

To American Depositary Receipt (ADR) Holders

Dear Depositary Receipt Owners,

The annual General Shareholders' Meeting of PJSC GAZPROM to be held by absentee voting is to take place on June 25, 2021.

PJSC GAZPROM fully performed its obligations to supply gas to the internal and external markets in 2020 due to its own resource base and continuous technological improvements in the challenging market environment related to the new coronavirus infection and proved its reliable energy supplier status once again. 2020 exports to far abroad countries exceeded 179 bcm of gas, which is one of the top five performance figures in the history of the Company's operations. To this end, in October 2020 the historical gas export record for that month, 17.4 bcm, was reported.

December 2020 became the first anniversary of Russian gas supply to China via the *Power of Siberia* pipeline running from the Chayandinskoye field. The supplies were in strict compliance with the gas sales contract, and in IVQ 2020 the contractual obligations were exceeded upon China's request. PJSC GAZPROM continues increasing the said supply volume.

To mitigate the negative impact of the energy market situation on the Company's financial performance, PJSC GAZPROM top management has intensified GAZPROM Group cost optimization efforts since April 2020. It resulted in around RUB 431 billion across its major companies in 2020. This approach ensured certain positive outcomes under the crisis circumstances, which helped maintain the Company's stable financial position as of the 2020 year end.

Despite lower limits under PJSC GAZPROM Investment Program for 2020, the Company continued implementing all of its strategic projects, the Kovyktinskoye field infrastructure development and the *Power of Siberia* pipeline construction from the Kovyktinskoye field to the Chayandinskoye field in particular. Two initial processing lines are prepared for commissioning at the Amur GPP, where multicomponent gas from these fields will be processed.

China is the most promising in terms of PJSC GAZPROM export development, and the Company elaborates terms and conditions of gas supply to the People's Republic of China via a new route, by transit across Mongolia. A feasibility study of the Mongolian cross-country pipeline construction project *Soyuz Vostok* has been approved; the optimum route and the key technological parameters of the trunkline have been defined. It will be an extension of the Russian pipeline *Power of Siberia*.

PJSC GAZPROM continues expanding the North gas transportation corridor and its capacity in Yamal, the Company's core gas production area. The North gas transportation route plays a great part in gas distribution throughout the country's central territory and in gas exports.

Reduction of impact on the environment and improvement of energy efficiency are among operational priorities of the Company. In 2020, PJSC GAZPROM met its corporate targets in this area. In particular, GAZPROM Group companies' greenhouse gas emissions dropped by 11% y-o-y, or by 25.8 million tons of CO₂ equivalent. Advanced gas transportation solutions and energy consumption optimization enabled the reduction. In 2020, PJSC GAZPROM and PJSC GAZPROM NEFT ranked as CDP (Carbon Disclosure Project) international climate rating leaders among Russian oil and gas corporations.

In 2020, PJSC GAZPROM further improved its corporate governance, performance transparency, further developed productive long-term relations with its shareholders and investors.

Following the independent *Expert RA* rating agency assessment, PJSC GAZPROM was assigned the highest corporate governance quality rating (A++.gq). The Company demonstrated high-level strategic planning, risk management, and information transparency. Experts also noted high quality executive work, exercise of shareholder and employee rights among the positive rating factors.

The Company's 2020 financial performance enabled PJSC GAZPROM Management Committee to propose the Company's Board of Directors the recommendation for the annual General Shareholders' Meeting to pay dividends for 2020 in the amount of RUB 12.55 per ordinary share (RUB 25.1 per ADR).

PJSC GAZPROM is committed to future efficient development and priority investment project implementation, as well as to strengthening its positions on key markets.

Based on the above, I propose you cast your vote for PJSC GAZPROM top management representatives in the election of members for the Company's Board of Directors.

Thank you for your support, trust and participation in the annual General Shareholders' Meeting of PJSC GAZPROM.

A.B. Miller
Management Committee Chairman
PJSC GAZPROM