

**Notification of a Material Fact**  
**“On Some Decisions Made by the Issuer's Board of Directors (Supervisory Board)”**

**1. General Information**

1.1. Full corporate name (for a non-profit organization – name)	Public Joint Stock Company “Transneft”
1.2. Abbreviated corporate name of the issuer	Transneft
1.3. The issuer’s place of business	119180, Moscow,
1.4. The issuer’s OGRN	1027700049486
1.5. The issuer’s INN	7706061801
1.6. The issuer’s unique code assigned by the registering body	00206-A
1.7. The address of the web page used by the issuer for the disclosure of information	<a href="http://www.e-disclosure.ru/portal/company.aspx?id=636">http://www.e-disclosure.ru/portal/company.aspx?id=636</a> <a href="http://www.transneft.ru/">http://www.transneft.ru/</a>

**2. Content of the Notification**

**2.1. The quorum of the meeting of the Board of Directors (supervisory board) of the issuer and voting results:**

Seven out of 8 members of the Board of Directors participated in the meeting.

There is a quorum for decision-making.

Voting results on Issue #1 “On preliminary approval of the annual report of Transneft for 2016, annual financial statements, including the report on financial results”:

“for” - 7;

“against” - none;

“abstained” - none.

The decision has been made.

Voting results on Issue #2 “On the Distribution of Profits of Transneft for 2016”:

“for” - 7;

“against” - none;

“abstained” - none.

The decision has been made.

Voting results on Issue #3 “On the amount, form and procedure of paying the annual dividends on all types of Transneft shares”:

“for” - 7;

“against” - none;

“abstained” - none.

The decision has been made.

Voting results on Issue #4 “On the provisions of Transneft regulating the activities of executive bodies”:

Regulations on the General shareholders’ meeting;

Regulations on the Board of Directors;

Regulations on the Management Board;

Regulations on the sole executive body.

“for” - 7;

“against”: - none;

“abstained” - none.

The decision is made.

Voting results on Issue #6 “On the payment of remuneration to members of the Revision Commission of Transneft”:

“for” - 7;

“against”: - none;

“abstained” - none.

The decision is made.

Voting results on Issue #7 “On Auditor of Transneft for 2017”:

“for” - 7;

“against”: - none;

“abstained” – none.

The decision is made.

Voting results on Issue #8 “On the proposal to the General Shareholders Meeting of Transneft on the issue of “Transneft participation in the U.S. – Russia Business Council”:

“for” - 7;

“against”: - none;

“abstained” – none.

The decision is made.

## **2.2. Content of the decisions made by the Issuer’s Board of Directors:**

Decision on Issue #1 put to vote:

“1. To preliminarily approve the annual report of Transneft for 2016, the annual financial statements, including the report of financial results.

2. To approve the report of transactions completed by Transneft in 2016, in which the Company is interested as per Annex #5 of the Transneft annual report.

Decision on Issue #2 put to vote:

“To recommend that the annual general shareholders’ meeting of Transneft should allocate 30,606,503,747.04 roubles (100.0% of net profit) for the payment of dividends for 2016, including:

on ordinary shares (5,568,748 shares) in the amount of 23,926,014,407.04 roubles (4 296.48 rub. per share);

on preferred (privileged) shares (1,554,875 shares) in the amount of 6,680,489,340.00 rub. (4 296.48 rub. per share).”

Decision on Issue #3 put to vote:

1. To recommend that the annual general shareholders’ meeting of Transneft should:

1.1. Pay dividends on the shares of Transneft for 2016, totalling 30,606,503,747.04 roubles (100.0% of net profit), including:

on ordinary shares (5,568,748 shares) in the amount of 23,926,014,407.04 roubles (4,296.48 rub. per share);

on preferred (privileged) shares (1,554,875 shares) in the amount of 6,680,489,340.00 rub. (4 296.48 rub. per share).

1.2. Pay dividends:

on ordinary shares – by transfer of funds to a respective bank account indicated by the authorized (empowered) body;

on preferred shares:

a) to legal entities, the shareholders of Transneft – by transfer of funds to their bank accounts;

b) to individuals who are Transneft shareholders: dividends are paid in the monetary form to individuals whose rights to shares are recognized in the Company’s shareholders’ register by transferring funds to their bank accounts, if their details are known to the Company’s registrar, or in the lack of information about their bank accounts – by postal transfer of funds;

b) to persons who have the right to dividends and whose rights to shares are recognized by the stockholder of record – in accordance with the procedure specified in the law of the Russian Federation on securities.

1.3. To decide on the date of drawing a list of persons having the right to dividends (in keeping with clause 5 of Article 41 of Federal law # 208-FZ dated 26 December 1995 “On Joint-Stock Companies”) – on the 20th day since the decision to pay dividends is made by the annual general meeting of Transneft shareholders.

1.4. To pay dividends to stockholders of record and to asset managers registered in the shareholders’ register, who are professional stock market players, not later than 10 business days, and to other persons registered in the shareholders’ register – not later than 25 business days since the date of identifying all persons having the right to dividends.

2. Recommend that the extraordinary general meeting of Transneft shareholders should

2.1. Pay dividends on Transneft shares, following the results of H1 2017, totalling 27,607,496,252.96 rub., including:

On ordinary shares (5,568,748 shares) in the amount of 21,581,601,039.76 rub. (3,875.49 rub. per share).

On preferred shares (1,554,875 shares) in the amount of 6,025,895,213.20 rub. (3,875.49 rub. per share).

2.2. To pay dividends:

on ordinary shares – by the transfer of funds to a respective bank account indicated by an authorized body;

on preferred shares:

a) to legal entities, Transneft shareholders, by the transfer of funds to their bank accounts;

б) to individuals who are Transneft shareholders – dividends are paid in the monetary form to individuals whose rights to shares are recognized in the Company's shareholders' register by transferring funds to their bank accounts, if their details are known to the Company's registrar, or, in the lack of information about their bank accounts – by postal transfer of funds;

в) to persons who have the right to dividends and whose rights to shares are recognized by the stockholder of record – in accordance with the procedure specified in the law of the Russian Federation on securities.

2.3. To decide on the date of drawing a list of persons having the right to dividends (in keeping with clause 5 of Article 41 of Federal law # 208-FZ dated 26 December 1995 "On Joint-Stock Companies") – on the 20th day since the decision to pay dividends is made by the annual general meeting of Transneft shareholders.

2.4. To pay dividends to stockholders of record and to asset managers registered in the shareholders' register, who are professional stock market players, not later than 10 business days, and to other persons registered in the shareholders' register – not later than 25 business days since the date of identifying all persons having the right to dividends.

Decision on Issue #4 put to vote:

To recommend to the Company's general shareholders' meeting to approve the Company's provisions regulating the activities of its executive bodies:

– Regulations on the General shareholders' meeting of the Public Joint Stock Company "Transneft";

– Regulations on the Board of Directors of the Public Joint Stock Company "Transneft";

– Regulations on the collegial executive body (Management Board) of the Public Joint Stock Company "Transneft";

– Regulations on the sole executive body (President) of the Public Joint Stock Company "Transneft";

Decision on Issue #6 put to vote:

To recommend that the Annual general shareholders' meeting of Transneft should pay remuneration to the member of Transneft Revision Commission, relative to whom no restriction or ban on the receipt of remuneration from business entities is envisaged, in the amount of 814,000 roubles.

Decision on Issue #7 put to vote:

To recommend to the annual general shareholders' meeting to approve KPMG, JSC (OGRN: 1027700125628) as the auditor of Transneft for 2017.

Decision on Issue #8 put to vote:

1. To preliminarily approve the participation of Transneft in the U.S.-Russian Business Council.

2. To propose to the General shareholders' meeting of Transneft to make the following decision on the Participation of Transneft in the U.S.-Russian Business Council:

To approve the participation of Transneft in the U.S. – Russia Business Council.

2.3. The date of the Issuer's Board of Directors meeting where a respective decision was made: 30 May 2017.

2.4. Compilation date and number of the protocol of the Issuer's Board meeting where a respective decision was made: 01 June 2017, Protocol #6.

**2.5. Type, category, state registration number of the issue of securities, the date of its state registration and international ID code (number) of the securities (ISIN):**

- ordinary registered book-entry shares (1-01-00206-A dated 20.12.2007, 1-01-00206-A-002D dated 17.11.2016), ISIN code - RU0009088884.
- preferred registered book-entry shares (2-01-00206-A dated 20.12.2007), ISIN code - RU0009091573.

**3. Signature**

3.1. Vice President of Transneft, acting under  
Power of Attorney #94, dated 01 March 2016

R.R. Sharipov

\_\_\_\_\_  
(signature)

Place of stamp

3.2. Date 01 June 2017