

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 statements of Rosneft are subject to mandatory audit, verifying the accuracy of reporting data of the Company's annual accounting statements.

The Rosneft Procurement Commission in the field of financial, auditor and consulting services approved by its resolution on 29.15.2015 the material terms of tendering for contracting statutory audit of RAS financial statements and IFRS consolidated financial statements over 2016-2018 for Rosneft and its Major Subsidiaries, and selected the sole source contractor, OOO Ernst and Young.

Pursuant to the recommendations of the Code of Corporate Conduct of RF Central Bank and the internal documents of Rosneft, 12.04.2017 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's Board Audit Committee suggested the Rosneft Board of Directors to recommend to the Annual (2016 results) General Shareholders Meeting to approve OOO Ernst and Young as the Auditor of Rosneft Oil Company and establish the above mentioned amount of the audit fee.

24.04.2017 BoD of Rosneft recommended to the annual (2016 results) General Shareholder Meeting of Rosneft to approve OOO Ernst and Young as the Auditor of Rosneft Oil Company and establish the above mentioned amount of the audit fee:

- as per the audit of Russian Accounting Standards financial statements of Rosneft Oil Company (legal entity) to be not more than RUR 3,246,000.00 (VAT included).
- as per the audit of IFRS consolidated financial statements of Rosneft to be not more than RUR 98,194,904.74 (VAT included).

OOO Ernst and Young incorporated under the laws of the Russian Federation is an independent member of the global Ernst and Young network providing the audit and consulting services, consultation on taxation and business practices. Ernst and Young is one of the Big Four audit firms.

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

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

Currently OOO Ernst and Young provides the following services:

- statutory audit of accounting (financial) statements of Rosneft (legal entity) prepared under the Russian Accounting Standards (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.

OOO Ernst and Young 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.