

Approved by a resolution  
of the Board of Directors  
of NOVATEK JSC  
Minutes No. 249  
as of 17 December 2021

**NOVATEK'S HUMAN RIGHTS POLICY**

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## 1. GENERAL PROVISIONS

1.1. Respecting human rights is essential for ensuring NOVATEK's sustainable development.

1.2. Across its operations, NOVATEK fully respects human rights and freedoms consistent with universally recognized principles and standards of international law, including the Universal Declaration of Human Rights, the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights, and in accordance with the applicable national law.

1.3. NOVATEK takes appropriate actions to prevent human rights violations, and if NOVATEK identifies a human rights violation, NOVATEK promptly mitigates all impact and continuously seeks to improve the efficiency of human rights compliance efforts.

1.4. The Policy is applicable to the operations of NOVATEK, its subsidiaries and affiliates, whatever their location.

1.5. The Policy is binding upon NOVATEK employees, including the Chairman and Deputy Chairmen of the Management Board, as well as the Chairman and members of the Board of Directors.

1.6. NOVATEK encourages its counterparties to adhere to this Policy and expects other third parties to do the same.

1.7. The Policy should be considered in conjunction with NOVATEK's other corporate documents that regulate human rights matters.

## 2. TERMS AND DEFINITIONS

2.1. **Policy** means NOVATEK's Human Rights Policy.

2.2. **NOVATEK** means Joint-Stock Company NOVATEK (NOVATEK JSC).

2.3. **Counterparty** means any legal entity or individual that has assumed obligations under a civil law contract with NOVATEK.

2.4. **Indigenous Minorities** means peoples classified as indigenous minorities in accordance with the applicable national law. As of the date of this Policy adoption, these are peoples totalling less than 50,000 persons, that live in the territories of their ancestral settlement, maintain traditional livelihoods, activities, and trades, and consider themselves as autonomous ethnic communities.

### **3. BASIC PRINCIPLES**

#### **3.1. Respect for human dignity and human rights**

NOVATEK has zero tolerance towards disrespectful and inappropriate behavior, mistreatment of persons, and any kind of harassment, regardless of personal qualities or status, whether at work or in any other environment outside of work.

#### **3.2. Prevention of discrimination**

NOVATEK has zero tolerance towards discrimination and persecution based on gender, race, ethnicity, or social origin, skin color, religion, age, physical capacity, including disability, sexual orientation, family responsibilities, political opinion, or any other persecution that warrants protection under universally accepted principles and standards of international law, including the ILO Convention No. 111 On Discrimination in Respect of Employment and Occupation, and the applicable national law. When recruiting, hiring, training, establishing job duties, wages, and promotions, NOVATEK looks at qualifications, performance, skills, and experience of a person and adheres to the equal opportunity principle.

#### **3.3. Respecting employees' rights to freedom of assembly and association, freedom of opinion and expression**

NOVATEK recognizes employees' right to establish, join or not join professional associations as described in the ILO Convention No. 87 On Freedom of Association and Protection of the Right to Organize and ILO Convention No. 98 On the Application of the Principles of the Right to Organize and to Bargain Collectively. Employees always have the freedom of choice and should not fear any negative consequences of their choices. If employees' interests are represented by a professional association existing under the applicable national law, NOVATEK endeavors to establish and maintain a constructive dialog, cooperation in good faith, respectful and non-discriminatory relationship with such professional association, as described in the ILO Convention No. 135 On Protection and Facilities to be Afforded to Workers' Representatives in the Undertaking.

#### **3.4. Prohibition of child labor and forced labor**

NOVATEK has zero tolerance towards child labor and adheres to the national law on the minimum employment age as described in the ILO Convention No. 138 On Minimum Age for Admission to Employment. NOVATEK has zero tolerance towards hiring of minors to positions involving dangerous work as described in the ILO Convention No. 182 On the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labor. NOVATEK has zero tolerance towards abusing rights or mistreating employees, or using forced labor, human trafficking, and other forms of

slavery (known as modern slavery) as described in the ILO Convention No. 29 On Forced or Compulsory Labor.

### **3.5. Ensuring decent working conditions and wages**

NOVATEK maintains an efficient remuneration system ensuring equal remuneration for work of equal value. NOVATEK endeavors to ensure that the working time and rest periods are consistent with the International Labor Organization's standards, offering fair compensation for overtime, paid leaves, and rest days.

### **3.6. Ensuring safe and healthy working conditions**

NOVATEK creates safe working conditions and ensures adherence to relevant standards, rules, and internal occupational health requirements. NOVATEK is committed to creating and maintaining a working environment wherein the risk of accident, injury, and harm to employees and contractors' representatives working on NOVATEK's premises is minimized, and amenities are available, including right to water. Together with employees, NOVATEK endeavors to continuously improve workplace safety, which includes identifying risks and eliminating occupational health threats.

### **3.7. Prevention of violence**

NOVATEK creates a working environment that is free from violence, persecution, forcing, and other dangerous or destructive acts associated with internal and external threats. Employees enjoy security measures that are put in place with respect for their privacy and dignity. NOVATEK ensures that employees are protected at work from any kind of physical, sexual, or psychological harassment, aggression, abuse, and threats from their peers or managers. NOVATEK also endeavors to ensure the respect for human rights by private security forces contracted by NOVATEK.

### **3.8. Respect for rights, distinctive culture, and customs of local communities**

NOVATEK is respectful towards the interests, culture, customs, and values of local communities, and places an emphasis on respecting the rights and safeguarding the cultural heritage and traditional livelihoods of Indigenous Minorities, including the right to land and the right to clean and accessible water, in the areas where NOVATEK operates, as described in the ILO Convention No. 169 On Indigenous and Tribal Peoples in Independent Countries.

As part of the efforts to mitigate any negative impact on communities, NOVATEK endeavors to prevent situations that could result in involuntary resettlement of local residents. If unavoidable, NOVATEK commits to full adherence

to the requirements of the applicable national law concerning resettlement, compensation and/or efforts to restore the livelihoods.

NOVATEK endeavors to build relationships with the most vulnerable stakeholder groups, implementing mechanisms that allow including their interests in decision making. NOVATEK further endeavors to assess the impact on human rights, seek informed consultations with stakeholders, which includes securing the Indigenous Minorities' Free, Prior and Informed Consent and the full realization of their rights.

#### **4. POLICY IMPLEMENTATION**

4.1. NOVATEK endeavors to ensure that its operations have zero impact on human rights, and to that end:

4.1.1. makes sure employees, counterparties and any third parties read and understand the Policy, by publishing it on NOVATEK's official website;

4.1.2. builds business relationships with counterparties, authorities and local communities in the areas where NOVATEK operates, with due regard for human rights protection principles;

4.1.3. identifies, analyzes and assesses the risks of potential impact of NOVATEK's operations on human rights on a regular basis, including the risks that are specific to the oil and gas industry. The risks of human rights violation are taken into account when drafting and updating NOVATEK's development strategy and evaluating new investment projects;

4.1.4. ensures regular monitoring of matters related to human rights compliance, develops and implements procedures preventing potential violations of human rights within NOVATEK;

4.1.5. develops and maintains comprehensive grievance mechanisms allowing all stakeholders to report any issues or concerns related to human rights violations without fearing victimization or retaliation;

4.1.6. reviews all reported information on human rights violations across NOVATEK's operations and the Policy violations in a timely and unbiased manner, and takes action as necessary;

4.1.7. monitors changes in universally recognized principles and standards of the international law and applicable national law related to human rights protection, and updates the Policy accordingly on a regular basis;

4.1.8. assesses the Policy implementation efficiency and improves human rights compliance standards and practices to protect victims of human rights violation as a result of NOVATEK's operations;

4.1.9. ensures regular reporting on human rights compliance as part of NOVATEK's sustainability reports.

4.2. The Policy shall be approved by the Board of Directors. Matters related to the adherence hereto shall be reviewed by the Board of Directors' Audit Committee on a regular basis and reported to the Board of Directors. The responsibility for ensuring that NOVATEK respects human rights across its operations shall rest with the Chairman of the Management Board, who may entrust the responsibility for the Policy implementation to departments and officers.

*Any issues or concerns related to human rights violation can be reported at any time to: [ethics@novatek.ru](mailto:ethics@novatek.ru). NOVATEK guarantees confidentiality and no retaliation or repression to anyone reporting such violations in good faith.*