

APPROACHES TO MANAGEMENT

TO ACHIEVE 'GOAL – ZERO', GAZPROM NEFT IS IMPROVING THE RISK MANAGEMENT SYSTEM IN OCCUPATIONAL SAFETY, INVESTING IN ADVANCED TECHNOLOGIES THAT STRENGTHEN THE RELIABILITY OF ITS ASSETS, AND ENHANCING ITS SAFETY CULTURE.

The Company has identified five key areas in its activities to achieve the 'Goal – Zero'. Within these areas, each manager of Gazprom Neft has committed to enhancing the level of safety at the Company. These commitments are reflected in the performance targets of managers.

The fundamental corporate document that describes the principles of the Company's activities and obligations is the General Corporate Policy on Industrial, Fire, Transport, Environmental, and Occupational Safety and Civil Protection.

Goals of the Industrial Safety Policy:

- reduce work-related injuries, occupational diseases, accidents, and the negative environmental impact
- establish safe production based on the analysis, management, and minimization of production risks
- introduce the best global practices in this field

PRIORITIES OF THE INDUSTRIAL SAFETY STRATEGY¹

LEADERSHIP AND CULTURE	Main aspects of safe conduct and a leading role by all levels of executives in achieving this goal
RISK MANAGEMENT	Further integration of industrial safety risks and environmental aspects in the Company's overall risk management system and developing risk management and assessment skills among staff
ASSET RELIABILITY	Ensuring the safe operation of existing assets and their reconstruction as well as the safe design and construction of new facilities
TRANSPORT SAFETY	Ensuring the accident-free operation of all types of transport at the Company
ORGANIZATIONAL MODEL	Supporting all work by developing industrial safety functions as well as the relevant skills of employees
CONTRACTOR MANAGEMENT	Improving the effective management of contract execution with contractors in occupational safety matters

¹ — Industrial safety includes industrial, environmental, and occupational safety and civil defence.



Please visit the website for the full text of the Industrial, Fire, Transport, Environmental Safety, Labour Protection and Civil Defence Policy

The safety management system is integrated with the Company's operational management system (OMS). In 2017, Gazprom Neft launched the joint OISMS Committee, which includes members of the Management Board, directors of production units, and department heads. Industrial safety, occupational safety, and civil defence committees were also established in each division and at subsidiaries.

When developing industrial and occupational safety programmes, Gazprom Neft relies on an occupational safety risk map. The list of such risks is regularly updated. The Company uses advanced international methods to assess man-made risks. The goal of such methods is to ensure employees do not start work if they are not confident that it can be safely performed. To minimize safety risks, Gazprom Neft is introducing effective methods of production control and is developing a safety culture.

INDUSTRIAL SAFETY MANAGEMENT STRUCTURE

Company's Management Board. Operational and Industrial Safety Management System (OISMS) Committee

- Review of the implementation results of the Industrial Safety strategy
- Review of incident and accident analyses
- Analysis of best safety practices

Responsible: Company CEO Alexander Dyukov

Industrial safety department of the Corporate centre

- Identifying the policy, strategy, and goals of industrial safety activities
- General management and monitoring of the industrial safety system at the Company
- Interaction with third parties in matters concerning industrial safety

Industrial safety departments of the Upstream Division, Downstream Division, and offshore project development division

- Identifying priority areas of development
- Monitoring industrial safety activities at subsidiaries
- Performing operational tasks

Industrial safety services of subsidiaries

- Operating activities in industrial safety