



American Depositary Receipts  
CUSIP: # 69343P105 (US ISIN: US69343P1057)  
CUSIP: # 69343P204 (US ISIN: US69343P2048)

**Extraordinary General Shareholders Meeting of PJSC "LUKOIL"**  
**(Voting Instructions must be received prior to 10:00 a.m. (NY City time) on August 17, 2018)**

RUSSIAN REGULATIONS REQUIRE INFORMATION DISCLOSURE AS A CONDITION TO VOTING. PLEASE SEE BELOW  
THE DISCLOSURE REQUIREMENTS THAT YOU ARE RESPONSIBLE FOR PROVIDING

The Owner and Beneficial Owner (as defined in the deposit agreements for the PJSC "LUKOIL" American Depositary Shares) of American Depositary Shares ("ADSs") who signed on the reverse hereby request(s) and instruct(s) Citibank, N.A., as Depository, to endeavor, in so far as practicable, to vote or cause to be voted the Shares or other Deposited Securities ("Shares") represented by the ADSs of PJSC "LUKOIL" registered in the name of the undersigned on the books of the Depository as of the close of business on **July 30, 2018** at the **Extraordinary General Shareholders Meeting of PJSC "LUKOIL"** to be held on **August 24, 2018** in the form of absentee voting with the agenda item specified below.

**BY SIGNING AND RETURNING THE VOTING INSTRUCTION CARD YOU REPRESENT, WARRANT AND CERTIFY THAT:** (i) You are a record date registered Owner and the ultimate Beneficial Owner of the ADSs as of **July 30, 2018** and are authorizing and directing the disclosure of your name, address, information supplied by you and the number of ADSs held to the Depository, the Company, depositories/custodians and other persons that, under Russian law, are entitled to such disclosure, for the purpose of voting at the shareholders meeting, OR (ii) You are the nominee, agent, bank, broker, custodian or CSD participant authorized to represent the ultimate Beneficial Owner of the ADSs for voting purposes as of **July 30, 2018** and that such Beneficial Owner has been notified and has authorized the disclosure of its name, address, information supplied by you and the number of ADSs held to the Depository, depositories/custodians and other persons that, under Russian law, are entitled to such disclosure, for the purpose of voting at the shareholders meeting, OR (iii) You are a record date registered Owner of the ADSs as of **July 30, 2018** and, while not being the ultimate Beneficial Owner of the ADSs, you, according to the laws applicable to you, are entitled to deal with and exercise all rights deriving from the ADSs acting in your name and in the interest of the ultimate Beneficial Owners(s) as if you are the ultimate Beneficial Owner(s) of the ADSs and you are authorizing and directing the disclosure of your name, address, information supplied by you and the number of ADSs held to the Depository, the Company, depositories/custodians and other persons that, under Russian law, are entitled to such disclosure, for the purpose of voting at the shareholders meeting.

**Russian law (Federal Law No.39-FZ and Central Bank Regulation 3680-U, each as amended) requires the disclosure of certain information in respect of persons exercising rights deriving from ADSs. Therefore, in order for the voting instructions to be valid, each Owner and Beneficial Owner is advised to disclose the following information:**

**Individual person:** last name, first name, patronymic (if any), and legal address;

**Russian legal entity:** full name, a short name (if any), and one of the following: (i) international ID of the legal entity or main state registration number of the legal entity and the date of state registration as a legal entity (if applicable, the date of entering information on the legal entity registered by July 1, 2002 to the Unified State Registry of Legal Entities), or (ii) the legal entity's address;

**Foreign legal entity:** name (in foreign language), and one of the following: (i) international ID of the legal entity or the number assigned to the legal entity in a commercial registry or another registry of the state where this legal entity is registered and the date of state registration of the legal entity or a date of assigning said number to this legal entity, or (ii) the legal entity's address;

**Foreign organization that is not a legal person according to law of the country where such an organization is established: name and one of the following:** (i) registration attributes according to law of the country where such an organization is established, or (ii) the address of the organization.

**NOTE: FOR LEGAL ENTITIES THAT OPT TO DISCLOSE REGISTRATION DETAILS VS. NAME & ADDRESS, THE DATE OF REGISTRATION MUST BE PROVIDED FOR THE VOTE TO BE VALID.**

**If you have any questions regarding the disclosure process or any questions related to the Extraordinary General Shareholders Meeting or need assistance with voting your shares, please contact CITIBANK, N.A.:**

Citibank, N.A.

Email: [citibank@shareholders-online.com](mailto:citibank@shareholders-online.com)

Telephone: 1-877-248-4237

The Depository will only endeavor to vote or cause to be voted the votes attached to Shares in respect of which voting instructions have been received and the disclosure made as set out in the Depository Notice. If, on or before **August 17, 2018, 10:00 a.m. (NY City time)**, voting instructions are not received by the Depository from a registered Owner (either because no voting instructions are returned to the Depository by the registered Owner or because the voting instructions are incomplete, illegible, or unclear) with respect to any or all of the deposited Shares represented by such registered Owner's ADSs or the disclosure is not made as set out in the Depository Notice, the Depository will deem such registered Owner to have instructed the Depository not to vote the deposited Shares with respect to the items for which the registered Owner has failed to specify the manner in which the Depository is to vote. **Deposited Shares represented by ADSs, for which no specific voting instructions are received by the Depository from the registered Owner, shall not be voted. The Depository will only endeavor to vote or cause to be voted the votes attached to the deposited Shares if the Depository has received the information required pursuant to the Russian law requirements on or before August 17, 2018, 10:00 a.m. (NY City time).**

In view of the fact that instructions from the Owners must be received prior to **10:00 a.m. (NY City time) on August 17, 2018** to be effective, please use this form to exercise your voting rights by returning the completed form in the enclosed postage paid and addressed envelope.

Materials related to the upcoming Extraordinary General Shareholders Meeting, including the Depository Notice will be available from July 24, 2018 on the web page: <http://www.lukoil.com/InvestorAndShareholderCenter/ShareholdersMeeting>.

The Board of Directors of PJSC "LUKOIL" recommends that the Extraordinary General Shareholders Meeting of PJSC "LUKOIL" adopt the following decision:

**AGENDA ITEM 'On reducing the Charter Capital of PJSC "LUKOIL" through acquisition of a portion of issued shares in order to reduce the total number thereof'. Resolution proposed for voting on Agenda Item:**

To reduce the Charter Capital of PJSC "LUKOIL" through acquisition of a portion of issued shares of PJSC "LUKOIL" in order to reduce the total number thereof, on the following terms:

- class (type) of shares to be acquired: uncertified registered ordinary shares;
- number of shares of PJSC "LUKOIL" of the said class (type) to be acquired: 100,563,255 (one hundred million five hundred sixty-three thousand two hundred and fifty-five) shares;
- purchase price: RUB 3,949 (three thousand nine hundred and forty-nine) per share;
- period during which shareholders are authorized to file or recall respective applications to sell shares of PJSC "LUKOIL" owned by them, namely: from 17 September 2018 through 16 October 2018;
- payment due date for the shares to be acquired by PJSC "LUKOIL": 30 October 2018 at the latest;
- method of payment for the shares to be acquired: in cash.

FOR

AGAINST

ABSTAIN

**SPECIAL NOTE: Voting instructions must be dated, signed, and returned in the enclosed postage paid and addressed envelope.**

**\*\*\*THE COMPANY URGES YOU TO VOTE ON THE ITEM ON THE AGENDA\*\*\***

DATE: \_\_\_\_\_

\_\_\_\_\_  
SIGNATURE OF REGISTERED HOLDERS OF ADSs

**THE POSITION AND RECOMMENDATION OF THE BOARD OF DIRECTORS ON THE ITEM ON THE AGENDA:**

**Board Position**

According to Clause 1 Article 72 of the Federal Law On Joint Stock Companies a company shall have the right to acquire its own shares by a resolution of the general meeting of shareholders on the reduction of its charter capital by way of acquiring a part of issued shares for the purpose of reducing their total amount, if this is provided for by the company's charter. According to sub-point 4.3.3 of the Charter of Public Joint Stock Company "Oil company "LUKOIL" the Company shall be entitled to reduce its Charter Capital through acquisition of a portion of shares in order to reduce the total number thereof.

Based on the specified provisions of the Federal Law On Joint Stock Companies and the Company Charter, the Extraordinary General Shareholders Meeting of PJSC "LUKOIL" shall be advised to make a decision to reduce the Charter Capital of PJSC "LUKOIL" through acquisition of a portion of issued shares in an amount of 100,563,255 (one hundred million five hundred sixty-three thousand two hundred and fifty-five) shares to reduce their total number. At the same time, if the total number of shares to be sold to the Company based on shareholders' applications exceeds the amount of shares that can be acquired by the Company (100,563,255 shares), the shares shall be acquired from the shareholders in proportion to the requests submitted. Should the meeting participants make the respective decision and the Company acquire the specified holding of shares, the shares shall be redeemed upon their acquisition, while the Company's Charter Capital of RUB 21,264,081 and 37.5 kopecks will be reduced by RUB 2,514,081 and 37.5 kopecks thus coming to RUB 18,750,000.

According to Clause 4, Article 72 and Article 77 of the Federal Law On Joint Stock Companies the Board of Directors determined the purchase price per one registered ordinary share of PJSC "LUKOIL" for the Company being equal to RUB 3,949 (three thousand nine hundred and forty-nine) based on its market value in view of the information provided by Public Joint Stock Company Moscow Exchange MICEX-RTS on the weighted average price of ordinary shares of PJSC "LUKOIL" at the close of trading in the Stock Market Section for the period from 01 January 2018 to 30 June 2018.

The Board of Directors believes that acquisition of a portion of issued shares and their redemption will help optimize the Company's share capital structure, also due to the acquisition and redemption of quasi-treasury shares held by the Company-controlled legal entity. Due to the redemption of a part of issued shares the Company's net profit per issued share will rise, which, in the Board's opinion will contribute to higher investment attractiveness of shares of PJSC "LUKOIL" and further growth of its shareholder value.

**Board Recommendation**

To reduce the Charter Capital of PJSC "LUKOIL" through acquisition of a portion of issued shares of PJSC "LUKOIL" in order to reduce the total number thereof, on the following terms:

- class (type) of shares to be acquired: uncertified registered ordinary shares;
- number of shares of PJSC "LUKOIL" of the said class (type) to be acquired: 100,563,255 (one hundred million five hundred sixty-three thousand two hundred and fifty-five) shares;
- purchase price: RUB 3,949 (three thousand nine hundred and forty-nine) per share;
- period during which shareholders are authorized to file or recall respective applications to sell shares of PJSC "LUKOIL" owned by them, namely: from 17 September 2018 through 16 October 2018;
- payment due date for the shares to be acquired by PJSC "LUKOIL": 30 October 2018 at the latest;
- method of payment for the shares to be acquired: in cash.

**No special opinions on item 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".**