

# Revision commission of Zarubezhneft JSC

As per the Order of the Federal Property Management Agency No. 391-p dated June 30,

2017 – Concerning Resolutions of the Zarubezhneft Joint Stock Company Annual General Shareholders' Meeting,

the following members of the Revision Commission of Zarubezhneft JSC were elected in 2017:

| Name           | Position                                                                                                                                                                                       |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| N.N. Anninkova | Director of Economics, Ortus Management Company (from November 1, 2017).<br>First Deputy General Director, Stroitelnoye Upravleniye No. 308 Open Joint Stock Company (until November 1, 2017). |
| T.V.Zobkova    | Head of the Corporate Management Department, Directorate of Corporate Management, Pricing Environment and Auditing in Fuel and Energy Industry of the Ministry of Energy                       |
| V.A.Stepanova  | Head of the Innovation Development Institutions Department, Project Funding and Investment Policy Directorate of the Ministry of Finance of the Russian Federation                             |

The Revision Commission audited the Company's financial and operating performance in 2017. Upon completion of the audit, opinions on data validity were prepared on the data contained in Zarubezhneft JSC's accounting (financial) statements and 2017 the Annual Report. After the audits, recommendations to the Company were prepared and documented in the certificate and findings of the Revision Commission for 2017.

In addition, the Revision Commission carried out audits of fulfillment of the Orders of the President and Government of the Russian Federation by the Company regarding the following:

- Non-core assets disposal;
- Procurement activities in part of import replacement;
- OPEX of the subsidiaries;
- Performance of the Long-term Development Program.

As per Order of the Federal Property Management Agency No. 499-p dated June 30, 2018 – Concerning Resolutions of the Zarubezhneft Joint Stock Company Annual General Shareholders' Meeting, the following members of the Revision Commission of Zarubezhneft JSC were elected:

| Name           | Position                                                                                                                                                                                                         |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Bogashov A.E.  | Head of the Department of corporate governance, pricing environment and control and revision work in the fuel and energy complex of the Ministry of Energy                                                       |
| Annikova N.N.  | Independent expert                                                                                                                                                                                               |
| Mozhayeva A.I. | Administrative assistant in the oil and gas industry development division of the Department of state regulation of tariffs, infrastructure reforms and energy efficiency of the Ministry of economic development |

As per Order of the Federal Property Management Agency No. 499-p dated June 30, 2018 – Concerning Resolutions of the Zarubezhneft Joint Stock Company Annual General Shareholders' Meeting in 2018, a year-end bonus in the amount of RUB 280,000 was paid to the Revision Commission members for the years 2017 and 2018.

Bonuses to the Revision Commission members, who are not public officers, shall be paid as per Zarubezhneft's Revision Commission Member Bonuses and Compensations Policy.<sup>1</sup>

Four meetings of the Company's Revision Commission were held during the period from January 1, 2018 to December 31, 2018, at which, among others, the following issues were considered:

- Concerning the discussion of the Company's Preliminary Import Replacement Report;
- Concerning the discussion of the Company's Preliminary Accounting Statements Analysis Report;
- Concerning the approval of the Act and Summary of the Revision Commission under the results of the Company's activities in 2017;

- Concerning the election of the Chairman and the Secretary of the Revision Commission for the corporate year 2018-2019;
- Concerning the approval of the Program and Working Plan of the Revision Commission for the corporate year 2018-2019.

The Company performed all recommendations of the Revision Commission given under the results of the revision.

<sup>1</sup> New revision of the Regulation on Remunerations and Bonuses to the Members of the Revision Commission of Zarubezhneft JSC approved by Order of the Federal Property Management Agency No. 499-p dated June 30, 2018 – Concerning Resolutions of the Zarubezhneft Joint Stock Company Annual General Shareholders' Meeting