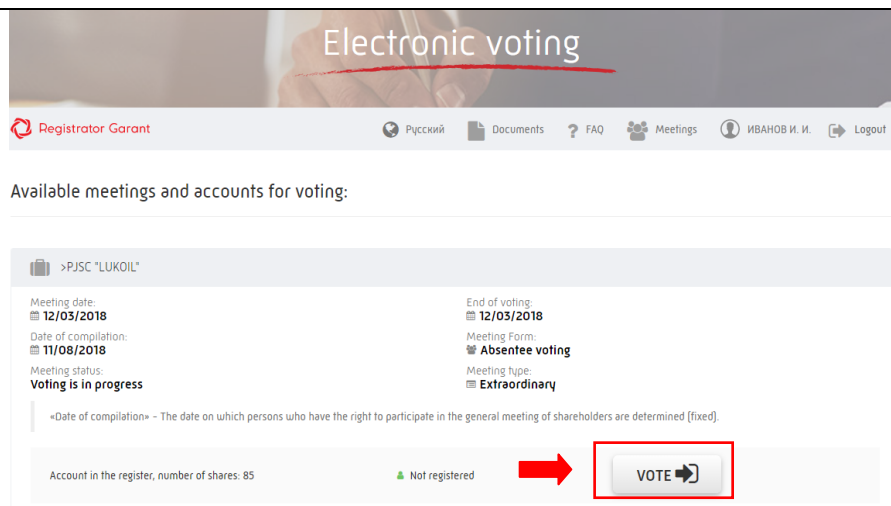
Please be informed that access for completing electronic voting ballots shall be granted from 9 December 2018 to the shareholders who register their title to shares in the Company’s shareholder register, while shareholders who are clients of nominee holders shall be granted access after the said nominee holders provide OOO «Registrator «Garant», the company keeping the Company’s Shareholder Register, with information on persons entitled to participate in the Extraordinary General Shareholders Meeting of PJSC “LUKOIL”.

To use the e-voting service:

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

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

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



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



Recommended specifications:

PC

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

Mobile devices:

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

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