



Cutting-edge technologies to lead

ANNUAL REPORT 2022



Rosneft is the leader of the Russian oil industry.

We strive to be first in all aspects of our activities. We are planning the future of the Company by leveraging the latest technology and preventing adverse effects on society and the environment.

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Message from the CEO and Chairman of the Management Board



Igor SECHIN

Chief Executive Officer and Chairman of the Management Board

Dear shareholders,

In 2022, Rosneft clearly demonstrated that its industry leadership is underpinned by commitment to the Company's own strategic vision and a steadfast management approach. The robust business model and well-informed corporate policy made the Company impervious to negative external factors and market fluctuations, while also making it possible to independently

define operating priorities and achieve goals. Our strong operating and financial performance is a tangible proof of this affirmation.

In 2022, the Company's hydrocarbon production increased by 2.3% to 5.10 mmbbl per day, mainly due to the success of our gas programme. As a result, gas production rose by 15% to reach the historic high of 74.4 bcm.

The Company's preparedness to respond to any challenges was another advantage that enabled us to ramp up hydrocarbon production despite all the headwinds. Sakhalin-1 is a great example of this approach. When the previous operator left the project, it took us close to no time to recover production, resume tanker shipments, restart the drilling programme and thus save over 3,000 jobs for highly skilled professionals. Thanks to a coordinated response and precise management decisions, in the fourth quarter of 2022, the Company increased average daily hydrocarbon production at Sakhalin-1 to a record high of 5.50 mmbbl.

The use of in-house innovations and the reliance on a comprehensive exploration approach helped maintain the high quality of geological exploration and enabled the Company to discover seven new fields and 153 hydrocarbon deposits in 2022. The largest of them – the Madachagskoye field on the Pechora Sea shelf with 82.3 mmt in recoverable

AB1C1+B2C2 oil reserves – also proved to be Russia's largest discovery of the year.

The Russian market has always been the Company's No. 1 priority in terms of petroleum product supplies. In this context, the fact that Rosneft set a new record by growing domestic sales of petroleum products to 42.1 mmt in 2022 is of particular significance to us.

In the international market, Rosneft continued to stick to the multi-vector development model and promoted mutually beneficial cooperation with all stakeholders. Thanks to the strategic pivot to the East in the late 2010s, the Company significantly increased energy supplies to the Asia-Pacific Region last year. The key driver behind this success was the integrated model to build partnerships across the supply chain – from production and oilfield services to processing and fuel sales to end consumers.

In this context, let me highlight a number of 2022 milestones. In February, Rosneft entered into a new ten-year contract with China National Petroleum Corporation (CNPC) to supply additional 100 mmt of crude oil to China. The companies also signed an agreement envisaging cooperation in various areas of the promising low-carbon energy sector. One of the new tools to amplify the dialogue with international partners was transition to settlements in roubles and the national currencies of friendly countries. In September, the Company successfully completed the offering of its debut CNY-denominated bonds. This offering became the largest corporate issue in the Russian market with a record

low coupon rate. In addition to that, Rosneft launched supplies of proprietary catalysts to a number of Asian countries. The Company is not planning to stop at that, with work underway to further diversify sales channels and regions.

Improvements in operating efficiency in 2022 came as a result of implementing the most preferable technical solutions and best domestic technologies in all areas of the Company's operation. The use of best available equipment and techniques is fully in line with Rosneft's strategic goals in the areas of carbon management, promoting sustainability and preserving the environment for future generations.

In addition to the consistent efforts to implement circular economy, restore natural resources and protect ecosystems, the Company comes up with initiatives designed to set new green trends. In 2022, Rosneft launched an ambitious forest and carbon management project with a potential absorption capacity of 10 mmt of CO₂-equiv. Also, over the past three years alone, the Group Subsidiaries have planted more than 18 million seedlings and young trees.

Rosneft's strong financial performance was driven by the combination of a large-scale investment programme and tight expense management. In 2022, the Company's capital investments grew to exceed RUB 1.1 trln. While the global oil and gas sector faces massive underfunding, Rosneft continues to deliver on its flagship Vostok Oil megaproject, which I believe will fundamentally transform the energy market and have

a stabilising effect throughout the world. Apart from that, the Company managed to keep the growth of unit production costs below the producer price inflation levels.

As a result, Rosneft's revenue and EBITDA in 2022 increased by 3.2% and 9.5% respectively, whereas its debt and trade liabilities went down by RUB 0.7 trln. In 2022, the net income of Rosneft attributable to shareholders amounted to RUB 813 bln.

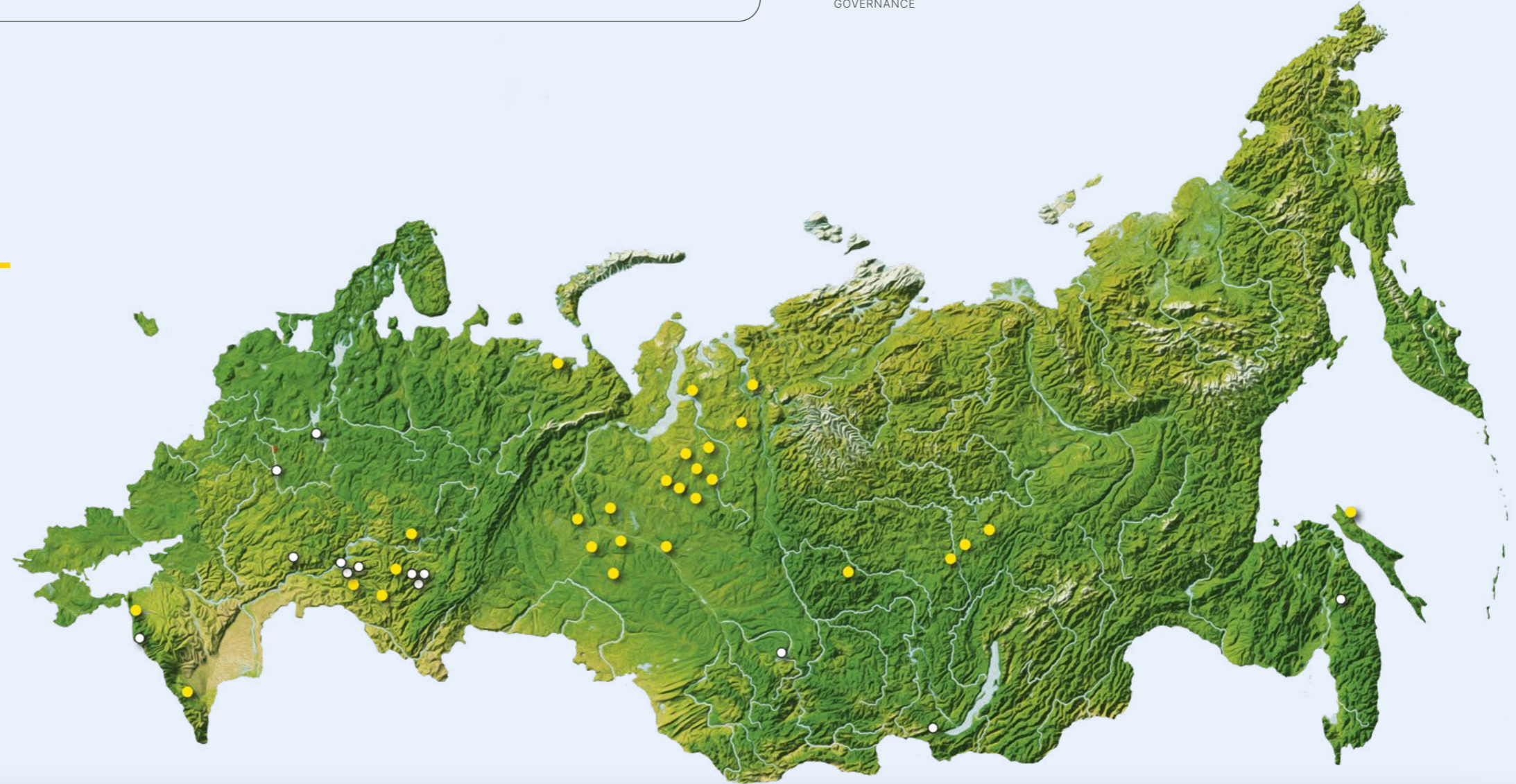
For many years now, the Company's attractive dividend policy has been one of its key draws. According to the policy, dividends are paid to shareholders twice a year and make up at least 50% of net income. In 2022, Rosneft paid annual dividends for 2021 in the amount of RUB 250 bln and approved the payment of interim dividends in the amount of RUB 216 bln. The net profit achieved in 2022 is a reliable foundation for us to pay full-year dividends and honour all our commitments to the shareholders.

I am convinced that in 2023, we will maintain strong performance across the board, keep the Company going despite external pressure, and strengthen our fundamental role in the market as the leader of the energy industry.

Rosneft operations

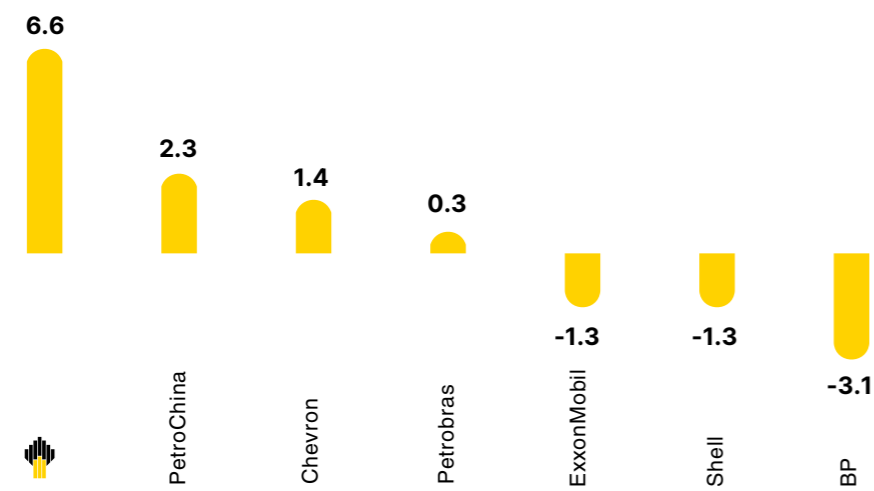
Rosneft is Russia's leading petroleum company in terms of launching new projects.

Rosneft is the largest refiner in Russia.



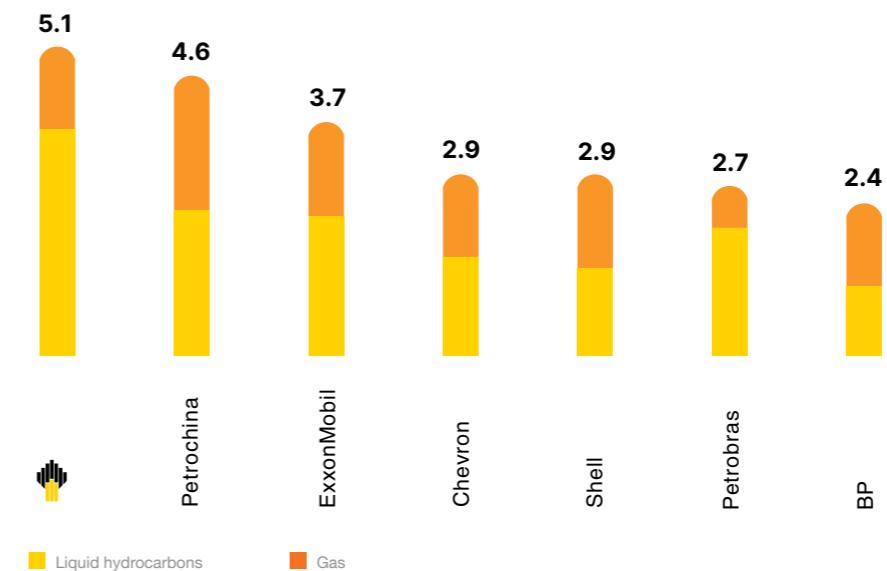
- Production assets
- Refining and processing assets

AVERAGE HYDROCARBON PRODUCTION GROWTH IN 2012–2022, %



Source: company reports

HYDROCARBONS PRODUCTION IN 2022, MMBOE PER DAY



Source: company reports for 2022

Rosneft-2030 Strategy

Reliable energy and global energy transition strategy

Higher efficiency

Operational leadership

Lower carbon footprint

Strategic objectives and priorities

Achievements in 2022

Increasing production to 330 mmtoe	2,3% growth in hydrocarbon production
Increasing gas share in total output to 25%	15% growth in natural gas production vs 2021
Higher dividends and returns	9.5% EBITDA increase
Retaining leadership in terms of unit production costs	Efficient cost control ¹
Pursuing biodiversity conservation (net positive impact)	Overall approaches developed to preserve biodiversity across the Company's footprint
100% waste disposal and remediation of legacy lands	16% reduction in the area of legacy lands

¹ Growth of unit production costs below the producer price inflation levels

ON THE PATH TOWARDS CARBON NEUTRALITY

2022 11% reduction in absolute GHG emissions vs 2020¹

2.8 mmt of CO₂-equiv. reduction in emissions as part of green power purchases

0.9 mmt of CO₂-equiv. reduction in emissions as part of the Energy Saving Programme

STRATEGIC TARGETS

2025 5% reduction in absolute GHG emissions

2030 <0.2% methane emissions intensity

0 routine flaring of associated petroleum gas

<20 kg of CO₂-equiv. per boe GHG emissions in Upstream

2035 > 25% reduction in absolute GHG emissions vs 2020¹

2050 Carbon neutrality

GHG reduction targets are set against the base year of 2020. GHG reduction and carbon neutrality targets cover 100% of Scope 1 and 2 emissions in the Company's reporting perimeter.

¹The Strategy's base year.

Long-Term Development Programme and progress report

Originally developed in 2014¹, the Long-Term Development Programme (the Programme) is subject to annual updates².

In 2022, we revised the Programme, taking into account the Company's performance, action plans to achieve certain strategic goals, and updated initiatives drafted pursuant to the Russian Government's directives³. The updated Programme was approved by the Company's Board of Directors (Minutes No. 13 dated 27 December 2022).

The Programme details the Company's strategic focus areas, targets and goals for all business areas and corporate functions. It also includes a list of key initiatives to achieve the Company's strategic goals.

The main priorities, key performance indicators (KPIs) and actions plans under the current Innovation Development Programme, Import Substitution and Equipment Localisation Programme, and Energy Saving Programme take into account the Programme provisions and are integrated into the current version of the document. Performance indicators include an integrated KPI for innovations. Rosneft's Investment Programme aims to help the Company achieve its strategic objectives in key business areas stipulated in the Strategy and the Programme (see **Investment Programme in 2022** section).

We completed the Programme's key initiatives planned for core businesses and functional units in 2022.

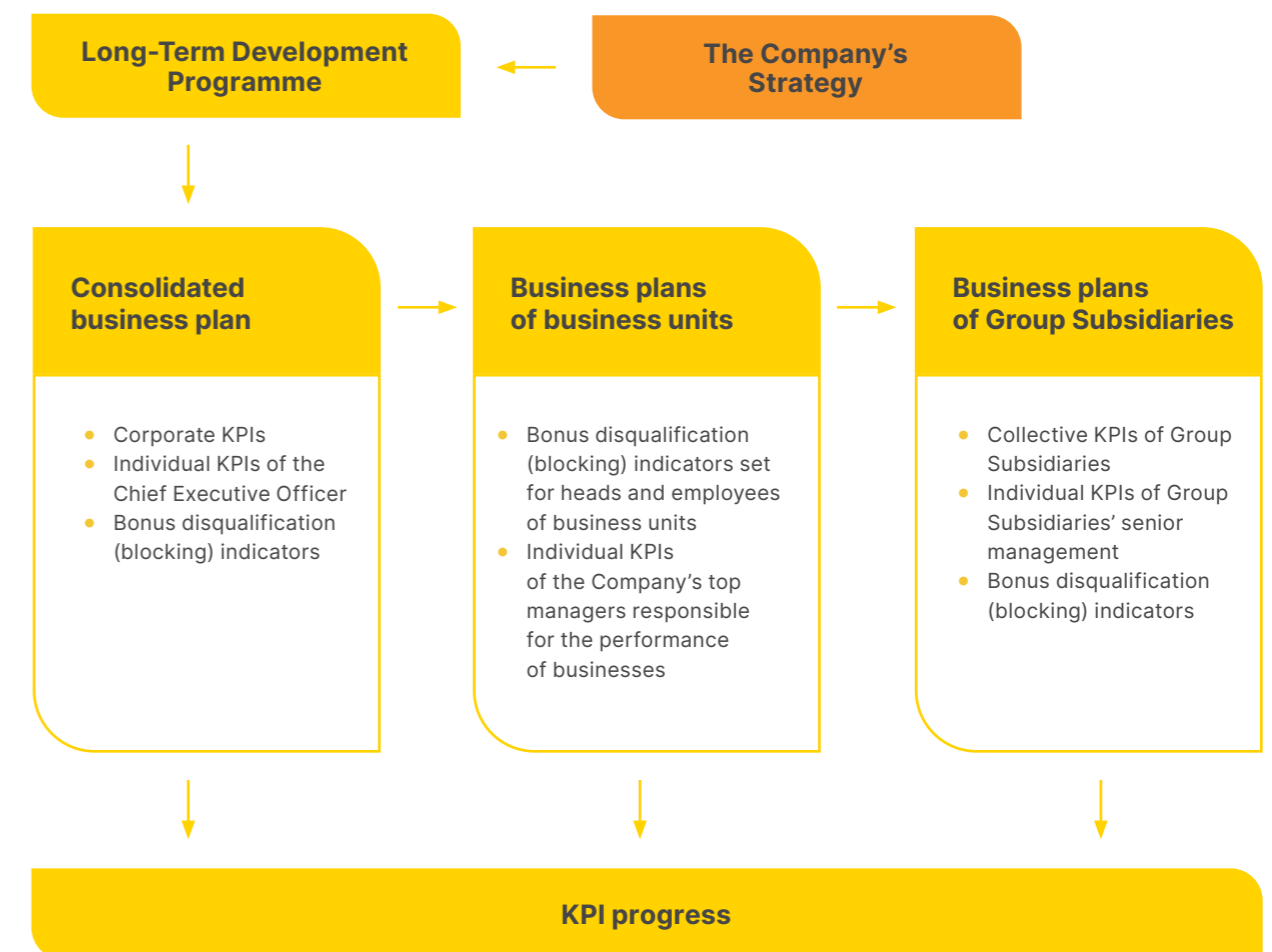
For the Programme's key outcomes in 2022, see the **Operating and Financial Results** section.

TSATR – Audit Services LLC, an independent auditor, completed its engagement and provided assurance about Rosneft's Programme Progress Report and achievement of the key performance indicators in 2022. The opinion was received on 28 April 2023.

KPI structure

The Company's KPI system seeks to decompose the Company's Development Strategy and its Long-Term Development Programme into specific KPIs, cascade them to all management levels, evaluate progress against targets, and create incentives for efficient management decision-making. A strong motivation tool for employees, KPIs ensure a step-by-step achievement of the Company's strategic goals.

KPI PROGRESS



¹ In accordance with Instruction of the President of the Russian Federation Vladimir Putin No. Pr-3086 dated 27 December 2013; approved by Rosneft's Board of Directors on 9 December 2014 (Minutes No. 12).

² In accordance with the Russian Government Directive No. 4955p-P13 dated 17 July 2014.

³ No. 4955p-P13 dated 17 July 2014, No. 7558p-P13 dated 12 November 2014, No. 1346p-P13 dated 5 March 2015, No. 2303p-P13 dated 16 April 2015, No. 7389p-P13 dated 31 October 2014, No. 1472p-P13 dated 3 April 2016, No. 4531p-P13 dated 28 June 2016, No. 4750p-P13 dated 4 July 2016, No. 830p-P13 dated 6 February 2017, No. 276p-P13 dated 17 January 2019, No. 6739p-P13 dated 30 July 2020, and No. 3502p-P13 dated 15 April 2021.

THE KPI SYSTEM ENSURES:

- well-balanced integrated indicators motivating employees to achieve the Company's main goals;
- transparency, measurability, minimum sufficiency, and consistency of KPIs;
- a top-down approach to cascading and breaking down KPIs.

THE KPI SYSTEM IS AIMED AT:

- delivering on the Company's Strategy and Long-Term Development Programme;
- consistently improving the Company's financial and operating (industry-specific) results;
- ensuring compliance with directives and instructions of federal executive bodies.

With both financial (economic) and operating (industry-specific) KPIs in place, the system breaks down relevant indicators into the following groups:

- corporate KPIs based on the key financial, economic, operating and industry-specific indicators from the Company's consolidated business plan and business plans of its business units;
- individual KPIs based on individual strategic goals for each top executive.

Aside from that, for the purposes of motivating the Company's employees to deliver on Rosneft's Strategy, Long-Term Development Programme and business plan, we introduced bonus disqualification (blocking) indicators. A failure to achieve targets under these indicators reduces the employee's overall annual bonus amount in the reporting period.

KPIs and targets for the senior management are set by Rosneft's Board of Directors on an annual basis subject to preliminary discussion by the relevant committee.

KPI progress

To calculate annual bonuses for managers and employees, the Company analyses progress against KPIs following the review of the annual performance based on the management accounts and audited public financial statements.

The Company's Internal Audit Service annually assesses the performance against corporate and individual KPIs set for calculating annual bonuses for the management of the Company

and Group Subsidiaries. The audit results for top managers are subject to review by the Board of Directors' HR and Remuneration Committee.

Top manager assessment results are discussed by the HR and Remuneration Committee of the Board of Directors. The Board of Directors makes resolutions regarding annual bonus payments and their size depending on the management's progress against KPIs.

Target KPIs are normalised to reflect the factors beyond the management's control, such as FX volatility and global market prices, in accordance with the Regulations on the KPI Normalisation Procedure Related to Management Performance Review and Assessment in the Reporting Period to Calculate Annual Bonuses¹.



¹ The Regulations were approved (Minutes No. 27 dated 6 April 2015) and amended (Minutes No. 10 dated 27 September 2021) by Rosneft's Board of Directors.

Investment programme

Rosneft's 2022 investment programme was approved as part of the 2022–2023 Business Plan at the Board of Directors meeting on 17 December 2021 (Minutes No. 16 dated 20 December 2021).

The 2022 capex was mainly focused on maintaining and developing mature and new oil and gas assets to meet our strategic production and reserve replacement goals, as well as implementing cost-effective projects to develop refineries and a retail network development programme.

As part of drafting and implementing its investment programme, the Company swiftly responds to external and internal developments by selecting and prioritising projects and quickly optimising or reallocating investments between different

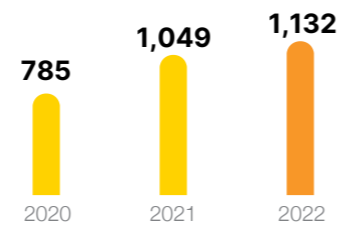
business segments based on portfolio management approaches.

Within our portfolio, we evaluate projects and investment opportunities on the basis of project profitability by taking into account risk assessments and the Company's financial capacity.

>rub
1.1 trln

Capex in 2022

CAPEX, RUB BLN



Investment process

OUR INVESTMENT ACTIVITIES HELP US ENSURE COMMITMENT TO THE FOLLOWING STRATEGIC PRIORITIES:

- Sustainable business growth driven by investments in competitive and high value-added projects based on an ongoing portfolio optimisation
- Increasing efficiency across all business streams through an in-depth analysis of investment needs, efficient decision-making and project implementation, monitoring and control throughout the project life cycle
- Strengthening investment discipline by ensuring better project identification, classification, thorough project analysis and efficient decision-making process reliant on delegation of authority
- Honouring social responsibility principles regarding occupational safety and environmental protection
- Focus on the UN Sustainable Development Goals to help achieve progress in addressing global economic, social and environmental challenges, including those related to carbon management

DELEGATING: INVESTMENT DECISION-MAKING HIERARCHY



Rosneft's investment governance process is integrated with all related processes, including strategic and business planning, budgeting, reporting and financial control, project management and corporate governance.

Operating and financial results

Exploration and production

In 2022, the Company's hydrocarbon production reached 5.10 mmbbl per day, up 2.3% year-on-year. After Sakhalin-1 resumed production in the fourth quarter of 2022, average daily output of hydrocarbons increased to 5.50 mmbbl.

The reporting year saw natural gas production at an all-time high of 74.4 bcm, up 15% year-on-year.

In 2022, Rosneft conducted over 4.4 thousand linear km of 2D seismic and more than 6.8 thousand sq. km of 3D seismic onshore. 64 exploration wells were completed and tested with a success rate of 80%.

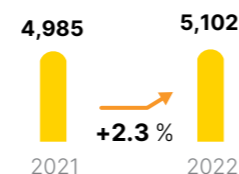
Our robust exploration activities helped discover seven fields and 153 deposits with a total of around 0.3 btoe in AB1C1+B2C2 reserves. Some of the most important discoveries included the Madachagskoye field on the Pechora Sea shelf with 82.3 mmt in recoverable AB1C1+B2C2¹ oil reserves, being the largest discovery in Russia in 2022. Under the Russian resource classification system (AB1C1+B2C2), Rosneft's hydrocarbon reserves totalled 159.3 bboe (21.5 btoe) as at 31 December 2022.

Following an audit under the PRMS (Petroleum Resources Management System) standards, the Company's 1P, 2P and 3P hydrocarbon reserves stood at 42.3 bboe, 84.2 bboe and 132.4 bboe, respectively,

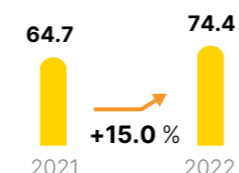
as at 31 December 2022. The 2P reserve replacement ratio exceeds 100%.

Production drilling in 2022 amounted to 11.2 mln m, up 3.3% year-on-year. Despite a volatile macroeconomic and geopolitical environment in recent years, Rosneft has been maintaining consistently high volumes of production drilling. The reporting year saw more than 3 thousand wells put into operation, with the share of the most efficient horizontal wells reaching 68%. The number of new horizontal wells drilled using multi-stage hydraulic fracturing techniques stood at over 1,300, or 43% of all wells commissioned during the year. Production per horizontal well was more than twice as high as per directional well. The Company relies on such wells to sustain production at mature fields by developing more complex deposits, as well as to reduce costs when developing conventional ones.

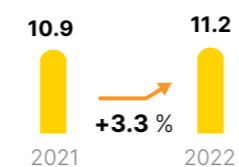
DAILY HYDROCARBON PRODUCTION, KBOE PER DAY



NATURAL GAS PRODUCTION, BCM



PRODUCTION DRILLING, MLN M



¹ The reserves were booked in the Russian State Register of Mineral Reserves in 2022.

Refining and sales

In the reporting year, Rosneft refined 94.4 mmt of crude oil. The refining depth and light product yield across its oil refineries in 2022 improved to 76.2% and 57.1%, respectively.

The Company continued to fully meet the growing domestic demand for high-quality motor fuels. In 2022,

domestic sales of petroleum products reached a record-breaking 42.1 mmt, up 6.0% year-on-year.

The Company has been consistently working on domestic technologies and import substitution, while providing its oil refineries in Russia with proprietary catalysts

for the production of motor fuels compliant with the latest standards. In the reporting year, Rosneft launched export sales of its catalysts given their high quality.

Financial results

In 2022, the Company achieved growth across key financial metrics thanks to its operating performance in the prevailing macroeconomic environment coupled with sound decision-making.

Thus, our revenue increased by 3.2% year-on-year, while EBITDA improved by 9.5%.

In the reporting year, our net income attributable to shareholders amounted to RUB 813 bln, mainly driven by non-cash items. The net income so achieved forms a solid basis for dividend payout for 2022.

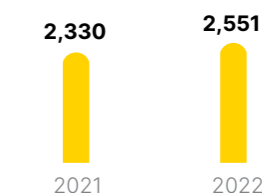
The Company's operating performance and transportation costs were negatively affected by higher electricity prices, as well as increased tariffs for transportation of oil and petroleum products by rail and pipeline.

In 2022, capex reached RUB 1.1 trln, up 7.9% year-on-year.

In order to maintain financial stability, Rosneft took a number of steps which helped reduce its financial debt and advance payment arrears by RUB 0.7 trln compared to the beginning of 2022.

The net debt/EBITDA ratio was 1.3x as at 31 December 2022, generally in line with that as at 1 January 2022.

EBITDA, RUB BLN



Vostok Oil project

In 2022, the Company conducted over 2 thousand linear km of 2D seismic and 2 thousand sq km of 3D seismic, drilled six exploration wells and completed construction of four wells with five wells being tested as part of the flagship Vostok Oil project. As a result, its resource base increased by 300 mln tonnes to 6.5 bln tonnes, with the project's high resource potential confirmed by an independent international audit.

In the second half of 2022, Rosneft started pilot production at the Payakhskoye field. So far, it has drilled more than 25 thousand m and completed seven production wells, while drilling is in progress at five more wells.

The construction of the Vankor-Payakha-Sever Bay trunk oil pipeline is underway, with coastal and berthing facilities being also

expanded. As part of the project, Rosneft built a record-breaking 2 thousand km of winter roads passing through the north of the Krasnoyarsk Territory and the Yamal-Nenets Autonomous Area.

Health, safety and environment

Strategic HSE guidelines and targets

As a national oil and gas champion and a major global energy company, Rosneft operates in strict compliance with Russian health, safety and environment (HSE) regulations.

Our top priority is to protect life and health of the Company's and contractors' employees.

The Company ensures safe working conditions seeking to support accident-free operations, keep

the equipment in good repair and proper working order and minimise environmental footprint in compliance with HSE requirements.

Our strategic goals, targets and initiatives as well as systemic approaches to HSE management are enshrined in the Rosneft-2030 Strategy.

Strategic HSE targets

- Drive towards:
 - zero fatalities by 2030 or sooner;
 - zero equipment breakdowns by 2030 or sooner;
- minimisation of environmental footprint;
- net positive impact on ecosystems.

HSE management system and principles

Resolutions adopted by the Board of Directors in 2018 ensure that Rosneft's operating and strategic priorities conform to the 17 UN Sustainable Development Goals, with five of them defined as key focus areas: Good Health and Well-Being, Affordable and Clean Energy, Decent Work and Economic Growth, Climate Action and Partnership for Sustainable Development.

The Company pursues its HSE objectives within the framework of the Integrated Health, Safety and Environment Management System (IMS).

The system is certified annually by external auditors to verify that it meets the national and global HSE standards.

In 2022, Rosneft and Group Subsidiaries successfully passed an external audit of the HSE IMS, which increased the number of certified Group Subsidiaries to 74 as part of the Company's overall certification. 32 Group Subsidiaries completed independent occupational health and safety certification, and 33 were certified in the area of environmental management.

The certification process includes more than 100 business units which account for 72.5 % of the total headcount of all Group Subsidiaries covered by the Company's management accounting procedures.

Currently, Rosneft has an HSE control system in place, which is governed by the Regulations on HSE Control.

In addition to the mandatory controls required by law, the Company employs the following main types of regular controls:

- full-scope and ad hoc inspections to verify compliance with HSE requirements, corporate plans and internal documents of the Company, as well as the adequacy of ongoing operational and environmental risk management efforts;
- internal HSE IMS audits to assess compliance with the Environmental Management System (ISO 14001) and Occupational Health and Safety Management System (ISO 45001) standards.

In 2022, Rosneft and Group Subsidiaries conducted 61 full-scope and ad hoc inspections and internal

HSE IMS audits. Following the audits, Group Subsidiaries prepared corrective action plans to bridge the gaps identified with a focus on the HSE management system improvements.

The HSE Control Commission regularly meets with the senior managers of Rosneft and Group Subsidiaries to address matters of operational safety and HSE risk management which require specific decisions to be made by the top management. In 2022, the HSE Control Commission held 11 meetings.

Rosneft seeks to improve its risk-oriented approach for the purposes of planning and implementing controls in a targeted way. In 2022, it developed and introduced practices to assess Group Subsidiaries based on their specifics and HSE metrics.

This approach underpins the control plan for 2023 which ensures objective assessment and covers potentially high-risk aspects of HSE activities, including with a special focus on key Group Subsidiaries and the most important projects for the Company.

Priority UN SDGs



Corporate HSE governance

The Board of Directors provides strategic management of the Company's HSE activities and regularly reviews related reports.

The HSE Committee is the Company's key standing coordinating body in charge of HSE. In 2022, the HSE Committee held six meetings to review matters and adopt

decisions seeking to manage HSE risks and prevent occupational injuries and accidents, including with an adverse environmental impact.

Safe working environment

The Company's top priorities are to ensure the safety of all employees and contractors who work for us, implement environmentally responsible work practices in all operational activities and minimise environmental footprint.

In order to achieve the goals of the Rosneft-2030 Strategy, systemic approaches to occupational health and safety (OHS) management have been defined:

- in terms of reducing fatal injuries:
 - application of a risk-oriented approach to OHS,

- absolute compliance with the Golden Rules of Safety,
- implementation of the Control of Work procedure,
- development of employee skills and competencies;
- in terms of reducing equipment breakdowns:
 - implementation of equipment reliability/integrity measures.

The Company provided ca. RUB 43.7 bln in OHS spending in 2022, including on activities required by national laws and corporate regulations, and strategic initiatives.

≈ rub
43,7
bln

OHS spending
in 2022

Leadership and safety culture

The managers of Rosneft and Group Subsidiaries annually commit to demonstrate their HSE leadership. Since 2022, the HSE Committee has been approving the HSE leadership criteria for managers at all levels. In line with these criteria, the managers of Rosneft and Group Subsidiaries develop their personal HSE leadership commitments with a focus on supporting employee safety and HSE compliance, including the Golden Rules of Safety covering key operational safety requirements of the Company.

Representatives of Group Subsidiaries regularly meet with contractors to discuss current health and safety issues, review incidents and lessons learned, and develop joint solutions to ensure high safety standards at the Company's facilities.

In 2022, the Company held two major environmental corporate events: the Strategy Session and the 9th Corporate Congress of Rosneft Ecologists. The participants

included top management, leaders and environmental experts from more than 150 Group Subsidiaries, and professionals from allied business units of the Company's Head Office.

The events focused on the environmental goals, strategic initiatives and key objectives set forth in the Rosneft-2030 Strategy, as well as the Company's progress towards them. Biodiversity conservation, global energy transition, circular economy and law enforcement trends were key issues in the reports presented by the Company's experts. The participants also discussed using forests as potential natural CO₂ absorbers to achieve net zero emissions, being the Company's strategic target for 2050, as well as measures to implement Rosneft's pilot forest and carbon management project in the Krasnoyarsk Territory aimed at increasing absorption to 10 mmt of CO₂-equiv.

To raise awareness of the Company's climate action among its employees, Rosneft continued to run its updated Carbon Management corporate courses in 2022. In the reporting year, Rosneft provided training to more than 150 employees of the Company's Head Office and Group Subsidiaries. A corporate distance learning course was prepared and launched in January 2023.

Contractor relations

Coordination of contractors' efforts in terms of operational safety is an important element of our safety culture and a prerequisite for the Company's sustainable development.

The HSE Policy makes no difference between the Company's and contractors' employees when protecting life and health and ensuring operational safety.

Contractor cooperation on HSE is a must throughout the entire cycle of customer-contractor interaction.

When preparing contract terms and procurement documentation, the Company assesses the risks associated with works and services to be provided by prospective contractors. Contractors are subject to mandatory HSE qualification procedures to verify they meet the Company's requirements for the availability of an HSE management system, qualified employees and personal protective equipment.

Upon signing the contract, contractors go through

a comprehensive work authorisation procedure to verify they are ready to operate safely and meet the Company's requirements.

Rosneft monitors contractors' operations, holds safety awareness sessions and conducts communication activities. Customers and their contractors also participate in joint accident and emergency drills.

Risk-oriented approach

The aim of HSE risk management is to introduce and maintain adequate and sufficient management actions regarding all identified risks that are consistent with the level of the risk assessed, provided with the necessary resources allocated by priority and approved on the required management level of the Company.

Application of the risk-oriented approach in HSE risk management includes assessment, analysis and management taking into account global and industry best practices, and helps predict possible events and take proactive steps to prevent them.

HSE risk management is a set of tools helping managers at various levels, from senior executives to line managers, to make the best and most efficient comprehensive decisions on operational safety when having limited resources. It is based on HSE risk analysis and assessment using a bow-tie diagram and single matrix of HSE risk assessment. These findings are a starting point in prioritising mitigation efforts and defining the management

level authorised to make a decision on the implemented risk management strategy.

The Company has developed standard diagrams for fire, road, blowout and pipeline leakage risks defining a set of proactive and reactive barriers (measures) for a particular type of incident. Based on the standard solutions, Group Subsidiaries develop programmes to create/enhance barriers. In particular, they already run programmes to prevent falls and road accidents.

In 2022, Rosneft streamlined HSE reporting timelines and formats to further align the same with the business planning process. These efforts will be embodied in new internal documents and put into practice in 2023.

The Company also applies the risk-oriented barrier approach to the investigation of HSE incidents and development of remedial actions.

The barrier approach to incident investigation is one of the key tools for reducing occupational injuries

and accidents. It helps significantly expand the scope and effectiveness of risk management, identify gaps in design solutions and/or applicable regulations and technical standards regarding the proactive and reactive barriers in each case under investigation, and develop specific remedial action plans.

With the new Rosneft-2030 Strategy in place, the risk-oriented approach remains the central element in HSE and covers the full cycle of operations, from planning to performance audits. Process safety in line with the proactive and risk-oriented approach results in a set of measures aimed at achieving the Company's safety targets. These measures are aimed not only at preventing accidents, but also at mitigating potential adverse consequences, primarily for people, society and the environment.

Process safety

The Company complies with federal and corporate regulations on process safety. Operational functions and HSE units of Group Subsidiaries oversee both the planning and implementation of necessary actions when developing operational programmes and business plans, while Rosneft exercises centralised control.

The Company plays an active role in improving legislation on process and fire safety, including the large-scale revision on the federal level. In 2022, Rosneft participated in discussing 154 draft regulations on occupational health and safety (draft laws of the Russian Federation, draft orders of Rostekhnadzor and federal ministries, draft resolutions of the Russian Government) put forward by Rostekhnadzor's R&D Council, the Industrial Safety Committee of the Russian Union of Industrialists and Entrepreneurs, federal ministries, the Russian Government and the State Duma of the Russian Federation. The Company reviewed and finalised consolidated comments on, and additions to, the above documents.

Rosneft is a regular participant in industry-specific meetings and conferences held by Rostekhnadzor's R&D Council, the Ministry of Energy and the Industrial Safety Committee of the Russian Union of Industrialists and Entrepreneurs. The Company actively contributes to Rostekhnadzor's working groups on revision of key federal standards and rules dealing with oil and gas industrial safety. In 2022, Rosneft participated in 44 meetings and joint sessions on HSE matters.

Since January 2019, the Company has been extensively using a routine to keep record of and categorise industrial incidents in line with its strategic target of zero equipment breakdowns. Along

with the risk-oriented (barrier) approach, special-purpose programmes are also in place to ensure the integrity of operational facilities, which is achieved primarily by including ad hoc inspections and audits in the action plans aiming to create/enhance barriers where the incidents have revealed inconsistencies.

In line with the Rosneft-2030 strategic targets in Environmental Leadership adopted in 2021 with a view to reducing land contamination from pipeline oil spills to zero by 2035, the Company updated its special-purpose programme titled "Oilfield Pipeline Reliability Improvement in 2020–2025" with a prospect up to 2035.

In 2022, the Company performed the following actions under its pipeline integrity programme "Pipeline Reliability Improvement in 2020–2025":

- revamp and repair of 1,580 km of oilfield pipelines;
- inhibition of more than 16,200 km of oilfield pipelines;
- in-line cleaning of 11,300 km of pipelines;
- diagnostics and safety reviews of 24,500 km of oilfield pipelines.

The Company continues to run equipment reliability improvement programmes in Oil Refining and Petrochemicals, including long-term pipeline replacement initiatives:

- replacement of CrMo steel pipelines with austenitic welds;
- replacement of end-of-life carbon steel pipelines;
- removal of dead-end sections;
- removal of various fittings;
- removal of open pressure relief valves;
- replacement of overhead pipelines.

To reduce risks of on-site accidents, the Company continues to run its geotechnical monitoring project, which includes continuous review

of existing facilities and those under construction, regular training for the staff involved and safe maintenance of facilities located on the permafrost soil, while also developing and updating the Company's internal documents governing the geotechnical monitoring design, construction and operation of facilities located on the permafrost soil.

As part of its target innovative project to develop geotechnical monitoring technologies, Rosneft intends to promote geotechnical monitoring at its facilities, including fundamental research into current permafrost processes, forecast of environment alterations driven by global climate change, search for and application of new methodologies and techniques enhancing the monitoring efficiency (e.g. cost reductions that do not translate into increased risks of on-site accidents).

Road traffic safety

In 2022, under its 2020–2022 Road Safety Plan, the Company implemented the following proactive measures to reduce road safety risks and prevent accidents:

- identifying dangerous locations on oilfield, on-site, industrial, or temporary winter roads and installing warning systems, traffic signs, and cameras that could help detect violations;
- monitoring the placement of road safety notices, traffic signs giving directions and alerting drivers to danger, as well as priority traffic signs, snow poles and hazard delineators;
- monitoring road infrastructure and maintenance (timely cleaning and treatment of road surfaces, placement of traffic signs, condition of ice and winter roads, readiness of utility vehicles);
- preventing road accidents, including vehicle roll-overs, and enhancing road safety across Group Subsidiaries;

- assessing the equipment of the Company's and contractors' vehicles using in-vehicle monitoring systems and video recorders;
- monitoring compliance with safety requirements related to transportation and trip planning arrangements, compliance with established travel routes and work and rest schedules by drivers of Group Subsidiaries and contractors using in-vehicle monitoring systems;
- running accident prevention campaigns "Safe road – 2022" and "We are for road safety – 2022" in the regions of operation;
- running the ten-day "Beware, Children!" campaign in anticipation of the school year held by Group Subsidiaries in cooperation with the traffic police, including discussions and drawing competitions devoted to road safety.

The programmes run by Group Subsidiaries in pursuance of the Company's Road Safety Plan have a positive effect. In 2022, Rosneft had zero road fatalities through the fault of its employees. With this in mind, we decided to continue our efforts in 2023 and beyond.



Environmental responsibility

Green investments

The Company consistently implements investment projects and initiatives seeking to achieve its strategic targets of minimising environmental footprint and facilitating biodiversity conservation in the regions

of operation. In 2022, green investments to improve pipeline reliability, wastewater treatment and waste management practices, and remediate contaminated land amounted to ca. RUB 57 bln.

≈ rub
57 bln

in green investments

Non-greenhouse gas emissions

In 2022, the Company reduced gross air pollutant emissions by 2% year-on-year, while also halving its excess emissions.

Our Gas Investment Programme has many environmental effects contributing to further reduction in air pollutant emissions.



Water protection

One of the Company's strategic priorities is to minimise the demand for fresh water in alignment with the United Nations Sustainable Development Goals. This is achieved through the implementation of infrastructure modernisation

projects and the use of the best available technologies. In 2022, the Company continued to improve the quality of wastewater discharges through construction and renovation of treatment facilities. This was helped by the renovated facilities reaching

their design capacity and existing ones being maintained to show the same efficiency as before.

The Company nearly halved the share of excess pollutant discharges in 2022 vs 2021.



Biodiversity conservation

As part of its corporate strategic initiatives designed to achieve a net positive impact on ecosystems, the Company places a special focus on biodiversity conservation. In 2022, Rosneft developed conceptual approaches to biodiversity conservation, formalising them in its internal documents, and also started drafting a corporate-wide Programme for Biodiversity Conservation in the regions of operation.

In pursuance of the national Environment project and the Cooperation Agreement between Rosneft and the Russian Ministry of Natural Resources and Ecology, the Company continued to assess the current natural state and population dynamics of key species in the marine and terrestrial ecosystems of the Arctic. These species are indicated in the Agreement and include wild reindeer, ivory gull, Atlantic walrus, and polar bear – all (except for the reindeer) listed in the Red Data Book of the Russian Federation.



Following up on the field work to study polar bear populations in 2020–2021, the Company was processing field data throughout 2022. In August 2022, further field studies were carried out with a focus on walrus populations on Alexandra Land, an island in Franz Josef Land, as well as the Orange Islands and Cape Zhelaniya, part of the Novaya Zemlya archipelago.

Reconnaissance and aerial surveys were conducted in wild reindeer habitats near the Kheta and Khatanga rivers, with their migration routes studied in the Taimyrsky Dolgano-Nenetsky and Evenki districts, Krasnoyarsk Territory. An office analysis of the findings and ivory gull biological specimens offered insights about eight ivory gull colonies in the Kara Sea.

Drilling waste and oily waste handling, land remediation

In 2022, the Company processed more than 4 mmt of drilling waste and around 1.2 mmt of oil-contaminated waste, which enabled it to dispose of the waste accumulated in the reporting year and reduce the amount of legacy waste. Rosneft keeps handling waste in line with the applicable Russian laws.

The Company continues to restore land resources by reducing the area of contaminated land,

with over 470 hectares remediated (more than 90% owing to the efforts of internal ecological services established by key Group Subsidiaries). Efforts are ongoing to survey contaminated areas and develop land remediation projects.

In 2022, the Company approved and started implementing a programme to eliminate environmental legacy effects, which aims to fully eliminate land contaminated and waste generated

as a result of past activities of previous owners of assets prior to their integration into Rosneft.

Carbon management

Carbon management – risk and opportunity management

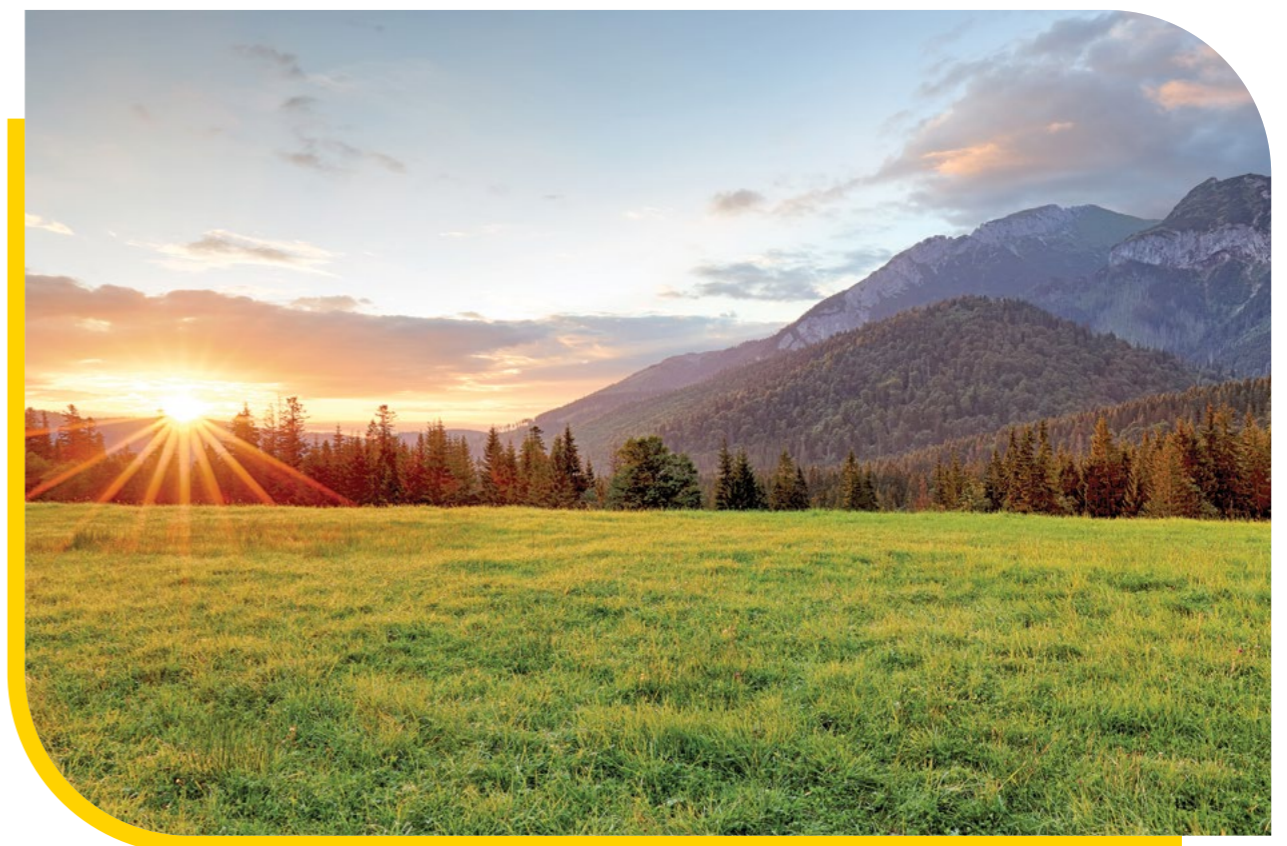
The Company takes into account the importance and impact of carbon management risks (including risks associated with climate change) on its operations. Our commitment to sustainability principles was further highlighted in the new Rosneft-2030 Strategy, which provides for a reduction of the Company's carbon footprint while boosting its operational and financial efficiency.

Rosneft plans to achieve carbon neutrality by 2050 through a number of strategic initiatives to reduce emissions. These initiatives imply:

- a more than 25% reduction in Scope 1 and 2 emissions by 2035 as compared to 2020;
- achievement of zero routine APG flaring in line with the World Bank's Zero Routine Flaring by 2030 initiative;
- a reduction of methane intensity to below 0.2%;

- a gradual transition of the Company's vehicles to low-carbon fuels.

These initiatives will contribute to the goals set by Russia's Long-Term Development Strategy with Low Greenhouse Gas Emissions to 2050 and will help Russia fulfil its obligations under the Paris Climate Agreement.



Corporate governance

Key corporate governance principles and improvements in 2022

Rosneft's leading market position, both domestically and globally, and its commitment to creating a long-term sustainable value make it of the utmost importance that our corporate governance framework ensures efficient communication and cooperation between the shareholders, Board members, top managers, employees, business partners, and local communities across the Company's footprint.

Our corporate governance framework seeks to drive the long-term sustainable growth of the Company's shareholder value.

Rosneft's corporate governance framework relies on the Corporate Governance Code developed in line with internationally recognised standards.

Rosneft maintains compliance with the Bank of Russia's Corporate Governance Code at a high level.

For evaluation of compliance with the Bank of Russia's Code, see [Appendix 1](#) to this Annual Report. The internal documents regulating corporate governance are available on the Company's official website.



[The Corporate Documents section of the Company's website](#)

GUIDING PRINCIPLES FOR THE COMPANY'S GOVERNING BODIES

Commitment to shareholders

Rosneft has adopted the world's best corporate governance practices, complies with the Bank of Russia's Corporate Governance Code to ensure the following:

- equal rights and opportunities for, and equitable treatment of all shareholders;
- professionalism and independence of the Board of Directors who act in the best interests of all shareholders;
- efficiency of the Risk Management and Internal Control System (RM&ICS);
- timely disclosure information on the Company's activities that is most relevant to shareholders and investors for them to rely on in making informed decisions (references to [Appendix 2](#) and the [Corporate Governance Code](#)).

A substantial share of the Company's net income is distributed as dividends. In 2022, our shareholders received RUB 250.4 bln. We continue enhancing the Shareholder's Personal Account, a powerful tool for shareholders to stay in contact with the Company.

Innovation and global leadership

Continuous improvement and global leadership are the priorities that encourage us to develop and invest in cutting-edge technologies.

Favourable environment for sustainable growth

The Company cares for its employees, their families, and members of local communities across its footprint. We at Rosneft keep a clear focus on employee health, having adopted an integrated framework to respond to epidemic threats. We supplied all production sites and offices with personal protective equipment and arranged for regular testing of our employees and contractors. The Company takes care of the environment by introducing carbon management initiatives and implementing best waste management practices. Commitment to environmental safety is an integral part of our corporate culture. The Company supports scientific research, culture, and sports. Rosneft respects and honours human rights and freedoms in accordance with the Universal Declaration of Human Rights, Social Charter of the Russian Business, relevant generally accepted standards, and the laws of the Russian Federation and other countries where the Company operates.

Partnership with non-governmental organisations and cooperation with state institutions

The Company is a party to the UN Global Compact. Rosneft is a major contributor to the revenue part of the national budget: over the past decade, the Company's taxes and other mandatory payments have accounted for 17% of all federal budget revenue for the period.

Protection of shareholders and key stakeholders

The Company implements best internal control and risk management practices, develops technologies for industrial safety and information security, and ensures product safety, protecting its customers and contractors.

Key achievements in 2022

Rosneft was able to improve its ranking in the Net Zero Company Benchmark, which measures global companies' progress towards carbon neutrality, and scored ahead of all Russian peers. The Company enhanced its position after it had announced its goals under the Rosneft-2030: Reliable Energy and Global Energy Transition Strategy approved by the Board of Directors in December 2021.

Rosneft is among the first companies in the Russian oil and gas industry to set a target of achieving net carbon neutrality by 2050 with respect to Scope 1 and 2 emissions.

The Rosneft-2030 Strategy outlines the climate agenda for short- and long-term horizons: cut absolute GHG emissions by 5% by 2025; reduce methane intensity to below 0.2%, achieve zero routine flaring of APG and cut specific GHG emissions in Exploration and Production to below 20 kg of CO₂ per boe by 2030; and cut absolute GHG emissions by more than 25% by 2035.

Rosneft's Board of Directors resolved to resume the Company's Open Market Share Buyback Programme and extend it until 31 December 2023. The decision to buy back its shares in the open market testifies to the confidence that Rosneft and its management team have in the Company's robust development going forward.

In line with the Bank of Russia's recommendations, the Company engaged JSC Kept (KPMG before 1 July 2022), an external consultant, to carry out external (independent) assessment of performance

(effectiveness) of Rosneft's Board of Directors and its committees in the 2021/2022 corporate year.

The assessment was based on the independent consultant's methodology aligned with the assignment approved by the HR and Remuneration Committee of the Board of Directors and included reviewing Rosneft's internal regulations that govern the activities of the Board of Directors, and surveying members of the Board of Directors.

Corporate governance plans for 2023

- Develop remote formats of engagement with shareholders and members of governing and supervisory bodies
- Meet goals and objectives outlined in the Rosneft-2030: Reliable Energy and Global Energy Transition Strategy



Governance and control structure

The Company operates a two-tier management model where management functions are split between the Board of Directors and executive bodies.

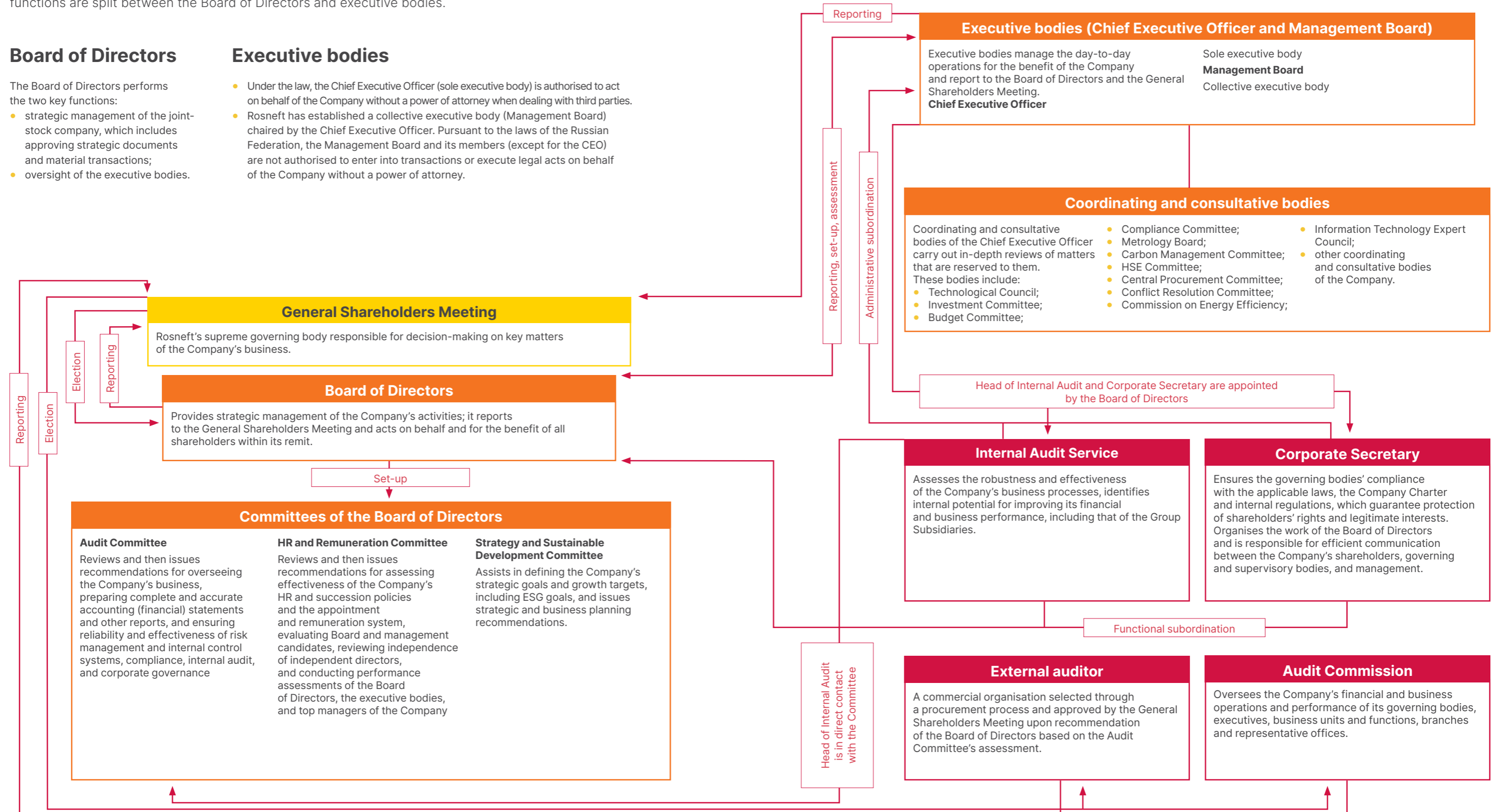
Board of Directors

The Board of Directors performs the two key functions:

- strategic management of the joint-stock company, which includes approving strategic documents and material transactions;
- oversight of the executive bodies.

Executive bodies

- Under the law, the Chief Executive Officer (sole executive body) is authorised to act on behalf of the Company without a power of attorney when dealing with third parties.
- Rosneft has established a collective executive body (Management Board) chaired by the Chief Executive Officer. Pursuant to the laws of the Russian Federation, the Management Board and its members (except for the CEO) are not authorised to enter into transactions or execute legal acts on behalf of the Company without a power of attorney.



General Shareholders Meeting

In 2022, the Company's supreme governing body met twice – for one Annual (FY2021) and one Extraordinary General Shareholders Meeting.



The procedure for convening, preparing for, holding and following up on the General Shareholders Meeting is set forth by **Rosneft's Regulations on the General Shareholders Meeting.**

Annual General Shareholders Meeting

Pursuant to Article 3 of Federal Law No. 25-FZ dated 25 February 2022, the Board of Directors had resolved to use absentee voting as the format for the Company's Annual General Shareholders Meeting, which was held on 30 June 2022 (vote by means of ballots).

The meeting approved the Annual Report, annual accounting (financial statements and net income distribution for 2021 (including for dividend payment), elected the Board of Directors and the Audit Commission, determined the remuneration of the Board

and Audit Commission members for the period, and approved the Company's Auditor.

Extraordinary General Shareholders Meeting

As part of implementing its dividend policy, on 23 December 2022 the Company held an Extraordinary General Shareholders Meeting by absentee voting, which resolved to pay interim dividends.

All resolutions of the 2022 shareholders meetings were implemented in full.

Exercise of rights by shareholders

THE COMPANY'S SHAREHOLDERS HAVE A NUMBER OF WAYS AVAILABLE TO THEM TO EXERCISE THEIR RIGHT TO TAKE PART IN THE GENERAL SHAREHOLDERS MEETING, INCLUDING:

- participation (registration and voting) at in-person meetings (directly or through their representatives acting by virtue of a power of attorney)
- e-voting through the Shareholder's Personal Account
- absentee voting (voting by paper ballots or giving voting instructions to their respective nominees)

At the same time, given the COVID-19 pandemic and related restrictions on public events, the Board of Directors decided to hold the 2022 Shareholders Meeting in absentia.

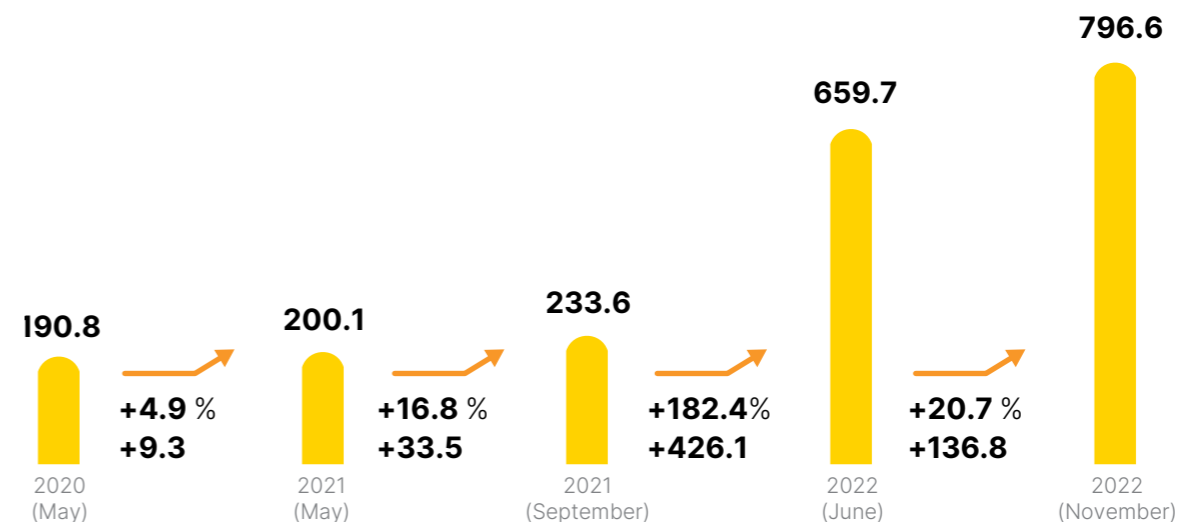
The Company's own corporate services and the existing tools for remote communication enabled our shareholders to participate in corporate proceedings in full and provided unconditional ability to exercise shareholder rights without physical presence.

The shareholders were able to carry out the following activities remotely:

- review the information on the meeting on the corporate website and in the Shareholder's Personal Account;
- vote on the items on the agenda via the Shareholder's Personal Account by sending completed ballots to the Company or giving voting instructions to their respective nominees;
- ask questions on the agenda via their personal accounts, the shareholder hotline, or by mail.

Given that the Company's initiative to enable the shareholders to exercise their rights remotely proved a success and taking into account the current changes in shareholder legislation and a tendency towards an increasing number of shareholders, Rosneft works to expand electronic services available to shareholders and develop other remote communication channels.

INCREASE IN THE NUMBER OF SHAREHOLDERS OVER THE PAST THREE YEARS, '000 PEOPLE



■ Number of shareholders
 ▲ Increase in the number of shareholders vs previous period

Board of Directors

THE BOARD OF DIRECTORS PERFORMS THE TWO KEY FUNCTIONS:

- 1 Strategic management of the joint-stock company, which includes approving strategic documents and material transactions
- 2 Oversight of the executive bodies

The Board of Directors has three standing committees created in accordance with Rosneft's internal regulations. The committees are composed of non-executive directors from the Company's Board of Directors. The Audit Committee and the HR and Remuneration Committee are chaired by independent directors. Members of each committee also include independent directors.

The committees of the Board of Directors are responsible for the preliminary consideration of most important matters and the provision of recommendations to the Board of Directors to inform their decisions.

The committees operate in accordance with approved plans to address the objectives set by the Board of Directors during their tenures.

Responsibilities of the Audit Committee

The Committee assists the Board of Directors in protecting the interests of the Company's shareholders by checking the accounting (financial) statements and other reports for completeness and accuracy and ensuring reliability and effectiveness of risk management and internal control systems, compliance, internal audit, and corporate governance.

In 2022, the Audit Committee positively assessed the effectiveness of external and internal audit processes and among other things reviewed the Report on Internal Audit Activities containing conclusions on the organisational independence of the Internal Audit Service and individual independence and impartiality of its employees.



Reference to the Regulations on Rosneft Board Committees

Responsibilities of the HR and Remuneration Committee

The Committee assists the Board of Directors in protecting shareholder interests. To that end, it is primarily tasked with assessing the effectiveness of the Company's HR and succession policies, and the appointment and remuneration system; conducting performance assessments

of the Board of Directors, the executive bodies, and other top managers of the Company.

In 2022, the Committee preliminarily considered the report on external (independent) assessment of performance (effectiveness) of Rosneft's Board of Directors

and its committees in the 2021/2022 corporate year carried out by external consultant JSC Kept (KPMG before 1 July 2022), which gave a positive assessment of the performance of the Board of Directors, its committees, procedures, and team competencies of the Board of Directors.

Responsibilities of the Strategy and Sustainable Development Committee

The Committee assists the Board of Directors in providing strategic management of the Company's activities and protecting shareholders' interests by overseeing Rosneft's strategy and sustainable development.

The Board of Directors positively assessed the performance of the committees in the 2021/2022 corporate year. In accordance with the Company's Regulations on Rosneft Board Committees, each of the existing committees submits to the Board of Directors an annual progress report.

In 2022, the Committee preliminarily considered the 2021 Sustainability Report and report on the progress against the Rosneft-2030 Strategy. The Committee noted positive trends in the Strategy implementation despite unprecedented changes in the external environment.

Executive bodies

- Under the law, the Chief Executive Officer (sole executive body) is authorised to act on behalf of the Company without a power of attorney.
- Rosneft has established a collective executive body (Management Board) chaired by the Chief Executive Officer. Pursuant to the laws of the Russian Federation, the Management Board and its members (except for the CEO) are not authorised to enter into transactions or execute legal acts on behalf of the Company without a power of attorney.

Anti-corruption efforts

Rosneft works to maintain compliance with the requirements of the anti-corruption laws of the Russian Federation, including through a set of measures aimed at building an organisational structure and elements of corporate culture, and establishing rules and procedures to prevent corporate fraud and corruption.

The effort was also aligned with the National Anti-Corruption Plan for 2021–2024 approved by Presidential Executive Order No. 478 dated 16 August 2021.

The new anti-corruption procedures were developed in accordance with the applicable international anti-corruption laws, Federal Law No. 273-FZ On Combating Corruption dated 25 December 2008, the guidelines of the Russian Ministry of Labour and the Federal Agency for State Property Management, as well as International Anti-Corruption Standard ISO 37001:2016 “Anti-bribery management systems – Requirements with guidance for use”, and the ICC Guidelines on Conflicts of Interest in Enterprises.

All of the Company’s governing bodies contributed to these efforts within their remit.

1. Rosneft’s Board of Directors (the Audit Committee of the Board of Directors) approved strategic documents and guiding principles, and regularly assesses the efficiency of such efforts; considered and approved the results of a review of the anti-corruption risk management and internal control process.

2. Rosneft’s Chief Executive Officer ensures the implementation of the Company’s Policy on Combating Corporate Fraud and Involvement in Corruption Activities, and approves the relevant internal regulations.
3. In accordance with the National Anti-Corruption Plan for 2021–2024 approved by Presidential Executive Order No. 478 dated 16 August 2021 (Instruction of the Russian Government No. MM-P17-12165 dated 6 September 2021) we drafted a Comprehensive Anti-Fraud and Anti-Corruption Programme for 2021–2024 (approved by Rosneft’s Compliance Committee on 20 June 2022, Minutes No. KK-1).

In the reporting period, Rosneft:

- updated its employees on typical violations of anti-fraud and anti-corruption rules (including management of conflicts of interest) on a quarterly basis;
- on an ongoing basis informed the relevant units about new regulations and government initiatives aimed at combating corruption;
- assessed/reassessed the risk of corporate fraud and corruption on a quarterly basis in line with the approved methodology;

- conducted ongoing anti-corruption audits of draft internal regulations;
- The All about Compliance information bulletin dedicated to the International Anti-Corruption Day was sent to all Rosneft employees on 9 December 2022.

The Company manages conflicts of interest at all levels.

The rules for the avoidance and prevention of conflicts of interest are set forth in the Corporate Governance Code, the Code of Business and Corporate Ethics, the Company’s Policy on Combating Corporate Fraud and Involvement in Corruption Activities, and the Regulations on Managing Conflicts of Interest.

The Regulations set out a framework to classify conflicts of interest, including conflicts of interest between shareholders and members of the Company’s governing bodies (e.g. decisions made by corporate governing bodies that might adversely affect the Company’s financial and operating performance; the Company failing to make a statutory disclosure or members of corporate governing bodies underreporting on their positions in governing bodies of other entities, on interests (stakes) held in other entities, or other information required to be disclosed by the applicable laws, the Company’s Charter or internal regulations).

The Board members’ obligations to disclose a conflict of interest are set out in the Regulation on the Holding by Members of Rosneft Board of Directors of Rosneft Shares, Shares of and Equity Stakes in Group Subsidiaries.

In addition, the Company undertakes the following:

- collects annual declarations on property and property-related obligations of its officers and employees, as well as on income, property and property-related obligations of their spouses and minor children who are included in the list of persons required to submit such declarations;

- carries out an annual campaign to collect ethical declarations of the Company’s officers and employees in order to monitor their compliance with restrictions, prohibitions and requirements of anti-corruption laws;
- requires new employees and employees appointed to new position to sign an anti-corruption clause, which forms part of their employment contracts and includes the restrictions, prohibitions and requirements aimed at preventing the conflict of interest.

All Group Subsidiaries have set up conflict of interest commissions.

The Company runs ongoing corporate training programmes in the field of countering corporate fraud and corruption for its employees, including those whose job responsibilities include participation in combating corruption, and new hires.

The Company operates a 24/7 Security Hotline to report on suspected, proven and potential cases of corporate fraud, corruption and conflict of interest.

15,273 reports

received by the Security Hotline in 2022

In 2022, the Security Hotline received 15,273 reports.

Identified/prevented damage amounted to RUB 172.0 mln.

Members of the Company’s Board of Directors are updated on the Security Hotline operation on a quarterly basis.

The Corruption Control section on the official corporate website has:

- the Company’s statement on its zero tolerance for corruption;
- key provisions of Russian and applicable international anti-corruption laws;
- internal documents on anti-corruption;
- Security Hotline contact details, etc.

Audit Commission

The Audit Commission monitors the Company’s financial and business activities and comprises five members elected on an annual basis by the Annual General Shareholders Meeting.

The Audit Commission audits the Company’s financial and business operations, verifies the accuracy and reliability of data included in Rosneft’s annual reports and annual accounting (financial) statements, and prepares proposals and recommendations for improving the asset management efficiency and RM&ICS.

In 2022, the Audit Commission held two meetings, which, among other things, adopted its action plan and approved an audit programme.

The findings of the Audit Commission following the audit were communicated as part of the materials for the General Shareholders Meeting in the form of an opinion of the Audit Commission

on the accuracy and reliability of data included in Rosneft’s Annual Report and annual accounting (financial) statements as at 31 December 2021.

On 30 June 2022, the Annual General Shareholders Meeting resolved to elect the Audit Commission as follows:

CHAIRMAN OF THE AUDIT COMMISSION

Zakhar Sabantsev¹

Born in 1974.

Graduated from the Moscow State University of Economics, Statistics, and Informatics.

Holder of ministerial awards – Letter of recognition from the Minister of Finance of the Russian Federation (2007), For Excellent Work in Finance badge of the Ministry of Finance of the Russian Federation (2012).

Section Head, Bank Sector Monitoring, Consolidated and Analytical Work Section, Financial Policy Department, Ministry of Finance of the Russian Federation.

MEMBERS OF THE AUDIT COMMISSION

Olga Andrianova

Born in 1958.
Graduated from the All-Russian State Distance-Learning Institute of Finance and Economics.
Holder of a ministerial award – Certificate of Merit of the Russian Ministry of Energy.
Chief Accountant – Head of Finance and Economics at JSC ROSNEFTEGAZ.

Sergey Poma

Born in 1959.
Graduated from Nakhimov Black Sea Higher Naval School and St Petersburg State University.
Vice President and Corporate Secretary of the National Association of Securities Market Participants (NAUFOR).

Mikhail Sorokin

Born in 1990.
Graduated from the State University of Management.
Deputy Director of the Strategic Development Department of the Russian Ministry of Transport¹.

Aleksey Kulagin

Born in 1986.
Graduated from Lomonosov Moscow State University and Tula State University.
Holder of a ministerial award – Acknowledgement of the Russian Ministry of Energy.
Deputy Director of the Department of State Energy Policy of the Russian Ministry of Energy.

¹ On 17 January 2023, Zakhar Sabantsev voluntarily resigned from his position as a member of the Audit Commission.

¹ At the time of election – Deputy Head of the Department of Property Relations and Privatisation of Major Organisations of the Federal Agency for State Property Management.

Risk Management and Internal Control System

Rosneft has established and is continuously improving its Risk Management and Internal Control System (RM&ICS) aimed at proactive identification and analysis of risks that may impact the Company's long-term targets as well as its ongoing financial and business operations.

To develop a well-structured and integrated risk management and internal control system, the Company has put in place a multi-level regulatory framework in this area, which outlines key RM&ICS principles at various stages.

Company policy

- Policy on the Risk Management and Internal Control System

Company standards

- Standard on Risk Management and Internal Control System
- Standard on the Corporate-Wide Risk Management System (CWRMS)

Company regulations

- Regulations on Design, Implementation and Maintenance of the Internal Control System
- Regulations on Market Risk Management
- Regulations on Development and Use of the Company-Wide Register of Standard Risks and Controls

Methodological guidelines

- Guidelines for Determining and Applying Risk Appetite
- Risk Assessment Guidelines

The Company has in place processes to identify, assess and manage strategic risks that may hinder the delivery against long-term

targets, financial and operational risks that affect the implementation of the Company's current business

plan, and business process risks that may hamper the Company's ability to achieve business targets.

MAIN RISK GROUPS

Short-term targets

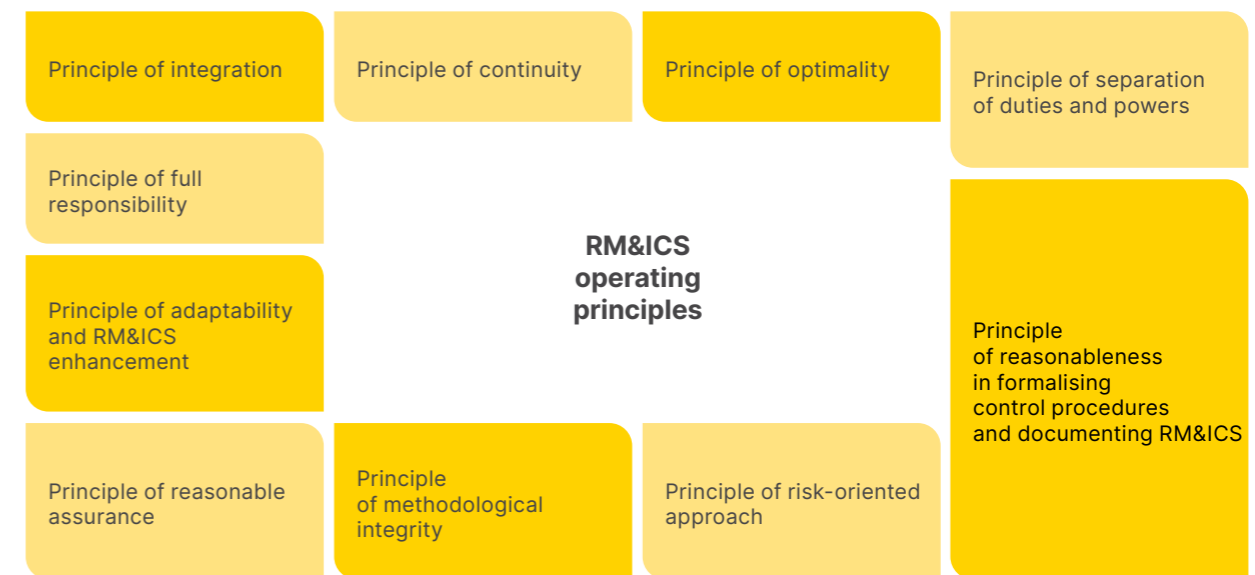
First-year targets outlined in the Company's business plan

Medium-term and long-term targets

Targets outlined in the Company's development strategy



KEY PRINCIPLES



The principles and objectives of the RM&ICS are set out in the Company's Policy on the Risk Management and Internal Control System¹ developed in accordance

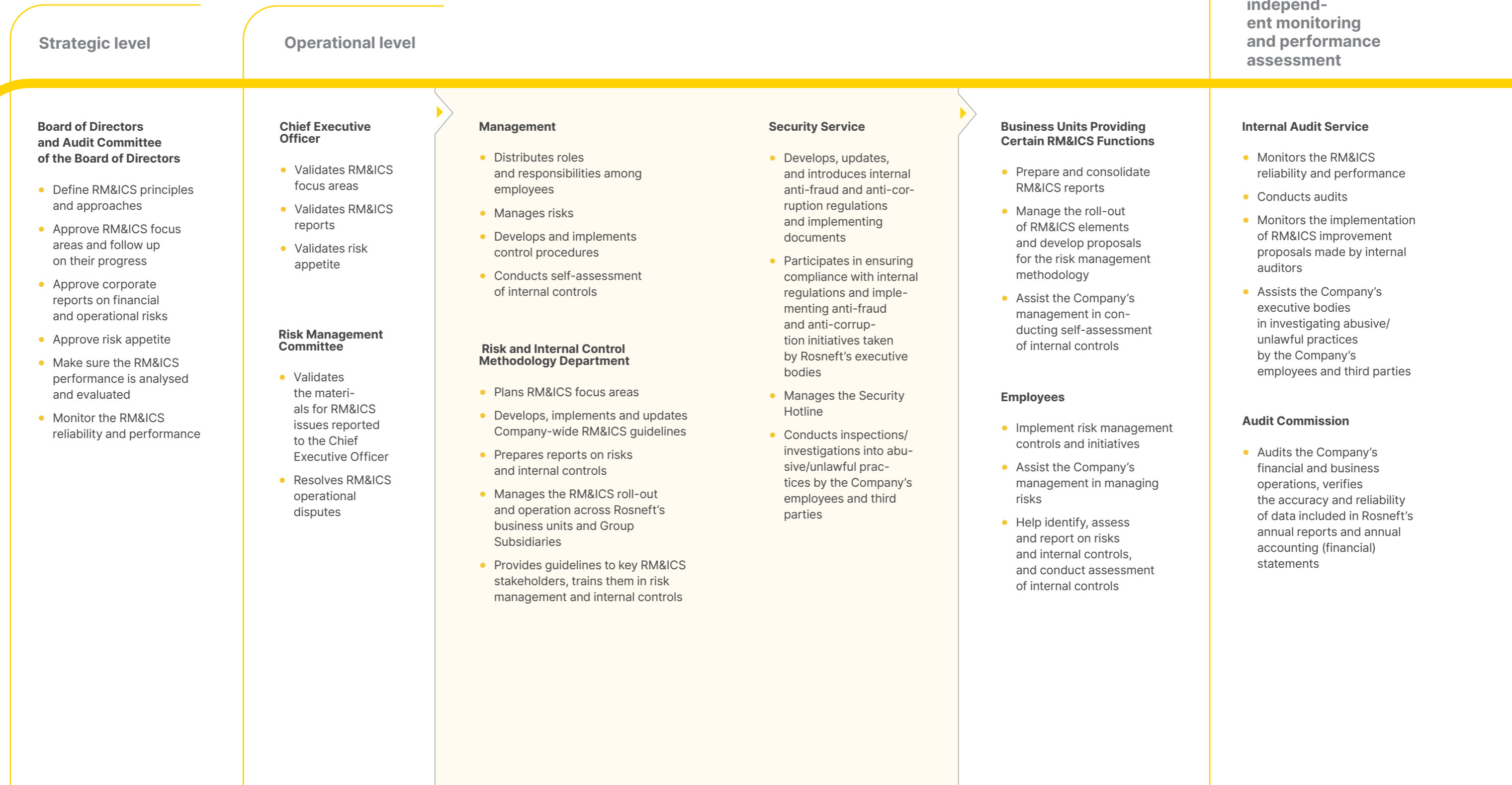
with the Russian regulatory requirements and drawing on recommendations of international firms engaged in risk management, internal control and audit services.

These are intended to provide reasonable assurance that the Company will achieve its goals.

¹ Rosneft's Policy on the Risk Management and Internal Control System No. P4-05 P-01 approved by the Company's Board of Directors, Minutes No. 15 dated 13 December 2021.

RM&ICS stakeholders

Rosneft's RM&ICS has various stakeholders whose roles are distributed depending on their involvement in developing, introducing and monitoring the performance of the system. The RM&ICS has three management levels.



RM&ICS enhancement

Owing to ongoing improvements in its RM&ICS, the Company can promptly respond to changes in the external environment and internal business processes, achieve better performance, and increase its shareholder value.

RM&ICS enhancement highlights for 2022

RM&ICS enhancement initiatives	Results
Development and improvement of guidelines on the Risk Management and Internal Control System	<ul style="list-style-type: none"> Standard on Risk Management and Internal Controls was successfully developed
Development and implementation of an RM&ICS training programme for the employees of Rosneft and Group Subsidiaries	<ul style="list-style-type: none"> Risk and internal control experts at RM&ICS business units of Rosneft and Group Subsidiaries underwent training The existing risk management and internal control distance course was updated and made available on the corporate intranet portal
Enhancement of the risk assessment framework leveraging economic and mathematical models and expert reviews	<ul style="list-style-type: none"> The Company's quantitative risk assessment models were verified (back-tested) Methodological guidelines were approved on the assessment of the risk of loss of rights to real estate as a result of non-existent/incomplete documents of title or claims of third parties
Implementing and maintaining the Internal Control System	<ul style="list-style-type: none"> A self-assessment of the Company's internal control was carried out, including the evaluation of control procedures conducted as part of a plan for testing their implementation A plan for developing, implementing and maintaining the Internal Control System was approved by the top manager in charge
Improving the RM&ICS processes across Group Subsidiaries	<ul style="list-style-type: none"> The Corporate-Wide Risk Management System was implemented by seven Group Subsidiaries

Key targets and objectives of the RM&ICS enhancement, as well as critical steps to achieve them, are set out in the RM&ICS Enhancement Plan, which is subject to approval by the Company's Chief Executive Officer and Board of Directors.



Internal Control System

THE INTERNAL CONTROL SYSTEM (ICS) IS AN INTEGRAL PART OF THE RM&ICS

- The both systems have aligned goals.
- The ICS is governed by the Company's Policy on the Risk Management and Internal Control System, Standard on Risk Management and Internal Controls, and Regulations on Design, Implementation and Maintenance of the Internal Control System.
- The Company relies on the above internal documents to identify risks inherent in its business processes and develop and implement controls, thus improving manageability and efficiency across business processes, reliability of financial statements, and compliance with the applicable laws and internal regulations.

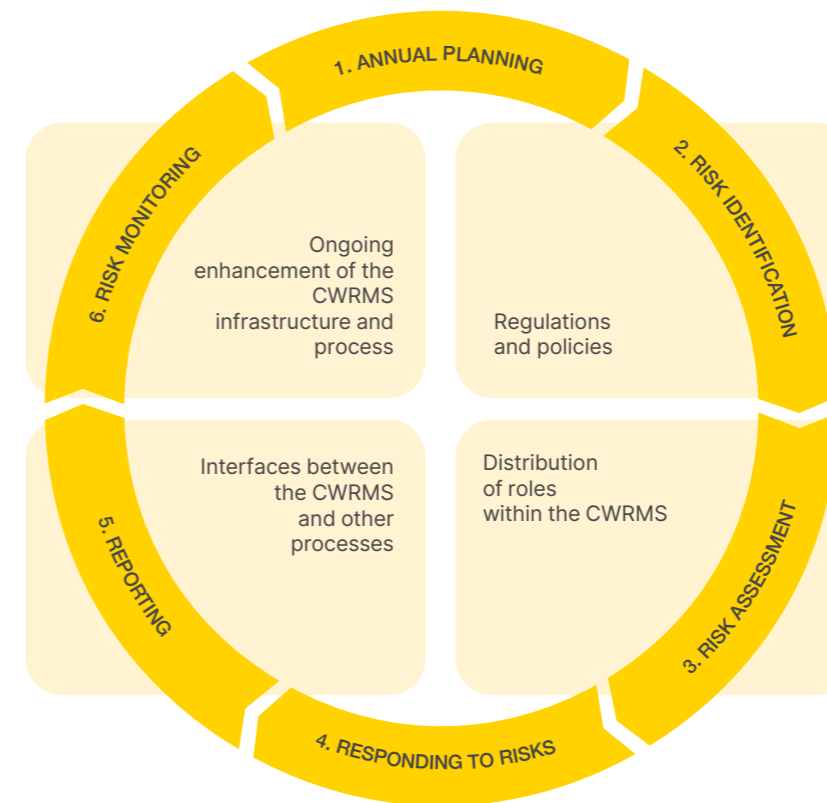
To achieve the ICS objectives, the Company needs to:

- 1 Define and update key ICS focus areas in alignment with the Company's needs and stakeholder requirements
- 2 Assess business process risks, develop, adopt and follow controls, including the development of uniform guidelines to support efficient ICS operations
- 3 Identify shortcomings in existing controls, develop and implement initiatives to address the same, streamline and upgrade controls
- 4 Develop and implement tools to facilitate communication and information sharing among all RM&ICS stakeholders, including via information systems

The Company's management and employees ensure the ICS efficiency by managing the relevant functions and performing their job duties.

Corporate-Wide Risk Management System

KEY COMPONENTS OF THE CORPORATE-WIDE RISK MANAGEMENT SYSTEM (CWRMS)



Risk management process

A combination of risk management elements supported by the existing organisational structure, internal policies and regulations, risk management procedures and techniques, which are applied across all management levels and functions of the Company to make its risks acceptable in the context of achieving Rosneft's strategic goals

Risk management infrastructure

A set of elements that provide a Company-wide basis, tools, and framework for risk management

Risk management at Rosneft is governed by the Company's Policy on the Risk Management and Internal Control System¹, Standard on Risk Management and Internal Controls² and Standard on the Corporate-Wide Risk Management System³.

The CWRMS is a combination of interrelated elements embedded into various business processes of the Company (including strategic and business planning processes) and implemented at all management levels by all employees of the Company.

As part of CWRMS, our management (at various organisational levels, including the Group Subsidiaries and the Company) regularly identifies and assesses risks and develops response measures covering, among others, risks that affect the Company's long-term goals (strategic risks) along with financial and operational risks. Risk reports including all the information on risks, their assessment and description of mitigants are submitted to the Board of Directors, its Audit Committee, Company's top management and employees.

Heads of the Company's business units arrange for, and steer risk management processes within their remit. When choosing a risk response and specific mitigants, risk owners seek to find an optimal trade-off while maintaining an acceptable risk level (risk appetite).

¹ Rosneft's Policy on the Risk Management and Internal Control System No. P4-05 P-01 approved by Resolution of the Company's Board of Directors, Minutes No. 15 dated 13 December 2021.
² Rosneft's Standard on Risk Management and Internal Controls No. P4-05 S-0028 approved by Resolution of the Company's Management Board No. Pr-IS-09p dated 31 March 2022.
³ Rosneft's Standard on Corporate-Wide Risk Management System No. P4-01 P-01 approved by Resolution of the Company's Management Board No. 660 No. Pr-IS-36p dated 28 September 2018.

Rosneft's risks

INDUSTRY-WIDE RISKS

- Risk of accidents
- Risk of fatal injuries
- Risk of failure to achieve oil and gas condensate production targets
- Risk related to rising purchase prices for electric power
- Risk of penalties for the quality of gas fed into transportation systems
- Risk of lower quality of refinery feedstock
- Risk of failure to comply with the repair plan in oil refining and petrochemicals
- Risk of accumulation of unclaimed liquid and non-liquid inventories
- Risk of failure to achieve natural gas and gas condensate production targets
- Risk of failure to achieve planned volumes of bulk wholesale of crude oil, petroleum products, gas processing products, and petrochemicals

FINANCIAL RISKS

- Risk of tax claims and risk of losing tax benefits
- Market risks
- Risk of an increase in overdue receivables
- Risk of default/cross-default

EXTERNAL CONSTRAINTS

Since 2014, the USA, EU and some other countries have been imposing various economic constraints on the Russian Federation, among other things, affecting operations of certain companies in the Russian energy and other industries (including Rosneft and some of its subsidiaries). In 2022, the Company was under considerably increased

sanctions pressure. However, Rosneft factors in and continuously monitors existing constraints to minimise their adverse effects, and consistently implements its Import Substitution and Equipment Localisation Programme in Russia, expands cooperation with companies from friendly countries, and redistributes its commodity flows.

LEGAL RISKS

- Risk of breach of competition laws
- Litigation risk

CHANGES IN LEGISLATION AND REGULATORY ENVIRONMENT

The Company's operating results are very sensitive to changes in the applicable laws, including tax, currency and customs regulations, etc. Rosneft continuously monitors and assesses such changes, and makes projections as to their likely effect on the Company's operations. Rosneft's experts are regular members of working groups drafting bills in various fields of law.

Risk appetite of the Company

The following risk appetite indicators were approved for 2022:

Financial and economic performance

The Company strictly complies with its financial covenants. The Company ensures that all its short- and long-term commitments are fulfilled as they fall due.

Health, safety, environment

Recognising the nature and scale of the footprint of its business, products and services, the Company feels responsible for safe and accident-free operation and protects health and safety of its employees and local residents in regions of its operation. As part of its commitment to preventing any potential adverse impact

on the environment, the Company makes every effort to protect, preserve and restore natural resources.

Corporate governance

The Company has zero tolerance for any form or manifestation of corporate fraud and corruption.

ESG risks

Rosneft is fully aware of the importance and impact of sustainability risks, including ESG, on the Company's business. Our commitment to sustainable business principles was further highlighted in the new Rosneft-2030 Strategy. It seeks to reduce the Company's carbon footprint and boost its operational and financial efficiency. The Strategy will help solidify Rosneft's position in the global hydrocarbon market as a reliable producer and supplier of energy, minimising its environmental and climate impact. Rosneft aims to achieve carbon neutrality by 2050 with respect to Scope 1 and 2 emissions. To accomplish this goal, the Company plans to reduce emissions, leverage low-carbon generation, develop energy-saving, carbon capture and storage technologies, and promote natural absorption.

We analyse sustainability risks as part of the effort to identify and assess risks that can affect the Company's long-term goals (strategic risks and threats). The annual process to identify and assess (prioritise) strategic risks and threats takes into account Russian and international research on the oil and gas industry development, and is based on the Company's strategic targets as set out in its development strategy. Following this analysis, we determine a list of strategic threats that can potentially impact the Company's ability to achieve its strategic goals. This list also includes threats related to various aspects of sustainable development.

Rosneft's management evaluates the impact of strategic threats (including those related to sustainable development) on the Company's strategic targets using expert

analysis and statistical approaches. The assessment horizon and the metrics used depend on the way specific targets are set out in the Strategy. The results are then consolidated using the probability theory and mathematical statistics methods to identify the key strategic threats, assess strategic risks and develop measures to mitigate them.

STRATEGIC THREATS RELATED TO SUSTAINABLE DEVELOPMENT

Environmental

- Accidents and environmental damage
- Advance of alternative energy and green technologies and improvements in energy efficiency
- Changes in the structure of energy consumption
- Natural disasters
- Climate change in the regions where the Company operates

Social

- Epidemics and diseases
- HR and social risks
- Armed conflicts, terrorism, civil disturbance
- Safety of critical facilities

Corporate governance

- Cyber security
- Deterioration of the tax regime
- Tighter regulation and requirements in the industry
- Stricter regulation and requirements related to climate change. New climate initiatives
- Reputation and less appealing investment case

Internal audit

In 2022, Rosneft's Internal Audit Service was governed by the Company's Policy on Internal Audit, Code of Ethics of the International Institute of Internal Auditors and international practices of internal audit.

The Internal Audit Service assists Rosneft's Board of Directors and the executive bodies of Rosneft and Group Subsidiaries in enhancing the Company's management efficiency and improving its financial and business performance, including through a systematic and consistent approach to the analysis and evaluation of the RM&ICS as well as corporate governance, therefore providing

reasonable assurance that the Company will achieve its goals. It also helps ensure:

- accuracy, reliability, and integrity of information on the Company's financial and business operations, including those of Group Subsidiaries;
- efficiency and effectiveness of the Company's operations, including those of Group Subsidiaries;

- room for improvement available across the Company's financial and business operations, including those of Group Subsidiaries;
- integrity of the Company's assets, including those of Group Subsidiaries.

Functional units of Rosneft's Internal Audit Service are mainly responsible for:

developing an internal audit plan based on the risk-oriented approach;

assessing the RM&ICS reliability and performance as well as its adequacy given the scale and complexity of the Company's business;

assessing corporate governance;

conducting audits and activities in line with the internal audit plan approved by Rosneft's Chief Executive Officer and endorsed by the Board's Audit Committee;

performing other inspections and tasks as instructed by Rosneft's Board of Directors (its Audit Committee) and/or the Company's Chief Executive Officer;

monitoring the Company's progress in addressing breaches and shortcomings identified during internal audits;

performing other functions essential to meet the tasks assigned.

Rosneft's internal audit function is performed by the Vice President – Head of the Internal Audit Service (Head of Internal Audit) and functional units of the Internal Audit Service. In accordance with Rosneft's organisational structure, units of the Internal Audit Service report directly to the Head of Internal Audit.

Reporting and accountability lines of internal audit

Functionally and administratively, the Internal Audit Service reports to Rosneft's Board of Directors and Chief Executive Officer respectively.

The existing reporting lines whereby the Head of Internal Audit reports to the Board of Directors and the Company's executive bodies provide sufficient independence for performing internal audit functions.

Heads of the Internal Audit functional units do not participate in managing functional areas of the Company's business requiring management decisions on audited entities.

The Head of Internal Audit provides Rosneft's Chief Executive Officer, Board of Directors (its Audit

Committee) with confirmation of the organisational independence of the Internal Audit Service and individual impartiality of internal auditors at least once a year, as part of the internal audit performance report.

Internal Audit Quality Assurance and Improvement Programme

In order to ensure proper quality control and performance evaluation of internal audit, the Internal Audit Quality Assurance and Improvement Programme was developed and put in place.

To deliver against the Programme's targets, a regular in-house self-assessment of the internal audit quality was conducted in 2022. It was concluded following the self-assessment that the internal audit function was generally in line with the requirements of the Company's Policy on Internal Audit and other regulations on internal audit, the International Standards for the Professional Practice of Internal Auditing, and the Code of Ethics of the International Institute of Internal Auditors.

In 2022, the risk-oriented internal audit plan was implemented in full.

The Head of the Internal Audit Service prepared a report on the internal audit performance for 2022 and submitted it to Rosneft's Board of Directors and its executive bodies.

In accordance with Federal Law No. 208-FZ On Joint-Stock Companies, an internal audit opinion was developed following a mandatory

audit of the reliability and effectiveness of the RM&ICS and also other internal audit inspections conducted in 2022.

Following the 2022 reliability and effectiveness assessment of RM&ICS, the Internal Audit Service concluded that the RM&ICS ensured overall support of the risk management process and efficient internal control system, providing reasonable assurance that the Company would achieve its goals.

Shareholder relations, key events in 2022

The Company has established a multi-level system to protect the rights of its shareholders.

Shareholder rights guaranteed by law

Pursuant to the Russian laws, the Company's shareholders have the right to:

- vote at the General Shareholders Meeting on a one-share-one-vote basis;
- propose items for the agenda of the General Shareholders Meeting and nominate candidates

- to the Board of Directors (if a shareholder owns at least 2% of voting shares);
- exercise pre-emptive right to buy shares in any future issue and issue-grade securities convertible into shares;
- receive dividends declared by the Company, in proportion to the number of shares held;

- review information and materials provided in preparation for the General Shareholders Meeting;
- obtain information on the Company's operations upon request and as established by the Russian laws;
- freely dispose of Rosneft's shares;
- exercise other rights granted under the Russian law.

Additional rights guaranteed by the Company's Charter and internal regulations

The Company offers equal and fair opportunities for its shareholders to exercise their legal rights by securing additional rights and procedures in the Charter and internal regulations, including the right to:

- receive part of the Company's profit as dividend;
- receive necessary information on the Company on a timely and regular basis;
- participate in managing the Company's operations.

Independent and professional Board of Directors

The composition of the Board of Directors and the number of Board members reflect the Company's shareholding structure.

Electing Board members by cumulative voting guarantees the rights and legitimate interests of shareholders.

The Board of Directors consists of four independent directors of internationally recognised business standing.

Official channels of communication with shareholders

The Company has established efficient means of communicating with its shareholders.

The Company has several communication channels in place to facilitate the exercise of corporate rights and promote efficient shareholder relations, including:

- Shareholder account on [the Company's website](#);
- 24 hour shareholder Hotline (a multichannel phone line to receive and handle calls): 8 (800) 500-11-00 (toll free within Russia) and +7 (495) 987-30-60;
- mailing address for letters: 26/1 Sofiyskaya Embankment, Moscow, 117997, Russia;
- email for requests: shareholders@rosneft.ru;
- fax: +7 (499) 517-86-53.

Shareholder's Personal Account

Shareholder's Personal Account enables all Rosneft shareholders, regardless of where their shares are kept, to take part in the General Shareholders Meeting online: register, vote on the agenda items, review information for the meeting, and ask their questions to the speakers.

All Rosneft shareholders of record also can:

- receive updates on their accounts in the register of shareholders online;
- use the registrar's services remotely (request and receive certificates, extracts, and notices) and pay for them online;
- monitor accrued dividends;
- request and receive 2-NDFL earnings certificates in a convenient way;
- exercise their rights in relation to several Shareholder's Personal Accounts within one session (one account).

Shareholders can log into their personal accounts at: <https://lka.rosneft.ru/auth/?authLg=en>

To gain access to their Shareholder's Personal Account, shareholders need to request login and password from the Moscow Head Office or regional branches of the Company's registrar, Reestr-RN LLC.

The rules governing the procedure of registering a Shareholder's Personal Account can be found on the website of Reestr-RN LLC or on the Company's website. Any questions concerning access to the Shareholder's Personal Account can be addressed to:

- Reestr-RN LLC call centre by phone: +7 (495) 411-79-11 (email: support@reestrn.ru);
- Hotline for Rosneft shareholders at: 8 (800) 500-11-00 (toll free within Russia) and +7 (495) 987-30-60; (email: shareholders@rosneft.ru).

In 2022, the Corporate Governance Department handled 5,278 applications, including:

3,994
phone calls

630
letters

178
emails

476
requests claiming unpaid dividends for prior periods

Answers to frequently asked questions can be found on [the Company's website](#).

Protecting shareholders' title to shares

The Company practices reliable and safe methods of recording title to its shares and has engaged a professional registrar to maintain its Shareholder Register.

The registrar, Reestr-RN LLC, registers holders of securities in Rosneft, more than 100 issuers within the Group, and over 1.4 thousand joint-stock companies from various industries.

Reestr-RN LLC consistently ranks among the top ten Russian registrars, records rights to shares of more than half a million security holders, actively develops digital customer

services, and maintains a network of 13 branches and 45 transfer agent offices, which operate in the regions where the majority of the Company shareholders reside.

The Company, together with Reestr-RN LLC, regularly notifies its shareholders of the need to update their personal data recorded in the Shareholders Register of Rosneft.



● **Resolutions** of the General Shareholders Meeting



● **Regulation** on Provision of Information to Rosneft Shareholders



● **Contact details** of the registrar and its service offices

Corporate Secretary

The Corporate Secretary of Rosneft oversees the Company's compliance with applicable laws, as well as Rosneft's Charter and internal regulations ensuring execution of the rights and legal interests of the Company's shareholders and successful interaction with shareholders, supports the Board of Directors' performance, and refines corporate governance practices in line with shareholders' and other stakeholders' interests.

The Corporate Secretary reports to the Board of Directors and is appointed and dismissed by the Chief Executive Officer on the basis of the Board of Directors' resolution.

The Corporate Secretary acts as the Board of Directors secretary and the General Shareholders Meeting secretary.

As part of their function to ensure Rosneft's shareholder relations and prevent corporate conflicts, the Corporate Secretary coordinates activities to implement procedures required under the laws of Russia and Rosneft's internal regulations with a view to executing the rights and legal interests of shareholders and controlling the same, as well as overseeing the execution

of rights and property interests of shareholders in decision-making by Rosneft's governing bodies.

The Corporate Secretary engages in actions required to prevent abuse of rights by all the parties involved in corporate relations, identifies potential corporate conflicts early on, and steps in to prevent and resolve them.



Dividend Policy

The Dividend Policy approved by the Board of Directors formalises the Company’s key principles of, and approaches to, dividend payouts to shareholders and introduces transparent decision-making processes for paying out (declaring) dividends and determining their amount and payment procedure.

Principles of the Dividend Policy:

- ensuring compliance with the requirements of the Russian laws, the Company’s Charter and internal regulations when paying out (declaring) dividends;
- maximising the transparency of the dividend calculation process;
- increasing the Company’s investment appeal;
- maintaining the balance of short- and long-term interests of shareholders;
- supporting shareholder commitment to improving the Company’s profitability;
- ensuring that the dividend payout pattern comfortably reflects an increase in Rosneft’s net profit;
- making dividend payments in a way most convenient for our shareholders;
- paying out dividends as soon as practicable.

In 2022, the Company made no changes to its Dividend Policy.



The decision to pay dividends is made by the General Shareholders Meeting upon recommendation of the Board of Directors.

In 2022, the Company discharged 99.98% of its obligation to pay out dividends. Dividends were paid to all shareholders of record, except for persons who failed to timely notify the issuer’s registrar of changes in the data recorded on their profile.

The Company’s Charter provides for a five-year period when shareholders may claim dividends

declared but not paid due to missing address or banking details, which is longer than required by the applicable laws.

A total of RUB 216.1 bln was allocated by Rosneft to paying its interim dividends for the first half of 2022, which represents 50% of the Company’s IFRS net income attributable to Rosneft shareholders.

In 2022, the Company paid dividends for FY2021 in the amount of

RUB 250.4 bln

The interim dividends were not due as at 31 December 2022.

On 25 May 2023, the Board of Directors recommended that the General Shareholders Meeting approve RUB 17.97 per share as dividend for FY2022. The total amount of dividends recommended for FY2022, including the interim dividends paid

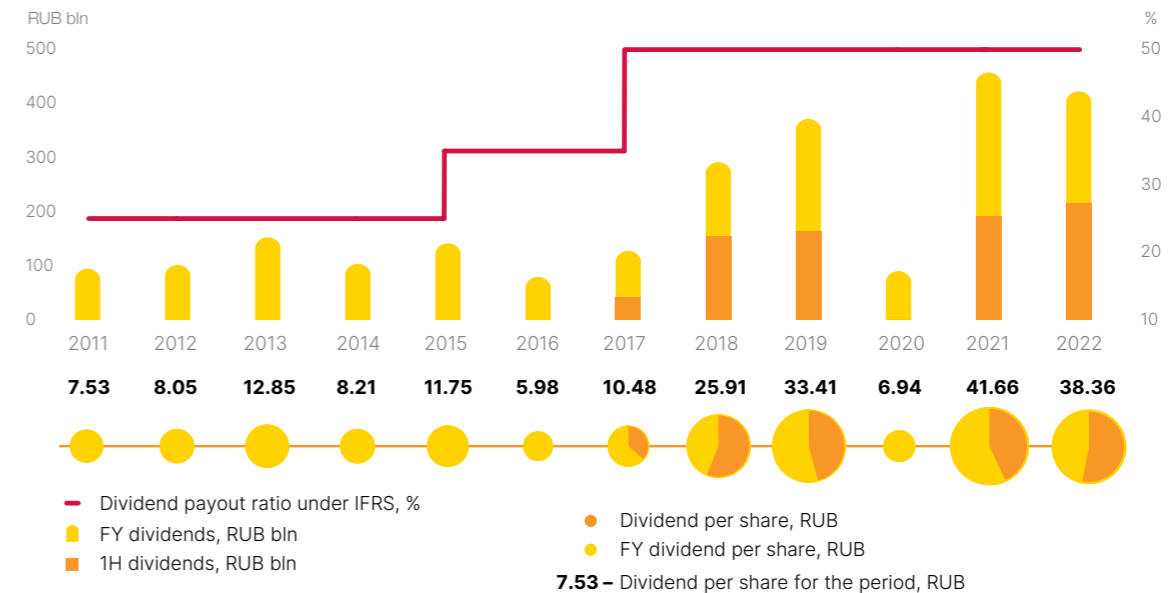
in 2023, is RUB 406.5 bln or RUB 38.36 per share¹. The dividend payout ratio calculated as dividends divided by non-consolidated net income under RAS for 2022 is 90.3%, while the dividend payout ratio calculated as dividends divided by consolidated net income under IFRS is 50% of the Company’s IFRS net income attributable to Rosneft shareholders.

In 2022, the Extraordinary General Shareholders Meeting resolved to pay interim dividends



Dividends section on Rosneft’s website

ROSNEFT’S DIVIDEND HISTORY



¹ Including the interim dividends and the dividends recommended by the Board of Directors to be approved at the Annual General Shareholders Meeting in 2023.

APPENDICES

Report on compliance with the principles and recommendations of the Corporate Governance Code

This report on compliance with the principles and recommendations of the Corporate Governance Code (the Report) was reviewed by Rosneft's Board of Directors at a meeting held on 25 May 2023 (Minutes No. 20 dated 29 May 2023) as part of the 2022 Annual Report.

The Board of Directors certifies that this Report contains complete and reliable information on Rosneft's compliance with the principles and recommendations of the Corporate Governance Code in 2022.

Rosneft assesses its compliance with the Corporate Governance Code as per the guidelines recommended by the Bank of Russia in Letter No. IN-06-28/102 on Disclosure

of Compliance with the Principles and Recommendations of the Corporate Governance Code in the Annual Report of a Public Joint-Stock Company dated 27 December 2021. Key aspects of the Company's corporate governance model and practice are outlined in Section Corporate governance of Rosneft's 2022 Annual Report.

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status ¹ of compliance with a corporate governance principle	Explanations ² on the failure to meet criteria for compliance with a corporate governance principle
1.1. The Company shall ensure equitable and fair treatment of all shareholders exercising their right to participate in managing the Company				
1.1.1	The Company provides the best possible conditions for shareholders to participate in General Shareholders Meetings, make informed decisions on agenda items, coordinate their actions and express their opinions on matters under consideration	1. The Company provides an easily accessible communication channel, such as a hotline, email or online forum, for shareholders to express their opinions and put questions regarding the agenda in preparation for a General Shareholders Meeting. The Company provided such communication channels and made them available to shareholders before every General Shareholders Meeting held in the reporting period	Complied with Complied with in part Not complied with	To maintain effective relations with shareholders, Rosneft provides the following communication channels: a shareholder hotline, mail and email, fax. The Company does not consider setting up a dedicated online forum, as it has other communication channels in place, as well as provides for the opportunity to discuss agenda items at General Shareholders Meetings and, if relevant, using Rosneft's social networks, which are mentioned on Rosneft's official website
1.1.2	The procedure to notify shareholders of a General Shareholders Meeting and provide them with relevant materials enables them to get well-prepared	1. In the reporting year, the notice of a General Shareholders Meeting was posted (published) on the Company's website at least 30 days prior to the date of the Meeting, unless the applicable law established a longer period. 2. The notice specified the documents required for admission to the Meeting venue. 3. Shareholders were informed about the persons who proposed agenda items and nominated candidates to the Company's Board of Directors and Audit Commission (if the Company's Charter required establishing such Commission)	Complied with Complied with in part Not complied with	

¹ The "complied with" status is assigned only if the Company's corporate practice meets all the criteria for compliance with a corporate governance principle set out in the third column of the form to be used for reporting on compliance with the Code's principles. If the Company's corporate practice meets only some of the compliance criteria or none of them, the "complied with in part" or "not complied with" status is assigned in the fourth column of the form to be used for reporting on compliance with the Code's principles.
² Explanations are given for each criterion for compliance with a corporate governance principle (assessment criterion) if the Company meets only some of the criteria or none of them.

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
1.1.3	When preparing for and participating in a General Shareholders Meeting, shareholders have unrestricted and timely access to any relevant information and materials, and are able to put questions to the Company's executive bodies and directors, as well as communicate with one another	<ol style="list-style-type: none"> In the reporting period, shareholders had the opportunity to put questions to the Company's executive bodies and directors both before and during the General Shareholders Meeting. The Board of Directors' opinions (including dissenting opinions (if any) recorded in the minutes) on each of the agenda items of the General Shareholders Meetings held in the reporting period were added to the Meeting materials. The lists of persons entitled to participate in each General Shareholders Meeting in the reporting period were made available to the shareholders eligible to review such lists as soon as the Company received those 	Complied with Complied with in part Not complied with	
1.1.4	There are no unjustified difficulties preventing shareholders from exercising their rights to convene a General Shareholders Meeting, nominate candidates to the governing bodies and propose items for the agenda	<ol style="list-style-type: none"> The Charter enables shareholders to propose items for the agenda of the Annual General Shareholders Meeting during at least 60 days after the end of the respective calendar year. In the reporting period, the Company rejected no item proposed for the agenda and no candidate to the Company's bodies due to misprints or other minor flaws in shareholders' proposals 	Complied with Complied with in part Not complied with	
1.1.5	Each shareholder is able to exercise their voting right without hindrance, in the simplest and most convenient way	<ol style="list-style-type: none"> The Company's Charter enables shareholders to fill out an electronic voting ballot on the website specified in the notice of a General Shareholders Meeting 	Complied with Complied with in part Not complied with	
1.1.6	The procedure for holding a General Shareholders Meeting established by the Company provides all persons present at the Meeting with equal opportunities to express their opinions and ask questions	<ol style="list-style-type: none"> In the reporting period, sufficient time for reporting on and discussing agenda items was provided at General Shareholders Meetings held in the form of a meeting (joint presence of shareholders), with shareholders having an opportunity to express their opinions and ask questions on agenda items. The Company extended invitations to the candidates nominated to the Company's governing and supervisory bodies and took all the necessary steps to make sure they participate in the General Shareholders Meeting convened to vote on their candidacies. During the Meeting, candidates to the Company's governing and supervisory bodies were available for questions from the shareholders. The sole executive body, the officer in charge of accounting, the Chairman or other members of the Board's Audit Committee were all available for questions from the shareholders during the General Shareholders Meetings held in the reporting period. In the reporting period, the Company used telecommunications equipment to provide shareholders with remote access to participate in the General Shareholders Meetings, or the Board of Directors made a well-informed decision to abstain from using such equipment in the reporting period due to its irrelevance (unavailability) 	Complied with Complied with in part Not complied with	Explanation on items 1–3: no General Shareholders Meetings were held in the form of a meeting (joint presence of shareholders) during the reporting period in line with Federal Law No. 25-FZ of 25 February 2022 On Amending the Federal Law On Joint-Stock Companies and Suspending Certain Provisions of Legislative Acts of the Russian Federation. Explanation on item 4: the Company has the Corporate Governance analytical information system in place. It enables shareholders to vote online and interact with the Company and the registrar via Shareholder's Personal Account

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
1.2. Shareholders are provided with an equitable and fair opportunity to receive a share of the Company's profits in the form of dividends				
1.2.1	The Company has developed and implemented a transparent and clear procedure to determine the amount of dividends and pay them out	<ol style="list-style-type: none"> Regulations on the Company's Dividend Policy have been approved by the Board of Directors and disclosed on the Company's website. If, in accordance with the dividend policy of a company issuing consolidated financial statements, the amount of dividends is determined based on the company's results recorded in its financial statements, the dividend policy shall employ the consolidated financial statements. In the reporting period, substantiation of the suggested net income distribution arrangements, including dividend payments and allocations for the Company's own needs, and their assessment for compliance with the Company's dividend policy (including explanations and the economic rationale for allocating part of the net income to cover the Company's own needs) were included in the materials for the General Shareholders Meeting set to consider income distribution (including dividend payments / dividend declaration) 	Complied with Complied with in part Not complied with	Explanation on item 3: the Company has approved a Rosneft Dividend Policy. In line with this Policy, the Company shall distribute at least 50% of its net income recorded in the IFRS consolidated financial statements (subject to Resolution of the Government of the Russian Federation No. 774-r dated 29 May 2006). The Board of Directors also works to establish if it is possible to pay out dividends in the amount determined pursuant to the Rosneft Dividend Policy and includes the relevant analysis in the Meeting materials. In accordance with recommendations approved by the Bank of Russia with respect to the disclosure of a report on compliance with the principles and recommendations of the Corporate Governance Code in the annual report of a public joint-stock company (Bank of Russia's Letter No. IN-06-28/102 dated 27 December 2021), the Company included explanations of the Board of Directors on allocating part of the Company's income for certain needs in the materials for the General Shareholders Meeting set to consider income distribution (for 2022)
1.2.2	The Company does not resolve to pay out dividends if such resolution, though not in breach of the legislation, is not economically viable and may lead to false assumptions about the Company's operations	<ol style="list-style-type: none"> In addition to statutory restrictions, the Regulations on the Company's Dividend Policy define financial/ economic circumstances under which the Company shall not pay out dividends 	Complied with Complied with in part Not complied with	Pursuant to Resolution of the Government of the Russian Federation No. 774-r dated 29 May 2006, the Rosneft Dividend Policy sets the target dividend at no less than 50% of Rosneft's IFRS net income. Said Resolution of the Government contains no restrictions (in addition to statutory restrictions) on a resolution to pay no dividends. In accordance with recommendations approved by the Bank of Russia with respect to disclosure of compliance with the principles and recommendations of the Corporate Governance Code in the annual report of a public joint-stock company (Bank of Russia's Letter No. IN-06-28/102 dated 27 December 2021) and clause 2.2.3 of the Rosneft Dividend Policy the Company included explanations of the Board of Directors on the absence of any financial limitations on dividend payments in the materials for the General Shareholders Meeting set to consider income distribution (for 2022)

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
1.2.3	The Company does not allow any negative changes in the dividend rights of its current shareholders	1. In the reporting period, the Company did not perform any actions causing negative changes in the dividend rights of its current shareholders	Complied with Complied with in part Not complied with	
1.2.4	The Company makes every effort to prevent shareholders from receiving profit (gain) from the Company other than in the form of dividends and liquidation value	1. In the reporting period, persons controlling the Company did not use any means to receive profit (gain) from the Company other than in the form of dividends (for example, by resorting to transfer pricing, unjustifiably rendering services to the Company at inflated prices, or using internal loans issued to controlling persons and/or their controlled entities as a substitution for dividends)	Complied with Complied with in part Not complied with	
1.3. Corporate governance framework and practices ensure equality of all shareholders owning shares of the same class (type), including minority and foreign shareholders, and their equitable treatment by the Company				
1.3.1	The Company ensures fair treatment of each shareholder by its governing bodies and controlling persons, specifically allowing no abuse of minority shareholders by major shareholders	1. In the reporting period, persons controlling the Company did not abuse the rights of the Company's shareholders, and there were no conflicts between persons controlling the Company and the Company's shareholders (or even if there were any, the Board of Directors gave such conflicts due consideration)	Complied with Complied with in part Not complied with	
1.3.2	The Company does not perform any actions that will or may result in artificial redistribution of corporate control	1. The Company has no quasi-treasury shares, or no quasi-treasury shares were used in voting during the reporting period	Complied with Complied with in part Not complied with	Pursuant to the Russian Government's resolution, Rosneft signed an agreement with a 100% government-owned company to sell all of Rosneft's interests and cease participation in all of its projects in Venezuela, including the joint ventures of Petromonagas, Petroperija, Boqueron, Petromiranda and Petrovictoria, as well as oilfield services companies, commercial and trading operations. Based on the agreement, all Rosneft assets and trading operations in Venezuela and/or those with connection to Venezuela have been disposed of, terminated or liquidated. The agreement and the sale of assets resulted in Rosneft's wholly-owned subsidiary receiving a 9.6% stake in its parent company. In addition, the Company's Open Market Share Buyback Programme, which also covers GDRs, saw its 100% subsidiary acquire a further 0.76% stake. None of these shares were used in voting during the reporting period

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
1.4. Shareholders are provided with reliable and effective methods of registering their ownership of shares and the opportunity to dispose of their shares freely and without hindrance				
1.4	Shareholders are provided with reliable and effective methods of registering their ownership of shares and the opportunity to dispose of their shares freely and without hindrance	1. The technologies used by the Company's registrar and the terms and quality of rendered services meet the needs of the Company and its shareholders and ensure the most effective way to keep record of share ownership and exercise shareholder rights	Complied with Complied with in part Not complied with	
2.1. The Board of Directors is responsible for the strategic management of the Company, formulating key principles of and approaches to the risk management and internal control system in the Company, supervising the work of the Company's executive bodies and performing other core functions				
2.1.1	The Board of Directors is responsible for the appointment of executive bodies and their dismissal, including as a result of failure to perform properly. The Board of Directors also ensures that the Company's executive bodies act in accordance with the approved development strategy and the Company's business profile	1. The Board of Directors has the powers stated in the Charter to appoint and dismiss members of executive bodies and to determine the terms and conditions of their contracts. 2. In the reporting period, the Nomination (Appointment, HR) Committee ¹ considered the matter regarding whether the members of executive bodies had the necessary professional qualification, skills and expertise to meet the current and expected needs of society in line with the Company's approved strategy. 3. In the reporting period, the Board of Directors reviewed the report (reports) of the sole executive body and the collective executive body (if applicable) on the implementation of the Company's strategy	Complied with Complied with in part Not complied with	
2.1.2	The Board of Directors sets major long-term targets for the Company, as well as assesses and approves its key performance indicators and primary business goals, along with the Company's strategy and business plans with regard to its core operations	1. In the reporting period, the Board of Directors addressed matters related to the strategy implementation and revision, approval of the Company's financial and business plan (budget), and review of criteria and indicators (including interim ones) as regards delivering on the Company's strategy and business plans	Complied with Complied with in part Not complied with	

¹ 3 The "Nomination Committee".

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
2.1.3	The Board of Directors formulates the principles of and approaches to risk management and internal control system in the Company	<ol style="list-style-type: none"> The principles of, and approaches to, organising the Company's risk management and internal control system were established by the Board of Directors and are set out in the Company's internal regulations defining the risk and internal control management policy. In the reporting period, the Board of Directors approved (revised) the Company's acceptable risks (risk appetite) or the Audit Committee and/or the Risk Committee (if applicable) considered the feasibility of putting forward the revision of the Company's risk appetite for consideration by the Board of Directors 	Complied with Complied with in part Not complied with	
2.1.4	The Board of Directors determines the Company's policy on remuneration and/or reimbursement of expenses (compensations) to its directors, executive bodies and other key managers	<ol style="list-style-type: none"> The Company has developed and implemented the policy (policies) approved by the Board of Directors on remuneration and reimbursement of expenses (compensations) to its directors, executive bodies and other key managers. In the reporting period, the Board of Directors addressed matters related to the above policy (policies) 	Complied with Complied with in part Not complied with	
2.1.5	The Board of Directors plays a key role in preventing, identifying and resolving internal conflicts between the Company's bodies, shareholders and employees	<ol style="list-style-type: none"> The Board of Directors plays a key role in preventing, identifying and resolving internal conflicts. The Company has developed a framework for identifying transactions involving a conflict of interest and a set of measures for resolving such conflicts 	Complied with Complied with in part Not complied with	
2.1.6	The Board of Directors plays a key role in ensuring the Company's transparency, full and timely information disclosure, and unhindered access of shareholders to the Company's documents	<ol style="list-style-type: none"> The Company has determined persons responsible for the implementation of the Information Policy in its internal regulations 	Complied with Complied with in part Not complied with	
2.1.7	The Board of Directors oversees the Company's corporate governance practices and plays a key role in the Company's material corporate events	<ol style="list-style-type: none"> In the reporting period, the Board of Directors reviewed the results of self-assessment and/or external assessment of the Company's corporate governance practices 	Complied with Complied with in part Not complied with	

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
2.2. The Board of Directors is accountable to the Company's shareholders				
2.2.1	Information on the performance of the Board of Directors is disclosed and provided to shareholders	<ol style="list-style-type: none"> The Company's Annual Report for the reporting period includes information on attendance of meetings of the Board of Directors and Committees by each of directors. The Annual Report includes information on key results of the Board of Directors' performance assessment (self-assessment) carried out in the reporting period 	Complied with Complied with in part Not complied with	Explanation on item 1: information on attendance of meetings of the Board of Directors and its Committees is not disclosed in the Annual Report in accordance with Resolution of the Government of the Russian Federation No. 351 dated 12 March 2022
2.3. The Board of Directors manages the Company in an effective and competent manner, and is able to make objective and independent judgements and decisions in the best interests of the Company and its shareholders				
2.3.1	Elected to the Board of Directors are only those individuals who have an impeccable business and personal reputation, as well as the knowledge, skills and experience required for making decisions within the remit of the Board of Directors and performing its functions effectively	<ol style="list-style-type: none"> In the reporting period, the Board of Directors (or its Nomination Committee) assessed candidates to the Board of Directors in terms of their required experience, knowledge, business reputation, lack of conflict of interest, etc. 	Complied with Complied with in part Not complied with	
2.3.2	The Company's directors are elected through a transparent procedure providing shareholders with sufficient information on candidates to form an opinion about their personal and professional qualities	<ol style="list-style-type: none"> In all cases where the agenda of a General Shareholders Meeting held in the reporting period included election to the Board of Directors, the Company provided shareholders with biographical details of all candidates to the Board of Directors, results of assessment carried out by the Board of Directors (or its Nomination Committee) to determine whether the members had the necessary professional qualification, skills and expertise to meet the current and expected needs of society, information on their compliance with the independence criteria as per Recommendations 102-107 of the Code, and their written consent to be elected to the Board of Directors 	Complied with Complied with in part Not complied with	
2.3.3	The composition of the Board of Directors is balanced, including in terms of directors' expertise, experience, knowledge and business skills, and worthy of shareholders' trust	<ol style="list-style-type: none"> In the reporting period, the Board of Directors analysed its needs in terms of professional qualifications, expertise and skills and identified the competencies the Board of Directors needs to develop in short and long run 	Complied with Complied with in part Not complied with	

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
2.3.4	The number of directors ensures the most effective arrangement of activities of the Company's Board of Directors, including by way of establishing Committees, and enables a candidate voted for by the Company's substantial minority shareholders to be elected to the Board of Directors	1. In the reporting period, the Board of Directors reviewed whether the number of directors was in line with the Company's needs and shareholders' interests	Complied with Complied with in part Not complied with	
2.4. The Board of Directors includes a sufficient number of independent directors				
2.4.1	An independent director is a person with sufficient professional skills, experience and independence to form their own opinions and make objective and fair judgements not influenced by the Company's executive bodies, certain groups of shareholders or other stakeholders. Under normal circumstances a candidate (elected director) may not be considered independent if they are related to the Company, its substantial shareholder, its substantial counterparty or competitor, or the government	1. In the reporting period, all independent directors met all of the independence criteria as per Recommendations 102-107 of the Code or were recognised as independent by the Board of Directors	Complied with Complied with in part Not complied with	

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
2.4.2	Candidates to the Board of Directors are assessed for compliance with the independence criteria, with independent directors being regularly checked against these criteria. Such assessments is in line with the substance over form principle	1. In the reporting period, the Board of Directors (or its Nomination Committee) formed an opinion regarding the independence of each candidate to the Board of Directors and submitted the relevant report to shareholders. 2. The Board of Directors (or the Nomination Committee) considered the independence of the current directors (after they had been elected) at least once in the reporting period. 3. The Company has developed procedures determining actions to be taken by a director if they cease to be independent, including their obligation to notify the Board of Directors accordingly and in a timely manner	Complied with Complied with in part Not complied with	
2.4.3	Independent directors make up at least one third of the elected directors	1. Independent directors make up at least one third of the Board of Directors	Complied with Complied with in part Not complied with	
2.4.4	Independent directors play a key role in preventing internal conflicts in the Company and taking material corporate actions by the Company	1. In the reporting period, independent directors (with no conflict of interest) make a preliminary assessment of material corporate actions involving a potential conflict of interest and submit the results thereof to the Board of Directors	Complied with Complied with in part Not complied with	
2.5. The Chairman of the Board of Directors ensures that the Board of Directors performs its functions in the most effective way				
2.5.1	The Chairman of the Board of Directors has been elected from among independent directors, or a senior independent director has been appointed from among the elected independent directors to coordinate their work and liaise with the Chairman of the Board of Directors	1. The Chairman of the Board of Directors is an independent director, or a senior independent director has been appointed from among independent directors. 2. The role, rights and responsibilities of the Chairman of the Board of Directors (and, if applicable, of the senior independent director) are duly specified in the Company's internal regulations	Complied with Complied with in part Not complied with	
2.5.2	The Chairman of the Board of Directors ensures constructive atmosphere during meetings, facilitates open discussion of agenda items and oversees implementation of the Board of Directors' resolutions	1. In the reporting period, the performance of the Chairman of the Board of Directors was assessed as part of the Board of Directors' performance assessment (self-assessment)	Complied with Complied with in part Not complied with	

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
2.5.3	The Chairman of the Board of Directors ensures that directors are provided with information required to make informed decisions on agenda items in a timely manner	1. The responsibility of the Chairman of the Board of Directors to ensure timely provision to directors of complete and reliable information on agenda items is specified in the Company's regulations	Complied with Complied with in part Not complied with	
2.6. Directors act reasonably and in good faith in the best interests of the Company and its shareholders, based on sufficient awareness and with due diligence and care				
2.6.1	Directors make decisions taking into account all available information, having no conflict of interest, ensuring equitable treatment of the Company's shareholders and keeping within the limits of common business risks	1. The Company's internal regulations specify that directors shall notify the Board of Directors of any conflict of interest they might have in relation to any agenda item prior to the discussion of that item at a meeting of the Board of Directors or its Committee. 2. The Company's internal regulations specify that a director shall abstain from voting on any item where they have a conflict of interest. 3. The Company has established a procedure enabling the Board of Directors to get professional advice on matters within its remit at the Company's expense	Complied with Complied with in part Not complied with	
2.6.2	Directors' rights and responsibilities are clearly stated and set forth in the Company's internal regulations	1. The Company has adopted and published an internal regulation clearly specifying directors' rights and responsibilities	Complied with Complied with in part Not complied with	
2.6.3	Directors have sufficient time to perform their duties	1. The assessment (self-assessment) of the Board of Directors in the reporting period included the analysis of individual attendance of meetings of the Board of Directors and the Committees and a review of whether a director had been on the Board long enough. 2. As per the Company's internal regulations, directors shall notify the Board of Directors of their intention to join the governing bodies of other companies (excluding those controlled by the Company) and of the fact of such an appointment	Complied with Complied with in part Not complied with	
2.6.4	All directors have equal access to the Company's documents and information. Newly elected directors are provided with sufficient information on the Company and the Board of Directors' activities as soon as practicable	1. As per the Company's internal regulations, directors have the right to access information and documents needed for the performance of their duties related to the Company and its controlled entities, and the Company's executive bodies are obliged to procure the relevant information and documents. 2. The Company has a formalised induction programme in place for newly elected directors	Complied with Complied with in part Not complied with	

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
2.7. Meetings of the Board of Directors, preparation for and attendance of these meetings are key to the effectiveness of the Board of Directors				
2.7.1	Meetings of the Board of Directors are held as necessary, given the Company's scope of operations and objectives at any given time	1. The Board of Directors held at least six meetings in the reporting year	Complied with Complied with in part Not complied with	
2.7.2	The Company's internal regulations set out a procedure to prepare and hold meetings of the Board of Directors enabling directors to make proper preparations	1. The Company has approved an internal regulation setting out the procedure to prepare and hold meetings of the Board of Directors and specifying, among other things, that the notice of a meeting shall be generally given at least five days prior to the date of the meeting. 2. In the reporting period, the directors who were unable to attend the meeting in person had the opportunity to participate in discussion and voting on agenda items remotely – via conference calls and video conferencing	Complied with Complied with in part Not complied with	
2.7.3	The format of a meeting of the Board of Directors is determined taking into account the importance of agenda items. Resolutions on the most important matters are adopted at in-person meetings	1. The Company's Charter or another internal regulation specifies that the most important matters (including those listed in Recommendation 168 of the Code) shall be reviewed at in-person meetings of the Board of Directors	Complied with Complied with in part Not complied with	
2.7.4	Resolutions on the most important matters related to the Company's operations are adopted at meetings of the Board of Directors by a qualified majority vote or by a majority vote of all elected directors	1. The Company's Charter specifies that resolutions on the most important matters, as per Recommendation 170 of the Code, shall be adopted at meetings of the Board of Directors by a qualified majority of at least three quarters of the votes or by a majority vote of all elected directors	Complied with Complied with in part Not complied with	Paragraph 10.5.5 of Rosneft's Charter specifies the range of matters to be resolved by the Board of Directors by a qualified majority vote. Given the scope of Rosneft's operations, the number of matters reviewed by the Board of Directors, the composition of the Board of Directors and the economic sanctions the Company is exposed to, expanding this range to include all matters set out in Recommendation 170 of the Code may materially impede or prevent the resolution of matters material to the Company. Therefore, setting a higher quorum as recommended by the Code may result in the Board of Directors not being able to resolve a number of key matters. At the same time, the number of directors, the structure of the Board of Directors, including four independent directors, the procedure to prepare for meetings, discuss matters at them and disclose information on them guarantee the protection of rights of all shareholder groups of the Company. The Company has no intention to change its approach in the medium term

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
2.8. The Board of Directors establishes Committees for preliminary consideration of the most important matters related to the Company's operations				
2.8.1	For preliminary consideration of matters related to the monitoring of the Company's financial and business operations, an Audit Committee composed of independent directors has been established	<ol style="list-style-type: none"> The board of directors has a standing audit committee comprised entirely of independent directors. The Company's internal regulations specify the Audit Committee's objectives, including, among others, those set out in Recommendation 172 of the Code. At least one member of the audit committee, who is an independent director, has knowledge and expertise in the preparation, analysis, evaluation and audit of accounting (financial) statements. The audit committee held at least one meeting per quarter during the reporting period 	Complied with Complied with in part Not complied with	
2.8.2	For preliminary consideration of matters related to the development of an effective and transparent remuneration framework, a Remuneration Committee composed of independent directors and chaired by an independent director not being the Chairman of the Board of Directors has been established	<ol style="list-style-type: none"> The board of directors has a standing remuneration committee comprised entirely of independent directors. The remuneration committee is chaired by an independent director who is not the chairman of the board of directors. The Company's internal regulations specify the Remuneration Committee's objectives, including, among others, those set out in Recommendation 180 of the Code as well as the circumstances (events) on the occurrence of which the Remuneration Committee shall consider a revision of the Company's remuneration policy for members of the Board of Directors, executive bodies and other key executive officers 	Complied with Complied with in part Not complied with	<p>The principle is not complied with inasmuch as the HR and Remuneration Committee of the Board of Directors is not exclusively composed of independent directors. The HR and Remuneration Committee of the Board of Directors is mostly made up of independent directors. The elected Chairman of the HR and Remuneration Committee of the Board of Directors is an independent director. The remit of the HR and Remuneration Committee of the Board of Directors includes matters reserved for a Nomination Committee and a Remuneration Committee by the Corporate Governance Code. Taking into account:</p> <ul style="list-style-type: none"> the Company's three standing committees (the Audit Committee, HR and Remuneration Committee, and Strategic Planning Committee); the recommendations and restrictions set out in the Code (on the minimum number of Committee members (three), on the maximum number of Committees a director may sit on, on the minimum number of independent directors on an Audit Committee and an HR and Remuneration Committee, and on the composition of Committees based on directors' relevant expertise), compliance with the recommendation to have all Committees chaired by independent directors is impracticable. <p>At the same time, the Company's internal regulations, including the Regulations on the Board of Directors, specify procedures to prevent any conflict of interest and eliminate the risk of recommendations by the committee of the Board of Directors being affected by the controlling shareholder or executive bodies. The Company has no intention to change its approach in the medium term</p>

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
2.8.3	For preliminary consideration of matters related to human resources (succession) planning, expertise and performance of the Board of Directors, a Nomination (Appointment, HR) Committee mostly composed of independent directors has been established	<ol style="list-style-type: none"> The board of directors has a standing nomination committee (or its objectives specified in Recommendation 186 of the Code are implemented by a different committee) with the majority of its members being independent directors. The Company's internal regulations specify the objectives of the nomination committee (or another relevant committee with combined functionality), including, among others, those set out in Recommendation 186 of the Code. To align the composition of the Board of Directors with the objectives and purposes of the Company, in the reporting period, the Nomination Committee, acting on its own or jointly with other Committees of the Board of Directors, or an authorised shareholder engagement division arranged for interaction with a broad range of shareholders to discuss the selection of candidates for the Company's Board of Directors 	Complied with Complied with in part Not complied with	
2.8.4	Given the scope of operations and risk levels, the Company's Board of Directors has ensured that the composition of its Committees is fully in line with the Company's objectives. Additional committees have been either established or found unnecessary (a Strategy Committee, a Corporate Governance Committee, an Ethics Committee, a Risk Management Committee, a Budget Committee, a Health, Safety and Environment Committee, etc.)	<ol style="list-style-type: none"> In the reporting period, the Company's Board of Directors reviewed the relevance of the structure of its Board of Directors to the scale, nature, objectives, needs of the Company and its risk profile. Additional committees have been either established or found unnecessary 	Complied with Complied with in part Not complied with	
2.8.5	The composition of Committees enables comprehensive discussion of matters subject to preliminary consideration with due regard to varying opinions	<ol style="list-style-type: none"> The Audit Committee, the Remuneration Committee and the Nomination Committee (or another relevant committee with combined functionality) were chaired by independent directors in the reporting period. The company's internal regulations (policies) contain provisions that prohibit the non-members to attend meetings of Audit Committee, the Remuneration Committee and the Nomination Committee (or another relevant committee with combined functionality), unless they are invited by the chairman of a respective committee 	Complied with Complied with in part Not complied with	
2.8.6	Committee Chairmen report on their Committees' performance to the Board of Directors and its Chairman on a regular basis	<ol style="list-style-type: none"> In the reporting period, Committee Chairmen regularly reported to the Board of Directors on their Committees' performance 	Complied with Complied with in part Not complied with	

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
2.9. The Board of Directors arranges performance assessment of the Board of Directors, its Committees and directors				
2.9.1	The Board of Directors' performance assessment is aimed at evaluating the effectiveness of the Board of Directors, its Committees and directors, checking their performance against the Company's development needs, enhancing their activities and identifying areas for improvement	<ol style="list-style-type: none"> The Company's internal regulations set out the procedure for carrying out the assessment (self-assessment) of the Board of Directors. In the reporting period, assessment (self-assessment) of the Board of Directors' performance included performance assessment of individual directors and the Board of Directors as a whole. Results of the assessment (self-assessment) of the Board of Directors carried out in the reporting period were reviewed at an in-person meeting of the Board of Directors 	Complied with Complied with in part Not complied with	Explanation on item 3: due to the pandemic in some of the countries, the Board of Directors reviewed the results of its assessment by absentee voting
2.9.2	Performance assessment of the Board of Directors, its Committees and directors is carried out on a regular basis at least once a year. To assess the Board of Directors' performance on an independent basis, an external organisation (consultant) is engaged at least once every three years	<ol style="list-style-type: none"> To assess the Board of Directors' performance on an independent basis, the Company engaged an external organisation (consultant) at least once over the last three reporting periods 	Complied with Complied with in part Not complied with	
3.1. The Company's Corporate Secretary ensures effective day-to-day interaction with shareholders, coordinates the Company's efforts to protect shareholder rights and interests, and contributes to the Board of Directors' efficient work				
3.1.1	The Corporate Secretary has sufficient knowledge, experience and expertise to perform their duties, as well as impeccable reputation, and enjoys shareholders' trust	<ol style="list-style-type: none"> The Company's website and Annual Report provide biographical details of the Corporate Secretary (including the age, education, qualification and expertise) and positions the Corporate Secretary held in governing bodies of other legal entities at least over the last five years 	Complied with Complied with in part Not complied with	In accordance with Resolution of the Government of the Russian Federation No. 351 dated 12 March 2022 On Special Aspects of Disclosing and Providing Information Subject to Disclosure and Provision under the Federal Law On Joint-Stock Companies and Federal Law On the Securities Market and on Special Aspects of Disclosing Insider Information under the Federal Law On Countering the Misuse of Insider Information and Market Manipulation and Amending Certain Laws of the Russian Federation, information about the Corporate Secretary is not disclosed

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
3.1.2	The Corporate Secretary is sufficiently independent from the Company's executive bodies and has the powers and resources required to perform their duties	<ol style="list-style-type: none"> The Company has adopted and disclosed an internal regulation on Corporate Secretary. The Board of Directors approves the candidate for the position of Corporate Secretary, terminates the Corporate Secretary's powers and considers the payment of additional remuneration to the Corporate Secretary. The Company's internal regulations define the Corporate Secretary's right to request and receive the Company's documents and information from governing bodies, structural subdivisions and officers of the Company 	Complied with Complied with in part Not complied with	
4.1. Remuneration paid by the Company is sufficient to attract, motivate and retain employees with the required competence and expertise. Remuneration is paid to the Company's directors, executive bodies and other key managers in accordance with the remuneration policy adopted by the Company				
4.1.1	Remuneration paid by the Company to directors, executive bodies and other key managers is sufficient to ensure their efficient work and enables the Company to attract and retain competent and qualified specialists. At the same time, the Company avoids paying higher-than-required remuneration or creating unreasonably wide remuneration gaps between any of the above persons and Company employees	<ol style="list-style-type: none"> The remuneration of members of the Board of Directors, governing bodies and other key executive officers of the Company is based on pay benchmarking against peers 	Complied with Complied with in part Not complied with	
4.1.2	The Company's remuneration policy has been developed by the Remuneration Committee and approved by the Board of Directors. The Board of Directors, supported by the Remuneration Committee, monitors the introduction and implementation of the remuneration policy in the Company, and revises and amends it as necessary	<ol style="list-style-type: none"> In the reporting period, the Remuneration Committee reviewed the remuneration policy (policies) and (or) its (their) implementation practices, assessed their effectiveness and transparency and, where necessary, submitted relevant recommendations to the Board of Directors to revise this policy (policies) 	Complied with Complied with in part Not complied with	

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
4.1.3	The Company's remuneration policy provides for transparent mechanisms to determine the amount of remuneration payable to its directors, executive bodies and other key managers, and covers all types of payments, benefits and privileges provided to them	1. The Company's remuneration policy (policies) provides (provide) for transparent mechanisms to determine the amount of remuneration payable to its directors, executive bodies and other key managers, and covers (cover) all types of payments, benefits and privileges provided to them	Complied with Complied with in part Not complied with	
4.1.4	The Company develops a policy on reimbursement of expenses (compensations) specifying reimbursable expenses and service levels that its directors, executive bodies and other key managers are entitled to. This policy may form part of the Company's remuneration policy	1. The Company's remuneration policy (policies) or other internal regulations specify procedures to reimburse its directors, executive bodies and other key managers for the expenses incurred	Complied with Complied with in part Not complied with	
4.2. Remuneration system for directors ensures alignment of their financial interests with the long-term financial interests of shareholders				
4.2.1	The Company pays fixed annual remuneration to its directors. The Company does not pay remuneration for participation in individual meetings of the Board of Directors or its Committees. The Company does not offer short-term motivation plans and additional financial incentives to the members of its Board of Directors	1. In the reporting period, the Company paid remuneration to members of the Board of Directors in line with the Company's remuneration policy. 2. In the reporting period, the Company did not offer the members of its Board of Directors any short-term motivation plans and additional financial incentives based on the Company's performance (performance indicators). The Company did not pay remuneration for participation in individual meetings of the Board of Directors or its Committees	Complied with Complied with in part Not complied with	
4.2.2	Long-term ownership of the Company's shares ensures best alignment of directors' financial interests with the long-term interests of shareholders. At the same time, the Company does not link the right to sell shares to achieving certain performance indicators, and directors do not participate in options plans	1. If the Company's internal regulation (regulations), namely its remuneration policy (policies), allows (allow) distribution of the Company's shares to directors, clear rules on share ownership by directors aimed at encouraging their long-term ownership shall be introduced and disclosed	Complied with Complied with in part Not complied with	

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
4.2.3	The Company does not provide any additional payments or compensations to directors in the event of early termination of office due to a transfer of control over the Company or any other circumstances	1. The Company does not provide any additional payments or compensations to directors in the event of early termination of office due to a transfer of control over the Company or any other circumstances	Complied with Complied with in part Not complied with	
4.3. Remuneration system for members of executive bodies and other key managers of the Company links their remuneration to the Company's performance and their personal contribution thereto				
4.3.1	Remuneration paid to members of executive bodies and other key managers of the Company ensures a reasonable and justified balance between the fixed and variable components, with the latter depending on the Company's performance and an employee's personal (individual) contribution thereto	1. In the reporting period, the variable remuneration for members of executive bodies and other key managers of the Company was linked to annual performance indicators approved by the Board of Directors. 2. During the latest assessment of the remuneration system for members of executive bodies and other key managers of the Company, the Board of Directors (the Remuneration Committee) ensured that the Company maintained an effective balance between the fixed and variable components of remuneration. 3. The remuneration payable to members of the executive bodies and other officers of the Company factors in the risks to which the Company is exposed to prevent excessively risky decision-making in management	Complied with Complied with in part Not complied with	
4.3.2	The Company has introduced a long-term incentive plan for members of its executive bodies and other key managers involving its shares (options or other derivatives with its shares as underlying assets)	1. If the Company introduces a share-based long-term incentive plan for members of its executive bodies and other key officers (share-based financial instruments), the right to sell shares and other financial instruments may be exercised no earlier than three years after the date on which they were granted. Moreover, the right to sell them is subject to the achievement by the Company of certain performance indicators	Complied with Complied with in part Not complied with	
4.3.3	The amount of severance pay ("golden parachute") payable by the Company to members of its executive bodies or key managers in the event of early termination of office, provided that such termination is initiated by the Company with no misconduct on the part of the respective employee, does not exceed twice the size of the fixed component of their annual remuneration	1. In the reporting period, the amount of severance pay ("golden parachute") paid by the Company to members of its executive bodies or key managers in the event of early termination of office, provided that such termination was initiated by the Company with no misconduct on the part of the respective employee, did not exceed twice the size of the fixed component of their annual remuneration	Complied with Complied with in part Not complied with	

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
5.1. The Company has put in place an effective risk management and internal control system to provide reasonable assurance that it will achieve its goals				
5.1.1	The Board of Directors has formulated the principles of and approaches to the risk management and internal control system in the Company	1. Risk management and internal control functions of the Company's governing bodies and divisions are clearly set out in the Company's internal regulations / relevant policy approved by the Board of Directors	Complied with Complied with in part Not complied with	
5.1.2	The Company's executive bodies ensure the establishment and maintenance of an effective risk management and internal control system in the Company	1. The Company's executive bodies have ensured the distribution of risk management and internal control duties, powers and responsibilities among heads of units and divisions accountable to them	Complied with Complied with in part Not complied with	
5.1.3	The Company's risk management and internal control system provides an accurate, fair and clear view of the Company's current situation and prospects, and ensures integrity and transparency of the Company's statements, as well as a reasonable and acceptable level of risk-taking	1. The Company has approved an anti-corruption policy. 2. The Company has established a safe, secure and easily accessible channel (hotline) to inform the Board of Directors or its Audit Committee about violations of law, internal procedures or the Code of Corporate Ethics	Complied with Complied with in part Not complied with	
5.1.4	The Company's Board of Directors takes the necessary steps to ensure that the Company's Risk Management and Internal Control System functions effectively and is in line with the relevant principles and approaches formulated by the Board of Directors	1. In the reporting period, the Board of Directors (the Audit Committee and/ or the Risk Committee (if applicable) arranged for an assessment of reliability and effectiveness of the risk management and internal control system. 2. In the reporting period, the Board of Directors reviewed the findings from the assessment of reliability and effectiveness of the risk management and internal control system to include them in the Company's annual report	Complied with Complied with in part Not complied with	

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
5.2. The Company conducts internal audits to assess the reliability and effectiveness of its Risk Management, Internal Control System and corporate governance on a regular and independent basis				
5.2.1	For the internal audit purposes, the Company has established a dedicated unit or engaged an independent external organisation. Functional accountability and administrative accountability of the internal audit unit are separated. The internal audit unit is functionally accountable to the Board of Directors	1. For the internal audit purposes, the Company has established a dedicated internal audit unit functionally accountable to the Board of Directors, or engaged an independent external organisation with the same accountability principle	Complied with Complied with in part Not complied with	
5.2.2	The internal audit unit is responsible for assessment of reliability and effectiveness of the risk management and internal control system and the corporate governance system and relies on generally accepted internal audit standards	1. In the reporting period, as part of internal audit, the reliability and effectiveness of the internal control and risk management system was assessed. 2. In the reporting period, as part of the internal audit, the corporate governance practice (practices) were assessed, including the communication procedures (including those relating to internal control and risk management) at all levels of the Company's governance and the stakeholder engagement procedures	Complied with Complied with in part Not complied with	
6.1. The Company and its operations are transparent to shareholders, investors and other stakeholders				
6.1.1	The Company has developed and implemented an Information Policy ensuring effective exchange of information between the Company, its shareholders, investors and other stakeholders	1. The Company's Board of Directors has approved its Information Policy developed in accordance with the Code's recommendations. 2. In the reporting period, the Board of Directors (or its Committee) considered the effectiveness of communication between the Company, shareholders, investors and other stakeholders and the advisability of (need for) a revision of the Company's Information Policy	Complied with Complied with in part Not complied with	
6.1.2	The Company discloses information on its corporate governance system and practices, including detailed information on its compliance with the principles and recommendations of the Code	1. The Company discloses information on its corporate governance system and on the general corporate governance principles it uses, including by disclosing such information on the Company's website. 2. The Company discloses information on the composition of its executive bodies and Board of Directors, on the independence of directors and their membership in the Committees of the Board of Directors (as defined in the Code). 3. If there is a person controlling the Company, the Company publishes a memorandum on behalf of such controlling person detailing their plans as regards corporate governance in the Company	Complied with Complied with in part Not complied with	Explanation on item 2: information about the members of the Management Board is not disclosed in accordance with Resolution of the Government of the Russian Federation No. 351 dated 12 March 2022 and the recommendations of the Bank of Russia (Information Letter No. IN-02-28/108 dated 24 August 2022)

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
6.2. The Company discloses complete, up-to-date and accurate information on the Company in a timely manner to ensure that its shareholders and investors are able to make informed decisions				
6.2.1	The Company discloses information on a regular basis and in a consistent and timely manner, in line with the principles of data accessibility, accuracy, completeness and comparability	<ol style="list-style-type: none"> The Company has in place a procedure streamlining the work of all the Company's structural subdivisions and employees involved in disclosing information or whose activity may lead to the need for disclosing information. If the Company's securities are traded in established foreign markets, disclosures of material information during a reporting year are made in Russia and in such markets on a concurrent and equal basis. If foreign shareholders own a substantial number of shares in the Company, disclosures during the reporting year were made in Russian and in one of the most widely used foreign languages 	Complied with Complied with in part Not complied with	
6.2.2	The Company avoids formal approach to information disclosures and discloses material information on its operations even if such disclosures are not required by law	<ol style="list-style-type: none"> The Company's Information Policy defines approaches to non-mandatory disclosure of information on other events (actions) that have a material effect on the price and quotes of its securities. In accordance with Recommendation 290 of the Code, the Company discloses information on its capital structure in the Annual Report and on its website. The Company discloses information on its material controlled legal entities, including their key business areas, mechanisms for ensuring their accountability, and the powers of the Company's Board of Directors to define their strategy and assess their performance. The Company publishes a non-financial report, i.e. a sustainability report, environmental report, corporate social responsibility report or another report providing non-financial information, including that on the Company's environmental (environment protection and climate change), social, and governance (ESG) performance, other than the report of the issuer of issue-grade securities or the annual report of a joint-stock company 	Complied with Complied with in part Not complied with	<p>Explanation on item 3: the Company discloses information on its material controlled legal entities, including their key business areas and mechanisms for ensuring their accountability. Rosneft's Board of Directors oversees the development of the strategy and performance assessment at controlled legal entities using the following mechanisms:</p> <ul style="list-style-type: none"> control over executive bodies whose remit includes the approval of the Group Subsidiaries' plans as per Rosneft's Charter; corporate procedures governed by Rosneft's internal regulations, which ensure alignment of all strategic planning documents of Rosneft and the Group Subsidiaries with Rosneft's strategy approved by the Board of Directors. <p>The powers of the Board of Directors to approve Rosneft's Strategy and monitor its implementation, and the powers of the Chief Executive Officer and the Management Board to approve the planning documents of the Group Subsidiaries are set forth in Rosneft's Charter. The powers of the Strategy and Sustainable Development Committee of Rosneft's Board of Directors to define the Company's policy with respect to the Group Subsidiaries are set forth in the Regulations on Rosneft Board Committees and disclosed on the corporate website. Detailed information on internal procedures for approval of strategic documents of the Group Subsidiaries and control over their implementation by the Board of Directors (its committees) is not disclosed. The Company has no intention to change this approach in the medium term</p>

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
6.2.3	As a key communication tool to liaise with shareholders and other stakeholders, the Annual Report provides information needed to assess the Company's performance for the year	<ol style="list-style-type: none"> The Company's Annual Report provides information on the results of the external and internal audit assessment by the Audit Committee. The Company's Annual Report provides information on the Company's environmental and social policies 	Complied with Complied with in part Not complied with	
6.3. The Company provides shareholders with equal and unhindered access to information and documents as per their request				
6.3.1	No unreasonable difficulties prevent the shareholders from exercising their right to access the Company's documents and information	<ol style="list-style-type: none"> The Company's information policy (internal regulations setting forth the information policy) define(s) the procedure ensuring unhindered access to the Company's information and documents at the shareholders' request. The Company's information policy (internal regulations setting out the information policy) contain(s) provisions stipulating that the Company shall take all necessary steps to obtain the information on its controlled entities from the relevant controlled entities, as may be requested by the shareholders 	Complied with Complied with in part Not complied with	
6.3.2	When providing information to shareholders, the Company maintains a reasonable balance between the interests of individual shareholders and those of the Company, as it is in the Company's best interests to keep confidential any sensitive commercial information that may have a material effect on its competitive position	<ol style="list-style-type: none"> In the reporting period, the Company did not refuse to provide shareholders with requested information, or such refusals were justified. If and when required by the Company's Information Policy, shareholders are informed of the sensitive nature of the information provided and undertake to keep it confidential 	Complied with Complied with in part Not complied with	

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
7.1. Actions that have or may have a material effect on the Company's shareholding structure and financial position and, consequently, on the shareholders' position (material corporate actions) are taken on fair terms ensuring that rights and interests of the shareholders and other stakeholders are respected				
7.1.1	Material corporate actions include reorganisation of the Company, acquisition of 30% or more of the Company's voting shares (takeover), major transactions made by the Company, increase or reduction in the Company's charter capital, listing and delisting of the Company's shares, and other actions that may result in a material change in the rights of shareholders or be against their interests. The Company's Charter sets out a list (criteria) of transactions or other actions deemed to be material corporate actions and reserved to the Company's Board of Directors	1. The Company's Charter sets out a list (criteria) of transactions or other actions deemed to be material corporate actions. As per the Company's Charter, decision-making with regard to material corporate actions is reserved to the Board of Directors. If and when the law expressly reserves such corporate actions to the General Shareholders Meeting, the Board of Directors provides shareholders with relevant recommendations	Complied with Complied with in part Not complied with	
7.1.2	The Board of Directors plays a key role in making decisions or recommendations with regard to material corporate actions and relies on the opinion of the Company's independent directors	1. The Company has established a procedure for independent directors to express their opinions on material corporate actions before their approval	Complied with Complied with in part Not complied with	

No.	Corporate governance principles	Criteria for compliance with a corporate governance principle	Status of compliance with a corporate governance principle	Explanations on the failure to meet criteria for compliance with a corporate governance principle
7.1.3	When taking material corporate actions affecting the rights and legitimate interests of shareholders, the Company ensures equitable treatment of all of its shareholders, and, where statutory mechanisms protecting shareholder rights are insufficient, takes additional steps to protect the rights and legitimate interests of the Company's shareholders. In doing so, the Company is guided not only by the formal regulatory requirements, but also by the corporate governance principles specified in the Code	1. Approval of the Company's material transactions is reserved to Board of Directors as per the Company's Charter, with due regard to the specifics of the Company's operations and in addition to regulatory requirements for transaction approvals. 2. In the reporting period, all material corporate actions were duly approved prior to their implementation	Complied with Complied with in part Not complied with	
7.2. The Company ensures that material corporate actions are taken in a manner enabling shareholders to receive full information on such actions in due time and influence them, and guarantees respect and due protection of shareholder rights when such actions are taken				
7.2.1	Information on material corporate actions is disclosed, with an explanation of the relevant reasons, conditions and consequences	1. In the reporting period, the Company disclosed information on its material corporate actions (if any) in a timely and detailed manner, including the relevant reasons, conditions and consequences for the shareholders	Complied with Complied with in part Not complied with	In the reporting period, the Company disclosed information in line with the requirements of the Bank of Russia and the Federal Agency for State Property Management.
7.2.2	Rules and procedures for taking material corporate actions are set forth in the Company's internal regulations	1. The Company's internal regulations set out the rules and procedure for engaging an appraiser to determine the value of the property to be sold or purchased in a major transaction or a related-party transaction. 2. The Company's internal regulations set out a procedure for engaging an appraiser to determine the value of the Company's shares to be purchased or bought back. 3. If a member of the Company's Board of Directors, the sole executive body, a member of the collegial executive body, or a person who is a controlling person of the Company or a person entitled to give the Company binding instructions has no formal interest in the Company's transactions, but has a conflict of interest or other actual interest with regard to such transactions, such persons shall abstain from voting on the approval of such transactions as required by the Company's internal documents	Complied with Complied with in part Not complied with	

Information on core internal regulations that serve as a basis for the preparation of this annual report, including key internal documents regulating the internal audit function and the functioning of the RM&ICS

THIS ANNUAL REPORT HAS BEEN PREPARED BASED ON THE FOLLOWING LOCAL (INTERNAL) REGULATIONS OF ROSNEFT:

- Charter;
- Rosneft's Corporate Governance Code;
- Code of Business and Corporate Ethics of Rosneft;
- Regulations on the General Shareholders Meeting;
- Regulations on the Board of Directors;
- Regulations on Rosneft Board Committees;
- Regulations on Remunerations and Compensations Payable to Members of the Board of Directors;
- Regulations on the Collective Executive Body (Management Board);
- Regulations on the Sole Executive Body (Chief Executive Officer);
- Standard on Payments and Compensations to Top Managers;
- Regulations on the Audit Commission;
- Regulations on Remunerations and Compensations Payable to Rosneft's Audit Commission Members;
- Regulations on the Corporate Secretary;
- Regulations on the Information Policy;
- Regulations on Provision of Information to Rosneft Shareholders;
- Regulations on Internal Control Rules for the Prevention, Detection and Suppression of Illegal Use of Insider Information in Rosneft and/or Market Manipulation;
- Rosneft's Dividend Policy;
- Company Policy on Combating Corporate Fraud and Involvement in Corruption Activities;
- Company Policy on Internal Audit;
- Company Policy on Risk Management and Internal Control System;
- Company Policy on Health, Safety and Environmental Protection.

General information about Rosneft

Date of state registration and registration number of Oil Company Rosneft:

- date of state registration of the Company as a legal entity: 7 December 1995;
- Number of State Registration Certificate of the Company: 024.537;
- date of entry in the Uniform State Register of Legal Entities about a legal entity established prior to 1 July 2002: 12 August 2002;
- series and number of Certificate of Entry in the Uniform State Register of Legal Entities about a legal entity established prior to 1 July 2002: series 77 No. 004856711;
- Primary State Registration Number under which entry about the establishment of the Company is made in the Uniform State Register of Legal Entities: 1027700043502.

Constituent entity of the Russian Federation in whose territory the Company is registered: Moscow.

Main types of operations of the Company: geological prospecting and geological exploration work aimed at oil, gas, coal and other minerals search; extraction, transportation and processing of oil, gas, coal and other minerals and timber; production of oil products, petrochemicals and other products, including electric power, woodworking products, fast moving consumer goods and provision of services to the public; storage and sale (including sale in the domestic market and export sale) of oil, gas, oil products, coal, electric power, woodworking products, and other hydrocarbon and other derivatives.

Pursuant to Decree of the Government of the Russian Federation No. 1226-r dated 20 August 2009, Rosneft has been included into the list of strategic enterprises charged with implementation of uniform public policy in those branches of economy where such entities operate.

Pursuant to Decree of the President of the Russian Federation No. 688 dated 21 May 2012, Rosneft has been included into the list of strategic enterprises and strategic joint-stock companies.

Contact details

FULL NAME:

Public Joint-Stock Company Rosneft Oil Company

ABBREVIATED NAME:

PJSC Rosneft Oil Company

LOCATION OF THE COMPANY:

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POST ADDRESS:

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INFORMATION SERVICE:

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 Telephone: +7 (495) 987-30-60;
 8 (800) 500-11-00 (calls from Russia toll-free)
 Facsimile: +7 (499) 517-86-53
 E-mail: shareholders@rosneft.ru

FOR INSTITUTIONAL INVESTORS:

Investor Relations Department, Rosneft
 Telephone: +7 (495) 411-05-04
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RAS AUDITOR OF THE COMPANY:

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 77 Sadovnicheskaya Embankment, Bldg. 1, Moscow, 115035, Russia
 Telephone: +7 (495) 705-97-00;
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REGISTRAR OF THE COMPANY:

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 2/6 Podkopaevsky Lane, Bldg. 3-4, Moscow, 109028, Russia
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 Facsimile: +7 (495) 411-83-12
 E-mail: support@reestrn.ru
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10 Butyrskiy Val, Bldg. A, 13th Floor, Moscow, 125047, Russia
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www.rosneft.ru

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