

ANNUAL REPORT

«SURGUTNEFTEGAS» PJSC



2024

CONTENTS

1 THE COMPANY'S PROFILE

The Company today	4
The Company and the oil and gas industry	6
Business priorities	8
Information on risks related to the Company's operations	9

2 PRODUCTION OPERATIONS

Resource policy	16
Oil and gas production	18
Oil refining and gas processing	24
Sales of oil products	26
Power generation	28

3 RESEARCH AND TECHNOLOGY

Innovations	32
Innovation, scientific and technical activity	33
Information technologies	36

4 PLANS AND DEVELOPMENT PROSPECTS OF «SURGUTNEFTEGAS» PJSC

Plans and development prospects of «Surgutneftegas» PJSC	40
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5 NON-FINANCIAL INFORMATION

Environmental safety	47
HR policy	54
Industrial and occupational safety, healthcare	60
Social activity	63
Corporate governance	65
Report on the Company's compliance with the principles and recommendations of the Corporate Governance Code	65
Report on declared (accrued) dividends on shares of «Surgutneftegas» PJSC	76
List of the Company's transactions carried out in the reporting year	77

6 BACKGROUND INFORMATION

Background information	80
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«Surgutneftegas» PJSC, «Company», «Surgutneftegas», «we», «our», «us» and «joint stock company» used in the text are interchangeable terms that relate to «Surgutneftegas» PJSC and/or «Surgutneftegas» PJSC and its subsidiaries for core activities subject to the context.

THE COMPANY'S PROFILE

- ▀ The Company today
- ▀ The Company and the oil and gas industry
- ▀ Business priorities
- ▀ Information on risks related to the Company's operations



THE COMPANY TODAY

"Surgutneftegas" PJSC is one of the largest vertically integrated oil companies in Russia.

- ▶ The Company's assets are located in more than 10 regions of the Russian Federation
- ▶ Extensive portfolio of projects in all areas of the Company's activities
- ▶ The average number of the Company's employees is over 100 thousand people

When conducting production activities, "Surgutneftegas" PJSC maintains a focus on the priorities of sustainable development. The Company continues to improve the policy in the spheres of ecology, industrial safety, corporate governance, HR management, partners and clients relations.

ECOLOGY

Surgutneftegas strives for harmony between technical progress and the preservation of natural resources in the areas of its operations. The Company introduces technologies that allow us to treat air, water and the subsoil with the utmost care.

- ▶ Reliability control of production facilities
- ▶ Rational use of land and water resources
- ▶ Air protection and climate change prevention
- ▶ High level of associated petroleum gas utilization
- ▶ Water resources biodiversity conservation, forest restoration



SOCIAL RESPONSIBILITY

The Company creates safe and comfortable work environment, improves operating conditions, provides training and increases the professional level of employees.

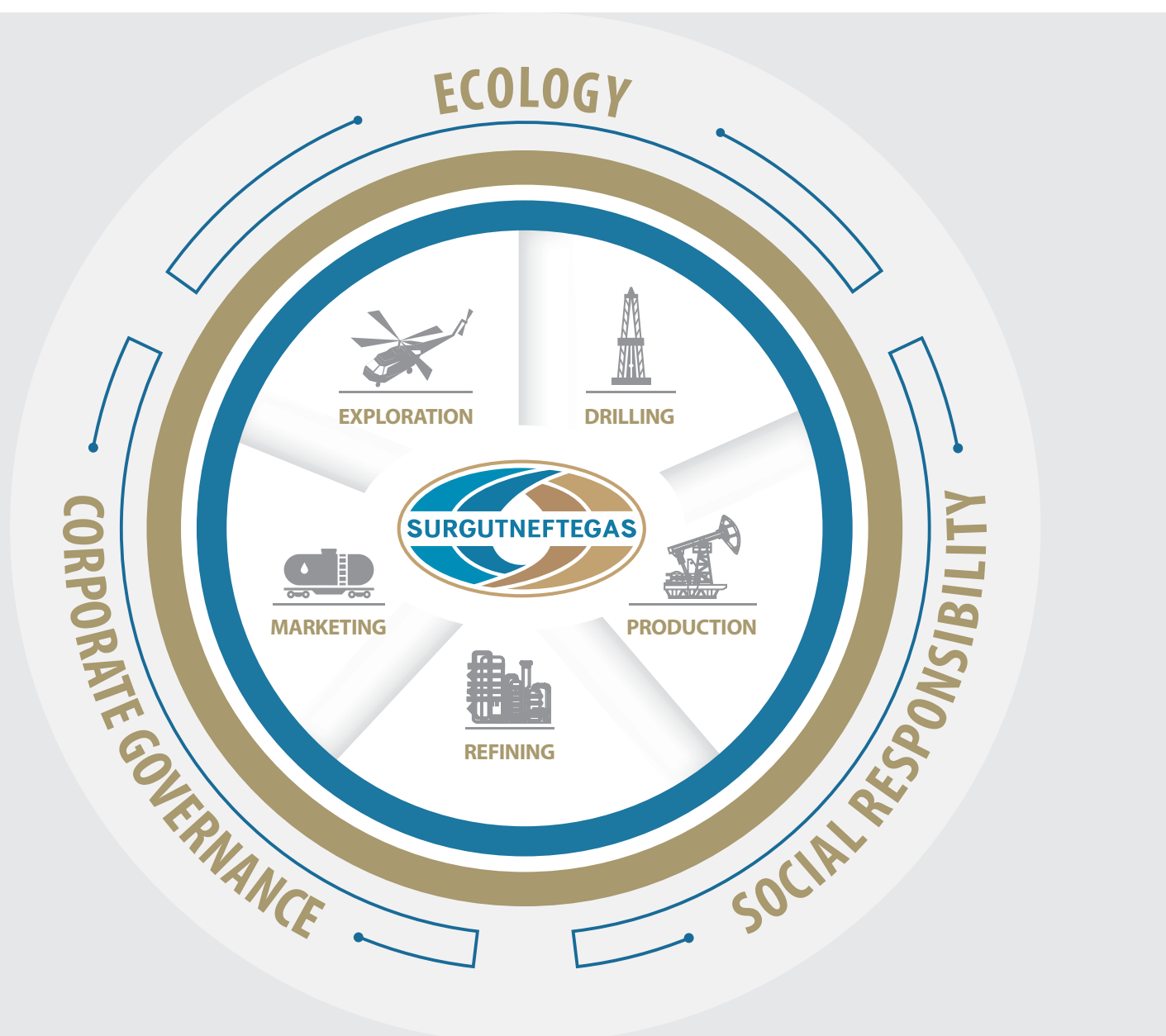
- ▶ High standards of industrial safety and occupational health for each employee
- ▶ Comfortable and safe work environment
- ▶ Continuous personnel development
- ▶ Development of an effective system of personnel remuneration and motivation
- ▶ Implementation of social programs that increase the level of social security of employees
- ▶ Contribution to social and economic development of the Company's regions of presence
- ▶ Support of the small-numbered indigenous peoples of the North



CORPORATE GOVERNANCE

The Company strives for high standards of corporate governance and continuously improves it, strictly complies with the requirements of the current legislation of the Russian Federation.

- ▶ Responsibility to shareholders
- ▶ Major taxpayer
- ▶ Responsible employer
- ▶ Reliable partner
- ▶ Corporate social responsibility



The global oil and gas industry in the reporting year was influenced by OPEC+ oil market regulation policy. As compared to 2023, the price situation in the oil sector proved to be moderately stable. The Brent price swings decreased to 22.79 USD/bbl. (26.21 USD/bbl in 2023). The minimum value was reached in September 2024 – 70.56 USD/bbl, the maximum was reached in April – over 93.35 USD/bbl. At the same time, the average annual price of Brent oil in the reporting year decreased to 80.76 USD/bbl, by 2.3% compared to the previous year.

In 2024, the Russian oil production amounted to 516 million tonnes. The volume of development drilling by Russian oil companies remained at the level of the previous year and amounted to 30.2 million meters, with horizontal drilling increasing by 9.5% to 20.5 million meters. In the reporting year, 39 new hydrocarbon deposits, additions of the recoverable oil and condensate reserves amounted to 592 million tonnes. The primary crude oil distillation in 2024 reduced by 3.1% and amounted to 266.5 million tonnes. The conversion ratio increased to 84.4%, which was a record figure.

In the reporting year, gas production in Russia amounted to 684.9 billion cubic meters, a 7.4% increase against the previous period. The volume of production of associated petroleum gas (APG) by Russian oil companies increased by 0.9% to 106.1 billion cubic meters, which is the highest over the last years. The increase is due to putting new fields in Eastern Siberia on stream. In the reporting year, the positive dynamics were also maintained in the production of the liquefied natural gas.

Its output totaled 34.7 million tonnes, which is 5.5% up against the previous year.

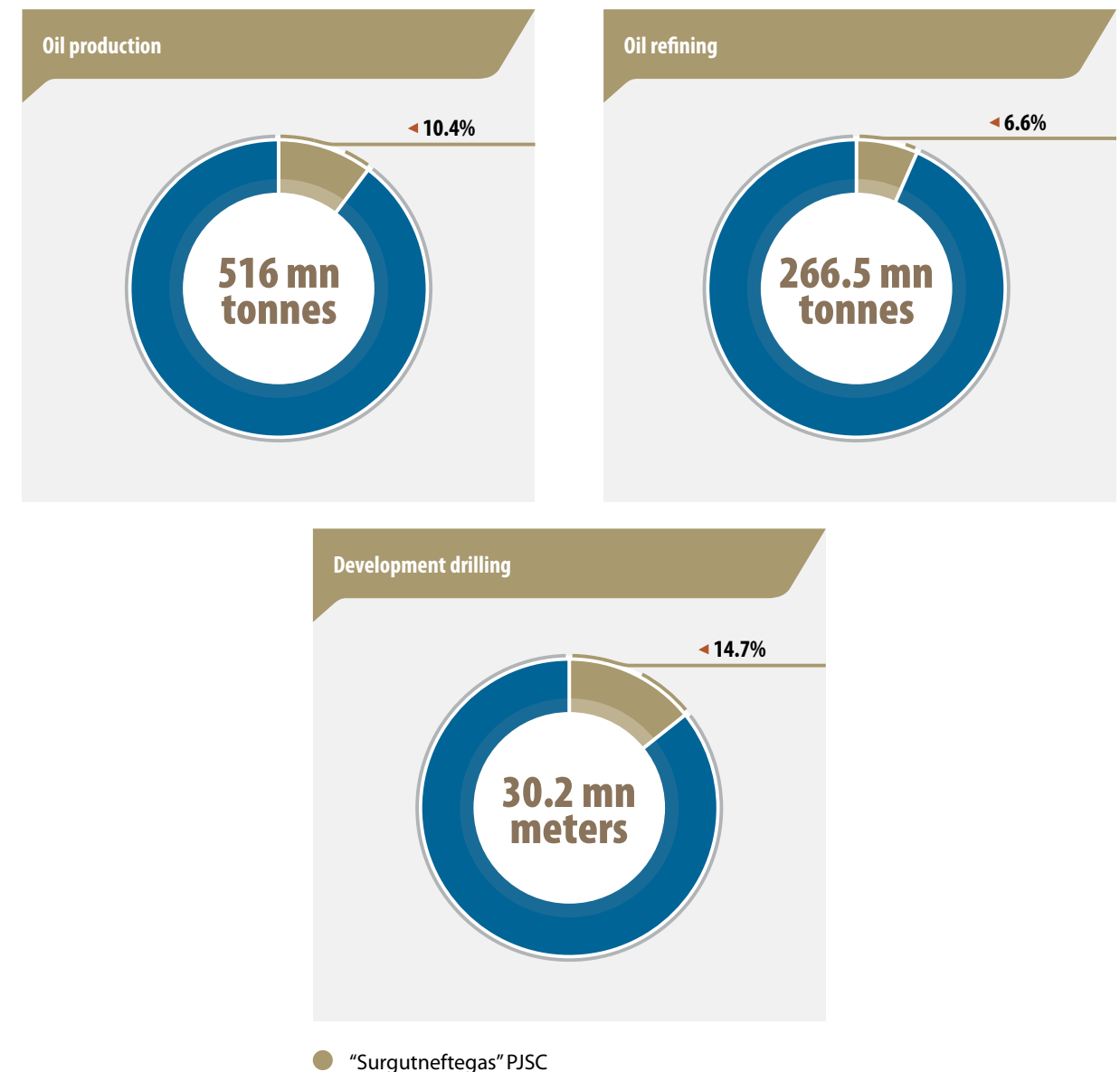
“Surgutneftegas” PJSC is one of the largest vertically integrated oil companies in Russia. The Company accounts for 10.4% of the total Russian oil production and 6.6% of oil refining output.

The resource base of “Surgutneftegas” PJSC is located in the territory of three oil and gas provinces: Western Siberia, Eastern Siberia and Timan-Pechora. The oil and gas production is carried out in Western and Eastern Siberia. In 2024, oil production of the Company reached 53.7 million tonnes, gas production – 6.2 billion cubic meters. The volume of development drilling remained at the level of the previous year and amounted to 4.4 million meters – 14.7% of the total development drilling by Russian oil companies. Prospecting and exploratory drilling amounted to 228 thousand meters.

In 2024, the volume of hydrocarbon processing at the Company’s refinery amounted to 17.5 million tonnes. The gas processing plant processed 2.9 billion cubic meters of gas, produced 400 thousand tonnes of liquid hydrocarbons. “Surgutneftegas” PJSC strives to maximize the use of associated petroleum gas. In 2024, the level of its utilization amounted to 99.16%.

The marketing network of the Company carries out wholesale and retail sale of oil products in the North-West of Russia. At the end of 2024, it included 272 gas stations. The marketing network retail sales of oil products amounted to 781 thousand tonnes.

THE SHARE OF “SURGUTNEFTEGAS” PJSC IN THE RUSSIAN OIL AND GAS INDUSTRY IN 2024



BUSINESS PRIORITIES

OIL AND GAS PRODUCTION:

- to strengthen and enlarge the mineral resource base;
- to extend the introduction of advanced technologies and equipment enhancing the efficiency of geological exploration and field development;
- to provide the planned volume of hydrocarbon production in accordance with the situation in the oil and gas market;
- to use the produced associated petroleum gas in the most efficient way;
- to provide a high quality of work and control costs.

OIL REFINING AND GAS PROCESSING:

- to enhance oil and gas refining and processing efficiency;
- to provide an extensive range of products in accordance with the market needs.

MARKETING:

- to increase the efficiency of retail sales, namely by expanding the range of related services;
- to attract and retain consumers by providing high-quality products and developing loyalty programs.

POWER GENERATION:

- to develop the in-house energy complex, providing production facilities with electrical and thermal energy;
- to introduce energy saving and energy efficient solutions and technologies within every area of the Company's operations.

SOCIAL RESPONSIBILITY:

- to ensure environmental safety of production facilities and use natural resources in a rational way, mitigate the negative environmental impact;
- to assure high industrial and occupational safety standards;
- to maintain the reputation of an attractive and responsible employer;
- to contribute to balanced social and economic development in the Company's regions of presence and preserve the status of a reliable partner and supplier of high-quality products;
- to offer extra social benefits and guarantees for the employees, members of their families and retired employees.

INFORMATION ON RISKS RELATED TO THE COMPANY'S OPERATIONS

"Surgutneftegas" PJSC operates in a dynamically changing external environment, which inevitably leads to the emergence of various types of risks. The Company employs a well-established system for risk detection, evaluation and management. Its continuous development allows "Surgutneftegas" PJSC to promptly respond to emerging changes, prevent negative scenarios, adapt to new challenges and ensure the stability of operational and financial activities.

INDUSTRY RISKS

The oil and gas industry is characterized by constant complication of technological processes to ensure efficient operations, which leads to the emergence of various risks.

"Surgutneftegas" PJSC, being one of the largest Russian vertically integrated oil companies, faces a number of risks inherent in the oil and gas industry. Risks of price reduction for oil and oil products and growth of prices for purchased materials, feedstock, special-purpose machinery, equipment and services can have the most significant influence on the Company's activity.

The pricing on the hydrocarbons market is affected by a large number of factors, changes in which can significantly affect the activities and financial situation of the Company. At the same time, the supply and demand balance in sales markets of finished goods is the key factor that determines oil and oil products prices. An unstable price situation on the hydrocarbon market may lead to a decrease in production, reduction of capital investments, losses from the impairment of the assets and a decrease in the financial performance as well as negatively affect the implementation of investment projects. Additionally, changes in the oil and gas industry can affect the financial sustainability of the counterparties and their ability to fulfill their contractual obligations in respect of the Company.

"Surgutneftegas" PJSC takes into consideration risks of high volatility of oil and oil product prices, analyzes the impact of price scenarios on its activity, including the current production, as well as investments in new projects. The Company optimizes the structure and volumes of oil products output, seeking to achieve maximum

profitability. The Company invests in new projects taking into account the various scenarios in core performance segments.

Prices for feedstock, materials, machinery and equipment are the main factors affecting the Company's expenses and operational results. They are influenced by many external factors, such as inflation, exchange rates, load on production facilities and manufacturing technologies for machinery and equipment. To reduce the risks associated with rising prices for these resources, "Surgutneftegas" PJSC holds tenders with several suppliers, concludes long-term contracts, and builds reliable relationships with suppliers. The Company improves automated systems for accounting materials and equipment, which helps optimize costs and reduce the impact of price swings. "Surgutneftegas" PJSC continues to develop in-house service production, ensuring the implementation of all main stages of finished goods production. This mitigates risks of increased expenses on new and existing projects.

In addition, a significant portion of the expenses of "Surgutneftegas" PJSC depends on the tariffs of natural monopolies in the sphere of electricity supply, transportation of oil, oil products and other goods. The growth of tariffs of natural monopolies and boiler tariffs has a negative impact on the Company's financial results. The Company has no ability to influence the cost of these services.

NATURAL ENVIRONMENT AND CLIMATIC RISK

Climate change is a global problem and a relevant risk for the Company. It manifests in changing weather conditions,

water bodies level, amount of precipitation, permafrost thawing and other climatic phenomena.

The key territory for the operation of "Surgutneftegas" PJSC is located at the West Siberian Plain, which is characterized by a high level of marshiness and the abundance of lakes. One of the oil production clusters of the Company is located within the Lena Plateau of the Central Siberian Plateau in Yakutia.

These territories are characterized by a complex of dangerous natural exogenic processes caused by geomorphic and lithologic local conditions: seasonal freezing and thawing of ground, frost heaving and erosional relief transformation by the constant watercourses. Western Siberia is also associated with processes of natural groundwater flooding and swamp formation. The northern areas of the production activity are located in the zone of island and sporadic spreading of permafrost. However, such extreme natural phenomena as tornadoes, avalanches, hurricanes, earthquakes, landslides and mudslides are not typical for these regions.

As a whole, the level of danger of exogenic geological processes when developing the territory of "Surgutneftegas" PJSC operations is assessed as low, and the engineering-geological and hydrological conditions as unchallenging. The selection of the Company's production facilities arrangement is carried out taking into consideration natural environment features; at same time, designing the site structures includes a range of measures to mitigate a negative impact on the environment.

Most of "Surgutneftegas" PJSC facilities are built outside the flooding area except the few well sites, which are arranged in flood plains due to geological conditions. Measures for protection from damage and pollution of the environment are taken during the construction of such facilities.

In order to mitigate natural environment risks in flood period, the Company annually implements a wide range of measures: sites cleanup of snow and waste, equipment moving-out, drain tank pump off, preparation of the equipment for localization and elimination of possible pollutions, stocking of materials and equipment and soil, tightened industrial environmental control over the oil production

facilities and ongoing visual monitoring of watercourse condition.

In order to prevent environmental pollution during periods of extremely low temperatures, the Company organizes training and develops practical skills of the employees at hazardous production facilities in case of emergency situations in low temperature conditions, checks the operational capacity of water heat tracers and electric heating devices, assesses the procedures for high alert in connection with dangerous weather, as well as the availability and operational capacity of the emergency reserve of equipment, material and technical resources.

ENVIRONMENTAL RISK

Production operations of "Surgutneftegas" PJSC are associated with the risk of damaging the environment as a result of possible accidental failures of process equipment for hydrocarbon production, treatment and transportation, as well as accidents that can cause oil and oil product spills. Such situations may cause environmental pollution, significant expenses on elimination of damage, may result in civil legal liability, and negatively affect the activities of the Company.

Every year, the Company develops a comprehensive program of environmental protection measures aimed at preventing the impact of environmental risks, mitigation of the negative impact on the environment. "Surgutneftegas" PJSC invests significant funds in maintaining reliability and increasing the level of environmental safety of the production facilities, actively increases energy efficiency of production, reduces the harmful greenhouse gas emissions from associated petroleum gas flaring, utilizes waste, reclaims forests and creates reliable and guaranteed energy sources for maintaining the continuity of all its technological operations and elimination of possible energy supply disruptions in case of severe climate change consequences. The Company implements projects to obtain energy from renewable sources and invests in research and development of new technologies in the field of production and processing of hydrocarbons. Every year, we maintain voluntary insurance of the Company's civil legal liability for possible damage to the environment.

"Surgutneftegas" PJSC closely monitors global warming trends, especially in northern regions, where climate change is associated with possible degradation of permafrost, increased precipitation, and flooding of territories. The Company designs capital construction facilities in the northern regions with permafrost soil and takes other measures to improve industrial and environmental safety at the facilities and to prevent damage to structures and communications in case of permafrost degradation.

Since 2017, for the effective environmental risks management and to ensure compliance with the principles of the environmental policy, "Surgutneftegas" PJSC has been operating the Ecological Council, which includes top managers of the Company. The Ecological Council coordinates the activities of the Company in the field of environmental protection and use of natural resources, which are of fundamental importance. In order to motivate the Company's business unit heads as well as to promote their commitment, the Ecological Council has set personal environmental performance targets aimed at the results of industrial environmental control.

COUNTRY AND REGIONAL RISKS

"Surgutneftegas" PJSC carries out its activity in several subjects of the Russian Federation and is exposed to the country and regional risks.

The Company's production and financial results may be significantly affected by factors such as restrictions on oil production volumes in compliance with the OPEC+ agreement and force majeure circumstances. "Surgutneftegas" PJSC takes these risks into account and takes measures to minimize them.

The social and economic situation in the areas of the Company's presence is stable. The Company strengthens partnerships with local authorities, promotes the development of the territories where it operates, participates in projects aimed at developing culture and sports, and supports other socially important initiatives.

FINANCIAL RISKS

"Surgutneftegas" PJSC is typically exposed to such financial risks as currency risk, interest rate risk, inflation risk, credit risk and liquidity risk. Their realization can reduce profit, cash flows and value of the Company's assets and cause the growth of current and capital expenditures.

Currency risk for "Surgutneftegas" PJSC is associated with foreign economic activities, foreign currency transactions. Its implementation may lead to changes in the efficiency of the Company's financial and business activities. In order to manage this risk the Company constantly controls all foreign currency transactions, forecasts and timely adjusts cash flows for current and investment activity.

Interest rate risk has no material impact on the financial performance of "Surgutneftegas" PJSC. The Company owns a sufficient amount of cash to finance operation and investment expenditures without the involvement of borrowed funds. Regular monitoring of credit institutions reliability and evaluation of the levels of profitability in money and capital markets allow the Company to use the most appropriate options for placement of temporarily surplus funds in terms of profitability and risk.

The inflation risk for the Company may increase under the influence of increased global and domestic inflation. Realization of the inflation risk may contribute to an increase in the cost of manufactured products, a decrease in the efficiency of investments in existing projects and, as a result, have a negative impact on the financial performance of "Surgutneftegas" PJSC. In order to manage the inflation risk, the Company organizes purchases through tenders, takes measures for substitution of imported equipment, establishes reliable business relations with strategically important suppliers and contractors within the framework of contractual relations.

The credit risk for "Surgutneftegas" PJSC is characterized by potential losses in relation to trade receivables in the event of counterparties violating their obligations under contracts. The realization of this risk can affect the efficiency of the economic performance and business activity of the Company. In order to evaluate the level of credit risk the Company regularly performs

an integrated assessment of the financial position, credit history of the counterparties as well as uses security instruments in the form of advance payments, letters of credit and bank guarantees.

Liquidity risk for "Surgutneftegas" PJSC is minimized due to a sufficient volume of its own liquid assets and the absence of the need to involve borrowed funds. The sufficiency of liquid assets is ensured by a balanced structure of cash flows, which allows the Company to pay its obligations in a timely manner.

"Surgutneftegas" PJSC does not apply derivative financial instruments to hedge financial risks, but takes into consideration their possible application when assessing investments in new projects and setting plans and budgets. In order to mitigate financial risks in production activities, the Company actively uses mechanisms for insuring assets and operations.

LEGAL RISKS

Legal risks of "Surgutneftegas" PJSC are associated with changes in the currency legislation, taxes and fees legislation, custom control regulations, requirements for licensing in the oil and gas industry. The realization of these risks may affect the production operations and financial activity of the Company, as well as its plans for development.

Amendments to the legislation of the Russian Federation on currency regulation and currency control may lead to an increase in time and cost of export-import operations and affect the economic efficiency of the Company's core activities. Adjustments in the tax legislation increasing the tax burden can have negative influence on financial performance of the Company.

"Surgutneftegas" PJSC takes part in foreign trade relations and faces risks of changes in the custom control regulations. Their implementation may affect the efficiency of production activities and financial results of the Company.

Changes in the procedure for registration, operating conditions and termination of the right to use subsoil plots may affect the financial and operational results of the Company's activities and lead to introduction of restrictive measures by regulatory authorities.

"Surgutneftegas" PJSC carries out its activities in strict compliance with the current legislation of the Russian Federation, monitors and promptly responds to legislative changes entering into force, assesses their impact on its activities, interacts with regulatory authorities and participates in working groups on the development of bills. The Company complies with all requirements for tax payment and mandatory payments, maintains its reputation of a responsible and conscientious taxpayer. "Surgutneftegas" PJSC promptly updates existing licenses to prevent violations of the established terms and conditions of operation of subsoil plots. The Company has necessary experience in the field of production and processing of hydrocarbons, has enough finance, materials, equipment and personnel to perform its obligations on all current license agreements.

REPUTATION RISK

For "Surgutneftegas" PJSC, this risk is associated with loss of good will and decline of trust among clients, suppliers and other counterparties in the event of delivery of products that are not compliant with the declared quality characteristics, violation of terms of contractual obligations, non-compliance with traditional business practice and principles of professional ethics.

"Surgutneftegas" PJSC sells products conforming with the quality and performance characteristics specified in regulatory documents. The quality control of the products is carried out in the Company's own accredited laboratories. Customers have access to information about the range, basic properties and quality characteristics of manufactured products.

Every year, "Surgutneftegas" PJSC implements measures to reduce the risks of environmental pollution and provides safe working environment in production. The Company controls the technical condition of equipment, motor and special vehicles as well as production facilities for finished products storage. The Company's employees are regularly trained in safe working operations and techniques. "Surgutneftegas" PJSC carries out a special assessment of working conditions, introduces protection systems and remote control of technological processes. This range of measures minimizes cases of occupational injuries

and professional diseases, ensures the safety of life and health of personnel.

The Company strives to maintain a reputation as a reliable partner when interacting with clients, suppliers and contractors. By adhering to the best practices of responsible business conduct, the Company strictly complies with all the requirements of the legislation of the Russian Federation, fulfills obligations to pay taxes and mandatory payments, settlements with contractors, and pays wages to employees on time.

STRATEGY RISK

The strategy risk for "Surgutneftegas" PJSC is the adoption of suboptimal decisions in the field of strategic planning, arising due to the lack of available information and high volatility of key indicators and affecting the choice of strategy and the achievement of long-term goals.

The Company studies and analyzes factors of the external and internal environment, strives to find and use the emerging opportunities on the market. The Company promptly responds to changes in market pricing, selects priority channels for selling products with the most favorable conditions, promptly updates machinery and equipment, modernizes production facilities and monitors the sufficiency of materials, equipment, personnel and finance. "Surgutneftegas" PJSC pays close attention to topics related to the development of renewable energy sources, new fuel production technologies, decarbonization of the industry.

The Company strives to build business processes in such a way as to achieve an optimal balance between sustainable development and operational efficiency.

INFORMATION SECURITY RISK

Digitalization of technological and production processes of "Surgutneftegas" PJSC entails increased requirements to the security of data assets of the Company. Given the increasing complexity and development of modern cyberthreats, the Company's primary task

in the field of information security is to ensure the continuity of technological and business processes.

The key Information security risks for the Company are risks of unauthorized access to information, partial and full data loss, disclosure of confidential information, shutdown of technological processes due to cyberattacks. To minimize them, as well as to ensure the security of the information infrastructure, "Surgutneftegas" PJSC uses a proactive approach that allows for early identification of potential attacks using digital risk analysis tools and rapid adaptation to new threats.

The Company's main measures on ensuring the integrity, availability and confidentiality of information are as follows:

- implementation of "Surgutneftegas" PJSC policy on information security;
- raising awareness among employees about potential cyberthreats and methods of preventing them;
- confirming the personal responsibility of the employees for compliance with implemented safety measures and conducting regular checks of compliance with information security requirements;
- management and control of access to information systems and information;
- continuous monitoring of information security threats;
- application of software and hardware protection tools to neutralize threats and identify information security incidents.

Systematic approach to information security allows "Surgutneftegas" PJSC to effectively counter modern cyberthreats, prevent discontinuity of production processes and avoid financial losses.

2

PRODUCTION OPERATIONS

- Resource policy
- Oil and gas production
- Oil refining and gas processing
- Sales of oil products
- Power generation



Resource policy of “Surgutneftegas” PJSC is aimed at ensuring reproduction of the mineral resource base through the addition and acquisition of hydrocarbon reserves.

“Surgutneftegas” PJSC performs geological exploration in the territory of Western Siberia, Eastern Siberia and Timan-Pechora oil and gas provinces. The Company owns licenses for 183 blocks, 73 of which are with the right to explore and produce hydrocarbons, 81 – with the right to perform geological study, exploration and production of hydrocarbons, 29 – with the right to perform geological study, prospecting and appraisal of hydrocarbon deposits. Most of “Surgutneftegas” PJSC subsoil plots are located in Khanty-Mansiysky Autonomous Okrug – Yugra and in the Republic of Sakha (Yakutia).

In the reporting year, “Surgutneftegas” PJSC obtained three new licenses for subsoil use, two of which are with the right to perform geological study, exploration and production of hydrocarbons (acquired as the result of the auctions), one – with the right to perform geological study, prospecting and appraisal of hydrocarbons.

When developing resources the Company applies an integrated approach: from the selection of seismic and borehole studies to the justification of the optimal development of the field, the construction of its geological model. In the reporting year, the total volume of performed 2D seismic surveys reached 1,450 linear kilometers. In order to further explore the underlying beds, 39 production wells with the total depth of 43.1 thousand meters were deepened. Using sidetracking, 13 production wells were deepened with the total depth of 11 thousand meters.

A significant role in maintaining the resource base and ensuring the stable operations of the Company is given to conducting geological

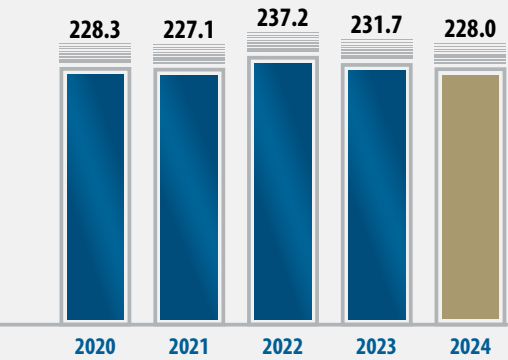
exploration. “Surgutneftegas” PJSC uses modern technologies and relies on the experience of its geological service, as well as scientific support for the activities carried out by the R&D and Project Design Institute “SurgutNIPIneft”. Scientific research studies, analysis, generalization of results are carried out, and digital geological models are built on its basis. In the reporting year, specialists of the Institute completed 30 research studies, drew up 35 projects for prospecting, evaluation and exploration for 39 subsoil plots, studied 115 unallocated subsoil fund plots, put up for auction and geological exploration in 2024.

In 2024, the Company performed geological exploration in the territory of five regions at 53 subsoil plots, including 13 prospecting blocks. Prospecting and exploratory drilling amounted to 228 thousand meters, the main part of which fell on Western Siberia. The construction of 94 wells was finished. The prospecting and exploratory drilling success rate accounted for about 95%.

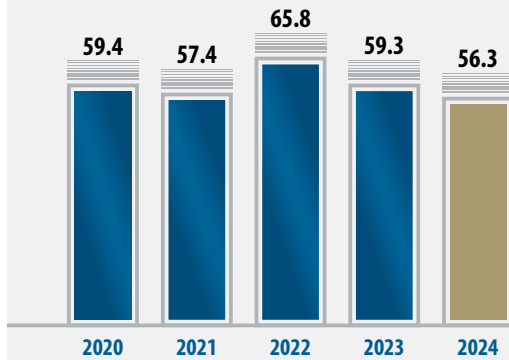
In the reporting year, the Federal budgetary institution “State Commission on Mineral Reserves” prepared and submitted for revision information on the current reserves estimates for 105 targets located on 43 fields.

As a result of comprehensive resource development in 2024 “Surgutneftegas” PJSC increased oil reserves by 56.3 million tonnes and oil resources by 19.1 million tonnes. Seven new deposits at previously discovered fields with a total of 1.5 million tonnes of recoverable oil reserves were discovered and the Federal budgetary institution “State Commission on Mineral Reserves” reviewed the reports on them.

Prospecting and exploratory drilling of the Company, '000 m



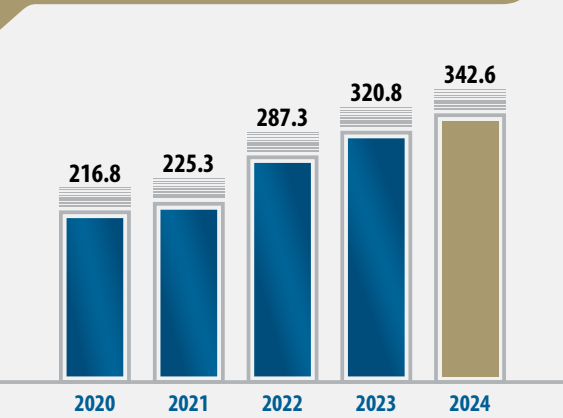
Additions of the Company's oil reserves mn tonnes



The priorities of "Surgutneftegas" PJSC in the upstream sector are focused on the implementation of the production program for oil and gas production with maximum efficiency of the main processes.

"Surgutneftegas" PJSC carries out oil and gas production in the Russian Federation, in the territory of Western Siberia and Eastern Siberia oil and gas provinces. In the reporting year, oil production reached 53.7 million tonnes and gas production – 6.2 billion cubic meters. Investments in the upstream sector grew by 6.8% and reached RUB 342.6 billion.

The Company's investments in oil production
RUB bn



OIL PRODUCTION

In the reporting year, the Company's activity was influenced by external constraints caused by the OPEC+ agreement. The Company carried out the efficient operation of the existing fields, was building the infrastructure and preparing for putting new fields on stream, maintained the volume of development drilling. Close attention was paid to the work on optimizing the operating modes of wells.

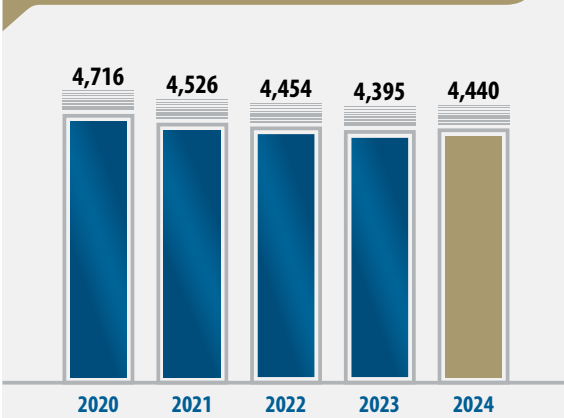
When developing existing fields, the Company, taking into account the increase

in the share of hard-to-recover reserves, actively implements well intervention services aimed at enhancing well productivity. At the same time, all operations are performed in accordance with the program targeted at well stock taking into account the profitability assessment. In 2024, "Surgutneftegas" PJSC performed about 10 thousand various well intervention operations which made it possible to produce 9.3 million tonnes of additional oil. Every year, the Company's list of well intervention services is supplemented by new technologies and methods that allow not only to stabilize, but also to increase the production of "hard-to-recover" oil at fields in the late stages of development. Such well intervention services are based on mathematical modeling methods, which allow for the rapid refinement of the structure of deposits and the identification of areas with undeveloped reserves. The efficiency of their application is achieved thanks to scientific support provided by the R&D Institute "SurgutNIPIneft". In the reporting year, the Institute carried out 45 R&D projects on field development, 15 R&D projects on oil recovery enhancement.

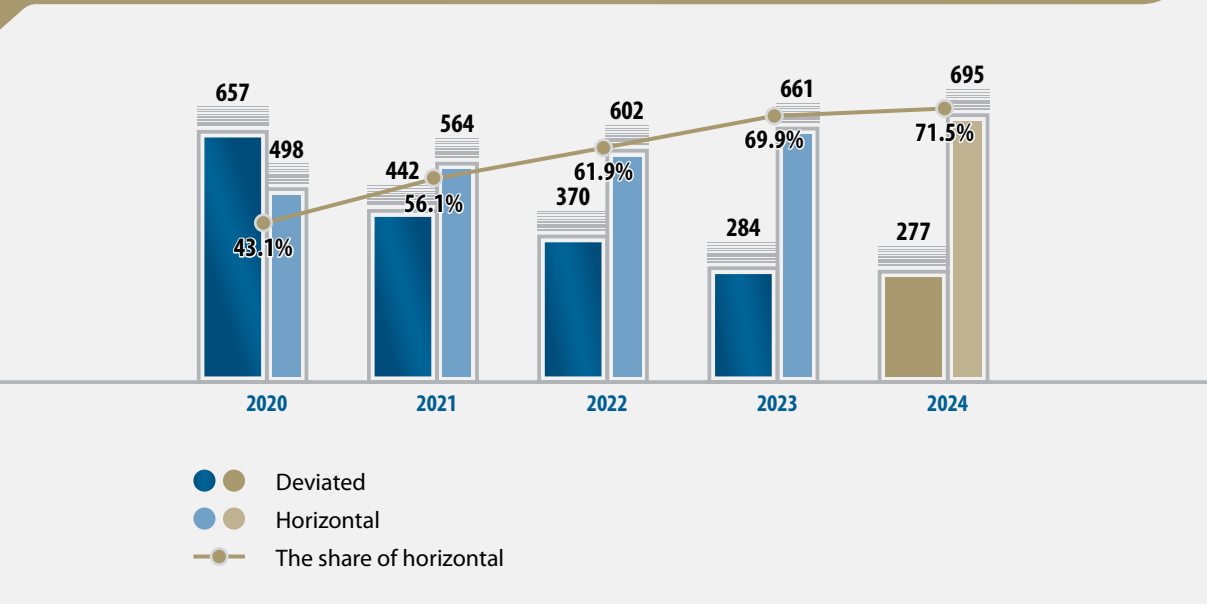
"Surgutneftegas" PJSC is constantly preparing for putting new fields on stream, developing existing promising oil production hubs. In the reporting year, the construction of new facilities at the Tukansk fields that are put on stream was a priority. In total, in 2024 the Company put on stream four new fields, including three Tukansk fields.

For the Company as a whole, more than 4.4 million meters of rock formations were drilled to ensure the level of oil production. The Company brought online 1,472 wells, including 972 new oil wells. The share of horizontal oil wells in the total of new oil wells continued to grow and reached 71.5%. At the end of the reporting period, there were 27,772 oil production wells in the operating well stock of the Company. The share of idle wells dropped to 4.54%.

Development drilling
'000 m



New oil wells brought online
wells



GAS PRODUCTION

In the gas sector, the Company's efforts are aimed at developing and expanding the existing system for gathering, transportation and utilization of gas, as well as employing it at the new fields that are put on stream.

In 2024, "Surgutneftegas" PJSC produced 6.1 billion cubic meters of associated petroleum gas (APG) and 0.1 billion cubic meters of natural gas. The volume of APG production is determined by the oil recovery rates and gas ratio at the fields of the Company. Over many years, "Surgutneftegas" PJSC has been holding the leading positions in the industry in terms

of APG utilization. In the reporting year, this indicator was 99.16%.

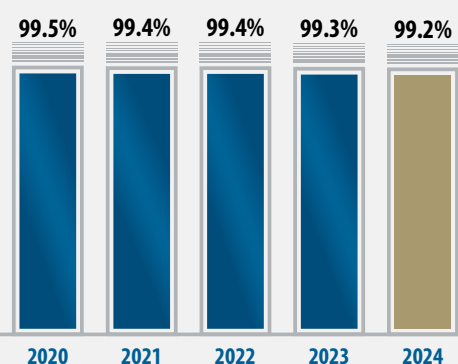
Engineering-ecological approach to the use of associated petroleum gas in "Surgutneftegas" PJSC allows not only to reduce emissions into the atmosphere, but also covers the demand for electrical energy generation for production facilities of the Company.

In the reporting year, to ensure reliable and safe operation of the system for gathering, transportation and utilization of gas, the Company performed maintenance and modernization of the existing facilities and equipment for associated petroleum gas utilization.

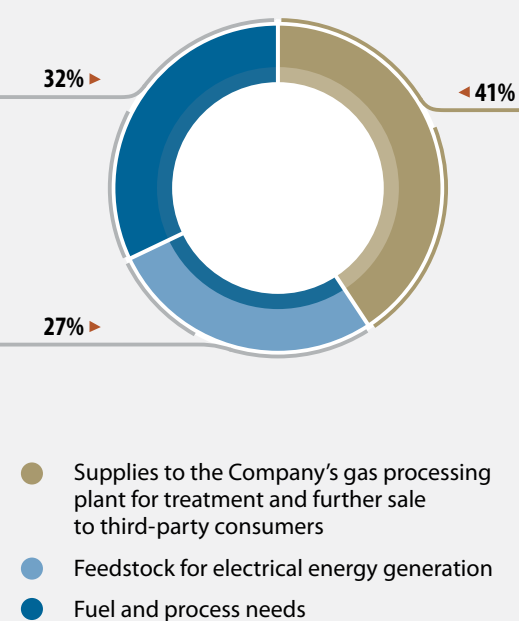
The Company's key areas of APG utilization:

- ▶ supply to the in-house gas processing plant for subsequent production of dry stripped gas and liquid hydrocarbons;
- ▶ supply to the in-house gas turbine power plants and gas reciprocating engine power plants for electrical energy generation;
- ▶ in-house consumption as fuel and for process needs.

APG utilization by the Company



Application of gas in 2024



- Supplies to the Company's gas processing plant for treatment and further sale to third-party consumers
- Feedstock for electrical energy generation
- Fuel and process needs



COST REDUCTION PROGRAM

Efficient use of fuel and energy resources is the basis of the Company's activity. Its implementation leads to improvement of technological processes, renewal and diversification of the structure of used resources. "Surgutneftegas" PJSC implements

a comprehensive cost reduction program in all business units, which is an important tool for improving the efficiency of production assets, technical level of production, introducing resource saving technologies and innovations, controlling the volume of expenses. In 2024, the economic benefit from its implementation increased by 19% and amounted to RUB 7.3 billion.

The key areas of the cost reduction program:

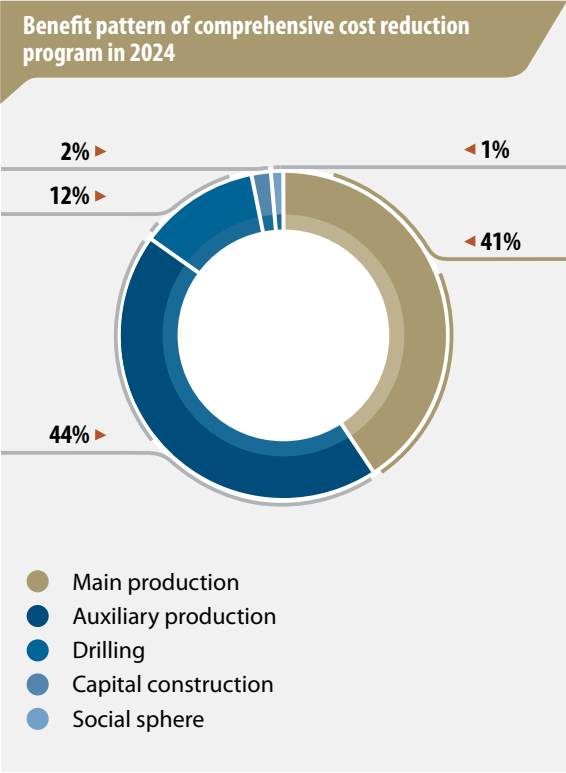
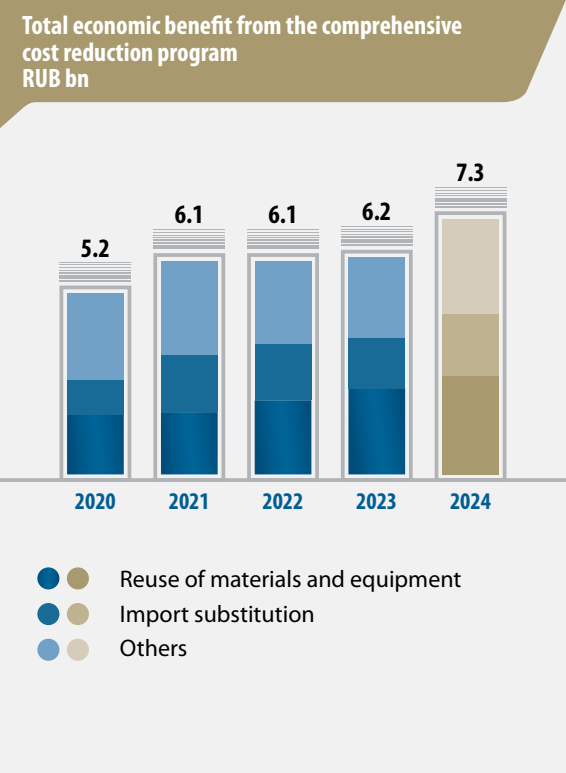
- improvement of energy efficiency of production and the consumption of materials;
- reuse of equipment and materials;
- import substitution.

The Company implements the program for energy saving and energy efficiency in each of its production activities. It includes introduction of energy saving technologies and equipment, optimization of operation of the electrical equipment and regulating power consumption, rational use of energy resources. In the reporting year, 689 measures on energy saving in 79 areas were taken. In 2024, total economic benefit from the implementation of this program amounted to RUB 2.4 billion, and reducing energy consumption reached 4% of the total volume of "Surgutneftegas" PJSC.

The program for reuse of equipment and materials is aimed at reducing the consumption of materials. In-house service divisions of "Surgutneftegas" PJSC allow

us to perform timely and high-quality repairs of machinery and equipment, which significantly extends the operation of production facilities and reduces demand for new materials. In 2024, the economic benefit of the program increased by 13% compared to the previous year and amounted to RUB 2.8 billion.

In recent years, the Company actively implements the substitution program, closely cooperating with domestic manufacturers of machinery and equipment. Such interaction allows us to find new solutions and approaches to production cycles, upgrade the production facilities, provide a solid foundation for further effective operation of the Company. The Company is constantly taking measures for import substitution encompassing the entire production cycle.



The Company's activity in oil refining and gas processing is aimed at increasing the efficiency through modernizing production, improving its quality characteristics and offering an extensive range of products to customers.

OIL REFINING

The Company's refinery is one of the largest enterprises in Russia in terms of the volume of hydrocarbon processing. Its capacities allow us to obtain a wide range of competitive products being in demand on the market. The range of oil products of the refinery exceeds 80 grades, including motor gasoline, diesel fuel, jet kerosene, mazut, petrochemical products, bitumen for road construction and other products.

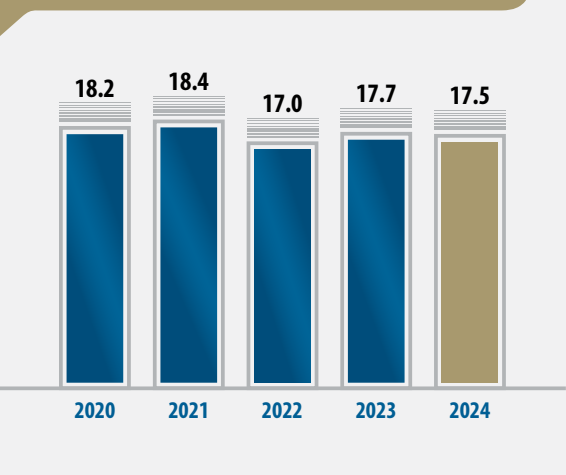
In 2024, the refinery processed 17.5 million tonnes of crude oil, produced 17.1 million tonnes of oil products. LAB-LABS unit, manufacturing products used as raw materials in the production of synthetic detergents, produced 13.4 thousand tonnes of LAB and 41.7 thousand tonnes of ABSA.

In the reporting year, the refinery continued the systematic work on developing and implementing measures to increase

efficiency of the existing production, key areas of which include cost reduction, improvement of energy efficiency, safety and environmental friendliness of production. In 2024, modernization and reconstruction were carried out at 20 facilities of the refinery, another stage of technical reequipment of crude oil park was completed.

Annually implemented modernization of the existing production backed by the scientific base, introduction of new equipment and technologies, increasing the level of automation of technological processes allow the Company's refinery to achieve a high quality of manufactured products and maintain competitive advantages on the fuel market. The existing analytical center, which includes accredited laboratories, ensures a guarantee of compliance of the quality of the products with the requirements of technical regulations. They take metrological measures, applying various methods of the quality analysis of oil products.

LLC "KINEF" crude processing volumes and yield of light oil products mn tonnes



GAS PROCESSING

The gas processing complex of "Surgutneftegas" PJSC is effectively integrated into processes of gathering, transportation and utilization of associated petroleum gas (APG). The complex includes gas compression and processing units, a product and storage facility with loading ramps, a gas-filling station, a module for producing nitrogen as well as other facilities. About 42% of APG produced by the Company is delivered to the gas processing plant for subsequent production of dry stripped gas and liquid hydrocarbons.

In 2024, the gas processing plant of "Surgutneftegas" PJSC processed 2.9 billion cubic meters of gas, produced 2.6 billion cubic meters

of dry stripped gas and 400 thousand tonnes of liquid hydrocarbons. The liquid hydrocarbons slate changes annually depending on the market demand. The products of the plant have high quality standards and are demanded by the petrochemical industry, enterprises in the sphere of municipal and domestic services, power generation and other industries.

Every year "Surgutneftegas" PJSC performs reconstruction and upgrading of the plants production facilities in order to maximize the efficient use of hydrocarbons, improve the safety and reliability of control systems for technological processes. In the reporting year, capital investments were directed to technical reequipment of the facilities of the plant.



SALES OF OIL PRODUCTS

In oil products marketing, “Surgutneftegas” PJSC is focused on increasing the efficiency of retail sales, stable provision of the customers with high-quality fuel.

The Company’s marketing sector includes five subsidiaries operating in the North-West of Russia. They carry out wholesale and retail sale of oil products, providing the customers with necessary types of fuel, offering a wide range of related goods and additional services at the gas stations and gas station complexes.

By the end of 2024, the Company’s marketing network included 272 active gas stations/complexes. In the reporting year, the volume of retail sale of oil products increased by 2.2% to 781.2 thousand tonnes. The average daily sales at one gas station/complex remained at the level of the previous year and amounted to 7.8 tonnes per day.

Development of non-fuel sales at the gas stations and gas complexes is carried out as part of the “Effective Gas Station” program. This program is aimed at increasing the sales volume, improving the service, enhancing focus on customer requirements, developing the sales of non-fuel products and services. An existing loyalty bonus program “Na vse 100%” plays the most important role in it. In 2024, the number of its active users increased by 7.4% and amounted to 770.6 thousand people. The bonus program allows us to expand the customer base and to attract customers to purchase goods and services more actively by conducting marketing campaigns.

Every year, the Company’s marketing subsidiaries implement measures aimed at increasing the efficiency of sales of related goods and services. The subsidiaries promote in-house label products, expand the range of goods and services, update equipment and recreation areas to improve the comfort

of customers, and the quality of service. In the reporting year, gas stations/complexes increased revenues from the sales of non-fuel products and services by 12.3%, which amounted to RUB 4.2 billion. At the same time, revenue from sales of in-house label goods increased by 13.5%.

For the convenience of customers of the Company’s marketing network:

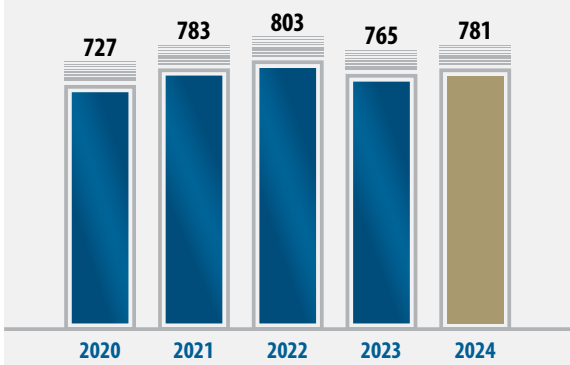
- information screens display data about ongoing marketing campaigns;
- advertising videos are shown;
- at one gas station visitors are served by a robot waiter;
- self-service terminals are in operation, providing the opportunity to refuel and pay for fuel through a mobile application, the number of downloads of which is approaching 190 thousand.

The Company systematically continues to optimize the structure of production assets, modernize and reconstruct active gas stations and oil storage depots, rebrand gas stations/complexes. In the reporting year, 11 gas stations/complexes were put into operation after reconstruction, during which they were brought to an unified corporate style, sales areas and cafes were rebranded, and modern equipment was installed. New equipment for gas stations and complexes has increased the efficiency of service and the level of comfort for customers.

The quality of oil products sold through the Company’s marketing network is monitored at all stages of the supply chain – from purchasing fuel from the supplier to selling it to the consumer. The bulk of the fuel comes from the oil refinery of the Company. Each marketing subsidiary has its own accredited test laboratories. Fuel products specifications are available for any customer of gas stations/complexes.



Retail turnover of the Company’s marketing subsidiaries, '000 tonnes



“Surgutneftegas” PJSC has created a powerful energy complex that provides production facilities with its own electric and thermal energy. Its activities are focused on the rational use of energy resources and reduction of energy consumption, the use of modern energy efficient technologies, and reliable energy supply to the Company’s production assets.

To ensure a stable and efficient process of oil and gas production, the Company is developing its energy complex. It is presented by the complete production cycle – from generation to transferring and sales of thermal and electrical energy to external consumers and utilization for its own needs. The availability of its own energy capacities is of particular importance for the Company when developing new fields that are remote from the production infrastructure and allows for a comprehensive solution to issues of energy supply, utilization of associated petroleum gas, and reduction of field development costs.

“Surgutneftegas” PJSC runs small-scale power generation facilities represented by gas turbine and gas reciprocating engine power plants, diesel power plants. The volume of electricity generated by them covers about 47% of the total upstream demand of the Company. In the reporting year, the electrical energy generation (supply) from the Company’s GTPPs and GREPPs amounted to 5.4 billion kWh.

In 2024, the Company was actively working to supply energy to the newly put on stream Yugansk fields located in Western Siberia oil and gas province: substations and overhead power lines were put into operation, and preparatory work was carried out to build a gas reciprocating engine power plant.

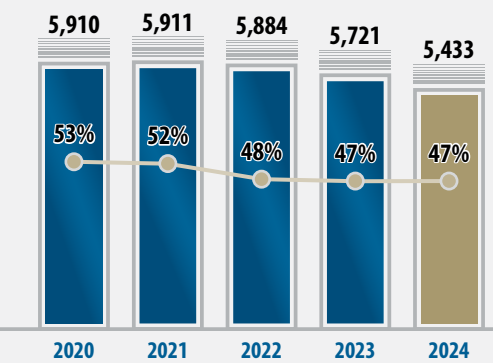
The Company’s thermal power facilities include stationary and portable boilers.

Their capacity fully meets the thermal energy needs of “Surgutneftegas” PJSC. In addition, some gas turbine, gas reciprocating engine power plants and compressor stations are equipped with wasteheat exchangers, which allow for the use of exhaust gas heat for heat supply needs without additional costs. In the reporting year, thermal energy generation at the in-house boilers amounted to 1,429 thousand Gcal. In 2024, the Company updated and modernized heat supply facilities – the share of automated boilers in the total volume reached 92%.

“Surgutneftegas” PJSC pays significant attention to energy saving and improving the energy efficiency of the equipment and processes used. This approach is integrated into all types of production activities of the Company. Every year, “Surgutneftegas” PJSC develops an energy saving program, the purpose of which is to reduce energy consumption. In order to improve energy efficiency, the Company puts effort into technology optimization of the most energy-consuming types of production. The energy saving result of the program’s implementation is verified by automatic energy consumption accounting systems. In the reporting year, thanks to the implementation of the energy saving program, the Company reduced consumption of electrical energy by 513 million kWh, and thermal energy by 11.4 thousand Gcal.

The Company implemented projects for utilization of alternative energy sources. In summer season, “Surgutneftegas” PJSC uses solar collectors for domestic and drinking water heating for hot water supply, which allows us to reduce fuel and electrical energy consumption. To heat large production areas, the Company uses radiant (infrared) heating.

Electrical energy generated (supplied) in-house and its share in total demand mn kWh



RESEARCH AND TECHNOLOGY

- ▀ Innovations
- ▀ Innovation, scientific and technical activity
- ▀ Information technologies



INNOVATIONS

Innovations are an important element of sustainable development of "Surgutneftegas" PJSC, capable of creating a basis for continuous renovation of the technological base of production and improving the efficiency of production activities. The Company's innovations are aimed at developing new methods of oil production, increasing the conversion ratio of hydrocarbons, improving the safety of technological processes, and forming technological sovereignty.

Every year, "Surgutneftegas" PJSC implements an innovation plan that covers all areas of the Company's production activities and is aimed at improving the equipment and technologies used. In 2024, in the oil and gas production sector the Company implemented 176 measures to adopt new technological processes, new types of production and equipment with a total economic benefit of RUB 10.3 billion. The Company actively cooperates with manufacturers and developers of equipment and technologies for the oil and gas industry. Solid collaboration has been built with some of them. In 2024, we conducted 54 tests of new equipment and technologies, 42 of which yielded positive results.

The main area of implementation of innovative methods in the Company is the oil production sector.

The new technologies make it possible to increase the operational efficiency of existing fields and improve drilling technologies. The Company is developing artificial intelligence technologies to increase the efficiency of geological and technical measures and the selection of submersible equipment for oil production.

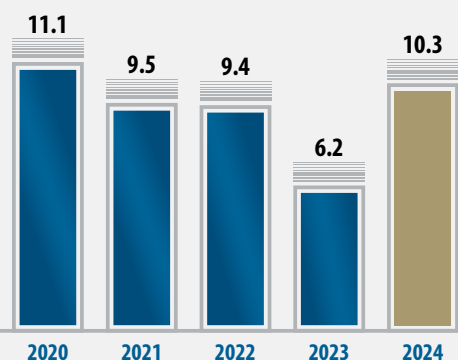
In the oil refining sector, the introduction of innovative technologies allows for an increase in the conversion ratio of hydrocarbons, the development of new types of fuel, and an increase in the efficiency of production processes. In the reporting year, the Company carried out the technical re-equipment of the main production units.

"Surgutneftegas" PJSC actively exchanges experience, studies advanced developments of equipment manufacturers, information technologies, software and other technological solutions in areas of its activity, participating in various conferences, forums, exhibitions and other industry events. As part of Industrial and Energy Forum TNF-2024, the Technology Day of "Surgutneftegas" PJSC was organized. The concept of this event allows for closer interaction between the Company as a potential customer and developers of technologies and equipment.

Participation of "Surgutneftegas" PJSC in conferences, exhibitions, forums

- ▶ VII International Youth Scientific and Practical Forum "Oil Capital"
- ▶ Industrial and Energy Forum TNF-2024

Economic benefit from new technological processes, new types of production and equipment RUB bn



An integrated approach to innovative activities allows the Company to maintain a balance between economic efficiency, social responsibility and concern for the environment, and keep its stable position in the industry.

INNOVATION, SCIENTIFIC AND TECHNICAL ACTIVITY

Scientific and technical activity forms the basis of the innovation policy of "Surgutneftegas" PJSC and determines all aspects of its functioning. It is seamlessly integrated into production activities. The Company has been forming its own scientific base for many years, supporting promising specialists, creating conditions for the exchange of experience between aspiring innovators and experienced professionals.

R&D PROFILE

Two of the Company's scientific centers ensure a full project support in the field of production and processing of hydrocarbons, improvement of production efficiency and introduction of cutting-edge technologies.

R&D profile of "Surgutneftegas" PJSC includes

- ▶ Surgut R&D and Project Design Institute "SurgutNIPIneft" with a branch in Tyumen
- ▶ Oil Refining and Petrochemical Facilities Design Institute in Saint Petersburg

"SurgutNIPIneft" Institute solves the Company's problems in the field of geology and field development, oil and gas production, studies the issues of increasing oil recovery, and carries out a range of design and survey work on field development. For many years, the Institute has been creating unique software products that facilitate highly profitable oil production, effective management of hydrocarbon reserves development, and implementing solutions that guarantee the reliability and safety of the designed facilities.

Oil Refining and Petrochemical Facilities Design Institute, being one of the leading companies in this sphere in the country, meets the main challenges of the Company's refinery. In addition, the Institute actively collaborates with Russian refineries on issues of expansion and modernization of production capacities, provision of services for designing refinery facilities, develops programs for improving the quality of manufactured products.

In 2024, "SurgutNIPIneft" was awarded the V.I.Graifer Medal, II degree, for outstanding achievements and high performance results in developing innovations in fuel and energy complex.

INNOVATION ACTIVITY

Active involvement of employees in innovation activity allows for finding effective solutions to a wide range of production tasks and stimulates the implementation of the Company's innovative

potential. All employees of "Surgutneftegas" PJSC have the right to participate in innovation activity and to offer non-standard approaches to solving current issues.

Support for promising specialists

- ▶ Basis for future innovations
- ▶ Updating and developing our own scientific and technical base
- ▶ Non-standard solutions to production problems
- ▶ Relevant developments not only for the Company, but also for the industry as a whole

In 2024, 2,885 authors participated in innovation activity. We implemented 1,743 innovation proposals with the economic benefit of RUB 4 billion.

The greatest effect of RUB 2.6 billion was obtained at the Company's refinery from the implementation of the development of a technological scheme for solvent preparation.



The Company pays special attention to the protection of scientific and technical developments of its employees. Intellectual property protection includes legal protection, obtaining patents for inventions and technologies, and maintaining the confidentiality of key innovations. Such a policy helps stimulate scientific activity, protect the interests of the Company and its employees, and strengthen competitive advantages in the market. In 2024, "Surgutneftegas" PJSC drew up and submitted seven intellectual property applications of its employees to the Federal Institute of Industrial Property (Rospatent), including: five applications for official software registration and two applications for utility models.

The Company encourages innovation and inventive activities of employees, which allows to accumulate the creative potential

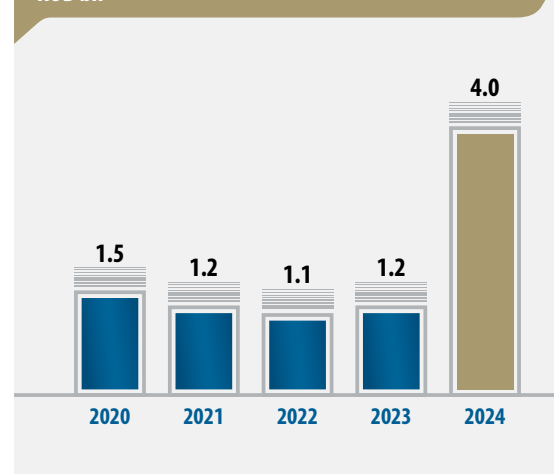
of "Surgutneftegas" PJSC specialists and initiate the promotion of innovative ideas that are actually applicable in production. The Company has the honorary title "The Best Innovator of "Surgutneftegas" PJSC" awarded to the authors for conducting successful innovation activity over many years, implementation of proposals contributing significantly to the increase in profits, enhancement of technologies and quality of work, improvement of work environment and occupational health and safety. The best innovation proposals are annually published in a special collection of articles for engineers of "Surgutneftegas" PJSC.

The successful promotion and development of the Company's research and project activities is facilitated by the favorable environment created in the Company for revealing the intellectual potential of young people. In the reporting

year, the Innovative Forum for young specialists of the joint-stock company was held for the seventh time. This event brings together specialists of various professions and provides an opportunity to study and test new methods for solving current production problems. Promising young employees are actively involved in the Company's innovative activities and present the results of their research to industry experts.

The Company's 94 employees took part in the XXV All-Russia contest "Engineer of the Year – 2024", aimed at identifying the best engineers in the country, popularizing engineering and attracting attention to the problems of engineering in Russia. As much as 24 employees of "Surgutneftegas" PJSC became winners of the awards "Professional Engineers" and "Engineering of the Young".

Economic benefit from innovation proposals
RUB bn



Over many years, “Surgutneftegas” PJSC has been actively introducing advanced information technologies. Digitalization of production is one of our important innovative development instruments that covers a wide range of tasks in various areas of the Company: from development and implementation of software to modernization and optimization of production processes. It allows us to increase the level of safety of technological processes and personnel, optimize business processes, reduce costs and increase production efficiency.

In the reporting year, in the field of information technology, the Company solved problems related to the stable operation of the existing information systems, the search for and implementation of information technologies independent of import. “Surgutneftegas” PJSC actively cooperates with domestic companies that develop software products, carries out and encourages its own developments, maintains automated control systems for technological and production processes, modernizes corporate systems, and implements projects in the field of information management and protection. This approach is aimed at achieving high production results and technological sovereignty by the Company.

Digital solutions in the field of oil and gas production are aimed at increasing the efficiency of oil and gas production, preserving competencies and human resources, and increasing labor productivity. With the help of application software and information systems,

we build geological models and models for field development. Remote control and automation of production processes allow us to obtain current information on status of facilities, ensure data processing, storage and usage, prepare analytical reports for prompt production decision-making on its basis. The level of operating oil well stock debit remote metering, artificial-lift oil well stock remote control, operating injection well stock equipment with injected water metering instruments reaches 100%. The Company’s own development, the software tool “Process control system for oilfields”, is used to collect, store and use data.

In the oil refining sector, the development of information technologies in production allows for monitoring the characteristics of raw materials and manufactured products, selected modes and specified operating parameters, promptly responding to changes, improving technological and production processes, increasing their efficiency.

In the marketing subsidiaries, digitalization is focused on automation of production processes, increased operational reliability of equipment, ongoing monitoring of data received from all gas stations and fuel dispensers, effective service system, providing users with sustainable access to the personal account. The received information analysis allows us to prepare marketing information, optimize the range and quality of services provided, and make communication with the client more comfortable.



4

PLANS AND DEVELOPMENT PROSPECTS OF "SURGUTNEFTGAS" PJSC

Plans and development prospects of "Surgutneftgas" PJSC



PLANS AND DEVELOPMENT PROSPECTS OF “SURGUTNEFTEGAS” PJSC

“Surgutneftegas” PJSC has developed a production program for 2025, taking into account the macroeconomic environment and the situation on the hydrocarbon market. The Company is planning to achieve key indicators across all areas of its activity.

In the sphere of oil and gas production, the Company aims to reach the target level of hydrocarbon production based on the existing resource potential and market conditions. We have developed programs for prospecting and exploratory, development drilling, plans for improvement of oil production performance, costs reduction and optimization, well intervention services as well as wellwork operations.

In the gas sector, “Surgutneftegas” PJSC will be focused on maintaining the high level of gas

utilization by developing production infrastructure and building it at new fields.

In the oil refining and gas processing segments, the Company is planning to increase the production performance. The Company’s refinery will further upgrade and maintain its processing facilities.

In the marketing sector, the Company plans to increase the efficiency of wholesale and retail sales, strengthen its positions in target sales markets, increase sales of related products, and develop the integrated customer loyalty program. Reconstruction of gas stations is planned for 2025.

The implementation of the production program will be determined by the environment of the hydrocarbon market.



NON-FINANCIAL INFORMATION

- ▀ Environmental safety
- ▀ HR policy
- ▀ Industrial and occupational safety, healthcare
- ▀ Social activity
- ▀ Corporate governance



Adherence to the principles of sustainable development is an important aspect of "Surgutneftegas" PJSC activity. The Company strives to maintain a balance between production activities, social policy and concern for the environment. The Company's activities and policies in the areas of sustainable development are defined by internal documents, the main ones of which are posted on the website of "Surgutneftegas" PJSC.

"Surgutneftegas" PJSC considers its priority to be caring for its employees and their family members, makes its contribution to ensuring environmental and industrial safety, and creating a stable and favorable social environment. Employees are required to be informed of the Company's obligations, defined by key internal documents, in particular in the area of industrial and environmental safety, upon employment.

THE COMPANY'S PRIORITY SUSTAINABLE DEVELOPMENT GOALS

THE GLOBAL SUSTAINABLE DEVELOPMENT GOALS	THE NATIONAL DEVELOPMENT GOALS OF RUSSIA	THE COMPANY'S CONTRIBUTION TO THE ACHIEVEMENT OF GOALS
3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH	- Preservation of the population, strengthening health and improving the well-being of people, supporting the family - Decent, effective work and successful entrepreneurship - Opportunities for self-realization and talent development	- The Company offers competitive salaries - Safe and comfortable working and rest conditions have been created for employees 100% coverage of personnel by collective agreements - Employees and their family members are eligible for health resort treatment both at corporate sanatoriums and in various health resorts in Russia - Preventive measures, medical examinations, screening examinations, vaccinations are regularly carried out - The Company has created conditions for employees and their family members to maintain a healthy lifestyle and exercise - Personnel training and development is conducted annually

7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 15 LIFE ON LAND	- Comfortable and safe living environment - Environmental well-being	- The Company reduces emissions of associated petroleum gas and modernizes infrastructure facilities - The program for energy saving and improved energy efficiency is implemented annually in all areas of activity - The large-scale Ecology program is implemented annually - The Company works to preserve biodiversity in the regions of its presence: reforestation and artificial reproduction of aquatic biological resources are carried out, and monitoring of species that indicate biological diversity is performed - The Company provides support to specially protected natural reservations - Introduction of technologies for obtaining energy based on renewable sources
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9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES	- Digital transformation - Regional development	- The Company allocates significant funds for research and development activities - The Company actively interacts with local administrations, participates in the implementation and financing of social and economic cooperation programs in the regions of its presence - Every year, within the framework of the concluded agreements, support is provided to the indigenous peoples of the North - The Company annually participates in charitable and sponsorship programs
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Sustainable and dynamic economy

- ▶ The Company follows national standards in the field of corporate governance
- ▶ The organizational structure of the Company's corporate governance is properly built and includes all the main elements
- ▶ The Company improves the corporate governance system through timely updating and strict implementation of internal documents
- ▶ The Company's shareholders are given an equal and fair opportunity to participate in the management and profits of the Company
- ▶ The Company effectively operates the risk management and internal control system



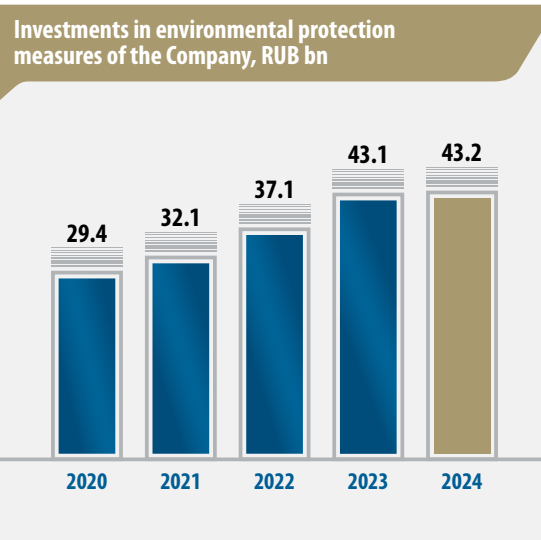
The important principle of sustainable development and responsible activity of "Surgutneftegas" PJSC is rational use of natural resource and reduction of the negative environmental impact of production. A high level of production management, cutting-edge technologies and strict compliance with the environmental legislation allow the Company to solve this task.

"Surgutneftegas" PJSC takes good care of the environment and pays close attention to rational use of natural resources. The Company's environmental activity is based on the implementation of measures of the Ecology program, developed annually.

Key areas of the Ecology program:

- ▶ reliability control of production facilities;
- ▶ air protection and climate change prevention;
- ▶ industrial waste decontamination and utilization;
- ▶ protection and rational use of land and water resources;
- ▶ monitoring of environmental components and control of production facilities operation;
- ▶ environmental education and professional training of employees;
- ▶ biodiversity conservation in the areas of the Company's operations.

The environmental endeavors of "Surgutneftegas" PJSC include introduction of advanced technologies while designing new facilities and improvement of environmental performance targets by means of investments in the modernization of production. In 2024, the investments in environmental protection measures of the Company totaled RUB 43.2 billion, including RUB 40 billion spent on the upstream sector and RUB 3.2 billion – on the downstream sector.



Within the area of environmental protection, “Surgutneftegas” PJSC interacts with various public organizations, stakeholders and the mass media. The Company provides wide accessibility of information on environmental safety of business activities and decisions made in this area. In order to exercise effective environmental risks management and to ensure compliance

with the principles of the Environmental Policy, “Surgutneftegas” PJSC operates the Ecological Council which coordinates the activities of the Company in the field of environmental protection and use of natural resources.

High positions at contests and in ratings prove the efficiency of the environmental policy implemented by the Company.

“Surgutneftegas” PJSC environmental achievements

- ▶ The winner in the contest “Best Oil and Gas Producing Enterprise of Yugra in terms of environmental protection” in the category “Enterprise annually producing over 15 million tonnes of oil” according to the results of 2023, as part of the XXI International Ecological Campaign “Save and Preserve”.
- ▶ The first place in the AK&M agency’s oil and gas industry carbon footprint rating among oil and gas companies for 2023.

ENSURING THE RELIABILITY OF PIPELINE SYSTEMS

The level of environmental safety of “Surgutneftegas” PJSC is largely based on the operational reliability of field pipelines. In order to mitigate the accident risks, the Company applies effective measures for quality control of construction and safe maintenance of field pipelines:

- ▶ receipt inspection of pipe products;
- ▶ use of pipes with improved corrosion resistance;
- ▶ pipeline inhibitor protection;
- ▶ field pipeline corrosion monitoring;
- ▶ field pipeline routes monitoring;
- ▶ use of initial water separation units;
- ▶ timely maintenance and overhaul of field pipelines.

All pipe products used for construction of “Surgutneftegas” PJSC field pipeline systems undergo multilevel quality control. At the manufacturing plants we provide for the inspection control, when the products come to the Company we provide for destructive

and non-destructive receipt inspection, and operational inspection is done during construction and assembly works.

The non-destructive receipt inspection is performed using the Company’s complex of the process equipment. In 2024, more than 1,550 km of pipes underwent quality control by automated radiographic and ultrasonic methods using this complex. The receipt inspection using destructive methods is performed in the accredited laboratory of the Company’s business unit. In the reporting year, 23.2% of the total number of the received pipes underwent the receipt inspection using destructive methods.

The use of pipes with improved corrosion resistance, especially with an internal anti-corrosion coating (IAC), is the most effective measure providing reliable and accident-free operation of the Company’s pipelines. “Surgutneftegas” PJSC operates its own pipe polymerization plant fitted with highly technological equipment for application of an internal anti-corrosion coating on pipes and pipeline fittings. Every year the range of products of the business unit expands, increasing the volume of products with an anti-corrosion coating. In the reporting year, the Company produced over 782 kilometers of pipes and over 27 thousand fittings of pipelines with the internal anti-corrosion coating. In 2024, the Company

introduced 830.6 kilometers of pipelines with the internal anti-corrosion coating. At the same time, the total amount of pipes with IAC is 86% of all oil and gas pipelines operated by “Surgutneftegas” PJSC.

During the operation of pipelines without the internal anti-corrosion coating the most effective and advanced protection measure against corrosion attack is the inhibitor protection. The inhibition process is controlled by telemechanics, which makes it possible to timely detect, correct or eliminate deviations in the injection mode of corrosion inhibitors. In 2024, “Surgutneftegas” PJSC provided inhibitor protection for 2,098 kilometers of field pipelines. The demand for corrosion inhibitors for oil and gas pipelines protection is decreasing due to the annual growth of volume of pipes with polymer coating.

The preliminary dehydration of transported oil is one of the effective technological methods for preventing corrosion damage to oil pipelines. Dehydration is carried out at the Company’s booster pump stations with initial water separation units.

The refinery of “Surgutneftegas” PJSC underwent an annual comprehensive chemical treatment of circulating water to protect equipment and pipelines from corrosion, scaling and biofouling.

The Company’s marketing subsidiaries regularly perform anti-corrosion works on equipment, tanks and pipelines within the gas station complexes, and annually carry out technical inspection of the infrastructure facilities.

LAND PROTECTION

“Surgutneftegas” PJSC is well positioned for in-house prevention and elimination of oil spills and reclamation of contaminated lands. In order to eliminate oil and oil products spills, the Company operates the out-of-staff accident rescue unit consisting of nine squads, ready to eliminate the effects of any level and ensure high-quality reclamation of polluted lands. The out-of-staff accident rescue unit is certified to perform search and rescue operations, the works for elimination of oil and oil product spills in the territory of the Russian Federation. The unit is outfitted with modern equipment, special oil-gathering machinery, vehicles, means of communication, materials

for localization and elimination of oil and oil product spills on the surface of water bodies, in the coastal zone and on land as well as for land reclamation. “Surgutneftegas” PJSC regularly conducts comprehensive exercises involving the representatives of Ministry for Emergency Situations of the Russian Federation, Rosprirodnadzor, Rostekhnadzor and the local authorities to develop practical skills for localization and elimination of the largest foreseeable oil and oil product spills.

“Surgutneftegas” PJSC annually reclaims disturbed lands and returns them to the Forest Fund of the Russian Federation. Reclamation is conducted taking into account the individual characteristics of each land plot in order to minimize the load on the soil and damage to land resources.

For more than 25 years, “Surgutneftegas” PJSC has been actively employing the technology of forest rehabilitation of sludge pits, that uses natural mechanisms for ecosystem restoration in the most efficient way. In the reporting year, 11 sites, previously occupied by sludge pits, were reclaimed by the Company using such method.

The Company pays close attention to measures aimed at protection of forest areas from fire. All stationary and mobile points of production sites are equipped with fire-fighting equipment, the machinery in use is fitted with spark arresters. “Surgutneftegas” PJSC created mineralized fire barrier strips and erected fire safety banner stands along the borders of the forests.

Landscaping and site finishing are performed in all business units of the Company.

WATER RESOURCES PROTECTION

The rational use of water resources is one of the top priorities of the Company’s comprehensive environmental program. To achieve it we implement measures on resource saving, prevention of water bodies pollution and depletion, reuse of wastewater in the production.

The Company keeps complete records of fresh subsoil water extracted from the water intake points, used for drinking, as well as for production and technological supply of production facilities. In the reporting year, fresh groundwater reserves at all water intake points were evaluated,

and appropriate additions to the license agreements for subsoil use were made.

The use of water recycling systems decreases freshwater intake from the surface and underground water bodies. All treated wastewater from the field facilities of "Surgutneftegas" PJSC serves as injectant for a reservoir pressure maintenance system. In the reporting year, drain tanks were installed at 15 well pads, ramps were reconstructed at 28 sites. Thanks to effective measures for rational use of water resources, "Surgutneftegas" PJSC maintains the level of specific water consumption at less than 2 cubic meters of water per tonne of produced hydrocarbons.

The Company's refinery regularly performs works on protection from contamination and rational use of water resources. The refinery carries out research of bottom deposits, morphometric characteristics of water bodies and soils in the water protection zones.

The Company's marketing subsidiaries clean discharged wastewater at the local treatment facilities and oil traps. Every year they monitor quality of wastewater treatment, conduct maintenance of local wastewater treatment facilities, clean oil traps, replace filters and carry out other activities necessary for stable functioning of the system of wastewater collection and treatment as well as the protection of surface and groundwater reserves.

ENVIRONMENTAL MONITORING

"Surgutneftegas" PJSC employs a vertically integrated system of two-level industrial environmental control (IEC). The IEC system controls compliance of inspected facilities with the environmental legislation, environmental safety standards and in-house standards, the legislation requirements in terms of ambient air and water bodies protection, waste management, reclamation of polluted lands; environmental and sanitary-epidemiological rules set out by internal documents of the Company and project documentation resolutions.

For every negative environmental impact facility of categories I-III we develop an IEC program, control the compliance with its requirements, generate yearly reports on IEC organization and results and present

them to regional offices of Rospirodnadzor. In 2024, the Company prepared IEC programs and reports on 803 facilities.

Production environmental monitoring is aimed at the control and timely prevention of negative impact on the environment. The existing system for monitoring the condition of environmental components and their assessment allows the Company to monitor changes arising from anthropogenic factors and make timely decisions to sustain favorable environmental situation on its areas of operations.

Production environmental monitoring is carried out both at the subsoil plots and at the production facilities. In 2024, the monitoring was performed at 120 subsoil plots; the condition of the environment was controlled at 8,413 monitoring points. The sample analysis is performed in the Company's accredited laboratories and the laboratories of independent third-party organizations. In the reporting year, "Surgutneftegas" PJSC developed and approved 20 projects and programs of environmental monitoring at subsoil plots and 488 programs to monitor waste disposal facilities, performed ambient air control at 779 negative environmental impact facilities.

The Company practices remote monitoring by air patrolling, as well as aerial photography and high-detail satellite imagery, in order to assess current environmental situation at subsoil plots, make inventories of disturbed lands, perform landscape monitoring, develop projects on environmental monitoring and reclamation.

As part of production environmental monitoring the Company's refinery implements a range of measures to perform a continuous analysis of such environmental components as air, land and water resources. The Company performs sanitary-hygienic monitoring of the ambient air condition and noise pollution on the borders of the agreed sanitary protection zone surrounding the Company's refinery and operates a gas analysis station. We conduct hydrological and morphometric research of the characteristics of water bodies, perform sanitary-hygienic, bacteriological and parasitological studies of the treated household wastewater.

The Company's marketing subsidiaries perform necessary environmental monitoring. They study air pollutant concentration in the atmosphere, measure noise pollution on the borders of the sanitary protection zones and emission

sources, control the condition of water bodies and their water protection zones, assess the safety of treated wastewater and soils.

MANAGEMENT OF PRODUCTION AND CONSUMPTION WASTE

Decreasing the volume of generated production waste and increasing the share of waste recycling is one of the ways to decrease the negative environmental impact of "Surgutneftegas" PJSC.

As a result of its business activities, the Company annually generates about 1.2 million tonnes of waste, most of which are drill cuttings. At subsoil plots in Western Siberia, the technology of pitless well drilling, certified by the State Environmental Expert Commission, is implemented. Decontaminated drill cuttings are utilized as soil during earth fill construction on well pads. It allows the Company to perform drilling in the areas with a special environmental status without transporting drill cuttings to the sites of utilization, decontamination and disposal for burial. In the reporting year, the level of drill cuttings utilization amounted to 71%, and the economic benefit from the implementation of the technology – to about RUB 5 billion.

Another specific type of waste – oil sludge – is generated in the course of oil and gas production. It accounts for about 3% of the total amount of waste generated in the Company. "Surgutneftegas" PJSC utilizes specialized sludge storage ponds, where oil sludge and drill cuttings generated by the Company are collected and prepared for subsequent decontamination all year round. High level of technical and technological equipment availability allows the Company to prevent the burial of over 94 thousand cubic meters of oil sludge and oily soils annually.

Solid oily waste is decontaminated using 28 thermal destruction units. Mercury containing waste of hazard class I is transferred to specialized companies. The use of special-purpose equipment allows "Surgutneftegas" PJSC to utilize 100% of used oil products and worn-out tires obtaining a new certified product – rubber chips, which are used to modify bitumen

at the Company's asphalt-concrete plants. "Surgutneftegas" PJSC operates a complex for grinding polymer-containing and paper waste.

The Company's refinery operates the waste disposal and burial complex, included in the state register of waste disposal facilities. Its operation eliminates the need for waste disposal at third-party disposal sites, as well as enables the use of inert waste as an insulating layer and for waste formation at the complex. Large-tonnage construction waste is used for reinforcement of waterworks embankments, construction of roads and driveways on the refinery's territory.

The Company's marketing subsidiaries perform selective collection of waste for further transfer to the federal operator managing production waste of hazard classes I and II, regional operator for handling municipal solid waste and other legal entities carrying out waste handling activities on the basis of relevant licenses.

BIODIVERSITY CONSERVATION

"Surgutneftegas" PJSC actively works on biodiversity conservation in the regions of its presence, aiming to minimize the negative environmental impact of production activity and prevent the depletion of water, land and biological resources. The key measures of the Company are environmental monitoring, protection of lands and water bodies, reproduction of aquatic biological resources.

At the subsoil plots, "Surgutneftegas" PJSC monitors species that indicate biodiversity. The Company cooperates with leading specialized scientific organizations in this line of work. Experts and scientists collect and analyze data on the environmental condition, study flora and fauna, work on creating a digital soil map of Numto nature park and adjacent areas.

For a long time "Surgutneftegas" PJSC has been actively engaged in forest reclamation. Over 7 thousand hectares of the Forest Fund have been restored over the five-year period. In the reporting year alone, about five million saplings of common pine and Siberian spruce were planted. The Company's marketing subsidiaries engage their customers in tree conservation program by using electronic receipts instead of paper ones.

"Surgutneftegas" PJSC engages in the reproduction of aquatic biological resources

in Khanty-Mansiysky Autonomous Okrug – Yugra, the Republic of Sakha (Yakutia), Tyumenskaya Oblast, Irkutskaya Oblast, Krasnodarsky Krai and Krasnoyarsky Krai. More than 320 million young fish have been released into the water bodies of these regions over 12 years.

AIR PROTECTION

Air protection measures of “Surgutneftegas” PJSC include decreasing the volume of air pollutant emissions into the atmosphere and rational use of associated petroleum gas. Upgrading of equipment and production units, control over technical regulations of production processes, operation of the equipment and pollutant emission sources contribute to the reduction of emissions.

The rational use of associated petroleum gas is reached using a well-developed system for its gathering, transportation and utilization. In the reporting year, more than 6 billion cubic meters of gas were utilized efficiently. The level of associated petroleum gas utilization is over 99%.

“Surgutneftegas” PJSC performs regular operating setup of fuel-fired equipment, controls operational effectiveness of gas treatment units, inspects their technical condition and performs current repairs and scheduled preventive maintenance. The Company conducts an inventory of sources of pollutant emissions into the atmospheric air, performs regular checks of vehicles for compliance with technical standards for emissions, carries out industrial control of sources of pollutant emissions into the atmosphere. All facilities with emission sources are timely registered with the state and provided with permits in the field of air protection. In 2024, due to the transition to the best available technologies, integrated environmental permits were received for all category I facilities that have negative impact on the environment.

In the reporting year, implementation of these measures in the oil and gas production sector decreased the volume of air pollutant emissions

into the atmosphere by 14% and ensured its low specific indicator – 1.77 kilograms per tonne of hydrocarbons produced.

The Company’s refinery employs gas and dust removal facilities with a high degree of pollutants decontamination, a sulphur production unit and other air protection facilities. To ensure stable operation of these facilities, the Company conducts their regular maintenance. Continuous monitoring of major pollutants at the industrial site and on the borders of the agreed sanitary protection zone is carried out using “Vozdukh” environmental monitoring station.

In order to maintain air pollutant emissions at the established standards, the Company carries out maintenance of infrastructure facilities of its marketing subsidiaries that have an impact on the air.

CLIMATE CHANGE PREVENTION

“Surgutneftegas” PJSC supports the global climate agenda and the need for greenhouse gas emissions reduction. The Company implements a complex of measures to reduce the anthropogenic impact on the environment, participates in creation of regulatory landscape for managing greenhouse gas emissions in Russia, contributing to the achievement of long-term goals to limit global warming.

As part of the measures implemented to prevent global climate change, the Company operates a system for greenhouse gas emissions recording and control, maintains a database of impact sources, monitors the state of ambient air in all regions of its operations, processes and analyzes the obtained information.

Thanks to the implementation of measures for rational use of associated petroleum gas in the gas sector, the Company reduces air pollutant emissions into the atmosphere. The key areas of associated petroleum gas utilization are small-scale power generation facilities, gas processing plant, injection for maintaining reservoir pressure. In the reporting year, we prevented more than 20 million tonnes (in CO₂-equivalent) of greenhouse gas emissions into the atmosphere.

The reduction of greenhouse gas emissions in “Surgutneftegas” PJSC is ensured by the implementation of the program for energy saving and improved energy efficiency in technological processes. It includes introduction of energy saving technologies and new energy efficient equipment, organizational and technical measures to reduce energy consumption. In the reporting year, we saved more than 178 thousand tonnes of equivalent fuel, that allowed us to reduce the Company’s fuel and energy demand by 4.3% and reduce greenhouse gas emissions by more than 380 thousand tonnes in CO₂-equivalent.

The Company introduces technologies on the basis of renewable energy resources: solar systems for water heating at the Company’s facilities in Krasnodarsky Krai, solar collectors for

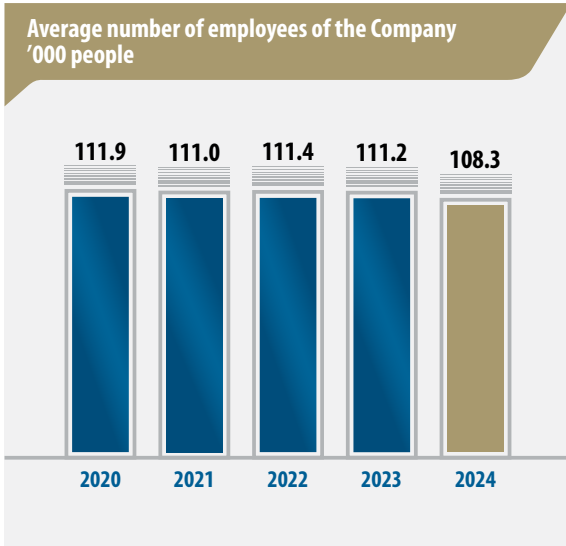
hot water supply in the territory of the Republic of Sakha (Yakutia). Solar panels are installed in order to supply electricity to remote facilities in Khanty-Mansiysky Autonomous Okrug – Yugra. Introduction of sources that convert solar energy into electric energy reduces greenhouse gas emissions by more than 12 times as a result of the refusal from diesel fuel.

Many years of experience allow the Company to make the most effective managerial decisions that decrease expenses from the effects of natural environment factors and exogenic processes, natural disasters, monitor irreversible climate changes and implement measures to adapt to them, and, as a result, avoid accidents and incidents that have harmful effect on the components of the environment, production facilities and employees.



A professional, close-knit and dedicated team allows “Surgutneftegas” PJSC to achieve high production results, implement new projects and achieve planned development goals.

In 2024, the average number of employees equaled 108.3 thousand people, 90.6% of which were engaged in the Company’s exploration and production segment, 6.7% – in oil refining and 2.7% – in oil products marketing.



HUMAN RESOURCES SYSTEM

The Company’s activities in human resources are aimed at forming a highly qualified stable team, improving the professional level of employees, maximizing the use of their

individual abilities and skills, and the possibility of planning and building a career. The Company strives to motivate the employees to achieve high production results, develop and increase initiative, creates comfortable work environment, encourages long-term employment, pays fair compensation for labor. “Surgutneftegas” PJSC is one of the responsible employers in Russia.

Basic principles of the HR policy of “Surgutneftegas” PJSC are:

- ▶ attraction and retention of highly qualified specialists;
- ▶ creation of favorable environment for their interaction and cooperation;
- ▶ involvement of employees in the corporate processes;
- ▶ increasing the professional level and personal development of employees;
- ▶ developing the in-house candidate pool;
- ▶ working with young professionals;
- ▶ enhancement of the comprehensive system of the personnel motivation.

PERSONNEL TRAINING AND DEVELOPMENT

Every year, to ensure the growth of the Company, implement new technologies, reach high production results, “Surgutneftegas” PJSC establishes an employee training and development program aimed at increasing the professional level

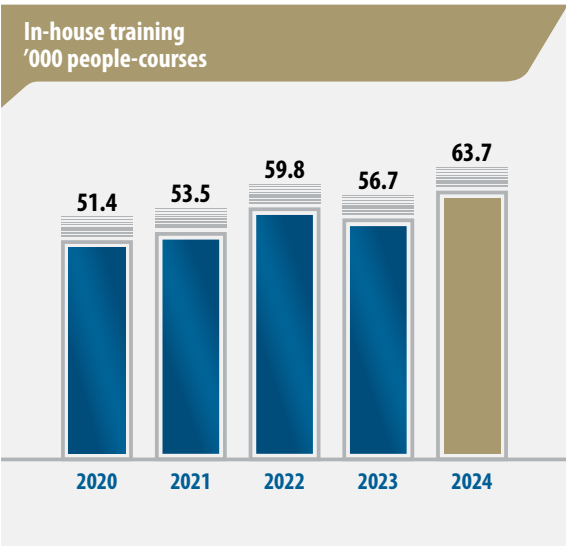
of employees, providing for the improvement of their professional level and the development of their competencies. In 2024, the coverage of training amounted to about 38% of employees. The Company successfully solves the challenges of professional training with the help of its own training centers. In the reporting year, about 75% of trainees underwent training in these centers.

Corporate training centers of “Surgutneftegas” PJSC

- ▶ The Polytechnic Training Center (PTC)
- ▶ The Center of Vocational Training and Retraining of the Company’s oil refinery

The Polytechnic Training Center is one of the largest professional training hubs in the industry, with the leading edge industrial training main center and training ground equipped to simulate real operating conditions. PTC enables the Company to address the most important challenges: advanced training of workers and specialists of “Surgutneftegas” PJSC, workplace adaptation of recently hired employees, career guidance for schoolchildren and students. The center is located in Surgut and incorporates four branches near production sites. On its basis, training in 101 professions under 630 programs is provided, 69 of which are practical skills training. In 2024, in order to increase the level of skills and proficiency of the employees, PTC has developed and reviewed 95 training programs. The format of distance training is being actively developed, the catalog of electronic training courses is being improved and expanded – by the end of the reporting year, the list of programs for electronic training amounted to 100 electronic courses. In 2024, “Digital Education of “Surgutneftegas” PJSC” website was used to teach 32.8 thousand people-courses. Overall, in the reporting year, the number of people-courses taught by the PTC amounted to 61.9 thousand.

The Center of Vocational Training and Retraining of the Company’s oil refinery trains employees under key professional training programs for blue-collar jobs and clerk positions. The training center classrooms are equipped with modern teaching aids. The Company annually upgrades the database of tests used to examine after-training proficiency and assesses the efficiency of the training programs. The training center trains employees under 120 programs, 28 of which were introduced in the reporting year. In 2024, the number of people-courses taught at the center amounted to 1.8 thousand. Training using e-learning was used to teach 240 people-courses.



In the Company's marketing sector, 2.6 thousand people-courses were taught using third-party training and consulting organizations. Training using e-learning was used to teach 2.2 thousand people-courses.

In total, in the reporting year, 63.7 thousand people-courses were taught at the corporate training centers under various programs. Overall, in the reporting year, the number of people taught amounted to more than 40 thousand. Educational costs amounted to RUB 1.3 billion.

COMPETENCE AND MENTORING DEVELOPMENT

"Surgutneftegas" PJSC implements comprehensive programs to develop vocational and managing skills of employees aimed at identifying the need for training, development and revision of the training programs as well as creation of the candidate pool.

To ensure quality recruitment of personnel to fill vacant positions, the Company employs a comprehensive system of personnel evaluation. In the reporting year it was organized for about 19.2 thousand people, which is 17.8% of the average headcount of "Surgutneftegas" PJSC.

The Company pays close attention to the works on forming the candidate pool for senior positions. Our main priorities are training, development and identification of the most promising employees. Work with candidate pool for key positions is curated by the board, composed of the Company's top managers. In 2024, the number of employees in candidate pool of "Surgutneftegas" PJSC was about three thousand people.

The mentoring program employed at the Company's subsidiaries allows us to reduce the adaptation time, helps the employees internalize the existing rules and standards. In 2024, about six thousand experienced and qualified employees were involved in the work of transferring knowledge and experience to new employees. In order to develop and enhance the prestige of mentorship, increase motivation, encourage the mentors, the "Best Mentor" contest with cash prizes and diplomas is held every year. In 2024, 107 people participated in the contest.

WORK WITH THE YOUTH

The Company is interested in attracting promising young professionals, forming a system for transferring knowledge and experience to new generations of employees, providing opportunities for their continuous learning and development. In the reporting year, 1,589 young specialists who graduated educational organizations for higher education and vocational training and are younger than 30 years old worked in "Surgutneftegas" PJSC.

The Company implements programs for attraction and adaptation of youth. Career-guiding events to promote professions and specialties of the oil and gas sector are held every year, including a tour to PTC, where the Company's operations are clearly demonstrated. Over many years the Company has been closely cooperating with vocational and higher education institutions of the Russian Federation. "Surgutneftegas" PJSC provides financial support to improve their materials and equipment, build new laboratories, takes part in open days and events of prior distribution of graduates. Cooperation with educational organizations allows us to improve the process of learning, improve the quality of student training, train professionals for the Company under specially developed programs.

The targeted training of specialists is one of the effective ways to attract younger staff to the Company for the most demanded professions. "Surgutneftegas" PJSC provides assignments in vocational and higher education institutions and guarantees employment for the graduates. In the reporting year, the Company provided 563 assignments. Overall, by the end of 2024, vocational training was assigned by "Surgutneftegas" PJSC for 1,346 students. In addition, there were 23 students who studied under the Treaty on Cooperation in Economic Development of Lensky District Municipal Unit, the Republic of Sakha (Yakutia). The Company runs a project of awarding private scholarships for the highest performing students. In 2024, 27 private scholarships were awarded by "Surgutneftegas" PJSC.

The students are provided an opportunity for internship in the Company's subsidiaries. Prospective specialists learn the ins and outs of the job, get an opportunity to practically implement training results and adapt to the workplace faster. In the reporting year, the Company arranged 2,981 internships.

The Youth Association provides coordination of work with young professionals in "Surgutneftegas" PJSC. Its members help the youth adapt in the Company – each new young employee is given the onboarding brochure "Young Worker's Guide", various events, trainings, workshops are organized. In 2024, for the first time, the "Adjustment marathon" was held for new young employees of "Surgutneftegas" PJSC, to acquaint them with teams and production activity. Overall, throughout the year, the Youth

Association organized 25 events, involving over three thousand young employees.

The Scientific and technical conference for young scientists and professionals of "Surgutneftegas" PJSC is held annually, giving younger employees an opportunity to participate in improvement of technological processes, introduction of new technologies, innovations, and enhancement of production efficiency. As many as 1,060 people attended the 44th Conference in the reporting year.

Key tasks of the "Surgutneftegas" PJSC Youth Association:

- ▀ adaptation of hired young employees;
- ▀ training, development and unlocking of creativity of the youth;
- ▀ forming corporate values;
- ▀ support of scientific, technical and innovative activities;
- ▀ youth involvement in sports, recreational and social activities.

Three young workers received the Viktor Deshura Award, which is given to the participants of the last year conference for scientific developments that have brought the greatest economic benefit. In the reporting year, the economic benefit from the introduction of innovative solutions and developments into production equaled RUB 328.7 million.

PERSONNEL MOTIVATION

The incentive system of "Surgutneftegas" PJSC is aimed at achieving high production results and is built on the principles of involvement of teams and individual employees in effective and high-quality labor.

As part of its remuneration package, the Company timely pays a competitive performance-related salary. This package is tariff based depending on specific professional and qualification levels of employees, the complexity, significance of tasks performed and working conditions, and includes stimulus and compensation benefits, various performance perks. The salary of the Company's employees is indexed annually. We systematically perform

work on the analysis of efficiency and on improvement of the established production and economic performance, which is aimed at carrying out the planned scope of work, increasing labor productivity, reducing costs and fostering interest of the employees in high quality labor.

In order to solve the problems of increasing production efficiency and quality of work, successfully fulfilling production plans, improving the professional skills of employees and their involvement in achieving high production results, "Surgutneftegas" PJSC annually holds professional contests and economic competitions between work teams.

There are 26 types of economic competitions held in oil and gas production sector, with 42 categories involving over 37 thousand workers of the Company. The contest between drilling crews for the Alexander Usoltsev Award is a traditional event in "Surgutneftegas" PJSC. The winners of the competitions are awarded commemorative tokens and cash prizes.

Every year the Company's marketing subsidiaries hold "Best gas station" contests among gas station employees and "Best professional" competitions.



Soft incentives system of “Surgutneftegas” PJSC is aimed at encouraging employees for high-quality labor and recognition of their special contribution to the Company’s achievements. Soft incentives include corporate and extrinsic awards. In the reporting year, 3,533 employees of the Company were awarded for many years of dedicated work, professionalism and successful performance, 691 of them received industry awards; 484 – awards of municipal and constituent entities of the Russian

Federation, public organizations; 2,358 – awards of “Surgutneftegas” PJSC. In addition, 6,538 people received awards from the Company’s business units and 998 people – awards from subsidiaries.

On memorable occasions employees of the Company received awards of Khanty-Mansiysky Autonomous Okrug – Yugra, the city of Surgut, Surgutsky district. Three employees of the Company received the Viktor Muravlenko Award for achieving great professional success and for many years of conscientious work in 2024.

SOCIAL SUPPORT

In the field of human resources, the Company pays close attention to implementation of social programs. “Surgutneftegas” PJSC and its subsidiaries conclude collective agreements. They give a wide range of benefits, guarantees and compensations for employees, members of their families and retired employees. Most of the standards of the current collective agreements improve the position of the Company’s employees, compared to the current legislation of the Russian Federation.

Health resort treatment and recreation, insurance against industrial accidents and voluntary medical insurance, payment of severance pay to retiring employees, various types of financial assistance, including to large families are among the social support measures for the employees of the Company.

The employees of “Surgutneftegas” PJSC are eligible for health resort treatment at corporate sanatoriums located in the city of Surgut, on the Black Sea coast in Krasnodarsky Krai, and in Leningradskaya Oblast. Every year, they receive more than 23 thousand employees,

members of their families and retired employees of the Company for rehabilitation treatment and recreation. The health resorts apply modern therapy and rehabilitation methods, develop and implement new recovery and treatment methods, constantly upgrade medical equipment. Besides, about two thousand employees of the Company and their family members visit different health resorts of Russia for rest and treatment every year.

The corporate non-state pension scheme for the employees, implemented via the Company’s pension fund, has been a key area of the social policy of “Surgutneftegas” PJSC over many years. One of the key corporate pension plans is the social cooperation based plan, according to which the Company and its employees form the future corporate pension together. The number of employees involved in this program was about 4.5 thousand people at the end of the reporting period. The total number of the retirement savings accounts for corporate pension payments on various plans has reached 46.2 thousand, and the amount paid – RUB 1.4 billion.



THE COMPANY'S OCCUPATIONAL HEALTH AND INDUSTRIAL SAFETY POLICY

Industrial safety, safety of life and health of personnel are the priorities of "Surgutneftegas" PJSC. The Company puts significant efforts to organizing safe and accident-free work of business units all over the area of its operations.

The Company's policy in the field of production safety is aimed at compliance with all requirements of the current legislation. The Company's standards determine the requirements for ensuring the safety of production for employees of all levels, and the system of evaluation allows us to reveal the deviations from the rules in place, making it possible to adjust them on the fly. "Surgutneftegas" PJSC has developed and effectively operates a multi-level system to control occupational health and industrial safety that controls the compliance with these requirements during the production process.

In order to implement the principles of corporate responsibility and risk-oriented approach in the field of industrial safety and occupational health, "Surgutneftegas" PJSC developed a risk management system that includes identification of production hazards, risk assessment and ways to mitigate and control them. This system allows the Company to make measured and effective decisions in matters of industrial safety on every level.

"Surgutneftegas" PJSC is constantly developing the occupational health and industrial safety control system.

SAFETY OF THE PRODUCTION FACILITIES

Ensuring safety of the production facilities is one of the top priorities of industrial and occupational safety of "Surgutneftegas" PJSC. The Company actively develops the production facilities management system by introducing

advanced automated and digital solutions. Twenty-four-hour monitoring of equipment condition allows for prompt response to any anomalies, contributing to continuous operations of the Company and reducing the risk of occupational injuries.

"Surgutneftegas" PJSC established a uniform procedure that regulates the execution of diagnostic measures and technical maintenance, repair work of production equipment and facilities, allowing the Company to monitor the reliability of their safe operation and prevent premature wear.

Close attention is paid to the equipment used at hazardous production facilities. Every year, technical examination and expert inspection of industrial safety of this equipment are performed, providing compliance with all established standards. "Surgutneftegas" PJSC has created an information base on technical devices and equipment used at hazardous production facilities, which monitors the current state of the equipment, ensuring its reliable and safe operation. This control makes it possible to timely maintain and repair the equipment of hazardous production facilities, minimize the time and costs of restoring its functionality, manage its service life.

Upgrading of equipment and automation of technological processes are prioritized at hazardous production facilities of the Company. Aside from enhancing productivity, these measures optimize the operation of the equipment, ensuring safety of the employees.

Commitment to occupational safety also applies to contractors working at the Company's production facilities. The Company developed uniform requirements for admission and control over the work performed: admission of workers and specialists of contracting organizations to facilities after checking their compliance with training and certification requirements, the availability of appropriate equipment and machinery, and control over the production safety.

The Company's integrated approach to managing safety of the production facilities ensures reliable operation of the equipment and minimizes the probability of accidents.

OCCUPATIONAL HEALTH AND PRODUCTION STANDARDS

In order to ensure safe working conditions, safety of life and health of personnel, "Surgutneftegas" PJSC constantly promotes the culture of production safety. Developing a safety culture within the Company is a continuous process that includes personnel training, holding induction meeting, organizing regular training on occupational health and industrial safety.

The safety training is compulsory for all categories of the Company's employees. Upon hiring, each employee undergoes training in safe working operations and techniques, which ends with a test of the acquired knowledge. Before being allowed to perform their duties, employees undergo practical training and pass mandatory tests.

Occupational health and industrial safety training for the employees are organized at the training centers of "Surgutneftegas" PJSC. Training programs are aimed at developing principles of safe behavior at workplace and effectively communicating information about safety precautions. The drills and training of practical skills are performed at the training ground, equipped to simulate real operating conditions.

Every year the Company implements a wide range of organizational and technical measures aimed at prevention of injuries and fires as well as maintaining the high level of industrial safety. In the reporting year, the incident frequency rate in the Company amounted to 0.21, which is 2.8 times lower than the standard established by the Social Insurance Fund of the Russian Federation in the "Oil and Gas Production" industry. There were no accident reports at hazardous production facilities.

The Company focuses on continuous improvement of work environment. Upgrading of equipment and improvement of technological processes decrease the negative impact of harmful production factors on employees. Conducting a special assessment of working conditions

and industrial control allows us to identify risks and develop appropriate measures to improve working conditions aimed at minimizing the adverse impact of production factors on the health of employees.

At present, one of the priorities of industrial safety is integration of AI-based computer vision system. A specialized program has been developed and is being implemented in the Company, based on the principle of invisible presence and control over safe production. The system allows us to decrease the level of occupational injuries, motivate the employees to reduce the number of violations as well as take corrective actions to prevent similar violations at other facilities.

The use of cutting-edge technologies, upgrading of equipment and optimization of business processes contribute to the increase of safety at every stage of the Company's production cycle.

"Surgutneftegas" PJSC supports the initiative and interest of specialists in solving problems in the field of occupational health, industrial, fire and electrical safety. The Company actively inspires proactive measures aimed at risk prevention, continuous improvement of production safety, which promotes the development of a sustainable production safety culture and enhancement of production efficiency. The annual Scientific and technical conference for young scientists and professionals of "Surgutneftegas" PJSC includes a "Technospheric Security" section, where breakthrough ideas and technologies for industrial safety and occupational health are discussed. Every year the teams of the Company's business units participate in the economic competitions for the title of the best team in the field of occupational health and industrial safety.

WORK ENVIRONMENT

"Surgutneftegas" PJSC puts significant efforts to ensuring proper and favorable work and leisure environment for its employees. The production facilities have modern residential infrastructure.

The Company reimburses employees for the cost of meals in the corporate canteens. At the end of 2024, there were 226 modern recreation facilities for 14.6 thousand shift workers – with a total area exceeding 174.4 thousand square meters – located in the residential areas and at the fields and industrial sites of the Company. The Company's catering network includes 445 canteens: 225 are stationary and 220 are mobile. On average, the Company's catering network daily serves meals for 41 thousand people.

Employees of "Surgutneftegas" PJSC are provided with modern individual safety equipment. The in-house working clothes factory manufactures about 110 thousand sets of functional working clothes of certified quality for the Company's employees every year.

HEALTHCARE

"Surgutneftegas" PJSC responsibly maintains the health of its employees. Over many years the Company has been running a healthcare program that focuses on prevention of professional diseases, regular preventive medical examinations and vaccination. The program is aimed at maintaining the staff's health and capacity to work.

Medical support and health monitoring of the employees engaged in production are provided at the Company's own health posts located at the work sites within Khanty-Mansiysky Autonomous Okrug – Yugra, in the Republic of Sakha (Yakutia), in Kirishi as well as at rooms for medical check-ups of drivers, mobile medical

rooms and medical facilities. At its remote facilities, the Company has built an effective medical assistance system at health posts located at the fields. In the reporting year, the Company's health posts performed about seven million pre- and post-trip medical examinations of drivers, handled 21.6 thousand cases of emergency. The Company continues to develop the electronic system of pre-trip and post-trip medical examinations (ESMO). This system helps detect diseases and predispositions, thus improving the employees' quality of life, their efficiency, cutting down incident risks. Automation of processes also reduces the duration and cost of check-ups. In the reporting year, 108 ESMO terminals were used at the medical facilities of "Surgutneftegas" PJSC.

The Company regularly organizes periodic and preliminary medical check-ups, screening examinations. In the reporting year, periodic medical check-ups were organized and performed for 65 thousand employees, compulsory psychiatric examinations – for 6.7 thousand employees, and more than 11.8 thousand employees underwent medical on-site check-ups and psychiatric examinations. The Company performed preliminary medical check-ups for 13.8 thousand potential employees.

Vaccination is an effective method of disease prevention. In the reporting year, in order to comply with the federal, regional and local regulations as well as to prevent wide-scale infectious diseases, 65 thousand employees of "Surgutneftegas" PJSC were vaccinated against flu, measles, tick-borne encephalitis, typhoid fever, pneumococcal disease, diphtheria and tetanus.

SOCIAL COOPERATION

"Surgutneftegas" PJSC is one of the largest employers and taxpayers in the country, a reliable partner of the society and the state. The Company actively supports the sustainable development of the regions of its presence, takes part in implementation and financing of social and economic partnership programs, greatly contributes to culture, sport and healthcare.

"Surgutneftegas" PJSC builds long-term partnership relations with major parties concerned, based on cooperation agreements concluded with the local and regional authorities of the Russian Federation. The funds donated within these agreements are used to provide finance for infrastructure facilities, works on asphalt paving and road repairing, urban beautification and parks outfitting. These investments contribute to creation of comfortable living conditions. In the reporting year, the Company fulfilled obligations under 14 agreements with the municipalities and constituent territories of the Russian Federation. Road repairs were done in Khanty-Mansiysky Autonomous Okrug – Yugra, including the city of Surgut, the city of Lyantor, the urban settlement of Fedorovsky, settlement of Nizhnesortymsky. Transportation services, purchase and delivery of fuel and lubricants were organized in Beloyarsky District.

SUPPORT OF THE SMALL-NUMBERED INDIGENOUS PEOPLES OF THE NORTH

The Company operates in the regions which traditionally have been the places of residence of the small-numbered indigenous peoples of the North. The Company puts effort into preservation of their primordial living environment and traditional way of life.

While planning our operational activity and placement of production facilities, we take account of interests of the local people, respect their traditional way of life and natural heritage. The Company's subsidiaries organized services for direct and prompt communication with indigenous people. The Company regularly

supports the development of traditional occupations, organizes national holidays (meeting of deer herders, fishermen and hunters day) provides prizes for champions of various contests. Financial support includes donation of snowmobiles, chainsaws, boats, boat motors, fuel and lubricants, diesel generators, construction materials, work clothes and vehicles for transportation of people and cargoes. The Company pays quarterly monetary compensations to indigenous people, covers their transportation and communication, medical and education costs. Since 2023, "Surgutneftegas" PJSC took upon itself to pay the income tax of the indigenous people who receive aid from the Company.

SPORTS FOR ALL

"Surgutneftegas" PJSC actively promotes the development of healthy lifestyle and sports among its employees and their families. The Company offers a wide range of sports grounds for various physical activities, holds sports events promoting active lifestyle. The Company's employees regularly participate in corporate competitions, municipal and national marathons, sports festivals, tournaments and championships, where they can demonstrate their athletic performance.

"Surgutneftegas" PJSC owns 13 gyms and six sports centers, where training sessions in 20 kinds of sports are held. These sports facilities can accommodate over 23 thousand people and attract a lot of employees.

SUPPORT OF RETIRED EMPLOYEES

"Surgutneftegas" PJSC takes special care of retired former employees. By the end of the 2024, the number of retired employees of the Company amounted to 47.6 thousand people, including 89 veterans of the Great Patriotic War.

To increase the level of social protection for retired employees and veterans of the joint-stock company, a support program is successfully implemented, provided by the Company's

Collective Agreement. As part of this program, the Company provides health resort vouchers, financial aid in difficult straits, makes payments on Victory Day and other significant dates.

For a long time “Surgutneftegas” PJSC has been supporting the Association of Retired Employees that brings together retired employees of the Company. This organization works on protecting the rights of the elderly people, improvement of their quality of life. Its members can attend leisure activities organized by the Association. At present, the Association of Retired Employees includes 7.5 thousand people.

The Company remains firmly in touch with people who contributed to its achievements. Every year, retired employees are invited to events dedicated to professional and national holidays. Special attention is paid to the Day of Oil and Gas Industry Workers: in this day the Company honors veterans and retired employees of “Surgutneftegas” PJSC, who greatly contributed to the development of the Company and the industry. Many of them received honorary certificates, marks of distinction, commendations, professional accolades for outstanding service and commitment.

CHARITY AND SPONSORSHIP

Charity and sponsorship are among the priorities of the social responsibility of “Surgutneftegas” PJSC. The Company maintains long-term and systematic relationship with public organizations and funds, implements socially oriented programs, supports social initiatives, builds strong partnerships with institutions of science and education, healthcare, culture and sports.

The Company assists and takes care of socially vulnerable groups. Physically challenged persons, children from large single-parent and low-income families, orphans, veterans and elderly people are provided assistance and targeted aid. The Company provides financing for expensive medical treatment and implementation of comprehensive rehabilitation programs

to physically challenged persons, families with physically challenged children.

“Surgutneftegas” PJSC supports preservation of cultural heritage and national values. For many years, the Company has been supporting institutions of culture and art, promoting the development of cultural traditions and establishing favorable conditions for creativity. Thanks to this support, the most prominent theaters and museums of the country implement significant projects to preserve cultural heritage.

Cooperation with religious associations and public organizations is an important part of our charitable work, contributing to the strengthening of the spiritual unity and community of people.

“Surgutneftegas” PJSC actively works with the youth, especially in the regions of its presence. The Company cooperates with specialized educational institutions, implements projects promoting vocations of oil and gas production industry, develops the creative and scientific potential of youth. It organizes meetings with veterans of the industry, conferences and festivals for young researchers. The Company participates in financing of the renewal of materials and equipment of educational organizations, purchases modern equipment for educational projects, which will help in training qualified professionals in the future.

We pay a lot of attention to development and promotion of sports, including children's and youth. The Company creates environment for professional growth of young athletes, comfortable training of sports teams, supports sports clubs and teams, contributes to the development of the country's Olympic movement. Every year, the Company provides financing to Youth Sports School “Neftyanik” for bringing up new generations of athletes. In 2024, more than 600 children trained in the sports school in three kinds of sport.

“Surgutneftegas” PJSC strives not only towards sustainable development of business, but also towards strengthening stability, improving the quality of life and creating opportunities for self-fulfillment of every person.

REPORT ON THE COMPANY'S COMPLIANCE WITH THE PRINCIPLES AND RECOMMENDATIONS OF THE CORPORATE GOVERNANCE CODE

This report on the Company's compliance with the principles and recommendations of the Corporate Governance Code was considered at the meeting of the Company's Board of Directors (Minutes No. 4 dated “20” May 2025).

The Company's Board of Directors (hereinafter – the Board of Directors) confirms that data stated in this report contain complete and accurate information on the Company's compliance with the principles and recommendations of the Corporate Governance Code in 2024.

The Company continuously improves the system of corporate governance and runs its business under the principles of the Russian Corporate Governance Code. The Company adheres to the principles of the Corporate Governance Code stipulated by standards and requirements of the current legislation of the Russian Federation.

The general shareholders' meeting is the supreme management body of the Company. Its terms of reference are determined by the Company's Charter and comply with the requirements of the current legislation of the Russian Federation.

The Board of Directors carries out overall management of the Company's activity and has the right to adopt resolutions on any matters concerning the Company's activity except for those which the Company's Charter limits to the terms of reference of the general shareholders' meeting.

As stipulated by the Company's Charter, the members of the Board of Directors are elected by the annual general shareholders' meeting for a term lasting till the next annual general shareholders' meeting, and from the number of candidates nominated by the Company's shareholders, and candidates nominated by the Board of Directors. The members of the Board of Directors can be reelected an unlimited number of times.

The Company's Charter does not provide for the formation of the collective executive body.

Director General is the individual executive body of the Company and manages the Company's current activity in the order and within the terms of reference determined by the Company's Charter as well as in accordance with resolutions of the Board of Directors and the general shareholders' meeting. The Board of Directors appoints Director General of the Company for a five-year period.

Upon expiration of Director General's term of office, the Board of Directors can appoint this

person for the same period an unlimited number of times. Director General shall report to the Board of Directors and the general shareholders' meeting of the Company.

The terms of reference of the Company's management bodies are determined by the Company's Charter.

SHAREHOLDERS' RIGHTS AND EQUAL CONDITIONS FOR ALL SHAREHOLDERS WHEN EXERCISING THEIR RIGHTS

The Company provides equal and fair treatment of all shareholders when they exercise their rights to participate in the Company's management.

In the reporting year, in accordance with the current legislation of the Russian Federation, the Company's Charter and internal documents, the Company created favorable conditions for its shareholders for participation in absentee voting at the general shareholders' meeting, development of reasonable position on the agenda items of the meeting and coordination of their actions as well as the opportunity to express their opinions on the considered issues.

The internal document of the Company – Regulations on the general shareholders' meeting of “Surgutneftegas” PJSC approved by the general shareholders' meeting of the Company – regulates the order of convening, preparing and conducting the general shareholders' meeting or the absentee voting to adopt resolutions by the general shareholders' meeting and is publicly available on the Company's official website in the information and telecommunication network Internet (hereinafter – the Internet) and on the Company's web page on the Internet, provided by an agency accredited by the Bank of Russia.

The Company provides an opportunity for shareholders to apply to the Company (orally or in writing as well as via e-mail to the addresses listed as contacts for requests from shareholders and investors), express their opinions and submit issues on the agenda while preparing for the General shareholders' meeting.

The Company doesn't use such methods of communication between shareholders and the Company as a hot line or an Internet forum because an established practice has proved that the existing means of communication sufficiently ensure the enforcement of the shareholders' rights.

The procedure for notifying the General shareholders' meeting and providing materials for the General shareholders' meeting gives the shareholders an opportunity to properly prepare for the meeting.

Over many years, notices of the General shareholders' meetings have been posted on the Company's official website and on the Company's web page on the Internet, provided by an agency accredited by the Bank of Russia at least 30 days before the General shareholders' meeting is held. Such notices contain the method of adopting resolutions by the Meeting, venue for the Meeting and the documents required for admission to the premises where the Meeting is held.

Information about the Company's shareholders who nominated candidates to the Board of Directors and the Auditing Committee of the Company and proposed issues to be placed on the agenda is not disclosed due to the absence of consent of these shareholders to disclose such information.

In the reporting period, the shareholders were given an opportunity to readily and timely receive information about the General shareholders' meeting of the Company and to review materials for the Meeting as well as put questions to Director General of the Company and the members of the Board of Directors while preparing the General shareholders' meeting. Every shareholder of the Company had the opportunity to apply to the Company, express his/her opinion and direct questions (orally or in writing as well as via e-mail to the addresses listed as contacts for requests from the Company's shareholders and investors).

The position of the Board of Directors on any item on the agenda of the General shareholders' meeting of the Company held in the reporting period was included in the materials for the General shareholders' meeting in the form of the approved list of draft resolutions of the Meeting.

While preparing for the General shareholders' meeting, the Company provided the shareholders

who had the right thereof with the access to the list of persons entitled to participate in the General shareholders' meeting from the day of its receipt by the Company.

Exercising the right of the Company's shareholders to demand the General shareholders' meeting to be convened, nominate candidates to the management bodies and propose items to be placed on the agenda of the General shareholders' meeting does not involve unjustified difficulties and is fully compliant with the current legislation of the Russian Federation and the Company's Charter.

In accordance with the Company's Charter and the internal document of the Company – Regulations on the general shareholders' meeting of "Surgutneftegas" PJSC – the shareholders had the opportunity to propose items to the agenda of the annual General shareholders' meeting within 30 days after the end of the calendar year.

In the reporting period, the Company did not refuse to include proposed items in the agenda or accept nominees to the management and control bodies of the Company due to misprints or other non-essential flaws in the shareholders' proposals.

Each shareholder of the Company was provided with an opportunity to freely exercise the right to vote in the way which is the easiest and the most convenient for him/her and which is determined by the current legislation of the Russian Federation and the internal documents of the Company.

In the reporting year, the General shareholders' meeting at which the issues of the annual General shareholders' meeting were considered, was conducted by absentee voting. Under normal circumstances, while conducting the General shareholders' meeting, in order to create the most favorable conditions for participation in the Meeting, the Company applies a registration procedure which does not create obstacles to the participation of any shareholders wishing to attend the meeting in person or by proxy. Though the internal documents of the Company do not contain provisions stipulating that any member of the General shareholders' meeting may request a copy of his/her completed ballot papers certified by the Ballot Committee prior to the end of the General shareholders' meeting, each member of the Meeting may apply to the Company and receive the requested copies of the documents. The Company's procedure

for conducting the General shareholders' meeting established by the internal document of the Company provides equal opportunities for all persons present at the Meeting to express his/her opinion, ask questions and get answers.

The shareholders have an equal and fair opportunity to participate in profits of the Company by way of receiving dividends.

The Company has a transparent and clear mechanism for determining the amount of dividends and payment on them which is defined by the Company's Charter, Regulations on Dividend Policy of "Surgutneftegas" PJSC and resolutions on dividends adopted by the General shareholders' meeting of the Company.

While developing recommendations for the general shareholders' meeting in respect of the amount of dividends, the Board of Directors uses accounting (financial) statements of the Company as required by the current legislation of the Russian Federation and the Company's Charter.

In the reporting year, the Company adopted no resolution on the payment of dividends which, not violating formally the restrictions established by the legislation, was economically unjustified and could lead to misconceptions about the Company's activity.

Clear indications of financial/economic circumstances in which the Company is not entitled to pay dividends are defined by the current legislation of the Russian Federation, the Company's Charter and Regulations on Dividend Policy of "Surgutneftegas" PJSC.

In the reporting period, the Company took no actions leading to deterioration of the dividend rights of the existing shareholders.

The internal documents of the Company contain no information about special controlling mechanisms providing for the procedure of approval by the Board of Directors or the General shareholders' meeting for transactions with persons affiliated (associated) with significant shareholders (persons entitled to the dispose of five or more percent of votes assigned to the voting shares) in cases when the Federal Law "On Joint Stock Companies" does not formally recognize such transactions as interested party transactions. Despite this, the Company ensures equal treatment of all counterparties through various procedures (tenders, competitions, auctions).

During the reporting period, there were no conflicts of interests between the Company's shareholders. At the same time, the Company has created conditions for equal treatment of all shareholders by the Company's management bodies and the Company's officers.

The Company undertakes no actions which lead or may lead to artificial redistribution of corporate control.

In accordance with the current legislation of the Russian Federation, the Company ensures equal conditions for voting on shares for all shareholders who own shares of one category (type), including minority and foreign shareholders.

The shareholders of the Company are provided with reliable and effective methods of recording stock ownership rights as well as the possibility of free and easy disposal of shares held by them.

The registrar of the Company carries out activities related to keeping the register of securities holders, and the quality and reliability of his/her actions comply with the needs of the Company and its shareholders.

THE COMPANY'S BOARD OF DIRECTORS

The terms of reference of the Board of Directors include adoption of resolutions related to the appointment to the position of an individual executive body (Director General) of the Company. The Board of Directors monitors compliance of Director General's actions with the Company's development strategy and the key areas of its activity.

While preparing for the annual general shareholders' meeting, the Board of Directors reviews the annual report on the results achieved by the Company in the reporting year as well as plans for further development of the Company.

The Board of Directors determines major principles and approaches to the risk management and internal control system of the Company. The Board of Directors approved Regulations on the Audit Committee of the Board of Directors of "Surgutneftegas" PJSC, Policy of "Surgutneftegas" PJSC on risk management and internal control and Regulations on Internal

Audit Service of "Surgutneftegas" PJSC. The Company has established and operates the Auditing Committee and business units ensuring the functioning of the risk management and internal control system. The Internal Audit Service of the Company annually reports to the Board of Directors on the work done. While preparing this report, the Board of Directors has analyzed and assessed the operation of risk management and internal control system of the Company and believes that during the reporting year the risk management and internal control system served the interests of the Company.

The Company has no special internal document to determine the policy on remuneration and reimbursement of expenses of the members of the Board of Directors, Director General and other key personnel of the Company. Despite this, the Company has established and operates an effective system of remuneration of its employees. The system of remuneration and compensation for the members of the Board of Directors is defined by the Company's Charter and Regulations on the Board of Directors of "Surgutneftegas" PJSC.

In the reporting year, there were no amendments to the Company's policy on remuneration and reimbursement of expenses of the members of the Board of Directors.

The Board of Directors plays a key role in prevention, detection and settlement of internal conflicts, if any, between the management bodies, shareholders and employees of the Company. The Company has established and operates the system of identification of transactions related to conflicts of interest as well as the system of measures aimed at resolving such conflicts.

The Company has no regulations on information policy in the form of a special document approved by the Board of Directors. However, in the course of its activity, the Board of Directors focuses on timely and full provision or disclosure of information about the Company in the securities market. The Company has determined persons responsible for provision or disclosure of information about the Company's activity. The Board of Directors recognizes the scope and time of information disclosure in the current conditions as sufficient to inform the shareholders about the Company's activity.

To assess how the Company complies with the principles of the Corporate Governance Code, the following key measures are taken:

- distribution of powers between the management bodies of the Company;
- work flow management for the Board of Directors, including its cooperation with governing and controlling bodies of the Company;
- control over the implementation of the Company's development strategy;
- coordination of risk management;
- prevention of corporate disputes and conflicts of interest;
- relations with controlled entities;
- definition of rules and procedures ensuring compliance with the principles of corporate governance;
- coordination of information disclosure about the Company;
- monitoring of the internal control system.

The Company implements measures to eliminate flaws discovered during the examination of corporate governance status.

The Board of Directors monitors the practices of corporate governance in the Company and plays a key role in significant corporate events of the Company.

Information about attendance of the meetings of the Board of Directors and voting in the meetings is disclosed by the Company in accordance with the procedure established by the legislation of the Russian Federation in the form of statements of significant facts (about resolutions adopted by the Board of Directors).

There were seven meetings and absentee votings of the Board of Directors in 2024. Four meetings were attended by all members of the Board of Directors and three meetings – by eight members of the Board of Directors.

The Board of Directors analyzed the results of its work in the reporting year to assess its effectiveness in performing the duties of the Board of Directors and identify opportunities

for its better work as well as evaluate professional expertise of the members of the Board of Directors. Self-assessment of the Board of Directors was performed during the preliminary approval of this report. Based on its results, the Board of Directors noted that the work of the Board of Directors was in compliance with the current legislation of the Russian Federation, addressed the interests of the Company and its shareholders and enabled the Company to minimize current economic risks and potential conflicts of interests. The work of the Board of Directors in the reporting year was recognized as satisfactory.

The chairperson of the Board of Directors is available for communication with the Company's shareholders. The Company has a transparent procedure providing the shareholders with the opportunity to direct their questions and position (opinion) on the issues to the chairperson of the Board of Directors.

The Board of Directors is an effective and professional management body of the Company which can make objective independent judgments and adopt resolutions that meet the interests of the Company and its shareholders.

In the reporting year, while discussing the proposals submitted by the shareholders for nominating candidates to be elected to the Company's Board of Directors, the Board of Directors considered the nominee candidates whether they had required professional knowledge, skills and experience to act as a member of the Board of Directors as well as their business and personal reputation. The Board of Directors concluded that all candidates nominated to be elected to the Company's Board of Directors had impeccable business and personal reputation as well as knowledge, skills and experience required to adopt resolutions related to the terms of reference of the Board of Directors and to provide effective performance of its functions and no conflict of interest.

Over the years, there has been no significant changes in the personal composition of the Board of Directors, which allows the Company to remain stable, adhere to progressive and gradual development as well as mitigate corporate disputes and conflicts of interest and shape long-term strategic plans and successfully implement them. Professionalism and integrity of the Board of Directors are proved by their longstanding and excellent work. The Company

provides the shareholders with information about the availability of the candidates' written consent to their election to the Board of Directors. While preparing for the General shareholders' meeting and its holding, the shareholders have the opportunity to address questions to the chairperson of the Board of Directors or the candidates to be elected to the Board of Directors in order to get a view of their personal and professional qualities.

In 2025, 10 candidates are nominated to the Board of Directors, nine of them are the acting members of the Board of Directors. Two members of the Board of Directors fully qualify for the criteria of independence set by the Listings Rules of PJSC "Moscow Exchange", as they are not associated with the Company, any significant shareholder, significant contractor or competitor of the Company and with the state (the Russian Federation, a constituent entity of the Russian Federation) or municipality.

In 2024, information about the eligibility of the candidates to be elected to the Board of Directors with the criteria of independence was also presented to the shareholders within the report of the Company's compliance with the principles and recommendations of the Corporate Governance Code.

The composition of the Board of Directors is balanced, including its members' skills, experience, knowledge and business proficiency, and enjoys confidence of the shareholders of the Company.

The number of the members of the Board of Directors makes it possible to arrange its work in the most efficient manner, including the possibility to form its committees, as well as provides the significant minority of shareholders of the Company with the opportunity to elect the candidate of their choice to the Board of Directors. As part of the assessment procedure of the Board of Directors conducted in preparation of this report, the Board of Directors recognized its number of members as satisfying the requirements of the Company and its shareholders' interests.

The Board of Directors is formed at the general shareholders' meeting from the number of candidates nominated by the Company's shareholders and Board of Directors as prescribed by the current legislation of the Russian Federation and the Company's Charter.

Each member of the Board of Directors gives due preliminary assessment of the significant corporate actions, including their analysis in terms of a potential conflict of interests, which allows all the members of the Board of Directors to perform their functions most effectively.

According to the current requirements of PJSC "Moscow Exchange" to level II issuers (the Company is among them), the Board of Directors includes two independent directors.

In the reporting year, the Board of Directors considered independence of the acting members of the Board of Directors. Two members of the Board of Directors fully qualify for the criteria of independence set by the Listings Rules of PJSC "Moscow Exchange".

The chairperson of the Board of Directors arranges the effective work of the Board of Directors and its interaction with other bodies of the Company. The chairperson of the Board of Directors has impeccable business and personal reputation and considerable experience in management positions and is committed to the Company's interests.

The role, rights and responsibilities of the chairperson of the Board of Directors are duly defined in the internal documents of the Company.

While approving this report, the Board of Directors assessed the performance of the chairperson of the Board of Directors. The results of assessment proved that the chairperson of the Board of Directors provides a constructive environment of the meetings, free discussion of items on the agenda and control over the execution of resolutions adopted by the Board of Directors.

The chairperson of the Board of Directors creates conditions to ensure effective performance of the Audit Committee of the Board of Directors (hereinafter – the Audit Committee) and takes the initiative to nominate the members of the Board of Directors to the Audit Committee considering their professional and personal qualities as well as taking into account the proposals of the members of the Board of Directors for the formation of the Audit Committee.

The chairperson of the Board of Directors maintains regular contacts with other bodies and officers of the Company in order to timely obtain the most comprehensive and accurate information required for the Board of Directors

to consider items and adopt resolutions on them.

The chairperson of the Board of Directors takes necessary measures to timely provide the Board of Directors with information required for adopting resolutions on the agenda items within the time limits defined in the Regulations on the Board of Directors of "Surgutneftegas" PJSC.

The members of the Board of Directors act in good faith, in a reasonable manner and in best interests of the Company and its shareholders with due diligence, adequate assessment of the risks they assume and awareness of their personal responsibility for the resolutions they adopt. The Company's internal documents do not provide for the obligation of any member of the Board of Directors to notify the Board of Directors of the conflict of interest arising in regard to any item on the agenda of the meeting of the Board of Directors or the Audit Committee. Nevertheless, the Board of Directors adopts its resolutions with due account for all information available and equal treatment of the Company's shareholders and under standard business risk. The Board of Directors may get professional advice within the terms of its reference at the Company's expense when necessary.

The Company has approved and posted on the Company's official website on the Internet and on the Company's web page on the Internet, provided by an agency accredited by the Bank of Russia, the Regulations on the Board of Directors of "Surgutneftegas" PJSC which, together with the Company's Charter, clearly define rights and responsibilities of the members of the Board of Directors.

Based on assessment of attendance of the meetings of the Board of Directors and the Audit Committee performed when approving this report, the Board of Directors concluded that each member of the Board of Directors had sufficient time to prepare for the meetings of the Board of Directors and participate therein.

Pursuant to the requirements of Article 82 of the Federal Law "On Joint Stock Companies", any member of the Company's Board of Directors shall notify the Board of Directors in writing of his/her election (nomination) as a member of the management bodies of other legal entities. The Company's internal documents do not directly provide for the obligation of any member of the Board of Directors to notify the Board of Directors of his/her intention to be elected

as a member of the management bodies of other legal entities. However, the members of the Board of Directors are aware of having such an obligation.

Any member of the Board of Directors, including any newly elected members of the Board of Directors, has equal access to any Company's documents and information. Despite the absence of the formalized program of introductory activities, any newly elected member of the Board of Directors is furnished with sufficient information on the Company and work of the Board of Directors as soon as practicable.

The meetings of the Board of Directors are held when necessary and in regard to the Company's scope of business and tasks the Company faces in a certain period of its lifetime. The meetings of the Board of Directors in the Company may be conducted in the form of joint presence as well as by absentee voting. In the reporting year, the first meeting of the newly elected Board of Directors to elect the chairperson of the Board of Directors, to form the Audit Committee and to elect the chairperson of the Audit Committee was held immediately after the election of the new Board of Directors at the annual General shareholders' meeting of the Company.

According to the Regulations on the Board of Directors of "Surgutneftegas" PJSC approved by the General shareholders' meeting of the Company, the notification of the meeting of the Board of Directors shall be made not later than three days before such a meeting is conducted. In certain circumstances depending on the scope and significance of information to be prepared for such a meeting, the notification of the meeting of the Board of Directors is delivered to the members of the Board of Directors prior to the stated period. The work of the Board of Directors proves that the established period and procedure used to notify of the meeting of the Board of Directors allow the members of the meeting of the Board of Directors to properly prepare for the forthcoming meeting.

The most important issues are usually considered at the meetings of the Board of Directors which are held in the form of joint presence. In particular, these issues include: preparing for and convening the annual General shareholders' meeting of the Company; the preliminary approval of the Company's annual report; the election of the chairperson of the Board

of Directors; the appointment of Director General of the Company; the approval of major transactions or interested party transactions; increasing the charter capital of the Company.

The number of votes to be obtained to adopt resolutions by the Board of Directors shall be determined in accordance with the current legislation of the Russian Federation, the Company's Charter and the Regulations on the Board of Directors of "Surgutneftegas" PJSC. Regular practice has shown that over many past years all resolutions of the Board of Directors have been approved by the majority of all elected members of the Board of Directors.

Every year the Board of Directors establishes the Audit Committee, whose tasks are determined by the Regulations on the Audit Committee of the Board of Directors.

During the reporting year, the meetings of the Audit Committee were held when it was necessary to consider issues related to its terms of reference. In the reporting year, there were two meetings of the Audit Committee of the Board of Directors.

The composition of the Audit Committee makes it possible to conduct comprehensive discussion of the preliminarily considered issues and take into account different opinions. The Audit Committee is headed by an independent director, and independent directors constitute its majority. To adopt more effective resolutions of the Audit Committee, the meetings of the Audit Committee can be attended by the invited outside experts as provided by the Regulations on the Audit Committee of the Board of Directors.

The chairperson of the Audit Committee regularly informs the Board of Directors and its chairperson on the performance of the Audit Committee.

Considering the scope of the Company's activity and risk level, in this report the Board of Directors expresses an opinion that the number and composition of its committees entirely serve the Company's objectives. At the current stage of its performance, the Company does not require other committees of the Board of Directors to be established.

The Board of Directors assesses its efficiency on its own, without engaging an external independent qualified organization (consultant). The results of the assessment are considered by the Board of Directors

when preliminarily approving this report of the Company's compliance with the principles and recommendations of the Corporate Governance Code.

THE CORPORATE SECRETARY OF THE COMPANY

The Board of Directors has approved and posted on the Company's official website on the Internet the Regulations on the Corporate Secretary of "Surgutneftegas" PJSC which determine the status and authorities of the corporate secretary of the Company in compliance with the Listings Rules of PJSC "Moscow Exchange" based on the recommendations of the Corporate Governance Code. In accordance with the mentioned Regulations, the corporate secretary of the Company shall be appointed by order of Director General of the Company after preliminary approval of the Board of Directors.

THE SYSTEM OF REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS, DIRECTOR GENERAL AND OTHER KEY PERSONNEL OF THE COMPANY

The Company has developed and operates an effective system of remuneration of the Company's employees that provides the level of remuneration sufficient to recruit, motivate and retain persons of high competence and skills who meet the Company's requirements. The system of remuneration and compensation for the members of the Board of Directors is defined by the Charter and the Regulations on the Board of Directors of "Surgutneftegas" PJSC.

The Company reimburses the expenses of the members of the Board of Directors in full provided that they are duly documented and incurred in the course of their duties.

The annual remuneration for the members of the Board of Directors was fixed under the current Regulations on the Board of Directors of "Surgutneftegas" PJSC. The amount of the fixed

annual remuneration was differentiated depending on the scope of duties a member of the Board of Directors fulfills to reflect the additional time spent by the chairperson of the Audit Committee in the course of his/her duties. It was also resolved that payment of such fixed annual remuneration in full is determined by the number of times when a member of the Board of Directors personally participated in such meetings, which shall constitute not less than one half of all the meetings of the Board of Directors.

The Company applies neither short-term motivation nor additional financial incentives of any kind towards the members of the Company's Board of Directors.

The majority of the members of the Board of Directors have been the Company's shareholders for many years. The members of the Board of Directors are entitled to dispose of their shares regardless of certain performance indicators the Company has reached.

In case of early termination of powers of any member of the Board of Directors caused by change in control over the Company or other circumstances, the Company shall not provide any additional payments or compensations.

According to the Company's remuneration policy, the amount of the remuneration paid to Director General and other key executives of the Company correlates with the Company's operating results and personal contribution made to achieve them.

The remuneration of Director General and other key executives of the Company is determined to ensure reasonable and justified correlation of fixed and variable parts of remuneration depending on the Company's operating results and individual contribution of an employee to the final result.

The Board of Directors believes that the Company applies the methods which provide an effective ratio of the fixed and variable parts of remuneration.

The Company applies no long-term remuneration program for Director General and other key executives of the Company which includes a stock option plan or financial instruments based on the Company's shares. At present, implementation of such programs is considered inappropriate and can present significant risks and high expenses for both the Company and the participants of such programs.

When more favorable conditions occur, the Company may reconsider the implementation of the long-term remuneration program based on a stock option plan for Director General and other key executives of the Company.

The Company's internal documents provide no compensatory payments (so called "golden parachutes") in case the authority of Director General or any key executives of the Company is early terminated by the Company and when there are no unfair actions on their part.

THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Company has developed and effectively operates the risk management and internal control system aimed at providing reasonable assurance that objectives set by the Company will be achieved.

The Auditing Committee shall be elected by the General shareholders' meeting to supervise the Company's financial and business activities. To have annual accounting (financial) statements audited and confirmed, the Company engages an independent auditor. The resolution to appoint the auditor shall be adopted by the General shareholders' meeting.

The Company has established and operates the internal audit service. Regulations on the internal audit service are approved by the Board of Directors and posted on the Company's official website on the Internet.

Functions of the Company's business units within the risk management and internal control system are clearly defined in the Company's internal documents, including Policy of "Surgutneftegas" PJSC on risk management and internal control, approved by the Board of Directors. There is a distribution of functions and powers relating to risk management and internal control between heads of the Company's business units.

The Company has the Corporate Ethics Regulations approved by the Board of Directors which together with other internal documents of the Company sufficiently regulate issues related to informing the Board of Directors and the Audit Committee on the violation of the current

legislation of the Russian Federation, including anti-corruption laws and internal procedures.

Every year the Audit Committee reviews the report of the internal audit service and informs the Board of Directors on the efficiency of the risk management and internal control system.

Based on the assessment of the efficiency of the risk management and internal control system conducted during the consideration of this report, the Board of Directors expresses its opinion that the existing risk management and internal control system of the Company facilitates true, fair and clear presentation of the Company's current state and prospects as well as integrity and accuracy of the Company's statements and soundness and acceptability of its risks.

The Company's internal audit service – a separate business unit to perform internal audit (internal audit service) – functionally reports to the Board of Directors and performs internal auditing of the Company.

The Company adheres to generally accepted standards of internal control and risk management which are implemented taking into account the specifics of the Company's activity. During the reporting period, the internal audit service assessed the efficiency of the internal control system as positive.

DISCLOSURE OF INFORMATION ABOUT THE COMPANY, INFORMATION POLICY OF THE COMPANY

The Company's information policy was not approved by the Board of Directors as a separate document. Nevertheless, in terms of disclosure and provision of its information, the Company's activity is committed to observance of legal rights and interests of stakeholders as well as strict compliance with the current legislation of the Russian Federation and principal recommendations of the Corporate Governance Code.

The Company applies various means of communication with its shareholders and other stakeholders. Contact information, including e-mail addresses and telephone numbers of the persons responsible for relations with investors and shareholders can be found

on the Company's official website on the Internet. In addition, shareholders and investors can timely receive current information during presentations and meetings with the members of management bodies and other key executives of the Company, including those related to major investment projects, the Company's strategic development plans and significant corporate events.

The Company has the Regulations on Submission of the Documents and Information to the Shareholders of "Surgutneftegas" PJSC approved by the Board of Directors.

The Company disclosed and (or) provided, to a limited extent, information that is to be disclosed and (or) provided in accordance with the requirements of Federal Laws "On Joint Stock Companies" and "On Securities Market", or refused to disclose and (or) provide such information in cases, when the disclosure and (or) provision of this information could cause the enforcement of new restrictive measures towards the Company and (or) other entities, including the enforcement of restrictive measures towards the entities whose information is being disclosed and (or) provided by the Company in accordance with Resolution No. 1102 of the Government of the Russian Federation dated 04.07.2023 and Executive Orders of the President of the Russian Federation No. 903 dated 27.11.2023 "On temporary procedure for disclosing and submitting information by certain Russian organizations" and No. 965 dated 11.11.2024 "On amendments to the list of Russian business entities that have the right to independently determine the content and (or) volume of information subject to disclosure and (or) submission, approved by Executive Order of the President of the Russian Federation No. 903 dated 27.11.2023." Information, that has not been disclosed by the Company, was timely sent to the Bank of Russia as prescribed by the regulations of the Bank of Russia.

The Company's annual report is one of the most important information tools of interaction between the Company, shareholders and other stakeholders, and contains information which enables to assess the Company's operating results for the relevant reporting year, including the key aspects of the Company's operation, its financial performance and environmental and socially significant activities.

The Company's information policy, defined as a range of measures allowing the Company to achieve its goals stipulated by the Corporate Governance Code, is to ensure easy access to information (documents) upon request of the shareholders, including information on the Company's legal entities, within the limits of and in accordance with the current legislation of the Russian Federation.

During the reporting period, the Company granted shareholders' requests for information except when such requests were reasonably refused.

To ensure the sound balance of interests of the Company's shareholders and the Company itself, when providing the shareholders with information which can significantly affect the Company's competitiveness, the Company notifies the shareholders of the confidential character of such information and the shareholders agree to accept responsibility not to disclose it in accordance with the current legislation of the Russian Federation.

SIGNIFICANT CORPORATE ACTIONS

The actions which significantly affect or may affect the equity structure and (or) financial standing of the Company and, as the result, the interests of its shareholders (significant corporate actions) are performed by the Company under equitable conditions promoting strict adherence to the rights and interest of all shareholders and other stakeholders in accordance with the current legislation of the Russian Federation and the Company's Charter.

The Company recognizes the following as the significant corporate actions: the Company's reorganization, acquisition of 30 and more percent of the voting shares of the Company (takeover), major transactions conducted by the Company, increase or decrease in the charter capital of the Company, listing or delisting of the Company's shares as well as other actions which may substantially modify the shareholders' rights or violate their interests. When performing significant corporate actions, the Company will ensure compliance with the current legislation of the Russian Federation and be striving to protect its shareholders' rights and vested interests.

In accordance with the current legislation of the Russian Federation, resolution issues related to the significant corporate actions fall within the terms of reference of the Board of Directors or General shareholders' meeting. At the same time, the Company has defined criteria for identifying transactions and other actions recognized as the significant corporate actions and referred such actions to the terms of reference of the Board of Directors as specified by the Company's Charter and the current legislation of the Russian Federation.

When performing the corporate actions directly referred to the terms of reference of the general shareholders' meeting in accordance with the current legislation of the Russian Federation, the Board of Directors provides the Company's shareholders with relevant recommendations in the form of draft resolutions on the agenda items approved by the General shareholders' meeting unless there are the items and draft resolution thereon which are placed on the agenda of the General shareholders' meeting on the proposal of the persons entitled to do this under the Company's Charter and the current legislation of the Russian Federation.

When considering the issues related to the significant corporate actions, independent directors are free to express their position, and in doing this the Board of Directors takes into consideration the opinion of the independent directors when adopting resolutions and (or) recommendations related to the significant corporate actions.

The Company provides its shareholders with equal conditions when performing significant corporate actions which can affect their rights and vested interests. The Board of Directors believes that the existing approaches provided for

by the current legislation of the Russian Federation are sufficient to protect the rights and vested interests of the Company's shareholders.

During the reporting year, no significant corporate actions were taken by the Company.

When making significant corporate actions the Company's procedures for their approval and implementation enable the shareholders to obtain timely and complete information on such actions.

The Company's rules and procedures related to the Company's significant corporate actions are recognized in the Company's Charter and internal documents of the Company in accordance with the current legislation of the Russian Federation. The Company's internal documents do not provide for an independent valuator to be invited to appraise the property to be alienated or acquired under a major transaction or interested party transaction, or evaluate acquisition and redemption value of the Company's shares. However, the Company shall engage an independent valuator when it is required by the current legislation of the Russian Federation. In other cases the Board of Directors can invite an independent valuator if it deems appropriate.

The Company assesses the practical value of recommendations of the Corporate Governance Code taking into consideration strategic goals of the Company's development as well as specifics of the current economic situation and present trends of the legal regulation of the corporate relations. Time limits of activities and measures to improve the Company's existing models and practice of the corporate governance shall be fixed by taking into account objective constraints which determine the current practicality of performance of such actions and measures.

REPORT ON DECLARED (ACCRUED) DIVIDENDS ON SHARES OF “SURGUTNEFTEGAS” PJSC

The Company’s management body which adopted a resolution (declared) to pay dividends on shares of “Surgutneftgas” PJSC for 2023: the annual general shareholders’ meeting.

Date of the meeting (session) of the Company’s management body when the resolution to pay (declare) dividends for 2023 was adopted: 28.06.2024.

Date and number of the minutes of the meeting of the Company’s management body which adopted the resolution to pay (declare) dividends for 2023: 28.06.2024, No. 35.

Date as of which the persons entitled to dividends for 2023 are determined: 18.07.2024.

Dividend rates declared (accrued) for 2023:

per one ordinary share (RUB): 0.85;

per one preference share (RUB): 12.29;

on all ordinary shares (RUB): 30,367,095,499.25;

on all preference shares (RUB): 94,657,558,308.15.

Form and other payment terms for declared dividends for 2023: electronic money transfer.

Obligations to pay dividends on the Company’s shares were fulfilled except when “Surgutneftgas” PJSC does not bear responsibility in accordance with Clause 16 Article 8.2 of Federal Law No. 39-FZ “On Securities Market” dated 22.04.1996.

LIST OF THE COMPANY’S TRANSACTIONS CARRIED OUT IN THE REPORTING YEAR

In 2024, the Company did not carry out any transactions recognized in accordance with Federal Law No. 208-FZ “On Joint Stock Companies” dated 26.12.1995 as major transactions.

During 2024, the Company did not carry out any transactions recognized in accordance with Federal Law No. 208-FZ “On Joint Stock Companies” dated 26.12.1995 as interested party transactions.

BACKGROUND INFORMATION

- Full corporate name
- The Company's location



BACKGROUND INFORMATION

FULL CORPORATE NAME

“Surgutneftegas” Public Joint Stock Company

THE COMPANY’S LOCATION

Russian Federation, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut,
ul. Grigoriya Kukuyevitskogo, 1, bld.1.

*This Brochure includes the parts of the annual report.
Brent and Urals quotations are calculated by the Company on the basis of data provided by pricing agencies.*