

## **Information on the candidate for the Auditor of Rosneft Oil Company**

In accordance with Clause 1, Article 5 of the Federal Law of 30.12.2008 No.307-FZ "On Audit Activities", the annual accounting (financial) statements of Rosneft are subject to mandatory audit, verifying the accuracy of reporting data of the Company annual accounting statements.

The Rosneft Finance, Auditing and Consulting Services Procurement Commission by its decision dated 25.12.2018, No. ЗК(ФАиКУ)-42-18-3 approved the bid screening results and selection of the best bidder of tender related to "Services of statutory audit of RAS Accounting (financial) statements and IFRS consolidated financial statements for Rosneft and its Subsidiaries material for the purposes of consolidation in 2019-2021" Ernst and Young LLC was recognized as the bid winner.

Pursuant to the recommendations of the Code of Corporate Conduct of Russian Federation Central Bank and requirements of internal documents of Rosneft on 15.04.2019 the Rosneft's Board Audit Committee has evaluated the candidate for the Company's Auditor, and based on par 1.3.2 of Provision on Rosneft Board Audit Committee proposed to the Rosneft Board of Directors to recommend to the Annual (based on 2018 results) General Shareholder Meeting to approve Ernst and Young LLC as the Auditor of Rosneft Oil Company and establish the amount of the audit fee.

On 16.04.2019 the Rosneft Board of Directors recommended to the Annual (based on 2018 results) Shareholder Meeting of Rosneft to approve Ernst & Young LLC as the Auditor of Rosneft Oil Company and established the audit fee:

- for the audit of RAS accounting (financial) statements of Rosneft (legal entity) in the amount of RUB 7,200,000 (VAT included);
- for the audit of IFRS consolidated financial statements of Rosneft to be not more than RUR 83,151,780 (VAT included).

Ernst and Young LLC is the Russian domiciled company established in accordance with the laws of the Russian Federation and having only Russian participants.

Ernst and Young LLC is the member of the "Big Four" of the largest auditor companies, it is an independent member of the global Ernst and Young (EY) network providing the audit and consulting services, consultation on taxation and business practices.

Ernst and Young LLC is a member of self-regulating organization of auditors Auditor Chamber of Russia (Association) (SRO APR).

Rosneft and EY (Ernst and Young) have been successfully cooperating since 2002.

Currently Ernst and Young LLC provides the following services:

- statutory audit of accounting (financial) statements of Rosneft (legal entity) prepared as per RAS;
- statutory audit of consolidated financial statements of Rosneft (Group reporting) prepared under the International Financial Reporting Standards (IFRS);
- Rosneft IFRS interim consolidated financial statements reviews;
- other one-off additional audit services with respect to the new assets purchased by Rosneft Group for the purposes of reflection in the consolidated IFRS reporting.

Ernst and young LLC is also the auditor of a number of Rosneft major domestic and international subsidiaries.

In accordance with Subclause 10, Clause 1, Article 48 of the Federal Law “On Joint Stock Companies” and Subclause 9.2.2 (3), Clause 9.2, Article 9 of Rosneft Charter, approval of the Company Auditor is under the authority of the General Shareholders Meeting.