

## ANTI-FRAUD AND ANTI-CORRUPTION POLICIES AND PROCEDURES

In 2014, the Company adopted an Anti-Fraud and Anti-Corruption Policy that serves as the fundamental internal regulatory document of the Company and its subsidiaries in combatting corruption.

The Policy defines the concept of fraud and other anti-fraud terminology and stipulates that the Company's senior management must institute unified ethical standards to reject corruption in all its forms and manifestations. The Policy specifies the methods and procedures employed by the Company to combat fraud and corruption, in particular the Company's hotline, internal investigations and prosecution for instances when fraud is committed.

The Policy separately describes the risks of corruption that are typical for companies working in the oil production and refining industries. The Policy contains a section that sets forth the fundamental principles for implementing the Company's business processes that are most susceptible to fraud risks, specifically: interaction with officials, the receiving and giving of gifts, entertainment expenses, charitable and sponsorship activities and financial relations with third parties.

The Anti-Fraud and Anti-Corruption Policy requires the Company's employees to be trained in the principles of rejecting fraud and the foundations of applicable law.

The Company's Deputy CEO for Security and Head of the Internal Audit Department periodically report to Company management on anti-fraud and anti-corruption matters.

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## D&O INSURANCE

The Gazprom Neft Group started providing its directors and officers (D&O) with liability insurance in 2011. The insurance protects the Company's directors and officers against possible claims from third parties that may arise as a result of unintentional and (or) erroneous actions of officials. The D&O policy covers the legal defence costs of directors and financial expenses from any claims made against directors in connection with the performance of their duties.

The total limit for all insurance coverage and extensions is EUR 47.6 million. There is an additional liability limit of EUR 1.9 million for independent directors. The coverage area is worldwide.

The Company chooses an insurer based on its existing competitive selection procedures. The insurer in 2016 was Sogaz JSC based on the corporate insurance policy.