



GAZPROM: 3Q 2021 IFRS RESULTS

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ESG: 3Q 2021 DEVELOPMENTS



- Gazprom finalised the first stage of elaborating its **sustainable development scenarios through 2050** which underpin **Gazprom's Climate Roadmap through 2050**. The second stage is about to be completed
- Gazprom and the Russian Government signed the Agreement of Intent **on the development of hydrogen energy and decarbonisation of the industry and transport on the basis of natural gas**



- Gazprom Gazifikatsiya was selected as **the single operator of gas infrastructure expansion to significantly fast track consumer connection** to gas supply networks
- **Three sports and health centres** were constructed in St Petersburg **under the Gazprom for Children program**



- The ESG Roadmap seeking to put into action the Sustainability Policy was adopted in 3Q 2021 and is currently at the final stage of internal approval.
- **Our ESG ratings*** have been lately updated to factor in 2020 results and reflect Gazprom's **sustainability progress**:

S&P Global

47 ▲

SUSTAINALYTICS
a Morningstar company

36.7 ▲

MSCI

BB =

CDP

B ▲

RAEX EXPERT RA EUROPE

Top 10% ▲

* S&P CSA became available on 12 November 2021.
Sustainalytics ESG Risk Rating Report was published on 22 November 2021.

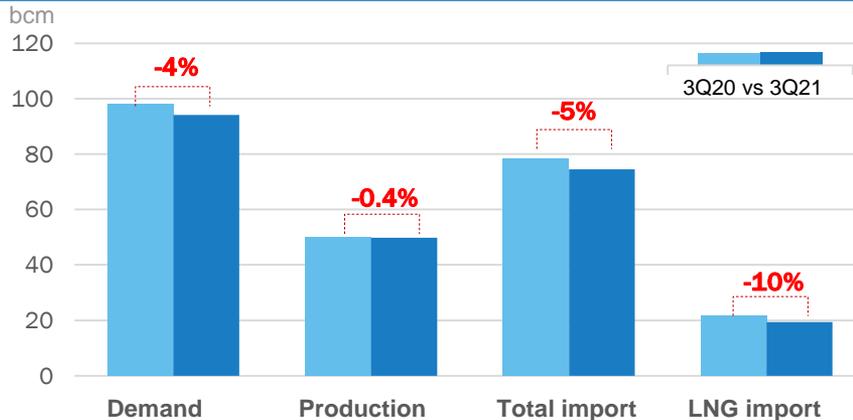
MSCI ESG Rating Report was published on 27 September 2021.

CDP Climate Change 2020 Report.
RAEX ESG Corporate Rating was published on 15 November 2021.

EUROPEAN GAS MARKET (1/2)



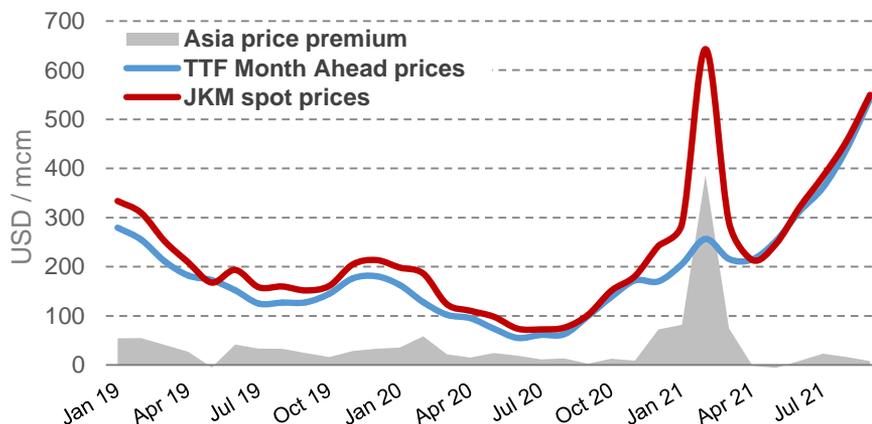
EUROPEAN¹ GAS MARKET



3Q 2021 SAW THE EUROPEAN MARKET ADAPT ...

- **Total import** to Europe moderately declined with **LNG supplies** leading the pace
- **Gas demand** in power generation slightly went down due to:
 - ✓ *temporary gas-to-coal switch on the back of elevated gas prices*
 - ✓ *weather conditions in Europe getting back to historical levels*

GAS PRICES (EUROPE vs ASIA)



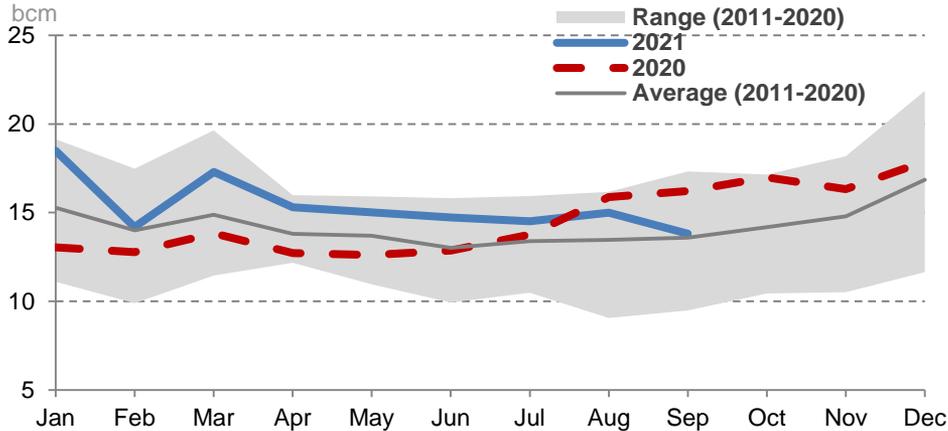
... GAS PRICES WERE AFFECTED BY GLOBAL MARKET

- **Stronger demand in Asia (+12% y-o-y in 3Q 2021)** supported LNG cargo relocation from west to east
- **Inflated freight rates** upheld LNG prices regardless the destination
- **Renewable energy supply was disrupted** in 3Q 2021

1. For the purposes of this presentation, "Europe" means EU-27 countries except Baltic states, plus Albania, Bosnia and Herzegovina, UK, North Macedonia, Norway, Serbia, Turkey, Switzerland.
Sources: Gazprom Export, Eurostat, national statistics agencies, National Grid, US Department of Energy, International Energy Agency, ENTSOG, Argus, Bloomberg, IHS Markit, S&P Platts.

EUROPEAN GAS MARKET (2/2)

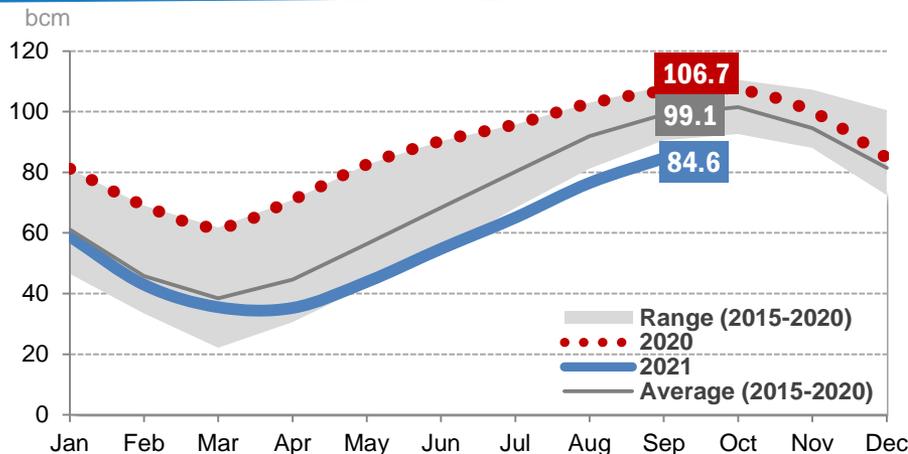
GAZPROM GAS EXPORT TO EUROPE



GAZPROM VOLUMES FOLLOWED THE OVERALL TREND

- Subdued demand from Europe caused **Gazprom export volumes for 3Q 2021 to go back to average historical levels**
- Despite that Gazprom continues to
 - ✓ *fully comply with obligations to clients*
 - ✓ *maintain its market share on the European market*

EUROPEAN UNDERGROUND GAS STORAGE CAPACITIES



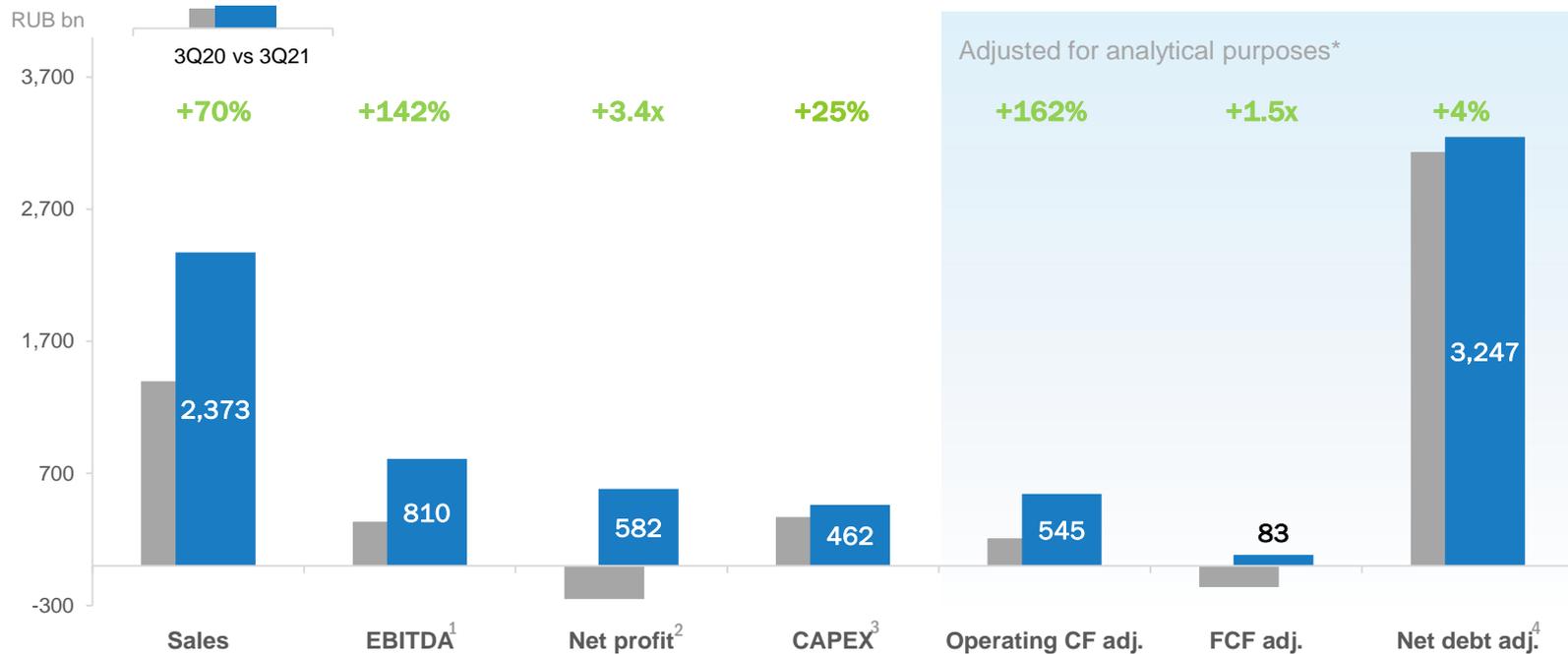
...WHILE GAS INVENTORIES WERE AT RECORD LOWS

- Lofty gas prices curtailed **the pace of EU storage restocking**
- Gazprom focused on **filling in Russian underground gas storages** depleted after the 2020/2021 winter season

RECORD-HIGH 3Q 2021 RESULTS



- ALL-TIME HIGH 3Q AND 9M RESULTS: SALES, EBITDA, NET INCOME, FCF
- 9M NET INCOME AND FCF BEATING HISTORICAL FULL YEAR RESULTS

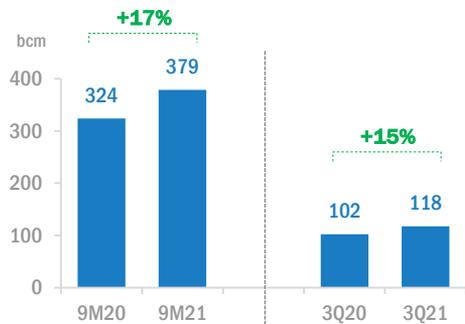


1. EBITDA adjusted for changes in impairment provisions.
 2. Profit attributable to PJSC Gazprom's shareholders for the period.
 3. Cash capital expenditures.
 4. Compared to net debt as of 30 June 2021.

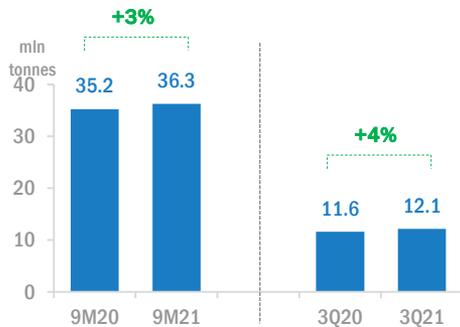
*In order to reflect the effect of the decrease in bank deposits (reported as part of other current and other non-current assets).

OPERATING METRICS

Natural gas



Crude oil



Gas condensate

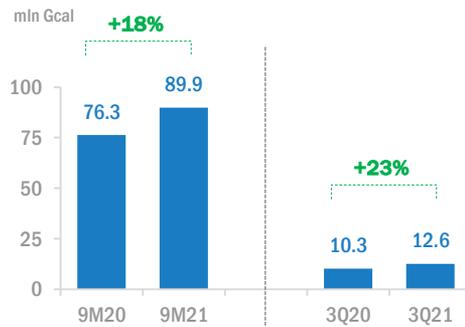


13-year maximum production volume in 9M and Q3

Electricity



Heat



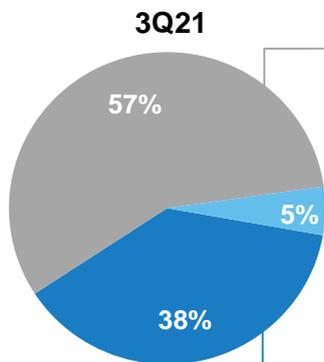
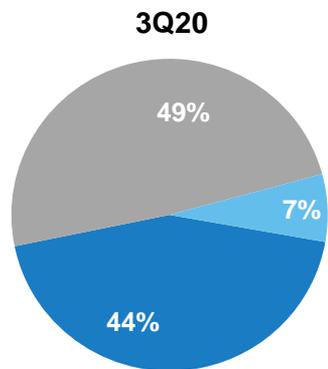
Intragroup supplies of gas to power generation business increased by 4 bcm in 9M due to much stronger electricity and heat output

Gazprom Group's production in Russia.
Calculations may differ due to rounding.

REVENUE BREAKDOWN BY BUSINESS SEGMENT



REVENUE BY SEGMENT¹



GAS BUSINESS, TRANSPORTATION AND OTHER



OIL AND GAS CONDENSATE, REFINED PRODUCTS



ELECTRICITY AND HEAT



Calculations may differ due to rounding.

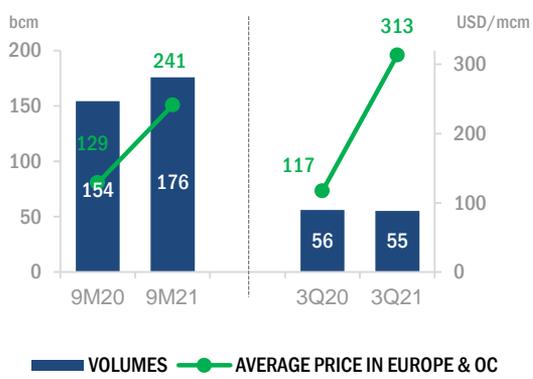
¹ Net of value-added tax (VAT), excise tax and custom duties.

GAS BUSINESS

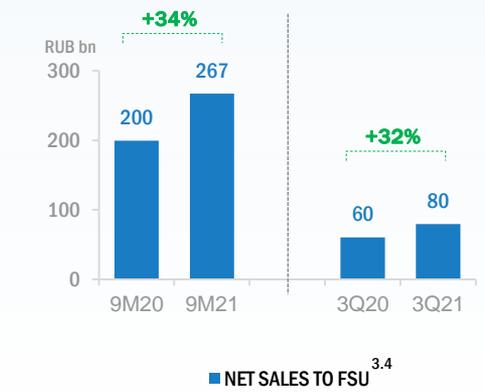
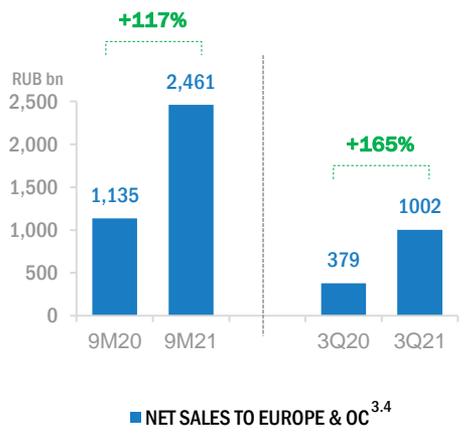
RUSSIA



EUROPE & OC²

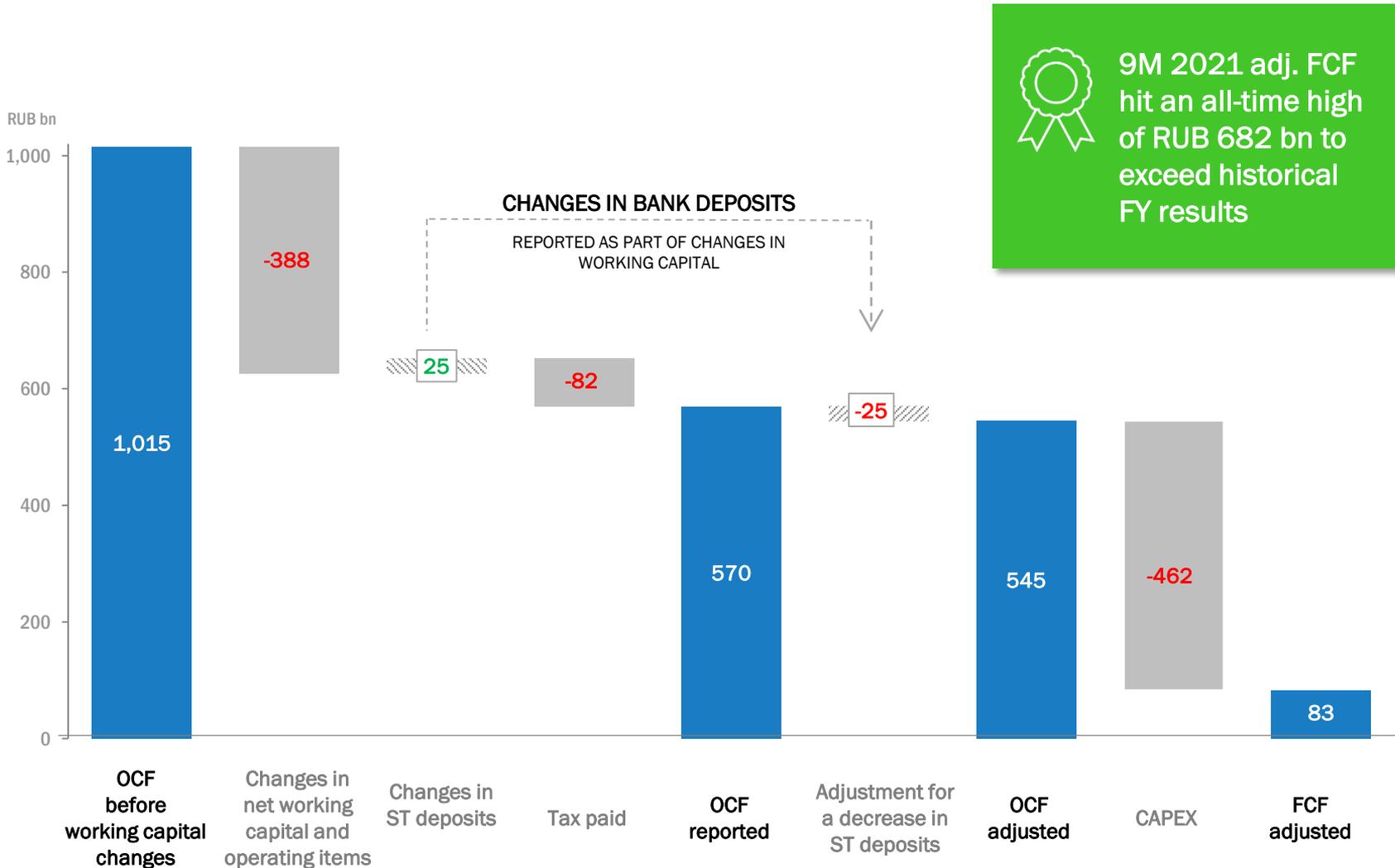


FSU



Calculations may differ due to rounding.
 1 Net of value-added tax (VAT).
 2 OC means other countries, including LNG sales.
 3 VAT is not charged on export sales.
 4 Net of custom duties and excise tax on gas exports.

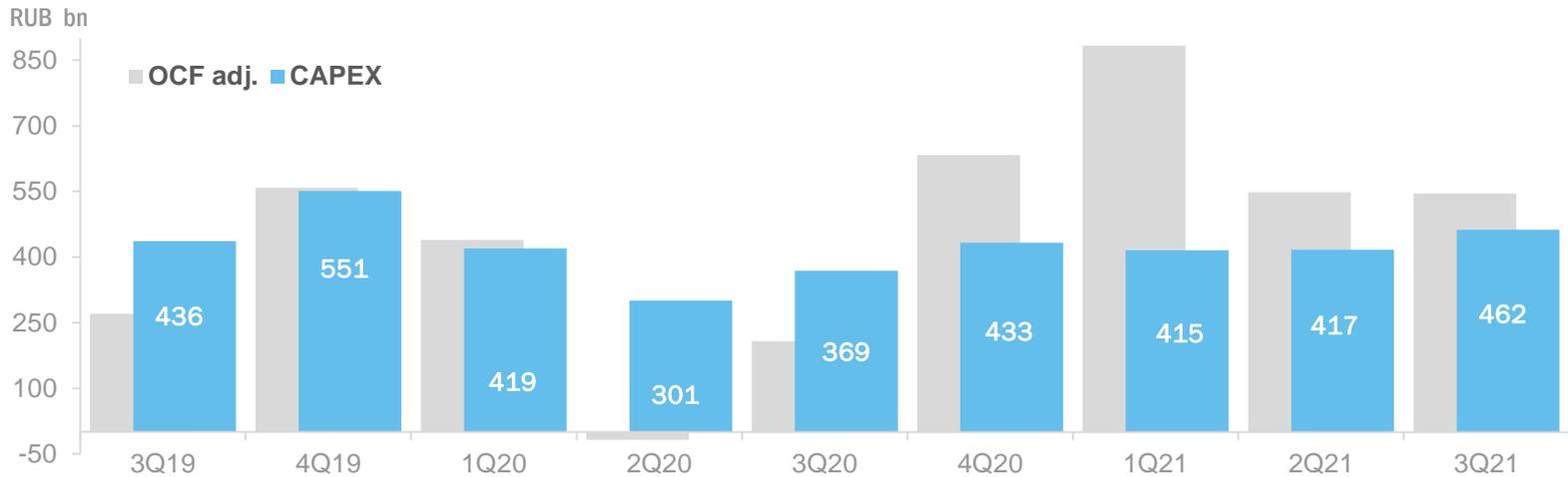
3Q 2021 ADJUSTED FREE CASH FLOW



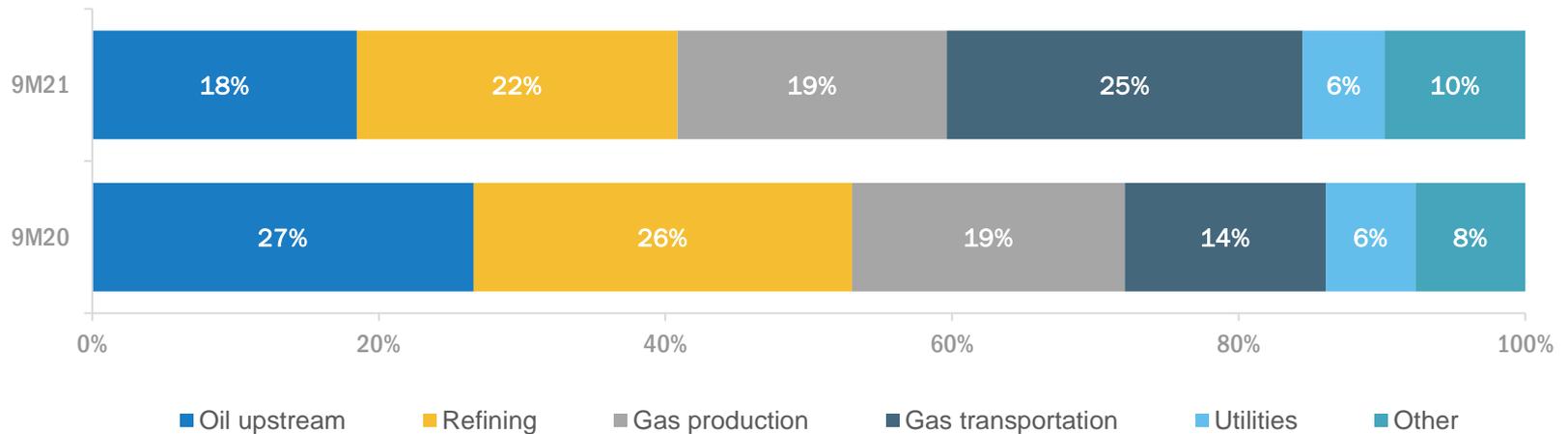
 9M 2021 adj. FCF hit an all-time high of RUB 682 bn to exceed historical FY results

CAPITAL EXPENDITURES

CASH CAPITAL EXPENDITURES VS CASH FLOWS FORM OPERATIONS

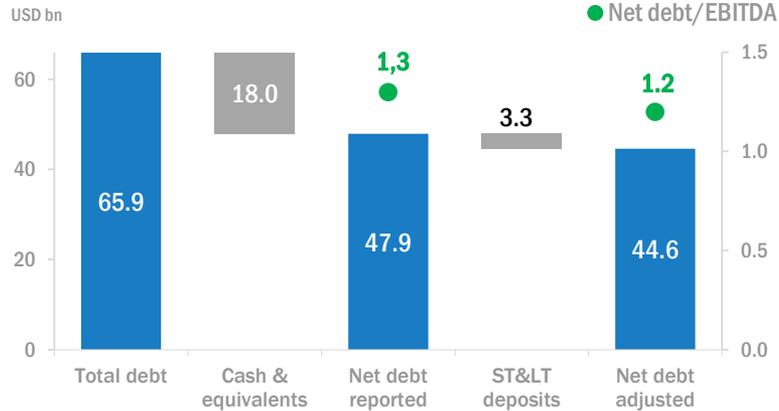


CAPITAL EXPENDITURES

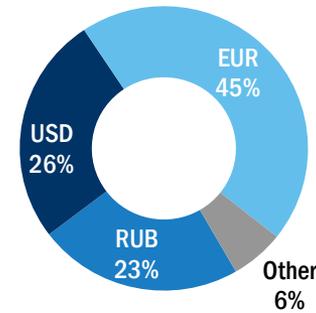


KEY DEBT METRICS

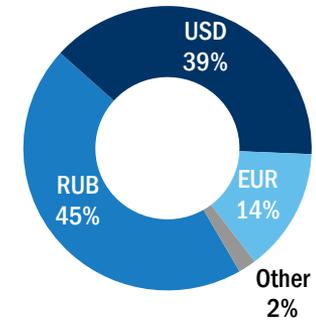
NET DEBT IN 3Q 2021¹



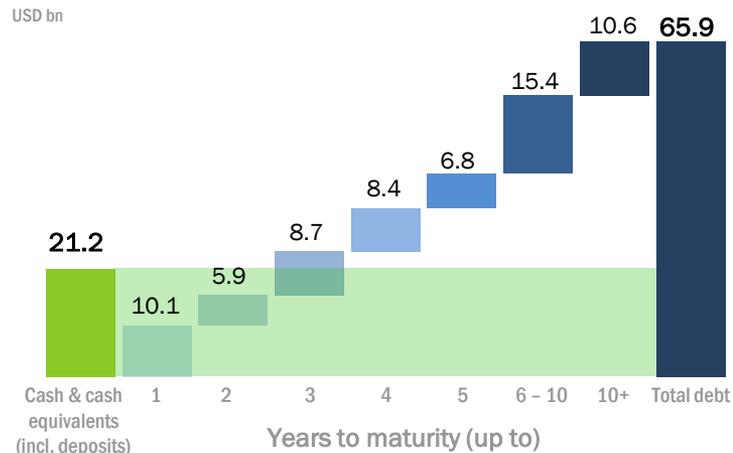
TOTAL DEBT



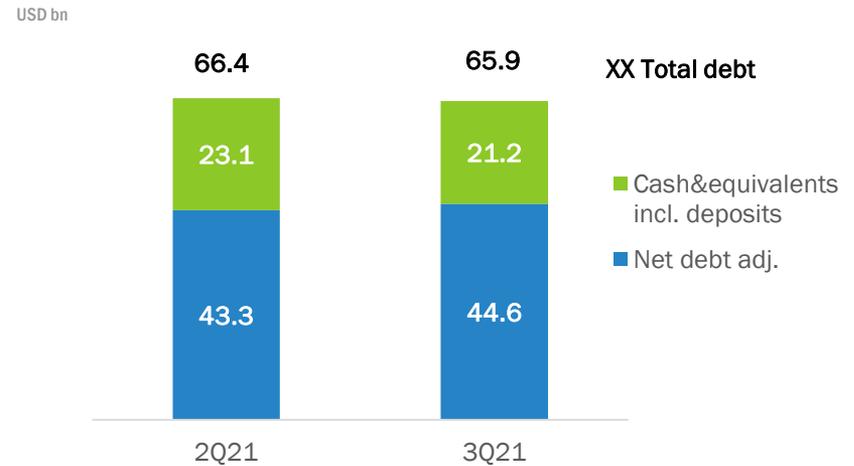
CASH & CASH EQUIVALENTS (INCL. DEPOSITS)



DEBT MATURITY PROFILE AS OF 3Q 2021



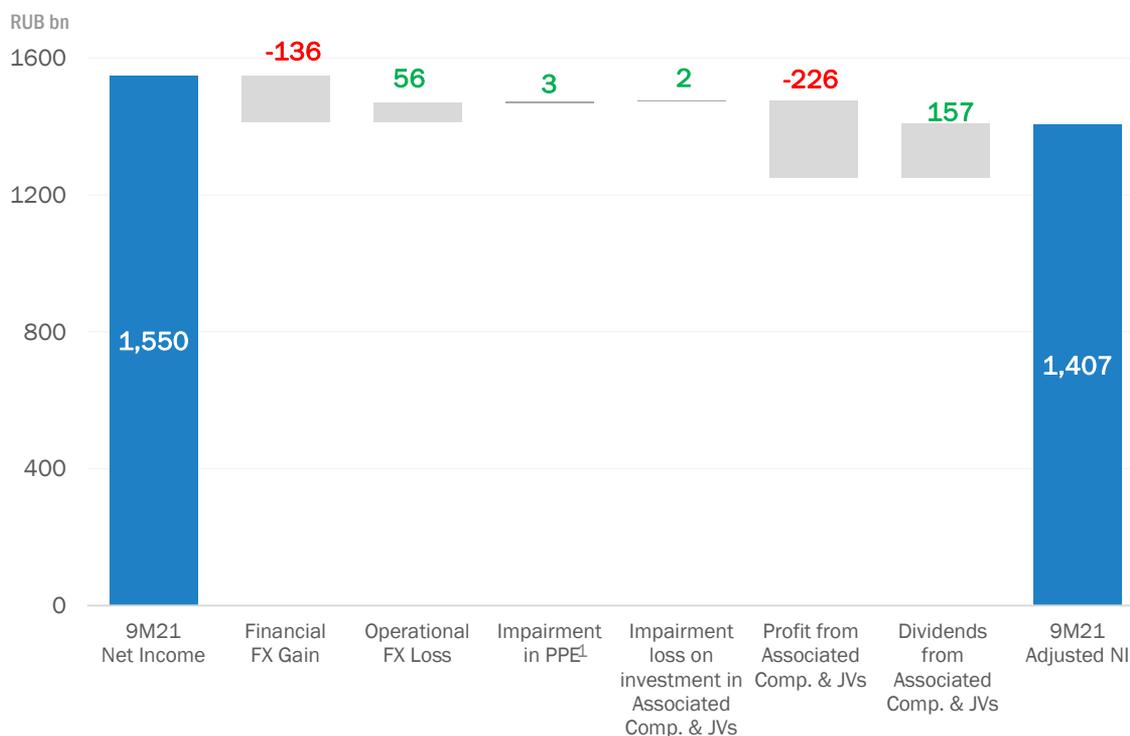
NET DEBT and CASH CUSHION



¹ Net debt adjusted for bank deposits reported as part of other current assets and other non-current assets (for details see slide 19). Based on calculations in USD.

DIVIDEND PAYMENT AS PER THE APPROVED POLICY IS GAZPROM'S PRIORITY

9M 2021 ADJUSTED NET INCOME (DIVIDEND BASE)



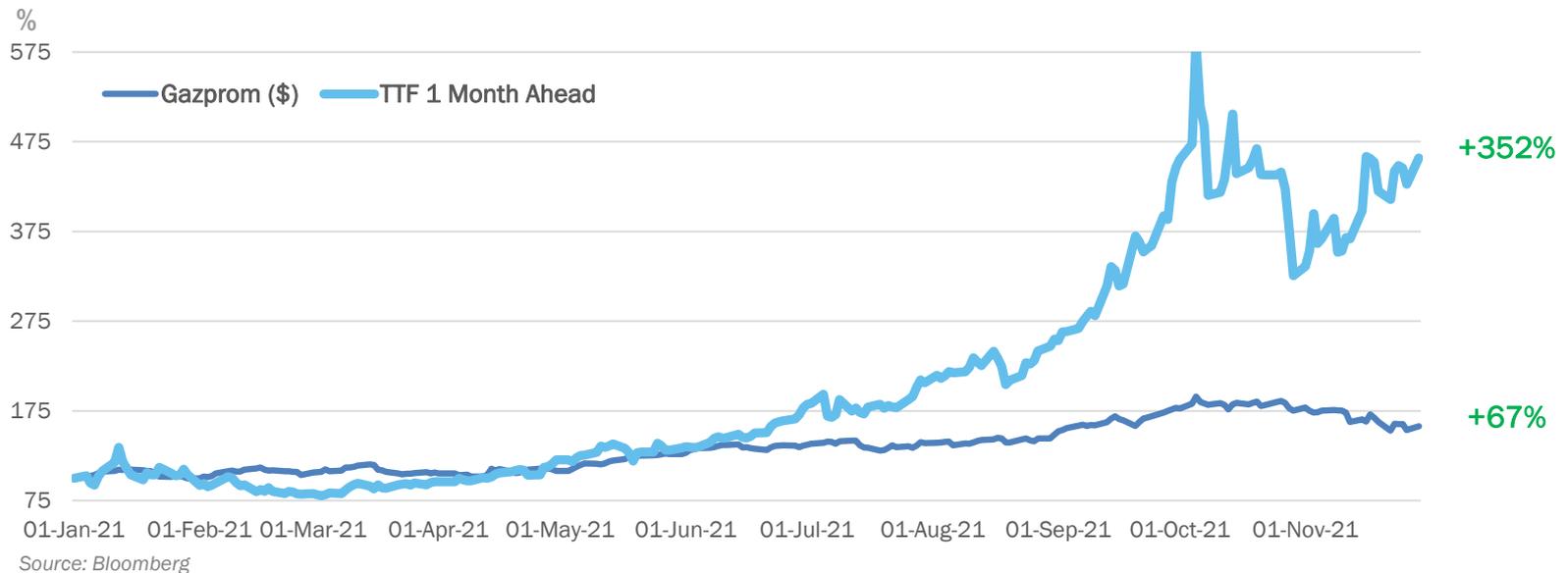
- Payout ratio – **not less than 50%** of adjusted net income for 2021 and beyond
- **Free cash flow** to fully cover dividend payment
- 50% of 9M 2021 adjusted net income per share = **RUB 29.71** (above DPS for 2020 and 2019 combined)

¹ Impairment loss on property, plant and equipment and assets under construction.

GAZPROM MARKET CAPITALISATION

- In 4Q, the European gas market settled on **substantially higher price levels** which will boost our future financial performance
- Gazprom showed **record high results in 9M 2021**, with 4Q to be even stronger
- Our excellent financial performance is to be reflected in **2021 historically high DPS**
- **Gazprom reduced exposure to gas market volatility** thanks to its contract portfolio structure and lags in price realisation backing 2022 financial results

GAS PRICES VS GAZPROM SHARE PRICE



- 9M dividend yield (9%¹) has already outperformed the 5-year average FY dividend yield for Gazprom, with **4Q results to be much stronger** than 3Q or any other quarter in our history
- Expected dividend growth and **double-digit implied dividend yield** are not yet fully priced in Gazprom's shares

¹ As of 29 November.



ADDITIONAL INFORMATION

GAZPROM INVESTMENT CASE



 Growth of shareholder value

 Higher dividend
 Focus on sustainable development

 Fundamental competitive advantages
 Positive FCF
 Robust financial position

GREAT UPSIDE POTENTIAL

for shareholder value

MARKET ENVIRONMENT



EUROPEAN GAS MARKET CONTINUED ITS GRADUAL REBOUND IN 3Q 2021...

	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
Gas demand	97.6	163.5	181.6	96.6	97.9	167.0	196.5	119.5	94.2
<i>y/y change, %</i>			-3.9%	-12.3%	0.3%	2.1%	8.2%	23.8%	-3.8%
Gas production	51.8	60.7	60.3	53.2	50.0	55.8	55.2	47.4	49.8
<i>y/y change, %</i>			-7.3%	-9.7%	-3.5%	-8.0%	-8.5%	-10.9%	-0.4%
Total gas import	82.5	101.0	86.1	76.7	78.6	90.6	93.8	89.6	74.5
<i>y/y change, %</i>			-4.3%	-12.0%	-4.8%	-10.3%	9.0%	16.7%	-5.2%
LNG import	24.2	33.0	36.3	31.3	21.6	23.8	27.2	29.5	19.4
<i>y/y change, %</i>			27.9%	5.5%	-10.8%	-27.8%	-25.0%	-5.9%	-10.1%
Gas inventories	105.4	96.7	61.8	90.3	106.7	84.7	35.5	54.8	84.6
<i>y/y change, %</i>			39.1%	12.8%	1.2%	-12.4%	-42.5%	-39.3%	-20.6%
Brent price	61.9	63.3	50.1	29.6	42.9	44.3	61.1	69.1	73.2
<i>y/y change, %</i>			-20.7%	-57.1%	-30.7%	-29.9%	22.0%	133.4%	69%
Average TTF 1-month ahead	125.0	167.4	130.4	74.4	75.0	161.7	223.2	257.3	501.3
<i>y/y change, %</i>			-47.4%	-55.9%	-40.0%	-3.4%	71.2%	245.8%	490%

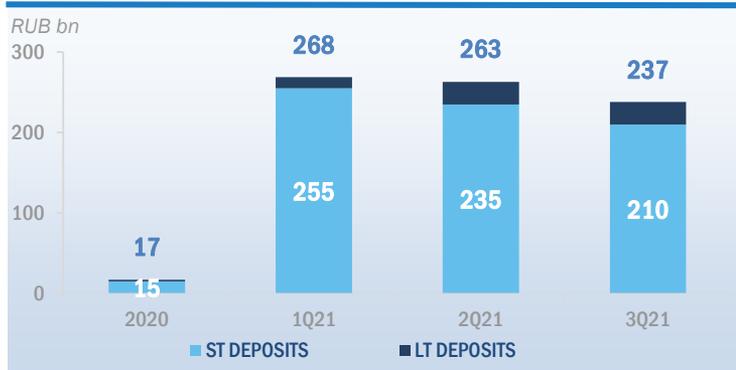
...WHILE LNG SUPPLIES TO EUROPE STILL LAG BEHIND THE DEMAND

	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
US LNG import to Europe	2.7	7.9	11.4	6.0	2.4	6.1	7.5	7.8	4.3
<i>y/y change, %</i>			181.9%	65.9%	-13.7%	-23.1%	-34.5%	31.2%	83.5%
Liquefaction capacity utilisation in US	67.5%	79.6%	89.0%	62.6%	35.6%	76.7%	86.2%	86.1%	85.2%
<i>y/y change, %</i>			11.4%	-18.9%	-47.2%	-3.7%	-3.1%	37.4%	139.2%
Oil production in US	12.2	12.7	13.0	11.6	10.7	10.8	10.8	10.8	11.1
<i>y/y change, %</i>			8.3%	-4.9%	-12.3%	-15.1%	-17.1%	-6.9%	2.7%
Henry Hub gas price	2.4	2.4	1.9	1.7	2.0	2.5	3.4	2.9	4.3
<i>y/y change, %</i>			-34.6%	-33.6%	-16.5%	2.5%	76.6%	70.6%	118%

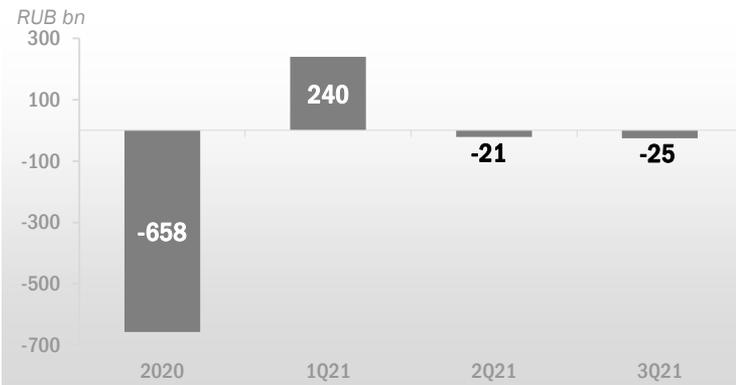
Sources: Bloomberg, Eurostat, US Department of Energy, IEA, national statistics agencies, ENTSOG, IHS, S&P Platts.

IMPACT OF BANK DEPOSITS¹

ST & LT BANK DEPOSITS



ST BANK DEPOSIT CHANGES (PART OF OPERATING CF)



BANK DEPOSITS: IMPACT ON NET DEBT

- Bank deposits with a term of 3+ months are not included in cash and cash equivalents in the balance sheet
- An early withdrawal clause allows net debt and net debt/EBITDA to be adjusted for ST and LT deposits for analytical purposes

CHANGES IN ST DEPOSITS: IMPACT ON CASH FLOWS

- Changes in working capital (part of operating cash flow) include changes in ST bank deposits
- Operating cash flow and free cash flow need to be adjusted for changes in ST bank deposits for analytical purposes

LT AND ST BANK DEPOSITS IMPROVE THE EFFICIENCY OF LIQUIDITY MANAGEMENT

¹ Reported as part of other current assets and other non-current assets.
Source: Gazprom 3Q 2021 IFRS report, note 13.

THANK YOU!