

## 5. TRANSACTIONS WITH STAKES, SHARES, AND EQUITY INTERESTS IN BUSINESS PARTNERSHIPS AND ENTITIES

No.	Parties	Business to be transacted and other material terms	Price, RUB
1	Federal Agency for State Property Management Transneft	Transfer of 125,720 ordinary registered book-entry shares of Transneft (Issuer) with a par value of RUB 1 in the ownership of the Russian Federation represented by the Federal Property Management Agency (Acquirer). State registration number of securities: 1-01-00206-A-003D. Shares of Transneft were subject to a payment in kind in the form of 10,000 ordinary shares of CPC Company (registered in the Cayman Islands' Company Registrar, registration number 72319), which is 100% of the total number of shares placed (issued) by CPC Company, and 10,000 ordinary shares of CPC Investments Company (registered in the Cayman Islands' Company Registrar, registration number 72320), which is 100% of the total number of shares placed (issued) by CPC Investments Company	35,048,221,600

## 6. TRANSNEFT'S INVESTMENTS WITH EXPECTED ANNUAL INCOME IN EXCESS OF 10%

During the reporting year, Transneft made no investments with expected annual income of more than 10%.

## 7. PENDING LEGAL PROCEEDINGS

As of 31 December 2018, there is no pending litigation involving Transneft as the defendant or the plaintiff in any debt recovery claims that may have had substantial impact on its financial and operating performance.

## 8. EXECUTION OF INSTRUCTIONS FROM THE PRESIDENT AND THE GOVERNMENT OF THE RUSSIAN FEDERATION

### 8.1. Formation of Ad-Hoc Committees under the Company's Board of Directors, under Instruction of the Government of the Russian Federation No. VZ-P13-6294 Dated 23 July 2009

Since 2008, the following Committees have been functioning under the Board of Directors of Transneft:

- The Strategy, Investments and Innovations Committee
- The Audit Committee
- The Human Resources and Remuneration Committee

For the purposes of bringing the regulations on Committees in line with the new version of the Company's Articles of Association (approved in 2016), the requirements imposed by the Bank of Russia and the Listing Rules of the Moscow Exchange, the regulations on Committees were updated by the Resolution of the Transneft Board of Directors dated 19 January 2017 (Minutes No. 1).

The KPI system was approved for the Company by the Resolution of the Board of Directors of Transneft dated 5 September 2011 (Minutes No. 14). The aforementioned system was amended and supplemented on several occasions for the purpose of its improvement. For information on availability of the approved KPI system in the Company see the Key Performance Indicators (KPI) System subsection.

### 8.2. On Implementation of the Company's Energy Saving and Energy Efficiency Strategy (Paragraph 8, Instruction No. ISh-P9-3772 of the Government of the Russian Federation Dated 18 June 2008 on Implementation of Decree of the President of the Russian Federation No. 889 On Measures to Improve Energy and Environmental Efficiency of the Russian Economy Dated 4 June 2008, Rosimushchestvo's Letters No. GN-13/28934 dated 27 November 2008, No. GN-15/2957 dated 6 February 2012)

Transneft has developed and is implementing the Energy Saving and Energy Efficiency Enhancement Programme for 2018–2023, which is an integral part of the Transneft Long-Term Development Programme. The programme was approved by the Board of Directors of Transneft on 27 December 2018 (Minutes No. 22).

In pursuance of Rosimushchestvo's Letter No. GN-15/2957 dated 06 February 2012, data on the Company's performance in the field of energy saving is published on Rosimushchestvo's intradepartmental portal. For information on Transneft's 2018 performance results in the sphere of energy saving see the Other Documents section of the Transneft personal account.

According to the 2018 results, the Energy Saving Programme was carried out in full.