

## **POLICY**

### **NOVATEK Environmental, Industrial Safety and Occupational Health Policy**

1. NOVATEK (the "Company") fully understands that the activities of the Company and its controlled entities in relation to the production, transportation and processing of hydrocarbons pose potential danger to the environment, staff and population of the areas affected by the industrial facilities, thus sets itself the following Environmental, Health and Safety goals and objectives:

1.1. Decrease and prevent negative impact on the environment from operations and other activities, mitigate risks and prevent accidents and staff injuries wherever possible given the current level of development and the capabilities of the Company.

1.2. Comply with the applicable law requirements in environmental and occupational safety, strive to comply with the international standards and best practices in this area.

1.3. Follow the sustainable development principles, maintain reasonable combination of economic growth and environment preservation, take part in environmental and social programs and projects aiming at reaching sustainable development of the regions where the Company and its controlled entities operate.

1.4. Use natural resources and energy in a rational manner, improve energy efficiency of operational processes, take measures to cut greenhouse gas emissions, take all possible measures to preserve the climate and biodiversity, compensate for the environmental damage in full.

1.5. Keep improving and perfecting its activities (management system) in terms of environmental, industrial and occupational safety based on the results of supervision, monitoring, regular audits and periodic review of its efficiency.

1.6. Create comfortable working conditions for the employees, form the conditions aimed at decreasing the disease rate of the staff, cut the number of days of disability.

1.7. Ensure the readiness of the management bodies, employees, emergency response teams and forces of the Company and its controlled entities to take

measures aimed at containing and eliminating consequences of potential accidents, fires and emergencies.

1.8. Guarantee compliance with environmental safety norms and requirements when developing hydrocarbon fields in the Russian Federation Arctic area.

2. To achieve the objectives stated in Clause 1 hereof, the Company intends to:

2.1. prior to any operations associated with potential environmental and social impact, conduct environmental impact assessments and inform the public and other stakeholders of their results in any manner permitted by law at the Company's discretion, including, inter alia, via the mass media, public hearings and meetings, setting up community liaison offices and publishing the information at the Company's official website;

2.2. regularly monitor key environmental aspects of its operations, document and analyze the monitoring results to be able to develop adequately funded dedicated initiatives and environmental action plans aiming to:

- reduce emissions and discharges of pollutants;
- supervise waste disposal and protection of water bodies;
- ensure sustainable use of land and high-quality land remediation;

2.3. timely identify sources of danger, assess inherent operations-related risks, duly respond to environmental risks, prevent possible accidents and incidents or minimize their adverse impact;

2.4. upgrade existing process equipment and technologies to meet environmental requirements and industrial safety rules, apply the best available techniques at different operating stages, including procurement of technologies, materials and equipment;

2.5. consider risks and provide assessments of the climate change impact on operations of the Company and its controlled entities, regularly carry out cryological monitoring, develop a system of reporting on greenhouse gas emissions, apply innovative technologies to reduce greenhouse gas emissions;

2.6. provide support in carrying out scientific research and implementing innovative projects aiming to enhance energy efficiency and ensure the use of renewable energy sources;

2.7. develop the market for natural gas as environmentally safe motor fuel;

2.8. increase HSE awareness and responsibility of personnel by annually establishing and implementing the program of employees training and development with further assessment of acquired knowledge;

2.9. work jointly with suppliers and contractors providing an assessment of their ability to work on the Company's behalf and ensuring that their activities comply with the objectives set forth in this Policy;

2.10. establish programs on efficient use of resources and energy cost reduction, as well as on implementing state-of-the-art no-waste and low-waste technologies, provide for their annual analysis and correction to achieve the objectives set;

2.11. establish and implement a program of interaction with local communities and indigenous peoples of the North aimed at social support of the population residing within the area where the Company and its controlled entities operate;

2.12. from time to time perform internal audit in the Company and its controlled entities for compliance with the goals and objectives of the Policy to make sure, and assure all interested parties, that there is a process in place to manage environmental, industrial and safety and health activities;

2.13. make information on the Company's environmental, health and safety activities easily available to the public and stakeholders.

3. This Policy applies to all of the Company's structural units and controlled entities and is the basis for the planning and implementation of any activities.