

APPROVED BY

the resolution of the Board of Directors of
Public Joint Stock Oil and Gas Company Slavneft
20.04.2020 (Minutes of Meeting No.12 dated
23.04.2020)

**REGULATIONS
ON THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS
OF PUBLIC JOINT STOCK
OIL AND GAS COMPANY SLAVNEFT
(amended)**

Moscow

2020

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1. General Provisions

- 1.1. The Regulations on the Audit Committee of the Board of Directors of Public Joint Stock Oil and Gas Company Slavneft (hereinafter referred to as the Regulations) have been developed in accordance with Federal Law No.208-FZ “On Joint-Stock Companies”, the Code of Corporate Governance recommended by the Bank of Russia for application by the joint-stock companies, which securities are traded on stock exchange, the Articles of Association of Public Joint Stock Oil and Gas Company Slavneft, the Regulations on the Board of Directors of Public Joint Stock Oil and Gas Company Slavneft (hereinafter referred to as PJSC NGK Slavenft, the Company).
- 1.2. These Regulations shall set forth the procedure for establishment of the Audit Committee of the Board of Directors of PJSC NGK Slavneft (hereinafter referred to as the Committee), shall define the tasks, functions, competence (powers) and operating rules thereof.
- 1.3. The Committee shall be established upon the resolution of the Company’s Board of Directors and shall be a standing collegial advisory body, which scope of competence ensures efficient performance of the functions related to overall management of the Company’s activity by the Company’s Board of Directors. The Committee target is to inform in good faith and independently members of the Company’s Board of Directors about the Company’s financial and economic condition, to assess the efficiency of Company’s internal audit and risk management systems.
- 1.4. The Committee shall report about its activity to the Company’s Board of Directors and shall act for the benefit of the Company and its shareholders within the powers granted by the Company’s Board of Directors and pursuant to these Regulations. Committee’s resolutions are of advisory nature for the Company’s Board of Directors.
- 1.5. The Committee is not the Company’s body and shall not be entitled to act on behalf of the Company. The Committee shall not participate in Company’s operating activity and shall not duplicate the activity of Company’s any business units.

2. Establishment of the Committee

- 2.1. For facilitating the efficient performance of its functions, the Company’s Board of Directors shall establish the Committee for preliminary review of the issues related to control over the Company’s financial and economic activity and other issues fallen within the scope of Committee’s competence.
- 2.2. The Committee shall consist of members of the Company’s Board of Directors and / or other competent persons, who have experience and special knowledge in preparation, analysis, assessment and audit of the accounting (financial) reporting and (or) consolidated financial statements, in risk management and internal audit.
- 2.3. The Committee shall be established in such a manner so as to discuss comprehensively the issues proposed for review with due consideration of various opinions.
- 2.4. The number of members and persons to be included into the Committee shall be defined upon resolution of the Company’s Board of Directors. Herewith, the Committee shall consist of at least three members.
- 2.5. The Committee shall be established until the new composition of the Company’s Board of Directors is elected by the majority of at least 7 (seven) votes of Company’s Board-of-Directors members, who participate in the meeting (absentee voting).
- 2.6. Until the Committee establishment resolution is passed at the meeting of the Company’s newly elected Board of Directors, the Committee outgoing members shall continue to act, if all legislative requirements to the Committee and requirements thereto defined in Company’s internal documents are fulfilled.
- 2.7. Members of the Committee may be re-elected to the Committee any number of times.
- 2.8. The Company’s Board of Directors shall be entitled to terminate early the powers of one or several members of the Committee, including upon a written application of the Committee

member.

- 2.9. When establishing the Committee, the Company's Board of Directors shall follow the principle of personal interest inadmissibility and/or conflict of Committee member's interests with the Company. The Committee members shall immediately notify the Board of Directors about any such situations.

3. Tasks and Functions of the Committee

- 3.1. The Committee shall support the Company's Board of Directors in controlling the Company's financial and economic activity. The main task of the Committee is preliminary and comprehensive review of the issues related to the Board-of-Directors competence, preparation of the recommendations for making the substantiated and well-reasoned decisions by the Board of Directors.
- 3.2. The Committee functions are described below. The Committee shall:
- control that the Company's accounting (financial) reporting is complete, accurate and reliable;
 - assess that external audit is independent and unbiased;
 - ensure efficient cooperation of an external auditor with the Company;
 - ensure that internal audit is independent and unbiased;
 - control the reliable and efficient risk management / internal audit functioning;
 - interact with the Company's Audit Commission and Company's auditors on a regular basis.

4. Competence (Powers) of the Committee

- 4.1. The Committee competence is described below. The Committee shall:
- 4.1.1. review preliminarily the following issues related to the Committee competence and prepare the recommendations thereon for the Company's Board of Directors:
- approve preliminarily the Company's annual report part related to the Committee functions;
 - approve a nominee for the position of the Company's auditor and define an amount of fee for his / her services;
 - make the decision on auditing the Company's financial and economic activity by the Audit Commission, review the results of such audit performed upon the Board-of-Directors resolution, pass the resolutions on these results if necessary;
 - approve the internal policies and procedures / make amendments therein, which define the Company's policy in:
 - the risk management and internal audit system;
 - internal audit;
 - counteraction against involvement in the corrupt practices;
 - approve the Company's code of corporate governance, make amendments therein related to Committee's functions.

Review preliminarily the issue on appointment and dismissal of an official who is in charge for arrangement and performance of the internal audit, the issues related to terms and conditions of the labor contract with the specified official, prepare the recommendations thereon for the Company's Board of Directors;

- 4.2. The Company's Board of Directors shall empower the Committee to act within the scope of its competence defined in these Regulations.

The Committee is entitled to request and receive from the Company any information within the scope of its competence, which is necessary for the Committee to carry out its activity.

The Company shall support the Committee in receiving the information requested thereby, shall ensure the completeness of this information and promptness of its submission based on

the restrictions envisaged by the effective law of the Russian Federation, Company's Articles of Association, local legal acts and other internal documents of the Company.

5. Rights and Duties of the Committee Members

- 5.1. Committee members are entitled to:
- initiate the Committee meeting convocation;
 - request and receive promptly and in full from the Company all information, which is required for making the decisions on issues within the scope of Committee's competence;
 - study the minutes of Committee's meetings, receive the copies (extracts) from the specified minutes of meetings in compliance with requirements to protection of the confidential information and other information protected legally and by Company's internal documents;
 - request to include in the minutes of Committee's meeting its dissenting opinion on the agenda issues and on the decisions made by the Committee.
- 5.2. Committee members shall:
- act reasonably and in good faith when exercising their functions, not use their position to the detriment of Company's interests;
 - be fully engaged in Committee's activities;
 - assess comprehensively the information and documents related to the issues within the scope of Committee's competence;
 - not disclose the confidential information about the activity of the Company, its subsidiaries and affiliates, insider information and any other information, which has become known to them in the course of exercising their powers;
 - inform promptly the Committee about personal interest in making the decisions on agenda issues, abstain from voting or not participate in voting on such agenda issues;
 - abstain from actions, which may result in the conflict between their interests and Company's interests and/or may endanger the Committee reputation, and / or call into question the professional competence of Committee's members.
- 5.3. Fulfillment of the Committee member duties is personal. It is not allowed to assign the voting right of the Committee member to other person, including to other member of the Committee.

6. Chairman of the Committee

- 6.1. The Company's Board of Directors shall elect the Committee Chairman out of the Committee members.
- 6.2. The Chairman of the Company's Board of Directors cannot be the Committee Chairman.
- 6.3. The Committee Chairman shall efficiently arrange its activity, inter alia, he / she shall:
- convene meetings of the Committee, define the agenda and form of meeting holding;
 - preside over the Committee meetings, arrange recording of the minutes of meetings;
 - ensure useful and positive discussion of the issues related to the scope of Committee's competence in the course of Committee's face-to-face meetings;
 - sign recommendations on the issues related to the scope of Committee's competence in the form of an extract from the minutes of Committee's meeting and submit them to the Company's Board of Directors on behalf of the Committee;
 - inform the Company's Board of Directors about Committee's activities upon request of the Board members;
 - exercise other functions in accordance with these Regulations.
- 6.4. The Committee Chairman shall be responsible for notifying the Company's Board of Directors about Committee's recommendations promptly and in full.

- 6.5. If the Committee Chairman is absent, the Committee member (presiding member), who is elected by a majority of votes of Committee's members participating in the meeting, may exercise his / her functions.

7. Secretary of the Committee

- 7.1. The secretary of the Company's Board of Directors shall exercise functions of the Committee's secretary. The Committee secretary may be re-elected at any time upon resolution of the Committee.
- 7.2. The Committee secretary shall ensure organizational and technical support of the Committee's activity, inter alia, the Committee secretary shall:
- notify the Committee members about holding the meetings within the established timeline, submit to the Committee members the information and files required for the meeting, as well as voting ballots in case of absentee voting;
 - execute results of the Committee meetings (summarize voting returns on the agenda issues, prepare the minutes of meetings and procure signing thereof);
 - prepare extracts from the minutes of Committee's meetings and submit them to the Committee members, members of the Company's Board of Directors who are not the Committee members, persons who have initiated review of a dedicated issue by the Committee in compliance with requirements to protection of the confidential information and other information protected legally and by Company's internal documents;
 - ensure organizational and technical support in cooperation of the Committee members with Company's governing bodies and officials;
 - procure storage of the files for Committee's meetings, voting ballots and minutes of Committee's meetings;
 - record and store the incoming documentation and copies of Committee's outgoing documentation;
 - exercise other functions in accordance with these Regulations, resolutions of the Company's Board of Directors and Committee, instructions of the Committee Chairman.

8. Meetings of the Committee

- 8.1. Committee meetings shall be held when required.
- 8.2. The Committee meetings shall be held upon resolution of the Committee Chairman, upon proposal of the Committee member, members of the Company's Board of Directors who are not the Committee members, members of the Company's Audit Commission, Company's auditor, Company's top-managers.
- 8.3. The persons specified in paragraph 8.2 of these Regulations shall submit to the Committee Chairman an application on convocation of the Committee meeting at least 20 days prior to the expected date of the meeting.
- 8.4. The above mentioned application shall include:
- the name of the person initiated the Committee meeting;
 - the date of holding the Committee meeting;
 - the wording of the issue proposed for review by the person who has initiated the Committee meeting;
 - the draft resolution on the issue proposed for review;
 - the list of files and information required for passing the resolution on the proposed issue and submitted to the Committee members.
- 8.5. Within 7 days from the date of receiving the application on convocation of the Committee meeting, the Committee Chairman shall make a decision either on holding the meeting, or on denying to hold the meeting. The person (persons) issued the application on convocation shall

be invited to the Committee meeting in a mandatory manner.

- 8.6. The resolution on denial to hold the Committee meeting can be passed, if:
- the procedure for issuing an application on convocation of the Committee meeting set forth by these Regulations is not followed;
 - the issue proposed for review is not related to the scope of Committee's competence.
- 8.7. If the Company's Board of Directors initiates the Committee meeting, the Committee Chairman must convene the meeting.
- 8.8. The Committee Chairman shall define the agenda of the Committee meeting. Before holding the meeting, the agenda of the Committee meeting can be amended (supplemented / shortened) upon resolution of the Committee Chairman on his / her own initiative, upon proposal of the Committee members, members of the Company's Board of Directors who are not the Committee members, members of the Company's Audit Commission, Company's auditor, Company's top-managers.
- 8.9. Upon resolution of the Committee Chairman, members of the Company's Board of Directors who are not the Committee members, Company's top-managers, members of the Company's Audit Commission, representatives of the Company's auditor, heads of the Company's business units and other employees of the Company can be invited to Committee's meetings.
- 8.10. The Committee meetings can be held in the form of:
- joint attendance for discussion of the agenda issues; herewith, any Committee meeting in the form of joint attendance for discussion of the agenda issues may be held with application of technical communication means (telephone (video-) conference).
If the Committee meeting in the form of joint attendance for discussion of the agenda issues is held with application of technical communication means (telephone (video-) conference), any member of the Committee, including the Committee Chairman, shall be entitled to participate in such a meeting via technical communication means (telephone (video-) conference).
 - absentee voting on the agenda issues.
The Committee Chairman shall define the form of holding the Committee meeting. The Committee secretary shall ensure preparation for the meeting.
- 8.11. The Committee meeting is duly convened (has the quorum), if more than half of the total number of Committee members participate therein (if written opinions of the Committee members absent from the meeting are received before commencement of the meeting; if filled-in voting ballots are received before the cut-off date of ballot acceptance). In case of no quorum, the Committee meeting shall be shifted to the date defined as per resolution of the Committee Chairman.
- 8.12. The Committee Chairman shall convene the Committee meetings by issuing the notification about holding the Committee meeting signed by him /her. Such notification shall include the information about the form, date, time and venue of the meeting (the cut-off date and time of voting ballot acceptance and addresses for voting ballot submission (acceptance) in case of the meeting in the form of absentee voting) and the agenda issues.
- 8.13. It is not allowed to hold the Committee meetings in the venue and (or) at the time, which create crucial obstacles for most of the Committee members to participate therein or which make impossible their participation therein.
In case of any circumstances, which make impossible or impede to hold the meeting in the venue and (or) at the time, about which the Committee members have been notified, the meeting as per the planned agenda can be held in other venue and (or) at other time if all members of the Committee approve the respective changes.
The Committee secretary shall ensure approval of the specified changes by the meeting attendees. Approval can be granted in any form, which allows establishing the fact of changes approval by all members of the Committee.

8.14. The Committee secretary shall submit to the Committee members the notification about holding the Committee meeting with files on the agenda issues and voting ballots (in case of the absentee voting) attached thereto at least 3 (three) business days prior to the date of the meeting by using the method approved by the Committee members.

Upon resolution of the Committee Chairman, the timeline for submission of the files to the Committee members can be shortened in exceptional urgent cases.

8.15. The Committee Chairman shall run the Committee meetings; the Committee secretary shall take minutes thereof.

8.16. Committee's resolutions shall be passed by a simple majority of votes of the Committee members participating in the meeting (including written opinions of the Committee members absent from the meeting, which have been received before commencement of the meeting).

The persons invited to the meeting do not have the right of voting on the issues under review; however, they may express their opinion verbally or in writing to the Committee members. Upon resolution of the Committee Chairman, the opinion of the person invited to the meeting can be recorded in the minutes of meeting (can be attached to the minutes of meeting).

8.17. Any information about personal interest (conflict of interests) of the Committee member in passing the resolution on this or that issue shall be disclosed at the Committee meeting.

8.18. The minutes of Committee's meeting shall be executed in a single copy no later than 3 (three) business days after the date of the meeting and shall include:

- the legal name of the Company;
- the form, time and venue of the Committee meeting (the cut-off date of ballot acceptance in case of the absentee voting);
- the list of persons attended the meeting, including the persons invited to the meeting who are not the Committee members;
- the list of the Committee members submitted the written opinion on the agenda issues and written opinions of the Committee members (if any);
- the information about quorum availability for holding the Committee meeting;
- the agenda of the Committee meeting;
- the information about personal interest (conflict of interests) of the Committee member in passing the resolution on the agenda issue (issues);
- the issues put to vote and voting returns thereon;
- the resolutions adopted on the issues, which are included into the Committee meeting agenda;
- the dissenting opinion of the Committee member, if it differs from the resolution on the agenda issue passed by the Committee.

The minutes of meeting shall be signed by the Committee Chairman and Committee secretary, shall be handed over for keeping by the Committee secretary.

8.19. The Committee secretary shall ensure that the persons initiated review of the issue by the Committee are notified about resolutions passed thereon by the Committee (recommendations thereon issued to the Company's Board of Directors).

8.20. Minutes of Committee's meetings shall be available at any time for review by the Committee members and Board-of-Directors members who are not the Committee members.

8.21. If the Committee shall preliminarily review the issue related to the competence of the Company's Board of Directors, the resolution passed on such issue by the Committee is deemed to be the recommendation to the Company's Board of Directors.

The recommendation to the Company's Board of Directors shall be submitted by the Committee secretary in the form of an extract from the minutes of meeting, at which the respective issue has been reviewed. The specified extract from the Committee's resolution can be attached to files of the meeting of the Company's Board of Directors, in which agenda such

issue is included.

- 8.22. The Company's Board of Directors is entitled at any time to request submission of the report on Committee's current activity. The timeline for preparation and submission of such report shall be set forth in accordance with the resolution of the Company's Board of Directors.

9. Miscellaneous

- 9.1. These Regulations shall come into force from the date of their approval by the Company's Board of Directors.
- 9.2. The Regulations on the Audit Committee of the Board of Directors of Open Joint Stock Oil and Gas Company Slavneft approved by the Board of Directors on August 20, 2007 and all further amendments thereto shall become null and void from the effective date of these Regulations.
- 9.3. The Committee shall continuously assess the relevancy of these Regulations and shall prepare proposals on their supplements (amendments) for the Company's Board of Directors (if necessary).
- 9.4. All supplements and amendments to these Regulations shall be approved by the Company's Board of Directors.
- 9.5. The issues not settled by these Regulations shall be governed by the effective law of the Russian Federation, internal policies and procedures, other internal documents of the Company, as well as by resolutions of the Company's Board of Directors.
- 9.6. If dedicated rules of these Regulations contradict the effective law of the Russian Federation and/or Company's Articles of Association, they shall become null and void and respective rules of the Russian Federation law and/or Company's Articles of Association shall be applied. Invalidity of the dedicated rules thereof shall not result in invalidity of other rules thereof or the Regulations in their entirety.