



Materials that are made available for those entitled to participate in the
Extraordinary General Shareholders Meeting of PJSC LUKOIL
to be held on December 5, 2016

(in the form of absentee voting)

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NOTICE
of the Extraordinary General Shareholders Meeting
of Public Joint Stock Company “Oil company “LUKOIL”

Dear Shareholder,

Public Joint Stock Company “Oil company “LUKOIL” location: Moscow; address: Sretensky bulvar 11, Moscow, 101000, Russian Federation, hereby informs you that, based on the decision of the Board of Directors of PJSC "LUKOIL" of 28 October 2016, an Extraordinary General Shareholders Meeting of PJSC "LUKOIL" will take place on **5 December 2016** in the form of **absentee voting**, with the following agenda:

1. On payment (declaration) of dividends based on the results of the first nine months of 2016
2. On payment of a part of the remuneration to members of the Board of Directors of PJSC“LUKOIL” for their performance of the functions of the members of the Board of Directors

Postal address the completed and signed ballots must be sent to:	OOO «Registrator «Garant», Krasnopresnenskaya Naberezhnaya 6, Moscow, 123100
The date of determining (formalizing) the persons entitled to take part in the Extraordinary General Shareholders Meeting of PJSC “LUKOIL”:	10 November 2016
Categories (types) of shares whose owners have the right to vote on all agenda items of the Extraordinary General Shareholders Meeting:	Registered Ordinary Shares

Identification details of the shares whose holders are entitled to take part in the Extraordinary General Shareholders Meeting:
State Registration Number of the securities issue: 1-01-00077-A dated 25 June 2003.

The ballots received by PJSC “LUKOIL” before the deadline for the receipt of ballots, i.e. **5 December 2016**, will be considered for determining a quorum of the Extraordinary General Shareholders Meeting of PJSC "LUKOIL" and tallying votes.

Information (materials) to be provided to persons entitled to participate in the Extraordinary General Shareholders Meeting of PJSC “LUKOIL” (hereinafter also the “Company”) in preparation for the Extraordinary General Shareholders Meeting of PJSC “LUKOIL” will be available on the Company’s official websites www.lukoil.ru (in Russian), www.lukoil.com (in English) from 3 November 2016; and from 15 November 2016, from 10.00 a.m. to 05.00 p.m. on business days, in the premises of the executive body of PJSC “LUKOIL”, at the address: Sretensky bulvar 11, Moscow, 101000 Russian Federation, tel. 8 (800) 200 9402, and also at the following addresses:

Krasnopresnenskaya Naberezhnaya 6, Moscow, 123100

telephone: (495) 221 3112
(800) 500 2947

Nab. Severnoi Dviny 30, office 503, Arkhangelsk, 163000
 ulitsa Pobedy 41, 4th floor, Kirovsky District, Astrakhan, 414040
 ulitsa Kooperativnaya 5, Veliky Novgorod, 173003
 ulitsa Mira 19, office 309, Volgograd, 400131
 ulitsa Leitenanta Yanalova 2, Kaliningrad, 236023
 ulitsa Gorkogo 5, 5th floor, office 503, Kirov, 610017
 prospekt Mira 94, office 314, Voskresensky Business Centre, Krasnoyarsk, 660017
 prospekt Lenina 73, office 201, Murmansk, 183038
 ulitsa Belinskogo 9/1, 5th floor, offices 10 & 11, Nizhni Novgorod, 603022
 Komsomolsky prospekt 34, Perm, 614000
 ulitsa Goroda Volos 42/105, Rostov-on-Don, 344000
 ulitsa Novo-Sadovaya 3, Business Centre ‘7th Avenue’, Samara, 443100
 Belovodsky pereulok 6, St. Petersburg, 194044
 ulitsa N.G. Chernyshevskogo 60/62A, Saratov, 410004
 prospekt Bumazhnikov 2, 1st floor, Syktyvkar-26, Komi Republic, 167026
 ulitsa Mendelevskaya 1, office 501, Tula, 300041

telephone: (8182) 65 7544
 telephone: (8512) 24 1040, 24-10-70
 telephone: (8162) 73 1720
 telephone: (8442) 24 7274, 24-72-79
 telephone: (4012) 60 5434, 60 5464
 telephone: (8332) 40 5631
 telephone: (391) 216 5101, 216 5727
 telephone: (8152) 45 1126, 45 1127
 telephone: (831) 217 8189, 217 8190
 telephone: (342) 214 4170
 telephone: (863) 244 1026
 telephone: (846) 379 7218, 379 7219, 379 7220
 telephone: (812) 401 6312
 telephone: (8452) 29 3236, 57 2894
 telephone: (8212) 29 3180, 29 3181
 telephone: (4872) 70 0064, 30 7123

ulitsa Karla Marxa 54, office 215, Chelyabinsk, 454091
 ulitsa Bogdanovicha 6a, offices 303, 304, Yaroslavl, 150014

telephone: (351) 266 4770
 telephone: (4852) 23-09-39

(Public Joint-Stock Company), ulitsa Pribaltiyskaya 11A, Kogalym, Tyumen Oblast, 628486

Additional office No.1 of Petrocommerce Bank Kogalym branch of «Bank Otkritie Financial Corporation» (Public Joint-Stock Company) in Urai, ulitsa Lenina 118, Urai, Tyumen Oblast, 628285

telephone: (34676) 2 0266

Additional office No.5 of Petrocommerce Bank Kogalym branch of «Bank Otkritie Financial Corporation» (Public Joint-Stock Company) in Langepas, ulitsa Lenina 32, Langepas, Tyumen Oblast, 628672

telephone: (34669) 2 0274

Additional office of Petrocommerce Bank branch of «Bank Otkritie Financial Corporation» (Public Joint-Stock Company) ('Sretenka'), Sretensky bulvar 11, Moscow, 101000

telephone: (499) 973 7655

Petrocommerce Bank Krasnodar branch of «Bank Otkritie Financial Corporation» (Public Joint-Stock Company), ulitsa Turgeneva 73/ulitsa Ryleeva 181, Zapadny District, Krasnodar, 350049

telephone: (861) 214-29-72

Petrocommerce Bank Ufa branch of «Bank Otkritie Financial Corporation» (Public Joint-Stock Company), ulitsa Tsurypy 16, Ufa, Republic of Bashkortostan 450057

telephone: (347) 226-72-70

Kazansky Office of Petrocommerce Bank Saratov branch of «Bank Otkritie Financial Corporation» (Public Joint-Stock Company), ulitsa Moskovskaya 2a, Kazan, Republic of Tatarstan (Tatarstan), 420111

telephone: (843) 567 3553

For the purpose of ensuring the timely payment of dividends and the provision of information, we kindly ask you to promptly inform OOO «Registrator «Garant», the company keeping the Company's Shareholder Register (the Registrar), of any changes in your data (name, change in residence/domicile, change in banking details, passport and other data) by completing the Securities Owner's Form and submitting it to the Registrar. Pursuant to point 16 of article 8.2 of the Federal Law *On Securities Market* neither the Company nor OOO «Registrator «Garant» will be liable for the debt incurred, should you fail to provide information on such changes.

The decisions taken by the Extraordinary General Shareholders Meeting of PJSC "LUKOIL" and voting results will be communicated to the persons entitled to take part in the Meeting in the form of a Report on Voting Results to be made available on the Company's official websites www.lukoil.ru, www.lukoil.com not later than four business day after the deadline for the receipt of ballots by 9 December 2016.

Dear Shareholder,

By participating in the General Shareholders Meeting of PJSC "LUKOIL" you exercise your right to participate in managing the Company by taking decisions on the most significant matters of its business operations, which matters fall within the exclusive competence of the General Shareholders Meeting.

More details on the Annual General Shareholders Meeting of PJSC "LUKOIL" will be available if phoned at: 8 (800) 200 9402.

Board of Directors of PJSC "LUKOIL"



AGENDA

of the 2016 Extraordinary General Shareholders Meeting of PJSC "LUKOIL"

1. On payment (declaration) of dividends based on the results of the first nine months of 2016.
2. On payment of a part of the remuneration to members of the Board of Directors of PJSC "LUKOIL" for their performance of the functions of the members of the Board of Directors.

**Draft Decisions
of the Extraordinary General Shareholders Meeting
of PJSC "LUKOIL"**

Draft decision on item 1 on the agenda 'On payment (declaration) of dividends based on the results of the first nine months of 2016':

To pay dividends on ordinary shares of PJSC "LUKOIL" based on the results of the first nine months of 2016 in the amount of 75 roubles per ordinary share.

To set 23 December 2016 as the date on which persons entitled to receive dividends based on the results of the first nine months of 2016 will be determined.

The dividends be paid using monetary funds from the account of PJSC "LUKOIL" as follows:

- Dividend payments to nominee shareholders and trust managers who are professional market participants registered in the shareholder register of PJSC "LUKOIL" to be made not later than 12 January 2017,
- Dividend payments to other persons registered in the shareholder register of PJSC "LUKOIL" to be made not later than 2 February 2017.

The costs on the transfer of dividends, regardless of the means, will be paid by PJSC "LUKOIL".

Draft decision on item 2 on the agenda 'On payment of a part of the remuneration to members of the Board of Directors of PJSC "LUKOIL" for their performance of the functions of the members of the Board of Directors':

To pay a part of the remuneration to members of the Board of Directors of PJSC "LUKOIL" for performance of their functions (Board fee) for the period from the date the decision on the election of the Board of Directors was taken to the date this decision is taken constituting one-half (i.e. 3,000,000 roubles each) of the Board fee established by decision of the Annual General Shareholders Meeting of PJSC "LUKOIL" on 23 June 2016 (Minutes No.1).



Recommendations of the Board of Directors of PJSC "LUKOIL" on the items on the agenda of the Extraordinary General Shareholders Meeting of PJSC "LUKOIL"

To recommend that the Extraordinary General Shareholders Meeting of PJSC "LUKOIL" adopt the following decisions:

On item 1 on the agenda of the meeting:

To pay dividends on ordinary shares of PJSC "LUKOIL" based on the results of the first nine months of 2016 in the amount of 75 roubles per ordinary share.

The dividends be paid using monetary funds from the account of PJSC "LUKOIL" as follows:

- Dividend payments to nominee shareholders and trust managers who are professional market participants registered in the shareholder register of PJSC "LUKOIL" to be made not later than 12 January 2017,
- Dividend payments to other persons registered in the shareholder register of PJSC "LUKOIL" to be made not later than 2 February 2017.

The costs on the transfer of dividends, regardless of the means, will be paid by PJSC "LUKOIL".

To propose that the Extraordinary General Shareholders Meeting set 23 December 2016 as the date on which persons entitled to receive dividends based on the results of the first nine months of 2016 will be determined.

The proposed decisions are based on the recommendations of the Strategy and Investment Committee of the Board of Directors of PJSC "LUKOIL" (Minutes No.3 of 12 October 2016).

On item 2 on the agenda of the meeting:

To pay a part of the remuneration to members of the Board of Directors of PJSC "LUKOIL" for performance of their functions (Board fee) for the period from the date the decision on the election of the Board of Directors was taken to the date this decision is taken constituting one-half (i.e. 3,000,000 roubles each) of the Board fee established by decision of the Annual General Shareholders Meeting of PJSC "LUKOIL" on 23 June 2016 (Minutes No.1).

The proposed decision is based on the recommendations of the Human Resources and Compensation Committee of the Board of Directors of PJSC "LUKOIL" (Minutes No.8 of 11 October 2016).



MINUTES No. 1
of the Annual General Meeting of Shareholders
of Public Joint Stock Company “Oil company “LUKOIL”

Full trade name of the company: *Public Joint Stock Company “Oil company “LUKOIL”*

Location of the company: Moscow

Address of company: *Sretensky bulvar 11, Moscow 101000 Russian Federation*

Type of the General Meeting: *annual*

Date of the General Meeting: *23 June 2016*

Date of preparation of the Minutes: *27 June 2016*

Item 5 of the agenda. On the remuneration and reimbursement of expenses to members of the Board of Directors of PJSC “LUKOIL”.

Resolution on Item 5 on the agenda (Ballot No.5):

«2. To establish the amounts of remuneration for the newly elected members of the Board of Directors of PJSC “LUKOIL” pursuant to Appendix No.2 hereto.».

Decision taken on Item 5 (point 2) on the agenda:

To establish the amounts of remuneration for the newly elected members of the Board of Directors of PJSC “LUKOIL” pursuant to Appendix No.2 hereto.

Chairman of the Meeting

V.I. Grayfer

Secretary of the Meeting

N.A. Illarionov

I hereby certify that this is a true and accurate excerpt from Minutes No.1

Corporate Secretary

N.I. Podolskaya

Appendix to decision on Item 5 (point 2) on the agenda of the Annual General Meeting of Shareholders of Public Joint Stock Company “Oil company “LUKOIL” of 23 June 2016 (Minutes No.1)

To deem it appropriate to establish the following amounts of remuneration for the newly elected members of the Board of Directors of PJSC “LUKOIL”:

- for performance of the duties of a member of the Board of Directors – 6,000,000 roubles;
- for performance by a member of the Board of Directors of the functions of the Chairman of the Board of Directors – 1,500,000 roubles;
- for performance by a member of the Board of Directors of the functions of the Chairman of a committee of the Board of Directors – 700,000 roubles;
- for attendance in person at a meeting of a committee of the Board of Directors by a member of the Board of Directors who is a member of the committee – 150,000 roubles;
- for attendance in person at a meeting of the Board of Directors or a committee of the Board of Directors which involves a transcontinental flight (a flight from one continent to another that lasts more than eight hours) – 350,000 roubles. If a member of the Board of Directors takes a transcontinental flight to attend the meetings of both a committee (committees) of the Board of Directors and of the Board of Directors itself, only a single amount of remuneration for the transcontinental flight will be paid;
- for participation in conferences and other events on written instructions of the Chairman of the Board of Directors, in an amount of 150,000 roubles.



Memo to Shareholders of PJSC “LUKOIL”

regarding Participation in General Shareholders Meetings of the Company

Dear shareholders,

Please be informed that **amendments to the legislation introduced different procedures for participating in the General Shareholders’ Meeting of the Company (hereinafter the Meeting)** for persons registered in the Company’s shareholder register (**hereinafter ‘the Registered Shareholders’**) and persons exercising securities rights with those rights being accounted for by a nominee holder, a foreign nominee holder or a foreign organization certified to account for and transfer the rights to securities by its governing law (**hereinafter ‘Depositors’**).

If you are a Registered Shareholder (Option 1), the procedure for participating in the Company’s Meeting remains the same for you:

- You shall be included in the list of persons entitled to participate in the Meeting (hereinafter also ‘the List’) that is compiled by OOO «Registrator «Garant», (hereinafter ‘the Registrar’), and voting ballots shall be sent to you by mail, e-mail or by personal delivery against a signature no later than 20 days before the Meeting (the specific method for ballot delivery shall be determined by the Company’s Board of Directors while preparing for the Meeting).

- You may participate in the Meeting both in person and by proxy by issuing them a voting proxy, through providing completed voting ballots to the Company not later than 2 days before the Meeting date or the deadline for accepting ballots in the event of absentee voting¹. If the Meeting is held in the form of joint attendance, you shall register for the participation in it.

If you are not registered in the Company’s Shareholder Register (hereinafter also ‘the Shareholder Register’), and the rights to your shares are accounted for by a nominee holder, a foreign nominee holder or a foreign organization certified to account for and transfer the rights to securities by its governing law (hereinafter ‘a Nominee Holder’) whose Depositor (client) you are (Option 2), the procedure for participating in the Meeting has changed for you starting from 1 July 2016.

In particular, the changes have been introduced to a procedure for including Depositors in the List of persons entitled to participate in the Meeting. Before 1 July 2016, all Depositors were subject to the inclusion in the List, since a Nominee Holder was obliged to provide the Registrar with information on their clients not later than 5 business days after the receipt of the Registrar’s request.

Starting from 1 July 2016, a Depositor shall not be included in the List, if a Nominee Holder:

¹ To get advice on issues related to the Meeting (voting), please contact the Registrar and Depository Institutions Department by phone: 8-800-200-94-02.

- has not provided the Depositor's details allowing to identify it and details of the number of securities owned by it; or

- has not provided those details in a timely manner as required by law (i.e. after the deadline for accepting voting ballots for the Meeting).

It should be noted that a Nominee Holder is entitled not to provide a Depositor's details if so stated by an agreement between them.

If the agreement between a Nominee Holder and a Depositor does not provide for such entitlement, the Depositor's details (details allowing to identify it and details of the number of securities owned by it), as well as details of the Depositor's declaration of will (if they have been provided) shall be provided by a Nominee Holder to the Registrar not later than the deadline for accepting voting ballots for the Meeting (in the event of the Meeting held in the form of joint attendance, not later than two days before the Meeting; in the event of absentee voting, before the deadline for accepting ballots).

Depositors are entitled to participate in the Meeting and exercise their voting rights by giving instructions to a Nominee Holder, if so provided for by an agreement with it, or in person, including by proxy. Upon receipt of the instructions from a Depositor, a Nominee Holder shall send a notice of the Depositor's declaration of will as provided for by Article 8.9 of Federal Law *On the Securities Market*.

All details of the Meeting, including the notice, materials (information) for shareholders' attention, a ballot form, the contents (text) of a voting ballot, a report on voting results, shall be sent electronically (in the form of electronic documents) by the Registrar to a Nominee Holder holding a personal account in the Register. Then the Nominee Holder shall deliver the information and materials to its Depositor using the method provided for by the agreement between the Nominee Holder and the Depositor. If the Nominee Holder does not hold an account in the Register being a client of another Depository, the procedure for delivery the information from the Registrar to an end Nominee Holder shall be longer for as many steps as there are intermediary Depositories. Information back from the end Nominee Holder to the Registrar shall be delivered following the same procedure.

The specifics of participating in the Meeting according to the new procedure:

- Depositors shall be included in the List only if a Nominee Holder provides their details.
- The voting ballot form and contents (text) shall be provided to a Depositor by a Nominee Holder as stipulated by the agreement between them.

Methods that Depositors may use to participate in the Meeting (to vote):

- By providing a completed voting ballot before the deadline for accepting ballots. A Depositor may use a voting ballot form provided to it by a Nominee Holder using the method provided for by their agreement. Apart from selecting a voting option, the Depositor shall

complete its identification data in the respective fields of the ballot: full name/legal name, the number of votes on the agenda item. For the Registrar to be able to identify the Depositor and take into account its will regarding the voting, the Nominee Holder shall provide the Depositor's details to the Registrar within a period provided for by the legislation.

- In person or by proxy, through registering for the Meeting held in the form of joint attendance. For the Registrar to be able to identify the Depositor for participation in the Meeting, the Nominee Holder shall provide the Depositor's details to the Registrar within a period provided for by the legislation.

- By the Depositor giving instructions to the Nominee Holder containing declaration of its will regarding voting. Upon receipt of those instructions, the Nominee Holder shall send an electronic notice of the Depositor's declaration of will to the Registrar. *The Depositor may have to pay for such services to the Nominee Holder if so provided by the agreement between them.*

If you are registered in the Shareholder Register, please use Option 1.

If your securities rights are accounted for by a Nominee Holder, please use Option 2.

If your securities rights are accounted for both in the Shareholder Register and by a Nominee Holder, please use a combination of Option 1 + Option 2.