

Approved by the meeting of the Board of
Directors of PJSC "LUKOIL",
29 September 2016 (Minutes No. 21),

1. GENERAL PROVISIONS

1.1. The

- a) development and periodical revision of the Company's policy on compensation of the members of the Board of Directors, members of the Management Committee and the President of the Company, monitoring of its introduction and implementation;
- b) preliminary year-end performance review of members of the Management Committee and the President of the Company in accordance with the Company's policy on compensation;
- c) development of conditions for early termination of employment contracts with members of the Management Committee and the President of the Company including all tangible liabilities of the Company and the conditions of their provisions;
- d) preparation of recommendations to the Board of Directors of the Company for determining the amount of compensation and bonus payment principles for the Corporate Secretary of the Company.

3. OBJECTIVES OF THE HUMAN RESOURCES AND COMPENSATION COMMITTEE

3.1. The key objectives of the Human Resources and Compensation Committee include:

3.1.1. To contribute to the formation of an efficient and transparent practice in the Company for remuneration of the members of the Board of Directors, the Management Committee, the President, other executives, includi

members of the Board of Directors, the Management Committee, the President of the Company, other executives for inclusion in the Company's Annual Report and other documents of the Company;

3.1.6. To assess the composition of Board of Directors in terms of professional specialisation, experience, independence and involvement of its members in the activities of the Board of Directors; **and also to do a preliminary review of the candidates nominated to the Board of Directors of the Company by the Board of Directors itself;**

(Wording of the point as approved by decision of the Board of Directors of PJSC "LUKOIL", 17 December 2020 (Minutes No.20))

3.1.7. To contribute to enhancing the professional composition and performance of the Board of Directors by formulating recommendations in the process of nominating candidates to the Board of Directors. To provide shareholders of the Company with recommendations regarding voting in selecting candidates to the Board of Directors of the Company; to analyse the professional qualification and independence of all candidates to the Board of Directors of the Company based on all the information available to the Committee; to prepare recommendations to the Board of Directors on recognising a candidate (a member of the Board of Directors) as independent despite any formal criteria indicative of his/her affiliation with the Company, its significant shareholder, a significant counterparty or a competitor of the Company, if such affiliation does not impair his/her ability to form independent, impartial and fair judgments;

3.1.8. To interact with shareholders of the Company in the context of selecting candidates to the Board of Directors aimed at creating a Board of Directors that meets the Company's goals and objectives to the fullest possible extent;

3.1.9. To determine the methodology of self-assessment and to develop proposals for selecting an independent consultant to conduct performance review of the Board of Directors. To hold an annual detailed formal procedure of self-assessment or external assessment of the Board of Directors and committees of the Board of Directors in terms of their performance in general and individual contribution of members of the Board of Directors and its committees; to prepare recommendations to the Board of Directors with regard to improving procedures of the Board of Directors and its committees, to prepare a report on results of self-assessment or external assessment for inclusion in the Company's Annual Report;

3.1.10. To develop an induction course for newly elected members of the Board of Directors aimed at informing new members of the Board of Directors about key assets of the Company, its strategy, business practice adopted in the Company, the Company's organisational structure and the Company's executives, the Board of Directors' procedures; to monitor practical delivery of the induction course;

3.1.11. To design a training and professional development program for members of the Board of Directors tailored to individual requirements of its members, and to monitor practical delivery of the program;

3.1.12. To analyse current and expected requirements of the Company with regard to professional qualification of the members of the Management Committee, the President of the Company, other executives driven by the Company's competitiveness and development interests; to plan succession with regard to those individuals;

3.1.13. To prepare a report on results of the Committee's activity for inclusion in the Company's Annual Report and other documents of the Company;

3.1.14. To issue recommendations on reimbursement to members of the Management Committee of the Company and the Company President for expenses, losses, fines and other sanctions stipulated by the contracts with the members of the Company's Management Committee and the Company President;

3.1.15. To establish priority areas within the Company's activities related to human

resources and compensation of members of the Company's management bodies;

(Wording of the point as approved by decision of the Board of Directors of PJSC "LUKOIL", 17 December 2020 (Minutes No.20))

3.1.16. To perform a comparative analysis and inform the Company's Board of Directors of other companies' policies and plans for compensation of members of the management bodies.

3.2. To ensure the implementation of the Committee's duties the Board of Directors of the Company grants Committee the following rights:

3.2.1. To participate in the monitoring and examination of the implementation of the decisions and orders of the Company's Board of Directors on issues related to its activities;

3.2.2. To request and obtain in accordance with the existing procedure any information that is necessary for its activities from the members of the Management Committee, the President of the Company, the Corporate Secretary of the Company, structural subdivisions of the Company and other employees of the Company;

3.2.3. To receive professional services from third-party organisations within the Committee's budget;

3.2.4. To invite, if necessary, the persons indicated in point 8.6 of these Regulations to the Committee meetings;

3.2.5. To propose amendments and addenda to the Regulations;

3.2.6. Other rights that are necessary for the Committee to perform its duties.

4. MEMBERSHIP AND ELECTION OF THE HUMAN RESOURCES AND

4.4.

Regulations and the other internal documents of the Company.

6. THE SECRETARY OF THE HUMAN RESOURCES AND COMPENSATION COMMITTEE

6.1. The duties of the Secretary of the Human Resource and Compensation Committee are performed by the Corporate Secretary of the Company.

6.2. The Secretary of the Committee shall ensure the preparations for and holding of Committee meetings, collection and systemisation of materials for meetings, the timely forwarding of notices on the Committee meetings, the agenda and the materials related to the agenda to the Committee members and invitees, keeping the minutes of the meetings, preparation of drafts of the Committee's decisions, as well as subsequent storage of all relevant materials. The Secretary of the Committee shall ensure that the Committee members receive the necessary information.

7. SCHEDULE AND PROCEDURE FOR CONVENING MEETINGS OF THE HUMAN RESOURCES AND COMPENSATION COMMITTEE

7.1. Each first meeting of the new membership of the Human Resources and Compensation Committee shall be held not later than 30 (thirty) business days from the date of the first meeting of the new membership of the Company's Board of Directors, at which the Human Resources and Compensation Committee members were elected.

7.2. The Committee meetings shall be held in accordance with the schedule approved by the Committee, but no fewer than 4 (four) times per year. Extraordinary meetings shall be held at the decision of the Chairman of the Committee, at the request of any Committee member, as well as at the request of the Board of Directors, the Management Committee, or the President of the

notify the Chairman of the Committee of such requests not later than the day following the day when such a request was received.

7.6.2. Within 5 (five) business days from the date of the demand to hold an extraordinary meeting, the Chairman of the Committee shall take a decision to hold an extraordinary meeting, set the date, time and location of the meeting or the date of the absentee vote, or take a decision to refuse to hold an extraordinary Committee meeting. A substantiated decision on the refusal to hold an extraordinary Committee meeting shall be forwarded to the person or the body of the Company

attended both by Company employees and by third parties. Invitees shall not have the right to vote on items of the agenda of the Committee meeting.

8.7. The fo

11.1. The Human Resources and Compensation Committee shall provide to the

**WRITTEN OPINION
on agenda items**

(full name)

**of a member of the Human Resources and Compensation Committee
of the Board of Directors of PJSC "LUKOIL"**

Issue put to a vote:

Resolved:

Voting results:

IN FAVOR _____
(Signature)

AGAINST _____
(Signature)

ABSTAIN _____
(Signature)

_____ 20 .

Procedure for taking account of the Written Opinion: The Committee Member not attending the meeting in person shall put his/her signature in the line of the Written Opinion Form that corresponds to his/her decision. The Director's written opinion shall be taken into account when determining whether the meeting is quorate, and also when counting the voting results at the meeting of the Committee of the Board of Directors, provided the said Written Opinion is delivered to the Secretary of the Committee in person, by registered mail with confirmation of receipt, by fax with confirmation of transmission, by e-mail using encrypted means of communication or posted in the Electronic System, prior to the start of the meeting. If the written opinion is sent by fax, e-mail or posted in the Electronic System, the Committee member is obligated to send the original written opinion to the Secretary of the Committee by post without delay.