

APPROVED
by Resolution of the Board of Directors
of OAO Gazprom
No. 2038 dated 30 July 2012

**CODE
OF CORPORATE ETHICS
OAO GAZPROM**

PREAMBLE

The Code of Corporate Ethics (hereinafter – “the Code”) of OAO Gazprom (hereinafter – “the Company”) sets out the corporate values of the Company and defines the key guidelines of business conduct based on them and adopted by the Company.

The Code incorporates the generally accepted norms of corporate and business conduct and best Russian and foreign practices of corporate governance.

The Code applies to the Company employees. The Code provisions are basic to the legal entities controlled by the Company, such legal entities herein being the ones in respect of which the Company (directly or indirectly, independently or jointly with its affiliated bodies) may determine their actions (resolutions) including by virtue of the majority equity interest or otherwise.

On the basis of this Code, without changing it but at liberty to complement it, the Company-controlled legal entities elaborate and approve their own Codes of Corporate Ethics to be applied to their respective employees. Until the elaboration and approval by such legal entities of their own Codes of Corporate Ethics, their employees shall be covered by the provisions of this Code. In this case, the term “Company” herein shall also incorporate the relevant legal entities.

The Company’s recommendation to the management of the legal entities in which the Company’s interest does not allow for any direct or indirect control, is that provisions similar to the ones in the Code be adopted.

The Code, to the extent it complies with the essence of the outstanding obligations, is advisory in nature for physical persons employed by the Company under civil contracts as well as for contractors and consultants acting as agents executing orders or representing the Company before third parties if they act on behalf of the Company.

In the event that certain provisions of this Code come in conflict with the valid legislation, the latter shall apply. Where certain provisions of this Code come in conflict with the traditions, customs or anyone’s ideas of the appropriate rules of conduct, the former shall apply.

Each Company employee is expected to:

be guided by the provisions of this Code and the rules of conduct relevant to their work;

in case of any questions on the rules of conduct, apply for clarifications to their immediate superior or the Corporate Ethics Committee;

timely report all cases of being induced to commit actions in breach of this Code;

observe other rules of conduct and restrictions spelled out in this Code.

The Company management are expected to:

sign a commitment to uphold the provisions of this Code (Annex hereto) and annually support the same in a duly manner;

be an example of ethical conduct;

educate subordinate staff in order to implement this Code and prevent any violation of the rules of conduct set out therein;

take account of the staff commitment to the rules of conduct set out in the Code when assessing, incentivizing or promoting staff.

1. MISSION AND CORPORATE VALUES

OAO Gazprom is one of the world's largest energy companies. OAO Gazprom conducts its business as a vertically integrated company. The main lines of its business are geological exploration, production, transportation and sale of hydrocarbons as well as generation and sale of electrical and thermal power.

The Company sees its mission in the reliable, efficient and balanced provision of consumers with natural gas, other types of energy resources and refined products.

The Company's strategic objective is establishing OAO Gazprom as a leader among the global energy companies by entering new markets, diversifying its activities and ensuring a reliable supply.

The corporate strategy is founded on the following principles:

raising efficiency at all levels of the production chain, from production to sale of natural gas, crude oil and refined products;

enhancing and diversifying business on account of projects ensuring generation of high added value products;

improving policy on sustainable nature management, environmental protection and energy efficiency;

respecting the interests of all the Company shareholders;

refining corporate governance, ensuring transparent financial and business activities;

personal accountability of the management for the passed managerial decisions.

The Company's values are:

Professionalism – thorough knowledge, timely and quality execution of tasks, ongoing improvement of professional knowledge and skills;

Initiative approach – activity and independence of employees in workflow optimization;

Thriftiness – responsible and careful approach to the use of the Company's assets, to one's own work time and that of other employees;

Mutual respect – team spirit in work, trust, goodwill and cooperation in solving the tasks in hand;

Openness for dialogue – open and fair exchange of information, willingness to collaborate in working out of optimal solutions;

Continuity – respect for the work and experience of older generations, communication of beginners with labour veterans, apprenticeship and mentoring;

Image – utilization of methods and strategies aimed at creating a positive opinion of the Company.

2. RELATIONSHIP WITH EMPLOYEES, WORK SAFETY

The relationship between the Company and its employees is based on trust and mutual understanding.

The Company strives for transparency and openness in human resources management, constantly working to improve the management methods thus providing its employees with favourable working conditions, opportunities for professional growth and realizing their full potential. While working towards that goal, the Company keeps the employees' personal data strictly confidential.

The staff remuneration system is aimed at attracting, motivating and retaining the employees whose qualifications and achievements ensure that the Company's strategic plans are implemented.

The Company is pursuing, with respect to its employees, a social policy that aims to raise the prestige of working in the Company and guarantees that the employees have comfortable and safe working conditions.

The Company provides young professionals with an environment conducive to the fastest possible adjustment to the new team, realization of their full potential and efficient work.

The Company is working to create a human reserve, a specially formed and trained group of employees combining a high level of managerial professional competencies and professional skills, meeting the corporate requirements and intended for promotion to senior management positions.

The Company is striving to create safe working conditions by observing the applicable laws and technical standards. The Company is developing and introducing its own standards in work safety that contains high safety-related requirements.

Each of the Company's employees is responsible for compliance with safety requirements and technical standards.

The Company employees are protected from any form of discrimination as it is defined by the applicable laws of the Russian Federation and the norms of international law. When implementing the human resources policy, the wage policy, the social welfare policy, any preferential treatment according to nationality, gender, age etc. is prohibited.

Any employee of the Company who feels that he/she is not fully protected from discrimination may address the issue to the Corporate Ethics Committee.

The Company values in its employees:

competence -

deep and comprehensive knowledge of one's field of work;
 high professional level of qualifications;
 ability to build a working relationship with partners and colleagues,
 other related skills and knowledge of other related professional areas;

initiative -

ability to propose new approaches and ideas;
 ambition for self-improvement;
 ability and willingness to work independently to improve one's professional skills;
 creative approach to work;
 proactive and independent thinking;
 willingness and ability to take responsibility;

personal qualities -

honesty, integrity, sincerity;
 friendly attitude to colleagues;
 high level of inner culture and self-discipline;
 understanding of the specifics of working in the Company and ability to keep
 information confidential;

corporate conduct -

commitment and loyalty to the Company;
 contribution to the team spirit;
 willingness to give support and help.

3. PROTECTION OF THE ENVIRONMENT

The Company is implementing large-scale upstream and gas transportation projects in areas with highly vulnerable eco-systems that require profound care. The Company is aware of the extent of responsibility to the existing and future generations for the environmental impact of the operations conducted by the Company and other legal entities controlled by it.

In its work, the Company holds to the principle of dynamic economic growth while maintaining sustainable nature management and conserving the favorable environment for future generations.

The Company is in compliance with the national and international environmental laws, standards and requirements applicable to its operations and products. The Company's policy also aims at most prudent use of power, water, land and other natural resources during the production cycle, due production waste management, prudent and restricted use of hazardous materials and technologies.

The Company aims to:

- guarantee compliance with all the rules and regulations imposed by the laws of the Russian Federation and international laws with respect to the environment;
- ensure prudent use of natural resources;
- use every effort to preserve the climate, biological diversity and to prevent any possible damage to the environment;
- ensure energy efficiency, minimize negative impact on the natural environment;
- take account of the interests and rights of indigenous peoples to follow their traditional lifestyle and preserve their primordial living environment;
- continuously improve the professional and environment-related knowledge of the Company's employees;
- provide general access to the environmental information related to the Company's operations.

4. CONFLICT OF INTEREST

A conflict of interest is a situation when personal interests of an employee influence or may influence objective and impartial performance of their job responsibilities and when a conflict arises or may arise between the personal interests of an employee and the Company's lawful interests where such conflict may prejudice the Company's interests.

Existence of a conflict of interest (or a seeming existence of such conflict) is a threat to the Company's reputation among its employees and other persons (including shareholders, counterparties, the government and its agencies, trade unions and professional associations and securities market participants).

The Company's employees should avoid any situations where a conflict of interest may arise.

In the event of any conflict of interest, the employees should inform their immediate superior of such conflict and in cases listed in Article 14 of this Code, the body authorized to handle ethics-related issues – the Corporate Ethics Committee of the Company.

No conflict of interest will be created by an interested-party transaction if such transaction was duly approved by the Company's management bodies (the General Shareholders' Meeting, the Board of Directors) as an interested-party transaction pursuant to the laws of the Russian Federation.

In any conflict of interest of an employee and the Company, if it is impossible to resolve such conflict of interest, the Company's interests shall prevail.

In Articles 5-8, 10 of this Code, you will find examples of situations which may lead to a conflict of interest. The list of such situations is not exhaustive, employees should as well assess other situations for possible conflict of interest.

5. RELATIVES WORKING TOGETHER

Relatives working together under direct or indirect subordination may create the following problems.

Decisions made by relatives-superiors with respect to their relatives-subordinates may be nonobjective or may be viewed as such by other employees and/or third parties, including shareholders, counterparties, the government and its agencies, trade unions and professional associations and securities market participants. A similar situation may occur when relatives participate in the same business process if a decision made by one relative-employee affects performance of the job responsibilities by another relative-employee.

Relatives working in positions of the Company's executives are a burden on the Company's reputation, it gives reasons to doubt the objectivity of staff assessment and promotion in the Company.

The Company restricts the instances of relatives working together.

The Company welcomes labour dynasties but their members are not granted any additional rights or opportunities.

A labour dynasty means professional continuity in the families of employees of working specialties (where none of the Company's employees is an executive, professional or member of administrative staff) whereby professional skills are passed on from the older to the younger generation.

Nepotism-based protectionism is prohibited.

The Company will not allow situations with a relative-executive being an immediate superior of a relative-subordinate.

Relatives are allowed to work together in the Company subject to a decision of the body authorized to handle ethics-related issues – the Corporate Ethics Committee of the Company (Article 15).

The above requirements do not apply to labour dynasties.

Non-observance of the above requirements shall be deemed a violation by each of the above relative-employees.

6. GIFTS

A gift is any valuable thing in tangible or intangible form for which it is not necessary to pay the usual price, including money, securities or any other property, benefits or property-related services (works, services, payment for entertainment, recreation, transportation costs, loans, discounts, provision of property for use, including housing, charitable donations etc.) received in connection with work in the Company.

A gift received by an employee may be negatively viewed by other employees or other persons (including shareholders, counterparties, the government and its agencies, trade unions and professional associations and securities market participants) even if such gift was presented and accepted reasonably and in good faith.

Any gifts to family members, relatives or other connected people of any employee shall be, for the purposes of this Code, viewed as gifts to the employee.

The Company restricts the ability to accept gifts.

Employees of the Company may not accept any gifts from any third parties if such gifts are:

- given for performing any actions (omission) connected with working in the Company;

- worth over RUB 3,000;

- in cash or cash equivalents;

- given in the absence of any clear generally acceptable reason for such.

The restrictions on accepting gifts imposed by this Code do not apply to the relationship between the employee and the gift giver based on evident family relationships (gifts from parents, children, spouses) or other close relationships of a personal nature that exist regardless of employment with the Company or when such gifts are corporate souvenir products: pens, notepads, daily planners etc.

Any unauthorized gifts should be declined. If the usual business practice does not allow declining a gift, such gift should be accepted and the question of its further handling should be referred to the Corporate Ethics Committee.

When in doubt about the appropriateness of a gift or any other issues related to dealing with gifts, an employee should seek clarification as provided by Article 15 hereof.

7. USE OF ASSETS AND RESOURCES OF THE COMPANY. HANDLING OF INFORMATION

The Company's assets and resources, for the purposes of this Code, include:

- any moveable or immovable property, including cash and securities;
- intellectual property;
- working time of employees (human resources).

Assets and resources of the Company are its property and the basis for achieving the strategic objectives and increasing the capitalization.

Each Company employee shall use the Company's resources available to him/her with maximum efficiency and for work-related purposes only. Each employee shall treat the Company's resources at his/her disposal with care.

The Company's assets may not be used for any personal purposes, except the limited use of:

the Internet, telecommunications, office equipment provided that the total use of such assets does not exceed one hour per day and does not result in any reduction of the working time;

other assets of the Company, when expressly allowed by the Company's internal documents.

Employees may not conduct any entrepreneurial or other commercial activities (including participation in the equity or management of legal entities) which become accessible due to their position in the Company, including use of business connections and capabilities of the Company.

This restriction does not apply to the circumstances when such activities or participation is directly assigned to an employee by the Company in due order, i.e. it is performed as part of the professional responsibilities of the employee with the Company.

In order to ensure maximum engagement in the workflow, the Company employees may not use mobile phones, personal computers or other mobile telecommunication or computer equipment during any meetings, conferences, negotiations and other operating activities at OAO Gazprom unless such use is directly connected with the objectives of such activities or there are other instructions from one's immediate superior.

The Company employees should observe the rules established by the applicable laws and the Company's regulations for handling the information received during their work in the Company, including insider information, information containing commercial secret or any information containing personal data.

The Company employees shall not use information obtained in the course of their work in the Company for the purposes of making deals with any securities issued by the Company, its counterparties and legal entities controlled by the Company. The Company shall disclose information as required by the applicable laws of the Russian Federation.

8. RELATIONSHIP WITH COMPETITORS AND COUNTERPARTIES

Employees may not represent the Company in business dealings with any organizations in which such employee has any material personal interest other than the Company's interests, including (without limitation) any major interest in the equity or participation in management bodies of such organizations of such employee, his/her close relatives or family members.

Close relatives of an employee, for the purposes of this Code, shall mean the spouse, children and parents, step-parents and step-children, siblings, grandparents, and grandchildren.

The family members of an employee, for the purposes of this Code, shall mean the persons living together with the employee and having a common household, regardless of the degree of kinship.

Employees may not, without the written consent of the Company's CEO, have any interest in the equity or work or hold any positions in the management bodies of competitor companies.

Employees of the Company shall notify the body authorized to handle ethics-related issues – the Corporate Ethics Committee of the Company (see Article 15) – about any participation of such employees or their close relatives in the equity and/or management bodies of any companies which are competitors of the Company and about any proposals for such participation.

The Company seeks to build its relationships with the counterparties on responsible partnership principles.

The Company aims to maintain long-term sustainable and mutually beneficial relationships with the consumers, for this purpose the Company is continuously working to improve the stability and reliability of supply and pricing transparency.

The Company selects its suppliers and contractors primarily on a competitive basis. The main principle of such competitive selection is promotion of fair competition. The Company employees must not have any hidden preferences and shall not create advantages for any suppliers or contractors.

The Company seeks to work with reputable counterparties that are in compliance with applicable laws and the generally accepted norms of corporate and business ethics.

The Company shall not allow any violation or antimonopoly laws in any of its operating countries, including unfair competition.

9. RELATIONSHIP WITH SHAREHOLDERS AND INVESTORS

The Company pursues a single and consistent policy in respect of its shareholders and investors based on the generally acceptable principles of corporate governance.

The underlying principle held by the Company in relation to its shareholders is observance of all the shareholders' rights regardless of the number of shares held by them.

The Company seeks to ensure the long-term wellbeing of its shareholders by increasing the capitalization, achieving balanced strategic objectives and minimizing the risks in its operations.

The Company's policy related to information disclosure is intended to provide the shareholders and investors with authentic, correct and up-to-date information using all available modern telecommunications.

The Company provides equal and simultaneous access to information for all the shareholders and investors.

The Company maintains an ongoing dialogue with its shareholders and investors, supports regular contact and exchange of information between the Company and its shareholders, various groups of existing and potential investors.

10. RELATIONSHIP WITH THE GOVERNMENT AND SOCIETY

Relationship with the government and society holds a special place in the Company's activities.

The Company pays attention not only to the economic but also to the social aspect of its operations. Sponsorship and charitable actions of the Company are intended to revive the spiritual and national values, support the culture, science and education, contribute to scientific and technical progress and promulgate a healthy lifestyle.

The Company is following an aggressive policy in the regions in order to implement the concept of their gasification thus contributing to their social and economic growth, development of industrial and agricultural production making it possible to improve the living and working conditions of the population.

Maintaining a close cooperation with the local authorities and running its operations in various territories, the Company observes local laws and the interests of the population in these territories.

The Company does not participate in any political activities and does not finance any political organizations. Support for various non-governmental organizations is provided under the sponsorship and charitable programmes duly approved by the management bodies of the Company.

The Company employees may conduct any public, social, religious or political activities. However if such activities are conducted or will be conducted using the working time, name or resources of the Company or in case its employees participate in the elected governmental bodies, it is necessary to obtain a written consent to such activities from the Company's CEO.

The Company is continuously interacting with mass media and building such interaction on the principles of openness and transparency. Said interaction is maintained via its subdivision responsible for the communication policy of OAO Gazprom.

Only senior executives of the Company or their authorized representatives may make public announcements in mass media or at any events attended by mass media. The Company employees that do not have such authority should avoid making any announcements or comments that could be viewed as the official opinion of the Company. Handover of any information or documents to mass media by any persons not authorized to do so is a violation of the corporate ethics.

11. ANTI-CORRUPTION MEASURES

In this Code, corruption shall mean any abuse of the position held, giving or accepting bribes, abuse of authority, commercial bribery or any other illegal use by a physical person of his/her official position against the lawful interests of society and the government in order to obtain benefits in the form of money, valuables, other property or property-related services, other property rights for him/herself or for third parties, or illegal provision of such benefits to the above person by other physical persons.

The Company has established and maintains a culture of intolerance for corrupt practices.

Both in the Russian Federation and abroad, the Company employees observe the requirements and restrictions imposed pursuant to anti-corruption laws.

Any forms of illegal influence on the governmental agencies, including bribery, offer of inappropriate gifts, employment of relatives of civil servants, charitable or sponsorship assistance at the request of civil servants of relevant government agencies (i.e. making the decisions in which the Company is interested), are unacceptable in the Company.

Any employees who have been approached by any persons inducing them to corrupt practices should inform their immediate superior, the Corporate Ethics Committee and the Corporate Security Service.

12. RELATIONSHIP WITH CONTROLLED LEGAL ENTITIES

The priority in the Company's interaction with the controlled legal entities is ensuring the reliable functioning and development of the UGSS and efficient use of such entities' potential and assets for the common corporate purposes.

The Company is building its relationship with the controlled legal entities on the generally acceptable principles of corporate governance.

The Company's relationship with the controlled legal entities is based on the following principles:

- effective management structure;

- optimization of cash flows and observance of the applicable tax laws;

- ensuring efficient use of assets;

- prevention of actions and decisions that may result in the loss of control over the assets, alienation of any production and other performing assets or termination of the subsoil use rights or other rights.

The Company interacts with its controlled legal entities in the following forms:

participation of the Company's representatives in the operation of senior management bodies, collegial management bodies or controlling bodies of the controlled legal entities;

passing, pursuant to the applicable laws, of the sole resolutions of the shareholder (member) on any matters related to the activity of the companies in which the Company is the sole shareholder (member);

exercise, as required by law, of the right to give binding instructions to such controlled legal entities;

other interaction as determined by the Company's internal documents and/or not prohibited by the applicable laws.

13. CORPORATE IMAGE AND STYLE

The Company pays a great attention to its corporate image which consists of such elements as the employees' business conduct and the single corporate style.

Each employee of the Company participates in the creation of the Company's positive image and contributes to its reputation with their irreproachable business conduct that includes such aspects as appropriate appearance and style of business communication.

The Company's corporate style is an essential part of its image. The Company's corporate colors are white and blue. Their use is regulated by the Book of Corporate Style of OAO Gazprom.

14. REQUIREMENTS TO PERSONAL CONDUCT

The Company employees shall refrain from:

public statements that render the Company's activity or work in the Company in incorrect and perverse light. Any statements regarding the Company must be made by the employees strictly according to the established procedures and/or by the persons authorized by same;

using drugs;

drinking alcohol in the workplace, on the Company's premises or where any work is conducted by the Company, except at special events and to the extent permitted by the norms of business etiquette;

smoking outside of specially designated areas;

aggressive, humiliating or abusive, hostile or intimidating actions, acts or behaviour;

distribution of offensive materials, including drawings.

Employees must refrain from actions that may have a direct or indirect adverse effect on the Company's image and reputation.

15. APPLICATION OF THE CODE

The Corporate Ethics Committee (hereinafter the "Committee") is responsible for arranging the work to enforce the requirements and provisions of the Code.

The Committee consists of five members. The members and Chairman of the Committee are appointed by the order of the Company.

On the basis of received applications, the Committee passes resolutions aimed to:

provide employees with clarification on any provision of this Code and its application;

take the steps required to prevent or resolve a conflict of interest. If no resolution may be found for such conflict of interest, the Committee shall take the steps required to limit the conflict of interest and/or its consequences, including protection of the Company's interests in such conflict.

Applications to the Committee may be made via:

messages sent to email: E.Dubovitskiy@adm.gazprom.ru

or

hotline +7(495) 719-24-69.

The Committee passes its resolutions during meetings held in person or by correspondence. The resolutions are passed by a simple majority of the votes cast by the Committee members present at the meeting. Such resolutions are executed in writing and included in the minutes of such Committee meetings.

In the event of any disagreements between the Committee members which cannot be resolved when passing resolutions, such disputed matter may be referred to the CEO of the Company.

With respect to any matters related to clarification of the provisions of this Code or their application (including any information about violation of the Code), employees should address:

their immediate superior;

the Committee.

In the event of any conflict of interest, employees should inform their immediate superior unless otherwise expressly provided by this Code (Articles 5-8, 10 hereof).

If the immediate superior did not take any steps to prevent or resolve a conflict of interest or the steps taken did not result in the resolution of such conflict of interest, the Company's employee should notify the Committee thereof.

The Company guarantees that provision by an employee of any information concerning violation of the Code shall be kept confidential and shall not have any adverse consequences for the position of the employee providing such information.

16. RESPONSIBILITY

The CEO of the Company shall, on his sole initiative, at the suggestion of the Corporate Ethics Committee or the immediate superior of the employee which has violated the Code, resolve to apply any penalties, including public reprimand, public censure through publication in the Company's information media (on the Company's internal information portal, in the Company's corporate newspaper, on the information boards etc.), deprivation of some or all bonuses pursuant to the Company's internal documents, and, if the employee's actions (omission) qualify as a disciplinary offense - also disciplinary measures pursuant to the Labour Code of the Russian Federation.

Information regarding observance of this Code shall be taken into account during staff assessment and promotion.

17. MISCELLANEOUS

Observance of the provisions of this Code is an integral part of the Company's corporate culture.

This Code provides the mechanisms for maintaining and developing the corporate culture in the spirit of continuity ensuring the link between generations of gas industry specialists since 1989 and up to now.

Commitment to Uphold the Code of Corporate Ethics of OAO Gazprom

Full name _____

Position _____

As an executive of OAO Gazprom, I commit to observe the requirements and restrictions imposed by the Code of Corporate Ethics of OAO Gazprom.

I hereby confirm that I am ready to be held responsible for any violation by myself of the requirements set out in the Code of Corporate Ethics of OAO Gazprom.

_____ “ ” _____ 20 _____
signature

Full name