

Prepared by

Cryogas-Vysotsk Ltd.

Ramboll CIS

Date

June 2020

Project no

321000030

OPERATION ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN “LNG TERMINAL IN THE PORT OF VYSOTSK” PROJECT



CONTENTS

ACRONYMS 5

1.	INTRODUCTION	7
1.1	Project Description	7
1.2	Goals and Objectives of the ESMP (Operation)	12
1.3	ESMP (Operation) Applicability	12
1.4	Scope and Structure of the ESMP (Operation)	13
1.5	ESMP Integration with Other Plans and Procedures within the corporate IMS	14
1.6	Project Management Structure	22
1.7	Key Contractors and their Functions	22
1.8	Management of Change	23
2.	REGULATORY FRAMEWORK OF THE PLAN DEVELOPMENT	24
2.1	Requirements and Standards Applicable to the Project	24
3.	ROLES AND RESPONSIBILITIES	25
3.1	Company Policies	25
3.2	ESMP Implementation Responsibility	26
4.	ENVIRONMENTAL AND SOCIAL MANAGEMENT	30
5.	MONITORING AND VERIFICATION	32
5.1	General	32
5.2	Environmental and Social Monitoring	32
5.3	Environmental and Social Performance Audits	32
5.4	Non-compliance Identification and Corrective Actions	33
5.5	Key Performance Indicators	34
6.	REPORTING	36
6.1	Internal Reporting	36
6.2	External Reporting	36
7.	OCCUPATIONAL HEALTH AND SAFETY, ENVIRONMENTAL AND SOCIAL TRAINING	38
7.1	Overview	38
7.2	Cryogas-Vysotsk Ltd. Personnel Training	38
7.3	Contractor Training	38
ANNEX 1.	EMISSIONS, NOISE AND VIBRATION IMPACT MITIGATION AND MANAGEMENT	39
ANNEX 2.	WATER AND WASTEWATER IMPACT MITIGATION AND MANAGEMENT	42
ANNEX 3.	WASTE AND HAZARDOUS MATERIALS IMPACT MITIGATION AND MANAGEMENT	46
ANNEX 4.	LABOUR AND WORKING CONDITIONS IMPACT MITIGATION AND MANAGEMENT	51

ANNEX 5. TRANSPORT AND TRAFFIC SAFETY IMPACT MITIGATION AND MANAGEMENT **55**

**ANNEX 6. SITE ACCESS, COMMUNITY HEALTH AND SAFETY IMPACT MITIGATION AND
MANAGEMENT** **59**

Project no **321000030**
 Issue **F**
 Date **29.05.2020**
 Prepared by **Pavel Maslov (Cryogas-Vysotsk Ltd.)**
 Checked by **Aleksey Yezupenok (Cryogas-Vysotsk Ltd.);**
Tatiana Kleeva; Elena Zaika (Ramboll CIS)
 Approved by **Dmitry Schetkin (Cryogas-Vysotsk Ltd.);**
Ivan Senchenya (Ramboll CIS)

This document has been prepared by Cryogas-Vysotsk Ltd. using the materials drafted by Ramboll CIS with all reasonable skill, care and diligence, and taking account of the Services and the Terms agreed between Ramboll CIS and the Client. This report is confidential to the Client, and Ramboll CIS accepts no responsibility whatsoever to third parties to whom this document, or any part thereof, is made known, unless formally agreed by Ramboll CIS beforehand. Any such party relies upon the document at their own risk.

Ramboll CIS disclaims any responsibility to the Client and others in respect of any matters outside the agreed scope of the Services.

Version Control Record

Issue	Date	Prepared by	Checked by	Approved by	Description
A	25/01/2019	TK	EZ	IS	First Draft
B	07/02/2019	TK	EZ	IS	Second Draft issued to the Client
C	05/03/2019	TK	EZ	IS	Refined version after the Client's comments
D	04/04/2019	TK	EZ	IS	Refined version after the Client's comments
E	01/07/2019	TK	EZ	IS	Final Plan
F	29/05/2020	PM	AE; TL; EZ	DS; IS	Final Plan

ACRONYMS

AO	Joint Stock Company
CA/PA	corrective actions/preventive actions
CR	Corporate Regulation
CRI	Corporate Regulatory Instrument
CSP	Commercial Sea Port
EHS	Environment, Health and Safety
EP	Environmental Protection
ESAP	Environmental and Social Action Plan
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
EPC	Engineering, Procurement and Construction
E&S	Environmental and Social
E&SP	Environmental and Social Protection
FAU	Federal Autonomous Institution
FZ	Federal Law
GPB	Gas Pipeline Branch
HS	Hydraulic Structure
IFC	International Finance Corporation
IMS	Integrated Management System
KPI	Key Performance Indicators
LNG	Liquefied Natural Gas
LNGT	Liquefied Natural Gas Terminal
MPE	Maximum Permissible Emissions
NW	North-West
OA	Open Joint Stock Company
OECD	Organisation for Economic Cooperation and Development
OHS	Occupational Health and Safety
OOO	Limited Liability Company
RF	Russian Federation
RPK	Distribution Transshipment Terminal
RZD	Russian Railways
SEP	Stakeholder Engagement Plan
SIDW	Solid Industrial and Domestic Wastes
STD	sexually transmitted diseases
TAC	Temporary Accommodation Camp

WGDS Waste Generation and Disposal Standards Document

ZAO Closed Joint Stock Company

1. INTRODUCTION

1.1 Project Description

Cryogas-Vysotsk Ltd. successfully carried out the project named “Terminal for production and transshipment of liquefied natural gas in the port of Vysotsk in Leningrad Region, with the production capacity of 660,000 tons of LNG per year, including a gas pipeline branch connected to Leningrad-Vyborg main gas pipeline” (hereinafter – Vysotsk LNG, the Project) and is the Project Operator.

Project location:

- LNG Terminal - Russian Federation, Leningrad Region, Vyborg District, Kislitsinskiy Passage (Vysotsk area), plot 3 (Ryuevyalinniemi Peninsula);
- Gas Pipeline Branch - Russian Federation, Leningrad Region, Vyborg District, Goncharovo Rural Municipality, Sovetsky Urban Municipality, Vysotsk Urban Municipality, Vysotsk town, Cherkasovo settlement.

Vyborg district is located in the north-west of Leningrad Region and borders with Finland to the west, Republic of Karelia to the north, Priozersk district to the north-east, Vsevolozhsk district of Leningrad Region to the east, and with Saint-Petersburg, City of federal importance, to the south-east (see Figure 1.1).

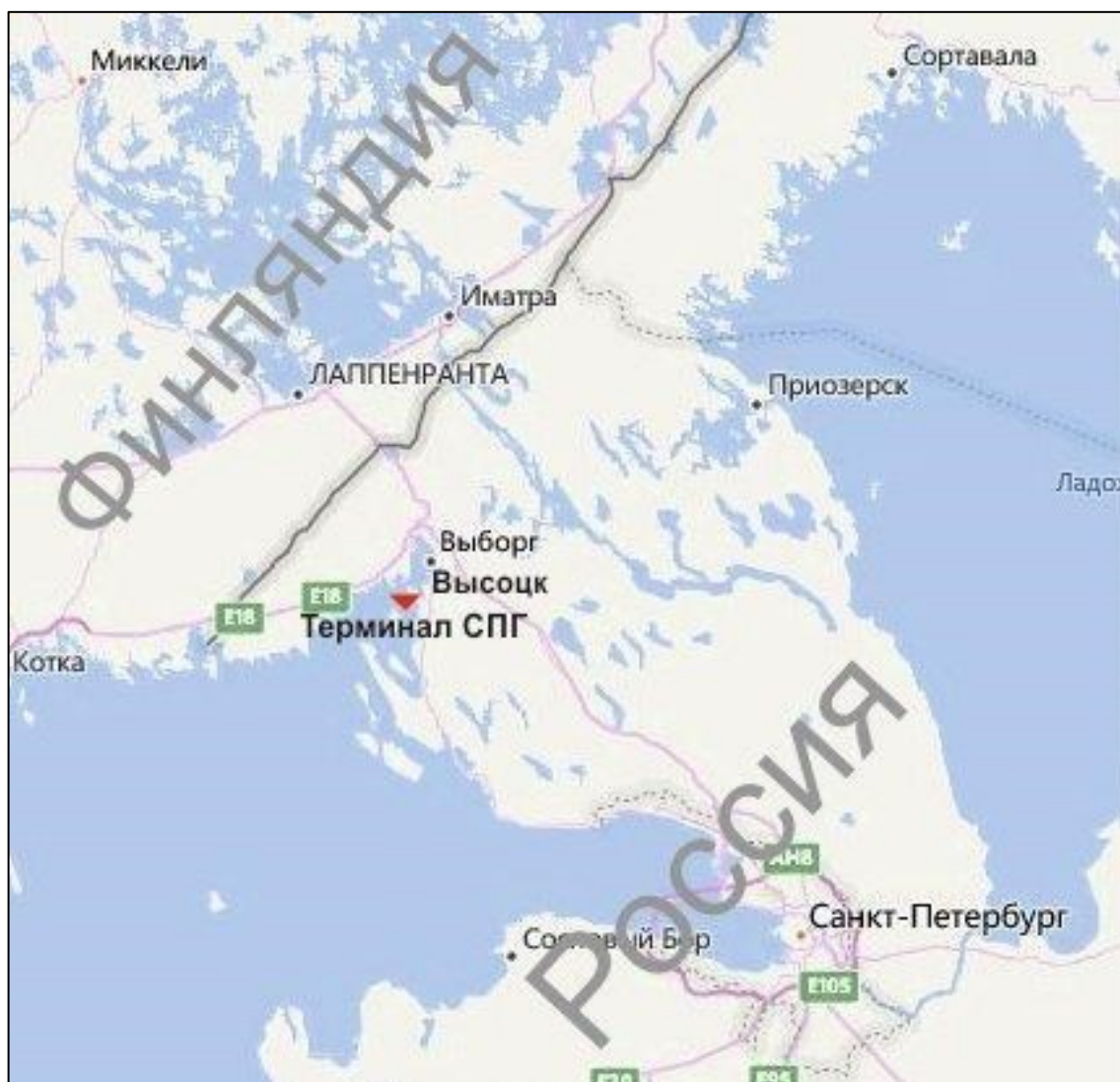


Figure 1.1: Project location map

The following main facilities have been constructed for the Project:

- Berth facilities comprising two jetties for offloading and bunkering of LNG carriers;
- Gas pipeline branch of the Leningrad-Vyborg-State Border main gas pipeline leading to the LNG plant in the Port of Vysotsk in Vyborg District, Leningrad Region (hereinafter - the GPB);
- Terminal for production and handling of LNG in the Port of Vysotsk, Leningrad Region, with the production capacity of 660,000 tons of LNG per year (hereinafter - the Terminal);
- Supporting infrastructure: local roads, aerial electrical transmission lines, storage and maintenance facilities, emergency fuel storage site, water and wastewater systems, waste incineration system, and other facilities including workers' accommodation.

The LNG Terminal is intended for reception of the feed gas supplied by the gas pipeline branch, pre-treatment of gas, production, storage and offloading of LNG to consumers. Gas transportation by sea is provided using gas carriers with design capacity of up to 30,000 m³. The liquefied natural gas produced at the Terminal can be supplied both for domestic needs and for export.

The location of the Gas Pipeline Branch is shown in Figure 1.2. The location of the LNG Terminal is shown in Figure 1.3.



Figure 1.2: Gas Pipeline Branch location map

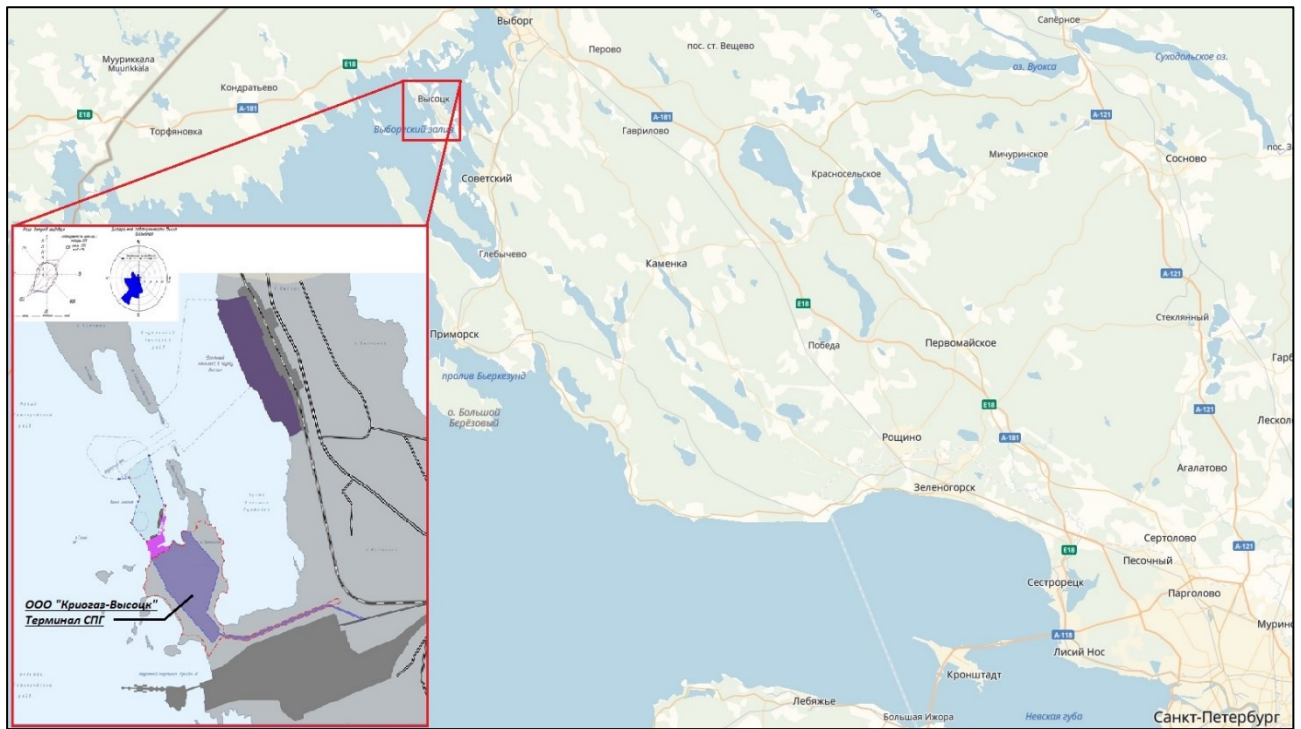


Figure 1.3: LNG Terminal location map

The facilities are located on the northern shore of the Gulf of Finland on the way to the Inner Vysotsk roadstead of Vyborg bay near the northwestern part of South Transund Point in Vysotsky Island. Navigation channel No.6 is located 700 m from the shore and leads to the Port of Vysotsk.

The oil-loading terminal RPK-Vysotsk LUKOIL II is located in close proximity to the LNG Terminal (800 m to the south) and is joined by a railway line and a road. Motor road connecting the Saint-Petersburg-Primorsk-Vyborg highway and the town of Vysotsk passes east of the Project site. The nearest railway station of Popovo (the Oktyabr Railway, Saint Petersburg Division, an OAO Russian Railways branch) is approximately 8 km east of the Project site.

The closest residential housing areas are located as follows in relation to the LNG Terminal boundaries:

- 2,5 km to the northeast – a residential area in the settlement of Pikhtovoe;
- 2,3 km to the north – a residential area in the town of Vysotsk;
- 1,4 km to the northeast – a residential area in the village of Suikkila;
- 2,3 km to the southeast – non-commercial gardening partnership Vysotskoye.

There are no residential housing areas (including individual homes), landscape and recreation zones, rest zones, resort, sanatorium or rest home areas, gardening partnership or cottage areas, collective or individual summer housing projects or gardening communities, or any other facilities with regulated environmental parameters (sporting facilities, children's playgrounds, educational or children's establishments, public medical or health institutions) within a 1000 m radius of the LNG Terminal.

Layout of the LNG Terminal is shown in Figure 1.4.

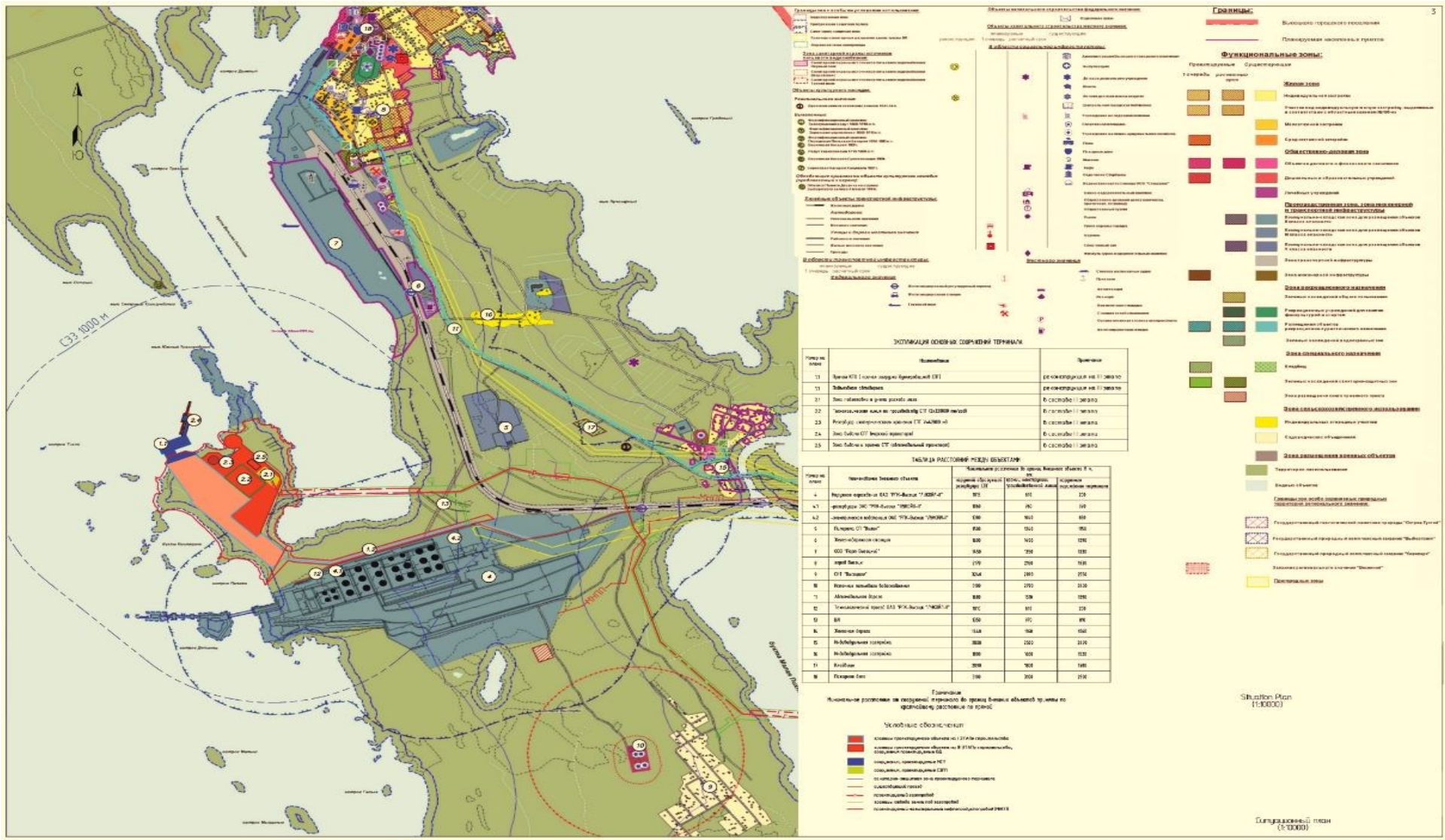


Figure 1.4: Layout of the LNG Terminal

Berth facilities (hydraulic structures)

The Project's hydraulic structures comprise two jetties with operational waters and approach channel, shore reinforcement structures, a fire water intake, a fire water pumping station, and a treated effluent discharge facility. The berth facilities are designed for product offloading and bunkering of LNG carriers.

Gas pipeline branch

The gas pipeline branch (GPB) is 41 km long and occupies 9.84 ha of land area.

The pipeline's starting point, the connection point, km 0 (Ch 0), is located on a section (km 112) of the Leningrad-Vyborg-State Border II main gas pipeline. The pipeline branch end point is on the southwest shore of Bolshaya Pikhtovaya bay, south of Port Vysotsk near the LNG Terminal.

The GPB is routed through densely populated residential and recreation (gardening) land. The gardening communities and population centers (the settlement of Cherkasovo, the non-commercial gardening partnership (NGP) Rechnoye, NGP Lesnoye, NGP Beliy Nochi, children's tuberculosis sanatorium Sosnovy Les) are situated close by the GPB. The surrounding area of the GPB is also actively used by residents for picking wildcrops.

The gas pipeline branch crosses numerous roads: A-181 Scandinavia highway, the Primorskoye (Vyborg-Primorsk) highway, Saint-Petersburg – Vyborg railway, Vyborg-Primorsk railway, Popovo-Vysotsk railway (a branch of the Vyborg-Primorsk railway line).

The GPB also crosses several waterbodies (Klyuchevskaya bay, Malaya Pikhtovaya bay, Bolshaya Pikhtovaya bay) and 11 watercourses (5 small rivers and 6 streams).

Liquefied Natural Gas Production and Handling Terminal

The LNG Terminal comprises the following functional areas:

- Gas processing, metering and pressure reduction station;
- LNG production lines using the mixed refrigerant cycle;
- LNG storage (an isothermal storage tank);
- LNG offloading and imported LNG reception (road transport) facilities including imported LNG discharge/filling station and LNG offloading to road tankers;
- Flare system;
- Power supply system;
- Auxiliary operation support, office and domestic buildings and facilities.

The LNG production process consists of the following stages:

- Adsorptive demercurization of natural gas;
- Adsorptive treatment of natural gas for removal of CO₂ and methanol;
- Natural gas dehydration before liquefaction;
- Recovery of C₆+ fraction;
- Preparation of mixed refrigerant;
- Natural gas cooling and liquefaction;
- LNG storage and offloading.

The process of natural gas cooling (liquefaction) is implemented in the mixed refrigerant compressor unit with a centrifugal compressor and gas turbine Titan 250 by *Solar Turbines*, capacity 22.3 MW. The LNG process train consists of two liquefaction sections for independent production of 40 tons of LNG per hour, each.

1.2 Goals and Objectives of the ESMP (Operation)

Developing of the Environmental and Social Management Plan for the Operation stage (hereinafter - the Plan, or the ESMP (Operation)) pursues three key goals:

- Managing risks and impacts on the natural environment, personnel, and communities at the Project operation stage;
- Ensuring compliance with the multilateral requirements and fulfilment of commitments of Cryogas-Vysotsk Ltd. (hereinafter - the Company, Project Operator);
- Creating an efficient mechanism of the environmental and social management at the operation stage while defining the areas for the development and implementation of other Plans and Procedures by the Project Operator and Contractors.

This Plan pursues the following objectives:

- To define the main environmental and social requirements and measures for the Project operation stage and to establish a compliance mechanism;
- To identify approaches to the auditing, monitoring, and reporting procedures to assess the Plan performance.

The ESMP is a part of the Company's HSES Integrated Management System and has been developed considering the requirements of the respective corporate Policy.

Responsibility for the Plan implementation is divided between Cryogas-Vysotsk Ltd. and Contractors. Section 1.6 will provide more details concerning this allocation of responsibilities.

Environmental and social requirements, as well as occupational health and safety requirements of the following documents are applicable to the Project:

- Russian federal and regional (Leningrad Region) laws, directives, decrees, regulations, etc.;
- International requirements and standards;
- Corporate policies, standards, regulations and instructions;
- Project documents (Project design documentation (Environmental Protection Measures (EPM), maximum allowable emission (MAE) estimation, permissible discharge limits, Waste Generation and Disposal Standards Document (WGSDS), Management Plans (SEP, ESAP, BMP, etc.), ESIA, permits, etc.).

More detailed information on the documents and requirements mentioned above is provided in Section 2.1 of the ESMP and in the *Project Environmental and Social Standards* developed by Ramboll Environ.

1.3 ESMP (Operation) Applicability

This Plan defines the key schemes, mechanisms and measures to prevent and minimize potential environmental and social impacts, health and safety risks associated with the Project operation, and for the performance monitoring and verification of the measures. This Plan is part of an integrated management system (IMS) and includes references to other documents (such as plans, standards, procedures and other corporate regulations adopted by the Project operator).

By the decision of Cryogas-Vysotsk Ltd., compliance with this Plan will be imposed as a mandatory requirement for all service/works contractors. The mechanism of adopting this decision is described in Section 1.6.

Specific environmental and social, occupational health and safety, as well as industrial safety management issues including emergency response are addressed by the wider IMS at the corporate level (Company's CRI) and are not described in the ESMP (Operation). Integration of the ESMP with other plans, procedures and ISM CRI of the Company in general is considered in Section 1.5.

Associated Facilities

According to the IFC Performance Standards (PS, item 8), Associated Facilities refer to facilities that are not funded by the project and that would not be built or expanded without the Project and without which the Project would not be viable. Associated facilities in relation to the Company's economic activity are public-owned facilities at the national and regional level.

The Project provides for the following split of responsibility between Cryogas-Vysotsk Ltd. and Federal authorities of the RF (the main associated facilities):

a) Cryogas-Vysotsk Ltd. is responsible for operation of the production and auxiliary facilities, as well as infrastructure developed by the Company for the Project;

b) The following facilities are within the responsibility scope of the Northwestern Catchment Area Branch of FGUP 'Rosmorport' (considered as associated facilities by the ESIA):

- Sea channel and access channel including operational waters of the Project;
- Maintenance dredging if required;
- Vessels traffic control system and navigating aids;
- Buildings for marine service divisions in the Port of Vysotsk.

LNG tanker operations are carried out by third parties. Operation of the LNG carriers and fuel vessels and other offshore activities are not subject to project financing nor directly under the Company's control, but are essential to the Project's viability and are therefore considered within the ESIA as associated facilities.

The Project operation will use the existing power transmission lines, local and regional roads which are also associated facilities of the Project.

Associated Facilities have been assessed as part of the ESIA and proposed mitigation and monitoring measures for these facilities have been identified for the Project operation phase. Nevertheless, the Company does not have direct responsibility or control over the adoption and implementation of the mitigation and monitoring measures proposed for these facilities, and therefore Associated Facilities are not addressed under the ESMP (Operation). However, the Company approach to environmental and social management of the Associated Facilities during the operation is addressed in the Company's general corporate management system.

1.4 Scope and Structure of the ESMP (Operation)

The ESMP (Operation) includes:

- Legal and regulatory framework for the Plan development, list of main corporate standards in the sphere of HSES;
- A description of the HSES management system for the Project operation stage, including the management organizational structure and measures;
- Role (place) of the ESMP in the corporate system of plans and procedures included in the corporate IMS;
- A description of sector-specific risk and impact management measures which are presented in the respective annexes;
- Monitoring of the ESMP implementation, reporting procedures;
- Major aspects of Company's and contractors' personnel training required for ensuring awareness and implementation of the ESMP.

No cultural heritage sites are present within the immediate area of influence of the Project. Therefore, preparation of dedicated annex with a description of heritage protection measures is irrelevant.

1.5 ESMP Integration with Other Plans and Procedures within the corporate IMS

This ESMP sets forth the key approaches and mechanisms required to support the risk management and impact mitigation measures during the Project activities. The ESMP is a part of the overall Integrated Management System and is consistent with it.

Interaction of different IMS elements with the ESMP is shown in Figure 1.5. The same Figure also shows the influence of the ESMP on the contractor's management systems where applicable. The key documents Cryogas-Vysotsk Ltd. regulating the environmental, social, health and safety management are listed below:

- Environmental, Social, Health and Safety Policy;
- Accommodation Camp Management Policy;
- Anti-corruption Policy;
- Corporate Code of Conduct;
- Project Environmental and Social Standards;
- Operational Greenhouse Gas Emissions Management Strategy;
- IMS Manual;
- Procedure for identification and assessment of environmental aspects, health and safety hazards, risks and opportunities;
- Documented Information Management Procedure;
- Change Management Procedure;
- Procedure for planning and holding internal audits;
- Nonconformities Management and Corrective Actions Procedure;
- Stakeholder Engagement Plan (including Grievance Mechanism);
- Project Accommodation Camp Management Plan;
- Emergency Response Plan;
- HSES procedures and instructions, as well as the Project operation documents;
- Employment and Personnel Social Guarantees Procedures;
- Collective Agreement.

The ESMP should be considered, where necessary, in conjunction with these other elements of the corporate IMS. The following sections and ESMP annexes will describe the following:

- Required measures for impacts' mitigation and management of HSES risks;
- Environmental and/or social monitoring/control requirements;
- Obligations and responsibilities associated with management and monitoring actions;
- Relevant key performance indicators (KPIs) and their application procedures.

Table 1.1 contains information about the main HSES areas regulated by the ESMP, and their interrelations with other documents of the Company.

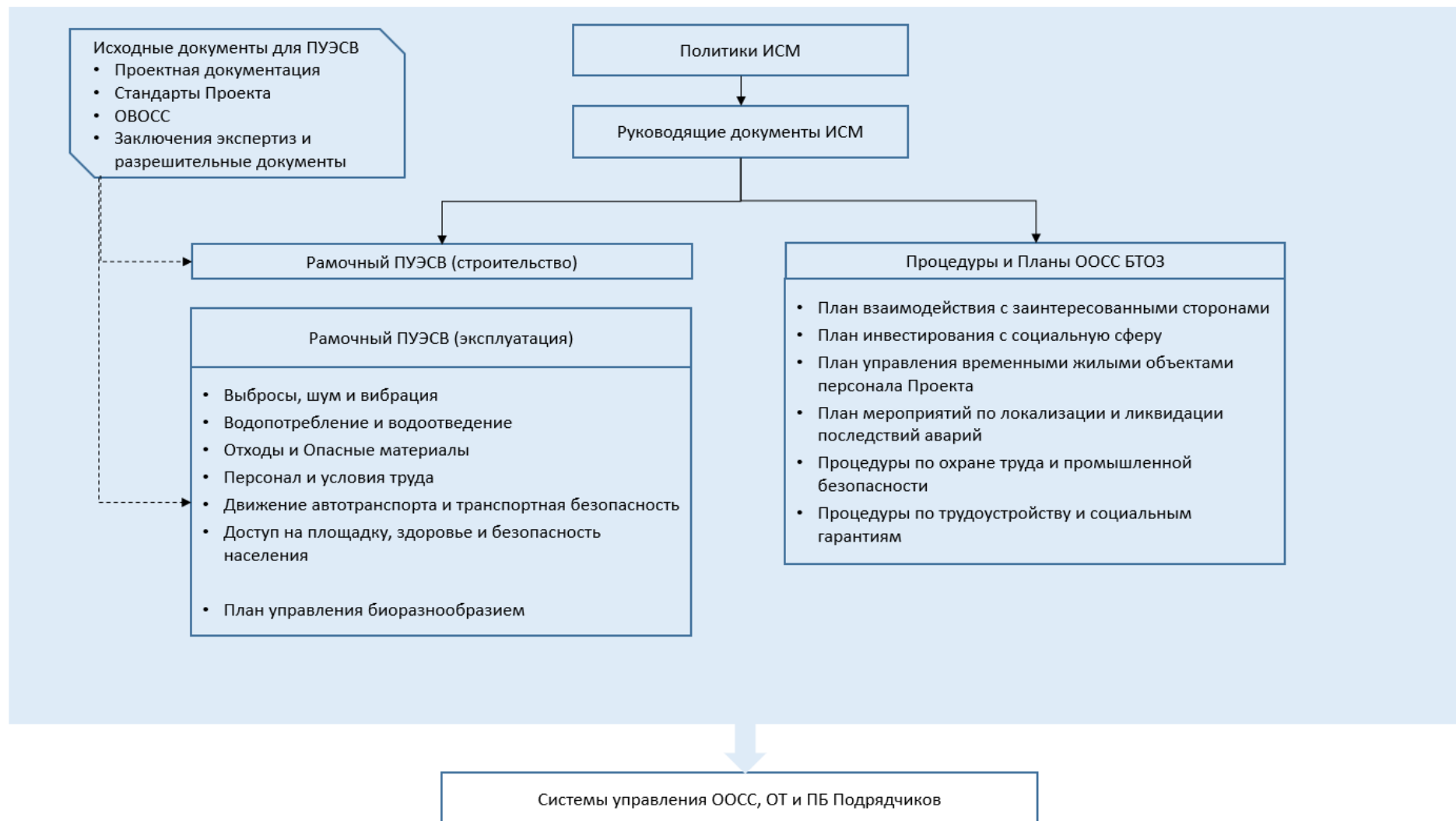


Figure 1.5: ESMP integration with the management system of Cryogas-Vysotsk Ltd.

Table 1.1: ESMP Annexes and other corporate documents, and their interaction

ESMP Annex / Document	Purpose	Linkage with other documents of the Company
All ESMP Annexes	<p>The Plan developed and implemented to</p> <ul style="list-style-type: none"> • Manage risks and impacts on the natural environment, personnel, and communities at the Project operation stage; • Ensure compliance with the multilateral requirements and fulfilment of commitments of Cryogas-Vysotsk Ltd.; • Provide an efficient mechanism of the environmental and social management at the operation stage while defining the areas for the development and implementation of other Plans and Procedures by the Project Operator and Contractors. 	<p>This Plan sets forth the key management measures required for effective management of environmental and social aspects (HSES applicability area) at the Project operation stage and to establish a compliance mechanism. Other internal corporate regulations related to this Plan and applicable to all its Annexes are:</p> <ul style="list-style-type: none"> • Environmental, Social, Health and Safety Policy of Cryogas-Vysotsk Ltd.; • Project Environmental and Social Standards; • Corporate IMS Manual and Procedures; • Emergency Response Plans (ERP);
Emissions, Noise and Vibration (ESMP Annex 1)	<p>Prevention and mitigation of negative environmental and social impacts of the Project on air quality, personnel, communities and wildlife. Management of the following aspects:</p> <ul style="list-style-type: none"> • Compliance with production technology standards; • Organisation of operational environmental monitoring and control in terms of atmospheric air protection; • Maintaining the gas treatment equipment in good working order; • Preparation and obtaining of the required permits; • Personnel competence and awareness. 	<p>This is a mandatory Annex of the ESMP (Operation). Other plans, procedures, internal corporate regulations which address the issues covered by the Annex 'Emissions, Noise and Vibration' in more detail or are related to it in any other way are:</p> <ul style="list-style-type: none"> • Project design documentation and permits (MAE Project Document, SPZ Project Document, etc.); • Operational Environmental Control Programme; • Operational Environmental Monitoring Programme; • Procedure for identification and assessment of environmental aspects, health and safety hazards, risks and opportunities; • Laboratory environmental control and monitoring records; • Results (reports, acts, etc.) on the audits and inspections; • Job descriptions, divisional regulations of the Company, operation documents.

ESMP Annex / Document	Purpose	Linkage with other documents of the Company
Water and Wastewater (ESMP Annex 2)	<p>Prevention and minimisation of the negative impact of the Project on the waterbody (Gulf of Finland (Vyborg Bay) of the Baltic Sea).</p> <p>Management of the following aspects:</p> <ul style="list-style-type: none"> • Water supply sources and consumption volumes; • Wastewater disposal standards and procedures; • Technical state of the treatment facilities; • Preparation and obtaining of the required permits; • Personnel competence and awareness; 	<p>This is a mandatory Annex of the ESMP (Operation). Other plans, procedures, internal corporate regulations which address the issues covered by the Annex 'Water and Wastewater' in more detail or are related to it in any other way are:</p> <ul style="list-style-type: none"> • Project design documentation and permits (Discharge Limits Project Document, Resolution on granting the right of using the waterbody, etc.); • Operational Environmental Control Programme; • Operational Environmental Monitoring Programme; • Procedure for identification and assessment of environmental aspects, health and safety hazards, risks and opportunities; • Laboratory environmental control and monitoring records; • Results (reports, acts, etc.) on the audits and inspections; • Job descriptions, divisional regulations of the Company, operation documents.
Waste and Hazardous Materials (ESMP Annex 3)	<p>Prevention and mitigation of negative environmental and social impacts of the Project during management of waste and hazardous materials. Management of the following aspects:</p> <ul style="list-style-type: none"> • Waste generation; • Use of hazardous materials; • Accumulation of waste and storage of hazardous materials; • Transportation of waste and hazardous materials; • Collection, treatment, recycling, neutralisation, disposal of hazardous waste; • Preparation and obtaining of the required permits; • Personnel competence and awareness. 	<p>This is a mandatory Annex of the ESMP (Operation). Other plans, procedures, internal corporate regulations which address the issues covered by the Annex 'Waste and Hazardous Materials' in more detail or are related to it in any other way are:</p> <ul style="list-style-type: none"> • Project design documentation and permits (WGSD, Hazardous Waste Certificates, etc.); • Waste Management Instruction; • Operational Environmental Control Programme; • Procedure for identification and assessment of environmental aspects, health and safety hazards, risks and opportunities; • Results (reports, acts, etc.) on the audits and inspections; • Job descriptions, divisional regulations of the Company, operation documents.
Labour and Working Conditions (ESMP Annex 4)	<p>Protection of the rights of the Project workers in compliance with the Labour Law of Russia and applicable international standards in the sphere of employment, labour relations as well as occupational health and safety.</p> <p>Management of the following aspects:</p>	<p>This is a mandatory Annex of the ESMP (Operation). Other plans, procedures, internal corporate regulations which address the issues covered by the Annex 'Labour and Working Conditions' in more detail or are related to it in any other way are:</p> <ul style="list-style-type: none"> • Corporate Code of Conduct of Cryogas-Vysotsk Ltd.; • Accommodation Camp Management Policy;

ESMP Annex / Document	Purpose	Linkage with other documents of the Company
	<ul style="list-style-type: none"> • Labour rights of workers; • Workforce accommodation and code of conduct; • Worker's grievances; • Occupational health and safety; • Preparation and obtaining of the required documents; • Personnel competence and awareness. 	<ul style="list-style-type: none"> • Project Accommodation Camp Management Plan; • Stakeholder Engagement Plan (SEP); • Health and Safety Action Plans of Cryogas-Vysotsk Ltd. and contractors (in compliance with respective corporate standards); • Medical Emergency Response Plan; • Occupancy Procedures of the temporary accommodation camp (TAC); • Regulation on the General Health and Safety, Environmental and Social Requirements to Contractors; • Employment and Personnel Social Guarantees Procedures; • Procedure for identification and assessment of environmental aspects, health and safety hazards, risks and opportunities; • Health and Safety Procedures; • Protocols and reports of the operational control (OC) and special workplace assessment (SWA); • Results (reports, acts, etc.) on the audits and inspections; • Job descriptions, divisional regulations, job-specific instructions; • Employment contracts, collective agreements, personnel compensation and motivation regulations.
Transport and Traffic Safety (ESMP Annex 5)	<p>Prevention and minimisation of environmental and social impact of Project vehicles traffic. Management of the following aspects:</p> <ul style="list-style-type: none"> • Vehicles' technical state; • Equipment and operation of internal and access roads, vehicle parking areas; • Drivers competence and awareness; • Traffic impact on the existing road network; • Traffic safety including third party risks. 	<p>This is a mandatory Annex of the ESMP (Operation). Other plans, procedures, internal corporate regulations which address the issues covered by the Annex 'Transport and Traffic Safety' in more detail or are related to it in any other way are:</p> <ul style="list-style-type: none"> • ESMP Annex 'Emissions, Noise and Vibration' - in terms of control of exhaust gas emissions, noise and vibration from vehicles; • ESMP Annex 'Waste and Hazardous Materials' - in terms of waste and hazardous materials transportation procedures; • Procedure for identification and assessment of environmental aspects, health and safety hazards, risks and opportunities.

ESMP Annex / Document	Purpose	Linkage with other documents of the Company
Site Access, Community Health and Safety (ESMP Annex 6)	<p>Prevention and minimisation of negative social impact of the Project.</p> <p>Management of the following aspects:</p> <ul style="list-style-type: none"> • Infection diseases; • Air quality (pollution and harmful physical impacts); • Access to the Project sites and potential accidents; • Behaviour of the Company's and contractors' workforce; • Personnel competence and awareness. 	<p>This is a mandatory Annex of the ESMP (Operation). Other plans, procedures, internal corporate regulations which address the issues covered by the Annex 'Site Access, Community Health and Safety' in more detail or are related to it in any other way are:</p> <ul style="list-style-type: none"> • ESMP Annex 'Emissions, Noise and Vibration' - in terms of control of pollution emissions, air quality assessment at the boundary of the nearest residential area and SPZ of the LNG Terminal; • ESMP Annex 'Waste and Hazardous Materials' - in terms of compliance with waste management regulations; • Project Accommodation Camp Management Plan; • Stakeholder Engagement Plan (SEP); • Corporate Code of Conduct; • Regulation on site access control and intrafacility arrangements.
Biodiversity Management Plan	<p>Prevention of the Project impact on local flora and fauna.</p> <p>Management of the following aspects:</p> <ul style="list-style-type: none"> • Impact mitigation (mitigation hierarchy: avoidance, minimisation, rehabilitation/restoration, compensation); • Monitoring of impacts, assessment of mitigation performance; • Transformation of species structure and reduction of abundance of living organisms; • Pollution of habitats for animals and plants; • Noise impact on animals; • Personnel competence and awareness. 	<p>The Plan belongs to the Company's general corporate management system. Other plans, procedures, internal corporate regulations which address the issues covered by the Biodiversity Management Plan in more detail or are related to it in any other way are:</p> <ul style="list-style-type: none"> • Operational Environmental Monitoring Programme; • ESMP Annex 'Emissions, Noise and Vibration' - in terms of the negative impact on atmospheric air (pollution, physical impacts); • ESMP Annex 'Water and Wastewater' - in terms of the negative impact on the waterbody and its water protection area (pollution); • ESMP Annex 'Waste and Hazardous Materials' - in terms of the waste management regulations; • Results of the environmental monitoring; • Results (reports, acts, etc.) on the audits and inspections; • Regulation on the General Health and Safety, Environmental and Social Requirements to Contractors; • Procedure for identification and assessment of environmental aspects, health and safety hazards, risks and opportunities.
Project Accommodation	<p>Managing the Project temporary accommodation facilities in compliance with best international practices.</p> <p>Management of the following aspects:</p>	<p>The Plan belongs to the Company's general corporate management system.</p>

ESMP Annex / Document	Purpose	Linkage with other documents of the Company
Camp Management Plan	<ul style="list-style-type: none"> • Provision of healthy and safe accommodation facilities for the Project workforce; • Contacts of local communities and Project workforce (mutual respectful relationships). 	<p>Other plans, procedures, internal corporate regulations which address the issues covered by the Project Accommodation Camp Management Plan in more detail or are related to it in any other way are:</p> <ul style="list-style-type: none"> • Corporate Code of Conduct of Cryogas-Vysotsk Ltd.; • Accommodation Camp Management Policy; • ESMP Annex 'Labour and Working Conditions'; • ESMP Annex 'Site Access, Community Health and Safety'; • Stakeholder Engagement Plan (SEP); • Medical Emergency Response Plan; • Community and Contractor's Workers Grievance Procedure; • Occupancy Procedures of the temporary accommodation camp (TAC); • Regulation on the General Health and Safety, Environmental and Social Requirements to Contractors.
Emergency Response Plans	Defining the scope, procedures, organisation, timing and methods of protecting the Project personnel from hazardous factors, natural disasters, calamities, and accidents that may occur on site and in the surrounding areas and neighbour facilities (including the neighbour hazardous industrial facilities).	<p>The Plans belong to the Company's general corporate management system. Other plans, procedures, internal corporate regulations which address the issues covered by the Emergency Response Plans in more detail or are related to them in any other way are:</p> <ul style="list-style-type: none"> • ESMP in terms of emergency response; • Occupational health and safety, industrial safety, civil defense and emergency preparedness procedures; • Operation documents.
Stakeholder Engagement Plan (SEP)	Identification of all Project stakeholders and ensuring their continuous and adequate engagement. Providing stakeholders (local community, Project workers, etc.) with a mechanism for filing grievances and queries to the Project Operator receiving feedback.	<p>The Plan belongs to the Company's general corporate management system. Other plans, procedures, internal corporate regulations which address the issues covered by the Stakeholder Engagement Plan (SEP) in more detail or are related to it in any other way are:</p> <ul style="list-style-type: none"> • Other plans, procedures and Project documents with regard to engagement and interaction with stakeholders (local communities, Project workers, etc.), timely obtaining of the relevant information and management decision making.
Community Development Plan	Development and improving the social environment of the Company's presence territory.	<p>The Plan belongs to the Company's general corporate management system. Other plans, procedures, internal corporate regulations which address the issues covered by the Community Development Plan in more detail or are related to it in any other way are:</p>

ESMP Annex / Document	Purpose	Linkage with other documents of the Company
		<ul style="list-style-type: none"> • SEP with regard to definition of key issues and interests of stakeholders.
Health and Safety Procedures	<p>Prevention and minimization of health and safety hazards and risks to the Project workers. Management of the following aspects:</p> <ul style="list-style-type: none"> • Labour rights of workers; • Occupational health and safety; • Preparation and obtaining of the required documents; • Personnel competence and awareness. 	<p>The Procedures belong to the Company's general corporate management system. Other plans, procedures, internal corporate regulations which address the issues covered by the Health and Safety Procedures in more detail or are related to it in any other way are:</p> <ul style="list-style-type: none"> • ESMP Annex 'Labour and Working Conditions'; • Job-specific instructions; • Operation documents; • Health and Safety Action Plans of Cryogas-Vysotsk Ltd. and contractors (in compliance with respective corporate standards); • Medical Emergency Response Plan; • Regulation on the General Health and Safety, Environmental and Social Requirements to Contractors; • Procedure for identification and assessment of environmental aspects, health and safety hazards, risks and opportunities; • Protocols and reports of the operational control (OC) and special workplace assessment (SWA); • Results (reports, acts, etc.) on the audits and inspections.
Employment and Personnel Social Guarantees Procedures	<p>Regulation of the rights and obligations of employer and employees of the Project with regards to employment and dismissal, working time and ensure job and social security (such as insurance, material aid etc.).</p>	<p>The Procedures belong to the Company's general corporate management system. Other plans, procedures, internal corporate regulations which address the issues covered by the Employment and Personnel Social Guarantees Procedures in more detail or are related to it in any other way are:</p> <ul style="list-style-type: none"> • ESMP Annex 'Labour and Working Conditions'; • Corporate Code of Conduct of Cryogas-Vysotsk Ltd.; • Stakeholder Engagement Plan (SEP); • Job descriptions, divisional regulations of the Company; • Employment contracts, collective agreements, personnel compensation and motivation regulations.

1.6 Project Management Structure

The key parties involved in the Project management during the operation phase are

- Project Operator - Cryogas-Vysotsk Ltd.;
- Contractors and subcontractors.

The overall responsibility for the Project management and therefore for implementation of the ESMP shall be with Cryogas-Vysotsk Ltd. The Company will:

- Coordinate the parties involved including:
 - Ensuring that the requirements of ESMP apply to the Company divisions and contractors. The list of contractors and applicable provisions of the ESMP are defined (or in case of self-justification by contractor - approved) by Cryogas-Vysotsk Ltd.;
- Supervise the implementation of the ESMP:
 - Regular monitoring, audit and other inspections (refer to the ESMP Section 7 for more details);
 - Additional irregular inspections to monitor the implementation of corrective actions;
- Ensuring the ESMP (Operation) content awareness of the Company divisions, contractors and other stakeholders including:
 - Familiarization with the contents of the ESMP (Operation);
 - Training of the Company personnel and Contractors' managerial staff concerning the ESMP (Operation) implementation;
- Liaison with the Lenders and their representatives on matters relating to implementation of the ESMP (Operation), its adjustment and implementation.

Company communicates with the Lenders through AO Gazprombank, which is also one of the Project Lenders, and the Lenders' Independent Environmental and Social Consultant - Ramboll CIS. The Lenders' Independent Environmental and Social Consultant makes annual monitoring visits throughout the Project operation period to inspect implementation progress of the ESMP, ESAP and other Company documents. The Company must provide all necessary records of monitoring, meetings and inspections, including information about contractors, provided that such information is not confidential or otherwise not subject to disclosure.

This ESMP (Operation) is subject to approval by the Order of Cryogas-Vysotsk Ltd. and should be communicated to the concerned divisions of the Company and relevant contractors identified by Cryogas-Vysotsk Ltd. The Company defines the list of contractors subject to the ESMP requirements. The Company selects the method of communicating the ESMP requirements depending on each contractor's scope, number of personnel involved in the Project, duration of presence, and other factors:

- Official letter to contractor with information about the need to implement the ESMP and mandatory compliance with the applicable requirements and measures. The exhaustive list of applicable requirements and measures for specific contractor is subject to approval by Cryogas-Vysotsk Ltd.;
- Induction training for contractor's personnel arriving on site on the ESMP requirements and measures applicable during the Project works (distribution of information leaflets).

The responsibilities for the ESMP introduction and implementation are covered in Section 3.

1.7 Key Contractors and their Functions

The main activities at the Project operation stage will be provided by Cryogas-Vysotsk Ltd. Contractors will be involved for auxiliary functions, namely:

- Gas pipeline branch maintenance;

- Housekeeping services for the Project buildings and sites;
- Fire safety, rescue, emergency response services;
- Survey services, laboratory tests;
- Security services for the Project;
- Transport service and specialized machinery providers;
- Medical services;
- Maintenance, repair and other works/services.

The main documents with full and formalized description of the contractors' responsibilities are the Requirements of Cryogas-Vysotsk Ltd. in the sphere of compliance with access control and intrafacility arrangements, health, safety and environment included in the contract agreements (mandatory CRs):

- CR 'General Health and Safety, Environmental and Social Requirements to Contractors';
- CR 'Regulation on site access control and intrafacility arrangements'.

In addition, contractors identified by Cryogas-Vysotsk Ltd. must ensure compliance with the requirements applicable to their functions and scope as defined in the ESMP. Contractors must provide progress monitoring of the activities within their scope of responsibility, conduct respective audits and inspections, and report to Cryogas-Vysotsk Ltd. (the issues of monitoring, inspections and reporting are discussed in Sections 5 and 6 of the ESMP).

1.8 Management of Change

The ESMP (Operation) is a living document and is subject to adjustment in certain situations. Changes will be made in case of need to replace, modify or remove specific provisions, fragments of documents, or to add new provisions. Revisions of the Plan may be triggered by changes in the Project status, Company's structure, new procedures/activities (as a result of internal inspections and audits), and also changes in the legal framework.

To ensure an adaptive management of the ESMP (Operation) the following activities will be carried out:

- Reviewing and updating the ESMP (Operation) in accordance with the project status as it progresses. The key information about any changes in the Project will be regularly reviewed by persons with HSES responsibilities in Cryogas-Vysotsk Ltd.;
- Results of monitoring and other studies may trigger changes and amendments to the ESMP (Operation);
- Regular performance assessments of the ESMP (Operation) will be carried out in an ongoing engagement with stakeholders and Lenders. The ESMP will be updated/amended as appropriate to ensure safe and efficient management of environmental and social issues commensurate with the Project scale.

The personnel interaction procedures to be followed in case of need to introduce changes to the ESMP, documentation, HR and production management processes with health, safety, environmental and social effects are regulated by the Change Management Procedure within the corporate IMS.

2. REGULATORY FRAMEWORK OF THE PLAN DEVELOPMENT

2.1 Requirements and Standards Applicable to the Project

Documents referenced for development of the Project environmental and social management requirements listed in the ESMP are as follows:

- Russian laws and regulations;
- Documents describing requirements and recommendations of the International Finance Institutions:
 - The Equator Principles (2013)¹;
 - The IFC Performance Standards (2012)²;
 - The World Bank/IFC EHS Guidelines including the General EHS guidelines and applicable Industry Sector Guidelines³;
 - The OECD Common Approaches (2016)⁴.
- ESIA materials prepared by Ramboll Environ in cooperation with Branan Environment;
- Environmental and Social Action Plan (ESAP);
- Stakeholder Engagement Plan (SEP);
- Project design documentation and permits;
- Internal and corporate regulations, standards and procedures of the Company;
- HSES best practices.

Requirements of these documents have been incorporated into the ESMP (Operation) and other plans and documents of the Company's IMS. The Company identified and documented the key Russian and international standards and guidelines applicable to the Project in the Project Environmental and Social Standards document. This document provides a checklist of the Project environmental and social management and is an integral part of the Company's IMS.

Adhering to the Project Standards requirements and Plans is mandatory for Cryogas-Vysotsk Ltd. and all contractors identified by the Company (Sections 1.6 and 1.7 of the ESMP).

¹ <http://equator-principles.com/about/>

² http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/performance-standards

³ http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/ehs-guidelines

⁴ <http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=TAD/ECG%282016%293&doclanguage=en>

3. ROLES AND RESPONSIBILITIES

The integrated environmental, health and safety management system is implemented and applied at Cryogas-Vysotsk Ltd. The Company's IMS is certified for compliance with ISO 14001:2015 and ISO 45001:2018. The IMS is an integral part of the overall administrative management system of the Company.

3.1 Company Policies

HSES Policy

The Company's environmental, social, health and safety Policy and Commitments were adopted in 2017 by the Order of Cryogas-Vysotsk Ltd. No.71/1 of 20.11.2017. The Policy identifies the main strategic directions for the Company in the sphere of HSES and respective commitments of the Company and its top management.

The Policy focus areas include the following:

- Compliance with international management system standards and other commitments adopted by the Company;
- Making sure that management activities of the Company match the nature and scale of the HSES risks;
- Continuous improvement of the corporate IMS;
- Prevention or minimisation of the negative environmental and social impacts and workplace accidents.

HSES commitments of Cryogas-Vysotsk Ltd. stem from this Policy.

Accommodation Camp Management Policy

The Policy is approved by the General Director's Order of 22.01.2018 No.007/1-PR. By adopting the Policy, the Company assumed commitment to ensure adequate work and rest conditions for the personnel, to address concerns and respect rights of stakeholders including Project personnel and local communities.

Anti-corruption Policy

The Company recognises strict compliance with the applicable law, particularly corruption control provisions, as a vital prerequisite for sustainable business development. By adopting the Policy, the Company assumed the corruption prevention and control commitments recommended by the Russian, foreign and international agencies and organisations, and declared absolute non-acceptance of unfair and illegal business practices. The Anti-corruption Policy is adopted by the General Director's Order of 15.08.2017 No.36/1.

The above corporate Policies provided the basis for strategic planning and management of the Company's day-to-day operations, goals setting, effective monitoring and review, and continuous improvement of environmental, social, health and safety performance.

The Policies are communicated to all personnel of the Company, Contractors, and also to other stakeholders through the following channels:

- Communicating the corporate orders to the Company's personnel by means of intranet system, or familiarization against written acknowledgement;
- Publication on the website of PJSC NOVATEK;
- Work meetings, personnel assemblies;
- Briefings for the Company visitors and contractors' personnel working at the Project sites;

- By including the Policy as an appendix into the Company's business contracts.

3.2 ESMP Implementation Responsibility

HSES issues are managed by the Deputy General Director - Chief Engineer who also performs the functions of the IMS Management Representative. He supervises the HSE Department which bears the main responsibility for the corporate IMS operation and development, and for the implementation and coordination of stakeholders (Company divisions, contractors, etc.) under the ESMP.

Labour relations and personnel engagement activities are managed by the HR and Payroll Department. Responsibility for stakeholder engagement (local communities and administrations) rests with the Business Support Department Manager. Deputy General Director for Business Assistance (BAD) supervises access security arrangements at the Project sites.

Roles, responsibilities and powers of the personnel are defined in their respective job descriptions, regulations of respective divisions, in the IMS procedures and other internal IMS documents and corporate regulations issued by the Company.

Division responsible for preparation of regular reports for the Lenders' Independent Environmental and Social Consultant is the HSE Department.

The environmental, social, health and safety management structure and respective responsibilities within the corporate-wide management system are shown in the figure below.

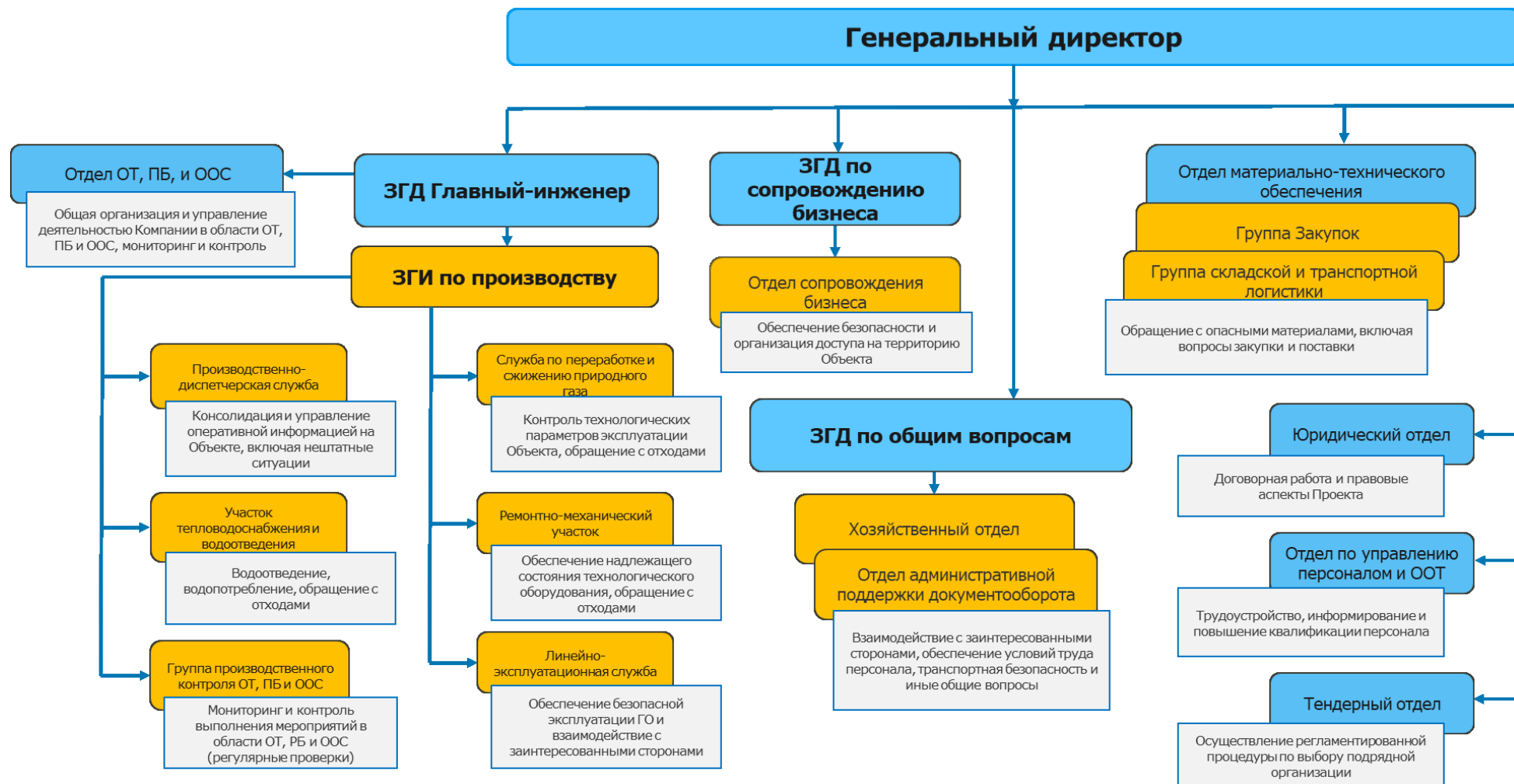


Figure 3.1: Environmental and Social Management Structure

Table 3.1 below shows distribution of responsibility for performance of the activities planned under the ESMP and for supervision of their implementation by contractors between the Company divisions.

Table 3.1: Responsibility for implementation of the sector-specific Annexes of the ESMP

Sector-specific Annex of ESMP	Key responsible divisions
Emissions, Noise and Vibration	Production Technology Department / Natural Gas Processing and Liquefaction Service Chief Energy Engineer's Department / Heat and Water Supply Unit HSE Department
Water and Wastewater	Chief Energy Engineer's Department / Heat and Water Supply Unit General Services Department HSE Department
Waste and Hazardous Materials	Production Technology Department / Natural Gas Processing and Liquefaction Service Chief Mechanical Engineer's Department / Mechanical Repair Unit Chief Energy Engineer's Department / Heat and Water Supply Unit Production Technology Department / Line Maintenance Service Logistics Department General Services Department HSE Department
Labour and Working Conditions	HR and Payroll Department General Services Department Administrative Support and Document Management Department HSE Department
Transport and Traffic Safety	Business Assistance Department General Services Department HSE Department
Site Access, Community Health and Safety	Business Assistance Department Production Technology Department / Line Maintenance Service General Services Department HSE Department

Company divisions responsible for compliance and implementation of the ESMP activities report to the HSE Department on a quarterly basis (by 20th day of the month following the reporting quarter) with information and documentary evidence of the HSES activities implemented within the framework of the corporate IMS.

Contractors (companies involved in the Project) appointed by Cryogas-Vysotsk Ltd. to implement the ESMP and comply with the applicable requirements must establish a specific service or appoint a competent officer to manage HSES during the works on the Project sites.

Contractor's HSES Service / Manager shall:

- Manage HSES performance in their respective organisation and subcontractors involved for the Project works;

- Cooperate with other organizations – Project participants in addressing common HSES concerns;
- Address comments and follow recommendations issued by the HSE Department of Cryogas-Vysotsk Ltd.;
- Bear responsibility to Cryogas-Vysotsk Ltd. for subcontractors' HSES practices;
- Collect statistical data and other reports from subcontractors and prepare compiled HSES reports to the Company's HSE Department.

4. ENVIRONMENTAL AND SOCIAL MANAGEMENT

The corresponding Sections and Annexes of the ESMP contain detailed environmental and social management activities, responsible parties, and KPIs concerning implementation of these activities.

The key environmental and social impacts, as well as ESMP Annexes (measures) for their management are presented in Tables 4.1 and 4.2 below.

Table 4.1: Key environmental aspects of the Project

No.	Environmental aspect	ESMP Annexes and other documents
1. Air Quality		
1.1	Ambient air pollution	ESMP Annex 'Emissions, Noise and Vibration' ESMP Annex 'Transport and Traffic Safety' ESMP Annex 'Waste and Hazardous Materials'
2. Adverse Physical Impact		
2.1	Noise impacts on residential areas and animals	ESMP Annex 'Emissions, Noise and Vibration' ESMP Annex 'Transport and Traffic Safety' Biodiversity Management Plan
3. Soil, ground and ground water		
3.1	Soil contamination	ESMP Annex 'Waste and Hazardous Materials' Biodiversity Management Plan
4. Surface waterbodies (Vyborg Bay)		
4.1	Emissions of pollutants	ESMP Annex 'Water and Wastewater' Biodiversity Management Plan
5. Impact on Flora and Fauna		
5.1	Nuisance factor (light, noise)	ESMP Annex 'Emissions, Noise and Vibration' Biodiversity Management Plan
5.2	Pollution of natural environment	ESMP Annex 'Water and Wastewater' ESMP Annex 'Waste and Hazardous Materials' Biodiversity Management Plan

Table 4.2: Key social aspects of the Project

No.	Social aspect	ESMP Annexes and other documents
1. Information Disclosure and Stakeholder Engagement		
1.1	Informing the public, disclosure, public consultations	Stakeholder Engagement Plan (SEP)
2. Local Recruitment and Local Procurement		
2.1	Employment opportunities with the Company	ESMP Annex 'Labour and Working Conditions'
2.2	Employment opportunities with contractors	Stakeholder Engagement Plan (SEP)
3. More money in the economy of the region and implementation of socially-oriented programmes		
3.1	Additional tax contribution to public budgets at various levels	Corporate entity registration address
3.2	Implementation of socially-oriented programmes	Community Development Plan
4. Occupational health and safety		
4.1	Conflicts between workers and the local population	ESMP Annex 'Labour and Working Conditions' ESMP Annex 'Site Access, Community Health and Safety' Project Accommodation Camp Management Plan Stakeholder Engagement Plan (SEP)
4.2	Workplace ambient factors	ESMP Annex 'Labour and Working Conditions' ESMP Annex 'Emissions, Noise and Vibration'
4.3	Provision of adequate accommodation	Project Accommodation Camp Management Plan
5. Community H&S and Security		
5.1	Conflicts between workers and the local population	ESMP Annex 'Labour and Working Conditions' ESMP Annex 'Site Access, Community Health and Safety' Project Accommodation Camp Management Plan Stakeholder Engagement Plan (SEP)
5.2	Traffic safety	ESMP Annex 'Transport and Traffic Safety' Stakeholder Engagement Plan (SEP)

5. MONITORING AND VERIFICATION

5.1 General

The process of ESMP implementation monitoring and verification is a key management method for obtaining information on the efficiency and effectiveness of the ESMP and the corporate IMS as a whole.

The key principles of monitoring and verification include:

- Implementing and maintaining a system of monitoring, inspections and audits aimed at assessing compliance of the Company and contractors with the applicable HSES regulations, rules and standards;
- Implementing and maintaining a system of monitoring, inspections and audits aimed at evaluating efficiency of the HSES activities under the ESMP.

5.2 Environmental and Social Monitoring

Environmental and social impacts monitoring and verification at the Project operation stage is provided in compliance with the commitments assumed by the Company as defined in the ESMP, and in other monitoring and verification programmes of Cryogas-Vysotsk Ltd. The EHS Department will prepare reports to the Lenders' Independent Environmental and Social Consultant with information on the progress of implementation of the Company's commitments set forth in this Plan and the ESAP. The reports may include documentary evidence of measurements, testing and observations (e.g., air quality testing) to demonstrate compliance with the assumed commitments of the Company.

In addition, regular monitoring will be provided to verify the implementation progress of the Stakeholder Engagement Plan and management of community and workers' grievances (Community and Contractor's Workers Grievance Procedure; Grievance Mechanism).

5.3 Environmental and Social Performance Audits

ESMP implementation and performance assessment will be verified by inspections and audits at various levels (Table 5.1).

Table 5.1: Internal and External Audits and Inspections

No.	Audit / Inspection type	Frequency
INTERNAL AUDITS AND INSPECTIONS		
A1	Audits of the Integrated Management System. These audits are intended to assess relevance and efficiency of the corporate HSES procedures and management plans, and to verify overall compliance of the Company's IMS and its elements with ISO 14001, ISO 45001. Conducted by the Company personnel (to be appointed by the Company Order).	The Audit Program is prepared and implemented on an annual basis, in accordance with the Procedure for planning and holding internal audits.
A2	Regular inspections, walk-throughs of the Project sites, interviews with the Company's and contractors' personnel, review of documents and other activities to assess compliance of the Company and contractors with the ESMP and other documents that contain requirements to the Project. Conducted by the Company personnel.	Current ongoing activity.
A3	Regular inspections, walk-throughs of the Project sites, interviews with personnel, review of documents and other activities to assess compliance of the Company and contractors with the ESMP and other documents that contain requirements to the Project and are applicable to the contractor. Conducted by contractors' personnel within the framework of internal verification and subcontractors management.	Current ongoing activity.
EXTERNAL AUDITS		
B1	Audit by federal supervisory executive authorities to determine the extent of compliance with the requirements of RF laws and regulations.	In accordance with duly approved schedule of inspections published at the General Procurator's Office website.
B2	Audit by Gazprombank	In accordance with schedule or unscheduled
B3	Audit by representatives of Lenders // Lenders' Consultants // IMS certification body.	Once a year

Inspections are conducted regularly (continuously). Unscheduled (special purpose) inspections may be conducted as required. They may be focused on selected issues or otherwise be conducted as regular walk-throughs, with examination of different issues and document requests.

As for the audits, those are much more comprehensive and are carried out in accordance with established schedule (usually once a year) and cover the whole range of environmental and social issues. Audits include visual inspection of (a part of) a Project site, documents' review and personnel interviews.

The audit and inspections frequency may be adjusted as required.

5.4 Non-compliance Identification and Corrective Actions

The causes of all the non-compliances registered must be clearly identified, and the non-compliances identified by the audits and inspections must be addressed in a timely manner.

Non-compliance management based on audits and inspections means:

- Identification and initial registration of non-compliances;
- Identification of the non-compliance causes and assessment of the need to take corrective action (CA) to eliminate the non-compliance causes and their reoccurrence;
- Elimination of the non-compliances and mitigation of the impacts caused by the non-compliances – corrective action;
- Recording the CA results;
- Analysis of CA efficiency.

If CA has failed to bring the intended results, in other words, if the non-compliances persist or are very likely to reoccur following all the intended corrective actions, it will be necessary to make another review of the causes, and to plan and implement new CAs to allow complete elimination of the non-compliance cause. The review should also include an assessment of opportunities to improve and change the corporate HSES Management System.

More details of the non-compliance and corrective action management are provided in the Nonconformities Management and Corrective Actions Procedure.

5.5 Key Performance Indicators

In the course of the audits/assessments/inspections, the compliance assessment must be based on both qualitative and quantitative aspects to enable identification of non-compliances and potential improvement targets. Assessment should also make use of key performance indicators (KPIs). These indicators are used to assess the performance in dynamics.

Table 5.2: ESMP Key Performance Indicators

ID	KPI	Target/Action Threshold	Reference
General KPI			
KPI-A01 KPI-W01 KPI-WHM01 KPI- LWC01 KPI- TM01 KPI- CHS01	Instances of non-compliance with the requirements of this ESMP	Minimization and further improvement	See column “Means of verification” in the ESMP Annexes
KPI-A03 KPI-W03 KPI-WHM02 KPI- LWC02 KPI- TM02 KPI- CHS02	Ratio of the topic-specific non-compliances addressed (percentage of the eliminated non-compliances relevant to the ESMP against the non-compliances identified)	Continuous improvement up to 100%	Documentation on the current activities of the Company Company’s Annual Report
KPI-A04 KPI-W04 KPI-WHM04 KPI- LWC04 KPI- TM04 KPI- CHS03	HSES grievances of personnel, community and other stakeholders Satisfactory resolution of the issues.	Minimization and further improvement	Documentation on the current activities of the Company Grievance Log Company’s Annual Report
KPI-A05 KPI-W05 KPI-WHM05 KPI- LWC05	HSES nonconformities identified by inspecting agencies	Minimization and further improvement	Nature conservation supervising agencies’ inspection reports
Thematic KPI			

ID	KPI	Target/Action Threshold	Reference
KPI-A02 KPI-W02 KPI- CHS04	Failures to meet the Project applicable impact standards identified through the Environmental Monitoring Programme	Minimization and further improvement	Documentation on the current activities of the Company Company's Annual Report
KPI-WHM03	Environmental contamination accidents with waste and/or hazardous materials	Minimization and further improvement	Visual observations Grievance Log Company's Annual Report
KPI- LWC03	Total number of violations of the Corporate Code of Conduct, Accommodation Camp Management Plan and Internal Labour Regulations at the Project site	Minimization and further improvement	Interviews with the Company, contractors' and security personnel Documentation on the current activities of the Company Grievance Log Company's Annual Report
KPI- TM03	Number of traffic accidents	Minimization and further improvement	Contractors' reports Company's Annual Report
KPI- CHS05	Number of reported conflicts between Project personnel and local communities	Minimisation	Interviews with local residents Grievance Log Company's Annual Report

Note:

- KPI-A0X – ESMP 'Emissions, Noise and Vibration' (Annex 1);
- KPI-W0X – ESMP 'Water and Wastewater' (Annex 2);
- KPI-WHM0X – ESMP 'Waste and Hazardous Materials' (Annex 3);
- KPI- LWC0X – ESMP 'Labour and Working Conditions' (Annex 4);
- KPI- TM0X – ESMP 'Transport and Traffic Safety' (Annex 5);
- KPI- CHS0X – ESMP 'Site Access, Community Health and Safety' (Annex 6).

6. REPORTING

6.1 Internal Reporting

Reporting principles for Contractors are outlined in the Company's CR (the Regulation on the General Health and Safety, Environmental and Social Requirements to Contractors and the Regulation on site access control and intrafacility arrangements).

- Informing on accidents, incidents, emergencies;
- Information on conducted HSE inspections/audits, identified nonconformities, rectified nonconformities, suspended works;
- Information on generated volumes of waste and wastewater during the reporting period.

To monitor the requirements and activities under the ESMP, Contractors must submit to Cryogas-Vysotsk Ltd. semi-annual and annual reports to demonstrate compliance with the applicable requirements and activities under the ESMP. These Reports will include:

- Number of audits/inspections;
- Number of non-compliances identified, corrective action taken, and outcomes, achieving the KPIs;
- Number of environmental and social incidents and the corresponding corrective action and outcomes;
- Important results from the audits and inspections of the Subcontractors carried out by the Contractor;
- Other environmental and social information to help assess the performance of the ESMP by using the Plan's KPIs.

The reporting formats are subject to agreement by the HSE Department of the Company and the Contractor.

The HSE Department of Cryogas-Vysotsk Ltd. prepares annual report on operation of the Integrated Management System for the Company's top management. This Report may include, among other things, information on efficiency of the ESMP activities. Resolutions from the IMS management review provide the basis for revision of the corporate environmental, social, health and safety Policy and objectives, internal regulations of the Company, and for corrective actions aimed at further improvement of the Company's IMS, setting and refining the KPI.

6.2 External Reporting

Reporting to the Lenders and their Representatives

The Company submits annual reports to the Lenders and their representatives to inform the Project environmental and social status assessment conducted by the Lenders' Independent Environmental and Social Consultant.

This report contains data on the Company's HSES activities during past 12 months as follows:

- The list of persons responsible for the Project and for the HSES performance;
- Overview of operation of the Company's and Contractors' management systems;
- Information on provided training;
- Summary data for the monitoring of atmospheric air, surface and ground water, soil, noise impacts and biodiversity;
- Information on incidents and nonconformities;
- Health and safety information including morbidity rates, first aid accidents, etc. (separately for Project personnel and Contractors);
- Stakeholder engagement activities;

- Review of grievances and feedback;
- Community development activities and programmes;
- ESAP implementation summary;
- Proposed/updated mitigation measures (if needed).

Reporting to Stakeholders

In compliance with the international requirements reflected in the Company's SEP, Cryogas-Vysotsk Ltd. will also disclose the Project environmental and social performance to stakeholders. Such reports can be published as an annual presentation of the Project E&SP performance at the website of PJSC NOVATEK.

7. OCCUPATIONAL HEALTH AND SAFETY, ENVIRONMENTAL AND SOCIAL TRAINING

7.1 Overview

The Company and contractors develop personnel training plans on occupational health and safety, environmental and social issues (HSES). The procedure for determining the training needs, the training procedures for personnel and the qualification records are specified by the Company's internal regulations. Below is a brief summary of the requirements for such training for personnel of Cryogas-Vysotsk Ltd. and contractors.

7.2 Cryogas-Vysotsk Ltd. Personnel Training

Training for Cryogas-Vysotsk Ltd. personnel includes the following general elements:

- A suite of HSE training as required under Russian regulations;
- Internal HSE training considering job position and functions of each employee, as well as all applicable Project requirements;

Company personnel with HSES management responsibility receive further training on the following topics:

- Conducting audits and inspections;
- Implementation of the ESMP, as well as other principles and approach to HSES management based on international requirements and practices.

7.3 Contractor Training

Training and awareness requirements for contractors are summarized as follows:

1. Contractors' HSE managers (officers responsible for HSES management at the Project level):

- Specific training on the requirements of the ESMP (Operation), and how it is to be implemented into each contractor's own management systems is provided by Cryogas-Vysotsk Ltd. to the contractor's Project HSE management team.

2. HSE training for contractor personnel

- A suite of HSE training as required under Russian regulations;
- All contractor personnel receive induction training on arrival at the Project site (refresher training will also be provided in compliance with the legal requirements and Company's CR). HSES issues covered by this ESMP are included in the induction training programme;
- Toolbox talks are provided to employees by site supervisors/foremen prior to the commencement of each new activity, and these cover basic HSE requirements relevant to that activity.

Contractors are also required to keep training records (valid certificates, qualification documents) to demonstrate adequate qualification of personnel for performance of their functions.

ANNEX 1. EMISSIONS, NOISE AND VIBRATION IMPACT MITIGATION AND MANAGEMENT

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
A-01	Emissions of pollutants into the atmospheric air	Application of industry best practices for prevention of fugitive emissions in accordance with the ESIA recommendations, including without limitation: - Implementation of leakage detection and repair programmes to control fugitive emissions.	IFC PS1 ESIA Chapter 9	Natural Gas Processing and Liquefaction Service Process Automation and Instrumentation Department	SCADA documentation and records	KPI-A01 KPI-A03 KPI-A04
A-02	Emissions of pollutants into the atmospheric air	Make sure that combustible gas release is always arranged via a flare system, in compliance with process regulations.	ESIA Chapter 9	Natural Gas Processing and Liquefaction Service	Process regulations	KPI-A01 KPI-A02 KPI-A03 KPI-A04 KPI-A05
A-03	Emissions of pollutants into the atmospheric air	Fuel and lubricants storage in tight lockable vessels.	ESIA Chapter 9	Hazardous materials owner division	Visual observations	KPI-A01 KPI-A03
A-04	Documentation and permits	Obtaining emission permits timely and in due course and making sure that emissions to air are compliant with the applicable permits.	Federal Law on Environmental Protection No. 7-FZ ESIA Chapter 9	HSE Department	Valid permits are in place	KPI-A01 KPI-A03 KPI-A05
A-05	Emissions of pollutants into the atmospheric air	Regular planning and timely provision of preventive maintenance.	ESIA Chapter 9	Process equipment owner division Mechanical Repair Unit	Preventive Maintenance Plans Preventive Maintenance Records	KPI-A01 KPI-A03
A-06	Emissions of pollutants into the atmospheric air	Inspections of gas pipeline branch for potential leaks in compliance with approved schedule (fault detection).	ESIA Chapter 9	Line Maintenance Service	Act with a record of results of gas pipeline inspection	KPI-A01 KPI-A03
A-07	Emissions of pollutants into the atmospheric air	Integrity testing of connection flanges, valves and fittings, hatches.	ESIA Chapter 9	Natural Gas Processing and Liquefaction Service Mechanical Repair Unit	Visual observations	KPI-A01 KPI-A03
A-08	Emissions of pollutants into the atmospheric air	Registration of process equipment running time.	ESIA Chapter 9	Process equipment owner division	Equipment Running Time Log	KPI-A01 KPI-A03
A-09	Emissions of pollutants into the atmospheric air	Ensuring compliance with the equipment operation process regulations.	ESIA Chapter 9	Process equipment owner division	Operation documents	KPI-A01 KPI-A03
A-10	Documentation and permits	Consider international standards regulating pollution levels in ambient air during analysis of the monitoring results.	IFC PS1 IFC PS2 IFC PS3 ESIA Chapter 9	HSE Department	Analytical monitoring reports	KPI-A01 KPI-A03

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
A-11	Monitoring and Verification	Monitor air quality at the boundary of SPZ and nearest residential area.	Federal Law No.52-FZ On the sanitary and epidemiological welfare of the population ESIA Chapter 9	HSE Department	OEM Report	KPI-A01 KPI-A02 KPI-A03 KPI-A04
A-12	Monitoring and Verification	Monitor pollution concentrations in flue gas from emission sources, in particular using an automated monitoring system	IFC PS1 IFC PS3 ESIA Chapter 9	HSE Department	SCADA records OCM Report	KPI-A01 KPI-A02 KPI-A03 KPI-A04 KPI-A05

Monitoring requirements

ID	HSES aspect	Responsibility	Description	Location	Standards	Frequency
AM-01	Emissions of pollutants into the atmospheric air	HSE Department	Operational environmental control, in terms of atmospheric air protection. Specific parameters are defined in the developed OEC Programme.	Main fixed emission sources of the Project.	Federal Law No. 96-FZ On Air Protection Federal Law on Environmental Protection No. 7-FZ ESIA Chapter 9	Frequency in accordance with the developed OEC Programme.
AM-02	Pollution emissions and level of harmful physical impacts	HSE Department	Operational environmental monitoring, in terms of atmospheric air protection. Specific parameters are defined in the developed OEM Programme.	SPZ boundary and nearest residential areas.	Federal Law No. 96-FZ On Air Protection Federal Law on Environmental Protection No. 7-FZ ESIA Chapter 9	Frequency in accordance with the developed OEM Programme.

ANNEX 2. WATER AND WASTEWATER IMPACT MITIGATION AND MANAGEMENT

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
W-01	Water use	Compliance with the water use conditions.	Decision on waterbody allocation for use dated 30.10.2018 Federal Law No.74-FZ - Water Code of the RF	HSE Department HWS Unit General Services Department	Regulatory Compliance Audit Inspection Certificates issued by supervising agencies	KPI-W01 KPI-W02 KPI-W03 KPI-W04 KPI-W05
W-02	Wastewater disposal	Making sure that wastewater discharge flow is even throughout the year. Prevention of wastewater valley discharges (respect the flow and volume limits)	Decision on waterbody allocation for use dated 30.10.2018	HWS Unit	Regulatory Compliance Audit Inspection Certificates issued by supervising agencies Wastewater Discharge Log	KPI-W01 KPI-W02 KPI-W03 KPI-W04 KPI-W05
W-03	Wastewater disposal	Treatment of sludge from wastewater treatment processes in compliance with process specifications and Russian regulations.	Decision on waterbody allocation for use dated 30.10.2018 Federal Law No. 7-FZ On Environmental Protection and Federal Law No.89-FZ On Industrial and Domestic Wastes	HWS Unit General Services Department HSE Department	Regulatory Compliance Audit Inspection Certificates issued by supervising agencies Visual observations	KPI-W01 KPI-W02 KPI-W05
W-04	Wastewater disposal	Adequate maintenance of the operating wastewater treatment facilities	Decision on waterbody allocation for use dated 30.10.2018 ESIA Chapter 9	HWS Unit	Maintenance schedules and logs	KPI-W01 KPI-W03
W-05	Wastewater disposal	Making sure that wastewater discharged to the Vyborg Bay meets the quality requirements for fishery water bodies.	Decision on waterbody allocation for use dated 30.10.2018 Federal Law No.74-FZ - Water Code of the RF ESIA Chapter 9	HWS Unit HSE Department	RN and OEC reports	KPI-W01 KPI-W02 KPI-W03 KPI-W04 KPI-W05
W-06	Monitoring and Verification	Monitoring pollution concentrations in discharged effluent. Monitoring pollution concentrations in the waterbody (natural (marine) waters).	Decision on waterbody allocation for use dated 30.10.2018 Federal Law No. 7-FZ On Environmental Protection and Federal Law No.74-FZ Water Code of the RF ESIA Chapter 9	HSE Department	RN and OEC report	KPI-W01 KPI-W02 KPI-W03 KPI-W04 KPI-W05
W-07	Documentation	Submission of information to the Neva-Ladoga Catchment Management Authority using form 2-TP (vodhoz) by 22 January of reporting year	Decision on waterbody allocation for use dated 30.10.2018	HSE Department	Report in form 2-TP (vodhoz)	KPI-W01 KPI-W03 KPI-W05

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
W-08	Water supply	Making drinking water service contracts.	ESIA Chapter 9	Chief Energy Engineer's Department	Drinking water service (import) contract	KPI-W01 KPI-W03 KPI-W04 KPI-W05
W-09	Documentation	Availability of water use and pollution discharge permits.	Federal Law on Environmental Protection No. 7-FZ Federal Law No.74-FZ - Water Code of the RF	HSE Department	Decision of waterbody allocation for use for the purpose of wastewater discharge; Permissible Pollution Discharge Standards Document; Permit for pollution discharge to water environment	KPI-W01 KPI-W03 KPI-W05
W-10	Wastewater disposal	Adequate maintenance and timely cleaning of storm water drainage system.	Decision on waterbody allocation for use dated 30.10.2018 ESIA Chapter 9	HWS Unit	Visual inspection	KPI-W01 KPI-W03

Monitoring requirements

ID	HSES aspect	Responsibility	Description	Location	Standards	Frequency
WM-01	Pollution discharge to waterbody	HSE Department	Operational environmental control, in terms of water environment conservation. Specific parameters are defined in the developed OEC Programme.	Wastewater discharge points, drainage systems, treatment facilities and hydraulic structures	Federal Law on Environmental Protection No. 7-FZ Federal Law No.74-FZ - Water Code of the RF ESIA Chapter 9	Specific parameters are defined in the developed OEC Programme.
WM-02	Wastewater disposal	HWS Unit	Metering of wastewater discharges to the Bay	Measuring instruments	Decision on waterbody allocation for use dated 30.10.2018	Daily
WM-03	Pollution discharge to waterbody	HSE Department	Regular monitoring of the waterbody and its protection zone in accordance with the Programme approved by the Neva-Ladoga Catchment Management Authority (NLCMA). Parameters are specified in the programme approved by NLCMA.	Waterbody and its protection zone	Decision on waterbody allocation for use dated 30.10.2018	Monitoring frequency is specified in the developed Programme
WM-04	Water use	HSE Department HWS Unit	Monitoring of compliance with the water use requirements set forth in the Decision	Waterbody and its protection zone, process equipment, etc.	Decision on waterbody allocation for use dated 30.10.2018	Monitoring frequency is specified in the Decision and other documents

ANNEX 3. WASTE AND HAZARDOUS MATERIALS IMPACT MITIGATION AND MANAGEMENT

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
WHM-01	Documentation and permits	Contracts with licensed companies for transportation, collection, treatment, disposal, decontamination and placement of hazard class I-V waste generated during the Project operation shall be in place.	Federal Law No. 7-FZ On Environmental Protection and Federal Law No.89-FZ On Industrial and Domestic Wastes ESIA Chapter 9	HSE Department	Contracts with licensed companies for transportation, treatment, disposal, decontamination and placement of hazard class I-V waste	KPI-WHM01 KPI-WHM02 KPI-WHM05
WHM-02	Waste Management	Waste disposal (burial) at dedicated landfills included in the State Register of Waste Disposal Facilities.	Federal Law No. 89-FZ on Industrial and Domestic Waste ESIA Chapter 9	HSE Department	Contracts with landfills included in the State Register of Waste Disposal Facilities	KPI-WHM01 KPI-WHM02 KPI-WHM05
WHM-03	Documentation and permits	Keep record of waste flows.	Federal Law No. 89-FZ on Industrial and Domestic Waste MNR Order No.721 of 01.09.2011 ESIA Chapter 9	HSE Department	Waste management records on compliance with the Order of the RF Ministry of Natural Resource No. 721 of 01.09.2011	KPI-WHM01 KPI-WHM02 KPI-WHM05
WHM-04	Distribution of responsibility	Appointment of waste management officers in the Company divisions.	Federal Law No. 89-FZ on Industrial and Domestic Waste ESIA Chapter 9	HSE Department	Appointment orders of waste management officers	KPI-WHM01 KPI-WHM02 KPI-WHM04 KPI-WHM05
WHM-05	Documentation and permits	Availability of waste management permits in compliance with Russian regulations.	Federal Law No. 7-FZ On Environmental Protection and Federal Law No.89-FZ On Industrial and Domestic Wastes ESIA Chapter 9	HSE Department	Valid permits	KPI-WHM01 KPI-WHM02
WHM-06	Waste Management	Management of wastes in compliance with Russian regulations. Segregate collection of wastes at dedicated sites. Prevention of illegal dumping or burning of wastes.	Federal Law No. 89-FZ on Industrial and Domestic Waste SanPiN 2.1.7.1322-03 ESIA Chapter 9	All divisions of the Company HSE Department	Supervising agencies inspection reports Visual observations	KPI-WHM01 KPI-WHM02 KPI-WHM03 KPI-WHM04 KPI-WHM05
WHM-07	Waste Management	Temporary (for a maximum period of 11 months) storage of waste in compliance with Russian regulations.	Federal Law No. 89-FZ on Industrial and Domestic Waste ESIA Chapter 9	HSE Department	Acts of removal of hazardous wastes Visual observations	KPI-WHM01 KPI-WHM02 KPI-WHM03 KPI-WHM04 KPI-WHM05
WHM-08	Waste Management	Waste containers shall be marked with description of waste types	IFC EHS Guidelines, p.1.6 SanPiN 2.1.7.1322-03	HSE Department	Visual observations	KPI-WHM01 KPI-WHM02

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
WHM-09	Waste Management	Used mercury lamps should be collected in supplier's packaging (individual cardboard boxes on racks) or in special metal containers in locked indoor premises, and transferred to licensed contractor for demercurization.	ESIA Chapter 9 SanPiN 2.1.7.1322-03	HWS Unit HSE Department	Supervising agencies inspection reports Contracts with licensed contractors for transportation and demercurization of used mercury lamps Visual observations	KPI-WHM01 KPI-WHM02 KPI-WHM03 KPI-WHM04 KPI-WHM05
WHM-10	Waste Management	Oil-contaminated rags, sludge and grit should be accumulated in tight vessel (container).	ESIA Chapter 9	Natural Gas Processing and Liquefaction Service Mechanical Repair Unit HWS Unit HSE Department	Supervising agencies inspection reports Contracts with specialized contractors for removal of sludge and oil-contaminated grit from wastewater removal processes Visual observations	KPI-WHM01 KPI-WHM02 KPI-WHM03
WHM-11	Accidents	Secondary spill containment facilities (bunding) shall be provided at the storage sites of petroleum products (oil), hazardous waste liquids. Secondary spill containment systems are required for storage of more than 220 l of petroleum products and liquid waste. Volume of the secondary spill containment facilities shall be at least 110% of capacity of the largest storage container, or 25% of the total design storage volume (the larger value shall be adopted).	ESIA Chapter 9 IFC EHS Guidelines, pp.1.5, 1.6	Hazardous materials owner division HSE Department	Visual observations	KPI-WHM01 KPI-WHM02 KPI-WHM03 KPI-WHM04 KPI-WHM05
WHM-12	Management of waste and hazardous materials	Compliance with waste and hazardous materials management requirements: - Prevention of overfilling of dedicated vessels and waste accumulation facilities; - Provision of fire-fighting equipment at the hazardous materials storage and temporary flammable wastes accumulation facilities.	ESIA Chapter 9	HSE Department	Supervising agencies inspection reports Visual observations	KPI-WHM01 KPI-WHM02 KPI-WHM03
WHM-13	Accidents	Removal of soil contamination with POL. In case of emergency oil spills, sorbent shall be immediately applied on the spill and afterwards collected in container (vessel) protected from impacts of precipitation. Disposal of collected waste.	IFC General EHS Guidelines, p.1.8	HSE Department	Supervising agencies inspection reports Visual observations	KPI-WHM01 KPI-WHM02 KPI-WHM03 KPI-WHM04 KPI-WHM05
WHM-14	Waste Management	Discharge of any waste, hazardous materials and untreated wastewater to waterbodies is unacceptable	ESIA Chapter 9	All divisions of the Company HSE Department	Supervising agencies inspection reports Visual observations	KPI-WHM01 KPI-WHM02 KPI-WHM03 KPI-WHM04 KPI-WHM05
WHM-15	Competence and awareness	Training of specialists and managers responsible for hazardous waste management on the respective management methods.	Federal Law No. 89-FZ on Industrial and Domestic Waste ESIA Chapter 9	HSE Department	Training certificates and instructions acknowledgement lists	KPI-WHM01 KPI-WHM02 KPI-WHM05
WHM-16	Competence and awareness	Personnel briefing on waste management methods including fire safety measures and behaviour rules in the storage areas of hazardous materials and flammable wastes. Actions in case of emergency at waste and hazardous materials handling.	ESIA Chapter 9	HSE Department	Waste management instructions acknowledgement lists	KPI-WHM01 KPI-WHM02

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
WHM-17	Monitoring and Verification	Monitoring of waste management practices.	Federal Law No. 7-FZ On Environmental Protection and Federal Law No.89-FZ On Industrial and Domestic Wastes ESIA Chapter 9	HSE Department	Visual observations	KPI-WHM01 KPI-WHM02 KPI-WHM03 KPI-WHM05
WHM-18	Management of hazardous materials	Use of special marking of premises and tanks with POL and other hazardous materials in accordance with the materials hazard class and fire hazard category. Use of warning and information marking on PPE use during hazardous materials handling operations. Presence of safety data sheets at hazardous materials storage facilities.	IFC General EHS Guidelines, p.1.5, p.1.6 Federal Law No. 123-FZ 'Technical Regulations of Fire Safety Requirements' POT R M-004-97 'Cross-industry Health and Safety Regulation for Using Chemicals'	Company division responsible for hazardous materials management HSE Department	Visual observations	KPI-WHM01 KPI-WHM02
WHM-19	Management of hazardous materials	Containment and impermeable paving at POL storage facilities in accordance with design (if any).	EPM ESIA Chapter 9	Company division responsible for hazardous materials management HSE Department	Design documentation Visual observations	KPI-WHM01 KPI-WHM02
WHM-20	Management of hazardous materials	Transportation of flammable and other hazardous materials strictly by licensed companies, preferably during day time, with presence of dangerous goods certificate, in compliance with dangerous goods transportation safety requirements as per instructions duly approved by the state supervision agencies.	RF Government Decree of 15.04.11 No.272 IFC General EHS Guidelines p.3.5	Logistics Department	Agreements with licensed contractors Instructions approved by state supervision agencies	KPI-WHM01 KPI-WHM02 KPI-WHM05
WHM-21	Stakeholder engagement	Alert environmental authorities about oil spills.	Resolution of the Government of the Russian Federation dated 15.04.2002 No.240 (Crude Oil and Petroleum Product Spill Prevention and Response Regulations) Federal Law No. 116-FZ On Industrial Safety of Hazardous Production Facilities Federal Law No. 68-FZ On the protection of the public and areas against natural and man-caused emergencies	HSE Department	Results of internal investigation of accidents and emergency situations	KPI-WHM01 KPI-WHM02 KPI-WHM03 KPI-WHM04 KPI-WHM05

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
WHM-22	Stakeholder engagement	Prompt reporting to the emergency response service via the Call Center in accordance with established procedure, in case of fire outbreaks or other off-normal situations at hazardous materials storage sites or during transportation of such materials.	Federal Law No. 116-FZ On Industrial Safety of Hazardous Production Facilities Federal Law No. 68-FZ On the protection of the public and areas against natural and man-caused emergencies	HSE Department	Results of internal investigation of accidents and emergency situations	KPI-WHM01 KPI-WHM02 KPI-WHM03 KPI-WHM04 KPI-WHM05

Monitoring requirements

ID	HSES aspect	Responsibility	Description	Location	Standards	Frequency
WHM-01	Waste Management	HSE Department	Monitoring segregate collection of waste at dedicated sites in compliance with the applicable regulations and Project documentation.	Waste storage facilities	Federal Law No.89-FZ SanPiN 2.1.7.1322-03 WGSDS	Continuously
WHM-02	Waste Management	HSE Department	Monitoring timely removal of waste.	Waste storage facilities	Federal Law No.89-FZ SanPiN 2.1.7.1322-03 WGSDS	Continuously
WHM-03	Documentation	HSE Department	Monitoring of waste management records keeping.	Administrative office	Federal Law No.89-FZ MNR Order No.721	Quarterly
WHM-04	Waste Management	HSE Department	Monitoring of waste transfer to third parties for transportation, disposal, utilization, neutralization (in compliance with Russian regulations)	Administrative office	Federal Law No.89-FZ WGSDS	Quarterly
WHM-05	Accidents	HSE Department	Monitoring of collection, temporary accumulation and transportation of waste from emergency response operations.	Accident impact area	Federal Law No.89-FZ Federal Law No.68-FZ	Continuously (during accident response activity)
WHM-06	Management of hazardous materials	HSE Department	Visual inspection of all premises and vessels with hazardous materials for potential leaks, signs of losses, etc.	Hazardous materials storage and handling facilities	Hazardous materials documentation	Continuously

ANNEX 4. LABOUR AND WORKING CONDITIONS IMPACT MITIGATION AND MANAGEMENT

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
LWC-01	Employment and dismissal	Formalize the employment and working conditions, such as labour remuneration and benefits, working hours, overtime work provisions, days off, leave and sick absence, etc., and disclose to personnel employed by the Company.	Federal Law No.197-FZ - Labour Code of the RF IFC PS2 (Guidance note, Annex C)	HR&PD	Employment contract (standard form) Personnel compensation and motivation regulations Records of disclosure the applicable corporate regulations to personnel	KPI-LWC01 KPI-LWC02 KPI-LWC04 KPI-LWC05
LWC-02	Workforce accommodation	Accommodation of the Project workforce in compliance with the Accommodation Camp Management Policy and Plan.	Accommodation Camp Management Policy Accommodation Camp Management Plan	General Services Department	Grievance log and forms Check-list (Accommodation Camp Management Plan)	KPI-LWC01 KPI-LWC02 KPI-LWC03 KPI-LWC04
LWC-03	Workers' rights	Compliance with the Collective Agreement requirements.	Federal Law No.197-FZ - Labour Code of the RF IFC PS2, pp. 13-14	HR&PD	Grievance log and forms (in compliance with the Grievance Procedure) Personnel interviews during audits Materials on discussions of draft amendments to the Collective Agreement	KPI-LWC01 KPI-LWC02 KPI-LWC04 KPI-LWC05
LWC-04	Employment and dismissal	Timely notification of all affected personnel about planned retrenchment and severance pay in compliance with the applicable law and Collective Agreements.	Federal Law No.197-FZ - Labour Code of the RF IFC PS2, pp. 8-9 IFC PS2 (Guidance note, Annex C)	HR&PD	Grievance log and forms Personnel interviews during audits Retrenchment and compensations required by law shall be reflected in provisions of the Labour Agreement.	KPI-LWC01 KPI-LWC02 KPI-LWC04 KPI-LWC05
LWC-05	Workers' rights	A Grievance Mechanism shall be made available to personnel to facilitate raising of their concerns. The Grievance Mechanism shall be disclosed to personnel, and unrestricted access to the mechanism shall be provided, including lodging anonymous grievances.	SEP IFC PS2, p. 20	HR&PD HSE Department	Grievance log and forms Personnel interviews during audits Visual observations: information on the Grievance Mechanism displayed on notice boards, availability of grievance boxes	KPI-LWC01 KPI-LWC02 KPI-LWC04
LWC-06	Competence and awareness	Timely upgrading and other additional training. Raising personnel awareness of health risk and relevant preventive measures	Federal Law No.197-FZ - Labour Code of the RF IFC PS2, p.23 The RF Ministry of Labour, Resolution 1/29 IFC General EHS Guidelines, p.2.2	HR&PD HSE Department	Record of upgrading training Records of occupational safety toolbox talks, training (probation) and knowledge checks Visual observations of personnel workplace behaviour	KPI-LWC01 KPI-LWC02 KPI-LWC04 KPI-LWC05
LWC-07	Workplace safety	Provision of required personal protective equipment (PPE) for personnel	Federal Law No.197-FZ - Labour Code of the RF The RF MoHSD Order No.290n IFC General EHS Guidelines, p.2.7	HSE Department Logistics Department	Documentary evidence of keeping records and distribution of working clothes and PPE Visual observations	KPI-LWC01 KPI-LWC02 KPI-LWC04 KPI-LWC05

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
LWC-08	Occupational health	First aid training for personnel. Availability of medicaments and first aid equipment at the Company premises.	The RF Ministry of Labour, Resolution 1/29 The RF MoHSD Order No.169n IFC PS2, p.23 IFC General EHS Guidelines, p.2.1 ESIA Chapter 10	HSE Department	Record of first aid skills training Visual observations	KPI-LWC01 KPI-LWC02 KPI-LWC04 KPI-LWC05
LWC-09	Occupational health	Preventive measures against influenza, ARVI, cardiovascular diseases, STD, information disclosure, distribution of leaflets during toolbox talks/seminars conducted by the medical service contractors, confidential advise	ESIA Chapter 10 IFC PS2, p.23	HSE Department	Preventive measures records. Visual observations: availability of training aids, posters displayed on information boards	KPI-LWC01 KPI-LWC02 KPI-LWC04
LWC-10	Occupational health	Mandatory initial and regular medical examinations.	The RF MoHSD Order No.302n	HSE Department	Contract with a medical institution. List of employees subject to medical examinations.	KPI-LWC01 KPI-LWC02 KPI-LWC04 KPI-LWC05
LWC-11	Workplace safety	Conducting special workplace assessment (SWA) Planning and implementation of Workplace Operational Monitoring for Compliance with Sanitary and Epidemiological (Preventive) Actions	Federal Law No.426-FZ On the special workplace assessment Federal Law No.52-FZ On the sanitary and epidemiological welfare of the population SP 1.1.1058-01 IFC PS2, p.23 IFC General EHS Guidelines, p.2.1 ESIA Chapter 10	HSE Department	Orders, WOM Programme, lists of workplaces subject to monitoring, SWA cards, measurement and survey reports, SWA findings summary and recommended actions list	KPI-LWC01 KPI-LWC02 KPI-LWC04 KPI-LWC05
LWC-12	Documentation	Registration and reporting on accidents at the Project sites and their causes.	Federal Law No.197-FZ - Labour Code of the RF Federal Law No. 116-FZ On Industrial Safety of Hazardous Production Facilities The RF Ministry of Labour, Resolution No. 73 IFC PS2, p.23 IFC General EHS Guidelines, p.2.9	HSE Department	Accident logs, accident investigation reports	KPI-LWC01 KPI-LWC02 KPI-LWC04 KPI-LWC05
LWC-13	Workplace safety	Provision of gas annunciators for timely detection of dangerous concentrations in the indoor premises and operational sites, in compliance with design documentation.	ESIA Chapter 10	Process Automation and Instrumentation Department HSE	Project documents Equipment operability testing certificates	KPI-LWC01 KPI-LWC02
LWC-14	Personnel conduct	Compliance with the Corporate Code of Conduct, personnel training on the Code provisions at recruitment (and refresher training, as appropriate), and compliance monitoring.	Corporate Code of Conduct of Cryogas-Vysotsk Ltd.	HR&PD	Corporate Code of Conduct Grievance log and forms	KPI-LWC01 KPI-LWC02 KPI-LWC03

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
		Disciplinary action to be taken in case of violation.				

Monitoring requirements

ID	HSES aspect	Responsibility	Description	Location	Standards	Frequency
LWCM-01	Workers' rights	HR&PD HSE Department	Monitoring of grievances about violations of labour law and discontent with working conditions.	Project site Offices	Federal Law No.197-FZ IFC and ILO standards	Continuously
LWCM-02	Workplace safety	HSE Department	Operational monitoring (as per the OM Programme).	Work area and workplaces	FZ 52 SP 1.1.1058-01	In accordance with the OM Programme
LWCM-03	Workplace safety	HSE Department	Conducting special workplace assessment (SWA).	Workplace	Federal Law No.426-FZ	At least once every 5 years
LWCM-04	Working conditions	General Services Department HSE Department	Monitoring of TAC accommodation conditions for the workers (compliance with the Accommodation Camp Management Policy and Plan)	Project temporary accommodation facilities	IFC Standards	Once a year

ANNEX 5. TRANSPORT AND TRAFFIC SAFETY IMPACT MITIGATION AND MANAGEMENT

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
T-01	Traffic safety	Personnel involved in machinery operation will have adequate training and skills to perform their duties.	GOST 12.3.033-84 p.1.3 The RF Ministry of Transport, Order No.287 The RF Ministry of Transport and Ministry of Labour, Order No.12/11 p.1, Appendix 1 The RF Ministry of Transport Order No.7, Chapter III p.8	General Services Department Administrative Support and Document Management Department	Driving license	KPI-TM01 KPI-TM02
T-02	Traffic safety	Regulation of duration of driving, breaks and rest time.	Federal Law No.197-FZ - Labour Code of the RF IFC General EHS Guidelines, p.3.4	General Services Department Administrative Support and Document Management Department	Working regulations	KPI-TM01 KPI-TM02
T-03	Traffic safety	Toolbox talks for drivers (induction, pre-trip, regular, seasonal) and knowledge checks.	The RF Ministry of Transport, Order No.7, Chapter III RD-200-RSFSR-12-0071-86-09	General Services Department Administrative Support and Document Management Department	Records of toolbox talks	KPI-TM01 KPI-TM02
T-04	Traffic safety	First aid skills training of drivers. Drivers of passenger vehicles shall be further trained on first aid skills at least every two years.	The RF Ministry of Labour and Social Development and Ministry of Education Resolution No.1/29	General Services Department Administrative Support and Document Management Department	Records of training	KPI-TM01 KPI-TM02
T-05	Traffic safety	Initial, regular and daily pre-trip (post-trip) medical examinations of drivers.	Federal Law No.196-FZ On the Traffic Safety The RF Ministry of Health No.2510/9468-03-32	General Services Department Administrative Support and Document Management Department	Trip ticket	KPI-TM01 KPI-TM02
T-06	State of vehicles	Presence of the state registration number plates (main and duplicate) and their compliance with the regulatory requirements	The RF Government Decree No. 1090 of 23.10.1993	General Services Department Administrative Support and Document Management Department	Visual observations	KPI-TM01 KPI-TM02
T-07	State of vehicles Pollution of the environment	Regular technical inspections. Use of vehicles with valid operation permits and tuned-up engines, and operating on standard fuel.	Resolution of the Council of Ministers of the RF Government IFC EHS Guidelines, p.1.1	General Services Department Administrative Support and Document Management Department	Test card with results of technical inspection	KPI-TM01 KPI-TM02
T-08	Pollution of the environment	Prohibition of vehicles fueling near the water area.	Federal Law No.74-FZ - Water Code of the RF	General Services Department HSE Department	Visual observations	KPI-TM01 KPI-TM02 KPI-TM04
T-09	Traffic safety	Prohibition of parking in the areas of existing utility communications.	ESIA Chapter 10	General Services Department HSE Department	Visual observations	KPI-TM01 KPI-TM02 KPI-TM04

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
T-10	Traffic safety	Traffic routes shall be identified for the Company's site and respective driving and pedestrian traffic instruction schemes shall be displayed in visible places.	Resolution of the Council of Ministers of the RF Government No. 1090	General Services Department HSE Department	Visual observations	KPI-TM01 KPI-TM02 KPI-TM04
T-11	Traffic safety	Provision of appropriate safety signs, considering the road conditions and road sections with increased risk of accidents, in the Project site area and on the access road.	ESIA Chapter 10	General Services Department HSE Department	Visual observations	KPI-TM01 KPI-TM02 KPI-TM03 KPI-TM04
T-12	Traffic safety	Regular inspections and repair of road surface to ensure safe driving conditions in the Project site area and on the access road.	Federal Law No.196-FZ On the Traffic Safety Federal Law No.257-FZ On the motor roads and road management in the Russian Federation, and on amendments to certain legal acts of the Russian Federation ESIA Chapter 10	General Services Department HSE Department	Visual observations	KPI-TM01 KPI-TM02 KPI-TM03 KPI-TM04
T-13	Traffic safety	Ensuring compliance with traffic regulations.	Federal Law No.196-FZ On the Traffic Safety IFC EHS Guidelines, p.3.4, p.2.2	General Services Department Administrative Support and Document Management Department	Grievance data base Number of registered traffic violations per vehicle/driver	KPI-TM01 KPI-TM02 KPI-TM03 KPI-TM04
T-14	Traffic safety	Timely removal of snow and ice from the roads (within the Project responsibility area)	Federal Law No.257-FZ On the motor roads and road management in the Russian Federation, and on amendments to certain legal acts of the Russian Federation ESIA, 10	General Services Department	Visual observations	KPI-TM01 KPI-TM02 KPI-TM03 KPI-TM04

Monitoring requirements

ID	HSES aspect	Responsibility	Description	Location	Standards	Frequency
TM-01	State of vehicles Pollution of the environment	General Services Department Administrative Support and Document Management Department	Monitoring of technical state of vehicles (timely technical inspections)	Vehicles	Resolution of the Council of Ministers of the RF Government IFC EHS Guidelines, p.1.1 Vehicles technical documentation	Annually (unless otherwise required by the vehicle technical documentation)
TM-02	Traffic safety	General Services Department Administrative Support and Document Management Department	Traffic accidents involving personnel of the Company and/or Contractors. Number of traffic accidents: Nta/Km; where Nta - number of traffic accidents, Km - total mileage of the vehicles fleet (involved in the Project), causes of traffic accident, number of affected persons	Project Area of Influence	Federal Law No.196-FZ IFC PS1, IFC PS4	Quarterly
TM-03	Traffic safety	General Services Department Administrative Support and Document Management Department	Monitoring of transport-related community grievances. Number of community grievances related to the Project transport traffic (traffic accidents, deterioration of transport infrastructure, etc.)	Settlements within the Project's Area of Influence	IFC PS1, IFC PS4	Continuously

ANNEX 6. SITE ACCESS, COMMUNITY HEALTH AND SAFETY IMPACT MITIGATION AND MANAGEMENT

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
CHS-01	Stakeholder safety	Control of compliance with the Corporate Code of Conduct (including relevant training), access control arrangements; prohibition of consumption of alcohol, narcotic, toxic and psychotropic substances, including consumption by Contractors' personnel.	Corporate Code of Conduct of Cryogas-Vysotsk Ltd. Internal Labour Regulations of Cryogas-Vysotsk Ltd.	Business Department Assistance	Acknowledgement list of the Corporate Code of Conduct of Cryogas-Vysotsk Ltd. Grievance data base	KPI-CHS01 KPI-CHS02 KPI-CHS03 KPI-CHS05
CHS-02	Stakeholder safety	Strict prohibition of presence of dogs (except for situations where specially trained security dogs are needed for protection of facilities) and other domestic animals/pets at the Project sites.	Occupancy Procedures of the temporary accommodation camp (TAC)	Business Department Assistance	Visual observations Materials and records of toolbox talks	KPI-CHS01 KPI-CHS02 KPI-CHS03
CHS-03	Stakeholder safety	Informing local communities about potential negative impact on community health and safety by means of information disclosure.	Stakeholder Engagement Plan	General Department Services HSE Department	Website of PJSC NOVATEK	KPI-CHS01 KPI-CHS02 KPI-CHS03 KPI-CHS05
CHS-04	Stakeholder safety	"Do no harm" approach to local communities and their property. Respectful attitude to communities within the Project's area of influence during all contacts.	Corporate Code of Conduct of Cryogas-Vysotsk Ltd.	Business Department Assistance General Department Services	Grievance data base	KPI-CHS01 KPI-CHS02 KPI-CHS03 KPI-CHS05
CHS-05	Stakeholder safety	Implementation of the Grievance Mechanism	IFC PS1 Stakeholder Engagement Plan	General Department Services HSE Department	Grievance mechanism Grievance data base	KPI-CHS01 KPI-CHS02 KPI-CHS03
CHS-06	Project site security	Involving a licensed security service provider for the Company's facilities	IFC PS4 IFC Good practice handbook "Use of Security Forces: Assessing and Managing Risks and Impacts"	Business Department Assistance	Security service providers' licenses	KPI-CHS01 KPI-CHS02 KPI-CHS03
CHS-07	Stakeholder safety	Induction training for security service contractor's personnel, including information about human rights and unacceptability of abuse of powers and unreasonable employment of force.	IFC PS4 12-14 IFC Good practice handbook "Use of Security Forces: Assessing and Managing Risks and Impacts"	Business Department Assistance	Records of toolbox talks	KPI-CHS01 KPI-CHS02 KPI-CHS03 KPI-CHS05
CHS-08	Stakeholder safety	At recruitment of personnel for the Company's Security Service and security service providers, efforts shall be applied to verify absence of past violations of international regulations in the sphere of human rights by the candidates or private security service companies.	IFC PS4	Business Department Assistance	Verification by the Company	KPI-CHS01 KPI-CHS02
CHS-09	Stakeholder safety	Regular audit of the existing security management system, including review of security service contractors' practices, to check compliance with the contractual and other requirements and applicable standards.	IFC Good practice handbook "Use of Security Forces: Assessing and Managing Risks and Impacts"	Business Department Assistance	Grievance data base	KPI-CHS01 KPI-CHS02 KPI-CHS03 KPI-CHS05
CHS-10	Stakeholder safety	All security personnel shall wear relevant uniform and present their identification card with a picture at any time when on duty.	IFC Good practice handbook "Use of Security Forces: Assessing and Managing Risks and Impacts"	Business Department Assistance	Visual observations Grievance data base	KPI-CHS01 KPI-CHS02 KPI-CHS03 KPI-CHS05

ID	HSES aspect	Requirement	Reference	Responsibility	Means of verification	KPI
CHS-11	Stakeholder safety	Continuous monitoring to identify violations of the Code of Conduct by security personnel (particularly through the Grievance Mechanism) and adoption of adequate measures.	IFC PS4 12-14 IFC PS1, p. 25	Business Assistance Department HSE Department	Visual observations Grievance data base	KPI-CHS01 KPI-CHS02 KPI-CHS03 KPI-CHS05

Monitoring requirements

ID	HSES aspect	Responsibility	Description	Location	Standards	Frequency
CHSM-01	Stakeholder safety	General Services Department HSE Department Business Assistance Department	Monitoring community grievances about the Project environmental and social issues	Settlements within the Project's Area of Influence	IFC PS1 IFC PS4	Continuously
CHSM-02	Stakeholder safety	Business Assistance Department	Monitoring activities of security personnel of the Project (security service providers).	Settlements within the Project's Area of Influence	IFC PS4 IFC Good practice handbook "Use of Security Forces: Assessing and Managing Risks and Impacts"	Continuously