

## COMPANY MANAGEMENT STRUCTURE



## COMMITTEES OF THE BOARD OF DIRECTORS

### Board of Directors

#### Audit Committee

Oleg Kutafin  
Mikhail Bereznoi  
Sergei Mikhailov

#### Purpose:

to make recommendations to the BoD concerning independent external and internal audit of financial accounts and appraisal of Company property

#### Responsibilities:

To prepare recommendations to the BoD concerning:

- selection of candidates for appointment as Company Auditor from among internationally recognized auditors with high professional reputation;
- supervision of any competition (tender) for choice of the Auditor, if such a competition is held;
- analysis and discussion with the Auditor of any significant questions arising during conduct of independent external audit of the Company;
- acquaintance with the Auditor's conclusions before the latter are presented to shareholders at the General Meeting of Shareholders;
- review of the most significant amendments to the Company's accounts as a result of the audit;
- efficiency of the Company's system of internal control and audit;
- assessment of the Company's risk management system;
- possible preliminary approval of the Company's annual report by the BoD;
- observance of audit procedures and assessment of the level of objectivity and independence of the Company Auditor;
- definition of a limit for the Auditor's remuneration, depending on the type and volume of his work, including services, which complement the actual audit.

#### Strategy and Investment Committee

Richard Matzke  
Ravil Maganov  
Kevin Meyers  
Igor Sherkunov

#### Purpose:

to make recommendations to the BoD on design of strategic development goals for the Company and to coordinate strategic planning activities with the BoD

#### Responsibilities:

To prepare recommendations to the BoD concerning:

- analysis of concepts, programs and plans for strategic development of the Company;
- assessment of Company policy in relations with investors and shareholders;
- decisions on the level of dividends to be recommended to shareholders, and procedure for dividend payment;
- distribution of Company profit and loss at the end of each year;
- Company policy with respect to its own securities;
- plans for Company reorganization;
- participation in holding companies, financial-industrial groups, associations and any other unified commercial organizations;
- major transactions, involving property that is equal in value to 25-50% of the balance-sheet value of Company assets on the day, when the decision on such transaction is taken;
- creation of Company subsidiaries and opening of representative offices, and closure of the same in the Russian Federation and foreign countries;
- use of Company reserves;
- use of non-core assets of the Company;
- change in the structure of Company asset management.

#### Personnel and Remuneration Committee

Alexander Shokhin  
Sergei Mikhailov  
Nikolai Tsvetkov

#### Purpose:

to prepare recommendations to the BoD on Company policy regarding personnel and regarding remuneration of managers and of the Company's auditing commission

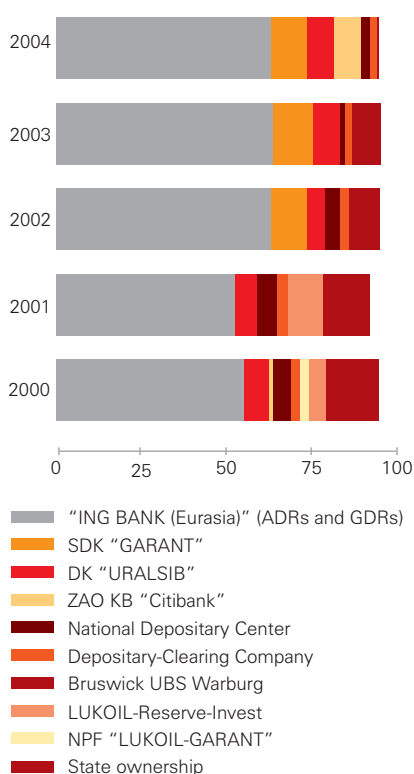
#### Responsibilities:

To prepare recommendations to the BoD concerning:

- Company actions to do with personnel and remuneration of managers and of the Company's auditing commission;
- assessment of candidates to positions in the respective management positions in the Company;
- design of criteria for determining independence of any director in the BoD;
- analysis of results of work by members of Company management bodies and of the audit commission, particularly as concerns possible increase of remuneration paid to them and any other types of incentive;
- decision on a recommended level of remuneration to be paid to members of the auditing commission;
- advisability of reappointing members of the auditing commission;
- design of long-term programs of remuneration to Company employees, based on Company shares;
- significant conditions of contracts with members of the Company's executive bodies.

## COMPANY SHARES

Main shareholders of LUKOIL, %



### LUKOIL share capital

Number of shares	Common shares	Preferred shares
<b>December 31, 1999</b>	<b>738,351,391</b>	<b>77,211,864</b>
No changes		
<b>December 31, 2000</b>	<b>738,351,391</b>	<b>77,211,864</b>
Issuance of common shares (face-value of 0,025 RUR)	18,431,061	
Issuance of common shares (face-value of 0,025 RUR)	16,568,939	
Conversion of preferred shares	77,211,864	(77,211,864)
<b>December 31, 2001</b>	<b>850,563,255</b>	<b>0</b>
No changes		
<b>December 31, 2002</b>	<b>850,563,255</b>	<b>0</b>
No changes		
<b>December 31, 2003</b>	<b>850,563,255</b>	<b>0</b>
No changes		
<b>December 31, 2004</b>	<b>850,563,255</b>	<b>0</b>

### Main shareholders of common stock (end of year)

Shareholder's name	2000	2001	2002	2003	2004
"ING BANK (Eurasia)" (ADRs and GDRs)*	406,039,385	444,703,835	534,070,827	541,249,388	535,975,699
SDK "GARANT"*	–	–	90,773,746	99,268,415	87,986,591
DK "URALSIB"*	45,521,796	55,140,681	44,630,737	66,162,144	69,560,926
ZAO KB "Citibank"*	10,532,220	–	–	1,644,462	66,322,006
National Depository Center*	38,231,431	50,079,368	37,239,863	12,410,284	22,056,584
Depository-Clearing Company*	19,836,720	29,044,914	24,798,519	16,463,743	17,982,613
Brunswick UBS Warburg*	–	–	10,296,442	9,158,298	4,843,084
NPF "LUKOIL-GARANT"*	19,970,446	–	–	–	–
LUKOIL-Reserve-Invest*	36,792,062	87,003,566	–	–	–
State ownership	114,639,290	114,639,090	64,638,729	64,638,729	–

\*Nominee.

### Main shareholders of preferred stock (end of year)

Shareholder's name	2000	2001	2002	2003	2004
"ING BANK (Eurasia)" (ADRs and GDRs)*	33,515,420	–	–	–	–
DK "NIKOIL"*	14,976,868	–	–	–	–
Depository-Clearing Company*	4,932,103	–	–	–	–
LUKOIL-Reserve-Invest*	3,901,717	–	–	–	–
National Depository Center*	1,955,400	–	–	–	–

\*Nominee.