

CODE OF CONDUCT FOR SUPPLIERS (CONTRACTORS, SERVICES PROVIDERS) OF GAZPROM AND GAZPROM GROUP COMPANIES

1. General provisions

1.1. Taking into account the important role of suppliers (contractors, services providers) engaged by Gazprom and the Gazprom Group Companies during the implementation of their goals, targets and various lines of activities, as well as for the purpose of increasing the credibility of such suppliers (contractors, services providers), the present Code outlines the general principles of conduct to be observed by said suppliers (contractors, services providers) in the course of supplies of goods (performance of works, provision of services) for the needs of the Gazprom Group under the contracts concluded with them.

1.2. The Code is publicly available from the official website of Gazprom.

It can also be made available on the official websites of the Gazprom Group Companies.

1.3. The provisions of this Code are advisory for suppliers (contractors, services providers) who are legal entities or individuals, including individual entrepreneurs (hereinafter collectively referred to as the “Contractors”).

1.4. The norms set out in this Code are based on the general principles of the civil law, including the recognition of the equality of the parties involved in business activities, the inviolability of property, the freedom of contract, the inadmissibility of arbitrary interference in private matters, the necessity to freely exercise the civil rights, the guarantee of restoring violated civil rights and the judicial protection of civil rights, as well as on the principles of reasonableness and good faith of the Contractors, regardless of whether they use the provisions of the Code or not. The purpose of the norms set out in this Code is to develop the interaction between Gazprom, the Gazprom Group Companies and the Contractors on the basis of fair, business and mutually beneficial cooperation and equal partnership, as well as to foster a customer-oriented approach among the Contractors.

2. Terms and definitions

2.1. Gazprom Group – PJSC Gazprom and the Gazprom Group Companies.

2.2. Gazprom Group Companies – for the purposes of this Code, the following companies and entities are deemed to be the Gazprom Group Companies:

- subsidiaries of PJSC Gazprom;
- branch companies of PJSC Gazprom’s subsidiaries;
- companies and entities with over 50 per cent of shares (stakes) in their share capital held, either directly or indirectly, jointly by PJSC Gazprom and its subsidiaries and/or branch companies of PJSC Gazprom’s subsidiaries;
- non-subsidiary companies and entities the financial statements of which are included in the consolidated financial statements of PJSC Gazprom under International Financial Reporting Standards (IFRS).

2.3. Contractor’s Conduct – the conduct in the course of professional business activities which is based on the system of principles recommended in this Code to be used as a guideline during contract performance.

3. Principles of conduct for contractors

When performing their activities, the Contractors shall adhere to the following principles:

- compliance of professional activities with the requirements of the applicable legislation, technical rules and regulations, standards, and contractual obligations;

- openness to interaction and cooperation based on equal partnership and respect of mutual interests, as well as flexible approach with regard to economic activities;
- making contribution to the social and economic development of the Russian Federation;
- social justice in relationships with employees;
- socially responsible policies in the regions of operation implemented with respect for the cultural heritage and traditions;
- participation in the development of infrastructure in the regions of operation;
- improvement of technological and human capital.

4. Main provisions for contractors' conduct

4.1. In the matters pertaining to labor relations, working conditions and occupational safety, the Contractors are to ensure compliance with the current legislation, inter alia:

- ensure that no forced labor and discrimination are allowed at work, including discrimination on the basis of race, gender, color, nationality, religion, age, membership in trade unions, and other criteria not connected with the professional aptitude of their employees;
- pay just wages and provide social support measures to their employees;
- implement activities to improve working conditions and occupational safety, prevent workplace injuries and occupational diseases, provide occupational safety training to their employees, including training on safe working methods and techniques;
- provide safe working conditions and occupational safety, establish an occupational safety management system and maintain its functioning;
- ensure the compliance of workplaces with the occupational safety requirements; ensure safety of employees during the operation of buildings, structures and equipment, as well as in the course of technological processes and during the operation of any tools, feedstock and materials applied in the production process;
- guarantee the right of their employees to exercise freedom of association for the protection of their interests, including the freedom to form and/or join a trade union, to bargain collectively and to enter into collective agreements.

4.2. In the matters pertaining to industrial safety, fire safety and environmental protection, the Contractors are to ensure compliance with the current legislation, inter alia:

- ensure the safety of production processes and the safe use of best practices in industrial safety, fire safety and environmental protection, including with regard to the following:
 - compliance with the requirements to safe conduct of work and industrial safety requirements applicable to the operation of hazardous production facilities; development of measures aimed at enhancing industrial safety (prevention of emergencies, incidents and accidents at hazardous production facilities);
 - industrial safety training and certification of employees; training of employees on how to act in the event of an emergency or incident at a hazardous production facility;
 - compliance with fire safety requirements, including the development and implementation of fire safety measures, training of employees on fire safety measures, and maintenance of good working order of the fire protection system and fire protection equipment;
 - performance of the obligations to minimize the adverse environmental impact occurring in the course of business activities;
 - compliance with the rules for the production, storage, transportation, use, and disposal of radioactive substances, nuclear materials, and chemicals;
 - implementation of activities aimed at improving energy efficiency.

4.3. In the matters pertaining to quality and safety assurance for goods (works, services), the Contractors are to perform the requirements stipulated by the current legislation of the Russian Federation with regard to the safety and quality of the goods supplied (works performed, services provided), and, inter alia, are to ensure disclosure of the information about the composition and characteristics of the goods supplied (certificates and other documents).

4.4. In the matters pertaining to anti-corruption and prevention of conflicts of interests, the Contractors are to:

– comply with the requirements of the current legislation of the Russian Federation, generally accepted principles and norms of international law, international instruments ratified by the Russian Federation, and anti-corruption standards adopted at Gazprom;

– eliminate the conditions under which corruption offenses¹ can be committed by employees of the parties to a contract, as well as take measures to prevent conflicts of interests and timely settle such conflicts when they arise;

– timely inform representatives of the Gazprom Group (including via the Hotline for fighting fraud, corruption, and embezzlement at the Gazprom Group²) about the conditions that foster the occurrence of corruption offenses among employees of the parties to a contract, about the occurrence of a conflict of interests, as well as about any corruption offenses committed.

5. Compliance with basic principles outlined in code of corporate ethics of Gazprom

5.1. The Code of Corporate Ethics of Gazprom³ is in place at the Company. The document defines Gazprom's corporate values, as well as the main rules of business conduct based thereon and adopted at Gazprom. The provisions of the Code of Corporate Ethics of Gazprom served as the basis for the development of codes of corporate ethics for the Gazprom Group Companies.

5.2. Relying on common practice, the Gazprom Group proceeds from the conception that the same principles of business conduct and corporate ethics have been elaborated by the Contractors and adopted by them.

¹ Corruption offenses are herein understood as the activities listed in Federal Law of the Russian Federation No. 273-FZ on Combating Corruption dated October 25, 2008, the criminal and administrative law, as well as other statutes of the Russian Federation, with due consideration of the guidelines and clarifications in the field of anti-corruption issued by the legislative, judicial and executive authorities of the Russian Federation.

² Regulation on the Hotline for fighting fraud, corruption, and embezzlement at the Gazprom Group approved by Gazprom's Order No. 423 dated September 4, 2014. The contact data are publicly available from the official website of Gazprom at <https://www.gazprom.com/contacts/>.

³ Approved by Resolution of the Gazprom Board of Directors No. 2309 dated February 25, 2014 (as subsequently amended) and is publicly available from the official website of Gazprom at <https://www.gazprom.com/investors/documents/>.