ENERGY EFFICIENCY AND ENERGY SAVING POLICY OF GAZPROM

GENERAL PROVISIONS

Public Joint Stock Company Gazprom, a global energy company and the leader of the fuel and energy complex of the Russian Federation, successfully pursues the strategy of improving its operational efficiency.

Aware of the effect its activities have on many stakeholders, Gazprom is committed to continuously improving its energy efficiency, conserving natural energy resources, and further reducing greenhouse gas emissions from its industrial facilities, as well as guarantees that its energy efficiency and conservation efforts are prioritized.

This Policy is a declaration that expresses the official position of Gazprom’s top management regarding the Company’s obligations and is intended to demonstrate to all stakeholders adherence to the principles of treating energy resources with care, increasing the Company’s energy performance, and transitioning from individual technical measures to systemic technological and managerial solutions.

Gazprom’s Energy Efficiency and Energy Saving Policy forms the basis for setting corporate goals and shaping energy saving and energy efficiency activities.

SCOPE

This Policy is binding on all employees of Gazprom and its production subsidiaries, and is recommended for use by employees of other affiliated entities of Gazprom.

OBJECTIVES OF GAZPROM’S ENERGY EFFICIENCY AND ENERGY SAVING POLICY

In line with the laws of the Russian Federation and the Energy Strategy of Russia for the period up to 2030, the purpose of Gazprom’s Energy Efficiency and Energy Saving Policy is to make the best possible use of natural energy resources and energy saving potential, including through:

– continuous improvement of energy efficiency at Gazprom and its subsidiaries through efficient process management and the use of innovative technologies and equipment;
– consistent reduction of unit costs thanks to the introduction of consumption rates for and the rational use and saving of energy resources in the course of operations;
– steady reduction of environmental impacts;
– continuous improvement of the energy efficiency and energy saving management system, as well as enforcement of compliance with ISO 50001:2011 (GOST ISO 50001-2012).

MAIN ENERGY EFFICIENCY AND ENERGY SAVING OBLIGATIONS OF GAZPROM

Under this Policy, Gazprom undertakes the following obligations:

– to guarantee compliance with energy saving and energy efficiency requirements set by the laws of the Russian Federation and the countries in which the Company carries out its operations, as well as by relevant international legal acts, standards, norms and regulations;
– to fulfill federal and regional requirements for efficient and rational use of energy resources, as well as to introduce energy consumption rates for the Company’s activities;
– to increase energy efficiency of operating processes;
– to introduce energy-efficient and ultra-reliable equipment, as well as to advance and utilize state-of-the-art energy saving technologies;
– to provide for the economically justified use of secondary energy sources and renewables;
– to ensure assessment and effective management of environmental risks, including risks caused by inefficient use of energy resources, at every stage of Gazprom’s investment projects;
– to take measures to reduce greenhouse gas emissions from the Company’s operating activities;
– to select external suppliers and procure equipment, materials and services, including for design purposes, with due consideration of the statutory energy efficiency criteria;
– to improve staff competence and awareness with regard to energy saving and energy efficiency measures at Gazprom, its subsidiaries and partner companies, as well as to strengthen collective and individual motivation for sustainable energy use;
– to ensure that the principles of methane emission reduction are introduced and implemented across the natural gas value chain;
– to provide for requirements analysis and effectively inform stakeholders about Gazprom’s performance in the area of energy saving and energy efficiency;
– to ensure the availability, compliance and accessibility of resources required for achieving Gazprom’s strategic, medium-term and operational goals in the field of energy;
– to engage employees of Gazprom and its subsidiaries in the sustained efforts to improve Gazprom’s energy efficiency and energy saving management system in accordance with ISO 50001:2011 (GOST ISO 50001-2012) and to enhance its energy saving and energy efficiency performance;
– to increase awareness of the environmental benefits of using natural gas in the power generation and transport sectors, as well as to promote energy efficiency among energy consumers.

COMPLIANCE MECHANISMS FOR GAZPROM'S ENERGY EFFICIENCY AND ENERGY SAVING POLICY

The key mechanisms for implementing this Policy are as follows:
– conducting ongoing analysis of the Company’s activities and potential risks, including for the purpose of assessing the potential of energy management priority areas, to ensure compliance with the obligations regarding the energy efficiency and energy saving management system;
– taking into account the results of the aforementioned analysis and risks while planning energy saving and energy efficiency actions, as well as measures to reduce greenhouse gas emissions;
– setting corporate goals in the area of energy saving and energy efficiency and developing appropriate measures to achieve them;
– establishing and communicating the Policy obligations and relevant energy saving and energy efficiency requirements to Gazprom’s employees, as well as to the partners and external suppliers who affect the Company’s energy management system-related activities;
– encouraging research and implementing innovative projects aimed at saving energy, improving energy efficiency, and using renewables and non-conventional energy sources;
– using the best available technologies during Gazprom’s business processes;
– introducing rates for energy use and unit energy consumption by type of activity;
– monitoring energy performance indicators and conducting comprehensive assessments of Gazprom’s compliance with its obligations related to the energy efficiency and energy saving management system;
– improving the competence, awareness-raising and motivation system for Gazprom’s employees with regard to energy saving and energy efficiency improvement;
– involving employees at all management levels in supporting and continuously improving the energy management system and relevant performance indicators;
– implementing energy audits and energy service contracts;
– establishing effective interactions with external stakeholders that affect Gazprom’s energy saving and energy efficiency performance;
– ensuring accessibility of this Policy to all stakeholders and transparency of the information on the compliance mechanisms and the fulfillment of the main obligations hereunder.

Gazprom considers the implementation of this Policy to be the key to achieving the Company’s dynamic growth, higher competitiveness and stronger foothold in the global economic environment for sustainable development, better energy efficiency of the national economy, and environmental security of the Russian Federation.