

Stakeholder engagement

Gazprom Neft interacts with a broad range of stakeholders in matters concerning industrial safety and environmental protection. The Company is involved in work to improve the norms of environmental legislation as part of its interaction with the government and involvement in the activities of the Russian Union of Industrialists and Entrepreneurs (RUIE) and other working groups. Gazprom Neft CEO Alexander Dyukov and Industrial Safety Department Director Oleg Nikolayenko are members of the RUIE Industrial Safety Committee.

The Company's environmental protection commitments are incorporated into the socioeconomic agreements that Gazprom Neft concludes with a number of regions where it operates. In 2015, such agreements were in effect with the governments of the Vologda, Kemerovo, Omsk, Orenburg and Tyumen Regions as well as the Khanty-Mansi and Yamalo-Nenets Autonomous Districts.

When developing new projects, the Company holds public hearings at which it informs stakeholders about its planned activities and provides access to the documents that are being drafted. The Company adjusts the design documentation based on comments and suggestions made at public hearings. In 2015, public hearings were held and public approval was secured for 43 projects implemented by Gazprom Neft, including projects to develop fields and expand their well pads as well as build landfills to neutralise and dispose of production waste. Hearings were held in the Khanty-Mansiysk, Nizhnevartovsky and Surgutsky Districts of the KMAD-Yugra and the Nadymsky, Purovsky and Tazovsky Districts of the YNAD. The hearings were attended by representatives of indigenous peoples of northern Russia, local residents and municipal administration officials.

Gazprom Neft hosts environmental conferences each year to exchange experience in matters concerning environmental protection. One conference was held for the sixth time in 2015 and attended by more than one hundred Company employees and division directors from the central offices of the Russian Federal Supervisory Natural Resources Management Service and Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing. The conference participants discussed problematic aspects of legislation and amendments that are to be introduced, new approaches to measuring the human impact on the environment and the prospects for eliminating accumulated environmental damage. The event was the first

step in the development of corporate environmental protection programmes and the resolution of urgent problems and also helped to form additional skills in environmental protection technologies and management procedures given the changing environmental legislation.

The Company's information transparency is an essential component of engagement with stakeholders. Gazprom Neft is carrying out different communications projects to allow the public to receive information on matters concerning environment protection. For example, Gazprom Neft and the Russia Today international information agency launched a joint project to cover activities on the Prirazlomnaya oil platform on the latter's website in 2015 (<http://arctic.ria.ru/prirazlomnaya/>). The project highlights the importance of the economic development of the Arctic and the solutions used to ensure the environmental safety of oil production.

The Moscow Oil Refinery utilises an integrated system of strict environmental monitoring that features automated control over the impact of production on the atmosphere as well as channels for automatic data transmission to government oversight authorities. The information is also available at the refinery's website. In addition, an environmental indicator device for citizens was also put into operation with information displayed on a LED screen round-the-clock about the air quality in the area impacted by the refinery. The content of different substances in the atmosphere is presented in the form of a scale with notes about the current levels and maximum permissible concentration.

"WHAT IS MOSCOW BREATHING?"

Gazprom Neft actively cooperates with public organisations and environmentalists. During the reporting year, experts from the Green Patrol public environmental organisation paid a visit to the Moscow Oil Refinery, where they were able to see the results of the first stage of the refinery's modernisation programme first-hand. As part of the "What is Moscow Breathing?" study, experts measured the amount of harmful substances in the air at the site and found no excess hydrogen sulphide levels. The refinery was the first major enterprise in the Moscow region to invite independent environmentalists to its production facilities to take air samples.

YEVGENY NIKITICH

Deputy Director
of Mosecomonitoring



"The automated air monitoring system is an initiative undertaken by the city, and the Moscow Oil Refinery is interested in it being transparent. The devices are installed at facilities that are not part of the refinery and we measured them. There are also sufficient systems around the refinery that monitor air quality. It should be noted that the installation of such a system at an oil refining enterprise is unique for Russia. Not even all the oil refineries in Europe are equipped with air quality analysis systems".