

APPROVED BY

Resolution of NOVATEK's Board  
of Directors

Minutes No. 259 dated 10.02.2023

**OCCUPATIONAL HEALTH, INDUSTRIAL &  
FIRE SAFETY AND ENVIRONMENTAL PROTECTION POLICY  
for NOVATEK Group**

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## **1. GENERAL PROVISIONS**

1.1. This Policy is an official statement of NOVATEK's goals and commitments related to occupational health, industrial & fire safety, and environment (HSE).

1.2. The Policy is based on the scope of the IMS, as defined in the Manual for NOVATEK's Integrated Management System for Environmental Protection, Occupational Health and Safety, in accordance with applicable national laws, international standards (ISO 14001 and ISO 45001), and best international practices.

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

1.4. The Policy's provisions shall be incorporated into planning and execution of any of NOVATEK's activities.

## **2. TERMS, DEFINITIONS, ABBREVIATIONS**

2.1. **IMS** means NOVATEK's Integrated Management System for Environmental Protection, Occupational Health and Safety.

2.2. **NOVATEK** means PAO NOVATEK, its subsidiaries and affiliates, both Russian and international, comprising the group of companies, in which PAO NOVATEK is the parent company establishing the overarching development strategy.

2.3. **HSE** means occupational health, industrial & fire safety, and environment protection.

2.4. **Policy** means the Occupational Health, Industrial & Fire Safety and Environmental Protection Policy for NOVATEK Group.

2.5. **LNG** means liquefied natural gas.

## **3. HSE STRATEGY AND GOALS**

3.1. NOVATEK is the largest independent natural gas producer in Russia and a global leader in terms of total proved reserves. NOVATEK's operations involve exploration, production, transportation and processing of hydrocarbons, including LNG production, as well as sales of natural gas, including LNG, liquid hydrocarbons and their products.

3.2. Most of NOVATEK's production facilities are located in the Russian Far North.

3.3. The strategic area for NOVATEK's development is expanding its resource and production base (including the construction of new LNG facilities) while maintaining high efficiency and pursuing a responsible approach to business

conduct, which in turn will promote the development of communities that we form part of, as well as contribute to national and global sustainability goals.

3.4. In line with its development strategy, NOVATEK fully understands that its activities are a source of potential impact on the environment, staff and population of the areas affected by its industrial facilities, and sets itself the following HSE goals:

3.4.1. Save lives and protect health of NOVATEK's employees and population of the regions where the Company operates.

3.4.2. Prevent property damage as a result of accidents and fires at NOVATEK's production facilities.

3.4.3. Ensure stable and safe operations meeting the requirements of applicable national law.

3.4.4. Protect the environment, prevent its pollution and conserve biodiversity during NOVATEK's operations.

3.4.5. Ensure resilience to the risks associated with global climate change.

#### **4. HSE COMMITMENTS**

For the purposes of its HSE goals, NOVATEK commits to:

4.1. Operate NOVATEK's industrial sites in compliance with applicable national law, universally recognized principles and rules of international law, applicable international standards related to HSE.

4.2. Maintain decent and safe working conditions, implementing measures to prevent the risks of accidents and injuries for personnel, as may be appropriate based on NOVATEK's current development level and capabilities.

4.3. Ensure that NOVATEK's management, employees, emergency response departments and crews are ready to take action to contain and mitigate potential accidents, fires and other emergencies, both natural and man-made.

4.4. Implement and develop an HSE risk management system.

4.5. Prevent and mitigate any environmental impact, and use natural resources and energy in a rational manner.

4.6. Implement measures for monitoring, conservation and restoration of the environment (including reclamation works) in the regions where NOVATEK operates.

4.7. Implement the best available HSE techniques and practices.

4.8. Support research activities related to ecosystems and biodiversity, industrial & fire safety, civil defense and emergencies in the regions where NOVATEK operates.

4.9. Develop and implement initiatives aiming to maintain the ecosystem services that secure the traditional livelihood of local communities and indigenous peoples of the North in the regions where NOVATEK operates.

4.10. Continuously improve the IMS.

4.11. Safely manage waste, including increasing the share of waste utilization, neutralization and reuse.

4.12. Perform environmental impact assessment of planned business activities in compliance with the requirements of applicable national law.

4.13. Evaluate and make efforts towards reducing the products' carbon footprint using economically viable best available techniques (including low-carbon technologies), develop and implement programs for improving energy efficiency of production facilities.

4.14. Identify material components of biodiversity within assessment of projects' impact on ecosystems with subsequent development and implementation of special measures aimed at preventing or minimizing the risks of negative impact on these components.

4.15. Take part in environmental and social projects aimed at achievement of the Russian Federation national development goals and sustainable development goals in the regions where NOVATEK operates.

4.16. Take into account the risks and assess the consequences of climate change for NOVATEK's activities. Monitor GHG emissions (including monitoring methane leaks).

4.17. Work towards increasing APG utilization rate with the use of economically viable best available techniques.

4.18. Allocate financial, material, human, and other resources sufficient for implementation of the Policy.

4.19. Give right to all NOVATEK employees and counterparties to openly express their concerns regarding the risks and hazards associated with its operation activities, as well as forgo activities if they pose a threat to life and health of people or cause harm to the environment.

## **5. IMS PRINCIPLES**

The fundamental principles of IMS in NOVATEK are:

5.1. Leadership and responsibility of management for the fulfillment of the goals and obligations set out in the Policy.

5.2. Corporate culture, which has as its basis the safe behavior, and recognition of personal responsibility for the life and health of oneself, one's colleagues, local communities, condition of the environment.

5.3. Open and transparent disclosure of information on HSE performance for all stakeholders.

5.4. Consultation and participation of NOVATEK's employees and their representatives in the matters pertaining to the industrial health and safety.

5.5. NOVATEK employees training, professional enhancement and improvement of practical skills in the HSE domain in compliance with the requirements of applicable national law and specific nature of the works performed.

5.6. Choice of counterparties subject to their ability and willingness to comply with the provisions of the Policy.

5.7. Planning and implementing NOVATEK's operations taking into account reasonable diligence and risk-oriented approach.

## **6. ACCESS TO AND FOLLOW-UP OF THE POLICY PERFORMANCE**

6.1. The wording of the Policy shall be communicated to NOVATEK's employees and stakeholders by way of publishing it on NOVATEK's internal and external information resources.

6.2. The NOVATEK management shall perform periodic assessment of compliance with the Policy's requirements and achievement of its goals.