



APPROVED:
Resolution of the Board of Directors of
Rosneft
of May 23, 2019
Minutes №. 24 of May 23, 2019

ROSNEFT REGULATIONS

ON INDUCTION OF ROSNEFT BOARD MEMBERS

№ P3-01.05 R-0032 UL-001

VERSION 2.00

(as amended by Rosneft Board of Directors
(Minutes 28 of May 31 2021))

MOSCOW
2019

TABLE OF CONTENTS

INTRODUCTORY PROVISIONS	3
OBJECTIVE	3
SCOPE OF APPLICATION	3
VALIDITY AND AMENDMENT PROCEDURE	3
1. TERMS AND DEFINITIONS.....	4
2. TITLES AND ABBREVIATIONS.....	5
3. GENERAL PROVISIONS	6
4. GENERAL INDUCTION PRINCIPLES.....	7
5. REFERENCES	10
6. REGISTRATION OF CHANGES TO LOCAL NORMATIVE DOCUMENT	11

All rights to this LND are reserved by Rosneft. This LND or any part thereof may not be reproduced, replicated or disseminated without express permission from Rosneft.

INTRODUCTORY PROVISIONS

OBJECTIVE

These Regulations set forth the procedures for the newly elected members of the Board of Directors for getting to know Rosneft activity and the list of actions to be taken by the members of the Board of Directors who were elected for another term. The Regulations were designed in accordance with Federal Law DD 26.12.1995 No. 208-FZ On Joint Stock Companies, the Corporate Governance Code of the Bank of Russia, Rosneft Charter, Rosneft Regulations on the Board of Directors of the Public Joint Stock Company Rosneft and Rosneft Corporate Governance Code No. PZ-01 KS-01.

SCOPE OF APPLICATION

These Regulations shall be binding upon all employees of Rosneft engaged in the process of induction of Rosneft Board members.

These Regulations are applied to the newly elected members of the Board of Directors and the members of the Board who were re-elected for another term.

Board members re-elected for another term shall be entitled to participate in all activities set forth in these Regulations.

VALIDITY AND AMENDMENT PROCEDURE

These Regulations shall be a standing local normative document.

These Regulations shall be approved, amended and declared invalid based on the resolution of Rosneft Board of Directors.

1. TERMS AND DEFINITIONS

CORPORATE GLOSSARY TERMS AND DEFINITIONS

CORPORATE SECRETARY OF ROSNEFT (CORPORATE SECRETARY) – a Company official in charge of the Company compliance with effective laws, Company Charter and internal documents which guarantee the rights and interests of the Company shareholders, effective interaction with the shareholders, support of the BoD effective performance, development of Rosneft corporate governance practices in line with the interests of the shareholders and other related parties.

2. TITLES AND ABBREVIATIONS

COMPANY – a group of legal entities of various structural and legal forms, including Rosneft Oil Company with respect to which the latter is the main or predominant (shareholding) company.

LND – a local normative document.

STRUCTURAL UNIT OF ROSNEFT – a structural unit of Rosneft Oil Company which has its own independent functions, objectives and responsibility within a designated scope of authority determined by the structural unit Regulations.

TOP MANAGER OF ROSNEFT OIL COMPANY (TOP MANAGER) – First Vice Presidents of Rosneft Oil Company, Vice Presidents of Rosneft Oil Company, Chief Accountant of Rosneft Oil Company, Chief Financial Officer of Rosneft Oil Company, Spokesperson of Rosneft Oil Company, advisors to the CEO of Rosneft Oil Company in the rank of Vice Presidents, leaders of structural units of Rosneft Oil Company in the rank of Vice Presidents, Vice Presidents who are Heads of Services of Rosneft Oil Company, Head of Supply Chain Management of Rosneft Oil Company, Head of Legal Support of Rosneft Oil Company.

3. GENERAL PROVISIONS

3.1. Rosneft ensures that Rosneft Board members get familiarized with Rosneft activities as promptly, fully and effectively as possible, including the strategy, corporate and organizational structure, business practices and corporate governance policies, through:

- Communication to the member of the Board of Directors of the nature of Rosneft business, the role of the Board of Directors in the governance system, main rights and responsibility of the Board members, rules and procedures of the Board of Directors;
- Making members of the Board of Directors aware of the development strategy, geography of operations, key performance indicators and financial statements of Rosneft Oil Company;
- Ensuring interfaces among the members of the Board of Directors, members of the Management Board and top managers of Rosneft Oil Company.

4. GENERAL INDUCTION PRINCIPLES

4.1. The Board members shall be inducted not later than one month after election of the new Board by the General Shareholders Meeting.

4.2. Induction of the newly elected members of the Board of Directors consists of the following:

4.2.1. Review of the Charter and key internal documents of Rosneft Oil Company.

Members of the Board of Directors shall be provided with the Charter and the list of key internal documents of Rosneft consisting of public documents (posted on the official website of Rosneft and disclosed in other ways as required by the Russian law) and non-public information .

The list of key internal documents of Rosneft which are to be provided shall be first approved by the HR and Remuneration Committee of Rosneft Board of Directors.

Members of the Board of Directors shall mark those documents on the list that they would like to receive and hand the list over to the Corporate Secretary. The marked documents shall be sent to the members of the Board of Directors in a way suitable for them.

Provision of non-public documents of Rosneft to the members of the Board of Directors shall be in accordance with the requirements of the Company's LNDs related to protection of confidential information following the signing of confidentiality agreements by the members of the Board of Directors and inclusion of the members of the Board of Directors into the list of insiders.

The Confidentiality Agreement regulates the relations between the parties in respect of transfer, use and storage of the confidential information.

The Confidentiality Agreement shall be also signed by the persons who have access to confidential information by request of the members of the Board of Directors who are also put on the insiders list (assistants to the Board members).

Access and use of the insider-related information of Rosneft is regulated by the Russian laws, statutory documents and the Company's LNDs on prevention of unlawful use of insider information.

4.2.2. Being made aware of the rights, responsibilities and liability, informing of Rosneft business operations and organization of how the Board operates including:

- Succession plan of the Board members;
- Schedule of the Board and Board committees' meetings;
- Reports on Board performance for the corporate year;
- Conditions of insurance of liability of the Board members;
- Opportunities to hire professional consultants for the items related to the terms of reference of the Board of Directors;
- Opportunities to enhance the professional capability in line with members' needs in order to perform the Board member functions;
- Procedures for handling of confidential documents;

- Provision of the list of members of the Management Board and senior executives of Rosneft by business areas.

The rights and responsibilities of the Board members may be communicated to them by way of a contract that regulates relationships between a Board members and Rosneft related to performance by a Board member of the duties set forth in the Charter and internal documents of Rosneft.

4.2.3. A Board member is requested to provide information about persons (assistants) who will have access to information which is provided to the Board member for the meetings of the Board and its committees.

4.2.4. For remote and secure work with pre-reads for the Board and committee meetings - as required - the Board members and their assistants may get access to specialized IT software and devices (IT equipment).

4.2.5. As part of induction Board members may have introductory (working) meetings with the Board Chairman and other Board members, sole executive body, members of the Management Board, other top managers and leaders of Rosneft structural units, external auditor; visits to the operational assets of the Company may also be arranged.

Meeting all the Board members in person takes place at the first physical meeting of the Board of Directors.

Introduction sessions can be conducted as individual meetings for each of Rosneft Board members and as joint meetings.

Meetings with Rosneft sole executive body are usually conducted as one-on-one meetings for each of the newly elected members of the Board of Directors.

In order to have comprehensive discussions of business issues and if agreed by the Board member such meetings may be attended by top managers and (or) leaders of Rosneft structural units.

The format and the subject of introductory (working) meetings are agreed by the Board member (s) in advance.

Visits to operational sites of the Company may be arranged for Rosneft Board members upon agreement with the sole executive body.

4.3. Upon the agreement with the newly elected member of the Board of Directors, the Chief Executive Officer of Rosneft may approve the individual induction program in order to ensure the quickest and most efficient introduction of the director to the Company's business.

4.3.1. An individual induction program may include:

- Familiarization of the director with Company's key documents that are necessary for the director to work efficiently;
- Introductory meetings with Rosneft senior executives to communicate the Rosneft Development Strategy to the director, its priority activities, risk reporting, and financial statements details;

- Meeting with the Corporate Secretary to provide the director with the all-faceted information on his/her rights, duties and responsibilities, and the Company's corporate governance system, Board of Directors' and Board Committees' work plans;
- Reconnaissance visits to Company's operational assets (where possible).

4.3.2. The Board of Directors member shall be provided with his/her individual induction program approved by Rosneft Chief Executive Officer and containing the deadlines for each activity. The Corporate Secretary shall communicate the information about the individual induction program approval to senior executives whose participation is envisaged in the program.

4.4. Induction of Board members elected for the next term of office (re-elected) includes the following activities:

- Being made aware of the rights, responsibilities and liability (this may include signing of a contract with the Board members), informing of the business operations of Rosneft and organization of the Board's work including:
 - ♦ Opportunities to hire professional consultants for the items related to the terms of reference of the Board of Directors;
 - ♦ Opportunities to enhance the professional capability in line with members' needs in order to perform the Board member functions;
 - ♦ Provision of the list of members of the Management Board and senior executives of Rosneft by business area.

As required by a Board member other activities may be effected as set forth in 4.2. hereof.

4.5. The role of the Corporate Secretary of Rosneft.

Board member induction is effected and coordinated by the corporate secretary.

The main task of the corporate secretary in the course of induction is to ensure efficient communication of the Board members with the Company.

Upon request of a Board member the corporate secretary shall provide consultations on operation of the Board and its committees including

- Execution of rights and responsibilities, details of liability of the Board members;
- Procedure of preparation and holding of Board meetings;
- Reporting of the Board committees and management bodies to the Board of Directors;
- Summary of a process or an LND that a Board members may be interested in;
- Informing of the policy of Rosneft on disclosure of information on the stock market;
- Informing of material changes in the Russian corporate governance laws.

5. REFERENCES

1. Federal Law No. 208-FZ On Joint Stock Companies dated 26.12.1995.
2. Corporate Governance Code recommended by the Bank of Russia as applicable to joint-stock companies the securities of which are traded (Letter of the Bank of Russia No. 06-52/2463 On Corporate Governance Code dated April 10, 2014).
3. Rosneft Corporate Governance Code No. PZ-01 KS-01 version 2.00, approved by the resolution of Rosneft's BoD on 15.11.2017 (minutes No.6 dated 17.11.2017).
4. Regulations on the Rosneft Board of Directors approved by the resolution of General Shareholders Meeting of Rosneft on 27.06.2014, Minutes u/n dated 02.07.2014.

6. REGISTRATION OF CHANGES TO LOCAL NORMATIVE DOCUMENT

Table1
List of changes to the Regulations of Rosneft Oil Company

REVISION	TYPE AND NAME OF DOCUMENT	DOCUMENT NUMBER	APPROVAL DATE	EFFECTIVE DATE	DOCUMENT DETAILS
1	2	3	4	5	6
1.00	Rosneft Regulations On Induction of Rosneft Board Members	№ P3-01.05 R-0032 UL-001	22.05.2015	22.05.2015	Approved by Rosneft Board of Directors on May 22, 2015 (Minutes No.34 of May 25, 2015).