

APPROVED  
by the General Meeting of Shareholders  
of JSC Gazprom Neft  
(Minutes No. \_\_\_ dated \_\_\_\_\_)

**Regulations on the Management Board of  
Open Joint Stock Company  
Gazprom Neft**

## **1. General Provisions**

1.1. These Regulations on the Management Board of JSC Gazprom Neft (hereinafter – the Regulations) are worked out in accordance with the laws of the Russian Federation, the Charter of JSC Gazprom Neft (hereinafter – the Company) and basic principles of corporate governance of the Company. Regulations aimed to increase the effectiveness and transparency of internal management tools of the Company, develop management system, and to provide accountability of its management bodies, and observance of shareholders rights.

1.2. The Management Board is a collegial executive body of the Company and performs the management of the Company day-to-day activities.

1.3. The Management Board operates according to the laws of the Russian Federation the Charter of the Company, resolutions of the General Meeting of Shareholders and the Board of Directors of the Company, these Regulations and other internal documents of the Company.

1.4. The Management Board operates for the benefit of the Company and its Shareholders and is accountable to the Board of Directors.

## **2. Major Objectives and Competence of the Management Board**

2.1. Major objectives of the Management Board are:

- securing effective operation of the Company in accordance with priority lines of its activity;
- securing implementation of Company objectives, strategy, policy and programs ;
- organization of an effective internal control and risks monitoring system;
- securing performance of resolutions of the General Meeting of Shareholders and the Board of Directors of the Company.

2.2. The competence of the Management Board is governed by the Company's Charter.

2.3. Management Board has the right to receive reports from the Company officials, technical, economic, administrative and other information on the Company activities, and information on activities of its affiliated and associated companies, and execute other operations within its competence.

2.4. The Management Board annually or by the request of the Board of Directors of the Company shall submit a report to the Board of Directors on implementation of the Company programs and plans, resolutions of the General Meeting of Shareholders and the Board of Directors, and on other results of the Company activities, including Company assets management.

## **3. Composition and Term of Office of the Management Board**

3.1. The Management Board is formed under the Charter of the Company by the Board of Directors on presentation of the General Director of the Company from among the chiefs of the structural departments of the Company and other individuals that possess required professional qualification and leadership experience.

3.2. The number of the Management Board members is determined by the Board of Directors and shall be optimal to provide constructive discussions and adopt timely and effective solutions.

3.3. Terms of Office of the Management Board members are defined by the Board of Directors of the Company. Members of the Management Board can be re-elected unlimited number of times.

If term of office of a member of the Management Board expires in the period between the meetings of the Board of Directors, his powers shall be prolonged up to the next regular meeting of the Board of Directors.

3.4. The Board of Directors of the Company has the right at any time on their own initiative, on presentation of the General Director or on the initiative of a member of the Management Board, to take a decision on early termination of powers of any member of the Management Board of the Company. .

Powers of a member of the Management Board are considered terminated from the date, specified in decision of the Board of Directors, if it is not specified – from the date of making a decision by the Board of Directors.

In early termination of powers of all members of the Management Board the Board of Directors must at one time elect a new composition of the Management Board.

3.5. In case a number of members of the Management Board is less than a number for quorum specialized in p. 8.7 of these Regulations the Board of Directors must elect a new Management Board.

3.6. Members of the Management Board of the Company cannot be the members of the Company Auditing Commission.

#### 4.

4.1. Rights and duties of the Management Board members are determined by the applicable laws of the Russian Federation, the Charter of the Company, internal documents of the Company and the agreement concluded between each member with the Company.

On behalf of the Company, the agreement shall be signed by the Chairman of the Board of Directors, or by the person authorized by the Board of Directors of the Company.

4.2. Members of the Management Board while exercising their rights and executing their duties must act in the best interests of the Company, exercise their rights and execute their duties in respect of the Company prudently and in good faith.

4.3. Members of the Management Board must comply with rules and procedures, specialized in internal documents of the Company dealing with confidential and insider information, including non-disclosure of confidential or insider information, received by a member of the Management Board while executing his duties to individuals that don't have an access to such information, and also not to use such information for personal benefit or benefit of the third parties.

4.4. Members of the Management Board of the Company have the right to examine all regulatory, accounting, financial and other documents and materials of the Company, necessary to take reasoned decisions.

4.5. Members of the Management Board of the Company in exercising their rights and discharging their duties must comply with the legislation of the Russian Federation, the Charter of the Company, resolutions of the General Meeting of Shareholders and the Board of Directors, these Regulations and internal documents of the Company.

4.6. Members of the Management Board of the Company must personally participate on meetings of the Management Board. In case of inability to participate in the meeting in person a member shall inform the Chairman of the Management Board and state the reason.

4.7. Members of the Management Board of the Company must inform the Chairman of the Management Board, the Board of Directors, Auditing Commission and Company auditor on:

- legal entities, in which they own independently or jointly with their affiliated person(persons) 20 or more percent of voting shares (stakes, units);
- legal entities, in management bodies of which they hold offices;
- transactions being effected or planned, of which they know, in which they may be acknowledged interested;
- holding of the Company securities, with specification of their number and category (type), as well as on selling and (or) purchasing of the Company securities, and quantity of the Company securities of each category (type), which can be obtained by him in execution of his rights on Company options belonging to them;

- any affinity with other persons who are members of the Company management bodies and/or .

This information shall be disclosed to the Chairman of the Management Board and the Board of Directors in writing within 5 calendar days from date of of the circumstances.

4.8. Members of the Management Board while executing their duties receive remuneration under the agreement concluded with the Company.

The Board of Directors can award members of the Management Board with additional remuneration under the results of the Company activities.

4.9. Members of the Management Board can combine their duties in other management bodies of other companies only with the consent of the Board of Directors.

4.10. Relations between the Company and members of the Management Board shall be governed by the labor legislation of the Russian Federation in all matters that do not contradict the provisions of the Federal Law “On Joint-Stock Companies”

4.11. The Management Board members shall be liable to the Company for losses caused by their faulty actions (omissions), whereas other responsibility reasons are not established by federal laws.

The Management Board members, who voted against a decision which caused losses to the Company, or having not taken part in the voting, shall not be held liable.

## **5. Chairman of the Management Board**

5.1. The General Director of the Company is the Chairman of the Management Board.

5.2. The Chairman of the Management Board shall ensure activities of the Management Board, allocate duties between members of the Management Board, approve meetings agenda, preside at meetings, sign minutes of the meetings, and solve other problems under the Charter of the Company and these Regulations.

The Chairman of the Management Board presents the Management Board at the Board of Directors meetings and the General Meetings of Shareholders.

5.3. In the absence of the Chairman of the Management Board his functions shall be performed by his deputy, elected by the majority of votes of the Management Board members on the presentation of the Chairman. In absence of the Chairman and his deputy – the functions of the Chairman shall be performed by any member of the Management Board on the Board decision.

## **6. The Secretary of the Management Board**

6.1. Organizational support of the Management Board activity shall be the responsibility of the Secretary of the Management Board.

6.2. The Secretary of the Management Board shall be elected on the presentation of the Chairman of the Management Board from the persons who are not members of the Management Board by the majority of votes of Management Board members, who participate in the meeting.

6.3. The Secretary of the Management Board, according to instructions of the Chairman of the Management Board, has the right to require information and documents, needed for preparation of materials concerning the agenda items of the Management Board meetings, from the Company officials and employees.

6.4. The Secretary of the Management Board powers are:

- provide information and documents on the Company activities to the members of the Management Board in accordance with the procedures established by the legislation and internal documents of the Company;
- receive information from the members of the Management Board, provided by them under these Regulations;

- organize workflow and keep minutes and other documents of the Management Board;
- inform members of Management Board and invitees on date, place and time of the Management Board meetings, forward to members of the Management Board materials on the Management Board meetings;
- keep minutes of the Management Board meetings and prepare poll minutes;
- execute other functions under internal documents of the Company, these Regulations and instructions of the Chairman of the Management Board.

6.5. The Company employee, who performs the functions of the Secretary of the Management Board, may get rewards and compensation for expenses related to execution of the said additional functions, in the amount and order determined by the decision of the Management Board.

## **7. Plan of Operation of the Management Board**

7.1. Management Board operates under the semester plan.

7.2. Operating plan of the Management Board shall be approved by the Chairman of the Management Board before beginning of corresponding semester. It shall include:

- items to be considered by the Management Board;
- items examination planned terms and terms on submitting materials to Management Board members;
- instructions to structural departments, responsible for preparation of materials on every item.

7.3. Management Board operation plan shall be elaborated on the basis of the General Meeting of Shareholders and the Board of Directors resolutions, items added by the General Director and the Management Board members, and also on proposals submitted by the heads of structural departments of the Company. These items and proposals shall include information specified in item 7.2 of these Regulations.

7.4. The Secretary of the Management Board shall send the plan within 5 days after its approval to the Management Board members and to the structural departments responsible for preparation of items.

## **8. Convening Procedures of the Management Board Meetings**

8.1. A meeting of the Management Board shall be convened by the Chairman of the Management Board according to the approved operation plan.

Chairman can also convene extraordinary meetings on his own initiative, at the request of the Auditing Commission or members of the Management Board.

8.2. The Management Board meeting shall be convened in the form of joint physical presence except cases specified in item 8.9 of these Regulations.

8.3. The Management Board meeting agenda shall be approved by the Chairman of the Management Board under the Operation Plan of the Management Board. The Chairman on his own initiative or by proposal submitted by the Management Board members can add to agenda items on current activities of the Company, not included in the Operation Plan of the Management Board. .

8.4. The Management Board meeting agenda with attached materials shall be sent by the Secretary to the members of Management Board not later than 3 days before the meeting.

8.5. The order of preparation and presentation of materials to the Management Board shall be approved by the Chairman of the Management Board.

8.6. Members of the Auditing Commission, representative of the Company auditor, officials, and persons who prepared information and materials related to the agenda items, Company and affiliated companies employees and other persons may be invited to the meeting of the Management Board.

8.7. The Management Board meeting shall be considered competent (quorum) if number of participants is more than half of a number of elected members of the Management Board.

8.8. Decisions at the meeting of Management Board shall be made by majority votes of the Management Board members participating in the meeting.

8.9. The Management Board decisions can be made by poll (draft resolution agreement) if the item is considered extraordinary or urgent. In this case the Management Board members shall receive draft resolutions and supporting materials.

Decisions by poll shall be made with the majority of votes of total number of votes of the Management Board members.

8.10. Each member of the Management Board shall have one vote. The Management Board members have no right to transfer their vote to another person, including other members of the Management Board.

Deputy Chairman of the Management Board.

8.11. Rules of procedure shall be determined by the Chairman of the Management Board.

### **9. The Management Board Resolutions Execution Procedure**

9.1. The Secretary of the Board of Directors shall keep minutes of the meeting of the Management Board, which shall be signed by the person presiding at the meeting.

Poll minutes shall be signed by the Chairman of the Management Board.

9.2. Resolutions of the Management Board shall be executed in minutes.

9.3. The minutes shall specify:

- minutes number;
- date, time and place of the meeting;
- attendee;
- agenda;
- items put to the vote;
- vote results;
- decisions made.

Minutes can include information on main speakers, opinions sounded at the meeting.

9.4. Poll minutes shall include:

- date, time and place of the meeting;
- list of the Management Board members participated in poll;
- item put to the vote;
- vote results.

9.5. Materials on the basis of which a decision was made shall be attached to the minutes. The Management Board draft resolutions agreed by the Management Board members shall be attached to the poll minutes.

9.6. Certified copies of the minutes shall be forwarded or delivered to the members of the Management Board and the Chairman of the Management Board of the Company within 3 calendar days after they were signed.

9.7. The Management Board resolutions shall be forwarded to responsible officials within 3 calendar days after they were signed.

9.8. The Secretary of the Management Board shall forward the Management Board meeting minutes to the Management Board, the Board of Directors, Auditing Commission and auditor of the Company on request within 3 calendar days after receiving the request.

### **10. Control over Compliance with Resolutions of the Management Board**

10.1. Decisions made by the Management Board within its competence are compulsory for the Company General Director and employees.

10.2. The Management Board decision made on particular item shall determine responsible person (-s) and terms of its implementation.

10.3. The Management Board Chairman has the right to make a decision to prolong terms of implementation of the Management Board resolutions but no longer than to one month.

Prolongation of terms of implementation of the resolution longer than one month shall be made by the decision of the Management Board.

10.4. When necessary the General Director of the Company on the basis of the decisions made by the Management Board may issue corresponding orders, conclude contracts and make other transactions (activities).

10.5. The Secretary of the Management Board shall forward on monthly basis to the Management Board members information on implementation of decisions made by the Management Board.

## **11. Final Provisions**

11.1. These Regulations, as well as amendments and supplements hereto shall come into force from the day of approval by the General Meeting of Shareholders of the Company.

11.2. In case particular provisions of these Regulations conflict with the legislation of the Russian Federation and/or the Company Charter, they become invalid and corresponding provisions of the legislation of the Russian Federation and/or the Company Charter shall be applied.