

## **ANTI-CORRUPTION POLICY OF PJSC GAZPROM**

### **1. GENERAL PROVISIONS**

**1.1.** The anti-corruption policy of PJSC Gazprom (hereinafter referred to as the “Policy”) is a fundamental document of PJSC Gazprom (hereinafter referred to as the “Company”) for preventing and combating corruption.

**1.2.** The Policy was developed in line with:

- Federal Law No. 273-FZ dated December 25, 2008, on Combating Corruption;
- the Methodological Guidelines for Organizations on the Development and Implementation of Measures for Preventing and Combating Corruption, approved by the Russian Ministry of Labor and Social Protection on November 8, 2013;
- the Methodological Guidelines on Risk Management and Internal Control for Preventing and Combating Corruption in Joint Stock Companies Partly Owned by the Government of the Russian Federation, approved by Order No. 80 dated March 2, 2016, of the Federal Agency for State Property Management;
- other legislative and regulatory acts and guidance documents of the Russian Federation, as well as the Articles of Association and internal documents of the Company.

**1.3.** The purpose of the Policy is to establish a unified approach for the Company to fulfill its responsibility to prevent and combat corruption in the interests of civil society and the Company’s shareholders and employees.

**1.4.** The Policy reflects the commitment of the Company’s management and employees to ethical standards promoting the conduct of legitimate, transparent and fair business, the improvement of corporate culture, the adherence to best practices in corporate governance, and the maintenance of a decent business reputation.

**1.5.** The Policy’s objectives are:

- to implement the requirements set forth in Federal Law No. 273-FZ dated December 25, 2008, on Combating Corruption;
- to lay the foundation for improving the Company’s internal anti-corruption regulatory framework;
- to establish an efficient anti-corruption mechanism within the Company;
- to create a corporate anti-corruption consciousness and foster a common understanding of the Company’s zero tolerance stance against corruption in all its forms and manifestations among the Company’s shareholders, investors, counterparties, top managers, officers and employees.

### **2. TERMS AND DEFINITIONS**

**“Corruption”** means any abuse of office, bribery or acceptance of bribes, abuse of authority, commercial bribery or any other illegal use by a natural person of his/her job position against the legitimate interests of society and the government aimed at receiving benefits in the form of money, valuables, other property or property-related services, other property rights for him/herself or third parties, or illegal provision of such benefits to the said person by other natural persons. Corruption also means the commitment of the above acts on behalf or in the interests of a legal entity (Clause 1 of Article 1 of Federal Law No. 273-FZ dated December 25, 2008, on Combating Corruption).

**“Conflict of interest”** means a situation wherein the personal interests of an employee affect or may affect the impartial and objective fulfillment of his/her job responsibilities and

wherein the personal interests of an employee collide or may collide with the legitimate interests of the Company, which may cause harm to the legitimate interests of the Company.

**“Corruption offence”** means any illegal culpable act (action or inaction) having the attributes of corruption, which is subject to disciplinary, criminal, civil or administrative liability.

**“Preventing corruption”** means the activities performed by the Company in order to integrate anti-corruption elements into its corporate culture, organizational structure, and rules and procedures governed by internal local regulations.

**“Combating corruption”** means the activities performed by the Company within the limits of its authority with the aim of:

- preventing corruption, including the identification and subsequent elimination of the causes of corruption (preventive measures);
- detecting, preventing, curbing, uncovering and investigating corruption offences (counteractive measures);
- mitigating and/or eliminating the consequences of corruption.

### 3. COMPETENCE OF MANAGEMENT BODIES IN PREVENTING AND COMBATING CORRUPTION

**3.1.** The Company’s Board of Directors shall ensure and carry out the general management of the Company’s activities for preventing and combating corruption, and shall regularly review reports from the Company’s executive bodies on the activities for preventing and combating corruption.

**3.2.** The Chairman of the Company’s Management Committee shall assign powers, duties, and responsibilities related to preventing and combating corruption among the Deputy Chairmen of the Management Committee and the Company’s structural units, and shall take measures aimed at enforcing the principles and requirements of the Policy, including the appointment of persons responsible for the development, adoption and oversight of anti-corruption procedures.

**3.3.** The Audit Committee of the Gazprom Board of Directors shall prepare proposals on improving the Company’s internal control procedures aimed at combating corruption.

### 4. UNDERLYING PRINCIPLES OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM FOR PREVENTING AND COMBATING CORRUPTION

The risk management and internal control system for preventing and combating corruption is based on the following principles:

**4.1.** Compliance with applicable laws.

Compliance of current anti-corruption measures with the applicable laws of the Russian Federation and other regulatory acts governing the Company’s activities.

**4.2.** Leadership by example.

Key role of the Company’s leadership in fostering the culture of zero tolerance for corruption and in building a system for preventing and combating corruption.

**4.3.** Employee engagement.

Increasing awareness of anti-corruption laws among the Company’s employees. Active engagement of employees in developing and implementing anti-corruption standards and procedures outlined in the Policy.

**4.4.** Proportionality between anti-corruption procedures and corruption risks.

Development and implementation of comprehensive measures aimed at reducing the probability of the Company’s management and employees’ involvement in corrupt activities given the existing corruption risks.

**4.5.** Efficiency of anti-corruption procedures.

Development and implementation of economically sound measures for preventing and combating corruption which are easy to put into practice and which help significantly reduce the likelihood of corruption risk events.

**4.6.** Responsibility and inevitability of punishment.

Inevitability of punishment for employees, regardless of their positions, duration of employment, and other factors, for corruption offences committed in connection with their work obligations. Personal responsibility of executives for the implementation of the Policy.

**4.7. Business transparency.**

Notification of counterparties, partners, and the public about anti-corruption business standards adopted by the Company.

Zero tolerance for corruption in all its forms and manifestations, including during interactions with counterparties, government officials, political parties, employees of the Company, and others.

**4.8. Permanent control and regular monitoring.**

Permanent control over compliance with the adopted anti-corruption standards and procedures, as well as regular monitoring of their efficiency.

## **5. COMPREHENSIVE MEASURES AIMED AT PREVENTING AND COMBATING CORRUPTION**

**5.1. Identification and assessment of risks, monitoring of areas exposed to corruption risks.**

Review, approval and monitoring of transactions/operations exposed to corruption risks in accordance with the procedures established by the local regulations of the Company.

**5.2. Coordination and implementation of activities to ensure the development and introduction of measures for preventing and combating corruption:**

**5.2.1. Promotion of corporate ethical values of the Company.**

**5.2.2. Consulting support for the Company's employees regarding the introduction of measures for preventing and combating corruption.**

**5.2.3. Methodological support for the Company's employees regarding the improvement of measures for preventing and combating corruption.**

**5.2.4. Development of local regulations aimed at implementing measures for preventing and combating corruption, including those governing the following:**

**5.2.4.1. Disclosure of information by employees about cases with attributes of corruption committed by the Company's employees, counterparties or other persons, and the procedure for reviewing such reports.**

**5.2.4.2. Disclosure of information by employees regarding cases of incitement to commit corruption offences and the procedure for reviewing such reports.**

**5.2.4.3. Protection of employees reporting corruption offences committed at the Company.**

**5.2.5. Anti-corruption assessment of the Company's local regulations.**

**5.2.6. Collection and analysis of information about offences with attributes of corruption detected as a result of checks/investigations or information obtained through violation reporting channels (such as the Hotline<sup>1</sup>).**

**5.2.7. Implementation of measures for avoiding or resolving conflicts of interest, including measures aimed at balancing the interests of the Company and employees when managing conflicts of interest.**

**5.2.8. Implementation of measures for preventing corruption during procurement of goods, works and services by the Company.**

**5.2.9. Implementation of/supervision over/participation in investigations of offences having the attributes of corruption.**

**5.2.10. Preparation of reports on measures taken to prevent and combat corruption.**

**5.2.11. Analysis of proposals on improving anti-corruption procedures obtained, inter alia, via reporting channels (such as the Hotline).**

**5.3. Monitoring and analysis of changes in anti-corruption laws/judicial practices regarding corruption cases on an international scale.**

**5.4. Awareness raising among employees, including through training, of anti-corruption laws, the Company's local regulations on preventing and combating corruption, and anti-corruption measures implemented by the Company.**

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<sup>1</sup> Regulation on Hotline for fighting fraud, corruption, and embezzlement at Gazprom Group was approved by Gazprom Order No. 423 dated September 4, 2014.

**5.5.** Measures to motivate employees to unconditionally follow this Policy and anti-corruption standards and procedures outlined in the Company's Code of Corporate Ethics.<sup>2</sup>

**5.6.** Arrangement of the risk management and internal control process for preventing and combating corruption as set out below:

- identification and assessment of corruption risks, areas (business processes) and operations exposed to corruption risks;
- efficiency assessment of ongoing efforts for preventing and combating corruption;
- development of new measures and improvement of existing ones for preventing and combating corruption in the areas (processes) and operations exposed to corruption risks;
- compilation of a list of positions exposed to high corruption risks at the Company.

## **6. COMPANY'S ANTI-CORRUPTION STANDARDS AND COMPLIANCE PROCEDURES**

The Company has adopted the Code of Corporate Ethics<sup>3</sup> developed on the basis of best domestic and international practices of corporate governance. The Code sets forth the corporate values and the associated essential principles and rules of business conduct designed to minimize the occurrence of conflicts of interest and corruption offences. The permanent Corporate Ethics Commission of Gazprom is responsible for ensuring compliance with the requirements and provisions of the Code.

The Policy is implemented via mechanisms established by the internal documents of Gazprom that define the Company's risk management and internal control policy and are approved by the Board of Directors of Gazprom, as well as other local regulations of the Company that aim to combat corruption and to identify and minimize corruption risks.

## **7. LIABILITY OF COMPANY'S EMPLOYEES FOR NON-COMPLIANCE WITH POLICY REQUIREMENTS**

**7.1.** In its risk management and internal control processes for preventing and combating corruption, the Company is guided by the principle of inevitability of punishment for the Company's employees committing corruption offences, regardless of the offender's position.

**7.2.** The sanctions for corruption offences committed at the Company include disciplinary action, administrative penalties, and criminal liability in accordance with the laws of the Russian Federation.

**7.3.** The Company investigates every identified corruption offence to the extent permitted by the laws of the Russian Federation.

## **8. REVIEW AND AMENDMENT PROCEDURE**

**8.1.** The Policy shall be amended in accordance with the Company's established procedure if:

- the Policy provisions need to be brought in line with changes in the Russian legislation;
- the comprehensive measures for preventing and combating corruption in the scope of the Company's activities undergo improvements.

**8.2.** The up-to-date version of this Policy is available on Gazprom's official website: [www.gazprom.com](http://www.gazprom.com).

<sup>2</sup> Approved by Gazprom Board of Directors' Resolution No. 2309 dated February 25, 2014.

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