PRESS RELEASE
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LUKOIL BOARD OF DIRECTORS CONVENES EXTRAORDINARY GENERAL SHAREHOLDERS MEETING AND RECOMMENDS INTERIM DIVIDEND AMOUNT

At the Board of Directors meeting of PJSC "LUKOIL" held today, the decision was taken to convene the Extraordinary General Shareholders' Meeting (hereinafter, the Meeting) in the form of absentee voting on December 3, 2019.

The agenda of the Meeting comprises ten items, including:

- On payment (declaration) of dividends based on the results of the first nine months of 2019.
- On reducing the charter capital of PJSC "LUKOIL" through acquisition of a portion of issued shares in order to reduce the total number thereof.

The Board of Directors recommended that the Extraordinary General Shareholders' Meeting resolve to pay dividends for the first nine months of 2019 in the amount of 192 rubles per ordinary share, and that the Meeting select December 20, 2019 as the record date for the persons entitled to receive dividends. The dividends are recommended to be paid in cash not later than January 10, 2020 to nominee shareholders and trust managers who are recorded in the PJSC "LUKOIL" shareholder register, and not later than January 31, 2020 to other persons registered in the PJSC "LUKOIL" shareholder register.

The Board of Directors also recommended that the Extraordinary General Shareholders' Meeting resolve to reduce the charter capital of PJSC "LUKOIL' through acquisition of a portion of issued shares in order to reduce the total number thereof. The item has been submitted to the Meeting for the purpose of cancellation of shares acquired by LUKOIL Securities Limited (a 100% subsidiary of PJSC "LUKOIL") as part of the buy-back programme completed on August 20, 2019.

Should the Meeting resolve on the matter, LUKOIL Securities Limited will submit its PJSC "LUKOIL" shares for sale. The purchase of the ordinary shares by the Company will be implemented via a public offer according to Clause 1, Article 72 of the Federal Law "On Joint-Stock Companies" at a price of RUB 5,300 per share.

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The number of shares to be acquired is 25,000,000 shares. Acquisition of such a number of shares and their cancellation will reduce the charter capital of PJSC "LUKOIL" to 690,000,000 ordinary shares. If more than 25,000,000 shares are submitted for sale, the acquisition of shares will be implemented on a pro rata basis.

The record date for the persons entitled to participate in the Meeting was set to November 8, 2019. Materials for the Meeting will be available at the corporate web sites (www.lukoil.ru, www.lukoil.com), as well as at the electronic voting service (https://evoting.reggarant.ru/Voting/Lk) not later than November 2, 2019.

The Board of Directors also reviewed items on anti-corruption measures, on the implementation of the Code of Business Conduct and Ethics of PJSC "LUKOIL' and on the Company's adaptation to climate change.

As part of the last item, member of the Board of Directors, Vice President for strategic development L.A. Fedun reported on the following topics: climate scenarios, global trends and approaches of various countries to reduce greenhouse gas emissions, development of climate legislation in the Russian Federation, investment community position on climate, the factual reduction of greenhouse gas emissions by the Company's entities in recent years and the main sources of emissions, as well as preliminary assessment of the Company's potential to reduce such emissions in the long term. A decision was made to start working on setting long-term goals to reduce greenhouse gas emissions taking into consideration international best practice and economic feasibility.