Annual Report
of PJSC “LUKOIL”
for 2022

As at the end of 2022, the Groupôs SEC proved hydrocarbon reserves amounted to 15.1 billion boe, including 76 percent of liquid hydrocarbons and 24 percent of gas. The proved reserves replacement ratio for hydrocarbons, excluding the effect of changes in macroeconomic factors on evaluation, totaled 144 percent in 2022. The Companyôs proved hydrocarbon reserves life is 18 years. The Company has 60 percent of its proved hydrocarbon reserves classified as developed. These reserves can be extracted from existing wells using currently available technologies and equipment.

Concentrated mainly in West Siberia, 92 percent of the Groupôs proved hydrocarbon reserves are located in Russia. The proved reserves replacement ratio for hydrocarbons at the Companyôs Russian projects totaled 107 percent in 2022.

Outside Russia, 41 percent of LUKOILôs proved reserves are located in Uzbekistan, where the Group is developing major gas projects. The decrease in reserves of international projects in 2022 is attributable to the revision of reserves for projects implemented under production sharing agreements or service contracts due to higher average annual oil and gas prices.

In 2022, LUKOIL added 541 million boe to its proved reserves through geological exploration and production drilling, which is 8 percent more than 2021 additions. The largest contribution was from the assets in West Siberia, Urals and Timan-Pechora. The conversion of contingent resources to reserves added 33 million boe to proved reserves.

Hydrocarbon reserves as at December 31,[1] million boe

	2020	2021	2022	Change 2022/2021
Total proved reserves	**15,385**	**15,268**	**15,109**	**–1.0%**
Liquid hydrocarbons	11,692	11,572	11,520	ï 0.4%
Natural gas	3,693	3,696	3,589	ï 2.9%
Developed	9,260	9,373	8,991	ï 4.1%
Undeveloped	6,125	5,895	6,118	3.8%
Russia	13,722	13,784	13,833	0.4%
International projects	1,663	1,484	1,276	ï 14.0%
Probable reserves	**5,581**	**6,057**	**6,159**	**1.7%**
Possible reserves	**2,802**	**2,851**	**2,938**	**3.1%**

Licenses

Pursuant to the Russian legislation, hydrocarbon exploration and production operations require a subsoil license. LUKOIL continuously works to build its resource potential and drive its oil and gas assets portfolio performance by participating in auctions, acquiring equity in third-party companies, optimizing its license portfolio, amending existing license agreements, obtaining new licenses, and securing license renewals in reorganizations of its subsidiaries.

[1] *An independent audit of reserves was performed by Miller and Lents based on the commercial life-of-field approach.*

At the end of 2022, the Group held 587 licenses in Russia, with 90 percent of them granting hydrocarbon exploration and production rights. The average remaining lifespan of these licenses was around 30 years. The remaining 10 percent of the Companyôs licenses grant the right to prospect, explore, and appraise hydrocarbon deposits, with an average remaining lifespan of about two years.

In the reporting year, 24 new licenses that cover mostly the Groupôs core producing regions were added to its portfolio. New licenses in the regions with a well-developed infrastructure enable maximum synergies with existing assets, reduce exploration and development costs, and speed up production launch. In the reporting year, the Company expanded its license portfolio through the acquisition of license areas and assets in West Siberia, the Perm Territory, the Volga region and the Orenburg Region. Over the year, the Company also expanded its geographical footprint through the acquisition of a subsoil area in the Sverdlovsk Region.

In the reporting year, the Groupôs license portfolio evolved as follows: 23 license amendments were registered to extend the underlying licenses and 3 licenses were returned upon their expiry. In addition, 79 license amendments were secured to modify the time and volumes of activities underway as well as adjust license fees.

Number of LUKOIL Group's licenses in Russia as at December 31

	2020	**2021**	**2022**
Total	**563**	**566**	**587**
Exploration and production	372	379	376
Prospecting and appraisal	58	53	58
Geological survey, exploration and production	133	134	153

Exploration

LUKOIL Group carries of*875 427.37 59.184 0.48001xrroductiin .87 485.11 59.064 841.92 reW* nBT/F3 12 Tf1

Gas

1.2. Refining, Marketing and Distribution

Macro Environment

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The Groupôs production of base lubricants and components in 2022 decreased by 7 percent year-on-

Petrochemicals output

2020

Oil supplies and sales, million tonnes

	2020	2021	2022	Change 2022/2021
Oil sales	87.4	95.8		

Retail sales of petroleum products

	2020	2021	2022	Change 2022/2021

In 2022, the Group sold 1.1 million tonnes of bunker fuel. The decrease was driven by Russiaôs shrinking bunker fuel market and trade restrictions.

Bunker fuel sales volumes, million tonnes

	2020	2021	2022	Change 2022/2021
Total	**2.7**	**2.1**	**1.1**	**–47%**
including retail sales in the ñship suppliesò customs regime	1.6	0.9	0.7	ï 27%

Aircraft fueling

LUKOIL sells jet fuel produced at its own and third-party refineries, mostly through aircraft fueling, at airports in Russia and Bulgaria using its own sales network or through service contracts with refueling companies outside LUKOIL Group.

In 2022, jet fuel sales in Russia were 2.8 million tonnes. The dynamics was attributable to lower passenger traffic, including due to suspensions on a number of international flights from Russia and the ongoing temporary flight restrictions on airports in the south of Russia.

Our network for aircraft fueling covers 35 Russian airports, in 20 of which LUKOIL operates own jet fueling complexes or participates in joint ventures.

Aircraft fueling sales volumes (including share in associates), million tonnes

2020	2021	2022	Change 2022/2021
1.1	1.6	1.3	ï 19%

Bitumens

The bitumen segment is an important area of business development for LUKOIL.

In 2022, we expanded the bitumen portfolio by 26 percent to 63 items, including advanced Superpave products used to construct heavy-duty asphalt pavements and tailored to different climate conditions and traffic loads. We also continued to expand our branded product line, paving nine pilot road sections as part of testing branded products in road construction.

In 2022, the Company grew its sales of polymer-bitumen binders which greatly enhance pavement durability. Sales of polymer-modified bitumen materials tripled to 55 thousand tonnes.

Each year, LUKOIL Group expands the geography of bitumen supplies. In 2022, the Company developed sales of packaged products to hard-to-reach regions in the Far Eastern Federal District, growing sales volumes for packaged bitumen products by 53 percent year-on-year to 20 thousand tonnes.

Bitumen sales volumes, thousand tonnes

2020	2021	2022	Change 2022/2021
894	907	847	ï 7%

Sustainability indicators are included in the List of Key Performance Indicators (KPIs) used for planning, performance management, and motivation of employees and key executives of PJSC LUKOIL, as well as heads of LUKOIL Group entities.

Sustainability disclosure

Work-related injury indicators at LUKOIL Group

	2020	2021	2022	Change 2022/2021
Number of occupational accidents	28	17	18	6%
Number of injured employees	28	17	26	65%
Fatalities	2	0	1	100%
Lost-				

HSE compliance for contractors

Contractor selection follows the Instruction to the Bidder during the tender and local regulations setting forth HSE requirements.

Contractors are audited for HSE compliance at the initial stage of bidding and are screened out of the tendering process upon failure to comply with the established requirements. Contractors must also ensure compliance with requirements by their sub-contractors.

SUPERVISORY LEVEL	EXECUTIVE LEVEL	
Strategy, Investment, Sustainability, and Climate Adaptation Committee of the Board of Directors Å Risk analysis related to climate change and climate adaptation issues	**Decarbonization and Climate Change Adaptation Task Force of PJSC LUKOIL** Å Assessing climate risks and opportunities and developing recommendations for managing such risks Å Developing and assessing the results of the LUKOIL Groupôs decarbonization program Å Developing KPIs for decarbonization and climate change adaptation	**Environmental Safety and Decarbonization Division** Å Ensuring LUKOIL Groupôs GHG emissions accounting and reporting Å Developing recommendations for designing and adjusting the LUKOIL Groupôs decarbonization program Å Developing and implementing the climate change adaptation action plan

Climate Risks

The Company places special focus on climate risk management to provide reasonable assurance of achieving its strategic objectives despite uncertainties and negative impacts. LUKOIL implements a wide ran10e Compan 841.92 KP

In 2022, the Groupôs Scope 1 and Scope 2 GHG emissions in accordance with the GHG Protocol amounted to 46.9 million tonnes of CO_2 equivalent, up 13 percent year-on-year. The increase in emissions is largely due to the alignment of the methodology for calculating emissions with the requirements of the GHG Protocol and the legislation of the Russian Federation.[10] On like-for-like basis the increase in controlled emissions in 2022, driven by the growth of production indicators, would be 6 percent.

GHG emissions from controlled sources were 8 percent down vs. the 2017 base year.

Group-wide GHG emissions from controlled sources, million tonnes of CO_2 equivalent

	2017	**2019**	**2020**	**2021**	**2022**	**Change 2022/2021**	**Change 2022/2017**
Total	**50.9**	**48.4**	**43.7**	**41.5**	**46.9**	**13%**	**-8%**
By geography							
Russia	43.5	40.5	37.0	36.3	38.9	7%	-11%
International projects	7.4	7.9	6.7	5.2	8.0	54%	8%
By scope							
Scope 1	40.4	39.8	36.7	36.4	41.2	13%	2%
Scope 2	10.5	8.6	7.0	5.1			

The first stage involved identifying physical climate risks and studying relevant response practices across LUKOIL Group Russian and foreign enterprises engaged in oil and gas production and refining, as well as heat and power generation.

Under the Companyôs Efficient APG Use Program launched in 2003, the target level of APG utilization rate for the Groupôs Russian entities is 95 percent. In 2022, LUKOIL Russian entitiesô average APG utilization rate was down by 0.7 p.p. to 96.8 percent due to higher APG production at LLC LUKOIL-Komi amid delays in commissioning APG processing infrastructure and limited volumes of APG accepted by LLC LUKOIL-PERM and LLC LUKOIL-West Siberia for processing due to trade and logistical restrictions on Russian-origin gas products.

Since 2017, LUKOIL has been participating in the Zero Routine Flaring by 2030 initiative of the World Bank and delivering on its commitment to decrease flaring through a more efficient use of associated

Water consumption by Group entities, million cubic meters

	2020	2021	2022	Change 2022/2021
Total water withdrawal[12]	**611**	**681**	**726**	**7%**
Russia	395	460	477	4%
International projects	216	221	249	13%
Total water consumption for operational needs	**543**	**588**	**628**	**7%**
Russia	329	369	382	4%
International projects	214	219	247	13%
Total water discharge	**485**	**530**	**572**	**8%**
into seas or surface water bodies or onto land	350	413	432	5%
including contaminated (untreated and insufficiently treated) wastewater	8.8	8.9	8.4	ï 5%
Russia	297	325	348	7%
International projects	188	204	224	10%

Personnel by segment as at December 31, 2022

Exploration and Production	38%
Refining, Marketing, and Distribution	56%
Other Activities	4%
Corporate Center	2%

Personnel by geography as at December 31, 2022

Russian entities	86%
Foreign entities	14%

Talent management

In 2022, employees of LUKOIL Group entities started setting SMART goals in the Personnel Efficiency Management system.

To enhance its management culture, the Company developed and approved Standard Management Practices ï Main Principles and launched a large-scale corporate training program for LUKOIL Group managers on the use of management practices to boost employee motivation and build unified approaches to fostering a culture of performance across LUKOIL Group.

The Corporate Culture Rules at LUKOIL Group Entities were updated, including a capability model. To unlock employeesôleadership potential, the Guidelines for Implementing the Leadership Mentoring Program were developed and approved. The Guidelines are slated to be rolled ou(The)5( )-79(Gui)-9(de9(The)5

Professional training days are held on a regular basis for all managers of the Group entities to discuss the most pressing matters. In 2022, topics discussed included sustainable development of the Company amid instability and uncertainty. In order to perform employee training, the Company uses workshops, seminars, trainings, secondments, professional development and retraining programs, as well as professional training days. In 2022, 92.5 thousand employees completed training (or 88 percent of the average headcount) for a total of 428 thousand person-courses. Training time exceeded 9.5 million hours, including about 2.7 million hours of mandatory training.

LUKOIL has a distance learning system that helps to optimize mandatory training costs. The Group has over 50 entities connected to the system with more than 90 thousand users. More than 263 thousand training courses were taught in 2022, including over 86 thousand courses on health and safety.

Talent pool management

Building our talent pool ensures the continuity of management. The grounds for being added to the talent pool include employee performance, professional and business qualities, and potential for managerial tasks. Employees included in the talent pool undergo regular training in management and corporate skills in line with their development plans.GB

Expenses on internal social support for employees, RUB billion

	2020	2021

LUKOIL has a 24/7 Whistleblowing Hotline to report violations of anti-corruption laws. Any employee, counterparty, or other stakeholder can report corruption-related issues via anticorruption@lukoil.com in Russian or English, as well as in any national language of the countries where LUKOIL Group operates. In 2022, the hotline received no reports.

Preventing abuse and fraud by Company employees

To ensure compliance with the requirements of the Code of Business Conduct and Ethics of PJSC LUKOIL and establish a uniform procedure for preventing conflict of interest situations, as well as eliminate the negative impact of any actual conflict of interest situation on the process and results of the Groupôs operations, the Management Committee adopted the Regulations on the Actions of LUKOIL Group Entities and Their Employees in Conflict of Interest Situations. Compliance with these Regulations is mandatory for all employees at Group entities.

LUKOIL employees undergo regular professional trainings, trainings on ethical standards and anti-corruption conduct, and the Companyôs management is invited to attend guidance meetings. Key executives of LUKOIL Group entities and employees of corporate security units are examined annually for the knowledge of methods to identify and respond to conflict of interest situations.

Human rights

The Companyôs position and commitments with regard to observing and protecting human rights are set forth in the LUKOIL Group Human Rights Policy developed in the reporting year and approved by the Companyôs Board of Directors on October 28, 2022.

The Policy applies to PJSC LUKOIL and its subsidiaries, formalizes the basic principles and commitments of the Company as regards observing and protecting human rights and outlines the relevant mechanisms and tools.

The Group receives and processes human rights-related reports, including from employees, customers, partners, shareholders, and local communities, in all languages used in the Groupôs regions of operation. Reports can be submitted via telephone, email, or public relations centers of LUKOIL Group entities.

Contribution to Society

Being aware of our responsibility to the communities of which we are a part, LUKOIL maintains a regular dialogue with stakeholders and implements targeted programs taking into account cultural and historical specifics of the regions and countries where it operates.

Sibiryak, an up-to-date sports and fitness complex with a total area of more than 5,000 square meters,

absentee voting	A resolution was passed to pay part of the remuneration to members of the Board of Directors for the performance of their dut

Board of Directors

The Board of Directors is responsible for general management of the Company, except for the matters reserved to the General Shareholders Meeting. The Board of Directors plays a crucial role in designing and developing the corporate governance system, ensures the protection and exercise of shareholder rights, and supervises executive bodies.

The Boardôs authority and formation process as well as procedures for convening and holding Board meetings are determined by the Charter and Regulations on the Board of Directors of PJSC LUKOIL.

The Board of Directors, in particular, is responsible for:

- establishment of the Companyôs business priorities
- convocation of Annual and Extraordinary General Shareholders Meetings and preparations for General Shareholders Meetings
- appointment of the sole executive body (CEO)[23]
- approval of the Companyôs internal documents, excluding the internal regulations to be approved by the General Shareholders Meeting and the Companyôs executive body
- approval of the Companyôs registrar and terms of the contract with the registrar and its termination
- consent to transactions or subsequent approval of transactions in cases stipulated by law and the Companyôs Charter
- decisions on appointment and dismissal of the Companyôs Corporate Secretary and Head of the Internal Audit Service.

The number of members of the Board of Directors is determined by the decision of the Shareholders Meeting and cannot be less than nine. The Board of Directors is elected annually during the Annual General Shareholders Meeting (and can be reelected during Extraordinary General Meetings) through cumulative voting, whereby nominees with the highest number of votes are elected to the Board of Directors.

By resolution of the Annual General Shareholders Meeting dated June 21, 2022 (Minutes No. 2), the Board of Directors of the Company in the amount of 11 members is elected and nine members of the Board of Directors of PJSC LUKOIL are to be elected at the Annual General Shareholders Meeting of PJSC LUKOIL in 2023.

In spring 2022, four members of the Board of Directors elected at the Annual General Shareholders Meeting on June 24, 2021 (Minutes No. 1) stepped down from the Board (including three independent directors) based on written notifications for early termination of their powers.

The membership of two directors in the Companyôs Board of Directors elected at the Annual General Shareholders Meeting on June 21, 2022 (Minutes No. 2) was discontinued (the number of independent directors remained unchanged).

[23] From the date of approval of the Amendments to the Articles of Association of PJSC LUKOIL by the Extraordinary
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determination of the list of nominees for election of members of the Board of Directors, appointment of a temporary sole executive body of PJSC LUKOIL	

Convocat

In February 2022, the Strategy, Investment, Sustainability, and Climate Adaptation Committee of the Board of Directors reviewed the climate risk management framework.

Further improvement of sustainable development practices

To improve the Companyôs sustainability management system, in January 2022, the Board of Directors approved the LUKOIL Group Sustainability Policy.

In February 2022, the Strategy, Investment, Sustainability, and Climate Adaptation Committee reviewed the legal framework in sustainable development.

Adjustment of the strategy to meet the new challenges of a low-carbon economy

In January 2022, the Board of Directors reviewed the Companyôs comparative performance metrics over the recent years and a strategy for achieving carbon neutrality.

In early 2022, the Company approved the LUKOIL Group Decarbonization Program for 2022ï2024. In December 2022, the Board of Directors reviewed the implementation of this Program and the results of disclosures on GHG emissions management and climate cha00480003000A52-21(C)-00A5aptation.

Internal control at the level of the Company's subsidiaries

As part of the discussion of the functioning and improvement of the Companyôs risk management and internal control system, in April 2022, the Bo1(C)-00Ard of Directors also considered internal control arra00480003>ements at subsidiaries, as well as the automation of internal control procedures.

Board of Directors' composition

PJSC LUKOILôs Board of Directors consists of highly professional individuals. We believe that our Board of Directors is both well-balanced in the proportions of independent, executive, and no1(C)n executive directors, and well-diversified in terms of directorsô professional qualifications.

Independent directors ensure impartial consideration of matters while their independent judgements help improve the Boardôs performance and the Companyôs corporate governance system as a whole.

As at the end of 2022,0000 the Board of Directors included three executive directors[25], thus enablin0000 deep integration of the Board and PJSC LUKOILôs executive bodies and promoting well-informed mana0000A52-rial decisions b1(C)-00Ased on industry kno1(C)wlede>. Current members of the Board of Directors at the end of the reportin0000 year had sufficient time to perform their duties.

Board of Directors Chairman's role

The Cha004irman of the Board of Directors plays the key role in ensuri800030000 stro800030000 performance of t of Directors and its Committees. The Cha004irman of the Boao1(C)f Directors is elected at the first meetin> of the newly 0000A52-lected Board 0000of Directors. 0000The 0000Bo0A52-1ecAtd 0000Cha0004irman 0000may ye by a majority vote. The Chairman of the Board of Directors organizes the Boardôs work, convenes and cha004irs its meetin000300000s, and rakeep800030000A52-s of meetin000300000s. The Cha004irman proposes nominees to the Committees of the Bo1(C)-00Ard of Directors b-00Ased on their professional and personal qualities and taking into consideration directorsô individual proposals on the Committees setup.

[25] Executive directos are individuals employed by the Company.

In the absence of the Chairman, the above functions are performed by the Deputy Chairman.

Independent directors

Independent directors play an important role in effective performance of duties by the Board of Directors, particularly on the issues related to the Co

By gender

Female	1
Male	8

Education

Academic degrees	9*
Oil and gas	3
Economics and finance	2

Board Committees

PJSC LUKOILôs three Board Committees improve the effectiveness of resolutions passed by the Board of Directors and are engaged in the preliminary detailed review of the most essential matters while preparing relevant recommendations for the Board of Directors:

Strategy, Investment, Sustainability, and Climate Adaptation Committee (SISCAC)
Audit Committee (AC)
HR and Compensation Committee (HRCC)

Committee activities are governed by applicable regulations.

The Committees are fully accountable to the Board of Directors. Committee members are elected from among the Board members and in line with both best practice and the requirements of the Listing Rules of PJSC Moscow Exchange. The Committees include a significant number of independent directors. This approach fosters objective and well-balanced recommendations. All Committee members have an adequate combination of strong expertise and extensive experience, including hands-on experience.

As of the end of the reporting year, independent directors made up two-thirds of all directors on the Audit Committee and the HR and Compensation Committee. All three Committees were chaired by independent directors. This made them well-positioned to contribute significantly to the decision-making process when setting strategic goals, identifying PJSC LUKOILôs business priorities, ensuring sustainable development, or making other important decisions that may affect shareholder interests. Both LUKOIL employees and third parties may attend Committee meetings upon invitation from a Committee Chairman. However, they may not vote on agenda items.

Secretarial duties of the Board of DirectorsôCommittees are performed by the Corporate Secretary.

68 percent of all matters discussed by the Board of Directors in 2022 were previewed by the Board Committees, ensuring detailed discussions on the most essential matters brought up for the Boardôs approval. In the reporting year, all Committees worked as planned; 68 percent of all meetings were held in person.

Committee membership as at December 31, 2022

Independent directors	56%
[redacted]ors	33%
Executive directors	11%

Committee meetings

	In person	In absentia
2020		
SISCAC	6	1

Matters discussed

2020

Remuneration System for Members of the Company's Governance Bodies

When shaping the remuneration system and determining the particular remuneration for members of PJSC LUKOILôs governance bodies, the actual amounts payable are expected to be sufficient to engage, motivate to work efficiently, and retain individuals with the skills and qualifications required by the Company.

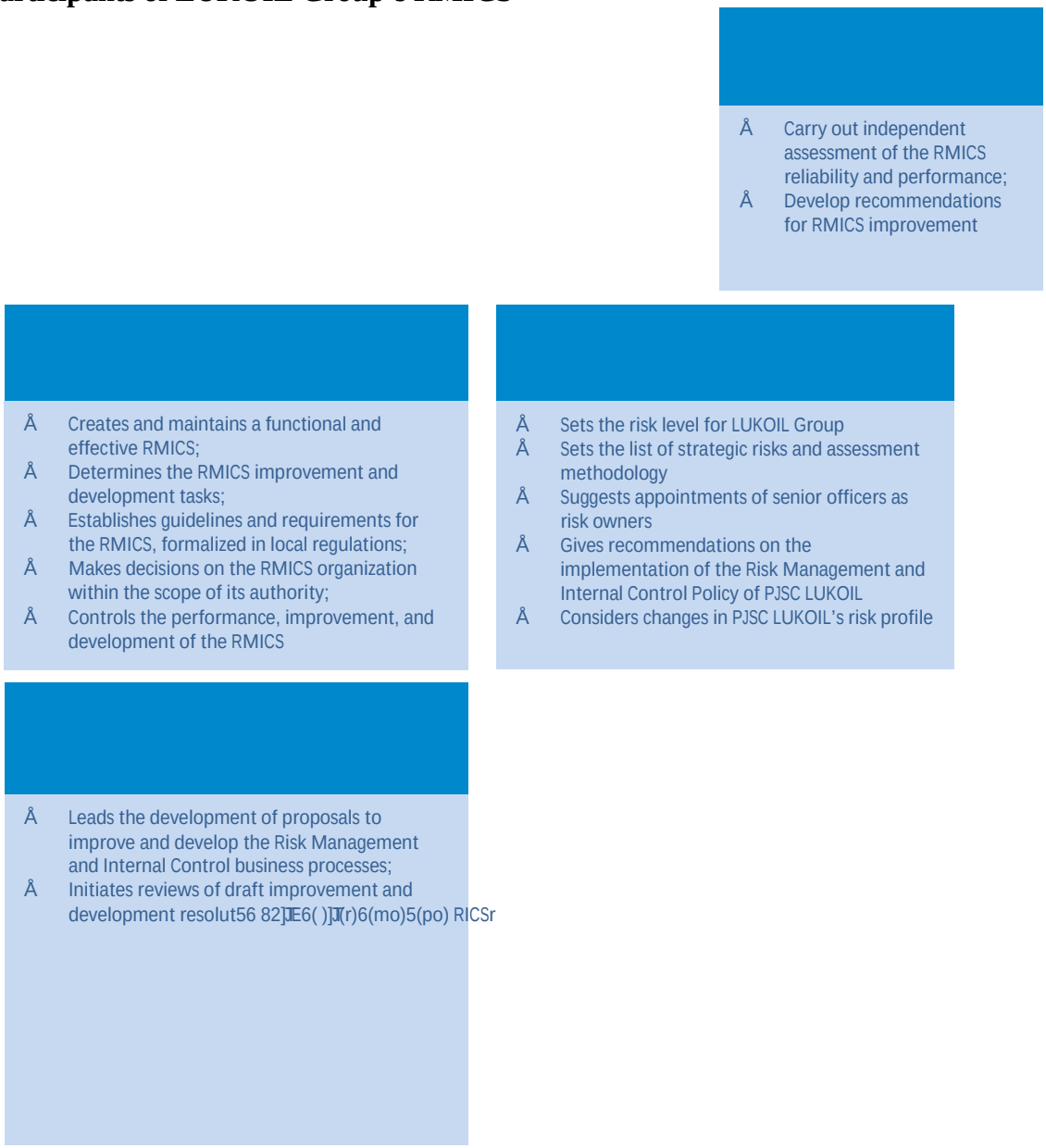
Remuneration system for members of the Board of Directors

The guidelines on remuneration and compensation of members of the Board of Directors, including their structure and terms of payment, are formalized in the Director Compensation and Expense Reimbursement Policy of PJSC LUKOIL (the ñRemuneration Policyò).

The Remuneration PolicQ

Members of the Board of Directors who are concurrently employed by the Company also receive other

Key participants of LUKOIL Group's RMICS



*- at the end of December 2022 the Company has decided to delegate the functions of the Committee for Investments, Coordination of Plans, and Risks in LUKOIL Group related to risk management to the Audit Committee of PJSC LUKOILôs Board of Directors.

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Risk management

PJSC LUKOIL continuously improves its risk management system, enabling the Company to promptly respond to changes (both external and internal), maintain performance, and improve its efficiency in a high risk, uncertain environment.

In 2022, efforts were made to:

- identify and assess new risks, establish a single risk database, and use this information to support decision-making on key issues
- review and prepare materials on major and priority projects and develop recommendations and proposals to improve profitability and mitigate risks
- update and develop the Companyôs local regulations on risk management
- integrate climate risks and opportunities into the corporate risk management information system. Uniform approaches to, and principles for, financial assessment of climate risks were developed
- refine the Corporate Information System for automation of risk management processes.

Risk management development and improvement focus on:

- improving internal regulations and guidelines with due consideration to changes in Russian laws
- integrating risk management processes across key areas: growth strategy development, investment planning, budgeting, and risk management at the level of operational and financial activities
- improving risk information quality through harmonization, standardization, and development of recommendations on standard risk description
- optimizing information sharing.

The Board of Directors and other governance bodies of the Company place a special focus on risk management to provide reasonable assurance of achieving objectives despite uncertainties and negative impacts. PJSC LUKOIL continuously identifies, describes, assesses, and monitors risks and develops measures to mitigate their adverse impact on its business. At the same time, risk management forms an essential part of the Companyôs business and corporate governance system and involves employees across all management levels.

The Company regularly assesses the aggregate risks of LUKOIL Group entities, with the risk profile included in annual reports reviewed by the Board of Directors. The Company identified categories of most material risks impacting the business operations of LUKOIL Group entities, which are consistently assessed in terms of quantity; acceptable levels for each material risk are determined; and measures to mitigate or prevent their adverse impact are developed. LUKOIL closely monitors the progress and effectiveness of its risk mitigation measures.

Taking into account the probabilistic and external nature of LUKOILôs risks, the Company cannot fully guarantee that risk management measures will reduce adverse impacts to an acceptable level. That said, the Company takes all possible measures to monitor and prevent such events, and should they occur, will strive to mitigate their implications as quickly as possible in order to minimize their damage.

To improve the Companyôs risk management system, and taking into account the Bank of Russiaôs Information Letter No. IN-06-28/143 On Recommendations of the Bank of Russia for Public Joint Stock Companies to Organize Risk Management, Internal Controls, Internal Auditing, and the Work of Auditing Committees under Boards of Directors (Supervisory Boards), dated October 1, 2020, at the end of December 2022 the Company has decided to delegate the functions of the Committee for Investments, Coordination of Plans, and Risks in LUKOIL Group related to risk management to the Audit Committee of PJSC LUKOILôs Board of Directors.

Internal control

In 2022, the Company implemented measures to enhance the internal control system at LUKOIL Group in accordance with the standards and requirements of the Regulations on Internal Control at PJSC LUKOIL and the unified functions of units responsible for the setup and operation of internal control systems at LUKOIL Group entities. These measures are aimed at further optimizing the use of available assets and minimizing avoidable losses through improvements in the efficiency of internal controls. They include:

- updating the unified standards of, and requirements for, organization of the internal control system (ICS) that were incorporated into the operations of LUKOIL Group
- prompt elimination of ICS gaps identified through monitoring activities

To improve LUKOIL Groupôs corporate governance system through digitization of the Internal Control business process and providing all ICS-related units with quality updates and effective communications in internal control, in 2022, the Company continued testing and implementing specialized IT solutions:

Process and operation control
Control of conflicts and excessive authority in information systems, implementing a uniform approach to developing and naming business roles.

Participation of LUKOIL Group entities in the tax monitoring regime

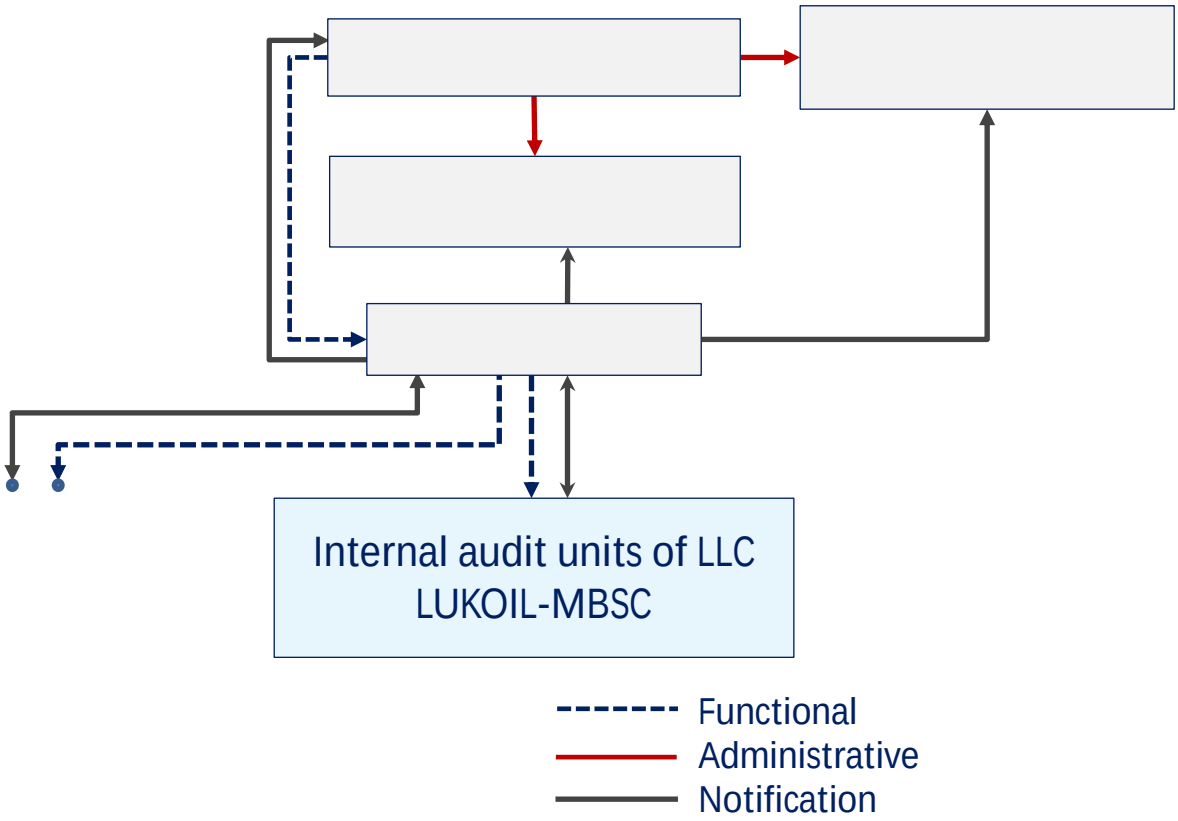
To be able to switch to the tax monitoring regime, the taxpayer must have in place an effective ICS

Employee training. All employees of the Companyôs Accounting Service engaged in the preparation of IFRS consolidated financial statements have a degree in accounting or finance and regularly enhance their qualifications. Many of them are certified accountants (according to Russian and international standards) and are members of professional accountantsôassociations in Russia, the UK, and the USA. Some employees have academic degrees in accounting and finance.

Internal Audit

The purpose of internal audit at LUKOIL Group entities is to assist by way of audits and consulting engagements in achieving strategic goals and objectives through applying a holistic consistent approach to assessment and improvement of the risk management and internal control system, and corporate governance.

Corporate internal audit system



Within LUKOIL Group, internal audit is performed by:

the Internal Audit Service of PJSC LUKOIL (IAS) headed by Vice President ï Head of the Internal Audit Service (the ñHead of IASñ)
internal audit units of the Multifunctional Business Support Center (LLC LUKOIL-MBSC, a 100% subsidiary of the Company)
internal auditors at foreign subsidiaries (units or employees that, in accordance with applicable laws, perform internal audit functions at four foreign entities of LUKOIL Group).

IAS is responsible for internal audits and audit consulting at PJSC LUKOIL and for organizing and participating in the auditing and consulting of other LUKOIL Group entities, as well as for internal audit planning, methodological support, and development across LUKOIL Group. The IAS also supervises and coordinates internal auditors at foreign subsidiaries and internal audit units of LLC LUKOIL-MBSC.

The Head of IAS directly manages IAS activities; internal audit units of LLC LUKOIL-MBSC and internal auditors at foreign subsidiaries functionally report to the Head of IAS. The Head of IAS reports to the Board of Directors of PJSC LUKOIL (functional reporting) and the Companyôs CEO (administrative reporting). The terms of the agreement with the Head of IAS are approved by the Board of Directors.

The annual audit and consulting plan of the Internal Audit Service of PJSC LUKOIL is approved by the Board of Directors, taking into account material risks related to the activities of LUKOIL Group entities.

In the reporting year, LUKOIL Group entitiesô internal audit units conducted 44 audits, including 32 carried out by the internal audit units of LUKOIL Groupôs Russian entities and 12 by internal auditors at foreign subsidiaries.

Audits and consulting engagements are conducted in line with the requirements/recommendations of applicable laws and regulators, the globally recognized Core Principles for the Professional Practice of Internal Auditing, and internal documents of PJSC LUKOIL governing the Internal Audit business process.

Methodological support

The Company implements a five-year Program to enhance internal audit quality

Implementation of LUKOIL Group's digital development programs in internal auditing

In IAS IT project ñInformation and Analysis System of Internal Auditò which addresses the automated identification of abnormal (non-typical) transactions subject to further audit analysis in LUKOIL Groupôs production and accounting information systems has been underway since 2019.

Its goals are to expand the scope and coverage of audit samples, reduce the time required to process a significant amount of information, increase the quality of internal audit and higher confidence in its outcomes, as well as the development of new areas.

Audit Committee's assessment of the Board of Directors and Board of Directors' evaluation of internal audit effectiveness

The Head of IAS annually submits a report on performance of the annual audit and consulting plan of the Internal Audit Service of PJSC LUKOIL and on internal audits to the Audit Committee of the Board of Directors.

In 2022, upon reviewing the 2021 report, the Audit Committee recommended that the Companyôs Board of Directors, among other things:

approve the work of the Internal Audit Service of PJSC LUKOIL in 2021 involving assessment of the effectiveness of internal control and risk management systems, as well as of corporate governance at LUKOIL Group

recognize internal auditing at LUKOIL Group as congruent with the Internal iMission Statement, Core Principles for the Professional Practice of Internal ng, Code of Ethics, and Defin 1ion of Internal Auditing as adopted by the Ins1itute of Internal Auditors

take note of the fact that internal auditing at LUKOIL Group is performed in accordance with the International Standards for the Professional Practice of Internal Auditing as adopted by the Ins1ituteof Internal Auditors.

The respective resolution was passed by the Board of Directors in April 2022.

External Audit

LUKOIL selects its audit organization (auditor) based on proposals made by the 0 0 1 4931(C)-2(omm)-3(it)-3(te

, dated

December 30, 2008, Independence Rules for Audito

The share of remuneration for the services unrelated to audits in the total fee payable by the Company to the auditor is less than 40 percent.

Insider information control

As an issuer whose securities are traded on the Moscow Exchange, PJSC LUKOIL must comply with the requirements of Federal Law No. 224-FZ On Countering the Misuse of Insider Information and Market Manipulation and Amending Certain Laws of the Russian Federation, dated July 27, 2010, and related regulations.

In line with the applicable requirements, the Company has in place the Insider Information Regulations of PJSC LUKOIL, approved by the Companyôs Board of Directors, and the Internal Control Rules of

Thanks to LUKOILôs systematic approach to early detection of, and prompt response to, emerging information security threats, there have never been any information security incidents resulting in material financial or reputational losses for the Company.

Subsidiary Management System

As the corporate center of LUKOIL Group, PJSC LUKOIL coordinates the operations of Group subsidiaries.

Beginning December 2022 key matters related to operations of subsidiaries are reserved to the sole executive body of PJSC LUKOIL, the CEO (before December 5, 2022, these matters were reserved to PJSC LUKOILôs Board of Directors). Matters related to operations of subsidiaries may also be reviewed by the Board of Directors and the General Shareholders Meeting when discussing certain matters within their scope of authority.

If subsidiaries or other entities in which the Company holds an interest adopt their resolutions through general shareholders (members) meetings, the CEO (or his/her authorized representative) shall represent the Company at such general shareholders (members) meetings and vote on relevant agenda items. This means that decisions made by the Companyôs governance bodies in respect of subsidiaries are subsequently implemented in resolutions adopted by the governance bodies of such subsidiaries.

Strategic subsidiary management

The Board of Directors determines the priorities in the Groupôs overall development.

In accordance with the Charter, the scope of authority of the Companyôs CEO covers the development and implementation of the general strategy for the Companyôs subsidiaries[31], in particular:

organizing the implementation of a uniform operational, technical, financial, pricing,

the executive structure of PJSC LUKOIL and effective from December 2022, such transactions are only made by subsidiaries after they are considered and approved by the Companyôs CEO as per the Procedure. The Procedure does not apply to intra-group transactions.

At the same time, material transactions made as part of investment projects affirmed by the CEO of PJSC LUKOIL are approved according to the procedure established by the Companyôs local

the Privatization and Transformation into Joint Stock Companies of State Enterprises and Industrial and Research Industrial Associations in the Oil and Oil Refining Industries and Oil Product Supply, dated November 17, 1992, and Directive No. 299 of the Council of Ministers ï Government of the

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Tel.: +7 495 221 3112, +7 800 500 2947
Fax: +7 495 646 9236
Email: mail@reggarant.ru

Audit organization
JSC Kept (Joint Stock Company Kept)
Postal address: 16, Olimpiyskiy Ave., Bld. 5, 3d floor, premises 1, office 24e, Moscow, 129110, Russia
Tel.: +7 495 937 4477
Fax: +7 495 937 4499
Email: moscow@kept.ru

Self-Regulatory Organization of Auditors
ASSOCIATION SODRUZHESTVO
Postal address: 21 Michurinskiy Prospekt, bldg 4, Moscow, 119192
Tel.: +7 495 734 2222
Fax: +7 495 734 0422

Business proposals

Postal address: 11, Sretensky Blvd, Moscow, 101000, Russia
Fax: +7 495 625 7016, +7 495 627 4999

Business proposals are to be made in writing on the official letterhead and sent by mail or fax. Business proposals submitted by email will not be considered.

APPENDICES
TO PJSC LUKOIL ANNUAL REPORT
FOR 2022

Appendix 1.
Corporate Governance Code Compliance Report (as of December 31, 2022)

This Report on Compliance with the Corporate Governance Code (the ñCodeò), recommended by the Bank of Russia as a guidance for all publicly traded joint stock companies, is included in the Annual Report in line with Chapter 57 of the Bank of Russiaôs Regulations No. 714-P On Information Disclosure by Issuers of Issue-Grade Securities dated March 27, 2020.
Incorporated in Russia, PJSC LUKOIL is guided in its business by the corporate governance principles recommended for implementation by Russian securities market regulators.

The Code is the key document regulating national corporate governance standards and is available on the Bank of Russiaôs website at http://www.cbr.ru/publ/Vestnik/ves140418040.pdf.

This report was considered by the Board of Directors of PJSC LUKOIL at a meeting on April 20, 2023 (Minutes No. 7) as part of the Annual R-GB PJSC LUKOIL for 2022.

No.	Corporate guidance principles	Compliance criteria	Compliance status	Reasons for non-compliance
1	2	3	4	5
1.1	The company shall ensure fair and equitable treatment of all shareholders in exercising their rights to participate in the governance of the company.			
1.1.1	The company shall ensure the most favorable conditions for its shareholders to participate in the general meeting, develop an informed position on items on the agenda of the general meeting, coordinate their actions, and voice their opinions on items reviewed.	1. The company provides accessible means of communication with the company, such as a hotline, e-mail, or online forum, to enable shareholders to express their opinion and send questions on the agenda in preparation for the general meeting. The above means of communication were prepared and provided by the company in advance of each general meeting held in the reporting period.	Full Partial None	
1.1.2	The procedure for giving notice of, and providing relevant materials for, the general meeting shall enable shareholders to properly prepare for attending the general meeting.	1. In the reporting period, the notice of an upcoming general shareholders meeting was posted (published) on the corporate website at least 30 days prior to the date of the general meeting, unless required to do so earlier by applicable law. 2. The notice of a meeting indicates the documents required for admission. 3. Shareholders were given access to the information on who proposed the agenda items and nominees to the companyôs board of directors and the audit commission (in cases when the companyôs charter provides for the establishment of the same).	Full Partial None	*Note.* *Criterion 2 may not be applicable, since the Annual General Shareholders Meeting was held in 2022 in the form of absentee voting pursuant to the resolution made by the Board of Directors on May 16, 2022 in accordance with Article 3 of Federal Law No. 25-FZ dated February 25, 2 GenBv G(-)*

		the company, in all instances of general meetings held in the reporting period.		

		4. During the reporting period, the company used telecommunication means to provide shareholders with remote access to general meetings, or the board of directors made a well-grounded decision that no such means were needed (could be used) in the reporting period.		
1.2	Shareholders have equal and fair rights to share profits of the company by receiving dividends.			
1.2.1	The company has developed and introduced a transparent and clear mechanism for determining the dividend amount and paying dividends.	1. The companyôs dividend policy has been approved by the board of directors and disclosed on the corporate website. 2. If the dividend policy of the company that prepares consolidated financial statements uses figures of the statements to determine the dividend amount, then the respective provisions of the dividend policy shall take into account the consolidated financial statements. 3. Substantiation of the proposed distribution of net profit, including for dividend payout and the companyôs internal needs, and its assessment for compliance with the companyôs dividend policy, along with explanations and economic substantiation of such distribution for internal needs in the reporting period, were included in the materials for the general shareholders meeting the agenda of which included an item on profit distribution (including payout (announcement) of dividends).	ã Full Partial None	
1.2.2	The company shall not resolve to pay out dividends if such resolution, while formally remaining in line with statutory restrictions, is not economically feasible and may lead to a false representation of the companyôs performance.	1. The companyôs dividend policy, in addition to statutory restrictions, defines financial/economic circumstances under which the company shall not pay out dividends.	Full ã Partial None	Criterion 1 is partially not complied with. The Regulations on the Dividend Policy of PJSC LUKOIL do not explicitly specify financial/economic circumstances under which the Company shall not pay out dividends. At the same time, the above Regulations, in accordance with Recommendation 31 of the Code, specify financial and economic conditions of dividend payout, and if such conditions are not met, the Company shall not resolve to pay out dividends. These conditions are implicit indications of the financial/economic circumstances under which the Company shall not pay out dividends.

1.2.3	The company shall not allow the dividend rights of its existing shareholders to be impaired.	1. In the reporting period, the company did not take any actions that would lead to the impairment of the dividend rights of its existing shareholders.	ã Full Partial None	
1.2.4	The company shall strive to exclude any ways for its shareholders to receive profit (income) from the company other than dividends and liquidation value.	1. During the reporting period, other ways for persons controlling the company to receive profit (income) from the company other than dividends (e.g. using transfer pricing, unjustified provision of services to the company at inflated prices, loans to controlling persons and/or their controlled persons to replace dividends) were not used.	ã Full Partial None	
1.3	Corporate governance system and practices ensure equal opportunities for all shareholders owning the same type (class) of shares, including minority and non-resident shareholders, and their equal treatment by the company.			
1.3.1	The company has created conditions for fair treatment of each shareholder by the governance bodies and the companyôs controlling entities, including conditions ruling out abuse of minority shareholders by major shareholders.	1. In the reporting period, persons controlling the company did not abuse the rights of the companyôs shareholders, there were no conflicts between persons controlling the company and the companyôs shareholders, and whenever there were any, the board of directors paid due attention to them.	ã Full Partial None	

1.3.2 The company shall not perform actions which

2.1.1	The board of directors shall be responsible for passing resolutions related to appointment and removal of executive bodies, including due to their inadequate performance. The board of directors shall also ensure that the companyôs executive bodies act in accordance with the approved growth strategy and along the companyôs core lines of business.	1. The board of directors has the authority stipulated in the charter to appoint and remove members of executive bodies and to set out the terms and conditions of their contracts. 2. In the reporting period, the nomination (appointments, HR) committee reviewed the matter of alignment between professional qualifications, competencies, and experience of members of executive bodies and current and expected needs of the company in line with its approved strategy. 3. In the reporting period, the board of directors reviewed the report(s) by the sole executive body or members of the collective executive body (if any) on the implementation of the companyôs strategy.	Full Partial None	
2.1.2	The board of directors shall define the main long-term targets of the companyôs operations, assess and approve its key perfor62(th)-8			

2.3.2

	of the board of directors) cannot be considered independent if he/she is related to the company, its significant shareholder or contractor, the companyôs competitor, or the government.	

				its sole executive body with directors to brief them on the key aspects of the Companyôs operations, including material transactions. This enables the directors to assess their decisions, including for possible conflicts for interest.
2.5	The chairman of the board of directors shall facilitate the best performance of assigned duties by the board of directors.			
2.5.1	The board shall be chaired by an independent director, or a senior independent director shall be chosen from among the elected independent directors to coordinate the activities of independent directors and enable the interaction with the chairman of the board of directors.	1. The board of directors is chaired by an independent director, or a senior independent director is appointed from among the independent directors. 2. The role, rights, and duties of the chairman of the board of directors (and, if applicable, of the senior independent director) are duly set out in the companyôs internal documents.	Full Partial None	Criterion 1 is not complied with.

2.5.3	The chairman of the board of directors shall take all steps necessary for the timely provision to members of the board of directors of information required to pass resolutions on agenda items.	1. The companyôs internal documents set out the duty of the chairman of the board of directors to take all steps necessary for the timely provision to members of the board of directors of full and accurate information regarding items on the

committee is to consider revising the companyôs policy on remuneration of members of the board of directors, executive bodies, and other key executives.

solely of independent directors. After March 21,

The Company believes that such engagement will involve additional time to be spent on preparing and sending all necessary information to the advisor, as well as additional financial expenses for the Company, and will eventually affect shareholdersô income. However, the Company may engage such independent advisor should any significant shareholders express their interest.

The HR and Compensation Committee of the Board of Directors regularly reviews at its meetings matters related to remuneration of members of executive bodies and other key employees, which enables the Committee to oversee the introduction and implementation of the Companyôs policy on remuneration of members of executive bodies and other key employees.

The Regulations on the HR and Compensation Committee of the Board of Directors of PJSC LUKOIL do not explicitly define the conditions (events) upon the occurrence of which the Committee is to consider revising the Companyôs policy on remuneration of the members of the board of directors, executive bodies, and other key

of directors or the companyôs authorized shareholder relations unit, has engaged with shareholders, not limited to the largest shareholders, with regard to selecting candidates for the companyôs board of directors with a view to forming the board best suiting the companyôs goals and objectives.

The functions and tasks of the HR and Compensation Committee of the Board of Directors, provided for by the Regulations on the HR and Compensation Committee of the Board of Directors of PJSC

	health, safety, and environment committee, etc.).			

2.8.5

2.9.2	Performance of the board of directors, its committees and members shall be assessed regularly at least once a year. An external advisor shall be engaged at least once in three years to conduct an independent assessment of the board of directorsô performance.	1. The company engaged an external advisor to conduct an independent assessment of the board of directorsô performance at least once over the last three reporting periods.	Full Partial None	

3.1 The companyôs corporate secretary shall ensure efficient ongoing interaction with shareholders, coordinate the companyôs efforts to protect shareholder rights and interests, and support the activities

				on remuneration, unless otherwise established by resolution of the Board of Directors.
4.1	Remuneration payable by the company shall be sufficient to attract, motivate, and retain people with competencies and qualifications required by the company. Remuneration payable to members of the board of directors, executive bodies, and other key executives of the company shall be in compliance with the approved remuneration policy of the company.			
4.1.1	The amount of remuneration paid by the company to members of the board of directors, executive bodies, and other key executives shall create sufficient incentives for them to work efficiently, while enabling the company to engage and retain competent and qualified specialists. At the same time, the company shall avoid unnecessarily high remuneration, as well as unjustifiably large gaps between remunerations of the above persons and the company employees.	1. Remuneration of members of the board of directors, executive bodies, and other key executives of the company is determined based on the results of benchmarking the		

	policy can make part of the companyôs remuneration policy.		None	
4.2	The system of remuneration of members of the board of directors shall ensure alignment of financial interests of directors with long-term financial interests of shareholders.			
4.2.1	The company shall pay fixed annual remuneration to members of the board of directors. The company shall not pay remuneration for attending particular meetings of the board of directors or its committees. The company shall not apply any forms of short-term motivation or additional financial incentives for members of the board of directors.	1. During the reporting period, the company paid remuneration to members of the board of directors in line with the remuneration policy adopted by the company. 2. During the reporting period, the company did not apply any forms of short-term motivation or additional financial incentives for members of the board of directors linked to the companyôs performance results (indicators). The company did not pay remuneration for attending particular meetings of the board of directors or its committees.	Full Partial None	
4.2.2	Long-term ownership of the companyôs shares shall help align the financial interests of members of the board of directors with long-term interests of shareholders to the utmost. At the same time, the company shall not link the right to dispose of shares to performance targets, and members of the board of directors shall not participate in stock option plans.	1. If the companyôs internal document(s) ï the remuneration policy (policies) stipulates (stipulate) provision of the companyôs shares to members of the board of directors, clear rules for share ownership by board members shall be defined and disclosed, aimed at stimulating long-term ownership of such shares.	Full Partial None	
4.2.3	The company does not provide for any extra payments or compensations in the event of early termination of powers of members of the board of directors resulting from the change of control or any other reasons whatsoever.	1. The company does not provide for any extra payments or compensations in the event of early termination of powers of members of the board of directors resulting from the change of control or any other reasons whatsoever.	Full Partial None	
4.3	The company shall review its performance and the personal contribution of each executive to the achievement of such performance, when determining the amount of remuneration payable to members of executive bodies and other key executives of the company.			
4.3.1	Remuneration due to members of executive bodies and other key executives of the company shall be determined in a manner providing for reasonable and justified ratio of	1. In the reporting period, annual performance results approved by the board of directors were used to determine the amount of the 0058>384ke 44.1(t)11(h)-6(e)4( )-56(e)4		

the fixed and variable parts of remuneration, depending on the companyôs results and the employeeôs personal contribution.

members of executive bodies and other key executives of the company.

2. During the latest assessment of the system of remuneration of members of executive bodies and other key executives of the company, the board of directors (remuneration committee) made sure that the company applies efficient ratio of the fixed and variable parts of remuneration.

5.1.1	The companyôs board of directors shall determine the principles of, and approaches to, organizing a risk management and internal control system at the company.	1. Functions of different management bodies and units of the company in the risk management and internal control system are clearly defined in the companyôs internal documents / relevant policy approved by the board of directors.	Full Partial None

		responsibility report, or another report containing non-financial information, including factors related to the environment (including environmental factors and factors related to climate change), society (social factors), and corporate governance, except for the issuerôs report and the annual report of a joint stock company.		
6.2.3	The annual report, as one of the most important tools of information exchange with shareholders and other stakeholders, shall contain information enabling assessment of the companyôs performance in the reporting year.	1. The companyôs annual report contains information on the result of the audit committeeôs assessment of internal and external audit effectiveness. 2. The companyôs annual report contains information on the environmental and social policies of the company.	Full Partial None	Criterion 1 is partially not complied with. The Audit Committee of PJSC LUKOILôs Board of Directors assesses the effectiveness of the external audit process when reviewing material issues arising in the course of the independent external audit, as well as when assessing the opinion of the Companyôs auditor for its presentation to shareholders in preparation for the Annual General Shareholders Meeting, based on which it makes recommendations to the Board of Directors regarding the auditor selection and its subsequent approval by the General Shareholders Meeting. The Audit Committee assesses the effectiveness of the internal audit process by reviewing the report on performance of the annual audit and consulting plan of the Internal Audit Service of PJSC LUKOIL and on internal audits. Information on the Audit Committeeôs review of the above issues is available in the Companyôs Annual Report for 2022. The Audit Committee did not assess the effectiveness of the external audit process separately, and therefore the results of this assessment were not included in the Companyôs Annual Report, since it is outside the remit of the Audit Committee as per Section 3 of Recommendation 172 of the Code (which provides for effectiveness assessment of the internal audit function). Criterion 2 is complied with.
6.3	The company shall provide information and documents as per the requests of shareholders in compliance with principles of fairness and ease of access.			

				the General Shareholders Meeting of the Company, the Board of Directors approves the Board of Directorsô position and recommendations for shareholders for voting on all agenda items, including those which may be classified as material corporate actions. There are inconsistencies with the Codeôs recommendations with respect to transactions involving controlled legal entities, which are specified in Recommendation 307 of the Code and which the Code recommends to refer to the Board of Directors. Due to the large number of the Company subsidiaries, coordination of their operations, preliminary approval of their decisions regarding stakes in other entities, as well as decisions on acquiring subsoil licenses, which may result in investments exceeding an amount in rubles equivalent to USD 150 million, decisions to approve material transactions by the Company subsidiaries, and decisions on acquisition and disposal of equity interests in other entities are referred by the Charter to the competence of the Companyôs executive bodies (until December 2022 ï the Management Committee, after December 5, 2022 ï the CEO). The Company also notes that the term ñcontrolled legal entity material to the companyò used in Recommendation 307 of the Code is used in the applicable Russian laws only for disclosure purposes. Therefore, in the Companyôs opinion, until this term is consolidated in the corporate law, the Companyôs Charter cannot refer this matter to the competence of the Board of Directors.

7.1.2	The board of directors shall play a key role in making decisions or working out recommendations regarding material corporate actions relying on the opinions of the companyôs independent directors.	1. The company has in place a procedure enabling independent directors to express their opinions on material corporate actions prior to approval thereof.	Full Partial None	Criterion 1 is partially not complied with. The Companyôs Charter includes no list of transactions or other actions deemed to be material corporate actions (see also the note to paragraph 2.4.4). At the same time, in accordance with procedures provided for by the Regulations on the Board of Directors of PJSC LUKOIL, all members of the Board of Directors may participate in debates, put forward proposals, make comments, and speak on the substance of the matter under discussion.
7.1.3	When taking material corporate actions affecting the rights and legitimate interests of shareholders, equal terms and conditions shall be ensured for all shareholders of the company, and, in case of insufficient statutory mechanisms for protecting shareholder rights, additional measures shall be taken to protect the rights and legitimate interests of the company shareholders. In doing so, the company shall be guided by the corporate governance principles set forth in the Code, as well as by formal statutory requirements.	1. Taking into account the specifics of the companyôs operations, the companyôs charter refers approval of transactions other than those stipulated by the law and deemed material for the company, to the board of directors. 2. In the reporting period, all material corporate actions were subject to the approval procedure prior to execution.	Full Partial None	
7.2	The company shall execute material corporate actions in such a way as to ensure that shareholders timely receive complete information about such actions, allowing them to influence such actions and guaranteeing adequate protection of their rights when performing such actions.			
7.2.1	Information about material corporate actions shall be disclosed with explanations of the grounds, circumstances, and consequences.	1. If the company performed material corporate actions in the reporting period, the company in due time and in detail disclosed information about such actions, including the grounds for, and circumstances and consequences of, such actions.		

Appendix 2.
Major and Interested Party Transactions

THE LIST OF TRANSACTIONS MADE BY PJSC LUKOIL IN 2022 AND RECOGNIZED AS MAJOR TRANSACTIONS IN ACCORDANCE WITH THE FEDERAL LAW ON JOINT STOCK COMPANIES

In 2022, PJSC LUKOIL did not perform any transactions that are recognized as major transactions in accordance with the Federal Law On Joint Stock Companies.

THE LIST OF TRANSACTIONS MADE BY PJSC LUKOIL IN 2022 AND RECOGNIZED AS INTERESTED PARTY TRANSACTIONS IN ACCORDANCE WITH THE FEDERAL LAW ON JOINT STOCK COMPANIES IS NOT DISCLOSED IN ACCORDANCE WITH RESOLUTION OF THE RUSSIAN GOVERNMENT NO. 351 DATED MARCH 12, 2022 (AS AMENDED BY RESOLUTION OF THE RUSSIAN GOVERNMENT NO. 2131 DATED NOVEMBER 24, 2022).