

**Notification of a Material Fact  
On Certain Decisions Adopted by the Board of Directors (the Supervisory Board) of the Issuer**

1. General Information	
1.1. The issuer's full corporate name	Public Joint Stock Company «Transneft»
1.2. The issuer's abbreviated corporate name	Transneft
1.3. The issuer's principal place of business	Moscow, Russian Federation
1.4. The issuer's OGRN (Primary State Registration Number)	1027700049486
1.5. The issuer's INN (Taxpayer's Identification Number)	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 purposes of disclosing 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	
<p><b>2.1. The quorum of the meeting of the Board of Directors of the Issuer and voting results on issues put to the decision adoption:</b>            9 of 9 members of the Board of Directors participated in the meeting.            Quorum to adopt decisions was present.</p> <p>2.1.1. Voting results on issue No. 1 “On Election of the Chairman of the Board of Directors of Transneft (Directives of the Russian Federation Government dated 01 February 2018 No. 850π-Π13”:            “aye” – 9;            “nay” – none;            “blank votes” – none.            The decision was adopted.</p> <p>2.1.2. Voting results on issue No. 2 “On Declaring I. I. Klebanov, Member of the Board of Directors of Transneft, as an Independent Director”:            “aye” – 8 (M. Varning, D. V. Vasilevskaia, K. A. Dmitriev, A. L. Korsik, A. V. Novak, N. P. Tokarev, V. P. Shantsev, G. I. Shmal;            “nay” – none;            “blank votes” – 1 (I. I. Klebanov).            The decision was adopted.</p> <p>2.1.3. Voting results on issue No. 3 “On Declaring G. I. Shmal, Member of the Board of Directors of Transneft, as an Independent Director”:            “aye” – 8 (M. Varning, D. V. Vasilevskaia, K. A. Dmitriev, A. L. Korsik, I. I. Klebanov, A. V. Novak, N. P. Tokarev, V. P. Shantsev;            “nay” – none;            “blank votes” – 1 (G. I. Shmal).            The decision was adopted.</p>	
<p><b>2.2. Content of the decisions adopted by the Board of Directors of the Issuer:</b></p> <p>2.2.1 Decision on the issue No. 1 put to voting:            To elect Aleksandr Valentinovich Novak as the Chairman of the Board of Directors of Transneft.</p> <p>2.2.2. Decision on issue No. 2 put to voting:            Following the result of analysis of correspondence of the members of the Board of Directors of</p>	

Transneft to the “Criteria of Specifying Independence of the Members of the Board of Directors (Supervisory Board)”, provided for by Appendix 4.1 to the Listing Rules of Moscow Exchange (hereinafter referred to as the Listing Rules):

To declare Ilya Iosifovich Klebanov, Member of the Board of Directors of Transneft, as an Independent Director, in spite of his formal connectedness to the substantial shareholder of Transneft.

Taking such decision, the Board of Directors of Transneft should be guided by the fact that Ilya Iosifovich Klebanov corresponds to all the criteria of independence of the members of the Board of Directors, established by the Listing Rules (Appendix 4.1) and the Corporate Governance Code, recommended by the Bank of Russia, excluding the criterion of connectedness to the substantial shareholder of the Company, because he is the member of the Board of Directors in three companies under the control of the substantial shareholder – the Russian Federation (Transneft, Sovkomflot, Shvabe (by means of Rostec State Corporation)). The Board of Directors considers that such connectedness is formal and does not influence I. I. Klebanov’s ability to make independent, objective and conscientious judgements taking into account the following:

1. In accordance with the order of the Russian Federation Government dated 26 December 2017 No. 2947-p, I. I. Klebanov has been included into the list of candidates for being elected to the Board of Directors of Transneft as an independent director, he does not represent the state interests and does not vote on the Directives of the Russian Federation.

2. Analysis of activities of I. I. Klebanov as the member of the Board of Directors of Transneft shows that he is responsible as regards performance of his obligations as the member of the Board of Directors. From 2015 I. I. Klebanov actively participated in 93% of all the meetings of the Board of Directors of Transneft, in 2016 corporate year he was Chairman of the Audit Committee and the Human Resources and Remuneration Committee, and in 2017 corporate year he was Head of the Audit Committee, showing high degree of job involvement, achieving full discussion of the issues considered by the Board of Directors and the Committees under the Board of Directors. I. I. Klebanov independently forms his position regarding the issues on the agenda of the Board of Directors oriented to protection of the Company’s and its shareholders’ interests.

3. I. I. Klebanov has qualification, knowledge and skills fully complying with the requirements to independent directors, specified by the Corporate Governance Code and the Listing Rules, and allowing him to participate in work of the Audit Committee and the Human Resources and Remuneration Committee. Large professional experience allows I. I. Klebanov to make independent, objective and conscientious judgements regarding the issues discussed at the meeting of the Company’s Board of Directors and the Committees under the Board of Directors, and to vote in accordance with the Company’s long-term interests.

2.2.3. Decision on issue No. 3 put to voting:

Following the result of analysis of correspondence of the members of the Board of Directors of Transneft to the “Criteria of Specifying Independence of the Members of the Board of Directors (Supervisory Board)”, provided for by Appendix 4.1 to the Listing Rules of Moscow Exchange (hereinafter referred to as the Listing Rules):

To declare Gennady Iosifovich Shmal, Member of the Board of Directors of Transneft, as an Independent Director, in spite of his formal connectedness to the substantial contractor of Transneft.

Taking such decision, the Board of Directors of Transneft should be guided by the fact that Gennady Iosifovich Shmal corresponds to all the criteria of independence of the members of the Board of Directors, established by the Listing Rules (Appendix 4.1) and the Corporate Governance Code, recommended by the Bank of Russia, excluding the criterion of connectedness to the substantial contractor, because since 1992 he is the member of the Board of Directors of RITEK (company under the control of Lukoil). Lukoil is a substantial contractor of Transneft. The Board of Directors considers that such connectedness is formal and does not influence G. I. Shmal’s ability to make

independent, objective and conscientious judgements taking into account the following:

1. In accordance with the order of the Russian Federation Government dated 26 December 2017 No. 2947-p G. I. Shmal has been included into the list of candidates for being elected to the Board of Directors of Transneft as an independent director, he does not represent the state interests and does not vote on the Directives of the Russian Federation.

2. Analysis of activities of G. I. Shmal as the member of the Board of Directors of Transneft shows that he is responsible as regards performance of his obligations as the member of the Board of Directors. G. I. Shmal actively participated in 95% of all the meetings of the Board of Directors of Transneft, in 2017 corporate year he was Chairman of the Audit Committee, the Human Resources and Remuneration Committee, the Committee on Strategy, Investments, and Innovations under the Board of Directors of Transneft. Previous work experience with the Company's Board of Directors shows that upon voting at the meetings of the Board of Directors and the Committees G. I. Shmal did not represent the interests of Lukoil and RITEK, his position on the agenda of the meetings is based only on his professional experience and knowledge, is unprejudiced, independent, objective, not depending on any other parties. G. I. Shmal independently forms his position regarding the issues on the agenda of the Board of Directors oriented to protection of the Company's and its shareholders' interests.

3. G. I. Shmal has qualification, knowledge and skills fully complying with the requirements to independent directors, specified by the Corporate Governance Code and the Listing Rules, and allowing him to participate in work of the Audit Committee and the Human Resources and Remuneration Committee. Large professional experience allows G. I. Shmal to make independent, objective and conscientious judgements regarding the issues discussed at the meeting of the Company's Board of Directors and the Committees under the Board of Directors, and to vote in accordance with the Company's long-term interests.

**2.3. The date of holding of the meeting of the Board of Directors of the Issuer at which the corresponding decision was adopted:** 09 February 2018.

**2.4. The date and number of minutes of the meeting of the Board of Directors of the Issuer at which the corresponding decision was adopted:** 09 February 2018, Minutes No. 1.

3. Signature

3.1. Vice President of Transneft

acting under Power of Attorney No. 94 dated 01 March 2016 \_\_\_\_\_ R.R. Sharipov  
(signature)

L. S.

3.2. Date: 09 February 2018