

Answers to FAQs regarding conversion of depositary receipts

What does a holder of the depositary receipts (DRs) need to do to convert them into shares?

First of all, you need to contact your brokerage company. Most brokers can arrange for your DRs to be converted into shares.

Currently, three procedures are available for converting the depositary receipts into PJSC Gazprom's shares:

- **standard procedure.** A detailed description of the steps to be taken for the standard conversion to be performed is available on the website of Gazprombank in Russian (www.gazprombank.ru/docs/drcancellation/) and English (<https://www.gazprombank.ru/docs/drcancellationeng/>). Unfortunately, due to the restrictions imposed by foreign governments and international financial organizations, the standard conversion option may be unavailable for some holders of the DRs. Should this be the case, investors can use either the declarative conversion procedure or the automatic conversion procedure; these mechanisms are provided for by Federal Law No. 319-FZ dated July 14, 2022;
- **declarative procedure.** Up to and including October 11, 2022, holders or beneficial owners¹ of the DRs, the rights to which are recorded in foreign depositories, may submit an application to Gazprombank for the declarative conversion of such DRs, if they are unable to receive the shares on their own due to imposed restrictions or hostile actions of foreign governments, international organizations, or foreign financial organizations. Detailed information on declarative conversion is available on the website of Gazprombank in Russian (www.gazprombank.ru/personal/page/infodepo/) and English (www.gazprombank.ru/personal/page/infodepo-eng/). The deadline for the completion of the declarative conversion procedure is October 25, 2022;
- **automatic conversion procedure** will only be performed with regard to the DRs which are in the custody of Russian depositories (those are mostly the DRs that were purchased at SPB Exchange). No actions are required from the holders of such DRs; in September 2022, the shares will be credited to their accounts in the same depositories where the respective DRs were placed.

¹ Persons in whose interests the holders of the depositary receipts possess and/or manage the same.

What is the deadline for submitting the request for conversion?

The **standard** conversion option is available up to **August 3, 2023**.² We recommend that you initiate the conversion process as soon as possible, considering that delays and restrictions may occur in securities databases.

The **declarative** conversion option is available up to and including October 11, 2022.

The transfer of shares under the **automatic** conversion procedure will take place in September 2022.

What should I do if my broker refuses to perform the instruction for conversion?

If a broker refuses to perform the standard conversion procedure, you may transfer the depositary receipts to another broker (**while doing so, you must not change their owner under any circumstances!**) or submit an application for conversion by yourself using the instructions available on the website of Gazprombank (<https://www.gazprombank.ru/docs/drcancellationeng/>).

Please note that if the depositary receipts were purchased at SPB Exchange (and/or they are in the custody of a Russian depository), they will be **converted automatically** (see the previous FAQ).

If the depositary receipts were purchased abroad (at foreign stock exchanges or in the over-the-counter market) and/or are in the custody of a foreign depository, you can use the **declarative conversion** procedure (see the previous FAQ).

Is it mandatory or optional to convert the DRs into shares?

Conversion of the DRs into shares is voluntary, except for the **automatic conversion** procedure.

After the conversion is completed, can shares be credited to an account opened with a foreign broker/depository?

They cannot. After the conversion, shares can only be credited to your account with a **Russian depository**.

² For Rule 144A DR program (one DR of this kind represents ten shares), the deadline for the conversion of the DRs is June 9, 2023.

How can I open an account with a Russian depository to receive shares on it after the conversion of the DRs?

You need to contact a broker that provides direct access to the Russian stock market. It can be a Russian financial company or a foreign one that holds the required licenses issued by the Bank of Russia.

You can also directly contact a Russian depository you wish to open an account with, including the **depository of Gazprombank**. The depository of Gazprombank offers the possibility of opening such an account following a simplified procedure. More information is available at <https://www.gazprombank.ru/docs/drcancellationeng/>.

Are holders of the DRs entitled to receive dividends?

As per Federal Law No. 114-FZ dated April 16, 2022, holders of DRs **cannot receive dividends** before the DRs are converted into shares. At the same time, under the current corporate legislation, the right to receive undrawn dividends is retained for three years. Therefore, shareholders will be able to receive the “missing” payments after the conversion.

What will happen to the DRs if they are not converted into shares?

If you have used neither standard nor declarative conversion and your DRs were not subject to automatic conversion, then, starting from August 3, 2023,³ you will have the **right to demand the receipt of the monetary equivalent of the value of your DRs** from The Bank of New York Mellon (the depository bank of Gazprom’s DR programs). The depository bank will become entitled to sell Gazprom’s shares represented by the corresponding DRs and will use the proceeds from such sales to make payments to the remaining owners of the depository receipts. Please note that the ability of The Bank of New York Mellon to sell the shares and distribute the obtained funds between the remaining owners of the depository receipts is limited by the regulatory requirements of the Bank of Russia and the Russian President’s Decree No. 95 dated March 5, 2022.

What will happen to my DRs that were purchased after April 27, 2022?

Such DRs **cannot be converted** into shares. As per Federal Law No. 114-FZ dated April 16, 2022, the right to use conversion belongs only to the holders of the depository receipts whose ownership rights to such receipts already existed as of April 27, 2022. At the same time, Federal Law No. 319-FZ dated July 14, 2022, provides for a number of

³ The date for Rule 144A DR program (one DR of this kind represents ten shares) is June 9, 2023.

exceptions, mainly with regard to the transactions that were in progress on April 27, namely, in the following cases:

- 1) if a transaction was entered into before April 27, 2022, but was not performed by said date, as the respective operations could not be carried out due to hostile actions of foreign governments, international organizations, or foreign financial organizations, including those related to restrictions imposed against the Russian Federation, Russian legal entities and the citizens of the Russian Federation;
- 2) if a transaction was entered into before April 27, 2022, but was scheduled to be performed on a later date;
- 3) if the DRs were transferred to a new holder after April 27, 2022, within the second leg of the respective repo transaction which was entered into before said date;
- 4) if the DRs were transferred to a new holder after April 27, 2022, on the basis of universal succession as a result of enforced collection of pledged property or due to circumstances that were beyond the control of the parties.

Will I be able to sell the shares after the conversion?

Russian residents can sell the shares after the conversion.

Matters pertaining to the disposal of shares of Russian issuers by persons who **do not reside in the Russian Federation** are governed by the Russian President's Decree No. 95 dated March 5, 2022, and the clarifications thereto.

Whom should I contact if I have any other questions?

You may contact:

- the issuer of the DRs, i.e. The Bank of New York Mellon (www.adrbnymellon.com/resources/contact-us);
- the depository of Gazprombank (depo@gazprombank.ru);
- the division for institutional investor relations of PJSC Gazprom (ir@gazprom.ru).