



*We are
the future*



Gazprom Group's Sustainability Report 2021

We are the future

Sustainable development remains a priority for PJSC Gazprom, its subsidiaries and entities, plays a key role in shaping a competitive economic landscape and seeks to facilitate social development and protect the environment.

The Gazprom Group's activities along the entire added-value chain make a significant contribution to the well-being of the present and future generations.

The Gazprom Group's mission when it comes to sustainable development is to make a positive contribution to the social and economic development of Russia and other regions of operation in line with environmental and social responsibility standards, so as to preserve and enhance the opportunities for future generations while meeting the needs of today.

The key driving force behind Gazprom is its people – professionals in their respective fields who work for the common good.



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Message from the Chairman of the Gazprom Management Committee

GRI 102-14



Dear friends!

As a globally significant energy company, Gazprom always conducts business in a considered and responsible way. We appreciate the importance of our work for millions of people both in Russia and around the world, and we maintain a constant focus on the interests of the nation and society as a whole.

Natural gas is our bread and butter, and it is in high demand. People need affordable gas to heat their homes, schools and kindergartens. They need economical and eco-friendly NGV fuel for their cars. In industry, gas helps expand production to create new competitive products and generate jobs. Gas is a driver of economic and social development in regions and rural communities.

That is why we always do our utmost to ensure the gift of gas is enjoyed by the maximum amount of consumers.

Gazprom's priority in the Russian market in 2021 was to reach new consumers by expanding the construction of gas networks. Many communities, such as Tsiolkovsky and Svobodny in the Amur Region, were connected to the gas grid for the first time. By the end of 2021, over half a million households had applied for additional gas infrastructure expansion connection to an existing gas network – we are consecutively fulfilling every order.

As for exports, I would note growing Russian gas supplies to China via the Power of Siberia pipeline. At the request of our Chinese partners, in 2021, PJSC Gazprom delivered more gas than contractually obliged. At the start of 2022, we entered into a second long-term contract with CNPC, which will create a gas supply route in the Far East.

We strive to use natural resources across the gas supply chain as efficiently and effectively as possible while minimizing waste and emissions by adopting cutting-edge technologies. For example, in 2020–2021, we saved more than 1 bcm of gas during pipeline repairs by adopting new mobile compressor stations.

By effectively developing the NGV fuel market in Russia, we are making a positive contribution to the environment. Over ten years, Gazprom's gas filling network has doubled in size to 386 filling stations. Ever more public transport, municipal, and freight vehicles are turning to NGV fuel. Gazprom itself has converted over half of the compatible corporate fleet to methane fuel.

A responsible attitude to the environment is a cornerstone of our corporate culture. In 2021, Gazprom Group companies organized over 3,000 environmental awareness events, including tree planting and clean-up of riversides and lakes. These events saw the participation of thousands of Gazprom employees together with their families.

We are also committed to strengthening partnerships with the regions where we operate. In 2021, we supported numerous sports, cultural and charity projects. We commissioned 84 new facilities throughout Russia as part of the Gazprom for Children initiative. This included 11 sports and recreation centers for both amateur and professional athletes. We also completed urban infrastructure development initiatives. One particular highlight in 2021 was the opening of the Park of the 800th Anniversary of Nizhny Novgorod. And, of course, we continued to work closely with local communities, including the indigenous minorities of the North.

The bedrock of all these initiatives is Gazprom's employees. We highly value their work and therefore offer ample opportunities for professional development and consistent salary growth. At Gazprom, quality medical care is a key priority, as demonstrated by our voluntary insurance programs. Furthermore, we strictly adhere to the principles of occupational health and safety.

In 2021, the Gazprom Group continued to take steps to prevent the spread of COVID-19, including voluntary vaccination and revaccination. By the end of the year, almost 93% of the employees of PJSC Gazprom and key subsidiaries had been vaccinated.

Dear friends!

Gazprom consistently upholds the key principles of sustainable growth. Environmental and social responsibility, support for local communities, and strengthening of human capital have been and always will be the keystone of Gazprom's corporate values and foundation for the Company's long-term success.

Alexey Miller

Chairman of the PJSC Gazprom Management Committee

Key Sustainability Events in 2021



MAJOR EVENTS

- On January 1, Gazprom started supplying gas to Serbia and Bosnia and Herzegovina via a new route – the TurkStream gas pipeline across the Black Sea and the national gas transmission systems of Bulgaria and Serbia. Supplies to Hungary and Croatia through the same route commenced on October 1.
- In April, the Svobodny thermal power plant came onstream in the Amur Region. The main purpose of the plant is to provide the Amur Gas Processing Plant with thermal energy (steam) and electricity.
- In May, we launched the construction of the Complex for Processing Ethane-Containing Gas (CPECG) near Ust-Luga, Leningrad Region, a unique cluster combining capacities for gas processing, gas chemistry, and natural gas liquefaction.
- In June, the first production train of the Amur Gas Processing Plant (GPP), one of the largest of its kind in the world, was put into operation.
- In September, we launched the world's biggest Logistics Center for servicing helium containers (helium hub) in the Primorye Territory. It will be used to deliver liquid helium to the global market. The first of three helium separation, liquefaction and packaging units at the Amur GPP came onstream.



INNOVATIONS

At Gazprom, we eagerly use innovations and take part in their development. Every year, the Company invests heavily in research and development (R&D). For R&D activities, we engage corporate research institutes as well as leading Russian scientific institutions, including universities, and small and medium-sized innovative companies. The R&D activities are aimed at developing and delivering high-tech domestic equipment and unique sophisticated technological complexes, and creating high-potential scientific and technical solutions.

Gazprom conducts annual corporate R&D competitions. In 2021, 16 works took part in the competition, with ten receiving awards. The economic effect from implementing the innovative technologies that won the corporate award totalled over RUB 102 billion. The first prize went to the membrane technology of helium recovery from natural gas.



BUSINESS ACHIEVEMENTS

- The Company's net profit reached an all-time high in 2021.
- In 2021, the Company allocated 50% of Gazprom Group's adjusted IFRS net income for dividend payments one year ahead of schedule¹.

¹ Ahead of the payment schedule as per the Dividend Policy.



ENVIRONMENTAL PROJECTS

We achieved the following corporate environmental targets while implementing Gazprom's Comprehensive Environmental Program for 2020–2024:

- reduced greenhouse gas emissions (–5.52% compared to the 2018 baseline);
- cut excessive pollutant discharges into surface water bodies (–5.17 p.p. compared to the 2018 baseline);
- decreased considerably the share of waste sent for burial (–24.02 p.p. compared to the 2018 baseline);
- reduced the share of subsidiaries whose fees for excessive negative environmental impact are above 5% (–21,49 p.p. compared to the 2018 baseline);
- cut nitrogen oxide emissions in the atmosphere during transportation of natural gas (–3.78% compared to the 2018 baseline).



CORPORATE GOVERNANCE

In 2021, the Gazprom Group's Board of Directors approved the Company's Sustainable Development Policy. The implementation of the Policy is overseen by the Chairman of the Management Committee.



For more details on the Policy, see Gazprom's website:
<https://sustainability.gazpromreport.ru/fileadmin/f/comm/2021-04-30-sustainability-policy-en.pdf>

The creation in 2021 of the Sustainable Development Committee of the Board of Directors and the approval of the relevant regulation was the next major step in improving the corporate governance in the area of sustainable development.



For more details on the Regulation on the Sustainable Development Committee of the Board of Directors, see Gazprom's website:
<https://www.gazprom.com/f/posts/74/562608/committee-board-directors-sustainable-development-regulations-13-07-2021-en.pdf>

The reporting year saw the development of the Gazprom Group's Digital Transformation Strategy.¹ It is designed to markedly increase the efficiency of production and management processes through extensive use of digital technologies and formation of an environment for creating new business lines.

¹ Approved by resolution of the Board of Directors of PJSC Gazprom No. 3709 dated January 25, 2022.



IMPROVING ENERGY EFFICIENCY

The Group is working consistently to increase the energy efficiency of its operations and reduce greenhouse gas emissions. In 2018–2021, Gazprom saved 15.68 mmt of reference fuel and energy resources, including 13.67 bcm of gas, 1.37 billion kWh of electricity and 0.93 million Gcal of thermal energy. Savings in fuel and energy resources totalled RUB 54.9 billion.

The energy-saving projects leveraging cutting-edge technologies to save gas during repair works play an important role in improving energy efficiency and reducing GHG emissions.

In 2020–2021, MCS helped save more than 1 bcm of gas during pipeline repairs. This is comparable to the annual gas consumption of cities like Penza or Ryazan, or a major thermal power plant supplying energy to more than a million people. By using just 10 MCS, the Company was able to reduce GHG by 17 mmt of CO₂ equivalent. Gazprom is working to increase its MCS fleet to minimize methane emissions and further reduce the carbon footprint of gas supplies to Russian and foreign consumers.



GAS INFRASTRUCTURE EXPANSION IN RUSSIA

Gas infrastructure expansion in Russia is Gazprom's key social project. In 2021, the Group accelerated the implementation of programs to develop gas supply and expand gas infrastructure in Russia for 2021–2025, building about 2,700 km of gas pipelines. Over 83,600 houses and apartments, as well as 285 boiler houses in 342 localities were connected to the gas network. In December, the Company agreed work schedules for 2022 with 68 Russian regions to align the effort with local authorities.

Simultaneously, in line with President Vladimir Putin's instructions, we carry on with the project to connect households to the gas network in the areas with existing gas supplies.

Gazprom's efforts to expand gas infrastructure and convert vehicles to natural gas provide for a significant reduction in pollutant and GHG emissions.



NATURAL GAS VEHICLE FUEL MARKET DEVELOPMENT

Gazprom is working consistently to facilitate the conversion of vehicles to natural gas and is actively building gas filling stations. This is paralleled with the expansion by Russian manufacturers of the gas-powered vehicle fleet. As of today, more than 300 models of natural gas vehicles (NGV) are produced in Russia. Gazprom is also supporting pilot projects aimed at converting water and rail transport to gas. In 2021, Gazprom was behind an initiative to create an LNG-powered switching locomotive TEMG1 to help reduce the environmental impact.

Pilot projects seeking to accelerate the development of the natural gas motor fuel market are being implemented in various Russian regions, including Belgorod and Rostov, as well as the Republic of Tatarstan.

Russian and global experience demonstrates that natural gas is the most cost-effective and environmentally friendly fuel.

In 2021, Gazprom's new compressed natural gas (CNG) filling stations opened in the republics of Adygea, Bashkortostan, and Tatarstan, the Astrakhan, Kemerovo, and Rostov regions, and in St. Petersburg. Cryo-1 and Cryo-2 cryogenic gas filling stations opened on both sides of the M-11 Neva highway in Okulovka, Nizhny Novgorod Region.



LOW-CARBON TECHNOLOGIES

Gazprom is working hard to implement the best available technologies, improve energy efficiency, and reduce its carbon footprint year after year, contributing significantly to the low-carbon development of Russia and the countries importing Russian gas.

To build stakeholder confidence, Gazprom prepares corporate carbon reporting in line with international practices and conducts international independent verification of its GHG emissions on a regular basis.

Gazprom invests in hydrogen and other innovative gas-based energy technologies with a view to contributing to the Paris Climate Agreement and unleashing the potential of natural gas.

On October 13, 2021, the Russian Government and PJSC Gazprom signed a Letter of Intent aimed at advancing the development of hydrogen energy and decarbonization of the industry and transport using natural gas (hi-tech area of activity). Based on this document, Gazprom has drafted a roadmap, which has been approved by the Government.



PROCESS SAFETY

PJSC Gazprom and its subsidiaries have implemented an Integrated System of Process Safety Management (ISPSM). It seeks to protect the lives and health of the Group's employees, ensure safe working environment, reliable operation of hazardous industrial facilities, and compliance with fire and road safety.

In December 2020, Gazprom's ISPSM was certified for conforming to ISO 45001:2018, an international occupational health and safety management standard. The document verifies that the Company's ISPSM complies with new international requirements.



RESPONSE TO COVID-19 PANDEMIC

Protecting the health of employees is a major priority of Gazprom's social policy.

Gazprom closely monitors the COVID-19 incidence rate at the Group's facilities. We constantly collect and analyze the data at the Company's emergency task force. Mandatory anti-pandemic measures continue to be in place across the Group. Voluntary vaccination and revaccination is readily available to all employees. The special stations set up at our corporate medical facilities and remote production sites maintain a constant and sufficient supply of vaccines.

The production facilities of Russia's Unified Gas Supply System are operating in a normal mode.



BUILDING EMPLOYEE SKILLS AND COMPETENCIES

Gazprom has an effective HR management system in place and works continuously to further develop it. Our HR services focus on long-term headcount planning, staffing, as well as training, development and motivation of the Company employees. Major emphasis is placed on nurturing young talent, recruiting highly skilled professionals for Gazprom's strategic projects, and meeting the HR management KPIs.



Overview

Sustainable development is development that satisfies the needs of the present without compromising the ability of future generations to meet their own needs.

The Gazprom Group's¹ Sustainability Report 2021 (the Report) highlights the Gazprom Group's contribution to the country's economic development, well-being of employees and the general population, environmental protection, and climate protection.

GRI 102-54

This Report has been prepared in accordance with the Global Reporting Initiative Standards (GRI Standards): Core option.

GRI 102-51

The Report for the year 2021 is the tenth Sustainability Report of the Gazprom Group. The previous Report was published in June 2021.

¹ A group of companies consisting of PJSC Gazprom (parent company) and its subsidiaries. For more details on PJSC Gazprom and its subsidiaries, see [Appendix 7](#).

GRI 102-50	GRI 102-52	GRI 102-56
Report name	Gazprom Group's Sustainability Report 2021	
Reporting period	From January 1 to December 31, 2021 (calendar year)	
Reporting cycle	Annual	
Reporting standards, indicators, principles	GRI Standards	
	Reference performance indicators of the Council on Non-Financial Statements of the Russian Union of Industrialists and Entrepreneurs (RUIE)	
	Indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals (UNCTAD)	
Independent professional auditor's assurance	The Principles of the United Nations Global Compact	
Public endorsement	FBK, LLC	
Public consultations	Council on Non-Financial Statements of the Russian Union of Industrialists and Entrepreneurs (RUIE)	
	Stakeholder representatives	

Sustainability Reporting

Gazprom has been publishing Sustainability Reports since 2008. Starting from 2017, the reports undergo assurance for compliance with the GRI Standards: Core option.

The Reports also disclose:

- RUIE performance indicators;
- United Nations Conference on Trade and Development (UNCTAD) indicators for entity reporting on contribution towards implementation of the UN Sustainable Development Goals.

The following documents are taken into account when preparing the disclosure:

- The Principles of the United Nations Global Compact;
- AA1000 Accountability Principles (AA1000AP, 2018) and AA1000 Stakeholder Engagement Standard (AA1000SES, 2015);
- recommendations and principles of the Task Force on Climate-related Financial Disclosures (TCFD);

- ISO 26000 guidance on social responsibility;
- Carbon Disclosure Project (CDP) documents;
- recommendations of the Bank of Russia on Disclosure by Joint Stock Companies of Non-Financial Information Pertaining to Their Activities;
- PJSC Moscow Exchange's ESG Best Practice Guide for Issuers.

When preparing Sustainability Reports, Gazprom works in close collaboration with its stakeholders. At the first stage, we conduct a stakeholder survey to identify material topics, followed by public consultations on draft Reports, their independent public assurance at RUIE, and endorsement.

Since 2021, the Gazprom Group's Sustainability Report has been included in the documents provided to the participants of Gazprom's annual General Shareholders Meeting.

Reporting Principles

GRI 101	GRI 102–46
Sustainability context	The Report provides information about the Gazprom Group's production activities and its impact on the national economy, as well as about Gazprom's environmental and climate protection activities, interaction with employees and local communities, and contribution to the national development goals of the Russian Federation
Materiality	The Report covers material topics, issues and indicators related to Gazprom's economic, environmental, and social impact. The materiality of the information in the Report is determined on the basis of the assessment of Gazprom's performance in the reporting period by its management, as well as on the basis of stakeholders' opinion
Stakeholder inclusiveness	In line with Gazprom's consistent approach to stakeholder engagement, the Report covers information that is of relevance to stakeholders
Completeness	The Report contains information on all areas of Gazprom's sustainable development activities in the reporting period in accordance with the GRI Standards and the GRI Oil and Gas Sector Supplement
Balance	The Report includes both information on Gazprom's achievements and references to the areas where certain processes need to be improved
Comparability	Gazprom's economic, environmental, and social performance in the reporting period is compared to that in previous years
Accuracy	Gazprom is committed to providing accurate information on its performance results so that they can be objectively assessed by stakeholders. The Report uses both qualitative descriptions and quantitative information
Timeliness	The release of the Report is timed with the annual General Shareholders Meeting of PJSC Gazprom, which is in line with best practices and enables stakeholders to receive timely and relevant information on Gazprom's operations and activities in the reporting period
Clarity	The information presented in the Report is clear and easy to understand for a broad audience, with terms and abbreviations explained in the Glossary. To visualize information, various tables, diagrams, charts, and infographics are used in the Report
Reliability	The information in the Report is reliable, ascertainable and verifiable

Regular and timely publication of Sustainability Reports in accordance with the above principles enables Gazprom to:

- confirm the Company's transparent and comprehensive approach to sustainable development and ESG matters;
- update the disclosed information based on the audience's needs;
- build stakeholder confidence;
- ensure external evaluation and analysis of material non-financial information (by the investment community, rating agencies, public authorities, etc.);
- increase the Company's investment appeal.

Report Preparation and Approval

To prepare the Report, the Company set up a Task Force involving members from various structural units and subsidiaries of PJSC Gazprom who coordinate the activities on the focal areas of sustainable development and engage with stakeholder groups. At the end of 2021, to further improve the non-financial reporting framework, the Procedure for Preparation, Publishing and Distribution of the Gazprom Group's Sustainability Report was updated.

GRI 102–32

The information included in the Report is confirmed by the heads of dedicated units. The Report is approved by the Chairman of the Management Committee of PJSC Gazprom.

Approach to Presenting Indicators

For comparability purposes, the Report shows the majority of key indicators for a three-year period (2019–2021). Disaggregated data provided throughout the Report may not add up precisely to the relevant totals presented in consolidated financial statements and management accounts due to rounding.

GRI 102–45

The Report includes the information about the Gazprom Group companies in line with the scope of consolidated statements under IFRS 10 Consolidated Financial Statements¹, unless specified otherwise. Due to the existing differences in data gathering and consolidation, certain groups of disclosures may have their individual boundaries.

Report Publication and Distribution

The Report is publicly available in the Russian and English languages on the Company's website and is also

available in an interactive version. The printed version is distributed to the key stakeholders by direct mail.

Stakeholder Engagement

Gazprom Group's Stakeholders

GRI 102–40 GRI 102–42

In 2021, the list of Gazprom's stakeholder groups was updated following public consultations on the 2020 Report and based on the decision by the Task Force for the Report Preparation. The Gazprom Group identifies eleven stakeholder groups:

- shareholders and investors;
- business partners;
- foreign regulators of energy markets;
- personnel;
- government;
- local authorities;
- local communities;
- NGOs;
- educational and scientific institutions;
- media;
- consumers.

Main Principles of the Gazprom Group's Stakeholder Engagement

GRI 102–42



Inclusivity

Taking into account Gazprom's stakeholders' points of view as to the significance and impact of a particular matter in order to enable the Group to develop an expedient and commensurate response method.



Materiality

Identifying and ranking relevant and significant matters and underlying factors that make an impact on Gazprom and its stakeholders.



Impact

Monitoring, measuring and assessing the impact of Gazprom's principles, activities and results of operations on the economy, environment, society, stakeholders and the Group itself.



Responsiveness

Taking into account material topics and corresponding impacts in making decisions, taking actions and planning day-to-day operations of the Gazprom Group (including communications).

¹ Note 35, page 71, <https://www.gazprom.com/f/posts/13/041777/gazprom-ifs-2021-12mth-en.pdf>

GRI 102-43 GRI 102-44 GRI 102-46 GRI 102-47 GRI 103-1

Following the analysis of feedback from the Company's stakeholders in 2021, the following key topics were identified: climate change (GHG emissions), social responsibility (extension of the Gazprom Group's policies to its contractors, engagement with local communities), corporate governance.

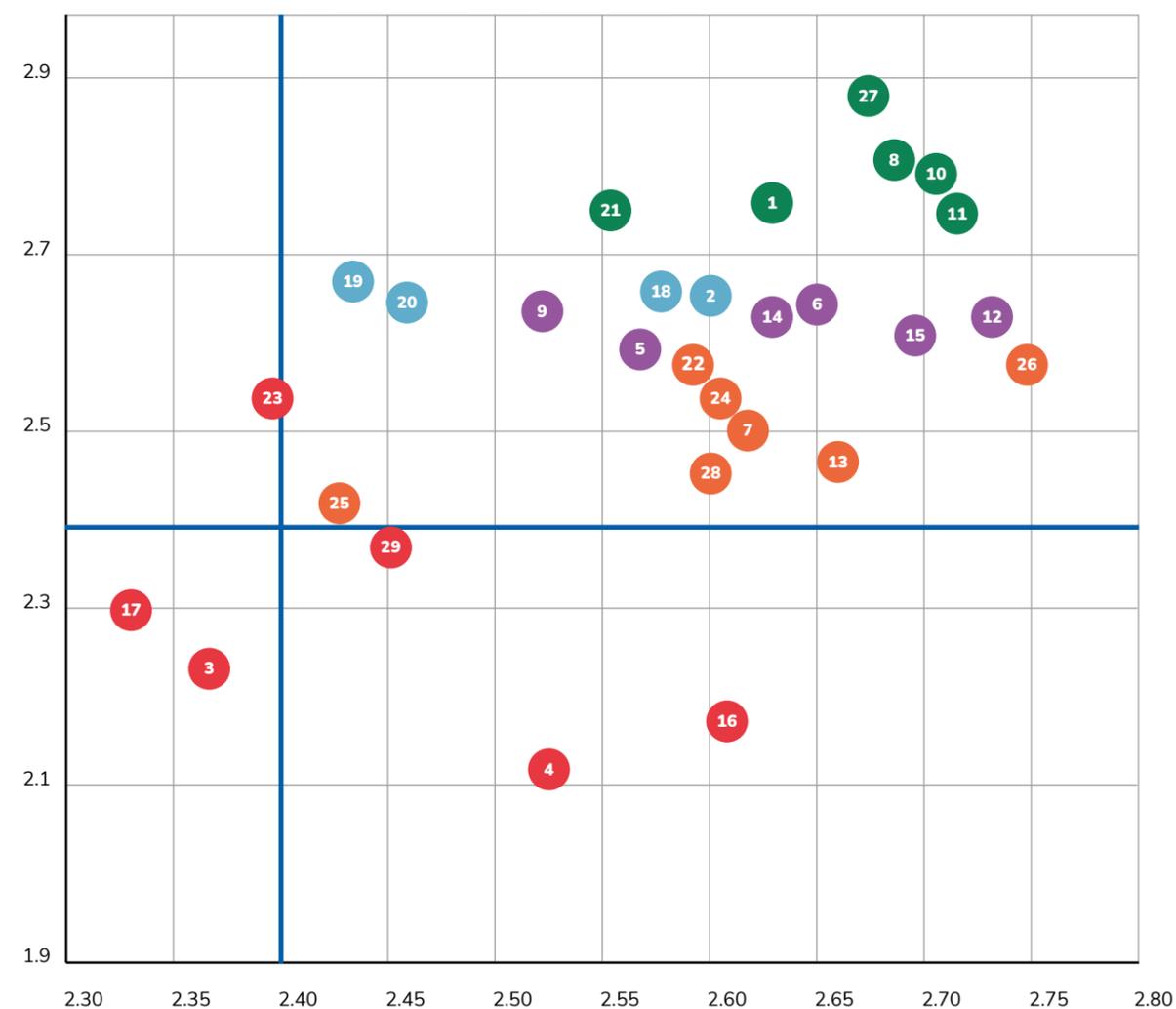
Also, in 2021, an online survey of stakeholder groups was conducted with automatic results processing.

The survey covered 1,766 respondents (representatives of ten stakeholder groups with the exception of foreign energy market regulators), who were asked to rank each topic using a three-point importance scale.

The significance of the Gazprom Group's actual impact within potential material topics was assessed by Task Force members using expert judgements. The activity involved 24 Task Force members.

The survey results and judgements formed the basis for developing a materiality matrix. The topics in the upper right-hand quadrant of the matrix were identified as the priority topics mandatory for disclosure. The threshold value for a topic to be included in this quadrant was 2.4 points.

Materiality matrix



List of material topics

No.	Topic	Stakeholder groups with most interest in the topic ¹	
	Process safety at the Gazprom Group (GRI 403)	27	4, 9, 6
	Compliance with social, economic and environmental requirements of the law (GRI 307, GRI 419)	8	7, 10, 9
	Emissions management at the Gazprom Group (GRI 305)	10	10, 7, 8
	Gazprom Group's economic performance (GRI 201, GRI 207)	1	1, 2, 4
	Respect of human rights (GRI 406)	21	7, 9, 6
	Waste handling at the Gazprom Group (GRI 306, OG 7)	11	10, 8, 7
	Social benefits and non-financial motivation of the employees at the Gazprom Group (GRI 401)	19	8, 4, 6
	Training and education for employees and prospective employees (GRI 404)	18	9, 4, 8
	Gazprom Group's efforts in replenishment of hydrocarbon reserves²	2	10, 8, 4
	Equal opportunities for all employees of the Gazprom Group (GRI 405, GRI 406)	20	4, 6, 7
	Innovations and R&D at the Gazprom Group³	6	10, 8
	Compliance with anti-trust and monopoly laws (GRI 206)	9	5, 9
	Gazprom Group's efforts to maintain acceptable water quality in the Group's areas of operations (GRI 303)	12	7, 10, 8
	Energy saving and energy efficiency at the Gazprom Group (GRI 302)	14	7, 8, 6
	Disturbed land remediation by the Gazprom Group (GRI 304)	15	10, 8, 7
	Anti-corruption practices at the Gazprom Group (GRI 205)	5	2, 4, 6
	Gas infrastructure expansion in Russia (GRI 203, GRI 413)	26	7, 8, 6
	Interaction with local communities in the Gazprom Group's areas of operations (GRI 413)	22	7, 8, 6
	Gazprom Group's social projects (GRI 203)	24	8, 6, 9
	Quality management (GRI 416)	7	7, 9, 2
	Gazprom Group's efforts to preserve biodiversity (GRI 304)	13	10, 7
	Ensuring safer work of suppliers and contractors (GRI 403)	28	6, 7
	Natural gas vehicle fuel market development	25	10, 8
	Other topics		
	Indigenous peoples in the Gazprom Group's areas of operations	23	
	Response to COVID-19 pandemic and its consequences	29	
	Freedom of association and collective bargaining	17	
	Gazprom Group's procurement system and procurement localization	3	
	Gazprom Group's presence in the labor market and employment impact	16	
	Gazprom Group's participation in political activities and international initiatives	4	

¹ Prioritized by extent of interest.
² For more details on the Gazprom Group's efforts in replenishment of hydrocarbon reserves, see PJSC Gazprom Annual Report 2021.
³ For more details on innovations and R&D, see About the Gazprom Group / Innovations at the Gazprom Group.



Gazprom Group Profile

GRI 102-1 GRI 102-2 GRI 102-3 GRI 102-4 GRI 102-5 GRI 102-7 GRI 102-10

Gazprom is a global vertically integrated energy company.

As a pillar of gas supply security, the Gazprom Group meets both seasonal and peak gas demand within the United Gas Supply System (UGSS) and in certain constituent entities outside of it, while also consistently contributing towards achieving the National Goals¹ defined by the President of the Russian Federation.

Guided by the Energy Security Doctrine of the Russian Federation² (the "Doctrine"), PJSC Gazprom upholds government interests by prioritizing domestic energy supplies (clause 23 of the Doctrine), supports technological unity, reliability, stewardship, continuity and security of the Unified Gas Supply System (clause 27zh of the Doctrine), and ensures substantial tax, customs and other payments to the national budget (clause 21zh of the Doctrine).

The Group's core lines of business:

- geological exploration and production of gas, gas condensate and oil;
- gas transportation and underground storage;
- hydrocarbon feedstock processing, gas and petrochemistry;
- sales of gas, gas condensate, oil, and refined hydrocarbon products;
- generation and marketing of heat and electric power.



For more details on business processes within the Gazprom Group's gas, oil and power generation businesses, see PJSC Gazprom Annual Report 2021.

The Group's parent company is PJSC Gazprom.

¹ Decree No. 474 of the President of the Russian Federation On the National Development Goals of the Russian Federation through 2030 dated July 21, 2020.

² Set by Decree No. 216 (Section 7) of the President of the Russian Federation dated May 13, 2019.

Name and legal form of the company	Public Joint Stock Company Gazprom
Head Office	2/3 Lakhtinsky Avenue, Bldg. 1, St. Petersburg, 197229, Russian Federation
PJSC Gazprom's form of incorporation	Private property with a state-owned stake. The Russian Federation controls the majority stake in PJSC Gazprom directly and indirectly (over 50%).

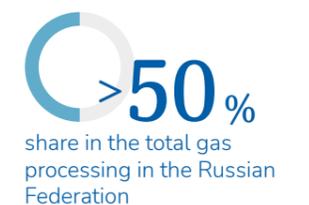
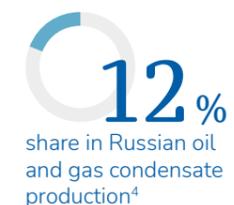
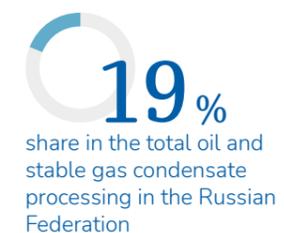
There were no significant changes in the share capital structure in the reporting period. For more details on PJSC Gazprom's share capital structure as of December 31, 2021, see Appendix 3 to PJSC Gazprom Annual Report 2021.



For more details on the Gazprom Group's geography of operations, see PJSC Gazprom Annual Report 2021.

The Gazprom Group carries out its operations in more than 20 countries and supplies its products to over 100 countries worldwide.

Gazprom Group's Scale of Operations

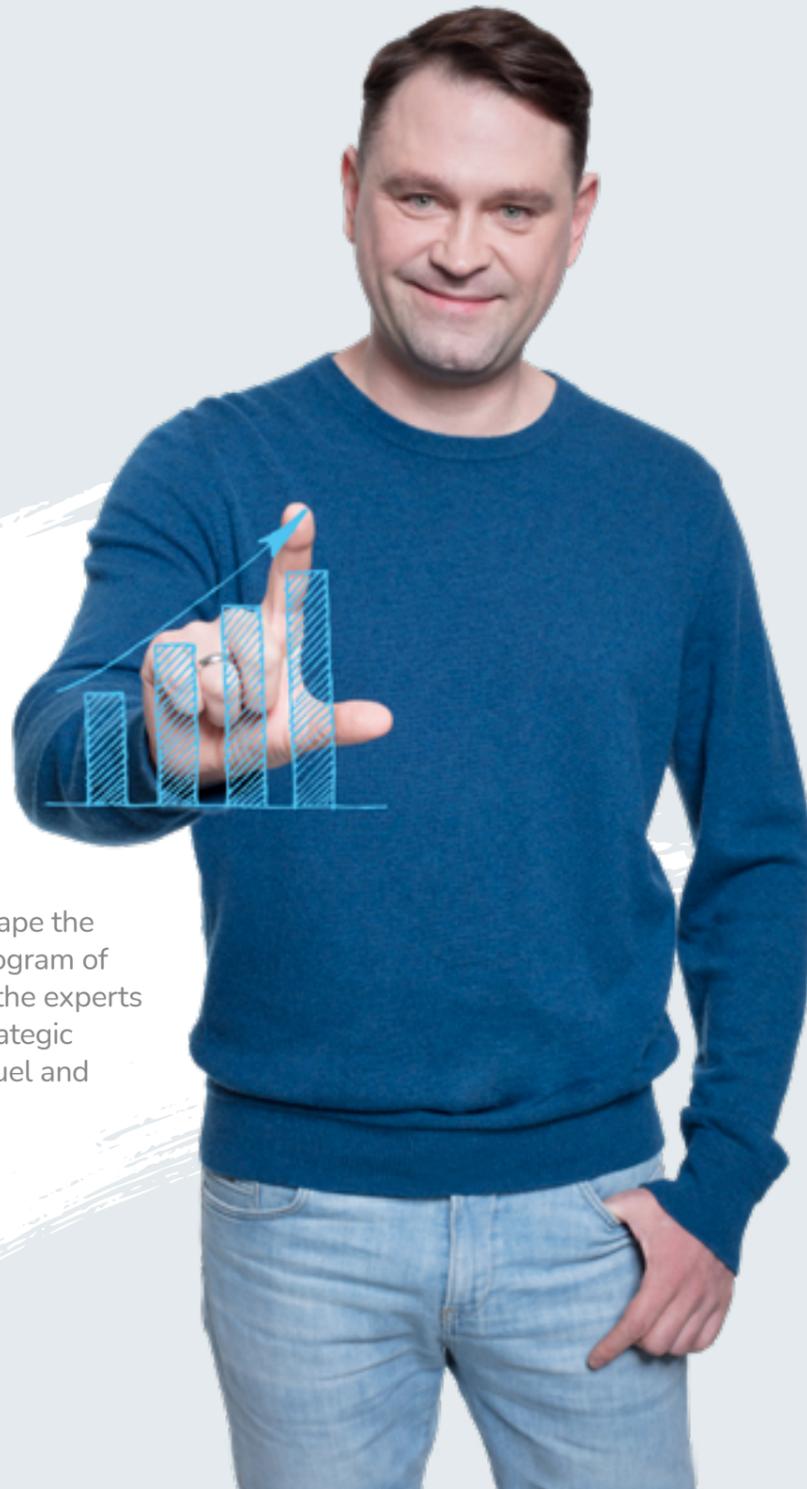


¹ Including the share in reserves of organizations in which Gazprom has investments classified as joint operations.
² Including the share in reserves of organizations in which Gazprom has investments classified as joint operations.
³ Including the share in production volumes of entities where the Group has investments classified as joint operations.
⁴ Including the share in production volumes of entities where the Group has investments classified as joint operations.

Strategic Planning

Alexey Sakharov

Head of Division at PJSC Gazprom
PhD in Economics
Honored Gas Industry Specialist



Alexey leads the effort to shape the Long-Term Development Program of PJSC Gazprom. He is one of the experts developing and updating strategic documents for the Russian fuel and energy industry.

Mission and Strategy

GRI 102-16

PJSC Gazprom's mission is to ensure a reliable, efficient and balanced supply of natural gas, other energy resources and their derivatives to consumers.

PJSC Gazprom's (the Gazprom Group's) strategic goal is to strengthen its leading position among global energy companies by diversifying sales markets, ensuring energy security and sustainable development, improving operating efficiency and fulfilling its scientific and technical potential.

Strategic planning underpins our growth and managerial decision-making enabling the Gazprom Group to achieve its strategic goals.

This process relies on strategic target indicators (STI) coming in the shape of well-balanced targets that span the entire range of operations and define the quantitative dimension of strategic goal setting. STIs are set forth in the Long-Term Development Program of PJSC Gazprom (the Gazprom Group)¹.

Long-Term Development Program

The Long-Term Development Program of PJSC Gazprom (the Gazprom Group) is the key long-term planning tool.

Its purpose is to provide a comprehensive integrated plan ensuring the Company's balanced and successful growth, achievement of STIs, and maximization of systemic economic benefits based on risk and opportunity analysis. The STI-driven Program is drafted annually pursuant to the Planning Procedures of PJSC Gazprom (the Gazprom Group)² (the "Planning Procedures") and Russian Government's Directives No. 4955p-P13 dated July 17, 2014.

Key objectives of the Long-Term Development Program:

- identifying prospective growth areas based on trends in the global and Russian energy markets and competition analysis;
- devising growth scenarios and making a list of PJSC Gazprom's priority projects;
- financial and economic analysis of scenarios;
- assessing PJSC Gazprom's strategic risks;
- developing recommendations and initiatives aimed at achieving STIs and fostering the Company's sustainable development.

PJSC Gazprom's Board of Directors determines reference values for the Gazprom Group and first-level STIs (STIcorp and STI₁, respectively) of gas, oil and electric power businesses³. These values are effective until the end of a ten-year planning period.

In accordance with the Planning Procedures, the Long-Term Development Program sets estimated STIcorp, which characterize the Gazprom Group's activities as a whole, along with STI₁ and STI₂ (second-level STIs). STI₁ quantify key objectives for achieving the strategic goals of the Gazprom Group's businesses, whereas STI₂ break STI₁ down by area and type of operations, detailing objectives in production, marketing, economics, corporate processes, innovation, and HR management.

Once pre-approved by the Management Committee, the Long-Term Development Program is submitted for approval to the PJSC Gazprom's Board of Directors. In 2021, the Long-Term Development Programme of PJSC Gazprom (the Gazprom Group) for 2022–2031 was approved by PJSC Gazprom's Management Committee⁴ and Board of Directors⁵.



For more details on the strategic planning system, see PJSC Gazprom Annual Report 2021.

¹ Approved by resolution of the Management Committee of PJSC Gazprom No. 35 dated July 2, 2020 and by resolution of the Board of Directors of PJSC Gazprom No. 3483 dated September 22, 2020.
² Approved by resolution of the Management Committee of PJSC Gazprom No. 42 dated September 24, 2020 and effective since January 1, 2021.
³ Resolution of the Board of Directors of PJSC Gazprom No. 3523 dated December 22, 2020.
⁴ Resolution of the Management Committee of PJSC Gazprom No. 34 dated June 17, 2021.
⁵ Resolution of the Board of Directors of PJSC Gazprom No. 3652 dated September 28, 2021.

GAZPROM GROUP'S BUSINESS MODEL

GRI 102-7

RESOURCES

RESERVES

328 subsoil development licenses¹

30,226.9 bcm natural gas reserves²

3,243.4 mmt oil and gas condensate reserves³

HUMAN AND INTELLECTUAL CAPITAL

479,200 employees

2,901 patents

17 partner universities

PRODUCTION ASSETS⁴

178,200 km gas trunklines

7 gas and condensate processing plants

>80 power plants

23 underground gas storage facilities

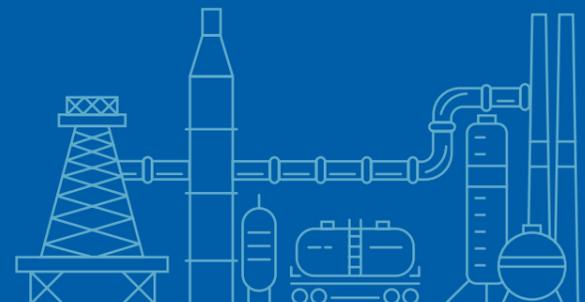
3 refineries

PRODUCTION^{5,6}

515.6 bcm of natural gas and APG⁶

16.3 mmt of gas condensate

48.2 mmt of oil



PROCESSING⁷

35.0 bcm of natural gas and APG

55.8 mmt of oil, stable gas condensate and other liquid hydrocarbons⁹



GENERATION¹⁰

147.5 billion kWh of electricity¹¹

150.9 million Gcal of heat



PRODUCTION⁸

51.5 mmt of petroleum products

4.3 mcm of helium

3.5 mmt of LPG

GAS SUPPLIES TO THE COMMUNITY AND COMPANIES

28.4 million flats and private houses

33,800 industrial facilities

9,500 agricultural sites

361,400 utility facilities

SALES

508.2 bcm gas sales

67.7 mmt sales of refined products

25.3 mmt sales of oil and gas condensate



VALUE CREATION

FOR THE COMPANY

RUB 10.2 trillion sales revenue (+62%)

RUB 12.8 billion economic effect from R&D (+14.3%)

FOR EMPLOYEES

RUB 840.2 billion payroll (+4%)

603,800 employees trained¹² (+48.7%)

RUB 38.5 billion social expenses

FOR THE SOCIETY

RUB 3,310 billion total taxes paid (+56.4%)

RUB 54.1 billion investments in gas infrastructure development in Russian regions¹³ (+37.5%)

RUB 39.5 billion PJSC Gazprom's charity spending (+37.3%)

RUB 294.7 million financial support of indigenous minorities (+14.7%)

FOR THE ENVIRONMENT

RUB 97.5 billion total environmental protection expenses (+99.6%)

-5.7 % waste generation

-6.0 % methane emissions

1.078 mmt of CO₂ equivalent GHG reduction thanks to regional gas infrastructure development

¹ The Gazprom Group and organizations in which Gazprom has investments classified as joint operations.
² In accordance with the Russian classification (A+B1+C1), including the share in reserves of organizations in which Gazprom has investments classified as joint operations.
³ In accordance with the Russian classification (A+B1+C1), including the share in reserves of organizations in which Gazprom has investments classified as joint operations.
⁴ In Russia.
⁵ In Russia.
⁶ Including the share in production volumes of entities where the Group has investments classified as joint operations.
⁷ Excluding tolling arrangements.
⁸ Excluding tolling arrangements.
⁹ Primary processing.
¹⁰ Electricity and heat production by Gazprom Energoholding and the Gazprom Group's other generating assets.

¹¹ Starting from 2021, the Gazprom Group's electricity generation volumes include Gazprom Teploenergo's subsidiaries.
¹² The number of employees who completed training is stated in man-courses (a person completing two training courses is counted twice).
¹³ Vs. Gazprom Mezhrefiongaz comparable data for 2020.

Improving Living Environments in Regions of Operation



Irina Korenkova

Head of Financial and Economic Directorate at Gazprom Pererabotka Blagoveshchensk

Irina handles the economics of Gazprom Pererabotka Blagoveshchensk's social and educational projects, including the development of Amur GPP residential neighborhood infrastructure in Svobodny, foundation of a Gazprom Class at a local school, training of young gas specialists at Amur Region's educational institutions.

Contribution to Russia's Economy

The Gazprom Group makes a significant contribution to the country's economy by paying taxes, developing import substitution, purchasing products from domestic producers, and cooperating with SMEs.

Contribution to the Russian economy, RUB million

GRI 102-7

UNCTAD A.1.1

Indicator	2019	2020	2021
Sales revenue	7,659,623	6,321,559	10,241,353
Operating expenditures (excl. impairment loss (reversal of impairment loss) on non-financial assets, depreciation and exchange rate differences on operating items), incl.:			
social expenses	5,564,173	4,977,263	6,335,983
payroll expenses	45,114	40,690	38,454
	749,708	807,824	840,153



For more details on resource base replenishment, see PJSC Gazprom Annual Report 2021.

Taxes and other payments to the government, RUB billion

UNCTAD A.2.1

Item	2019	2020	2021
Payments to budgets of the Russian Federation, all levels (taxes and other similar payments), incl.:	2,822	2,116	3,310
customs duties	790	472	1,232
MET	1,141	812	1,308
income tax	309	89	328
property tax	151	154	147

Investment Projects

The Gazprom Group's investment projects have a major impact on the growth of regional economies and substantially contribute to infrastructure development. They also have a considerable social effect by providing jobs for residents of Russian regions.

In the reporting year, the Gazprom Group increased its capital expenditures thanks to the favourable market environment and improving financials. This enabled the Group to accelerate the implementation of a number of oil and gas projects.

Effect of the Gazprom Group's Key Investment Projects on Sustainable Development.¹

GRI 203-2

Development of the Chayandinskoye OGCF, Republic of Sakha (Yakutia)

2013

Project launch (main production facilities commissioning) year

Number of jobs created, people

92 in 2021
1,059 from the analysis starting point till December 31, 2021
1,133 planned for the project life cycle

Energy efficiency and environmental impact mitigation advantages

- Use of autonomous energy sources based on RES
- Regular environmental monitoring and control



Process safety advantages

- Automation and limited manning
- Application of equipment intended to ensure safety of well operations and corrosion monitoring systems, and use of soil temperature stabilization system
- Establishment of an in-house fire station

Positive social effect (infrastructure, housing), including for personnel

- Ensuring gas production for gas supplies to Russia's Far Eastern Federal District, with a view to export to Chinese markets
- **Social effect on the Gazprom Group's employees:**
 - In 2020, two dormitories were commissioned, each for 180 people;
 - In 2021, two dormitories were commissioned with a total capacity of 350 people and a laundry and bathing facility;
 - The facilities constructed improved the living conditions of shift workers and helped create a comfortable work environment



Development of the Kovyktinskoye GCF, Irkutsk Region

2019

Project launch (main production facilities commissioning) year

Number of jobs created, people

51 in 2021
315 from the analysis starting point till December 31, 2021
1,439 planned for the project life cycle

Energy efficiency and environmental impact mitigation advantages

- Application of the equipment complying with the best available technologies (BAT), as reflected in the BAT reference books:
 - ITS 29-2017 Natural Gas Production,
 - ITS 8-2015 Wastewater Treatment in the Manufacturing of Products (Goods), Performance of Works and Provision of Services at Major Organizations,
 - ITS 9-2015 Thermal Waste Treatment (Waste Incineration)

Process safety advantages

- Automation and limited manning



Positive social effect (infrastructure, housing), including for personnel

- Ensuring gas production for gas supplies to Russia's Far Eastern Federal District, with a view to export to Chinese markets
- **Social effect on local communities:**

In 2021, Gazprom opened a Sports and Fitness Center in Znamenka Village, Zhigalovsky District, Irkutsk Region, and an SRC facility with an ice rink and a cross-functional games hall in Tulun. A new kindergarten and school for 110 kids was commissioned in Bolshoye Goloustnoye Settlement of Irkutsk District. The following social facilities are to be constructed in Zhigalovo Settlement:

 - Secondary school for 520 students;
 - Kindergarten for 240 kids;
 - Multidisciplinary college for 300 students with a dormitory for 150 people;
 - Hospital with a 40 beds in-patient facility and a clinic for 150 visits per shift.

In addition, 2 residential buildings with a total area of 1,965.6 m² for teaching and medical staff will be constructed. The construction of the above facilities is estimated at RUB 3.3 billion (preliminary figure). Construction of the social facilities will contribute to the region's development.

Development of the Kharasaveyskoye GCF, Yamal-Nenets Autonomous Area

2012

Project launch (main production facilities commissioning) year

Number of jobs created, people

5 in 2021
406 from the analysis starting point till December 31, 2021
877 planned for the project life cycle

Energy efficiency and environmental impact mitigation advantages

- Use of underground reservoirs to place the drilling waste in the stable hard-frozen state
- Use of heat-insulated casing pipes that prevent permafrost thawing and help minimize the permissible well spacing and reduce the size of the well pad
- Use of full internal water recirculation systems that eliminate water bodies and soil pollution
- Construction of special crossings through communication lines for wildlife migration



Positive social effect (infrastructure, housing), including for personnel

- Expansion of gas production on Yamal Peninsula
- **Social effect on the Gazprom Group's employees:**

In 2023, the following facilities are to be commissioned: a dormitory for 150 people; a hotel for 30 people; a public block with a canteen, a shop, a coffee bar, a gym and a workout facility. This will considerably improve the quality of life for Gazprom's employees.



Development of the Bovanenkovskoye OGCF, Yamal-Nenets Autonomous Area

2006

Project launch (main production facilities commissioning) year

Number of jobs created, people

24 in 2021
3,094 from the analysis starting point till December 31, 2021
3,220 planned for the project life cycle

Energy efficiency and environmental impact mitigation advantages

- Use of soil thermal stabilization system and equipping the production string with heat insulated tubing to prevent thawing of wellhead rocks
- Geophysical surveys using the technology that eliminates any gas leakage into the atmosphere
- Use of underground reservoirs to place the drilling waste in the stable hard-frozen state
- Gas treatment by applying the most advanced and sustainable method of low temperature separation with the use of domestic turbo expanders
- Use of full internal water recirculation systems that eliminate water bodies and soil pollution
- Construction of special crossings through communication lines for wildlife migration

Process safety advantages

- Automation and limited manning

Positive social effect (infrastructure, housing), including for personnel

- Ramping up gas output to supply gas to Russian consumers and international markets
- **Social effect on the Gazprom Group's employees:**

The Gazprom Group was developing social infrastructure and constructing facilities during project implementation: 2007 – a dormitory for 321 people and a dormitory for 336 people; 2008 – a dormitory for 336 people; 2010 – a dormitory for 321 people, a hotel for 63 people. 2017 – two dormitories for 175 people, a concert hall for 300 seats, a gym and a swimmingpool, as well as a hospital (in-patient facility and clinic). 2018 – a dormitory for 100 people and a community center with a canteen, a gym and a workout facility.
- **Social effect on local communities:**

Since 2010, an Obskaya-Bovanenkovo rail line with a total length of over 570 km has been operating. This improved the transport accessibility in the region and enhanced the quality of life of its residents.

¹ For more details on the Gazprom Group's investment projects, see PJSC Gazprom Annual Report 2021.

Construction of the Power of Siberia trunk gas pipeline Republic of Sakha (Yakutia), Amur Region

2014

Project launch (main production facilities commissioning) year

Number of jobs created, people

113 in 2021
1,852 from the analysis starting point till December 31, 2021
2,518 planned for the project life cycle

Construction of the Power of Siberia gas pipeline section from the Kovyktinskoye GCF to the Chayandinskoye OGCF, Republic of Sakha (Yakutia), Irkutsk Region

2022

Project launch (main production facilities commissioning) year

Number of jobs created, people

587 planned for the project life cycle

Energy efficiency and environmental impact mitigation advantages

- Use of autonomous energy sources based on RES
- Regular environmental monitoring and control
- Use of rapidly deployable self-propelled bridges to preserve the ecosystem
- Environmental improvement in settlements by way of coal-to-gas power plant conversion
- Installing at compressor stations the energy-saving equipment with improved efficiency to increase the energy efficiency of gas transportation, as well as with low emissions and a significant service life
- Use of domestic steel pipes with smooth inner coating reduces energy consumption for gas transportation

Process safety advantages

- Automation and limited manning
- Automated welding and triple inspection of welds to prevent accidents

Positive social effect (infrastructure, housing), including for personnel

- Social and economic development of the Far East
- Gas transportation from the Chayandinskoye OGCF and the Kovyktinskoye GCF for gas supplies to Russia's Far Eastern Federal District, with a view to export to Chinese markets
- Development of state-of-the-art gas processing and gas-to-chemicals technologies

Sakhalin – Khabarovsk – Vladivostok gas trunkline (including trunkline expansion from Komsomolsk–on–Amur to Khabarovsk) Sakhalin Region, Khabarovsk Territory, Primorye Territory

2009

Project launch (main production facilities commissioning) year

Number of jobs created, people

34 in 2021
1,105 from the analysis starting point till December 31, 2021
1,220 planned for the project life cycle



Energy efficiency and environmental impact mitigation advantages

- Environmental improvement in settlements by way of coal-to-gas power plant conversion
- Installing at compressor stations the energy-saving equipment with improved efficiency to increase the energy efficiency of gas transportation, as well as with low emissions and a significant service life
- Use of domestic steel pipes with smooth inner coating reduces energy consumption for gas transportation
- Regular environmental monitoring and control

Process safety advantages

- Automation and limited manning

Positive social effect (infrastructure, housing), including for personnel

- Ensuring reliable gas supplies to consumers in the Sakhalin Region, Primorye Territory, and Khabarovsk Territory
- Increasing gas supplies to Russian consumers via the trunkline
- Gas exports

Construction of the Amur Gas Processing Plant, Amur Region

2015

Project launch (main production facilities commissioning) year

Number of jobs created, people

638 in 2021
2,132 from the analysis starting point till December 31, 2021
3,087 planned for the project life cycle

Energy efficiency and environmental impact mitigation advantages

- Running all engineering processes and operations in a closed tight system
- Process units equipped with an advanced monitoring, management and automation system and an excellent emergency shutdown system ensure safe operation and minimize the likelihood of emergency situations, including those related to hazardous emissions and discharges
- Use of shut-off valves of at least leakage Class 1 ensures the minimum probability of pollutant emissions
- Application of engineering processes without the use of external cold sources (cryogenic gas facilities)
- Collecting all types of wastewater with their subsequent supply to purification plants for treatment
- During wastewater biological treatment, the use of membrane bioreactors that increase the capacity of treatment facilities without expanding the structure's area
- Application of waste heat recovery from exhaust gases at Ladoga–32 gas pumping units of the gas turbine unit: boiler water used as heat transfer fluid in the heat supply system is heated by way of recovering waste heat from GPU exhaust gases

Process safety advantages

- To introduce safety practices to the support personnel, a system for 3D navigation and positioning (comparable with virtual reality) was developed at the production site of Amur GPP

Positive social effect (infrastructure, housing), including for personnel

Social effect on local communities:
 A project for the construction of Alekseevsky residential neighborhood in Svobodny includes 78 buildings for 1,688 apartments. Currently, 379 employees of the operator got apartments in the neighborhood (12 buildings for 360 apartments). Gas supply to the boiler house and the construction of water purification plants and a communication hub were completed. Daily corporate transport from Alekseevsky residential neighborhood to kindergartens, schools, healthcare institutions, stores, and recreation areas was arranged. In 2022, infill houses for 255 apartments are to be commissioned. Gas infrastructure expansion in the town and heat supply to consumers in the region is being discussed with the local administration. It will considerably improve the quality of life of the Gazprom Group's employees and their family members, as well as the population of Svobodny in general.

Gas Processing Facility within the Ethane-Containing Gas Plant near Ust-Luga, Leningrad Region

2019¹

Project launch (main production facilities commissioning) year

Number of jobs created, people

234² in 2021
506² from the analysis starting point till December 31, 2021
3,973 planned for the project life cycle

Energy efficiency and environmental impact mitigation advantages

- Development of design solutions intended to preserve the existing ecosystems and the daily routine of the local population surrounding the Gas Processing Facility within the Ethane-Containing Gas Plant
- Running all construction processes, including the construction of production facilities, in strict compliance with environmental, sanitary, fire safety and other applicable standards
- Project development in accordance with all the applicable national standards and principles, including the Equator Principles and the general approaches of the Organization for Economic Cooperation and Development

Process safety advantages

- Analyzing industrial safety hazards by using an advanced risk-based approach when designing the Gas Processing Facility within the Ethane Containing Gas Plant. To assess the risk of accidents and mortality, as well as to develop the necessary actions to ensure industrial and fire safety, Gazprom engaged the leading scientific and design institutions of Russia (VNIPO EMERCOM of Russia, the Academy of State Fire Service of the EMERCOM of Russia, Russian Energy Laboratory, APATIT Center for Professional Development, GL Engineering)
- Use of manufacturing processes and automation equipment, application of cutting-edge and highly efficient emergency protection devices to significantly reduce the likelihood of an accident and eliminate injuries and fatalities of both the employees of the facility and the residents of neighboring settlements

Positive social effect (infrastructure, housing), including for personnel

Social effect on local communities:
 Living quarter No. 7 with residential and social infrastructure is under construction in Kingisepp. It will significantly improve the quality of life in the town.



¹ The year when the project office was launched. The operator is RusKhimAlyans, a joint venture of PJSC Gazprom and RusGazDobycha.
² Project office headcount.

Implementing Advanced Technologies

Elena Mazurina

Deputy Head of Division at PJSC Gazprom
PhD in Economics, Associate Professor



Elena is responsible for import substitution projects. She supervised the creation of Russia's first LNG-powered TEMG1 switching locomotive which was delivered to Gazpromtrans in 2021. Powered by natural gas, the engine is much less detrimental to the environment than conventional diesel-fueled vehicles.

Innovations at the Gazprom Group

GRI 103-3

The Gazprom Group development is associated with the continuous work on technological, economic and other challenges that require application of new knowledge and higher efficiency of innovative activities.

RUB 24.6
BILLION

investments in R&D in 2021

RUB 12.8
BILLION

economic benefit from the use of R&D results by PJSC Gazprom's subsidiaries (gas business) in 2021

Documents Regulating the Gazprom Group's Innovative Activity



- PJSC Gazprom's Innovative Development Program until 2025¹
- R&D Program of PJSC Gazprom and its Subsidiaries
- Procedure for Managing R&D Activities at PJSC Gazprom and its Subsidiaries
- A set of PJSC Gazprom's standards pertaining to the Intellectual Property group of standards
- PJSC Gazprom's Patent Strategy until 2025
- Key Provisions for Managing Intellectual Property Rights of PJSC Gazprom and its Subsidiaries

Innovative Development Program

PJSC Gazprom's Innovative Development Program (the "Program") until 2025 is Gazprom's tool for the long-term planning and management of innovative activities which is part of the Group-wide strategic planning framework. It has a ten-year planning horizon and covers gas, oil and power generation businesses of the Gazprom Group. To deliver on the technological and organisational priorities of the Program, there are relevant R&D initiatives (plans) in place at PJSC Gazprom, PJSC Gazprom Neft, Gazprom Energoholding LLC and other subsidiaries and affiliates.

The Program is mainly aimed at improving technological and organizational capabilities of PJSC Gazprom to cement its position as a global energy company and a reliable energy supplier.

The Program prioritizes technological development with a focus on prospecting and exploration, and enhancing development efficiency, including greenfield, offshore, and unconventional resources. Gazprom also monitors and develops technologies for enhancing the efficiency of gas transportation and storage, hydrocarbon processing, LNG production, gas marketing and utilization.

¹ Approved by resolution of the Board of Directors of PJSC Gazprom No. 3513 dated December 1, 2020, <https://www.gazprom.ru/posts/97/653302/priir-passport-2018-2025.pdf>

Innovation Management

GRI 103–2

PJSC Gazprom has an advanced innovation management framework in place. It also has a standing R&D Commission (the "Commission") which considers whether and how PJSC Gazprom and its subsidiaries should implement R&D projects based on the principles of transparency, objectivity, and independence. In the reporting year, it saw the number of its members increase from seven to ten following the decision¹ to enhance its capabilities.

In November 2021, amendments² were made to the Procedure for Managing R&D Activities at PJSC Gazprom and its Subsidiaries,³ driven by the need for better R&D activity management. The Company strengthened the role of the R&D Department as the center of responsibility for managing R&D activities at PJSC Gazprom and its subsidiaries, updated the roster of R&D activities and results, and provided for electronic (paperless) management of records and reports.

In 2021, despite the restrictions introduced to combat the spread of COVID-19, key R&D metrics significantly grew year-on-year as follows:

- Number of R&D initiatives reviewed by the Commission – by 21%
- Number of R&D initiatives approved by the Commission and included in the R&D Program of PJSC Gazprom and its Subsidiaries – by 76%.



For more details on innovation management at PJSC Gazprom, see Gazprom's website: <https://www.gazprom.com/about/strategy/>.

UNCTAD A.3.3

Gazprom Group's R&D investments and actual economic benefit, RUB billion

Indicator	2019	2020	2021	Change 2021/2020, %
R&D investments ⁴	12.1	21.4	24.6	+15.0
Economic benefit from the application of R&D results ^{5,6}	10.5	11.2	12.8	+14.3

Number of patents received by the Gazprom Group

Indicator	2019	2020	2021	Change 2021/2020, %
Patents	2,674	2,786	2,901	+4,1

¹ Order of PJSC Gazprom No. 473 dated November 9, 2021.

² Order of PJSC Gazprom No. RD 489 dated November 11, 2021.

³ Approved by Order of PJSC Gazprom No. 254 dated April 20, 2017.

⁴ Including pre-investment studies.

⁵ According to the information provided by PJSC Gazprom subsidiaries (gas business).

⁶ The methodology for calculating the economic benefit from using the R&D results is formalized in a document of PJSC Gazprom standardization system and relies on the generally accepted approach to calculating the benefit based on the difference between cash inflows and outflows.

The Year of Science and Technology

Gazprom supported the government initiative and announced the Year of Science and Technology in 2021 with a view to making science and technology more attractive to young talent, raising awareness about innovative opportunities of the gas science among broader audiences, and engaging the professional academic community in tackling the gas industry challenges.

The initiative saw more than 350 dedicated events promoting PJSC Gazprom as a socially responsible business with its own technical capabilities that supports

science and education. Among these events were topical conferences and workshops, exhibitions and information boards demonstrating the Company's latest achievements in R&D and import substitution, including four exhibitions and showrooms as part of the 10th Anniversary St. Petersburg International Gas Forum. PJSC Gazprom went public about its R&D activities on federal TV channels, periodicals, as well as its own and its partners' web resources. The Company also held profession-oriented awards and competitions, video lectures on science and technology, etc.

Examples of Innovative Projects Being Implemented

All investment projects of the Gazprom Group are implemented using the latest available sci-tech solutions, including those developed jointly with Gazprom.

In the reporting year, Gubkin Russian State University of Oil and Gas, hired by PJSC Gazprom to develop digital technologies, continued to work on creating a structural and tectonic model for better trap prediction on the north-eastern shelf of Sakhalin using domestic cloud IT technologies.

Driven by cutting-edge solutions are PJSC Gazprom's new technological projects and field development plans for such existing fields as Astrakhanskoye, Urengoykoye, Severo-Urengoykoye, Medvezhye, Yamburgskoye, Chayandinskoye, etc.

We completed the development of an integrated solution to increase working gas volume and reduce time for starting up cyclic operation of underground gas storage facilities in structurally complicated water formations.

In addition to technological innovations, PJSC Gazprom extensively develops and uses organizational innovations. The year 2021 saw active work on enhancing the system of long-term forecasting, cost management, and UGSS modeling.

Collaboration with R&D Centers and Universities

PJSC Gazprom cooperates with partner universities as part of its Innovative Development Program until 2025.

Partner Universities of PJSC Gazprom

Anchor Universities of PJSC Gazprom

 Kazan National Research Technological University	 St. Petersburg State Marine Technical University
 Bauman Moscow State Technical University (National Research University)	 Peter the Great St. Petersburg Polytechnic University
 Lomonosov Moscow State University	 St. Petersburg State University of Economics
 National Research Tomsk Polytechnic University	 Industrial University of Tyumen
 National Research University Higher School of Economics	 Ufa State Petroleum Technological University
 Gubkin Russian State University of Oil and Gas (National Research University)	 Ukhta State Technical University
 St. Petersburg Mining University	

Universities Enjoying Special Partnership with PJSC Gazprom

 St. Petersburg University Graduate School of Management	 Admiral Makarov State University of Maritime and Inland Shipping
 St. Petersburg Electrotechnical University LETI	 Ammosov North-Eastern Federal University

PJSC Gazprom engages anchor universities in conducting R&D projects on all core areas of the Company's technological chain such as software development, and digitalization of production and management functions. Many of them contribute to sustainable development.

In 2021, Gubkin Russian State University of Oil and Gas completed the following projects:

- predicted development and properties of reservoir rocks in Senonian sediments of the Nadym-Pur-Taz Region using digital lithological and petrophysical models and lithofacies simulation;

- solutions for creating import-substituting chemicals, materials and technologies to produce drilling muds and cement slurries;
- framework and requirements for information tools to support economic evaluation of Gazprom's investment projects;
- integrated solution to increase working gas volume and reduce time for starting up cyclic operation of underground gas storage facilities in structurally complicated water formations.

In the reporting year, Gazprom and Lomonosov Moscow State University completed their joint research project on upgrading the technology to identify and assess geological processes and phenomena jeopardizing the construction of oil and gas facilities on the Far Eastern shelf of Russia. The advanced technology for engineering and geophysical survey was tried out on a deep water area of the Sakhalin shelf located at the Kirinsky license block of PJSC Gazprom. The obtained results will help the Company optimize the development of the Kirinskoye field, implying much lower risks associated with the design and construction of deep wells.

In addition to the anchor universities, the Company cooperates with other universities. In 2021, under the Cooperation Agreement between the Government of the Republic of Tatarstan and PJSC Gazprom, the

Innopolis University completed the development of software for one-dimensional and three-dimensional geomechanical modeling and a set of robotic tools to diagnose the technical condition of compressor stations and transmit data in real time. The University presented software architecture solutions for creating, editing and simultaneously visualizing 1D and 3D geomechanical models and diagnosing the technical condition of the Company's gas transportation facilities. The parties decided to continue collaboration under the new Agreement on Scientific and Technical Cooperation between the Government of the Republic of Tatarstan and PJSC Gazprom, which was signed in the reporting year.

As part of its cooperation with the anchor universities, PJSC Gazprom is participating in building an innovative scientific and technical center for energy and oil and gas production at St. Petersburg State Marine Technical University (Primorskaya Dolina Science and Technology Center). The project will also involve other partner universities of PJSC Gazprom, including Gubkin Russian State University of Oil and Gas, Peter the Great St. Petersburg Polytechnic University, and St. Petersburg Electrotechnical University LETI. PJSC Gazprom's representatives also sit on the working group in charge of developing a blueprint for the center.

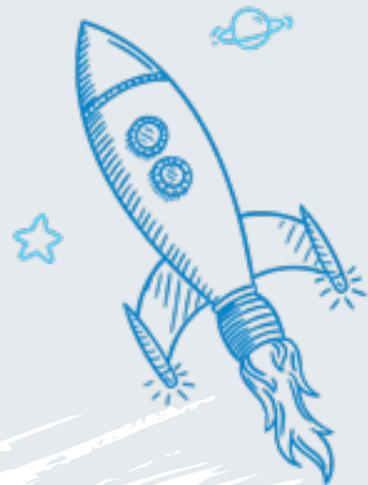
Fostering and Supporting the Russian Science and Young Scientists

In order to promote innovative activities and introduce innovations into its routines, Gazprom holds an annual competition for PJSC Gazprom Science and Technology Prize. In 2021, the competition saw 16 projects, with the total number of authors reaching 148, including 105 employees of PJSC Gazprom's subsidiaries, 27 employees of PJSC Gazprom's structural units, and 16 third-party employees.

In 2021, the top prize went to the project by Gazprom *Proyektirovaniye on Scientific Rationale, Development and Implementation of a Membrane Technology for*

Helium Recovery from Natural Gas in Eastern Siberia and Russia's Far East. The work entailed close cooperation with the relevant structural unit of PJSC Gazprom, Gazprom Dobycha Noyabrsk, Gazprom Dobycha Irkutsk, and Grasy. The innovative membrane technology of helium recovery makes it possible to adjust helium content in produced multi-component gas directly at the field before it is supplied to the pipeline for transportation.

Developing Digital Infrastructure



Dmitry Sevastyanov

Director General of Gazprom Space Systems
PhD in Engineering
Honored Communications Specialist of Russia

Dmitry is in charge of a national satellite operator that provides telecommunications and geographic information services to consumers in Russia and a significant part of the Eastern Hemisphere. He oversees the operation of PJSC Gazprom's Yamal satellite constellation and other sophisticated telecommunications systems, as well as development of digital multichannel television relayed by a communications satellite.

Digital Transformation

Gazprom is an industrial leader in developing and using digital technologies in Russia.

253
PROJECTS

included in the Digital Transformation Strategy of PJSC Gazprom (the Gazprom Group)

RUB **11.4**
BILLION

spent on software development and digital transformation (DT)¹

4,562
EMPLOYEES

received further professional training in digital technology

Digital Transformation Strategy

The Company implements new digital technologies enabling it to enhance the efficiency of its existing processes and identify prospective business segments in line with the Digital Transformation Strategy of PJSC Gazprom (the Gazprom Group)².

The Strategy draws from the following documents:



- Decree No. 203 of the President of the Russian Federation On the Strategy for the Development of the Information Society in the Russian Federation for 2017–2030 dated May 9, 2017
- Russian Government's Directives No. 3438p-P13 On Ensuring the Development (Updating) of the Digital Transformation Strategy (Program) through 2024 (inclusive) dated April 14, 2021
- Resolution of the Board of Directors of PJSC Gazprom No. 3600 On Ensuring the Development (Updating) of the Digital Transformation Strategy (Program) of PJSC Gazprom through 2024 (inclusive) dated June 1, 2021

The Strategy is compliant with the Digital Transformation Guidelines for State-Owned Corporations and Companies approved by the Presidium of the Government Commission on Digital Development on November 6, 2020, and conforms to federal laws, decrees and instructions of the President of the Russian Federation, decrees of the Government of the Russian Federation, and other federal regulations pertaining to digital transformation.

The Strategy:

- is a long-term planning and management document which is part of the Group's strategic planning framework;
- covers the gas business of the Gazprom Group;

- contains a set of interconnected initiatives aimed at developing and implementing advanced digital technologies;
- provides for the Group's transition to a platform-based business model.

The Gazprom Group's digital transformation (DT) provides for a transition to a single integrated platform-based business model of the Gazprom Group, which involves gradual implementation of its strategic digitalization goals and the development of existing business segments.

As we see it, digital transformation is a continuous process covering automation, IT penetration and digitalization, and involving all business units of PJSC Gazprom and the Gazprom Group companies.

¹ 2021 data is provided for PJSC Gazprom and the Gazprom Group companies covered by the Digital Transformation Strategy of PJSC Gazprom (the Gazprom Group), as well as the subholding companies pursuing their own digital transformation strategies, specifically Gazprom Neft, Gazprom Mezhrregiongaz, and Gazprom Energoholding.

² The "Strategy". Approved by resolution of the Board of Directors of PJSC Gazprom No. 3709 dated January 25, 2022.

PJSC Gazprom's digital transformation aims to:

- increase the operating efficiency through extensive use of end-to-end digital technologies, markedly increase the efficiency of specific business processes, and promote new business lines, products and services;
- increase the competitive capacity through adaptive digital management practices, including the creation of digital platforms and ecosystems;

- ensure sustainable development and process reliability based on proactive (accelerated) import substitution of digital technologies.

The key objective of Gazprom's digital transformation is to markedly increase the efficiency of production and management processes through extensive use of digital technologies and promote new business lines.

Digital Transformation KPIs

In line with our digital transformation objectives and upon review of the KPI list proposed by the Russian Ministry for Digital Technology in the Digital Transformation Guidelines for State-Owned Corporations and Companies¹ and their relevance for the Gazprom Group, we determined the following digital transformation KPIs:



Investment in digital transformation, including import substitution	Increasing investment in domestic IT solutions
Reduction in unit opex following digitalization	Reduction in the accident rate following digitalization
Share of revenue in digital channels	Improving labor efficiency through digitalization
Number of active users of digital solutions (Gazprom Group employees)	Share of digitalized business processes in support functions
Share of managers, specialists and other white-collar staff skilled in digital transformation	Share of digital transformation initiatives using artificial intelligence
Share of digital transformation spending in total investments	Share of spending on Russian-made software

¹ Approved by the Presidium of the Government Commission on Digital Development on November 6, 2020.

The Company regularly assesses the effects achieved and their impact on its performance when updating the Strategy and monitoring its initiatives.

Digital Transformation Priorities

PJSC Gazprom's IT Department identifies the priorities and realigns them when updating the Strategy.

The Strategy initiatives include:

- digital transformation projects;
- projects enabling basic IT and digitalization required to make digital transformation possible;
- DT initiatives focusing on financial and business performance;
- DT initiatives focusing on production and technology;
- DT initiatives focusing on communications;
- action plan for 2022–2024 providing for PJSC Gazprom's and the Gazprom Group entities' increased reliance on domestic software.

Digital Transformation in 2021

In 2021, the Gazprom Group continued to implement its Comprehensive Target Program for the Development of the Integrated Information Environment (IIE) for 2018–2022¹, including the following projects:

- electronic management system for accounting documents and contracts at PJSC Gazprom, its subsidiaries and entities;
- gas and condensate transportation information management system (Stage 1) at PJSC Gazprom's gas transportation subsidiaries (Phase 1).

The Group continued to develop its integrated IT infrastructure by meeting Gazprom's needs for servers and hardware.

The Strategy provides for the respective IIE projects to continue into 2022 and for PJSC Gazprom and the Gazprom Group to consistently work towards digitalization and digital transformation.

In 2021, we launched a routine to collect data from our subsidiaries on proposals to the Gazprom Group's Digital Projects and Technologies Bank which seeks to provide up-to-date and exhaustive information to the Group's employees, identify opportunities for the roll-out, licensing, and commercialization of the best products both within and beyond the Group. The project provides for consolidation, analysis, support and selection of best practices based on the experience of PJSC Gazprom's subsidiaries.

The COVID-19 pandemic in 2021 had no direct impact on the Gazprom Group's accelerated digitalization.

Digital Transformation Plans

The first stage of the Strategy includes creating the Gazprom Group's Integrated Reference Data and Knowledge Model, a corporate repository containing information about the Group's key assets and business processes, its suppliers and contractors, existing and prospective consumers, current regulatory requirements, etc.

This model will leverage digital platforms to build digital ecosystems for gas, oil and electric power businesses, which will be integrated with digital services into the Gazprom Group's digital eco-environment going forward.

¹ Approved by resolution of the Management Committee of PJSC Gazprom No. 39 dated October 23, 2017.

Responsible Supply Chain

Gazprom's procurement activities mainly seek to cater, in a timely manner, to all the Group's needs for goods, works and services taking into account their price, quality and reliability.

Procurement Regulations



- Federal Law No. 223-FZ On Procurement of Goods, Works, and Services by Certain Types of Legal Entities dated July 18, 2011.
- Regulation on Procurement of Goods, Works, and Services by PJSC Gazprom and Gazprom Group Companies (the "Procurement Regulation")¹.

Procurement Management

GRI 103–2

GRI 103–3

Gazprom's procurement system relies on the following principles:

- safe operation of hazardous production facilities;
- information transparency;
- equality;
- fairness;
- zero discrimination;
- targeted and economically efficient spending;
- ties with suppliers and contractors of shared corporate and ethical values;
- stimulation of competitive environment;
- balanced ratio of costs and expected economic benefits.

Gazprom's procurement activities are governed by the Group's Central Procurement Office. Acting under the Procurement Regulation, it is responsible for:

- planning of the Gazprom Group's procurements;
- defining a customer/organizer interaction procedure and distributing tasks to both parties in preparing, arranging and holding the Gazprom Group's procurement activities;
- staging and conducting pre-qualification procedures, compiling and keeping a Register of the Gazprom Group's potential bidders;

- arranging and conducting the Gazprom Group's procurement activities;
- exercising control over the Gazprom Group's procurement activities;
- establishing the form, content of, as well as the procedure for submitting, information required from the Gazprom Group regarding procurement and signed contracts for goods, works and services;
- providing methodological guidance to the Gazprom Group in respect of procurement activities;
- advising on the procedure for applying the Procurement Regulation and other procurement-related matters;
- coordinating the work of the Gazprom Group's structural units for preparing and conducting procurement activities.

PJSC Gazprom has put in place the Automated Electronic Procurement System (AEPS, www.zakupki.gazprom.ru), covering the pre-qualification of potential bidders and the entire procurement cycle, from needs planning to signing and executing contracts. As regards electronic procurement, the Group employs the Electronic Trading Platform of Gazprombank (GPB ETP)² integrated with the Unified Information System (UIS) for public and municipal procurement of goods, works and services³, and with the AEPS.

¹ Approved by resolution of the Board of Directors of PJSC Gazprom No. 3168 dated October 19, 2018 (as amended by resolutions of the Board of Directors of PJSC Gazprom No. 3337, 3580 and 3625 dated November 19, 2019, May 20, 2021 and July 6, 2021, respectively).

<https://mrg12.ru/upload/documents/purchases/polozhenie-o-zakupkakh-pao-gazprom.pdf>

² Electronic Trading Platform (the Gazprom Group's Procurement section at https://etpgpb.ru/pao_gazprom/).

³ UIS: www.zakupki.gov.ru

Gazprom Group's Supply Chain

GRI 102–9

Procurement of materials and equipment

- Gas, energy, liquid hydrocarbons
- Chemicals
- Gas pumping units and components
- Nonstandard equipment
- Large-diameter pipes and pipeline valves
- Electrical equipment, instrumentation and automation
- General plant equipment and gas equipment
- Pump and compressor equipment
- Gas production and drilling equipment

Procurement of works and services

- Gas and liquid hydrocarbons transportation and storage services
- Construction and installation works
- Lease
- Overhaul
- Construction of wells (production drilling and related works)
- Seismic research and exploration
- Transportation and logistics services
- Engineering and survey activities
- Maintenance and routine repairs
- Insurance
- IMS development and servicing

Procurement Ethics

GRI 419–1

When conducting procurement activities, the Group relies on corporate anti-corruption and anti-fraud principles and takes measures to settle conflicts of interest and prevent violations.

A collegial body, i.e. a Procurement Committee, is set up to approve the results of bidding and marketing research. The Group strictly monitors the Committee membership to avoid conflicts of interest. Following the bidding, the Committee selects a supplier (contractor, service provider) based on the principles of fair, equal and objective treatment of bidders while also taking into account criteria for evaluating and comparing bids specified in the procurement documentation (notice of request for proposal). Committee meetings are held in line with effective practices and the procedure to prepare and hold such meetings and issue electronic minutes via the AEPS. Violations of procurement procedures are punishable by administrative sanctions.

Procurement participants have the right to challenge the results within ten days. They may also submit proposals on improving PJSC Gazprom's procurement procedures, as well as comments and complaints regarding the actions or failure to act by customers, organizers and their officers. Procurement participants can inform

the Group of unreasonable requirements for procured items, suppliers (service providers), delivery (work/service) deadlines and conditions, and other cases of unreasonably restricted competition. A feedback page is available for potential bidders in the Procurement section of the PJSC Gazprom's official website (<http://www.gazprom.ru/tenders/feedback/>).

The Gazprom Group's procurement practices comply with Article 13.3 of Federal Law No. 273-FZ On Combating Corruption dated December 25, 2008, which obliges companies to develop and implement anti-corruption measures according to the Anti-Corruption Policy¹. In addition, the Group follows the Code of Corporate Ethics of PJSC Gazprom² setting out business conduct rules aimed, inter alia, at preventing and minimizing the negative impact of conflicts of interest.

The Gazprom Group adheres to anti-monopoly laws, assigning relevant responsibilities to the Central Procurement Office. This body is in charge of ensuring legal compliance when drafting regulations and other documents governing procurement procedures. PJSC Gazprom put in place criteria for material violations of procurement procedures to hold culprits liable.

¹ Approved by resolution of the Board of Directors of PJSC Gazprom No. 2846 dated November 15, 2016, <https://www.gazprom.com/ff/posts/74/562608/anti-corruption-policy-2022-04-15-en.pdf>

² Approved by resolution the Board of Directors of OJSC Gazprom No. 2309 dated February 25, 2014.

Procurement Activities in 2021

GRI 102-9

Over

99.5 %

share of electronic procurement in the Gazprom Group's bidding and marketing research processes

97.4 %

share of domestic materials and equipment in centralized supplies to Gazprom¹

11,700 contracts worth RUB 454.3 billion

signed by Gazprom and the Group's subsidiaries based on bidding and marketing research

RUB 29.9 billion or 6.2%

efficiency of bidding and marketing research²

Down RUB 6.2 billion or 5.8%

cost reduction compared to initial pricing³

In the reporting year, the Group signed contracts with over 26,400 suppliers of goods, works and services, including 26,200 external providers (99%) and 274 interdependent entities (1% of all PJSC Gazprom's counterparties).

In 2021, we made procurement procedures as simple as possible to attract more small and medium enterprises (SMEs). Now SMEs have access to electronic procurement, with the list required documents reduced and no financial security needed. In addition, payment period is reduced to 15 business days after the goods (works, services) delivery certificate has been signed by the customer.

In 2021, the Gazprom Group entered into more than 42,000 contracts with businesses from the Unified Register of SMEs⁴ worth over RUB 248.5 billion,

including 4,800 in excess of RUB 83.5 billion signed after competitive bidding and marketing research involving SMEs only. SMEs accounted for 60.5% of the total number of the Gazprom Group's counterparties (26,400) under contracts for goods, works and services signed in 2021.

As of February 1, 2022, the Register of the Gazprom Group's potential bidders included 881 pre-qualified participants, 632 of which are SMEs. In 2022, Gazprom will continue to improve its procurement practices, including as part of the efforts to comply with directives of Government of the Russian Federation and changes to the legislation of the Russian Federation.

Key procurement indicators

Indicator	2019	2020	2021	Change 2021/2020
Total value of bidding and marketing research, RUB billion	520.1	548.4	454.3	-17.2%
Total number of contracts signed after bidding and marketing research, thousand	16.9	14.6	11.7	-19.9%
Savings due to bidding for contracts, RUB billion	19.6	32.2	29.9	-7.1%
GRI 204-1 UNCTAD A.4.1				
Share of domestic materials and equipment in centralized supplies to the Gazprom Group ¹ , %	99.5	97.6	97.4	-0.2 p.p.
Economic benefit of import substitution, RUB billion	14.8	16.6	21.9	31.9%
Share of SME suppliers in the total number of the Gazprom Group's counterparties, %	59.4	59.6	62.1	2.5 p.p.
Value of contracts signed with SMEs, RUB billion	381.4	300.5	248.5	-17.3%

¹ In the procurement by Gazprom Komplektatsiya (the Group's dedicated supplier of materials and equipment).

² Difference between the sum of initial (maximum) prices and the prices of contracts signed after bidding.

³ Price decrease before bidding.

⁴ <https://ofd.nalog.ru>

¹ In the procurement by Gazprom Komplektatsiya (the Group's dedicated supplier of materials and equipment).

Quality Management System

GRI 103-2 GRI 103-3

Documents Regulating Quality Management at the Gazprom Group



- Quality Assurance Policy of PJSC Gazprom¹
- Regulation on the Quality Management System of PJSC Gazprom²
- STO Gazprom 9000-2018 Management Systems. Quality Management Systems. Main Provisions and Glossary
- STO Gazprom 9001-2018 Management Systems. Quality Management Systems. Requirements

The Quality Management System of PJSC Gazprom contributes to operational excellence and provides a solid basis for sustainable development initiatives.

Quality Management Process

GRI 419-1

The Gazprom Group controls the quality of its products (works, services) at all stages of their life cycle. Quality Management Systems (QMS) were introduced at PJSC Gazprom and across the Gazprom Group to enhance quality management performance.

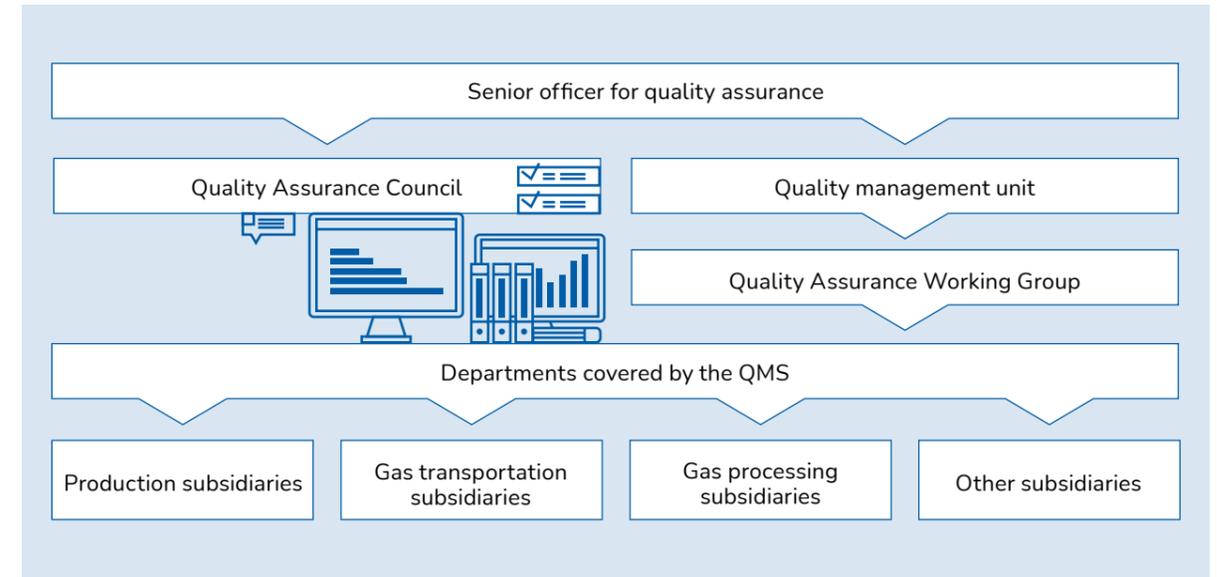
The QMS of PJSC Gazprom was certified for compliance with the ISO 9001:2015 international standard. At the moment, the QMS of PJSC Gazprom covers subsidiaries engaging in the following operations:

- production, transportation, processing and storage of natural gas, gas condensate, and oil; construction of new gas supply facilities; expansion, reconstruction, technical upgrade, overhaul and diagnostics of the existing facilities
- metrological support of hydrocarbon production and supply

- design and expert review of field development projects; drilling of wells; construction of new facilities; expansion, reconstruction and technical upgrade of existing facilities, commissioning of completed facilities under the established procedure
- prospecting, exploration and appraisal works; development of gas, gas condensate, oil and oil, gas and condensate fields
- natural gas supply and sale; electricity and heat generation; sale of CNG and LNG as a vehicle fuel

The overall structure of the QMS of PJSC Gazprom includes 13 departments of PJSC Gazprom, as well as 11 gas production subsidiaries, 19 gas transportation subsidiaries, 2 gas processing subsidiaries and 28 subsidiaries involved in other operations.

Structure of PJSC Gazprom's QMS



As part of the QMS, procedures for managing substandard products were developed. When substandard quality products are detected, the Gazprom Group companies will promptly inform customers. In such instances, products with unidentifiable or questionable status are classified as noncompliant.

Substandard product management process includes:

- identification of such products;
- corrective action as required;

- product reverification;
- analysis of causes of noncompliance to enable corrective action.

GRI 416-2

The reporting period saw no legal incidents with the Gazprom Group's products affecting consumer health and safety.

Compliance with International Standards

60 companies of the Gazprom Group were certified for compliance with the ISO 9001:2015 international standard, with two of them – Gazprom Mezhhregiongaz

and Gazprom Energoholding – certified in the reporting year.

Control of the Supplier Performance Quality

To ensure a high quality of products, works, and services, PJSC Gazprom recommends that its suppliers implement QMS systems based on the STO Gazprom 9000 corporate standards.

These standards provide for stricter requirements compared to similar international and national standards, and introduce additional requirements to

ensure the quality of products, works and, services taking into account the nature of the safe operation of PJSC Gazprom's facilities.

As of December 31, 2021, 166 suppliers of materials and equipment, works, services, and 14 subsidiaries of the Gazprom Group certified their QMS for compliance with STO Gazprom 9001.

¹ Approved by order of PJSC Gazprom No. 643 dated September 20, 2017. <https://www.gazprom.com/ff/posts/74/562608/quality-assurance-policy-20-09-17-en.pdf>.
² Approved by order of PJSC Gazprom No. 696 dated November 8, 2016.

Consumers Categories of Gazprom's Core Products

GRI 102-6

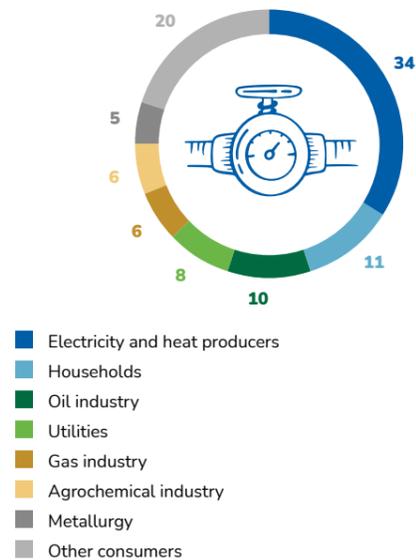
Gazprom's core production assets are located in Russia. The Company also has production operations in the FSU and non-FSU countries. The Gazprom Group supplies its products to over 100 countries.

Domestic supplies of natural gas direct to consumers are made via Gazprom Mezhrefiongaz, which is a 100% subsidiary of PJSC Gazprom. The Gazprom Group supplies gas to Russian consumers via 53 regional gas supply companies and 3 gas distribution companies, which enter into contracts and collect payment from end users, including households.

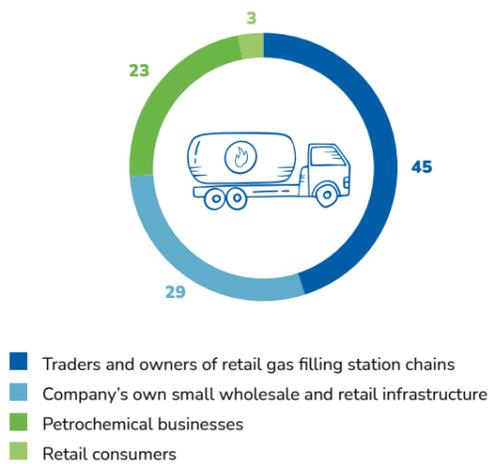


For more details on the structure of natural gas sales of the Gazprom Group, see the Marketing Section of the PJSC Gazprom Annual Report 2021.

Main consumers of natural gas in Russia, %



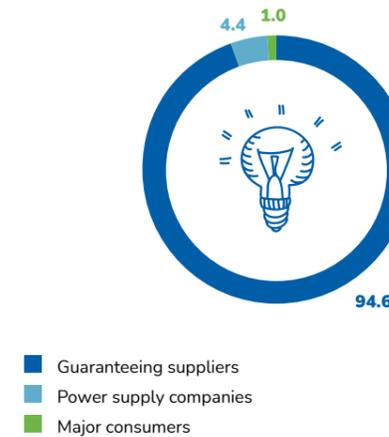
Main consumers of liquefied petroleum gas (LPG), %



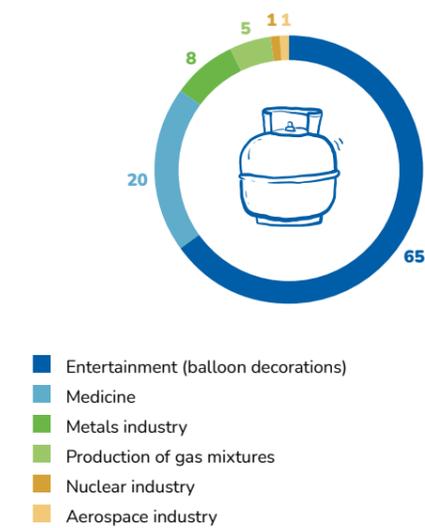
Main heat consumers, %



Main electricity¹ consumers, %



Main consumers of gaseous helium, %



Customer Satisfaction Monitoring

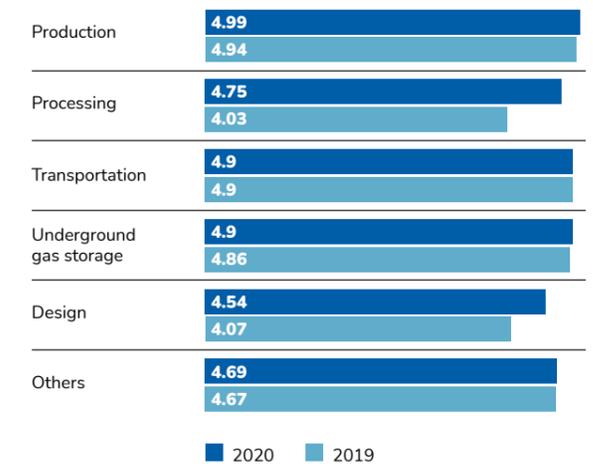
To ensure a sustained high quality of products, Gazprom monitors customer satisfaction on a regular basis. In 2021, customer satisfaction was monitored using the two independent methods:

- **Method 1.** Analysis of data obtained by collecting feedback from the customers of PJSC Gazprom's subsidiaries across all lines of business.
- **Method 2.** Calculation of the customer satisfaction index for the following lines of business: gas business, power generation business, NGV fuel business.

Based on 2020 results, the average customer satisfaction index in line with Method 1 remained at a high level of 4.80 (using a 5-point scale).

The results of customer satisfaction monitoring in 2021 will be summed up after subsidiaries and entities of PJSC Gazprom report on performance of their quality management systems in 2022 (it will be the first time that a 10-point scale will be used for customer satisfaction assessment).

Customer satisfaction (gas business), 2019–2020



In 2021, STI₂ were calculated for the first time:

85.61 %
customer satisfaction index for the power generation business

77.26 %
customer satisfaction index for the gas business

87.92 %
customer satisfaction index for the NGV fuel business

¹ In the regulated market.

Sustainability Management

RUB **3,310**
BILLION

total taxes paid by the
Gazprom Group
to the budgets of the
Russian Federation

RUB **38.5**
BILLION

social expenses by the
Gazprom Group

Karen Oganyan

Head of Department at PJSC Gazprom
PhD in Economics

Karen oversees the tax strategy development and tax policy implementation across the Gazprom Group. Carries out the strategic management of a project to prevent tax offenses for Gazprom to avoid counterparties that practice illegal tax optimization.



SUSTAINABLE DEVELOPMENT

Natural gas plays an important and transformative role in building a competitive economy and shaping the energy industry of the future. Projects of the Gazprom Group improve access to environmentally clean energy for consumers, strengthen energy security and facilitate social and economic development across Russia and around the world. The Group works 24/7 to bring value to people and industry, contributing to the long-term welfare along the entire added-value chain.



GRI 102-16

Gazprom Group's Sustainable Development Policy



Gazprom's mission, goals and commitments in sustainability and the approaches to delivering them are set out in the [Gazprom Group's Sustainable Development Policy](#)¹.

Compliance with the Policy is mandatory for all entities of the Gazprom Group.

Other legal entities controlled by PJSC Gazprom that are not PJSC Gazprom's subsidiaries or entities and the Gazprom Group's partners and counterparties are encouraged to use it as a guidance.

¹ Approved by resolution of the Board of Directors of PJSC Gazprom No. 3576 dated April 30, 2021, <https://www.gazprom.com/f/posts/74/562608/2021-04-30-sustainability-policy-en.pdf>

GRI 102-26

PJSC Gazprom's Sustainability Documents

**Untapping economic potential:**

Long-Term Development Program of PJSC Gazprom (the Gazprom Group) for 2022–2031; Innovative Development Program of PJSC Gazprom until 2025.

**Shaping management approaches:**

Corporate Governance Code of PJSC Gazprom¹;
Quality Management Policy of PJSC Gazprom;
Anti-Corruption Policy of PJSC Gazprom;
Regulation on Hot Line for Fighting Fraud, Corruption, and Embezzlement at the Gazprom Group²;
Dividend Policy of PJSC Gazprom³;
Regulation on Procurement of Goods, Works, and Services by PJSC Gazprom and Gazprom Group Companies;
Risk Management and Internal Control Policy of PJSC Gazprom⁴.

**Environmental protection:**

Environmental Policy of PJSC Gazprom⁵;
Energy Efficiency and Energy Saving Policy of PJSC Gazprom⁶;
Comprehensive Environmental Program of PJSC Gazprom for 2020–2024;
Energy Saving and Energy Efficiency Improvement Program of PJSC Gazprom.

**HR, social policy, and human rights:**

HR Management Policy of PJSC Gazprom, its Subsidiaries and Entities⁷;
Regional Policy Concept of PJSC Gazprom⁸;
Comprehensive Program for Improvement of HR Management at PJSC Gazprom, its Subsidiaries and Entities⁹;
Occupational, Industrial, Fire and Road Safety Policy of PJSC Gazprom¹⁰;
General Collective Bargaining Agreement of PJSC Gazprom and its subsidiaries;
Process Safety Management System Development Strategy of PJSC Gazprom¹¹;
Code of Corporate Ethics of PJSC Gazprom¹².

¹ Approved by resolution of the annual General Shareholders Meeting of PJSC Gazprom dated June 30, 2017, Minutes No. 1, https://www.gazprom.com/f/posts/74/562608/kodeks_korporativnogo_upravleniya_eng_30.06.2017.pdf

² Approved by order of OJSC Gazprom No. 423 dated September 4, 2014, <https://www.gazprom.com/f/posts/74/562608/2014-09-04-regulation-hotline-en.pdf>

³ Approved by resolution of the Board of Directors of PJSC Gazprom No. 3363 dated December 24, 2019, <https://www.gazprom.com/f/posts/08/697893/gazprom-dividend-policy-24-12-2019-en.pdf>

⁴ Approved by resolution of the Board of Directors of PJSC Gazprom No. 3195 dated December 25, 2018, <https://www.gazprom.com/f/posts/74/562608/risk-internal-control-policy-en.pdf>

⁵ Approved by resolution of the Management Committee of OJSC Gazprom No. 21 dated May 25, 2015, https://www.gazprom.com/f/posts/39/502580/environmental_policy_en.pdf

⁶ Approved by resolution of the Management Committee of PJSC Gazprom No. 39 dated October 11, 2018, <https://www.gazprom.com/f/posts/74/562608/2018-10-11-energetic-policy-eng.pdf>

⁷ Approved by decree of OJSC Gazprom No. 49 dated November 7, 2006, https://www.gazprom.ru/f/posts/42/687423/hr_politics.pdf

⁸ Approved by resolution of the Management Committee of OJSC Gazprom No. 32 dated May 22, 2003, https://mrg.gazprom.ru/d/textpage/4a/74/03.05.22_32.pdf

⁹ Approved by decree of PJSC Gazprom No. 29 dated February 17, 2016 (as amended by decrees of PJSC Gazprom No. 249 dated August 1, 2017, and No. 169 dated July 12, 2019).

¹⁰ Approved by order of PJSC Gazprom No. 416 dated September 17, 2019, <https://www.gazprom.com/f/posts/74/562608/2019-09-17-safety-policy-en.pdf>

¹¹ Approved by order of PJSC Gazprom No. 432 dated June 22, 2017.

¹² Approved by resolution of the Board of Directors of PJSC Gazprom No. 2309 dated February 25, 2014 (as amended by resolution of the Board of Directors of PJSC Gazprom No. 3307 dated August 20, 2019), <https://www.gazprom.com/f/posts/74/562608/2014-02-25-codex-of-corporate-ethics-en-2019-08-20-edit.pdf>

The Gazprom Group's Contribution to Achieving the National Development Goals of the Russian Federation and the UN Sustainable Development Goals (SDGs) in 2021

GRI 102-12

GRI 102-15

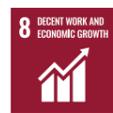
As a key actor in shaping a competitive economic landscape of the Russian Federation, the Gazprom Group has numerous environmental and social commitments and makes a significant contribution to the well-being of the present and future generations.

As part of the relevant efforts, Gazprom facilitates the achievement of the national development goals of the Russian Federation until 2030¹ and the targets of Russia's national projects until 2024, which are aligned with the global UN Sustainable Development Goals (SDGs)².

PJSC Gazprom's Board of Directors resolved that the Gazprom Group would focus on the following UN SDGs³ that are aligned with the Group's key performance indicators specified in the Gazprom Group's Sustainability Policy:



SDG 3 — Ensure healthy lives and promote well-being for all at all ages;



SDG 8 — Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all;



SDG 4 — Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all;



SDG 9 — Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation;



SDG 7 — Ensure access to affordable, reliable, sustainable and modern energy for all;



SDG 13 — Take urgent action to combat climate change and its impacts.

Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN Sustainable Development Goals¹

National development goals of the Russian Federation through 2030, national projects	UN SDGs and the relevant targets	Gazprom Group's activities contributing to the achievement of the national development goals of the Russian Federation and the UN SDGs	Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN SDGs in 2021
<p>National goals:</p> <ul style="list-style-type: none"> Decent and effective jobs and successful enterprise Preservation of the population, the health and welfare of the people 	<p>1 NO POVERTY</p> <p>End poverty in all its forms everywhere</p> <p>Target 1.2</p> <p>By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty according to national definitions</p> <p>Target 1.3</p> <p>Implement nationally appropriate social protection systems and measures, by 2030 achieve substantial coverage of the poor and the vulnerable</p>	<ul style="list-style-type: none"> Creating employment opportunities and ensuring employment is guaranteed Ensuring an adequate standard of living for employees and their families with reference to the existing social security forms Paying a fair proportion of taxes Making sure employees have a competitive salary and a social package 	<p>479,200 people employed by the Gazprom Group under employment contracts</p> <p>RUB 107,200 average monthly salary at core business subsidiaries of PJSC Gazprom</p> <p>139,900 pension recipients under pension contracts</p> <p>RUB 38.5 billion Gazprom Group's social expenses</p> <p>RUB 840.2 billion payroll expenses</p> <p>RUB 3,310 billion total taxes paid to the budgets of the Russian Federation at all levels</p>
<p>National goal:</p> <ul style="list-style-type: none"> Decent and effective jobs and successful enterprise 	<p>2 ZERO HUNGER</p> <p>End hunger, achieve food security and improved nutrition and promote sustainable agriculture</p> <p>Target 2.3</p> <p>By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and agricultural inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment</p>	<ul style="list-style-type: none"> Bringing gas to consumers in rural settlements for local infrastructure development Respecting local communities' interests and ensuring responsible targeted social investment 	<p>RUB 294.74 million amount allocated to support traditional lifestyles of indigenous minorities of the North, including their agro-industrial activities</p> <p>9,500 agricultural facilities were supplied with natural gas</p>

¹ Determined by Decree No. 474 of the President of the Russian Federation On the National Development Goals of the Russian Federation through 2030 dated July 21, 2020.

² <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

³ Approved by resolution of the Board of Directors of PJSC Gazprom No. 3755 dated April 28, 2022.

¹ All the figures provided relate to 2021. If comparisons are made, the data are compared with the previous reporting period.

National development goals of the Russian Federation through 2030, national projects

UN SDGs and the relevant targets

Gazprom Group's activities contributing to the achievement of the national development goals of the Russian Federation and the UN SDGs

Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN SDGs in 2021

National goals:

- Preservation of the population, the health and welfare of the people
- Comfortable and safe environment

National projects:

- Demography
- Healthcare
- Environment



Ensure healthy lives and promote well-being for all at all ages

Target 3.4

By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being

- Providing employees, their family members, and pensioners with a package of therapeutic and rehabilitation measures to ensure healthcare and recovery, prolongation of life, and cardiovascular mortality reduction

RUB 4,888.0 million payments for rehabilitation treatment

Target 3.8

Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all

- Providing employees with medical services, insurance (including their family members)
- Preventive measures

569,421 people¹ insured under voluntary medical insurance programs
RUB 131.0 million payments for targeted preventive initiatives as part of voluntary medical insurance programs

52,806 face masks and 1,623 t of disinfectants purchased to ensure employee safety²

Target 3.9

By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination

- Implementing process safety management systems, assessing the safety of those involved in production activities
- Reducing the negative impacts on the environment and, consequently, on human health and lifespan

1,147 kt of hazardous emissions were captured and neutralized by Gazprom Group's waste gas treatment facilities

National development goals of the Russian Federation through 2030, national projects

UN SDGs and the relevant targets

Gazprom Group's activities contributing to the achievement of the national development goals of the Russian Federation and the UN SDGs

Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN SDGs in 2021

National goal:

- Conditions for self-fulfilment and the unlocking of talent

National project:

- Education



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Target 4.3

By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

- Supporting youth and adults in receiving formal and non-formal education, upgrading skills, and receiving higher education

2,102 students are in training at higher educational institutions of the Russian Federation under employer-sponsored training agreements with the Gazprom Group companies

Target 4.4

By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

- Working together with educational institutions to develop professional training and skills upgrading programs for staff
- Developing professional education and training programs accessible for all
- Training a talent pool

353,700 employees, 250,100 executives, specialists, and other employees completed training under skills upgrading and professional retraining programs¹

9,663 students completed an internship with the Gazprom Group entities

27 schools have Gazprom Classes

17 partner universities, 25 specialized departments, 209 programs for skills upgrading and professional retraining

¹ Including family members and retirees

² Data collection perimeter: PJSC Gazprom's Administration, 2 PJSC Gazprom branches, 47 subsidiaries engaged in core operations, which are included into PJSC Gazprom's IFRS consolidated financial statements.

¹ The number of employees who completed training is stated in man-courses (where one person received training twice, they are counted twice).

National development goals of the Russian Federation through 2030, national projects	UN SDGs and the relevant targets	Gazprom Group's activities contributing to the achievement of the national development goals of the Russian Federation and the UN SDGs	Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN SDGs in 2021
	 <p>Achieve gender equality and empower all women and girls</p> <p>Target 5.1 End all forms of discrimination against all women and girls everywhere</p>	<ul style="list-style-type: none"> Respecting women's rights at the workplace, implementing the principle of gender equality, ensuring equal pay for work of equal value Ensuring sufficient participation of women in decision-making at all levels and in various business areas 	<p>Equal remuneration for men and women in positions with the same level of professional expertise</p> <p>The same ratio of fixed and variable remuneration for both genders</p> <p>28.5% of women among the Gazprom Group's staff</p> <p>41.2% of women among specialists and other white-collar staff</p> <p>24.1% of women among executives</p> <p>29,600 women hired within the Gazprom Group in 2021 (37.1% of the total number of new hires)</p> <p>2 women among the 14 members of the Management Committee of PJSC Gazprom (one of the women is Deputy Chairman of the Management Committee).</p>
<p>National goal:</p> <ul style="list-style-type: none"> Comfortable and safe environment <p>National projects:</p> <ul style="list-style-type: none"> Environment Residential Housing and Urban Environment 	 <p>Ensure availability and sustainable management of water and sanitation for all</p> <p>Target 6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally</p> <p>Target 6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater</p>	<ul style="list-style-type: none"> Reducing the volumes of wastewater discharged into surface water bodies and enhancing the wastewater treatment level Ensuring sustainable quality water supply to production and other facilities, ensuring efficient wastewater disposal 	<p>97% of wastewater discharged into surface water bodies is partially clean and partially treated</p> <p>2,048 wastewater treatment plants with a total daily capacity of 1,838.266 m³</p> <p>11,851.7 mcm volume of water recirculated and reused</p> <p>RUB 9.1 billion invested in protection and sustainable management of water resources</p> <p>RUB 14.3 billion current expenses related to wastewater collection and treatment</p> <p>3,898.24 mcm of water withdrawn for water supply</p> <p>UNCTAD B.1.2</p> <p>3,520.59 mcm of water withdrawn from natural sources</p>

National development goals of the Russian Federation through 2030, national projects	UN SDGs and the relevant targets	Gazprom Group's activities contributing to the achievement of the national development goals of the Russian Federation and the UN SDGs	Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN SDGs in 2021
	<p>Target 6.6 Protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers, and lakes</p>	<ul style="list-style-type: none"> Ensuring protection and restoration of water-related ecosystems Preserving spawning rivers for the salmon and sites that are candidates for inclusion in the Ramsar List 	<p>RUB 183.8 million allocated to protection and replacement of fish reserves</p> <p>31.5 million fish of various species were released to water bodies</p>
	 <p>Ensure access to affordable, reliable, sustainable and modern energy for all</p> <p>Target 7.1 By 2030, ensure universal access to affordable, reliable and modern energy supply</p>	<ul style="list-style-type: none"> A reliable, efficient and balanced supply of natural gas, other energy resources and their derivatives to consumers Developing the potential of natural gas as a basis for the future low-carbon energy sector, production of hydrogen and methane and hydrogen mixtures 	<p>247.2 bcm gas sales to Russian consumers</p> <p>227.9 bcm gas sales to non-FSU countries</p> <p>33.1 bcm gas sales to FSU countries</p> <p>12.27 bcm sales of large-scale LNG in foreign markets</p> <p>153.6 billion kWh electric power sales¹</p> <p>122.3 million Gcal heat power sales²</p> <p>Over 350,000 tons annual hydrogen output</p>
	<p>Target 7.3 By 2030, double the global rate of improvement in energy efficiency</p>	<ul style="list-style-type: none"> Improving energy efficiency Developing the use of renewable energy sources and secondary energy resources 	<p>UNCTAD B.5.1</p> <p>13.2 million MWh electric power generation from renewable energy sources and secondary energy resources</p> <p>GRI OG 2</p> <p>RUB 3,85 billion invested in renewable and secondary energy sources³</p> <p>3,202.8 million GJ fuel and energy consumption at Gazprom Group</p> <p>167.4 million GJ fuel and energy savings resulting from the implementation of Gazprom Group's energy saving programs</p>

¹ Gazprom Energoholding, including the retail electricity market and exports.
² Gazprom Energoholding
³ The increase in 2021 is attributable to an upgrade at the Verkhne-Tulomskaya HPP.

National development goals of the Russian Federation through 2030, national projects

UN SDGs and the relevant targets

Gazprom Group's activities contributing to the achievement of the national development goals of the Russian Federation and the UN SDGs

Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN SDGs in 2021

- National goal:**
- Decent and effective jobs and successful enterprise
- National project:**
- Small and medium-sized enterprises



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.3

Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

Target 8.5

By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

Target 8.8

Protect labour rights and promote safe and secure working environments for all workers

- Creating new jobs, including those across supply chains
- Developing cooperation with small and medium-sized enterprises

- Ensuring a competitive salary

- Protecting social, labour and professional interests of employees and respecting labour rights
- Ensuring freedom of association and collective bargaining
- Implementing health and safety management systems and mitigating potential health and productivity risks

79,800 people hired in 2021

2,966 university and vocational school graduates hired in 2021

42,000 contracts concluded with small- and medium-sized enterprises for **an amount of RUB 248.5 billion**

2 %¹ a raise in salaries and tariff rates of the employees of PJSC Gazprom's budgeted entities in Russia

641 trade union organizations within Gazprom Workers Union

364,038 members of Gazprom Workers Union

29 in-house technical labor inspectors and 7,507 occupational safety officers participated in occupational safety activities

100% of employees of PJSC Gazprom and its subsidiaries, which signed the General Collective Bargaining Agreement, were covered by collective agreements²

National development goals of the Russian Federation through 2030, national projects

UN SDGs and the relevant targets

Gazprom Group's activities contributing to the achievement of the national development goals of the Russian Federation and the UN SDGs

Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN SDGs in 2021

- National goal:**
- Comfortable and safe environment
- National projects:**
- Environment
 - Residential Housing and Urban Environment



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Target 9.1

Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all

- National goals:**
- Conditions for self-fulfillment and the unlocking of talent
 - Digital transformation
- National projects:**
- Research
 - Digital Economy

Target 9.5

Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending

- Developing and implementing new technologies, innovative products and services conforming to, and exceeding international standards, as well as promoting innovation



Reduce inequality within and among countries

Target 10.3

Ensure equal opportunity and reduce inequalities of outcome, including through eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and actions in this regard

- Implementing the gas infrastructure expansion program for regions of the Russian Federation and ensuring equal access to energy for economic and social development

84 sports facilities were completed under the Gazprom for Children Program, which covers 5 federal districts of Russia.

Over RUB 13.8 billion allocated to urban infrastructure improvement

RUB 24.6 billion the Gazprom Group's investments in R&D

RUB 12.8 billion economic benefit from the application of R&D results

RUB 11.4 billion the Gazprom Group's expenditures on the development of software and digital transformation¹

RUB 21.9 billion economic effect from the implementation of technologies based on import substitution

72.1% gas infrastructure penetration in Russia

2,700 km of gas pipelines built as part of the gas infrastructure expansion program

68 constituent entities of the Russian Federation are covered by the gas infrastructure expansion program

¹ From January 1, 2021.

² For the list of subsidiaries signatories to the General Collective Bargaining Agreement, see [Annex 5](#) to this Report.

¹ 2021 data is provided for PJSC Gazprom and the Gazprom Group companies covered by the Digital Transformation Strategy of PJSC Gazprom (the Gazprom Group) for 2022–2024, as well as the subholding companies pursuing their own digital transformation strategies, specifically Gazprom Neft, Gazprom Mezhregiongaz, and Gazprom Energoholding.

National development goals of the Russian Federation through 2030, national projects	UN SDGs and the relevant targets	Gazprom Group's activities contributing to the achievement of the national development goals of the Russian Federation and the UN SDGs	Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN SDGs in 2021
	Target 10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality	<ul style="list-style-type: none"> Guaranteeing equal rights and protection from any forms of discrimination for employees Respecting rights of stakeholders Adopting a transparent Dividend Policy that takes into account stakeholder interests 	<p>0 cases of discrimination across the Gazprom Group</p> <p>0 violations of rights and conflicts with local communities, including indigenous minorities of the North</p>
<p>National goals:</p> <ul style="list-style-type: none"> Conditions for self-fulfillment and the unlocking of talent Comfortable and safe environment <p>National projects:</p> <ul style="list-style-type: none"> Culture Housing and Urban Environment Environment 	 <p>11 Sustainable Cities and Communities</p> <p>Make cities and human settlements inclusive, safe, resilient and sustainable</p> <p>Target 11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage</p> <p>Target 11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management</p>	<ul style="list-style-type: none"> Safeguarding cultural and historical heritage, local traditions, values, and languages, as well as developing the morality and aesthetic taste among the younger generation Developing international cultural exchange Supporting museums, parks, and natural reserves 	<p>RUB 39.5 billion PJSC Group's charity spending</p>
		<ul style="list-style-type: none"> Supporting the market for natural gas vehicle (NGV) fuel and developing gas fuel infrastructure Converting corporate vehicles to natural gas 	<p>948 mcm Sales of compressed natural gas at CNG filling stations in Russia</p> <p>386 Number of active gas filling stations of the Gazprom Group and Gazprom Gazomotornoye Toplivo in Russia</p> <p>RUB 6.8 billion Investments by the Gazprom Group and Gazprom Gazomotornoye Toplivo in the development of gas filling infrastructure</p> <p>17,194 new vehicles converted by consumers to natural gas as a result of dedicated marketing programs (up 95.4%)</p>

National development goals of the Russian Federation through 2030, national projects	UN SDGs and the relevant targets	Gazprom Group's activities contributing to the achievement of the national development goals of the Russian Federation and the UN SDGs	Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN SDGs in 2021
<p>National goal:</p> <ul style="list-style-type: none"> Comfortable and safe environment <p>National project:</p> <ul style="list-style-type: none"> Environment 	 <p>12 Responsible Consumption and Production</p> <p>Ensure sustainable consumption and production patterns</p> <p>Target 12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment</p> <p>Target 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p>	<ul style="list-style-type: none"> Implementing technologies minimizing waste generated by production processes 	<p>179 waste treatment and recycling facilities with a total annual capacity of 286,000 tons</p> <p>RUB 703.82 million was invested in implementing waste recycling, treatment, and dumping projects</p> <p>RUB 7.08 billion were the current waste management expenses</p>
		<ul style="list-style-type: none"> Reducing waste generation Handling waste safely 	<p>3,046,590 tons of waste were generated in 2021, down 6% year-on-year</p> <p>97% of waste is low-hazard and almost non-hazardous (Classes IV and V)</p>
<p>National goal:</p> <ul style="list-style-type: none"> Comfortable and safe environment <p>National project:</p> <ul style="list-style-type: none"> Environment 	 <p>13 Climate Action</p> <p>Take urgent action to combat climate change and its impacts</p> <p>Target 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p>	<ul style="list-style-type: none"> Reducing greenhouse gas emissions at production facilities and by energy consumers through gas infrastructure expansion in regions and conversion of vehicles to natural gas Implementing measures to adapt to climate change 	<p>6% reduction of methane emissions at the Gazprom Group</p> <p>RUB 36.5 billion spent on air protection and reduction of GHG emissions</p> <p>RUB 5.7 billion current expenditures on air protection and climate change prevention</p> <p>301.21 kg of CO₂ per boe carbon intensity of the Gazprom Group's products¹. It is one of the lowest rates among global oil and gas majors</p> <p>7,429 people were trained in environmental programs at various educational institutions</p>

¹ When used by end consumers – Scope 3.

National development goals of the Russian Federation through 2030, national projects

UN SDGs and the relevant targets

Gazprom Group's activities contributing to the achievement of the national development goals of the Russian Federation and the UN SDGs

Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN SDGs in 2021

- National goal:**
- Comfortable and safe environment
- National project:**
- Environment



Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Target 14.2

By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration, to achieve healthy and productive oceans

- Sustainably managing and protecting marine and coastal ecosystems
- Minimizing impacts on marine biodiversity

RUB 702.7 million was spent on the preservation of biodiversity, protection of designated natural areas, as well as protection and replacement of fish reserves

- National goal:**
- Comfortable and safe environment
- National project:**
- Environment



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss

Target 15.1

By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements

- Maintaining an environmental balance
- Minimizing the environmental impact of production activities
- Investing in environmental protection
- and enhancing resistance to environmental hazards

Over 3,290 voluntary initiatives were run to clean up the waterside of rivers and lakes

RUB 13.634 billion was invested in protection and sustainable use of lands, including remediation

RUB 6.647 million current expenditures on preservation and restoration of land, open and ground water

17,199.4 hectares was the area of remediated disturbed land

More than 459,300 young trees were planted and **more than 7,039 hectares** of land cleaned up

Target 15.5

Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species

- Implementing biological and landscape diversity protection programs
- Continuous environmental monitoring
- Protecting habitats of rare and threatened species of plants and animals

RUB 97.54 billion total environmental expenditures by the Gazprom Group in 2021

RUB 3,083.8 million expenses on operational environmental monitoring and control

6,585 facilities of the Gazprom Group underwent operational environmental monitoring and control

RUB 269.9 million current expenditures on biodiversity preservation and protection of designated natural areas

National development goals of the Russian Federation through 2030, national projects

UN SDGs and the relevant targets

Gazprom Group's activities contributing to the achievement of the national development goals of the Russian Federation and the UN SDGs

Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN SDGs in 2021

- National goal:**
- Comfortable and safe environment
- National project:**
- Environment



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Target 16.5

Substantially reduce corruption and bribery in all its forms

- Conducting legal, open and honest business
- Combating any types of corruption and bribery
- Improving the corporate culture

GRI 205-2

2,970 employees completed anti-corruption training

More than 6,570 Hot Line reports were reviewed in connection with countering fraud, corruption and theft at the Gazprom Group

0 cases of corruption

24 subsidiaries were included in the tax monitoring system to improve tax transparency in the Gazprom Group

- National goals:**
- Conditions for self-fulfilment and the unlocking of talent
 - Comfortable and safe environment
- National projects:**
- Culture
 - Education
 - International Cooperation and Exports



Strengthen the means of implementation and revitalize the global partnership for sustainable development

Target 17.16

Enhance the global partnership for sustainable development complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technologies and financial resources to support the achievement of sustainable development goals in all countries, particularly developing countries

- Working with international organizations and taking part in global energy forums, exhibitions and conferences
- Supporting joint development initiatives with governmental and non-profit organizations and civil society
- Organizing Joint Coordination Committees and Joint Working Groups with foreign partners

81 cooperation agreements with regions of the Russian Federation are currently in force

18 roadmaps are being implemented in 18 regions of the Russian Federation to stimulate the manufacture of import-substituting products

17 Joint Coordination Committees and Joint Working Groups for key projects and lines of cooperation with foreign partners

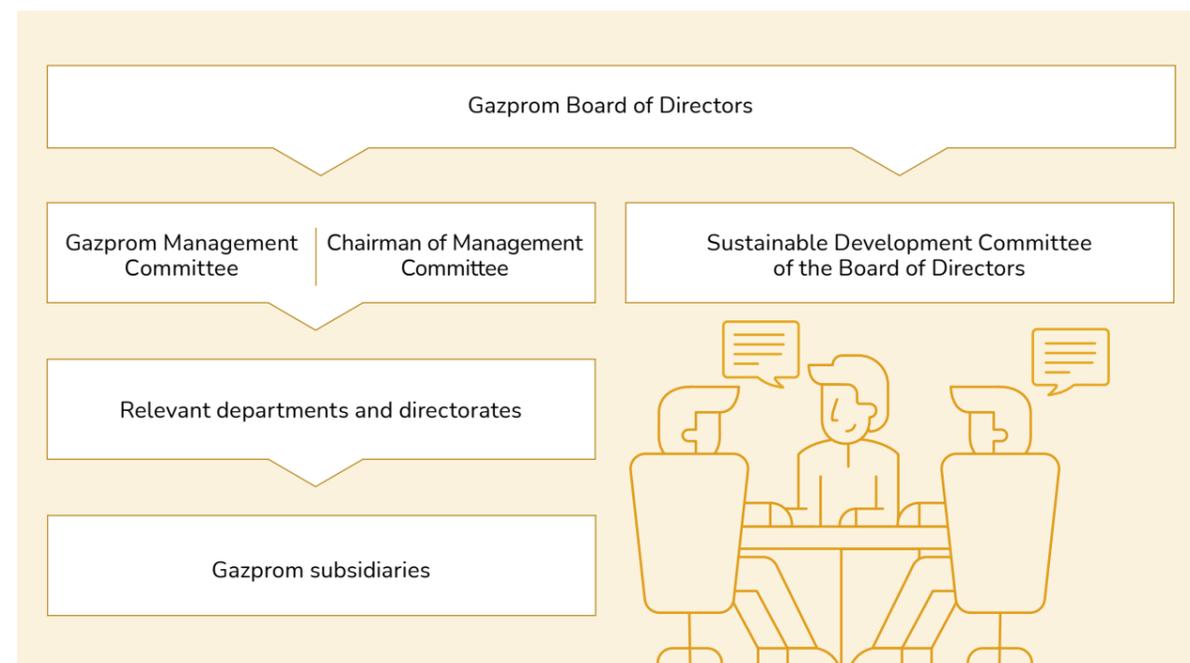
79,760 Gazprom Group employees¹ participated in volunteer activities

¹ The total number of employees who participated in each volunteer campaigns (for example, if one person participated in two or more campaigns, they are counted twice).

Sustainability Management System

GRI 102-19 | GRI 102-20

Sustainability management is integrated into the corporate governance system of PJSC Gazprom. Responsibilities in this area are assigned in accordance with the legislation of the Russian Federation and internal documents to governance bodies, structural units of PJSC Gazprom, and its subsidiaries.



The **Board of Directors of PJSC Gazprom** engages in strategic governance and is responsible for considering and approving high-level internal documents on matters that fall within its competence, including sustainability.

The **Sustainable Development Committee of the Board of Directors** is responsible for preliminary consideration of sustainability matters and develops recommendations for the Board of Directors to adopt resolutions.

Overall management of sustainable development aspects fall within the competence of **PJSC Gazprom's Management Committee**.

At PJSC Gazprom, overseeing the implementation of the Sustainable Development Policy of the Gazprom Group is the responsibility of the **Chairman of PJSC Gazprom's Management Committee**, while at subsidiaries this is among the duties of their Directors General.

Structural units of PJSC Gazprom and its subsidiaries perform day-to-day management of various sustainable development aspects falling within their competence, as well as implement the Sustainable Development Policy of the Gazprom Group.

Coordination of sustainable development activities of PJSC Gazprom's structural units and subsidiaries is the responsibility of PJSC Gazprom's information policy unit.

Board of Directors and Management Committee Report

GRI 102-20 | GRI 102-22 | GRI 102-31 | GRI 102-34 | UNCTAD D.1.1 | UNCTAD D.1.4

Activities of PJSC Gazprom Board of Directors, its committees and the Management Committee in 2021

Indicator	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Sustainable Development Committee	Management Committee
Number of directors	11	3	3	3	14
incl. independent directors	3	2	2	0	n/a
Number of meetings	63	12	12	2	25
In person	10	-	-	-	15
In absentia	53	12	12	2	10
Number of items addressed	167	13	12	2	56
Number of items related to sustainability	42	1	0	2	11

In 2021, the Board of Directors, its committees and the Management Committee considered 56 items related to sustainability.

GRI 102-21

In particular, the Sustainable Development Committee of the Board of Directors considered the results of an external audit and an independent public assurance of the Gazprom Group's Sustainability Report 2020. It was recommended that the Board of Directors continue its efforts to improve the quality of reporting.

In 2021, the Board of Directors also discussed the results of measures to streamline the relationship with the shareholders and investors of PJSC Gazprom.

The information obtained as a result of communications with stakeholders is taken into account when corporate standards are further improved and developed.

PJSC Gazprom regularly engages in a comprehensive independent audit of its corporate governance system. Part of the audit process is external experts assessing the maturity level of PJSC Gazprom's Board of Directors and its committees.

As part of an independent assessment of PJSC Gazprom's governance quality, the Expert RA rating agency evaluated the performance of its collegial bodies for 2021. The experts recognized the exceptional quality of the way collegial bodies are organized, citing their competence and stable composition; position of a senior independent director; existence of dedicated committees of PJSC Gazprom's Board of Directors; election of a senior independent director to chair the Audit Committee of the Board of Directors; and liability insurance for the Board of Directors with large insurance amounts.

of PJSC Gazprom's Board of Directors and its committees (in the form of self-assessment through a questionnaire). The key focus areas of the internal assessment are the composition and structure of the Board of Directors and its committees, organization of their activities, and their key functions.

In the 2021 questionnaire, all the Board members, just like in previous years, ranked the current maturity level of PJSC Gazprom's Board of Directors and its committees as excellent (4 points out of 4).

In line with recommendations of the Bank of Russia's Corporate Governance Code, the Company conducts a regular internal assessment of the performance

A++ .gq

(highest) management quality rating of PJSC Gazprom assigned by the Expert RA rating agency



For more details on the composition of PJSC Gazprom's Board of Directors, its committees and the Management Committee, see PJSC Gazprom Annual Report 2021

Independent assessment of Gazprom's sustainability efforts

Index	Score as of the end of 2020	Score as of the end of 2021	Assignment date
Responsibility and Transparency index (RUIE)	Above 0.75 (leader group)	A (leader group) ¹	December 27, 2021
Sustainable Development Vector index (RUIE)	Above 0 (leader group)	A (leader group)	December 27, 2021

¹ <http://media.rspp.ru/document/1/0/0/00199085ad92912f90e7c5ee810f4553.pdf>

Overview of Sustainability Risks

Risk Management System

GRI 102-30

Documents regulating risk management



- Federal Law No. 208-FZ On Joint Stock Companies¹ dated December 26, 1995
- Corporate Governance Code of the Russian Federation²
- Bank of Russia's recommendations to set up risk management, internal controls, internal audit and the work of the board of directors' audit committee in public joint stock companies³
- Methodological guidelines of the Federal Agency for State Property Management on developing regulations on a risk management system, approved by order of the Government of the Russian Federation No. ISh-P13-4148 dated June 24, 2015.
- Risk Management and Internal Control Policy of PJSC Gazprom⁴

The Gazprom Group has in place a risk management and internal control system (RMICS) which provides reasonable assurance that the Group will achieve its goals. The Company has established a dedicated unit (Directorate of PJSC Gazprom) in charge of risk management and internal controls which implements the single risk management and internal control policy and uniform guidelines across PJSC Gazprom and Gazprom Group entities. The Risk Management and Internal Control Policy of PJSC Gazprom was developed and approved.

The RMICS is an integral part of the corporate governance system of the Gazprom Group, which is embedded into the planning system and the financial reporting, project management and process safety management systems. PJSC Gazprom's RMICS performance in 2021 was confirmed by the top score from the Expert RA rating agency.



For more details on the RMICS and its performance in 2021, see PJSC Gazprom Annual Report 2021.

¹ As amended on July 31, 2020.

² Letter of the Bank of Russia No. 06-52/2463 dated April 10, 2014.

³ Letter of the Bank of Russia No. IN-06-28/143 dated October 1, 2020.

⁴ Approved by resolution of the Board of Directors of PJSC Gazprom No. 3195 dated December 25, 2018.

PJSC Gazprom's Approach to Material Sustainability Risks Management

GRI 102-15

GRI 201-2

Risk group	Description	Risk management/mitigation	Risk factors (internal/ external)
Operational risks			
Production risks of core operations	Core business operations involving hydrocarbon production, transportation, processing and storage are associated with potential technological, technical, natural and climate risks, as well as the risk of inappropriate actions by employees or third parties.	The Unified Gas Supply System ensures overall reliability of gas supplies. Insurance covers property, interruption of operations at gas processing plants, and contractor's liability for construction, repair and operation of industrial facilities.	Internal and external
Environmental risks			
Environmental risks associated with business operations	The core hydrocarbon production, transportation, processing and storage operations are associated with potential risk of environmental pollution. Environmental impacts from potential accidents resulting from the Company's business operations, potential impacts on ecosystems resulting in land and water pollution, deterioration of soil and vegetation, and erosion. This may lead to degradation of ecosystems and loss of habitat for rare and endangered plant and animal species.	As part of the Environmental Policy, environmental protection activities are implemented, environmental risk insurance is provided, green technologies are adopted, and programs and activities designed to reduce environmental footprint are carried out. The following activities are carried out: <ul style="list-style-type: none"> analysis of the potential adverse environmental impacts and their implications resulting from the identified accidents and other emergencies; emergency prevention, localization, response, and impact mitigation; assessment of environmental damage caused by accidents and other emergencies. Comprehensive initiatives are underway for enhancement of reliability of pipeline systems, landscape stabilization, soil reclamation, and vegetation rehabilitation.	Internal and external
Climate-related risks			
Climate change	Potential climate changes and adverse natural phenomena and weather conditions that may cause damage to buildings and structures, pipeline transportation systems and service lines. A major part of the natural gas produced by Gazprom comes from Western Siberia, where production is difficult and relatively costly because of climate conditions.	Reductions in GHG emissions are part of PJSC Gazprom's corporate strategy. Measures are taken to minimize climate change consequences for the Company's production activities. PJSC Gazprom is developing and implementing energy efficiency and energy saving programs and effective operating procedures adapted to various climatic conditions; programs to boost the efficiency of production and transportation systems and gas transmission network operation; and a program for adapting PJSC Gazprom's business activities to climate and geocryological changes.	External

For more details on the financial implications and other risks and opportunities due to climate change as disclosed under TCFD recommendations, see Appendix 4.

Risk group	Description	Risk management/mitigation	Risk factors (internal/ external)
Market, financial and credit risks			
Market price and volume risks	Adverse economic conditions, lower demand for energy commodities, decline in mercantile exchange quotations and/or their long-time stagnation at low levels, which may have a negative impact on prices and volumes of gas supplies to external markets.	Sales markets and channels are diversified, and the scope of natural gas use is expanded. Contract terms are adjusted in line with the current market environment, and permitted transaction types and financial instruments are defined.	External
FX risks	Currency exchange rate volatility, which affects revenues and expenditures denominated in foreign currencies.	The Company maintains an optimal balance of FX-denominated assets and liabilities, projects its revenue taking into account the FX risk, and forecasts currency exchange rates to develop a balance sheet forecast. Hedging strategies are used to address the risk of market-driven shifts in exchange and interest rates, and the debt profile is optimized.	External
Credit risks	Counterparties' default on or failure of timely or completely fulfillment of their financial obligations.	The creditworthiness of counterparties is assessed and monitored. The payment terms are determined and payments of counterparties (guarantees, letters of credit, prepayments) are secured. Credit limits are established and compliance with them is monitored across PJSC Gazprom and Gazprom Group entities.	Internal and external
Country and regional risks			
Sanctions-related risks	Russian companies are exposed to restrictions imposed by the USA, EU, and other countries.	The policy of technological self-sufficiency and import substitution is pursued. Efforts are made to monitor sanctions, including the likelihood of new sanctions by the USA and the European Union against Russia and Russian persons.	External
Natural gas transit risks	Natural gas transit through the territory of third countries is subject to the risk of default on transit obligations.	Steps are taken to diversify export routes, broaden access to underground gas storage facilities, and develop liquefied natural gas trade.	External
Corporate governance¹			

¹ No significant corporate governance risks were identified.

Ethical Business Principles



Documents Regulating the Gazprom Group's Corporate Ethics

- Corporate Governance Code of PJSC Gazprom
- Code of Corporate Ethics of PJSC Gazprom
- Anti-Corruption Policy of PJSC Gazprom

Corporate Ethics

GRI 102-16

The Company has in place the Code of Corporate Ethics of PJSC Gazprom developed in 2012 (Code of Ethics). Its revised version has been in effect since 2014 (as subsequently amended). The Code of Ethics reflects the best corporate practices.

The document sets forth PJSC Gazprom's corporate values and defines the key rules of business conduct regarding the prevention of conflicts of interest and corruption, in particular restrictions on joint work of relatives, employee engagement with PJSC Gazprom's competitors and their serving on elected government bodies, and gift acceptance. In accordance with the Code of Ethics, PJSC Gazprom shall not engage in political activities or finance political organizations.

PJSC Gazprom's corporate values

 PROFESSIONALISM	 THRIFTINESS	 MUTUAL RESPECT	 IMAGE
 INITIATIVE	 OPENNESS TO DIALOGUE	 CONTINUITY	

The Code of Ethics contains guidelines for employees on handling conflicts of interest and declares zero tolerance to corruption. Managers and workers must inform the employer of any corruption proposals they receive. The Code also sets forth the principles of environmental protection and zero discrimination towards employees, and mechanisms for implementing and monitoring the corporate ethics rules.

The Code is mandatory for all of PJSC Gazprom's employees. Since 2019, it also applies to the members of the Board of Directors. Every year, the Company's executives make formal written commitments to comply with the Code.

In addition, the Code of Ethics applies to the employees of the entities controlled by Gazprom, which use it as the basis for developing and adopting their own codes of

corporate ethics. As at the end of the reporting period, all of the entities controlled by Gazprom have undertaken to comply with the corporate ethics principles.

In accordance with the Code of Ethics, it is also recommended for individuals working for the Company under civil law contracts, as well as contractors and consultants.

The universal values of the Code enable PJSC Gazprom's corporate ethics system to continuously evolve, including by expanding its scope to new entities. Following the best practices and in order to promote PJSC Gazprom's corporate values among its counterparties, in 2021 the Company continued to include ethics-related provisions into its agreements with counterparties and developed an addendum template on the Code of Ethics for existing agreements.

The Company organized a regular e-learning Corporate Ethics course for employees of PJSC Gazprom's Administration, its branches and subsidiaries, with subsequent assessment tests. In 2021, 229,891 employees completed the course.

GRI 102-17

GRI 102-25

Ensuring the implementation of the Code of Ethics is the responsibility of PJSC Gazprom's standing Corporate Ethics Commission (Ethics Commission). The Commission consists of at least five members appointed by PJSC Gazprom's order.

Key focus areas of the Ethics Commission



Advising employees on the interpretation and implementation of the Code of Ethics



Reviewing inquiries in a timely manner and based on the applicable laws of the Russian Federation, with assistance from dedicated structural units and subsidiaries, if necessary



Identifying potential conflicts of interest involving sole executive bodies of entities controlled by PJSC Gazprom and providing recommendations on eliminating and mitigating negative implications of identified conflicts of interest



Arranging for the Company's executives, including members of PJSC Gazprom's Board of Directors and Management Committee, to submit formal written commitments to comply with the Code of Ethics on an annual basis

The Ethics Commission's performance is reported to the Chairman of the Management Committee of PJSC Gazprom on an annual basis.

The Board of Directors also receives regular reports on the corporate ethics activities when reviewing the matters of corporate governance and shareholder/investor relations.

For interpretation of the provisions of the Code of Ethics and issues related to its application or violation of ethics rules, the Company's employees can contact their immediate supervisor or the Ethics Commission. In case of a conflict of interest, employees are required to contact their immediate supervisor, or report directly to the Commission under certain circumstances.

If the immediate supervisor fails to take measures to prevent or eliminate the conflict of interest or the measures taken are insufficient, employees are to inform the Commission thereof.

Sole executive bodies of entities controlled by PJSC Gazprom who have conflicts of interest are required to bring the issue to the Ethics Commission's attention.

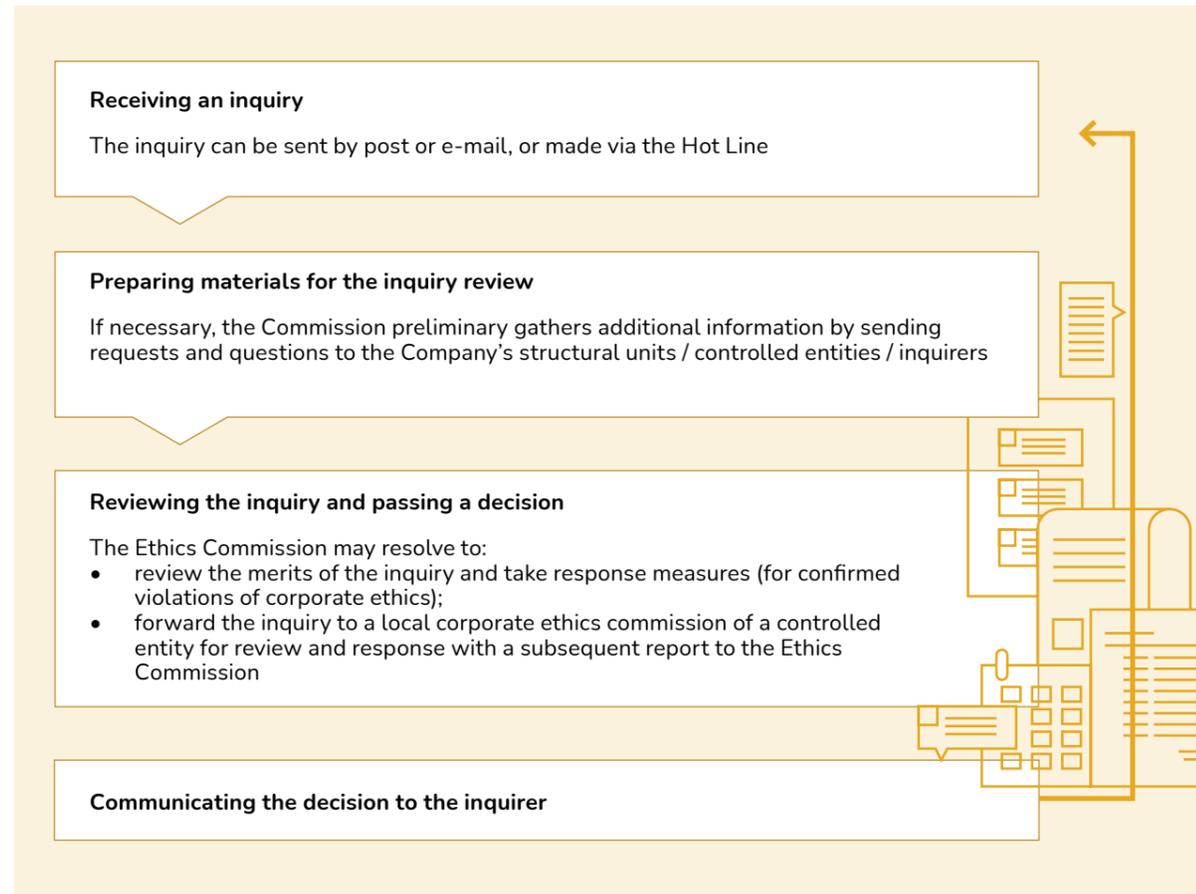
In 2021, the Commission held nine meetings to review 19 inquiries, twice as much as in 2020.

The majority of employee inquiries are related to the interpretation of the Code of Ethics' provisions on combining the job at the Company with other activities, joint work of relatives and accepting gifts.

The Ethics Commission receives messages by e-mail at ethics.comission@adm.gazprom.ru, by phone at the Hot Line number +7 495 719 1171 or by regular post.

The entities controlled by PJSC Gazprom have in place local ethics commissions reviewing inquiries from their employees in line with the local codes of corporate ethics.

Ethics Commission's inquiry review procedure



Anti-Corruption

GRI 205

The Anti-Corruption Policy of PJSC Gazprom¹ reflects the commitment of the Company's management and employees to the ethical standards of conducting legal, open and honest business, improving the corporate culture, following the best corporate governance practices and maintaining a good business reputation.

Key principles of the Anti-Corruption Policy:

- Compliance with applicable laws;
- Leadership by example;

- Employee engagement;
- Proportionality between anti-corruption procedures and corruption risks;
- Efficiency of anti-corruption procedures;
- Responsibility and inevitability of punishment;
- Business transparency;
- Permanent control and regular monitoring

¹ Approved by resolution of the Board of Directors of PJSC Gazprom No. 2846 dated November 15, 2016.

Anti-corruption management



In the reporting period, the Gazprom Group had no confirmed cases of corruption¹.

GRI 205-2

The Gazprom Group organizes in-person and remote anti-corruption training for its employees in the form of courses developed by Gazprom Corporate Institute, the Center for Entrepreneurial Risks, the Russian Presidential Academy of National Economy and Public Administration, and other institutions.

2,970
Gazprom's employees

in 2021 underwent anti-corruption training

¹ Based on the definition of "Corruption" as stipulated by Article 1 of Federal Law No. 273-FZ On Combating Corruption dated December 25, 2008 (as subsequently amended), and rulings by courts of the Russian Federation.

Environmental Protection

RUB **97.54**
BILLION

total environmental expenses
by the Gazprom Group

-6 %

decrease in waste generation

+24.6 %

fuel and energy savings result-
ing from the implementation of
energy saving programs

Alexander Ishkov

Deputy Head of Department – Head of
Directorate at PJSC Gazprom

Doctor of Chemistry, Professor

Winner of the USSR State Prize,
three-times winner of the Russian
Government’s Science and Technology
Prize

Honored ecologist of the Russian
Federation

Alexander coordinates the Gazprom Group’s
innovation program, comprehensive envi-
ronmental policy, as well as energy effi-
ciency and energy saving policy. He ensures
the operation of environmental and ener-
gy management systems as well as the
achievement of corporate goals.



The Gazprom Group takes a responsible attitude towards preserving the environment for the current and future generation. The Group makes strong effort to mitigate its negative environmental impact, meet environmental standards and stay in close contact with all the stakeholders, including local communities in the regions where PJSC Gazprom operates, employees of the Group companies, public authorities, and non-profit organizations.

Environmental Protection

PJSC Gazprom's commitment to the sustainable development principles underlies its long-term strategic goals in environmental protection.

- The Company works continuously to mitigate its negative impact on the environment and takes every step possible to save resources, preserve the climate and conserve biodiversity.
- In its capital investment projects, Gazprom minimizes risks of adverse environmental impacts, in particular, on highly vulnerable natural environments and the environments that need to be protected and preserved as a matter of crucial importance.
- PJSC Gazprom insures itself against environmental risks, prioritizing environmental damage prevention over remediation.

- The Company improves energy efficiency of its production processes and takes measures to reduce greenhouse gas emissions.
- We also respect the interests of indigenous minorities and their right to preserve traditional lifestyles and original living environments.
- PJSC Gazprom promotes environmental awareness among its employees and supports their involvement in the mitigation of environmental risks, continuous improvement of the environmental management system and environmental performance indicators.
- The Company makes its environmental data openly available to every stakeholder.



Documents Regulating Environmental Protection

- Environmental Policy of PJSC Gazprom
- Comprehensive Environmental Program of PJSC Gazprom for 2020–2024

Environmental Policy

The Environmental Policy¹ reflects the current trends in environmental protection, energy efficiency and climate impact mitigation. The document sets forth Gazprom's key commitments and how they will be met:

- guarantee of environmental safety, in particular, during the development of hydrocarbon fields in the continental shelf and the Arctic Zone of the Russian Federation;

- minimization of adverse environmental impacts, in particular, on highly vulnerable natural environments and the environments that need to be protected and preserved as a matter of crucial importance.

Management of the Environmental Policy

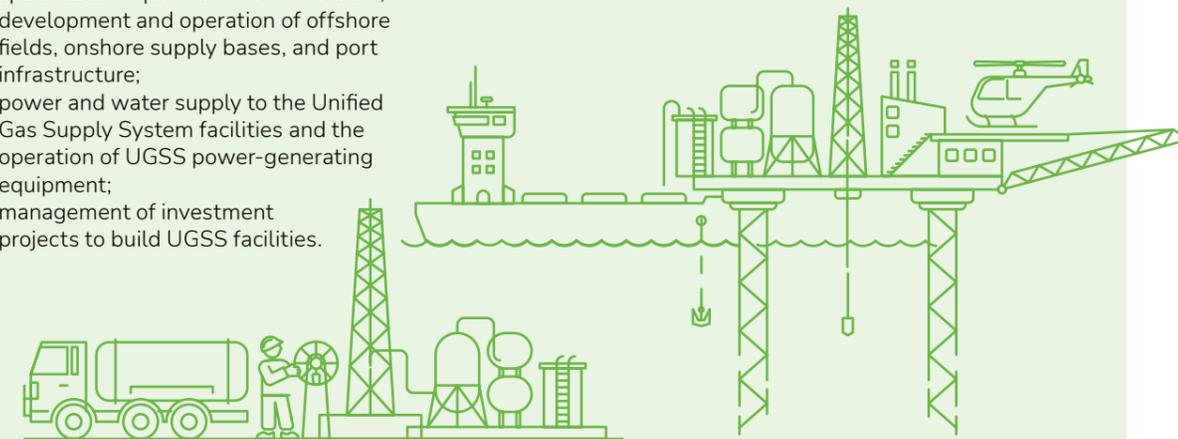
The Environmental Management System (EMS) is the mainstay of PJSC Gazprom's Environmental Policy. The EMS encompasses all management levels ranging from the Company's Board of Directors to branches and production facilities of its subsidiaries.

As part of the EMS, Gazprom sets corporate environmental targets for a three-year period and carries out environmental protection programs. The commitments made by Gazprom underlie its long-term strategic goals in environmental protection.

Activities of Gazprom's Subsidiaries Covered by EMS

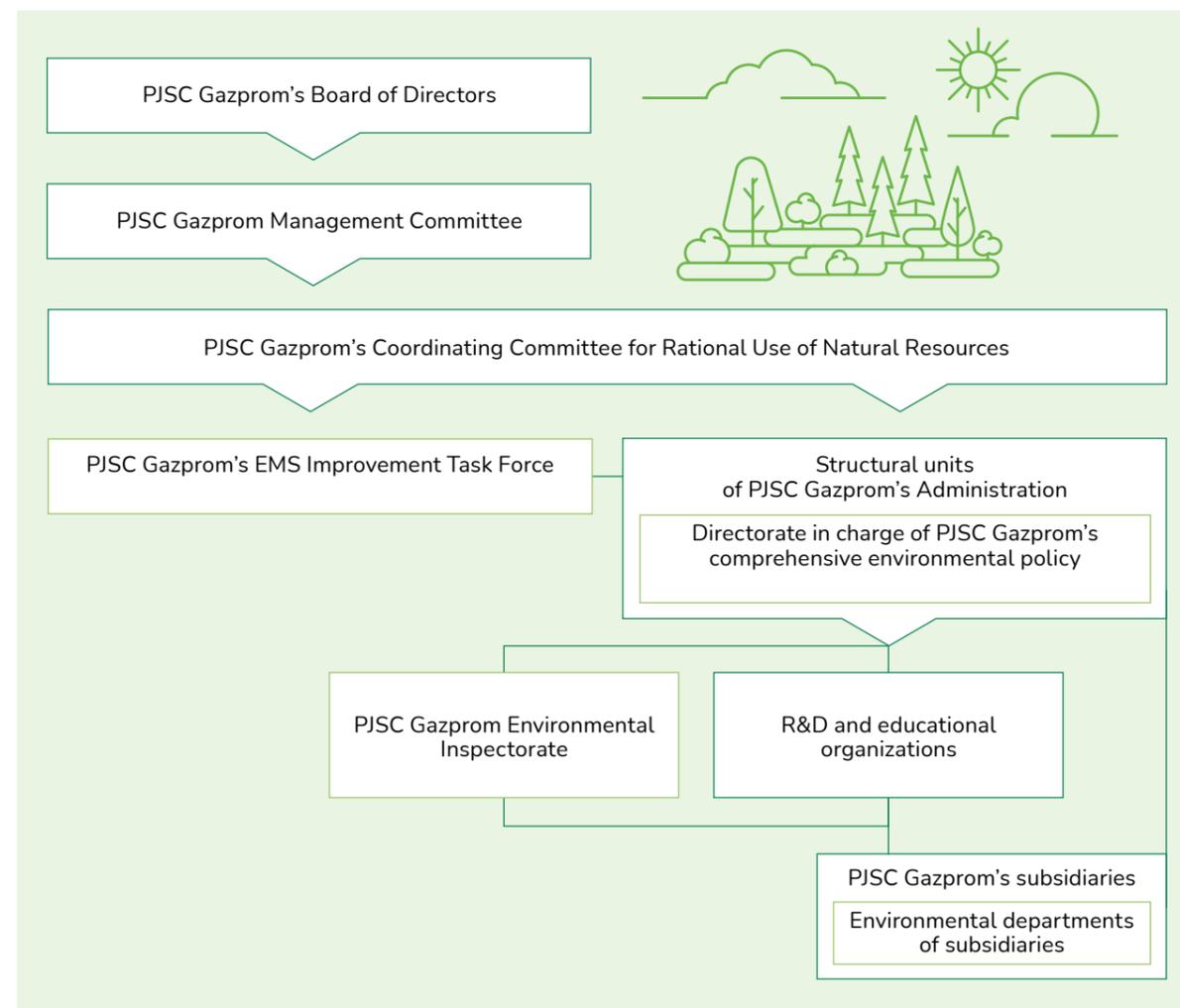
- Natural gas and condensate production, including offshore production;
- gas and condensate processing;
- gas and gas condensate transportation;
- underground gas storage;
- exploration;
- well construction, enhancement and overhaul, including offshore wells;
- construction and operation of offshore drilling rigs, specialized ships and other watercraft;
- development and operation of offshore fields, onshore supply bases, and port infrastructure;
- power and water supply to the Unified Gas Supply System facilities and the operation of UGSS power-generating equipment;
- management of investment projects to build UGSS facilities.

The EMS comprises the structural units of PJSC Gazprom's Administration, 37 wholly owned subsidiaries engaged in the Group's core activities (gas and gas condensate exploration, production, transportation, storage and processing) and managing capital investment projects, PJSC Gazprom Environmental Inspectorate, and Gazprom VNIIGAZ Corporate Research and Development Center for Environmental Protection and Energy Performance.



¹ Approved by resolution of the Management Committee of OJSC Gazprom No. 21 dated May 21, 2015.

Structure of PJSC Gazprom's Environmental Management System



The Management Committee of PJSC Gazprom is its supreme governance body for environmental protection management. Members of the Management Committee and executives of structural units of PJSC Gazprom's Administration sit on the Coordinating Committee for Responsible Use of Natural Resources. The directorate in charge of the Gazprom Group's comprehensive environmental policy and energy

efficiency improvement policy carries out decisions made by the Coordinating Committee and top managers and communicates with PJSC Gazprom's subsidiaries and entities. PJSC Gazprom's EMS Improvement Task Force is entrusted with delivering a comprehensive approach to environmental protection problems.

Certification and Audit of the Environmental Management System

The EMS of PJSC Gazprom is certified for compliance with the requirements of ISO 14001:2015 "Environmental management systems – Requirements with guidance for use". Based on the recertification audit held in December 2020, the EMS of PJSC Gazprom

was certified for compliance with ISO 14001:2015 until December 2023. In 2021, the Company passed a surveillance audit to confirm the EMS compliance with ISO 14001:2015.

Gazprom Group's Major Environmental Rankings in 2021

The effectiveness of PJSC Gazprom's Environmental Policy is confirmed by independent public rating agencies.

Gazprom ranks among the leaders of the "Responsibility and Transparency" and "Sustainable Development Vector" indices of RUIE. Its subsidiaries have long topped the Oil and Gas Production and Transportation category of the Fundamental Efficiency Rating compiled by Interfax-ERA for major companies and reflecting their environmental performance and energy efficiency.

PJSC Gazprom moved up two places to 6th in the environmental transparency rating of Russian oil and gas companies¹.

In 2021, the Gazprom Group companies were named the best in the Russian oil and gas industry according to CDP's international rating. Based on the performance indicators disclosed, they were assigned B for Climate Change, while PJSC Gazprom received A in 4 out of 11 categories (Emissions Scope 1 and 2, Management, Emission Reduction Initiatives, and Disclosure of Opportunities). CDP experts once again recognized the fact that Gazprom takes all the possible and coordinated steps to preserve the climate, discloses full and reliable information on climate issues, and works extensively to manage and solve climate-related challenges.

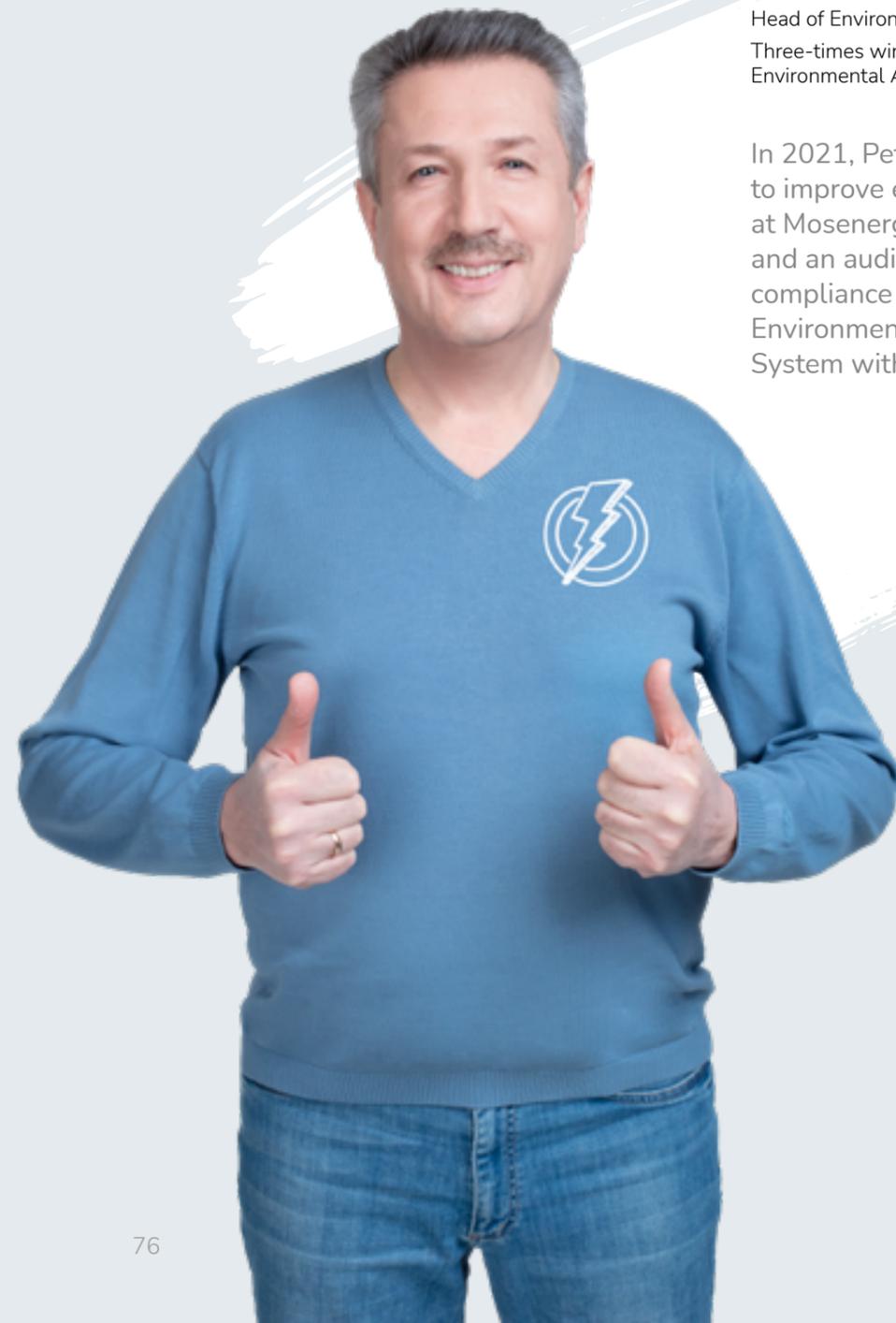
¹ Rating by CREON Group and WWF Russia.

Reaching Environmental Targets

Petr Bubley

Head of Environmental Service at Mosenergo
Three-times winner of the Moscow Government's Environmental Award

In 2021, Petr oversaw initiatives to improve environmental safety at Mosenergo power plants and an audit that confirmed compliance of Mosenergo's Environmental Management System with ISO 14001:2015.



Implementation of the Environmental Policy

In order to keep sustainable development on track and achieve corporate environmental targets, PJSC Gazprom carries out its Comprehensive Environmental Program for 2020–2024 that provides for a set of measures to introduce consumption limits and adopt the best available technologies. The measures completed in 2021 enabled the achievement of PJSC Gazprom's Corporate Environmental Targets for 2020–2022.

Corporate Environmental Target	Organizations within the EMS scope	Baseline (2018)	Actual performance (2021)	Target achievement status
Reduce GHG emissions during transportation of natural gas, t of CO ₂ equivalent / bcm•km	All subsidiaries involved in natural gas transportation	55.30	52.25	↓ 5.52 %
Reduce nitrogen oxide emissions in the atmosphere during transportation of natural gas, t/mcm	All subsidiaries involved in natural gas transportation	4.23	4.07	↓ 3.78 %
Reduce excessive discharges of pollutants into surface water bodies, %	All subsidiaries	5.29	0.12	↓ 5.17 p.p.
Reduce the share of waste sent for burial in the total waste managed, %	All subsidiaries	38.28	14.26	↓ 24.02 p.p.
Reduce the share of subsidiaries whose fees for excessive negative environmental impact are above 5%, %	All subsidiaries	35	13.51	↓ 21.49 p.p.



Documents Adopted in 2021

In the reporting year, PJSC Gazprom adopted another standardization document titled "Methodological guidance on selecting a clean-up technique for oil and petroleum product spills in the Russian Arctic when developing response plans based on the assessment of potential environmental damage".

Environmental Safety of Production Facilities and Equipment

In 2021, PJSC Gazprom continued to persistently reduce its environmental footprint.

The Company made a decision to increase 1.5-fold the number of mobile compressor stations for trunkline repairs. This will prevent up to 80% of to-be-released methane from getting into the atmosphere.

The project titled Technical Solutions for Higher Efficiency of Treatment Facilities won an annual Regional Development: the Best for Russia award. These solutions comprise cultivation and introduction of microorganisms into the sewage treatment tanks to guarantee a thorough and effective cleanup of effluents.

Raising Environmental Awareness among Employees, Contractors and Local Communities

The Gazprom Group invests a lot of effort in raising environmental awareness among its employees, partners, contractors and local communities in the regions where its companies operate.

Environmental Training of Employees

In 2021, 7,429 employees completed environmental training programs at different educational institutions, including Gazprom Corporate Institute, PJSC Gazprom's leading corporate institution for continuous professional education.



For more details on environmental training programs for the Gazprom Group's employees, see PJSC Gazprom Environmental Report 2021.



Monitoring Compliance with Environmental Laws by Suppliers and Contractors

The Gazprom Group requires that the suppliers and contractors strictly adhere to the established environmental protection standards and procedures when working at Gazprom's facilities. As part of the bidding and procurement processes, the bidders have to present documents certifying their compliance with relevant requirements. Contractors failing to meet the above criteria are not allowed to take part in the bidding and procurement procedures.

Subsidiaries of PJSC Gazprom have a construction control system in place to monitor that the suppliers and contractors working at the Company's facilities take measures and fulfill obligations stipulated by PJSC Gazprom's Environmental Policy and that they meet environmental protection requirements set out in the environmental laws of the Russian Federation.

Environmental Risks

GRI 102-11

Risks (threats and opportunities) are identified and assessed in accordance with the requirements set out in the regulatory documents of PJSC Gazprom's Risk Management and Internal Control System (RMICS).

In 2017, the Company identified key risk categories, one of them being environmental risks¹ identified and assessed² annually. Results of risk assessments (assessments of threats and opportunities) are disclosed in PJSC Gazprom's Risk Register and a risk description.

¹ Order of PJSC Gazprom No. 848 dated December 15, 2017 on Approval of Provisional Risk Index of PJSC Gazprom, its Subsidiaries and Entities and Appointment of Risk Owners and Co-owners.

² According to the Risk Management Guidelines Based on Qualitative Assessment approved by decree of PJSC Gazprom No. 394 dated November 28, 2017.

PJSC Gazprom's EMS assesses the risks for each of the Company's subsidiaries and production facilities. Mitigation measures are developed when environmental risks are found to be high. These risks are also assessed as part of design and construction of the Company's facilities. Capital projects are audited by competent organizations and government authorities.

Any existing problems or long-term risks identified are then analyzed at the corporate level, with measures scheduled and taken to mitigate those risks and solve the existing problems.

In accordance with the precautionary principle¹ PJSC Gazprom takes steps to minimize potential technogenic impact on the natural environment, especially when it is necessary to preserve rare and endangered species of flora and fauna along with unique natural areas and sites.

As part of investment project development, Gazprom's experts perform a comprehensive environmental impact assessment and identify the most vulnerable ecosystems. Their findings are used to develop project solutions aimed at preventing the disturbance of natural balance in the course of the construction and operation of Gazprom's facilities. The Gazprom Group's companies implement compensatory initiatives to preserve natural ecosystems, including measures to restore fish stocks.

Operational environmental control and monitoring (OECM) is carried out to track various environmental parameters, including the state of flora and fauna.

Key Indicators

Key indicators of the Gazprom Group's environmental performance in 2021

97,543.46
RUB million

Total environmental protection expenditures

2,506,310
tons

Pollutant emissions

243.28 mmt
of CO₂ equivalent

GHG emissions (Scope 1)

3,046,590
tons

Waste generation

3,225.44
mcm

Water discharge into surface water bodies

17,199.40
ha

Area of remediated land

¹ Principle 15 of the UN Rio Declaration on Environment and Development, 1992.

Climate Action

As part of the most recent climate agenda, world's leading energy providers are reviewing their long-term strategies, choosing to reduce their carbon footprint and achieve carbon neutrality. Being a global leader in energy and an environmentally responsible company, PJSC Gazprom rises to the challenge and draws up its measurable targets and action plans to reduce greenhouse gas emissions by 2050.

As a state-owned company, PJSC Gazprom is guided by the climate goals set by the Russian Federation and aligns its low-carbon development activities with the Low Carbon Social and Economic Development Strategy of the Russian Federation to 2050¹.

PJSC Gazprom's business model is largely in line with the global shift to a low-carbon economy, since the Company's core operations include production, transportation, storage, processing and use of natural gas, the most low-carbon of the existing fossil fuels.

The Gazprom Group's carbon footprint is currently one of the lowest among major oil and gas companies, due to natural gas prevailing in its product portfolio, as well as the Group's efforts to reduce greenhouse gas emissions.

According to the 2020 rating of the Transition Pathway Initiative (TPI), the Group's per unit GHG emissions (64.3 g of CO₂ equivalent / MJ) are significantly lower than those of other oil and gas companies.

Per unit GHG emissions of large oil and gas companies in 2020, according to the TPI, g of CO₂ equivalent / MJ

Rosneft	76.6
LUKOIL	74.4
ExxonMobil	73.6
BP	73.2
Chevron	71.4
Shell	69.1
Equinor	68.0
TotalEnergies	67.7
Gazprom	64.3

GRI 103-2



Documents Regulating Gazprom Group's Climate Action

- Environmental Policy of PJSC Gazprom²
- PJSC Gazprom's Concept of Energy Saving and Energy Efficiency Improvement until 2030
- Roadmap for the Greenhouse Gas Management System at the Gazprom Group looking forward to 2030
- Comprehensive Environmental Program of PJSC Gazprom for 2020-2024

¹ Approved by Russian Government Decree No. 3052-r dated October 29, 2021.

² Approved by Resolution of the Management Committee of OJSC Gazprom No. 21 dated May 25, 2015.

Climate Action Management

GRI 103-3

The Group's policy on climate management is based on the guidelines of sustainable development and social responsibility to future generations.

Gazprom Group's Approach to Climate Protection

- Deployment of the best available technologies to reduce unit GHG emissions and the carbon footprint;
- Achievement of top-level environmental and energy performance in business processes and their compliance with the best global practices;
- Improvement of the Group's energy management and environmental management systems;
- Setting corporate environmental targets to reduce emissions of greenhouse gas (including methane), and allocation of necessary resources to their achievement;
- Compulsory inclusion of environmental aspects and risk assessment in planning, design and implementation of investment projects;
- Operational environmental control and monitoring, keeping corporate records of GHG emissions;
- Improving PJSC Gazprom's reputation and competitiveness on the energy market;

- Gas infrastructure expansion in Russian communities;
- Comprehensive development of the market for natural gas as vehicle fuel;
- Participation in international environmental programs and projects aimed at curbing GHG emissions, protect climate and achieve sustainable development goals;
- Fostering research and innovation in climate protection to boost energy efficiency, use renewable and secondary energy sources, and reduce the carbon footprint.



Climate Action Management Bodies

The Chairman of the Gazprom Management Committee is in charge of climate action. Climate-related issues are considered at the meetings of the Gazprom Management Committee and taken into account by the Board of Directors when approving the Long-Term Development Program of PJSC Gazprom (the Gazprom Group), Innovative Development Program of PJSC Gazprom, etc.

Climate change issues:

- Climate-related risks;
- Climate targets (KPI);
- Measures to reduce GHG emissions.

The Coordinating Committee for Sustainable Resource Management of PJSC Gazprom coordinates activities, taking a comprehensive approach to introducing the best available technologies in business and reducing unit GHG emissions.

Corporate Targets for Preserving the Climate

PJSC Gazprom's Innovative Development Program until 2025 sets the relevant KPI targets, including in GHG reduction. The updated 2020 version of the Program has the 2018 level as the baseline.

11.2 %

target reduction of specific GHG emissions by 2030

No less than 2.3 %

reduction of specific fuel and energy consumption for internal process needs and losses (KPI3)

No less than 1.5 %

reduction of Scope 1 specific GHG emissions (KPI4)

55.3

t of CO₂ equivalent / bcm • km

reduction of GHG emissions during natural gas transportation in terms of volumes of gas transported¹

An annual benchmark of the actual energy and environmental efficiency indicators (KPI3 and KPI4) across Gazprom's gas operations versus the 2018 baseline shows outperformance against targets.

Up-to-date quantitative indicators for Scope 1 GHG emissions are annually submitted and consolidated across all Gazprom Group companies as part of corporate environmental reporting.

Progress against PJSC Gazprom's climate targets is tracked in the course of the Company's reporting activities as it prepares its Environmental, Annual, and Sustainability reports. The actual results under these targets are posted on the Company's website and in other public sources, in addition to being submitted to PJSC Gazprom's Coordinating Committee for Rational Use of Natural Resources.

¹ Versus 2018

Control and Accounting of GHG Emissions

All Gazprom Group companies perform control and accounting of GHG emissions using the same procedure, which is based on the Methodological Guidance on the

Quantification of Greenhouse Gas Emissions by Entities Engaging in Business and Other Activities in the Russian Federation¹.

GRI 305-1

UNCTAD B.3.1

Gazprom Group GHG emissions (Scope 1), mmt of CO₂ equivalent

Item	2019	2020	2021	Change 2021/2020, %
Total Gazprom Group GHG emissions (Scope 1), incl.:	236.45	210.32	243.28	15.7
PJSC Gazprom, incl.:	117.09	100.97	119.87	18.7
production	15.01	14.27	17.95	25.8
transportation	93.65	77.61	93.09	19.9
processing	5.99	6.83	5.90	-13.6
underground storage	1.33	1.13	1.66	46.9
Other	1.11	1.13	1.27	12.4

The increase in Scope 1 GHG emissions observed in 2021 had to do with the improvement in the Group's operating results on the back of the recovery in natural gas consumption and sales following the COVID-19 pandemic, as well as with the declining production at brownfields (the launch of booster compressor stations) and pre-commissioning at greenfields. At the same time, PJSC Gazprom managed to reduce methane emissions by 40,000 tons year-on-year in 2021, which was

primarily thanks to the gas saving measures taken during repairs on the linear sections of gas trunklines. Today, the Gazprom Group has one of the smallest carbon footprints among oil and gas majors. At PJSC Gazprom, methane emissions in gas production, transportation and underground storage equal 0.02% of the gas produced, 0.19% of the gas transported and 0.03% of the gas in storage, respectively.

GRI 305-2

UNCTAD B.3.2

Gazprom Group GHG emissions (Scope 2), mmt of CO₂ equivalent

Item	2019	2020	2021	Change 2021/2020, %
Total Gazprom Group GHG emissions (Scope 2), incl.:	13.8	11.79	12.4	5.2
PJSC Gazprom, by key types of activities, incl.:	6.08	4.77	4.7	-1.5
production	0.35	0.30	0.35	16.7
transportation	3.33	2.42	2.47	2.1
processing	2.34	2.01	1.83	-9.0
underground storage	0.06	0.04	0.05	25.0

¹ Approved by Order of the Russian Ministry of Natural Resources and Environment No. 300 dated June 30, 2015.

GRI 305–3

Gazprom Group GHG emissions (Scope 3)¹, mmt of CO₂ equivalent

Item	2019	2020	2021	Change 2021/2020, %
GHG emissions (Scope 3) by type of sold products				
Gas	930.09	872.11	932.48	6.9
Oil and gas condensate	83.84	74.16	77.94	5.1
Other energy resources	140.61	132.23	140.33	6.1
Total	1,154.54	1,078.50	1 150,75	6.7

GRI 305–4

PJSC Gazprom's specific GHG emissions (Scope 1), kg of CO₂ equivalent / ton of reference fuel

Item	2019	2020	2021	Change 2021/2020, %
Production	27.8	29.56	32.56	10.1
Transportation	119.5	107.6	114.72	6.6
Processing	96.26	119.14	93.65	-21.4

The Gazprom Group Russian entities' specific GHG emissions (Scope 1), kg of CO₂ equivalent / toe of sold products

Item	2019	2020	2021	Change 2021/2020, %
The Gazprom Group's gas business	259	239	253	5.9
Gazprom Neft	218	218	220	0.9
Gazprom Energoholding	3,737	3,490	3,552	1.8

Specific GHG emissions (Scope 3) for the Gazprom Group's sold products, kg of CO₂ equivalent / boe of sold products

Item	2019	2020	2021	Change 2021/2020, %
Specific GHG emissions (Scope 3)	301.6	301.4	301.2	-0.07

¹ The calculation of all possible emissions stemming from the use of the Gazprom Group products involved accounting for all the GHG emissions under the CDP (the Use of Sold Products category), and following the Methodological Guidance approved by Order of the Russian Ministry of Natural Resources and Environment No. 300 dated June 30, 2015. To assess the CO₂ equivalent of fossil methane (CH₄) emissions, the conversion factor of 6 was used.

Climate Protection Activities in 2021

Building Sustainable Development Scenarios

The Gazprom Group has been engaging in R&D to draft sustainable development scenarios for PJSC Gazprom through 2050, given the low-carbon trends in the global economy. These activities included a comprehensive analysis of low-carbon strategies of global energy companies from among the Group's peers and partners and creation of high-potential R&D solutions to adapt PJSC Gazprom to such low-carbon trends. The work on the sustainable development scenarios is slated to complete in 2022, and in 2023 they will serve as groundwork for PJSC Gazprom's Climate Strategy through 2050 that will determine long-term targets and strategic approaches in GHG emission reduction. The strategy will take into account the specific nature and conditions of the national economy, key expectations and responsibilities placed on PJSC Gazprom, and low-carbon trends in the target markets.

Developing Methods to Monitor and Cut Methane Emissions

PJSC Gazprom participates in the development of modern ways to monitor GHG emissions, which include methane. In the reporting year, experts from Gazprom VNIIGAZ, Gazprom Space Systems, and Gazprom Transgaz Moscow conducted an experiment to measure methane concentrations in the atmosphere following gas release at PJSC Gazprom's production facilities. The measurements were done in the surface-layer atmosphere using spacecraft-mounted satellite gas analyzers.

The following initiatives are in place to reduce methane emissions:

- increasing energy efficiency and reducing the loss of gas, including the replacement of centrifugal compressors with electric ones;
- ramping up electricity generation from renewable energy sources;
- cutting unregulated emissions through focused efforts to find and repair leaks.

Methane emissions from PJSC Gazprom's business activity and production process, 2020–2021, thousand tons

Segment	2020	2021
Production	47.72	59.84
Transportation	952.65	897.34
Processing	1.25	1.10
Underground storage	16.63	19.98
Other	2.43	2.80

Participating in GHG Emissions Lawmaking

Experts from PJSC Gazprom and Gazprom VNIIGAZ took part in drawing up the legislative framework for the draft law On Limiting Greenhouse Gas Emissions¹, new rules and regulations, and draft Russia's 2050 Development Strategy with Low Greenhouse Gas Emissions devised by the Ministry of Economic Development².

Complying with Disclosure Recommendations

Despite there not being any mandatory requirements, the Gazprom Group companies follow the recommendations of the TCFD in their strategic planning, corporate governance, risk assessment, and disclosures in terms of corporate reporting. The Group discloses information on climate risks and opportunities that may affect its financial standing.

¹ Federal Law No. 296-FZ On Limiting Greenhouse Gas Emissions dated July 2, 2021 came into force on December 30, 2021.

² Strategy approved by resolution of the Russian Government No. 3052-r dated October 29, 2021.

As part of the CDP and based on TCFD recommendations, a financial impact assessment has been carried out regarding climate change processes and climate risk-related costs. In 2021, PJSC Gazprom's climate protection expenses amounted to RUB 4.5 billion.

For more details on the financial implications and other risks and opportunities due to climate change as disclosed under TCFD recommendations, see Appendix 4.



Hydrogen Energy Development

Globally, hydrogen energy is considered as one of the key areas for implementing decarbonization programs and achieving carbon neutrality.

PJSC Gazprom collaborates with state authorities and scientists to develop the hydrogen energy industry in the Russian Federation (in accordance with the Concept of Hydrogen Energy Development in the Russian Federation, the Letter of Intent (LoI) between the Government of the Russian Federation and PJSC Gazprom aimed at advancing the development of hydrogen energy and decarbonization of the industry and transport using natural gas (hi-tech area of activity), signed on October 13, 2021, as well as the Road Map established in furtherance of the said LoI).

PJSC Gazprom identified priority areas for the development of hydrogen energy based on natural gas:

- development of technologies of hydrogen generation from natural gas without carbon dioxide emissions;
- assessing in a comprehensive manner the impact of hydrogen on the integrity and stability of the gas supply system;
- producing and using methane-hydrogen fuel in GPU gas turbine engines;
- creating infrastructure at gas processing facilities to ensure hydrogen supplies to potential consumers.

There are projects in progress aimed at developing innovative technologies for hydrogen production from natural gas without CO₂ emissions based on plasma-driven methane pyrolysis, methane pyrolysis in molten metal, and a project for the production and use of methane-hydrogen mixtures for internal energy needs. Studies of optimal ways of hydrogen transportation are underway. The Company is also considering the use of carbon dioxide capture technologies for conventional hydrogen production from natural gas.

In 2021, to create and pilot innovative low-carbon technologies in production, storage, transportation and use of methane-hydrogen mixtures and hydrogen produced from natural gas, we set up a dedicated unit, Gazprom Hydrogen, which functions as a design office.

PJSC Gazprom's Coordinating Committee for Rational Use of Natural Resources established an expert group named "Development of Hydrogen Energy and Decarbonization of the Industry and Transport Using Natural Gas".

During the reporting year we implemented the following Road Map activities:

- developed a methodology for the comprehensive assessment of environmental and economic indicators of hydrogen production technologies;
- assessed the technical limitations and the potential to reduce the carbon footprint of Gazprom's core activities through the use of methane-hydrogen fuel;
- together with Gazprom Nedra assessed the potential geological reservoirs in the Nadym-Pur-Taz Region which are suitable for CO₂ capture and storage projects;
- developed a preliminary design project (technical proposal) for a pilot hydrogen filling station.

We actively cooperate with Asia-Pacific countries in the field of hydrogen energy and decarbonization of industry and transportation using natural gas.

Russian NGV Fuel Market

Expanding the Russian NGV fuel market is one of PJSC Gazprom's key sustainable development projects. PJSC Gazprom's gas filling network is present in 63 constituent entities of the Russian Federation across eight federal districts. Gazprom Gazomotornoye Toplivo, the single operator representing the Gazprom Group in the development of the NGV fuel market in Russia, manages the largest retail network of gas filling facilities and controls over 70% of methane consumption as a motor fuel. The operation of NGV vehicles can significantly improve the environmental situation on a national scale.

In 2021, compressed natural gas sales at the Gazprom Group's filling stations reached 948 mcm, allowing to reduce GHG emissions by 1.8 mmt of CO₂ equivalent. Over the last nine years methane has helped reduce greenhouse gas emissions by nearly 10.4 million tons of CO₂ equivalent.

386
gas filling facilities

are owned by the Gazprom Group and Gazprom Gazomotornoye Toplivo in Russia

2.86 bcm

total capacity of the gas filling stations network



For more details on the NGV fuel market development in Russia, see PJSC Gazprom Annual Report 2021.

NGV fuel

Specific GHG emissions due to the use of natural gas as a motor vehicle fuel are 1.7 times lower than in the case of diesel, and 2 times lower than in the case of gasoline (throughout the entire fuel life cycle – from extraction to production).

The use of natural gas in transport also improves air quality with harmful emissions reduced three and six times as compared to diesel and gasoline, respectively. Emissions of the substances most detrimental to people's health – solid particles – are almost completely absent.

Benefits of Transitioning to NGV

According to Gazprom Gazomotornoye Toplivo calculations, public transport and municipal vehicles in St. Petersburg emit an average of 28,000 tons of pollutants a year. This accounts for about 6% of total pollution produced by vehicles in the city.

Thanks to transition to NGV fuels, total pollutant emissions by municipal and public vehicles will decrease by 18,900 tons per year (4%), while emissions of solid particles will shrink by around 300 tons (28%) annually. According to experts, the potential reduction of economic costs borne by the Government of St. Petersburg in implementation of the proposed measures totals around RUB 5.8 billion a year.

Transitioning these means of transport to methane will annually save dozens of people from premature death from cardiovascular, respiratory and cancerous diseases. Financial savings of the compulsory health insurance program from the conversion of the entire fleet of public transport and municipal vehicles in St. Petersburg to gas will total RUB 155.8 million a year.



Energy Efficiency for Climate Protection

Konstantin Dvoryanchikov

Chief Engineer at Kirinsky Gas Production Directorate, a branch of Gazprom Dobycha Shelf Yuzhno-Sakhalinsk

Konstantin contributed to reducing emissions and saving natural gas during repairs of a comprehensive gas treatment unit's process equipment, which allowed using freed-up gas for internal process needs.



Energy Saving



Documents Regulating the Gazprom Group's Energy Saving Activities

- Energy Efficiency and Energy Saving Policy of PJSC Gazprom
- Energy Saving and Energy Efficiency Improvement Program of PJSC Gazprom

Improving Energy Efficiency

As an environmentally oriented global energy company, the Gazprom Group is committed to conserving energy resources and enhancing the energy efficiency of its operations.

Improving energy efficiency is one of our priorities that underpins the Group's technological advance, limits potentially negative impacts associated with climate change and enables us to consolidate the economic efficiency of our operations. Activities to improve energy efficiency rely on federal legislative requirements, the principles of rational use of resources, and the obligations set forth in the Energy Efficiency and Energy Saving Policy of PJSC Gazprom¹.

The Gazprom Group is committed to improving energy efficiency throughout the life cycle of its production facilities. All investment projects to construct and reconstruct the Group's facilities undergo expert review for compliance with requirements, including those related to energy efficiency.

PJSC Gazprom is the only Russian company that boasts its own environmental and energy inspection bodies in charge of monitoring the compliance of its subsidiaries and contractors with legislative requirements, corporate standards and regulations on energy saving and environmental protection, and ensuring corporate control over energy consumption efficiency.

This is a three-year program covering production, trunkline transportation, underground storage, processing, distribution of natural gas, power and water supply to the Unified Gas Supply System facilities and the operation of UGSS power-generating equipment.

The Program's short-term priorities include lower natural gas and electricity consumption associated with compression and prevention of gas bleeding during repairs at UGSS facilities.

To achieve the Program targets, the Group will do the following:

- take steps to construct new facilities with energy efficiency indicators on a par with global counterparts;
- upgrade gas pumping units, which will significantly cut fuel gas consumption and GHG emissions;
- introduce technologies and solutions to streamline the operation of energy equipment at UGSS facilities and reduce gas losses;
- implement natural gas saving measures, perform well surveys without releasing gas into the atmosphere, use mobile compressor stations (MCS) for natural gas evacuation during repairs, detect and eliminate gas leaks on process equipment.

¹ Approved by resolution of the Management Committee of PJSC Gazprom No. 39 dated October 11, 2018.

As part of its Energy Management System (EnMS), PJSC Gazprom approved the following corporate energy targets for 2021–2023:

- improve PJSC Gazprom's energy efficiency;
- save fuel and energy resources in natural gas production, transportation, underground storage, processing and distribution;
- develop, roll out, prepare for certification, maintain and improve PJSC Gazprom's EnMS in line with ISO 50001:2018.

Energy performance indicators used to assess 2021 achievements are:

- reduction in specific consumption of fuel and energy in production – at least by 1.2%;
- natural gas savings – 3,741.32 mcm;
- electric power savings – 374.78 million kWh;
- heat savings – 176.53 Gcal;
- certification of conformity within the scope and perimeter of PJSC Gazprom's EnMS (international certificate) – certificate confirmed in line with the EnMS scope and perimeter.

The target is to reduce specific consumption of fuel and energy for trunkline needs (under comparable operating conditions) by 12% by 2024 and by 17% by 2035 versus the 2018 level.

GRI 302–4

Achievement of the 2020–2022 Corporate Energy Targets by PJSC Gazprom in 2021, %

Corporate Environmental Target	Baseline (2018)	2020	Actual (2021)	Target (2021)	Target (2022)	Reason for change
Reduce specific consumption of fuel and energy in transportation	100%	–10.8%	+1.8%	–1.2%	–1.2%	The 1.8% increase versus the 2018 baseline was caused by higher key production indicators: the volume of transportation operations increased by 2.2%, gas transportation volume – by 12.4%. As a result, taking into account the non-linear dependence of fuel gas consumption for product transportation, gas compression costs increased.
Natural gas savings, mcm	2,951.9	3,273.8	4,009.0	3,741.3	3,179.9	Excessive actual fuel and energy savings versus the target are due to more efficient measures and, primarily, additional volumes of natural gas preserved during repairs on the linear section of gas trunklines.
Electricity savings, million kWh	364.2	305.9	377.8	374.8	405.3	
Heat savings, thousand Gcal	235.9	251.9	185.8	176.5	159.0	

Corporate Environmental Target	Baseline (2018)	2020	Actual (2021)	Target (2021)	Target (2022)	Reason for change
Certification of conformity within the scope and perimeter of PJSC Gazprom's EnMS (international certificate)	No certificate.	Certificate confirmed in line with the EnMS scope and perimeter.	Certificate confirmed in line with the EnMS scope and perimeter.	Certificate confirmed in line with the EnMS scope and perimeter.	Certificate confirmed in line with the EnMS scope and perimeter.	Bureau Veritas, an international certification body, confirmed the conformity of PJSC Gazprom's EnMS with ISO 50001:2018. The EnMS certification covers production and treatment of natural gas and gas condensate, transportation of natural gas, energy, heat and water supply, operation of the power-generating equipment at the UGSS facilities, and underground gas storage. Targets achieved.

Energy consumption by the Gazprom Group, million GJ

Indicator	2019	2020	2021	Change 2021/2020, %
Total energy consumption at the Gazprom Group ¹	2,857.4	2,590.8	3,102.5	19.8
Total energy consumption from non-renewable sources at the Gazprom Group ²	3,616.1	3,287.5	3,917.0	19.1
Total energy consumption from renewable sources at the Gazprom Group	3.3	7.4	8.6	16.2
Electricity, heating, cooling and steam purchased for consumption by Group companies	204.9	188.4	197.7	4.9
Own electricity, heating, cooling and steam production ³	127.3	123.0	123.2	0.2
Electricity, heating, cooling and steam sold	966.9	892.5	1,020.8	14.4

The Group's energy consumption and purchases increased because of higher production volumes in 2021. Electricity sales increased by 14.4% due to the

recovery in consumer demand. Energy consumption from renewable sources increased due to the substitution of conventional generation with solar power plants.

¹ The sum of the lines, except for the line indicating own production ("Own electricity, heating, cooling and steam production") less electricity, heating, cooling and steam sold.

² From the table below.

³ Own production for internal needs.

Total heat and electricity consumption by the Gazprom Group (for internal process needs)

Energy type	2019	2020	2021	Change 2021/2020, %
Electric power, thousand kWh	39,968,999.9	36,182,406.7	38,422,954.3	6.2
Heat, GJ	188,375,575.4	180,968,527.2	182,596,941.9	0.9

Total energy consumption from non-renewable sources at the Gazprom Group, million GJ

Energy type	2019	2020	2021	Change 2021/2020, %
Crude oil fuels (gasoline, jet kerosene, fuel oil, LNG)	323.2	367.2	407.4	10.9
Natural gas	3,148.9	2,811.9	3,409.3	21.2
Coal	144.0	108.4	100.3	-7.5
Other resources	0.0	0.0	0.0	0.0
Total from non-renewable sources	3,616.1	3,287.5	3,917.0	19.1

In 2021, higher consumption of energy from crude oil fuels came on the back of a change in domestic logistics. The consumption of energy from natural gas increased due to the redistribution among resources used for generation.

In 2021, the Group consumed much more solar energy due to the commissioning of additional solar power capacities. The increased consumption of energy produced by hydro power plants became possible due to structural changes in energy supply.

Decline in specific consumption of natural gas for internal process needs during transportation, % vs 2011

2021	-16.7
2020	-27.3
2019	-19.8

Energy Intensity

GRI 302-3

The Group sees a steady decline in the specific consumption of natural gas for internal process needs during transportation.

The 2011–2020 target was 11.4% versus 2011, with the actual reduction in specific consumption during this period reaching 27.3%.

In 2021, product transportation volume increased by 11.4% versus 2011, while the specific consumption rate was 16.7% lower due to achieved energy efficiency improvements. Slower reduction in specific consumption of natural gas relative to 2020 is due to the growth of all production indicators, which required the utilization of additional gas transmission facilities.

Energy intensity of core operations

Indicator	2019	2020	2021	Change 2021/2020, %	Reason for change
Gas production, kg of reference fuel per thousand m ³	19.99	20.99	23.13	10.2	Natural gas and electricity consumed for internal process needs of production operations are taken into account to calculate the indicator. The increase was due to a 7.5% year-on-year rise in total production and a decrease in formation pressure at key fields.
Gas transportation, kg of reference fuel per mcm•km	26.97	24.86	28.34	14.0	Natural gas and electricity consumed for internal process needs of gas trunkline transportation are taken into account to calculate the indicator. The growth was due to an increase in the main production indicators: 2.2% in product transportation and 12.4% in the volume of gas transported.
Underground gas storage, kg of reference fuel per thousand m ³	8.20	7.04	7.74	9.9	Natural gas and electricity consumed for internal process needs of natural gas injection and withdrawal are taken into account to calculate the indicator. The rise was due to a 66% increase in injection volumes and a 28% increase in withdrawal. The total polytropic work performed by GPUs at underground gas storage stations increased by 73% compared to the previous year.
Gas processing, kg of reference fuel per ton of reference fuel	50.53	50.45	49.75	-1.4%	Natural gas, electricity and heat consumed for internal process needs of natural gas and liquid hydrocarbons processing are taken into account to calculate the indicator. The lower figure is due to a 9.2% decrease in the volume of processed feedstock, a subsequent drop in the consumption of key resources, and energy-saving measures.

Energy Saving Technologies

The Energy Saving and Energy Efficiency Improvement Program of PJSC Gazprom sets out key relevant measures for all types of activities with a focus on enhancing (maintaining) the energy efficiency of production processes and reducing fuel and energy consumption, including by minimizing energy losses.

PJSC Gazprom leverages technologies that have proven to be highly effective:

- using distribution stations to deliver gas to customers;
- blowing natural gas from the section under repairs into an active pipeline;
- using gas from a compressor shop's process pipelines for internal needs;
- process solutions to reduce gas losses during operation and repair of wells.

One of the most successful energy-saving projects is installing MCSs to prevent methane release during gas trunkline repairs. In 2021, this technology was widely used at all gas transportation subsidiaries, making it possible to achieve targets for the year and additionally save more than 1 bcm of gas in 2020–2021.



GRI 305–5

The key contributor is gas trunkline transportation. During trunkline repairs in 2021, the Company stopped the release of over 1.71 bcm of gas (28.10 mmt of CO₂ equivalent), including more than 744 mcm (12.23 mmt of CO₂ equivalent) by means of MCSs versus the target 700 mcm.

A set of energy saving measures taken in the reporting year helped PJSC Gazprom prevent the release of 1.91 bcm of natural gas (31.39 mmt of CO₂ equivalent).

To accelerate the introduction of new energy-saving technologies and relieve CAPEX burden, PJSC Gazprom is actively working to attract more investments under energy service agreements. Currently, the following large-scale projects are running based on the energy service concept:

- Construction of a turboexpander power unit at the Dobryanka-2 gas distribution station ;
- replacement of removable flow parts of centrifugal compressors;
- replacement of the existing lighting with energy efficient appliances.

Total investments in these most significant projects exceed RUB 6 billion, with the economic effect for the Group expected to reach almost RUB 27.5 billion throughout the equipment life cycle.

GRI 302–4

Fuel and energy savings resulting from the Gazprom Group's energy saving programs

Indicator	2019	2020	2021	Change 2021/2020
Natural gas, mcm	3,888.2	3,819.7	4,778.6	25.1%
Natural gas, million GJ	131.6	129.3	161.7	25.1%
Electric power, million kWh	738.9	677.7	653.0	-3.6%
Electric power, million GJ	2.66	2.44	2.35	-3.6%
Heat, thousand Gcal	580.2	649.6	786.5	21.1%
Heat, million GJ	2.4	2.7	3.3	22.2%
Fuel and energy, million GJ	136.7	134.4	167.4	24.6%
Reduction factor ¹ , %	4.8	5.2	5.4	0.2 p.p.

As the scope of data collection expanded in the reporting period, the approach to converting electricity savings from kilowatt-hours to joules changed (a direct approach with 1 million kWh equaling 0.0036 GJ was applied). To account for the change, the indicators for the periods preceding the reporting period were retrospectively recalculated.

For more details on fuel and energy savings, see [Appendix 4](#).

¹ Share of fuel and energy economy under energy saving programs in total energy consumption.

Reduction of Carbon Footprint

Fanis Sakhautdinov

Environmental Protection Division Head at Gazprom Dobrycha Yamburg's Oil and Gas Production Directorate

Winner of PJSC Gazprom's 2021 Environmental Services and Ecologists Contest in the Best Ecologist category

Author of efficiency-improving proposals aimed at reducing methane emissions and mitigating the environmental impact. In 2021, Fanis saw to it that Gazprom Dobrycha Yamburg's approaches to environmental protection were assessed for compliance with the best available technologies.



Atmospheric Air Protection



Documents Regulating the Gazprom Group's Air Protection Activities

- Energy Strategy of the Russian Federation until 2035
- Environmental Policy of PJSC Gazprom¹
- Comprehensive Environmental Program of PJSC Gazprom for 2020–2024

Managing Air Pollutant Emissions

GRI 103–2

GRI 103–3

Management of air pollutant emissions is part of PJSC Gazprom's corporate environmental protection and climate strategy.

PJSC Gazprom's EMS identified the significant environmental aspects and set the 2020–2022 Corporate Environmental Targets.

To control air pollutant emissions, the Gazprom Group has in place an operational environmental monitoring (OEM) system. It enables the Group to promptly receive reliable information on the state of the environment in the areas affected by the Company's production facilities, timely analyze the environmental conditions when conducting business operations, plan environmental protection measures, monitor their implementation and make informed management decisions in this area.

Significant Environmental Aspects of the Company's Emissions Management

- methane emissions associated with trunkline repairs;
- nitrogen oxide emissions by compressor stations.

The Gazprom Group's measures to reduce emissions:

- gas pumping using mobile compressor stations;
- the use of hot tapping;
- blowing gas from the sections under repairs into neighboring active pipelines;
- conducting well surveys without releasing natural gas into the air;
- the use of multi-component surfactants to better remove reservoir fluids from well bottomholes.

OEM system structure



Environmental laboratories

- fixed-site
- mobile



Environmental stations

- meteorological
- hydrological
- automated control stations



Observation wells

¹ Approved by resolution of the Management Committee of OJSC Gazprom No. 21 dated May 25, 2015.

GRI 305–7

Air emissions across the Gazprom Group, thousand tons

Indicator	2019	2020	2021	Change 2021/2020, %
Hydrocarbons (including methane)	1,542.64	1,266.42	1,193.49	-5.8
Carbon monoxide	596.42	550.66	642.07	16.6
Nitrogen oxides	307.71	284.22	341.60	20.2
Sulphur dioxide	221.46	171.97	169.72	-1.3
Volatile organic compounds	124.76	117.22	107.82	-8.0
Solids	67.47	53.57	50.05	-6.6
Other gaseous and liquid substances	2.24	1.60	1.56	-2.5
Total	2,862.70	2,445.66	2,506.31	2.5

Unit air pollutant emissions by business segment, kg per ton of reference fuel

Business segment	2019	2020	2021	Change 2021/2020, %
Production and exploration	0.271	0.312	0.313	0.3
Processing	2.324	2.391	1.983	-17.0
Transportation	2.141	1.851	1.698	-8.3

UNCTAD B.4.1

GRI 305–6

PJSC Gazprom, Gazprom Neft, Gazprom Energoholding and Gazprom Neftkhim Salavat do not use ozone-depleting substances on an industrial scale.

APG Flaring Reduction

The Gazprom Group continues to reduce associated petroleum gas (APG) flaring, which is a significant contribution to emissions cutting and resource saving.

The Group's new solutions help maximize APG utilization and reduce flaring. In the reporting year, Gazprom Transgaz Krasnodar obtained two new patents for

the utilization of low-pressure flare gases. The novel technology based on exhaust flare gases divides the low-pressure gas into liquid hydrocarbons and fuel gas, preventing the flaring of low-pressure gases. It helps improve production efficiency and energy saving and can easily be integrated into the existing processes with no need to introduce major changes.

GRI OG 6

APG utilization across the Gazprom Group's assets in Russia¹

Indicator	2019	2020	2021	Change 2021/2020
APG utilization, %	89.9	91.6	90.1	-1.5 p.p.
APG flaring across the Gazprom Group, mcm	1,854.5	1,643.20	2,338.4	+42.3%

¹ Including production volumes at fields where PJSC Gazprom or its major subsidiaries are licensees and Gazpromneft-Zapolyarye is a developer under long-term risk-based operator agreements signed in 2018–2020.

Water Resources Protection

Water Resources Management

GRI 103-2 GRI 103-3 GRI 303-1 GRI 303-2

The Company has in place a water management system at every onshore and offshore facility, regardless of the region of its location, or sources of fresh- or seawater it uses. Gazprom's EMS assesses the risks for each of the Company's subsidiaries and production facilities.

Efficient water resources management is part of the measures taken to implement the Environmental Policy of the Group, which facilitates, among other things, cooperation with local communities, the government and investors.

A water supplier in certain Russian regions, Gazprom is responsible for providing the local communities with clean water. In a number of cases, the Group receives

wastewater under contracts with external parties, which prompts it to pay even closer attention to non-production wastewater discharges.

GRI 303-3 GRI 303-4 GRI 303-5

Water is withdrawn from surface and subterranean sources solely in accordance with the effective legislation (and pursuant to water use agreements and extraction licenses), without causing any significant impact on the environment.

None of the regions of the Company's production operations are classified as areas with water stress.

Monitoring Production Effects on Natural Water Resources

The operational environmental control and monitoring (OECM) system enables the Company to monitor the quality of surface and ground water and sediments; water sources for utility and drinking purposes; the state of the geological environment, soils and snow cover, as well as waste and effluents. With the assistance of accredited laboratories, Group companies annually analyze millions of samples to assess the contamination of facilities' industrial discharges, drinking water, wastewater, surface water bodies and soils. The analysis serves as the basis for studies to collect data and determine the nature, amount and scale of the Company's impact on the environment. The study findings are then used to develop measures to manage Gazprom's environmental activities.

In order to organize and conduct operational environmental control and monitoring, the Company develops annual monitoring and observation programs and obtains the relevant approvals from state supervisory authorities.

The OECM system enables the Company to promptly receive reliable information on the environmental conditions at its production facilities and in the areas affected by them, conduct timely engineering review of the current environmental situation in the course of production and business activities, plan environmental protection measures, monitor their implementation and make informed environmental management decisions.

Some of the Gazprom Group's OECM systems are integrated with regional environmental monitoring systems.

The Group's OECM programs provide for environmental monitoring of designated conservation areas or sites with a special environmental status located on the territories affected by the Group's activities.

Measures to Reduce Adverse Impact on Water Resources

5.17 p.p.

progress against the Corporate Environmental Target to reduce excess pollutant discharges into surface water bodies¹

GRI 303-1 GRI 303-2

Water Resources Management Targets

- reduce wastewater discharges into surface water bodies;
- improve wastewater treatment.

Measures To Reduce Excess Pollutant Discharges Into Surface Water Bodies

- the use of innovative wastewater treatment technologies and solutions to make wastewater treatment more effective;
- construction, reconstruction and modernization of treatment facilities for industrial, stormwater and utility effluents;
- implementation of recirculated and zero-discharge water systems for recycling waste and drainage water.

GRI 303-3 UNCTAD B.1.2

The Gazprom Group's water consumption structure by source type, mcm

Indicator	2019	2020	2021	Change 2021/2020, %
From surface sources, incl.:	3,484.33	2,824.11	3,440.01	21.8
freshwater	3,446.98	2,781.69	3,405.83	22.4
non-freshwater	37.35	42.42	34.18	-19.4
From groundwater sources (freshwater)	86.95	81.67	80.58	-1.3
From public water supply utilities (freshwater)	143.11	137.96	133.97	-2.9
From other water supply systems (freshwater)	207.02	192.89	243.68	26.3
Total	3,921.41	3,236.63	3,898.24	20.4

GRI 303-5

The Gazprom Group's water resource use, mcm

Indicator	2019	2020	2021	Change 2021/2020, %
Water used, total	3,863.11	3,175.81	3,836.75	20.8
production purposes	3,678.12	3,008.63	3,518.42	16.9
utility and drinking purposes	54.98	31.83	32.84	3.2
other	130.01	135.35	285.50	110.9

¹ The Corporate Environmental Target for 2020-2022 to achieve a lower share of polluted and insufficiently treated wastewater discharged into surface water bodies versus the 2018 baseline level stands at 5.29%.

Water used for production purposes, m³ per ton of reference fuel

Business segment	2019	2020	2021	Change 2021/2020, %
Production and exploration	0.010	0.014	0.016	14.3
Processing	0.176	0.206	0.167	-18.9
Transportation	0.010	0.012	0.011	-8.3

In 2021, water use by Gazprom Group companies increased by 20% year-on-year due to higher power generation by Gazprom Energoholding compared to 2020.

UNCTAD B.1.1

Water recycling and reuse

Indicator	2019	2020	2021	Change 2021/2020
Volume of recycled and reused water across the Gazprom Group, mcm	11,409.12	11,071.61	11,851.75	7.0%
Share of recycled water across the Gazprom Group, %	290	342	304	-11.1 p.p.

In 2021, the volume of recycled and reused water across the Gazprom Group went up 7% year-on-year.

GRI 303-4

UNCTAD B.1.3

Wastewater discharges across the Gazprom Group, mcm

Indicator	2019	2020	2021	Change 2021/2020, %
Total, incl.	3,389.63	2,742.73	3,336.66	21.7
freshwater	3,359.87	2,713.76	3,301.89	21.7
non-freshwater	29.76	35.97	34.77	-3.3
Into surface water bodies, incl.	3,241.79	2,610.78	3,225.44	23.5
freshwater	3,212.03	2,574.81	3,190.67	23.9
non-freshwater	29.76	35.97	34.77	-3.3
On land ¹	1.10	0.94	0.99	5.3
To subterranean layers	45.67	43.37	23.24	-46.4
To irrigation sewage fields	6.63	6.23	6.45	3.5
To absorption fields	0.47	0.46	0.46	0.0
To holding basins	0.45	0.43	0.57	32.6
To public utilities	82.92	68.95	69.61	0.96
To other systems	10.60	11.57	9.90	-14.4

In 2021, wastewater discharges grew by 22% driven by increased water use.

Share of partially clean (untreated) water and water partially treated at purification plants in the total volume of wastewater discharged by the Gazprom Group's facilities into surface water bodies, %

Indicator	2019	2020	2021	Change 2021/2020, p.p.
Share of partially clean (untreated) water and water partially treated at purification plants in the total volume of wastewater discharged	97	97	97	0

The Gazprom Group has been keeping the share of partially clean water at 97% since 2019.

¹ No non-freshwater discharges in this line and below.

Waste Handling



Document governing waste handling activities:

Master Plan for Production and Consumption Waste Management at PJSC Gazprom's Facilities in Various Regions of Russia

Waste Handling at the Gazprom Group

The Gazprom Group seeks to minimize production waste generation and burial.

The status of achieving the corporate environmental target is evaluated annually.

24.02 p.p.

progress against the corporate environmental target for reducing the share of buried waste¹

GRI 103-2

GRI 103-3

GRI 306-1

GRI 306-2

Hydrocarbon production growth, especially in the Far North, and expanding gas transmission network of the oil and gas facilities lead to an increase in production and consumption waste generation, and a greater human impact on the environment in geographies where the Gazprom Group produces, transports, processes and stores gas.

To mitigate and prevent this negative impact, we introduce the best available and innovative technologies to minimize waste generation and burial and increase the share of recycled waste.

All Group companies have implemented sorting procedures for wastes of Hazard Classes I-V, which helps reduce the share of dumping.

According to the environmental hazard classification, the bulk of the Group's waste belongs to Class IV (low-hazard) or Class V (almost non-hazardous). These two classes account for 47% and 50%, respectively, of the total waste generated by the Group. These types of waste are typically either recycled or handed over for safe storage.

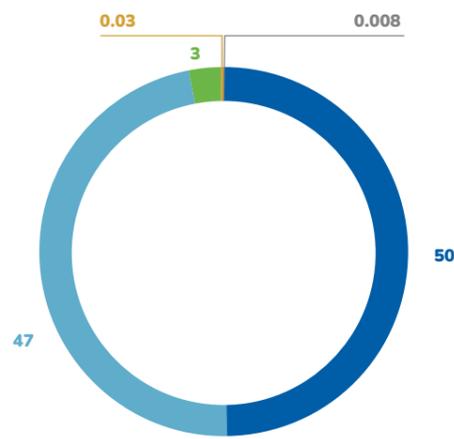
Class I and II waste is handed over for neutralization or recycling. Its share is 0.038%.

¹ The 2020-2022 corporate environmental target for reducing the share of buried waste versus the 2018 baseline level stands at 38.28%.

Class III is represented, inter alia, by some of the oil-contaminated waste (that with a share of petroleum products greater than 15%) handed over for neutralization or recycling.

The Group is reducing the share of waste sent for burial.

Waste production by hazard class, %



- Hazard Class V
- Hazard Class IV
- Hazard Class III
- Hazard Class II
- Hazard Class I

Innovative Approach to Waste Handling

To mitigate the environmental impact of drilling waste, we employ dedicated design solutions.

Design solutions minimizing the impact of drilling operations on ecosystems:

- use of low-toxic drilling muds;
- pit-free drilling method;
- drilling waste recycling technologies to produce mineral construction materials for field pre-development.

Waste Handling Monitoring

All the Group's waste placement facilities are listed in the relevant state register. The Gazprom Group monitors the environment and contamination levels at placement sites and in the nearby areas, recycles and neutralizes production and consumption waste in compliance with environmental requirements.

Monitoring of Contractor Waste Handling

During the procurement stage, bidders are checked for the availability of licenses for handling each type of waste and the equipment and technical infrastructure for handling the Group's waste. Contractors sign agreements obliging them to observe Gazprom's Environmental Policy. PJSC Gazprom's Environmental Inspectorate and construction monitoring services conduct regular checks of how contractors handle waste.

[For more details on waste handling, see Appendix 4.](#)

Biodiversity Preservation

GRI 103-2

GRI 304-3

The Gazprom Group companies greatly contribute to international, Russian and local programs on plant and animal life protection in their regions of operation. Strict compliance with Russian and international environmental

laws and standards, care for the environment, and prevention of damage to marine and terrestrial ecosystems are all preconditions for PJSC Gazprom projects.

Biodiversity Preservation Management

In line with the Environmental Policy of PJSC Gazprom, all of the Company's capital investment projects involve measures to minimize risks of adverse environmental impacts at all stages, in particular, impacts on highly vulnerable natural environments and the environments that need to be protected and preserved as a matter of crucial importance.

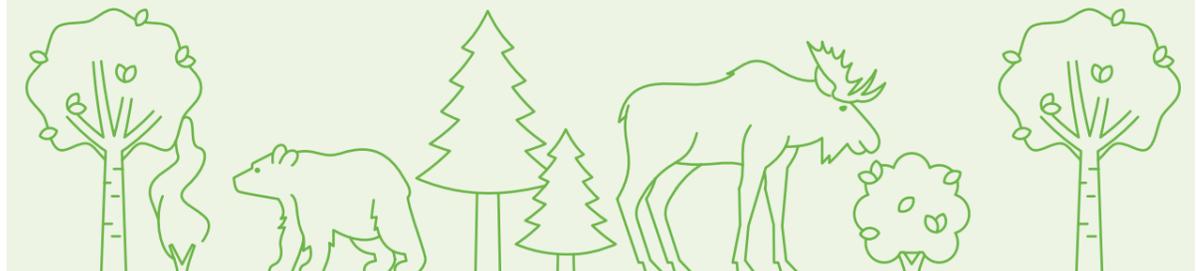
PJSC Gazprom's Coordinating Committee for Rational Use of Natural Resources manages environmental protection activities, which include matters of biodiversity preservation.

Biodiversity Preservation Focus Areas:

Applying modern technological solutions to mitigate the environmental impact of production operations

Devising and implementing biodiversity preservation programs both across the companies' footprint and in other Russian regions

Continuous environmental monitoring



The Gazprom Group's expenses on biodiversity preservation and protection of designated natural areas, RUB million

Indicator	2019	2020	2021	Change 2021/2020, %
Total, incl.:	453.74	533.99	702.70	31.6
protection and replacement of fish reserves	98.49	133.97	183.82	37.2
protection and rational use of forest resources	2.18	26.70	248.96	832.4

In 2021, the Group spent RUB 702.7 million on the preservation of biodiversity, protection of designated natural areas, as well as protection and replacement of

fish reserves. This is 32 % more than in 2020, an increase that came on the back of reforestation activities as part of PJSC Gazprom's capital construction in 2021.

Significant Impacts of Activities, Products, and Services on Biodiversity

GRI 304-2

The reporting year saw no significant direct or indirect impact of Group companies' operations on vulnerable ecosystems and biodiversity.

The Group does not keep count of the total number of IUCN Red List species and national conservation list species with habitats in areas affected by its operations due to the large size of the territories where the Gazprom Group operates.

The Company has facilities that are located near or within the following designated conservation areas:

- Anyuysky, Kislovodsky, Losiny Ostrov, Meshchersky, Nechkinsky, Orlovskoye Polesye, Pleshcheevo Ozero, Pripyshminskiye Bory, Sochinsky, Ugra, Khvalynsky, Yugyd Va national parks;
- Klyazminsky, Nadymsky, Priazovsky, Ryazansky, Saratovsky, Severo-Ossetinsky, Kurgalsky, Utrish state nature reserves and federal reservations;
- Some regional DCAs.

The Group performs its activities in DCAs in full compliance with the national environmental protection legislation and land use terms and conditions specified for a relevant DCA.

Biodiversity Preservation Measures

For the sake of biodiversity, OEM programs include relevant monitoring, construction is suspended during spring nesting season, water intake facilities are equipped with fish protective devices, and overhead transmission lines are equipped with bird protection devices. Communication lines have specific wildlife passages to facilitate reindeer migration.

of rare marine mammal species and the polar bear within the designated conservation areas in the northeastern part of the Barents Sea.

PJSC Gazprom is implementing the Biodiversity Preservation Program Based on the List of Flora and Fauna Species Being Indicators of Marine Ecosystems Stability in the Arctic Zone of the Russian Federation. The Program was developed in consultation with leading research institutes of the Russian Academy of Sciences, Russian Arctic National Park Federal State Budgetary Institution, and Marine Mammal Council Regional Public Organization.

Environmental Protection in the Arctic

The Group provides financing to the projects implemented in the Arctic in collaboration with the Russian Geographic Society, including the monitoring of island ecosystems and the preservation of populations

Remediation of Disturbed Land and Restoration of Natural Landscapes

Geological exploration, drilling, hydrocarbon production, and the construction and use of pipelines and other facilities cause land disturbance and pollution. The Gazprom Group follows the required remediation and rehabilitation procedures to put the disturbed or polluted land back into economic use.

This process involves a technical and a biological stage that rely on the following methods:

- mechanical clean-up;

- soil and slope reinforcement (latex coatings, Xanthan biopolymer, used drilling fluid, geowebbs and geotextiles);
- use of humic substances, ion-exchange substrate, and rhizosphere bacteria, as well as algae-based revegetation methods and more;
- microbiological agents to clean up hydrocarbon contamination (Putidoil, Devoroil, BIOROS);
- bioremediation using specially selected grass crops.

Land-related impacts are not an acute environmental issue for the Group, with remediation taking place as necessary and in due time. No accumulation of harm to land resources has been detected.

Disturbed and remediated land across the Gazprom Group, ha

Indicator	2019	2020	2021	Change 2021/2020, %
Lands disturbed during the year	22,885.37	23,837.88	19,809.45	-16.9
including polluted lands	73.16	79.41	65.79	-17.2
Disturbed lands remediated during the year	17,670.50	15,836.39	17,199.40	8.6
including polluted lands	65.69	65.77	78.08	18.7

During the reporting year, the area of land disturbed by the Group decreased by 16.9% compared to 2020. This came on the back of lower seismic survey activities by Gazprom Neft and reduced scale of overhauls and construction at PJSC Gazprom.

The 8.6% increase in remediated land in 2021 resulted from the return of unused lands to the lessor.

Biodiversity Preservation Initiatives

In 2021, employees of PJSC Gazprom's subsidiaries and the Vernadsky Non-Governmental Environmental Foundation jointly participated in such projects as the all-Russian Best Eco-Volunteer Team contest, Green Spring national environmental clean-up, national Bike to Work Day, international contest Environmental Culture. Peace and Harmony, Vernadsky National Environmental Award, and #TogetherBrighter All-Russian Energy Conservation Festival.

Gazprom Dobycha Krasnodar and the Shaposhnikov Caucasus State Nature Biosphere Reserve organized educational environmental events, including the Meet Birds! photo exhibition for schoolchildren, Environmental Challenges DCA-themed animated video brainstorm, and Priazovsky Reserve book publication.

Gazprom Dobycha Kuznetsk and the Federal Research Center of Coal and Coal Chemistry of Siberian Branch of the Russian Academy of Sciences continued their work to create a recreational space in the form of a reserve that would become a new home for endangered plants, animals and mushrooms from the areas that become Gazprom Dobycha Kuznetsk construction sites. Furthermore, Gazprom Dobycha Kuznetsk saw to the launch of an eponymous alley and the planting of the Siberian larch along it as part of the Clean Air project, all in order to boost the landscape diversity of Kemerovo and promote the innovative Coal-Bed Methane Production project.

Employee Development

24.1 %

share of women among executives of the Gazprom Group

+ 48.7 %

increase in the number of trainees

146,200

non-governmental pension scheme participants

+ 37.7 %

increase in the number of graduates hired by the Gazprom Group

Andrey Frolkov

Deputy Head of Directorate – Head of Division at PJSC Gazprom
Secretary of Science and Education
Cross-University Council of PJSC Gazprom

Andrey ensures comprehensive cooperation of the Gazprom Group with Russian educational institutions in training future specialists under secondary vocational and higher education programs. He oversees career guidance in the regions of Gazprom's operations, as well as the Gazprom Classes project.



HR Management at the Gazprom Group

GRI 102-7

Our people are one of our most valuable assets. To recruit and retain the talent pool as our main resource, we seek to offer our employees a safe and comfortable working environment and medical care while also running a system of financial and non-financial incentives and personnel development programs.

HR Policy

GRI 103-2

GRI 103-3

PJSC Gazprom develops and implements consistent HR management approaches in its subsidiaries and affiliates. PJSC Gazprom's key HR management solutions are applied at the Gazprom Neft Group, Gazprom Energoholding, and Gazprom Neftekhim Salavat.

479,200
headcount
as of December 31, 2021

38.5
RUB billion
social expenses

840.2
RUB billion
payroll expenses

Documents Regulating the Gazprom Group's HR Management



- HR Management Policy of PJSC Gazprom, its Subsidiaries and Entities;
- Comprehensive Program for Improvement of HR Management at PJSC Gazprom, its Subsidiaries and Entities in 2021–2025.

The HR Management Policy of PJSC Gazprom, its Subsidiaries and Entities seeks to create an effective HR management mechanism based on social partnership principles.

The Policy's key goal is to maximize return on investment in talent by doing the following:

- maintaining a status of the preferred employer;
- comprehensively motivating each employee to achieve the Company's goals;
- creating and developing an unbiased and efficient framework to assess the personal contribution of each employee.

The Comprehensive Program for Improvement of HR Management at PJSC Gazprom, its Subsidiaries and Entities (the «Program») is subject to update and approval every five years. This helps the Group to make its HR management system more effective, keep abreast of the latest trends and comply with laws in this area.

As part of the program, we are working to build a close-knit team of top-notch professionals motivated to effectively address challenges faced by the Group in the current economic environment by sustainably managing revenues and expenditures.

Focus areas:

- Headcount planning;
- Recruiting and staff assessment;
- Employee training and development;
- Staff motivation;
- Social policy;
- Expenditure management, reporting and performance assessment;
- Information support and corporate communications.

We set KPIs for each focus area. Their achievement is reviewed annually as part of assessing operating results of subsidiaries and entities.

Equal Rights of Employees

PJSC Gazprom is among Russia's largest employers providing equal rights and opportunities to all employee categories and eliminating conditions for gender inequality and various types of discrimination.

The Gazprom Group ensures equal remuneration for men and women in positions with the same level of professional expertise. The ratio of fixed and variable remuneration is the same for both genders.

GRI 405-1

UNCTAD C.1.1

Share of employees in the Management Committee, %

Indicator	2019	2020	2021	Change 2021/2020, p.p.
Gender				
male	78.6	85.7	85.7	-
female	21.4	14.3	14.3	-
Age				
up to 30 y.o.	-	-	-	-
30 to 40 y.o.	-	-	-	-
40 to 50 y.o.	21.4	21.4	14.3	-7.1
over 50 y.o.	78.6	78.6	85.7	7.1

Headcount as of the end of the reporting period

Indicator	2019	2020	2021	Change 2021/2020, %
Headcount as of December 31, 2021, thousand people	473.8	477.6	479.2	0.3
incl.:	Share of the Gazprom Group's employees by category, %			Change 2021/2020, p.p.
Executives	14.4	14.2	14.3	0.1
incl.:				
male	75.4	76.0	75.9	-0.1
female	24.6	24.0	24.1	0.1
incl.:				
up to 30 y.o.	4.6	4.0	3.6	-0.4
30 to 50 y.o.	69.3	69.7	69.8	0.1
over 50 y.o.	26.1	26.3	26.6	0.3
Specialists and other white-collar staff	33.0	33.4	34.2	0.8
incl.:				
male	58.4	58.7	58.8	0.1
female	41.6	41.3	41.2	-0.1
incl.:				
up to 30 y.o.	13.5	12.5	11.9	-0.6
30 to 50 y.o.	68.2	68.5	68.0	-0.5
over 50 y.o.	18.3	19.0	20.1	1.1
Workers	52.6	52.4	51.5	-0.9
incl.:				
male	78.0	78.8	78.6	-0.2
female	22.0	21.2	21.4	0.2
incl.:				
up to 30 y.o.	15.7	15.0	13.9	-1.1
30 to 50 y.o.	56.4	57.0	57.1	0.1
over 50 y.o.	27.9	28.0	29.0	1.0

An increase in the Group's headcount in the reporting year is due to strategic projects in gas processing and transportation along with greater efforts to implement PJSC Gazprom's investment program (geophysical survey, engineering and design, materials and equipment supply).

There were no material changes in the staff breakdown by gender.

A smaller share of employees under 30 years old and a bigger share of staff over 50 years old across all categories are associated with natural factors.

The Gazprom Group complies with the government-imposed quota system and employment requirements for people with disabilities. Such employees are entitled to

benefits prescribed by the Russian Labor Code subject to their individual rehabilitation plan. In some regions of the Gazprom Group's operations where compliance with the government quotas is impossible due to the specific character of operations, agreements with third-party organizations are signed to employ people with disabilities.

The Group's employees with disabilities and those who have children with disabilities receive additional benefits and guarantees, along with the required social aid and support.

For more details on headcount and other indicators, see Appendix 5.

Ensuring Commitment to Labor Rights at the Gazprom Group

GRI 406-1

In the reporting year, legal regulation of social and labor relations within the Group relied, among other documents, on the industry agreement covering organizations of the oil and gas industries and construction of oil and gas facilities for 2020–2022.

The Gazprom Group entities handled staff (public) queries in line with the applicable legislation of the Russian Federation and their local regulations.

The Group uses an intranet portal, an interactive staff information portal, e-mail newsletters, information boards, and personal interactions between employees and HR managers.

The Gazprom Group has also created a sociological portal to collect feedback in the form of surveys and polls on HR management matters for the staff of subsidiaries and entities. To make talent management more effective, the Group polls quitting employees.

In 2021, there were no cases of discrimination in the Gazprom Group, and the HR Department received very few complaints and reports from the Group's employees as regards labor disputes and unfair labor practices.

Shift Personnel

The Group's operations cover remote regions of Siberia, the Far North, and Russian offshore areas. The Group employs 53.9 thousand shift workers at fields located in the areas remote from population centers in harsh weather conditions.



Shift personnel structure¹

Indicator	December 31, 2019	December 31, 2020	December 31, 2021
Roster of employees of the entities which use the shift system, thousand people	224.7	231.7	225.2
Headcount of shift staff, thousand people, incl.:	50.5	51.8	53.9
people working in the Far North and equivalent areas	47.8	47.6	50.2
Relative share of shift staff in the roster of the Gazprom Group entities which use the shift system, %	22.5	22.4	23.9

The average headcount of shift workers in 2021 exceeded that of 2020 by 2,100 people (or +4.1%) due to the commissioning of new facilities relying on shift personnel in remote areas, including in the Far North.

The shift staff enjoys an effective working environment and comfortable living conditions. The Company provides transport to bring shift workers from the meeting point

to the place of work and back. There are ongoing efforts to expand the camp infrastructure as a way to guarantee high living standards for the shift personnel during their time at the shift camp. Gazprom offers its employees high-quality medical, social and amenity services, and makes sure that the work and rest schedules are respected.

Financial Incentives for Employees

The PJSC Gazprom Employee Remuneration Management Policy requires that the salary and tariff rates used at the Company factor in the employees' qualifications and business skills, extra payments and allowances made subject to relevant labor conditions and workload, monthly performance-based bonuses, one-off bonuses (paid for launching new production facilities and construction projects, export gas supply, introduction of new equipment, energy savings, contribution to process streamlining and R&D, and discovery of new deposits), and year-end performance bonuses.

The Policy provides for the fixed part of remuneration (salaries / tariff rates) and the variable part (extra payments, allowances and bonuses). Linked to the remuneration system, the fixed part constitutes up to 70% of the remuneration. Salaries and tariff rates of the

employees of PJSC Gazprom's budgeted entities in Russia were raised by 2% on January 1, 2021. In 2021, the average monthly salary at the subsidiaries responsible for the core operations of PJSC Gazprom (gas production, processing, transportation and underground storage) amounted to RUB 107,200¹.

In 2021, the average monthly salary went up 2% year-on-year.

Average monthly salary, RUB thousand

2021	107.2
2020	105.1

Social Policy of the Gazprom Group

The key focus areas of our social policy include social payments, housing, and non-governmental pension insurance.

Key social benefits:

 **Social payments** to employees include benefits to all Group staff, as well as to certain staff categories (employees of subsidiaries located in the Far North or equivalent areas, young professionals, employees who have multi-child families and children with disabilities, and others);

 **Housing** is provided under the corporate program funded by both employees and the employer through bank mortgage schemes (using a co-financing approach). Participation in the program helps retain the Company's HR potential in the long run to advance production goals.

 **Personal insurance;**

 **Medical care;**

 **Non-governmental pension insurance** for employees at the Gazprom Group entities relies on pension agreements signed with Non-State Pension Fund GAZFOND.

¹ Average headcount of the Gazprom Group entities.

¹ The data was sourced from 28 subsidiaries responsible for the core operations (gas production, processing, transportation and underground storage). For the list of subsidiaries, see [Appendix 5](#).

GRI 401–2

Benefits provided to full-time, part-time and temporary employees working under an employment contract¹

Benefits	Full-time employment	Temporary employment ²	Part-time employment ³
Life insurance ⁴	✓	–	✓
Medical services	✓	–	✓
Injury and disability compensation	✓	✓	✓

Non-Governmental Pension Insurance

In accordance with the Long-Term Development Strategy of the Pension System in the Russian Federation, the Gazprom Group provides a Corporate Pension arrangement for its employees based on agreements signed with Non-State Pension Fund GAZFOND. This pension arrangement covers employees who have worked at PJSC Gazprom's entities for at least 15 years and by the time of retirement are entitled to receive an old-age pension.

The arrangement comprises payments from GAZFOND and PJSC Gazprom and its subsidiaries depending on the employment period. Employees receive these payments upon retirement.

In 2021, over 139,900 people were granted pensions under relevant agreements, down 3% year-on-year due to fewer employees reaching the retirement age under the applicable pension legislation.

Headcount of participating retired employees of the Gazprom Group's entities, thousand people

Year	Headcount
2021	139.9
2020	144.3
2019	144.5

139,900
employees

received pension under non-governmental pension agreements in 2021

Voluntary Medical Insurance and Medical Care

Employees of the Gazprom Group's entities are entitled to medical care under voluntary medical insurance (VMI) contracts purchased by the employers for the benefit of their existing and retired employees and their families. Under VMI contracts, insurance companies arrange and pay for medical care and preventive treatment to mitigate threats to employees' life and health. The procedures and scope of medical care are defined in voluntary medical insurance programs.

The VMI programs offer a comprehensive range of high-tech, specialized and other health services, including outpatient and inpatient care. The insured are offered a wide range of therapeutic and preventive treatment services to restore their health and work capacity, as well as to prevent exacerbation of chronic diseases.

The VMI services are primarily provided by the Gazprom Group's healthcare facilities. Where such services are unavailable at the Group's facilities, they are provided by third-party healthcare institutions from the list specified in the VMI program. For certain types of healthcare, a limit can be set on the scope or total cost of medical services provided under VMI contracts.

569,000
people

were insured in 2021 under voluntary medical insurance programs at PJSC Gazprom, its subsidiaries and entities

15.7
RUB billion

spent on health insurance programs in 2021¹

Number of the Gazprom Group's employees, retirees and members of their families insured under VMI programs, people

Indicator	2019	2020	2021	Change 2021/2020, %
Number of the Gazprom Group's employees insured under VMI programs as of the end of the reporting period	297,542	301,621	306,010	1.5
Number of family members of the Gazprom Group's employees insured under VMI programs as of the end of the reporting period	151,486	150,492	158,150	5.1
Number of the Gazprom Group's retirees (former employees) and their family members insured under VMI programs as of the end of the reporting period	103,321	103,250	105,261	1.9

¹ Information provided for PJSC Gazprom, its representative offices, branches and subsidiaries engaged in core operations and infrastructure entities included in PJSC Gazprom's budgeting.

² Temporary employment refers to fixed-term employment contracts. If their term is less than 3 years, life insurance is not provided. If their term is less than 2 months, medical services (voluntary medical insurance) are not provided.

³ Part-time employment as per Article 93 of the Labor Code of the Russian Federation. The benefits are not provided under civil law agreements for the purchase of services.

⁴ Covers executives of PJSC Gazprom's Administration and subsidiaries engaged in core operations.

¹ Expenditures of PJSC Gazprom, its 15 branches and 79 budgeted subsidiaries, entities and representative offices on voluntary medical insurance, accident and disease insurance, and life insurance.

Corporate Healthcare System

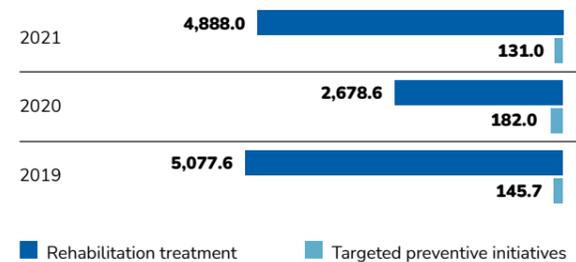
GRI 403-3

The corporate system of medical care for the Gazprom Group's employees, retirees, and their families is based on the principle of timely, high quality, and continuous medical assistance.

The healthcare system includes:

- provision of medical services at workplace (first-aid posts, medical rooms, office physicians);
- provision of medical services at corporate healthcare institutions (health units, outpatient clinics, and medical centers);
- VMI with access to a broad range of medical services from third-party providers;
- medical rehabilitation, health resort treatment, and general health promotion at corporate sanatoriums, preventative clinics, rehabilitation, health and recreation centers, and holiday facilities.

Payments made by the Gazprom Group's entities for rehabilitation treatment and targeted preventive initiatives under VMI contracts in 2019–2022, RUB million



The corporate healthcare system was developed mainly based on the interests of its participants. To cater for their needs, in 2021, PJSC Gazprom set up the Occupational Healthcare and Sanitary and Epidemiological Control Directorate responsible for analyzing feedback on the quality of medical services from the corporate healthcare system participants. Complaints are reviewed by dedicated committees set up at medical institutions.

The Gazprom Group evaluates the performance of its corporate healthcare system on a regular basis. In the reporting year, its assessment focused on the analysis of measures introduced by the Group's subsidiaries to prevent the spread of COVID-19. The system was found to be effective.

Promotion of Healthy Lifestyles

In 2021, the Group partially suspended its specialized programs to promote healthy lifestyle due to the spread of the COVID-19 pandemic. However, its programs focused on engaging employees in sports activities, including covering the cost of sports classes and the reimbursement of sports-related expenses, remained in force.

COVID-19 Pandemic and Response Measures in 2021

GRI 403-6

12.5

RUB billion

total expenditures of the Gazprom Group on measures to prevent the spread of COVID-19 in 2021

In 2021, the Emergency Task Force continued to coordinate the measures taken to prevent the spread of COVID-19 at the Gazprom Group's facilities. The Emergency Task Force worked in close collaboration with executive authorities, the Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing (Rospotrebnadzor), and other stakeholders. Similar task forces continued to function in the regions of Gazprom's operations.

In 2021, the Emergency Task Force held 22 meetings to discuss the following issues:

- additional funding for sanitary and epidemiological response measures to be organized and implemented at the Gazprom Group's facilities in line with the recommendations and directives of Rospotrebnadzor;
- access control procedures for shift personnel working at the Gazprom Group's facilities;
- organization and monitoring of employee vaccination at the Gazprom Group;
- development and implementation of post-COVID-19 rehabilitation programs for employees and their families;
- approval of methodological guidelines on preventing the spread of COVID-19.

In January 2021, the Group launched a vaccination campaign for its employees.

Epidemiological Response

In 2021, the Group continued to implement epidemiological response measures to maintain business continuity. The measures included:

- daily remote screening of employees' body temperature before, during and after the shifts;
- ensuring social distancing at work;
- promoting the use of personal respiratory protective equipment and antiseptic hand disinfectants by employees;
- arranging preventive disinfection of facilities and transport vehicles, including terminal disinfection for identified COVID-19 cases;

Non-financial Incentives

The Group has in place an incentive system to boost employee engagement, loyalty and commitment to corporate values. The system provides for state, ministerial and corporate awards.

The Gazprom Group also holds professional competitions as an additional personnel development and motivation tool and the means of promoting professional achievements and best practices.

Professional competitions in core professional disciplines relevant for PJSC Gazprom subsidiaries are held in even years as part of Labor (Workmanship) Festivals. The preparations for the 2022 Labor Festival are in progress.

Fakel Festival

In September 2021, the InterRecord international agency registered three world records set by Gazprom's corporate Fakel Festival, which brings together performing art teams and individual performers from the Company's subsidiaries and entities. The event has been held since 2004.

Record 1. The world's largest annual corporate festival of creativity by the number of participants. In 2004–2021, **7,375 people** from **52 PJSC Gazprom subsidiaries** and entities and China National Petroleum Corporation (CNPC) took part in the event.

Record 2. The world's largest corporate festival of creativity by the participant geography. The participants represent **70 Russian regions**, five former Soviet Union (FSU) countries and one non-FSU country.

Record 3. The world's most multi-ethnic corporate festival of creativity. The participants represent **65 nationalities**.

- monitoring the epidemiological situation and making organizational and management decisions on the basis of information on COVID-19 cases among personnel, collected and analyzed on a daily basis.

The Gazprom Group revised its employee medical screening procedures to ensure early detection and prevention of post-COVID-19 conditions and complications. In 2021, the Company developed a post-COVID-19 rehabilitation program for the Gazprom Group's employees to be implemented at sanatoriums and preventive clinics within the corporate healthcare system.



For more details on Gazprom's corporate Fakel Festival, visit www.gazpromfakel.ru.

4,530 employees

+ 20 teams

of the Gazprom Group

received awards in 2021

In particular:

50 employees

received state awards

45 employees

+ 2 teams

got presidential awards



Improving Professional Expertise



Alexey Kandalov

Head of Gazprom ONUTC

Alexey is in charge of initiatives to maintain the education quality and implement corporate digital solutions for employee training. He is also responsible for the continuous training of the Gazprom Group employees amid the pandemic and associated restrictions. Gazprom ONUTC's multi-portal platform for distance learning enabled the Company to put its Continuous Vocational Education and Training system online and provide training for over 20,000 employees.

Personnel Training

The success of the Gazprom Group depends on professional expertise of its employees, who continuously expand their professional knowledge and competencies, update practical experience and apply it in their work.

250,100

managers, specialists, and other white-collar staff of the Gazprom Group received further professional training

GRI 404-1

GRI 404-2

353,700

blue-collar staff of the Gazprom Group received professional training

In line with the existing Continuous Vocational Education and Training System and on the basis of the competitive selection procedure, PJSC Gazprom annually approves the centralized Skills Upgrading and Professional Retraining Schedule for Managers and Specialists of PJSC Gazprom, its Subsidiaries and Entities. The subsidiaries and entities adopt their own training plans for work-study centers and educational institutions in the regions of operation. The Group companies provide training to their employees with a view to upgrading their skills to relevant professional standards.

299,500

employees of the Gazprom Group underwent online training¹

UNCTAD C.2.1

Implementation of training programs at the Gazprom Group

Indicator	2019	2020	2021	Change 2021/2020, %
Average duration of all types of employee training of the Gazprom Group, hours:				
managers, specialists, and other white-collar staff	-	45	51	13.3
blue-collar staff	-	63	71	12.7
Total duration of employee training of the Gazprom Group by gender, thousand hours:				
male	-	18,902	23,669	25.2
female	-	4,876	4,969	1.9
Number of employees covered by the Gazprom Group's skills upgrading and professional retraining programs, thousand people²:				
managers, specialists, and other white-collar staff who participated in further professional training programs	236.5	199.4	250.1	25.4
blue-collar staff who participated in professional training	219.7	206.7	353.7	71.1

As part of the Group's efforts to prevent the spread of COVID-19 in 2020, a number of continuous professional education programs were rescheduled for 2021 because

they could not be held using only distance learning technologies. This is the driver behind the increase in the majority of personnel training indicators in 2021.

¹ Including less than 16 hours of training.

² The number of employees who completed training is stated in man-courses (a person completing two training courses is counted twice).

THE RESULTS OF SUSTAINABILITY TRAINING PROGRAMS IN 2021

22 employees

of the Gazprom Group completed the targeted MBA program on Sustainable Development and Corporate Social Management (a 2-year 9-module program run by the St. Petersburg State University of Economics).

15 employees

of PJSC Gazprom's Administration completed the Business and Society skills upgrading program run by the St. Petersburg University Graduate School of Management.

20 employees

of the Gazprom Group completed the program on Sustainable Development of Oil and Gas Companies: Best Practices of Wintershall Dea AG, Uniper SE, OMV AG, Gazprom International Training B.V.



Attracting Young Talent

“Gazprom Classes”

The Gazprom Group implements the Gazprom Classes project at 27 schools located in five Russian federal districts. The project focuses on providing early career guidance to school students in the regions of operation of the Group's companies. The most talented students motivated for a successful professional career undergo selection for targeted education in areas that meet the needs of the Gazprom Group entities.

In addition, PJSC Gazprom's subsidiaries and entities, which actively contributed to the creation of Gazprom Classes, arrange various team building and career guidance training sessions along with sports and cultural events for schoolchildren.

In 2021, the project was expanded to include Gazprom Classes launched in the Orenburg Region with the support from Gazprom Dobycha Orenburg and Gazprom Pererabotka.

The Gazprom Group entities assist educational institutions with the approval of training programs, setting up scientific and simulation labs, arranging field training and delegating the Company's managers and senior specialists to teach students. The Gazprom Group entities also collaborate with more than 200 universities in providing pro-active training and skills upgrading programs.

The fundamental principles of Gazprom's collaboration with universities are continuity, systemic approach, and innovations. They are included in the approved University Collaboration Concept and the Regulation on Collaboration with Anchor Universities.

In order to share hands-on knowledge and build additional competencies in students, the Gazprom Group entities support the establishment of specialized departments at universities. As of the end of 2021, there were 25 specialized departments.

Collaboration with Higher Education Institutions

PJSC Gazprom has cooperation agreements with 17 partner universities¹. The Group collaborates with educational institutions to create and enhance the conditions for high quality professional education in the key areas of the Group's operations.

Number of students who studied under employer-sponsored training agreements with Gazprom Group companies, **people**

2021	2,102
2020	2,127
2019	2,051

¹ For the list of partner universities, see Innovations at the Gazprom Group section.

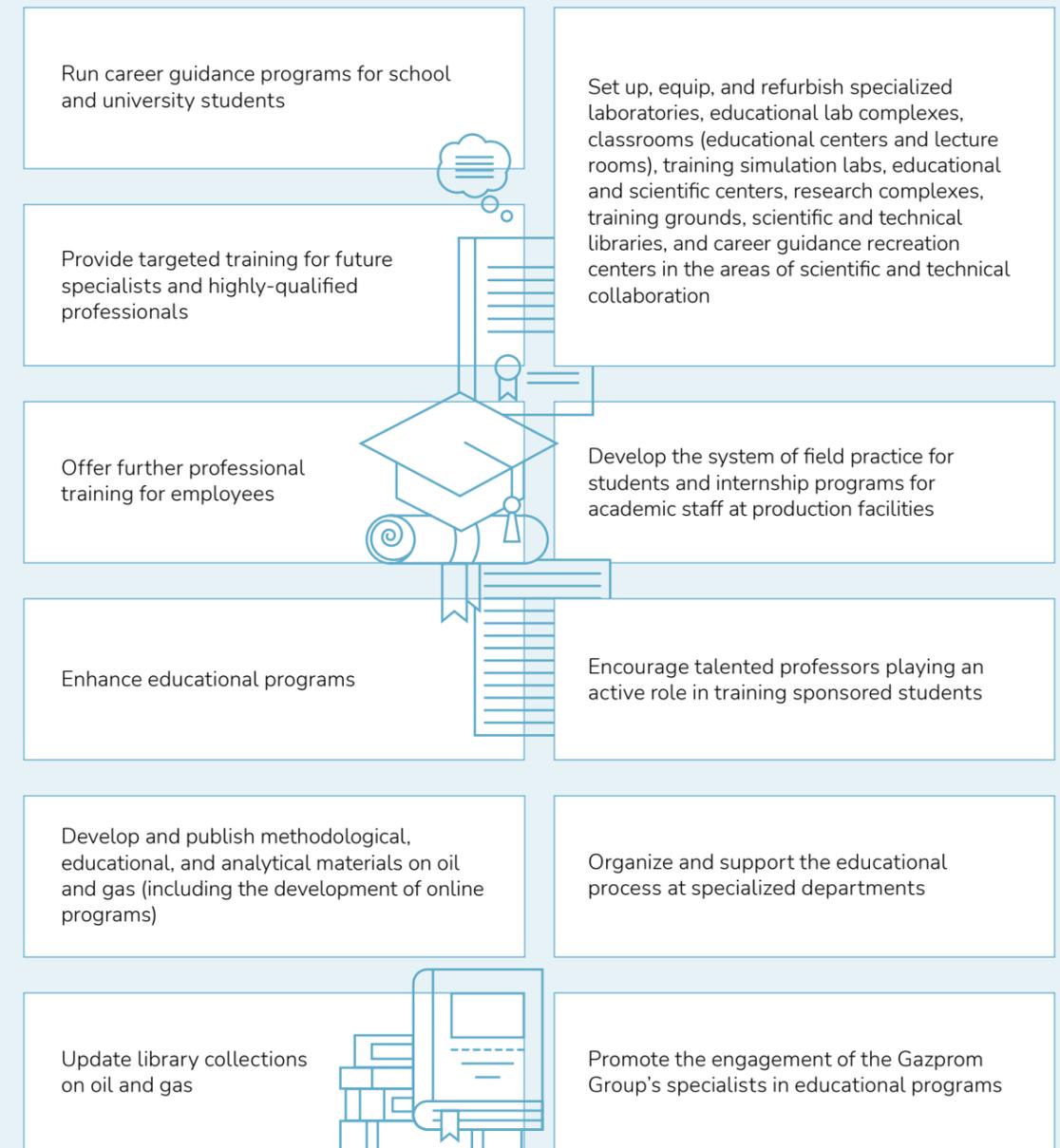
17 partner universities

9,663 students took internship at the Gazprom Group entities

25 specialized departments

2,102 students sponsored by the Gazprom Group

THE KEY OBJECTIVES OF THE GROUP'S COLLABORATION WITH THE UNIVERSITIES



In 2022, the Group plans to sign 562 agreements for employer-sponsored studies (including 147 agreements for studies at secondary vocational institutions) to train future specialists and create a talent pool for 34 Gazprom Group entities.

In 2021, 9,663 students of higher education institutions took an internship at PJSC Gazprom's subsidiaries and entities.

Number of university graduates hired by the Gazprom Group entities, people

Indicator	2019	2020	2021
Total number of hired graduates, including:	2,896	2,153	2,966
graduates of higher education institutions	2,012	1,610	2,030
graduates of secondary vocational institutions	884	543	936

To identify students who plan to build a career in oil and gas, the Group continued to host the Gazprom Industry Olympiad for Schoolchildren and the Student Olympiad of PJSC Gazprom. The olympiads in key subjects related to the Company's business are held in collaboration with partner universities of PJSC Gazprom.

In 2021, PJSC Gazprom hosted the first Forum of Sponsored Students aimed at encouraging them to develop the competencies required by the Company and assisting them in finding employment at the Gazprom Group entities. The Forum will be held every two years.

The partner universities traditionally host annual Gazprom Days – job fairs of Gazprom subsidiaries and entities. These events provide students with extensive information about the Group's subsidiaries and offer internship and employment opportunities.

Onboarding of Young Specialists

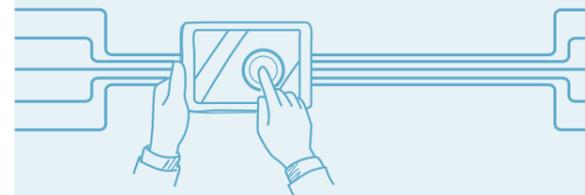
The Gazprom Group continuously focuses on the onboarding of young employees in line with its regulation dedicated to the interaction with students and young specialists at PJSC Gazprom's subsidiaries and entities. To that end, it implements specialized onboarding programs, in particular, with the involvement of veteran mentors and industry experts.

To reward the sponsored students for outstanding achievements in studies, PJSC Gazprom holds annual competitions for personal scholarships among the students of secondary vocational and higher education institutions.

In 2021, 188 employees took part in workshops under the School of Young Specialists onboarding program, including four workshops held in person (75 participants) and four online workshops (113 participants).

Online championship for Gazprom's young employees

On May 24–27, 2021, the Group together with the "Nadezhnaya Smena (Reliable New Generation) Foundation" organized and held an online case-solving championship under the auspices of the CASE-IN International Engineering Championship. The competition attracted 200 young specialists from 49 subsidiaries of PJSC Gazprom.



Social Partnership

GRI 103–2 GRI 103–3

Employer-employee relations in the Gazprom Group are based on social partnership to ensure the best balance of interests for efficient delivery of Gazprom's objectives subject to the performance of its commitments.

Documents Regulating the Labor Relations in the Gazprom Group

GRI 102–12



- Labor Code of the Russian Federation
- Labor and employment legislation in the countries where PJSC Gazprom operates
- Industry Agreement for 2020–2022 covering companies involved in oil and gas production and the construction of dedicated facilities
- General Collective Bargaining Agreement of PJSC Gazprom and its Subsidiaries for 2019–2021
- Collective agreements and other local regulations of the Gazprom Group subsidiaries

Collective Bargaining Agreement

GRI 102–41 UNCTAD C.4.1

The General Collective Bargaining Agreement of PJSC Gazprom, its Subsidiaries and Entities is signed for a three-year period. It serves as the basis of the social partnership mechanism ensuring the balance of employee and employer interests by setting out their mutual obligations.

The Agreement outlines uniform social obligations for subsidiaries engaged in the production, transportation, processing, storage and sale of gas.

“Gazprom Workers’ Union”

The Gazprom Group recognizes the freedom of association and the right to collective bargaining provided for by the UN, the Constitution of the Russian Federation, the Labor Code of the Russian Federation, and Federal Law No. 10-FZ dated January 12, 1996 On Trade Unions, their Rights and Guarantees of their Activities.

The interests of employees are represented by the Gazprom Workers' Union Interregional Organization and its member organizations. Gazprom Workers' Union is one of Russia's largest industrial trade unions.

Over
364,000
members
are part of Gazprom Workers' Union

Gazprom Workers' Union Activities in 2021

GRI 403-4

Following collective bargaining negotiations, the parties to the social partnership agreed to extend the term of the General Collective Bargaining Agreement for the period from January 1, 2022 to December 31, 2024¹.

The union also kept cooperating with the employer on current labor issues. In 2021, it contributed to the adoption of more than 10,000 local regulations.

The Gazprom Workers' Union and its member organizations took an active part in implementing measures to prevent the spread of COVID-19, including procuring protective equipment and sanitizers.

100%

of employees of PJSC Gazprom and its subsidiaries covered by the General Collective Bargaining Agreement in 2021

In 2021, Gazprom Workers' Union was also involved in occupational safety activities carried out by 29 in-house technical labor inspectors and 7,507 occupational safety officers.

The Union works consistently to set up and consolidate trade union organizations at the Gazprom Group facilities. The reporting year saw six new trade union organizations join Gazprom Workers' Union.

Total membership in the Gazprom Workers' Union organizations, people

2021	364,038
2020	360,535
2019	355,276

GRI 419-1

Results of inspections conducted by the Gazprom Workers' Union organizations

Indicator	2019	2020	2021
Inspections conducted by trade union organizations	473	539	491
Including comprehensive checks of all issues relating to labor regulations	263	277	261
Claims reviewed:	1,427	3,877	4,019
incl. substantiated	639	1,167	1,324
incl. partially substantiated	56	78	92
Employees and non-working retirees met in-person	12,938	10,448	11,108
Inspections of the state of occupational safety	277	305	429
Written claims from employees concerning the violation of their occupational safety rights	12	11	25
Violations identified	1,247	464	1,860
Notices issued to eliminate the violations of the labor legislation	143	135	220

The main issues in employee claims:

- disciplinary action;
- overtime;
- vacations and health resorts;
- benefits and financial assistance;
- pensions.

¹ Supplementary Agreement No. 15 to the General Collective Bargaining Agreement dated July, 6 2021.

Development Projects in Social Partnership

The Gazprom Group pays special attention to professional development projects in social partnership, including training, communication, and loyalty programs.

A Comprehensive Training Program for Trade Union Activists and Members

The program comprises annual seminars for accountants, members of audit commissions, technical labor inspectors, officers in charge of labor safety and information support, legal inspectors, employees in charge of organizational work, and young trade union activists. In 2021, over 300 people completed offline and online training. In 2022, more than 600 Gazprom Group employees will take part in the program.

Gazprom Workers' Union Scholarships

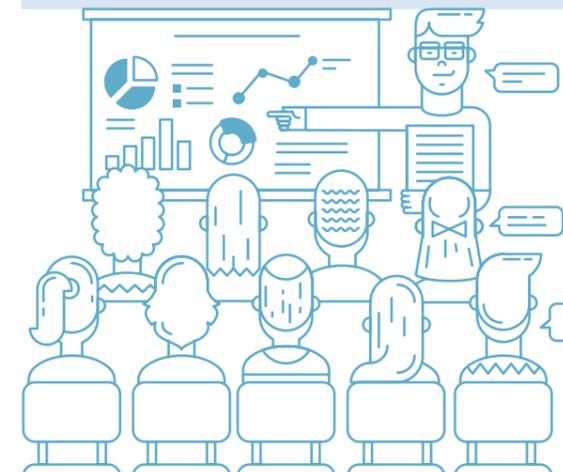
The program was designed for students of Gazprom School (nine scholarships), Igrimsky Polytechnic College (six scholarships), Gazprom College Volgograd (six scholarships) and St. Petersburg State University of Economics (nine scholarships). It seeks to encourage academic excellence, introduce students to social partnership at PJSC Gazprom, familiarize them with the Company's trade unions, and cultivate socially responsible attitudes.

"Trade Union Wave" Video Series

A comprehensive information program for union members and PJSC Gazprom employees got underway in 2021 focusing on corporate social responsibility and sustainable development activities. In 2021, 30 episodes of the program were released.

Gazprom Workers' Union PRIVILEGE loyalty program

The Gazprom Workers' Union PRIVILEGE is an innovative loyalty program offering union members a number of advantages through a specially designed mobile app and a Gazprombank card. The advantages are based on the daily consumer activity of program participants. As of the end of 2021, 220,000 loyalty cards were issued as part of the program.



Process Safety*

6,878

EMPLOYEES

had their labor conditions improved

RUB 12.8

BILLION

occupational safety expenses

RUB 4.6

BILLION

industrial safety expenses

Oleg Nikolaev

**Director General of Gazprom
Dobycha Orenburg**

PhD in Engineering

Oleg carries out the strategic management of the Fostering Safety Culture project. In 2021, the project helped to achieve zero injury rates at the company's production facilities. Oleg supervises the regional initiative to ensure road traffic safety.



*Data on companies covered by the Integrated System of Process Safety Management.

Ensuring Process Safety

GRI 103-2 GRI 103-3

We are fully aware of our responsibility to create a safe working environment and ensure compliance of our operations with industrial, fire and road safety requirements.

The management of the Company, its subsidiaries, entities and branches sees employee life and health as their priority. We consider occupational, industrial, fire and road safety to be key to the efficient management of our production activities.

We are guided by the Process Safety Management System Development Strategy for 2021–2030¹.

Strategic goals

Improving the Integrated System of Process Safety Management (ISPSM) to maintain a safe production environment and minimize damage to the life and health of employees, equipment and the environment

Ensuring the sustainable development of Gazprom within the established process safety parameters



Process Safety Documentation



- Labor Code of the Russian Federation;
- Occupational, Industrial, Fire and Road Safety Policy of PJSC Gazprom²;
- Key safety requirements of PJSC Gazprom³;
- PJSC Gazprom's Process Safety Management System Development Strategy for 2021–2030.

¹ Approved by order of PJSC Gazprom No. 368 dated September 9, 2020.
² Approved by order of PJSC Gazprom No. 416 dated September 17, 2019.
³ Approved by PJSC Gazprom's Decree No. 274 dated August 30, 2016.

Process Safety Management

GRI 403-1

Gazprom has in place the ISPSM, which is integrated into its business process management, with STO Gazprom 18000.1-001-2021 Integrated System of Process Safety Management. Key Provisions being the primary regulation¹. The ISPSM establishes a uniform procedure to manage process safety in accordance

with applicable laws, latest scientific and technological solutions, and corporate requirements, while also taking into account geographic, production and other conditions characteristic of each PJSC Gazprom subsidiary, entity or branch.

ISPSM goals:

- achieving the targets and fulfilling the commitments under the Occupational, Industrial, Fire and Road Safety Policy of PJSC Gazprom²;
- preventing accidents and minimizing (eliminating) process safety risks;
- providing a consistent description of ISPSM requirements, elements, management procedures and interrelationships to employees and defining a communication procedure for structural units and employees within the system;
- ensuring ISPSM integrity in case of potential changes of internal and external factors and the Company's operating environment;
- proper system performance and continuous improvement.

To assess compliance with ISPSM operation and safety requirements, we established a multi-tier corporate control framework.

GRI 403-2

Corporate control over compliance with process safety rules

ISPSM audit (PJSC Gazprom's Administration)	→	Assesses the ISPSM performance
Gazprom Gazobezopasnost and Gazprom Gaznadzor	→	Monitor compliance with process safety requirements at Gazprom facilities
Gazprom Gazobezopasnost	→	Monitors compliance with well blowout prevention requirements
Gazprom Gaznadzor's construction inspection and construction control by the customer and contractor	→	Control construction and reconstruction safety

In 2020, PJSC Gazprom received a certificate of ISPSM compliance with ISO 45001:2018 Occupational Health and Safety Management Systems. Requirements with Guidance for Use. In 2021, the certification authority

conducted a surveillance audit that confirmed ISPSM functioning and development in line with the continuous improvement concept, as well as its compliance with ISO 45001:2018.

¹ Approved by order of PJSC Gazprom No. 2 dated January 12, 2021.
² Approved by order of PJSC Gazprom No. 416 dated September 17, 2019.

Supply Safety Control

Sergey Pavlov

Head of Directorate

Sergey oversees the operation of the Unified Gas Supply System (UGSS), gas transportation and supply, both domestically and internationally. He also monitors gas quality as well as emergency response measures and recovery at PJSC Gazprom's production sites.



GRI 403–8

Employees Covered by the ISPSM

The ISPSM covers PJSC Gazprom, its core subsidiaries specializing in natural gas, gas condensate and oil production, treatment, transportation, processing, distribution, and storage, as well as subsidiaries, entities and branches responsible for the functioning of the Unified Gas Supply System of Russia.

In 2021, the ISPSM included PJSC Gazprom's Administration and 95 subsidiaries, entities and branches. The total headcount of the companies covered by the ISPSM is 315,000 people.

The ISPSM does not cover the companies of the Gazprom Group's oil and electric power businesses, as well as representative offices abroad.

For the full list of subsidiaries, entities and branches covered by the ISPSM, see Appendix 6.

ISPSM coverage, thousand employees

Indicator	2019	2020	2021	Change 2021/2020, %
Number of employees whose work and/or workplace are under ISPSM control	319	318	315	-0.9

Contractor work and workplaces located on the subsidiary's premises are under ISPSM control and included in the system's audit within the timeframe established by STO Gazprom 18000.3-004-2020 Integrated System of Process Safety Management. Organizing and Conducting Audits.

In accordance with this corporate standard, PJSC Gazprom structural subdivisions and gas production, transportation, processing and storage subsidiaries are subject to regular (at least once every

three years) inspections, while other PJSC Gazprom subsidiaries and branches are audited at least once every five years. Over five years, all employees (including contractors) whose work and/or workplace are covered by the ISPSM undergo auditing.

PJSC Gazprom and its 57 subsidiaries with a total headcount of 274,000 employees were certified for compliance with ISO 45001:2018.

UNCTAD C.3.1

Information on occupational safety spending across the Gazprom Group, RUB million

Item	2019	2020	2021
Companies covered by the ISPSM	17,565	16,677	12,825
Oil business companies ¹	-	-	-
Power generation companies	1,626	1,843	1,915
Gazprom Neftekhim Salavat	187	212	209

¹ Data not available as of the report date.

Process Safety Goals

Gazprom's goals in occupational, industrial, fire and road safety are to¹:

- create a safe working environment and protect the lives and health of the employees;
- reduce the risks of accidents and incidents at hazardous facilities;
- reduce the risks of road accidents related to production activities;
- ensure fire safety.

Strategic KPIs in process safety are an integral part of indicators set forth by the Long-Term Development Program of PJSC Gazprom (the Gazprom Group).

STO Gazprom 18000.1-003-2020 Integrated System of Process Safety Management. Setting Goals, Developing Action Plans and Monitoring Their Implementation regulates goal-setting in process safety, progress monitoring, and the procedure for drafting action plans to achieve those goals².

Occupational Health

GRI 103-2

GRI 103-3

Preventing Occupational Diseases

GRI 403-3

GRI 403-6

PJSC Gazprom ensures a safe workplace environment in line with the Action Plan to Improve Working Conditions at PJSC Gazprom entities³ and plans of activities to improve working conditions of subsidiaries and entities.

Whenever an occupational disease is confirmed, the Company conducts an investigation to understand its root causes and develop and adopt measures to prevent similar situations going forward.

Every year, a special labor conditions assessment (SLCA) is carried out at each workplace of the Gazprom Group companies. Based on its outcomes, activities aimed at the improvement of the employees' labor conditions are developed and implemented.

Following the results of the SLCA in the reporting year, workplaces with optimal and allowable workplace conditions (Class 1 and 2) account for 86.3% of the total number, and those with harmful labor conditions (Class 3) for 13.7%.

No workplaces exposed to hazardous labor conditions (Class 4) were identified in the companies covered by the ISPSM.

Number of Class 3 and 4 workplaces and the number of employees working at such workplaces at the companies covered by the ISPSM, 2021

Indicator	Class				
	3.1	3.2	3.3	3.4	4
Number of workplaces, units	19,058	9,094	682	22	0
Number of employees, persons	42,159	25,761	2,385	74	0

¹ In accordance with PJSC Gazprom's Occupational, Industrial, Fire and Road Safety Policy.

² Approved by order of PJSC Gazprom No. 26 dated January 24, 2020.

³ Approved on July 1, 2019, No. 03-157.

Since 2013, the number of workplaces exposed to harmful and hazardous working environments in the subsidiaries of PJSC Gazprom has declined from 38% to 13.7%. The number of workplaces exposed to harmful working environments was reduced thanks to the implementation of action plans for labor conditions improvement developed by PJSC Gazprom's subsidiaries.

To improve and ensure sanitation of the working environment, PJSC Gazprom's subsidiaries developed and implemented over 4,808 activities for a total amount exceeding RUB 2,179.2 million. The working conditions of 6,878 employees were improved.

Work-Related Injuries

GRI 403-2

GRI 403-4

The Company identifies process safety hazards and risks in accordance with STO Gazprom 18000.1-002-2020 Integrated System of Process Safety Management. Hazard Identification and Risk Management for Process Safety Purposes.

An employee shall be obliged to promptly report an incident in a manner provided for in the Rules of Reporting Incidents (Accidents, Fires, Emergencies And Incidents) at PJSC Gazprom, its Branches and Subsidiaries and in accordance with the reporting procedure in place at a given subsidiary or company. Upon receipt of a report of an incident, Gazprom creates an investigation committee to take a record of the circumstances of the incident, collect data about the incident and all the associated events, analyze the available materials, identify the causes and prepare an investigation report. To prevent future incidents, the subsidiary where the incident has occurred shall analyze the results of the investigation to develop and implement measures to prevent process safety incidents.

Every employee is obliged to report any incidents to their immediate supervisor and can do so via a trade union organization or occupational safety officers. In addition, employees can submit proposals on how to improve the ISPSM elements, their expectations in process safety or any other process safety related information.

The procedure of dealing with Hot Line reports, complaints about actual or potential incidents, as well as process safety proposals are regulated by R Gazprom 18000.2-012-2020².

GRI 403-5

141,955¹

The total number of the Gazprom Group employees who completed training in process safety in 2021

In accordance with STO Gazprom 18000.1-001-2021 Integrated System of Process Safety Management. Key Provisions, as part of the efforts to encourage reporting of incidents, directors of subsidiaries, entities and branches of PJSC Gazprom guarantee that the employees:

- will not be disciplined for reporting workplace health and safety hazards and risks and informing of the actual state of process safety and areas for improvement;
- have the right to refuse to perform work if it puts their life and health at risk as a result of non-compliance with health and safety requirements, unless otherwise provided for by federal laws, until this risk is removed.

In the reporting year, incidents resulted in 42 people being injured, of which 5 people died. The main causes of work-related injuries in 2021 included road traffic accidents, falls and the impact of moving or flying parts of machinery or objects. The Company investigated the injury cases as required by the legislation of the Russian Federation and worked out measures to prevent future process safety incidents.

Three out of five fatalities were caused by breaches of Road Safety Rules, failure to take personal safety measures and non-compliance with vehicle operation requirements. Investigation of the incidents is ongoing.

¹ Data on managers, specialists, and other white-collar staff who completed pre-certification training in industrial safety, occupational health, etc.

² The number of employees who completed training is stated in man-courses (where one person received training twice, they are counted twice).

³ Approved by Member of the Management Committee, Head of Department Sergey Menshikov on October 30, 2020.

Number of injuries and fatalities as a result of incidents, persons

Item	2019	2020	2021
Companies covered by the ISPSM			
injured	47	39	42
incl. fatalities	7	5	5

Number of injuries and fatalities as a result of incidents, by gender, persons

Item	2019		2020		2021	
	Male	Female	Male	Female	Male	Female
Companies covered by the ISPSM						
injured	43	4	35	4	39	3
incl. fatalities	7	0	5	0	5	0

The differences in the frequency of injuries between women and men are attributable to the statistical difference between women and men working at hazardous industrial facilities.

UNCTAD C.3.2

Workplace injury rates

Item	2019	2020	2021	Change 2021/2020, %
Injury frequency rate IFR = $N \times 1,000 / H$ (where N – number of work-related injuries requiring one or more days off work in the reporting year; H – average headcount)	0.15	0.12	0.13	8.3
Injury severity rate ISR = D / N (where D – number of work days lost; N – total number of incidents)	67.18	55.56	68.19	22.73
Injured	47	39	42	7.7
Fatalities	7	5	5	–
Number of fatal accidents related to the work of third-party contractors at the company's facilities	15	9	11	22.2
Number of work-related severe or permanent injuries by contractors (excl. fatal injuries)	29	18	17	5.6

Lost time injury frequency rates (LTIFR), Gazprom Group

Item	2019	2020	2021
Companies covered by the ISPSM	0.09	0.08	0.08
Oil business companies	0.50	0.54	0.36
Power generation companies	0.12	0.08	0.05
Gazprom Neftekhim Salavat	0.13	0	0.07

Fatality rates (FAR) resulting from incidents, Gazprom Group

Item	2019	2020	2021
Companies covered by the ISPSM	1.35	0.97	0.99
Oil business companies ¹	1.46	0	3.80
Power generation companies	0	0	0
Gazprom Neftekhim Salavat	0	0	12.96

Occupational disease rate (ODR), Gazprom Group

Item	2019	2020	2021
Companies covered by the ISPSM	0.062	0.029	0.019
Oil business companies	0.016	0.008	0
Power generation companies	0	0	0
Gazprom Neftekhim Salavat	0	0	0

Civil Defense

Civil Defense Documentation



- Federal Law No. 28-FZ On Civil Defense dated February 12, 1998
- Federal Law No. 68-FZ On Protection of Population and Territories from Natural and Man-Made Disasters dated December 21, 1994
- Order of PJSC Gazprom dated August 17, 2017 On Approval of the Fundamentals of the Civil Defense Policy of PJSC Gazprom through 2030
- Order of PJSC Gazprom dated October 18, 2018 On Approval of the Fundamentals of the Policy of Protection of Staff and Inventories from Emergencies of PJSC Gazprom through 2030

Civil Defense System

PJSC Gazprom has a civil defense system in place².

The civil defense system is comprised of two parts: a corporate civil defense system and a Gas Emergency system:

- **the corporate civil defense system** of PJSC Gazprom is aimed at streamlining work to ensure civil defense of the staff and inventories of PJSC Gazprom, its subsidiaries and branches;

- **the Gas Emergency system** is part of a functional subsystem created by the Ministry of Energy of the Russian Federation to prevent and liquidate emergencies at companies and facilities in the energy industry. Its purpose is to develop and implement emergency prevention measures and, if an emergency has occurred, protect employees of PJSC Gazprom, warn people living close to the Company's hazardous industrial facilities (HIF) of the emergency, improve the resilience of its subsidiaries and branches, mitigate

¹ Excluding the foreign assets of Gazprom Neft Group in Serbia, Iraq, Italy, Eastern Europe, and Central Asia.

² Created and operating in accordance with order of PJSC Gazprom No. 436 dated July 7, 2016.

financial damage and liquidate man-made and natural disasters based on the relevant action plans to prevent and liquidate emergencies at the Gazprom Group entities.

In 2019, PJSC Gazprom developed an Action Plan to prevent and liquidate man-made and natural disasters¹. It takes into account the geographical location and the

climate of the area where facilities of PJSC Gazprom's subsidiaries operate, helps assess potential implications there in case of emergencies, defines measures to be taken as part of the corporate system to prevent and liquidate emergencies at PJSC Gazprom and protect workers of the facilities, other people and inventories from emergencies and carry out rescue and other urgent work.

Civil Defense Performance in 2021

In the reporting year, the Gazprom Group implemented the following measures in civil defense and emergency protection:

9,070 civil defense officers of PJSC Gazprom and subsidiaries and 299,355 employees of the Gazprom Group entities completed seven programs in civil defense and emergency protection

1,255 rescuers and 45 volunteer emergency response teams of PJSC Gazprom received certification from the site commission of the Ministry of Energy of the Russian Federation;

106,200 employees of PJSC Gazprom's subsidiaries took part in 2,558 facility-based training sessions, tabletop exercises and tactic drills in civil defense and emergency protection

The task forces comprising PJSC Gazprom's employees who are experts of the site commission of the Ministry of Energy of the Russian Federation for certification of emergency rescue teams and rescuers of PJSC Gazprom carried out 46 checks to assess the compliance with mandatory certification requirements and the readiness of volunteer emergency response teams for rescue work



The follow-up analysis showed that the Gazprom Group's governance bodies and employees are prepared to respond quickly in case of a man-made or natural disaster.

GRI 419-1

Administrative fines and non-financial sanctions for failures to comply with civil defense and emergency protection procedures at the Gazprom Group

Year	Administrative fine, RUB thousand		Non-financial sanctions
	legal entity	officer	
2019	560	146	9
2020	320	11	7
2021	640	119	6

¹ Approved by Deputy Chairman of the Management Committee of PJSC Gazprom Vitaly Markelov on December 20, 2019.

Process Safety Control in the Supply Chain

GRI 403-7

Work at PJSC Gazprom's facilities is performed by the employees who have relevant qualifications and the necessary permits.

All third parties operating at PJSC Gazprom's facilities, including contractors, subcontractors and visitors, are given an induction briefing, a workplace briefing before being admitted to work and a pre-job briefing.

As part of these briefings, they are made acquainted with:

- the Occupational, Industrial, Fire and Road Safety Policy of PJSC Gazprom¹;

- results of risk assessment in process safety and risk response measures;
- existing harmful and hazardous occupational factors;
- measures establishing requirements for work organization and processes;
- emergency response and alert measures;
- reported incidents at PJSC Gazprom and relevant preventive measures.

Accident Prevention and Fire Safety

The Gazprom Group seeks to reduce the number of accidents and incidents. To this end, all man-made events are investigated in accordance with STO Gazprom 18000.4-008-2019 Integrated System of Process Safety Management. Analysis of Incident Root

Causes. Procedure for Identification and Development of Preventive Measures in order to identify the root causes of incidents. The Group develops measures to prevent process safety incidents.

Information on industrial safety spending across the Gazprom Group, RUB million

Item	2019	2020	2021
Companies covered by the ISPSM	5,299	4,320	4,639
Oil business companies ²	-	-	-
Power generation companies	467	513	676
Gazprom Neftekhim Salavat	809	469	490

Accident Reduction

The main causes of accidents at the Gazprom Group in 2021 included defects of construction, assembly and repairs, corrosion and erosion and a combination of

negative factors (climate conditions at the time when the accident occurred, existing defects of welded joints, excessive loading of welded joints of the gas pipeline due to off-design location of the pipeline section).

¹ Approved by order of PJSC Gazprom No. 416 dated September 17, 2019.

² Data not available as of the report date.

GRI OG 13

Information on the number of industrial accidents and incidents across the Gazprom Group

Item	2019	2020	2021
Companies covered by the ISPSM			
accidents	5	7	7
incidents	5	7	5
Oil business companies			
accidents	0	0	0
incidents	920	600	54 ¹
Power generation companies			
accidents	0	1	0
incidents	71	55	60
Gazprom Neftekhim Salavat			
accidents	1	0	0
incidents	1	1	2
The Gazprom Group, total			
accidents	6	8	7
incidents	997	663	121

To reduce the accident rate, the Company implements key programs aimed at cutting accident rate at production facilities:

- Comprehensive Program for Reconstruction and Re-Equipment of Gas Production Facilities for 2022–2026;
- Comprehensive Program for Reconstruction and Re-Equipment of Gas Transmission Facilities of PJSC Gazprom for 2022–2026;
- comprehensive action plans to improve reliability and safety of gas transmission facilities;
- comprehensive draft program for reconstruction and re-equipment of gas and liquid hydrocarbon processing facilities for 2022–2026;
- action plans to prevent incidents based on the results of analysis of the route causes.

Fire Safety

To prevent fires at its production facilities, the Company developed a Fire Safety Organizational and Technological Activities Plan for PJSC Gazprom Facilities in 2021.²

In 2021, PJSC Gazprom took the following fire safety measures:

- developed and implemented initiatives aimed at reducing the number of fires and accidents at PJSC Gazprom's facilities;
- improved the corporate oversight over the compliance with fire safety requirements;
- monitored the state of the fire safety systems;
- ensured fire safety at PJSC Gazprom's facilities located in forests or areas adjacent to forests;
- conducted comprehensive training on accident response at PJSC Gazprom's facilities.

To timely identify threats arising from wildfires in places where gas production and transportation facilities are located and promptly report them to fire-fighting units of

the Group's facilities, PJSC Gazprom and Gazprom Space Systems joined forces to launch a fire monitoring IT service powered by space monitoring technology.

Number of fires at the facilities of PJSC Gazprom

Indicator	2019	2020	2021
Total number of fires	2	6	6
incl. at production facilities	0	2	0
Fire injuries	0	1	2
incl. fire fatalities	0	0	1
Damage, RUB million	7.0	4.2	3.6

In 2021, PJSC Gazprom's facilities reported six fires resulting in two people being injured, of which one died. Total fire damage amounted to RUB 3.6 million. The

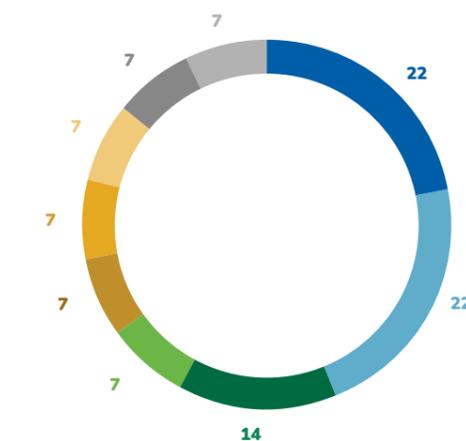
number of fires remained unchanged from the previous year, with damage down by 15% in the reporting year.

PJSC Gazprom's facilities at which fires occurred

Facility	Number of fires
Vehicles	10
Production facilities	2
Power generation facilities	1
Upstream buildings (labs)	1
Total number of fires	14

In 2019–2021, the majority of fires occurred in vehicles of the Company. The injuries and fatalities resulted from actions of those affected such as non-compliance with health and safety requirements, careless open flame handling and improper use of heating devices.

Causes of fires at the facilities of PJSC Gazprom, %



- Faults of vehicle electrical equipment
- Failure to comply with health and safety requirements when refilling or draining the vehicle's fuel tank
- Faults in the fuel supply system of the vehicle's auxiliary equipment
- Static electricity
- Electrical equipment faults
- Careless use of electric heating appliances
- Spontaneous combustion of substances and materials
- Depressurization of process equipment
- Careless handling of fire by third parties

¹ The decrease is attributable to changes in the procedure for accounting for, and recording of man-made events.

² Approved by Vitaly Markelov, Deputy Chairman of the Management Committee of PJSC Gazprom, on December 16, 2020, No. 03-277.

Community Investment

81

regional cooperation agreements

RUB 39.5
BILLION

charity expenses by PJSC Gazprom

84
SPORTS
FACILITIES

commissioned under the Gazprom
for Children program

Elena Mikhailova

**Member of the Management Committee,
Head of Department at PJSC Gazprom**

Elena oversees the Gazprom Group's sponsorship and charity initiatives, runs the Gazprom for Children social project unmatched in terms of scale and scope in Russia: from 2007 through 2021, the Group built 1,943 exercise and sports facilities for children and teenagers. In 2021, 84 sports and educational facilities were commissioned.



Improving Local Living Standards

Igor Safonov

Director General of Gazprom UGS

Responsible for one of Gazprom's sustainable development goals, Igor is also in charge of the Company's most important mission to ensure uninterrupted supplies to consumers. Underground gas storage is central to this process. By late 2021, UGS active capacity in Russia had achieved all-time highs.

Local Development

UNCTAD A.3.2

Understanding the importance of local development for the nation, Gazprom remains in touch with stakeholders across the Group's geography: public authorities, non-profit organizations, and communities. Gazprom continues to implement its gas infrastructure expansion program and numerous charity projects, with the Group's employees taking active part in volunteering initiatives.

81 regions of Russia covered by agreements with PJSC Gazprom



Documents Regulating Interaction with the Regions

- Regulation on the Regional Policy Commission of PJSC Gazprom;
- Regional Policy Concept of PJSC Gazprom.¹

GRI 103-2

GRI 103-3

GRI 413-1

GRI 203-2

In building relations with constituent entities of the Russian Federation, the Gazprom Group relies on its Regional Policy Concept. The Group signed 81

cooperation agreements documenting its commitment to protect the environment and minimize the impact on local communities and indigenous peoples.

Areas of cooperation with the regions



Gas infrastructure expansion



Urban improvement in cities, towns and villages



Support of indigenous minorities of the North



Promotion of culture and sports



Employment opportunities



Documents Adopted in 2021

In the reporting year, Gazprom signed new agreements with the regions, including²:

- cooperation agreement with St. Petersburg for 2022–2024;
- cooperation agreement with the Government of the Yamal-Nenets Autonomous Area for 2021–2023;
- cooperation agreement with the Republic of Tatarstan;
- memorandum of intent on an off-grid gas supply project in the Amur Region;
- cooperation agreement with the Astrakhan Region as part of a project to increase gas production at the Astrakhan gas condensate field;
- cooperation agreement with the Administration of the Volgograd Region on expanding the area of liquefied natural gas application in the Volgograd Region.

¹ Approved by resolution of OJSC Gazprom Management Committee on May 22, 2003.

² None of the documents are legally binding or require funding to be provided by PJSC Gazprom.

CONTRIBUTING TO ST. PETERSBURG DEVELOPMENT

PJSC Gazprom is implementing a large-scale program to support the development of St. Petersburg as its key region of operation and home to the Company's headquarters. Seeking to fully meet local community interests, the program covers a wide range of issues, taking into account Gazprom's key activities (gas infrastructure expansion, public transport conversion to methane, etc.). It also involves comprehensive urban improvement of the city's historic center and extensive refurbishing projects, as well as support for culture and sports institutions. With this approach, the Company aims to ensure maximum comfort for personal development in the urban environment and promote qualitative growth of the region's economy.

In the reporting period alone, St. Petersburg had 18 streets and squares completely upgraded, with over 80 historic streets, parks, embankments and

squares renovated under the program, as well as more than 16,000 lights installed, including the newest LED lighting. Nevsky Avenue was fully equipped with LED lighting, which reduced energy consumption by a third, enabling the city to save over RUB 2 million per year.

Ahead of the 350th anniversary of Peter the Great, Gazprom has undertaken to refurbish the northern shoreline of the Lakhta Harbor and erect a memorial sign named Peter the Great Saves the Drowning near Lakhta. On top of that, the Company plans to present the Poltava Ship center for culture and history, as well as the Eco-Gallery, in addition to developing culture, leisure and sports facilities along the shoreline of the Park of the 300th Anniversary of St. Petersburg. The new infrastructure will boast signature lighting covering the city's marine facade from end to end.

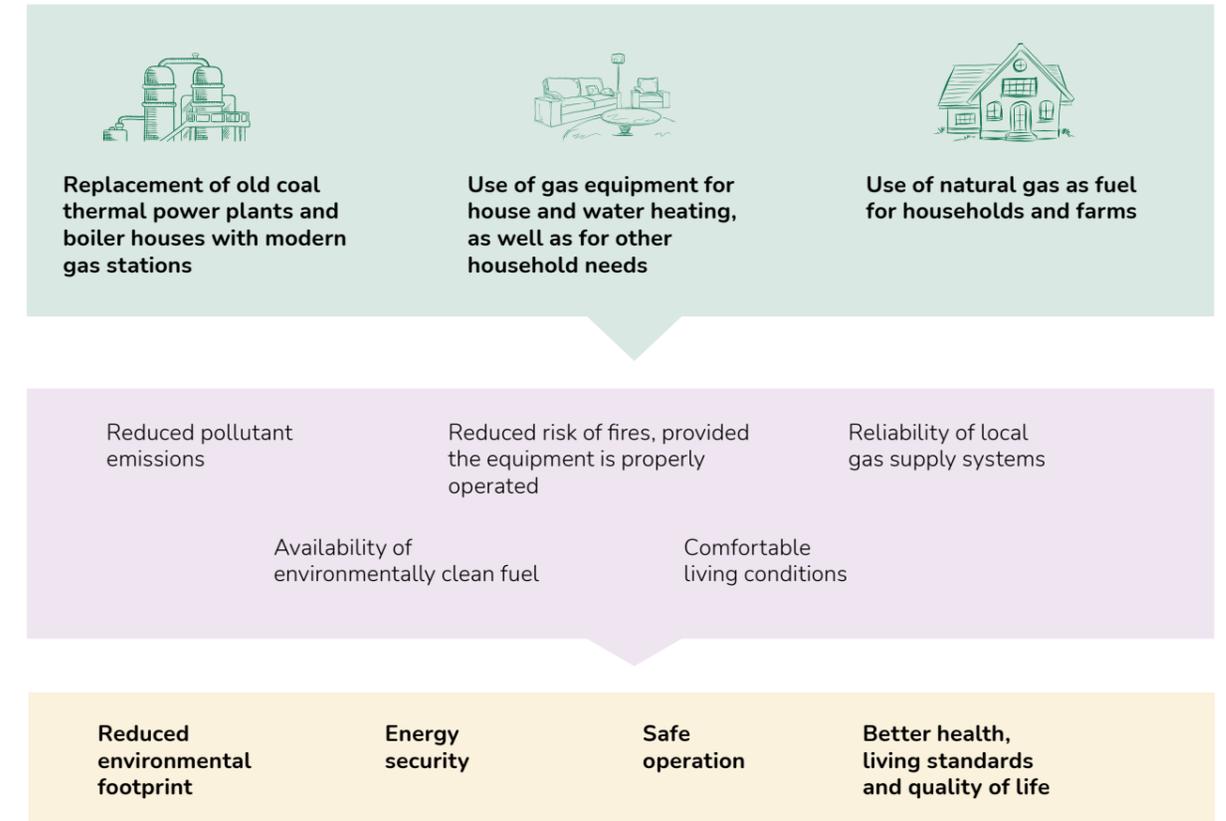


Gas Infrastructure Expansion in Russian Regions

One of Gazprom's key focus areas is gas infrastructure expansion across Russia. Availability of gas to the most remote regions of the country contributes to the people's

well-being and infrastructure efficiency while also reducing pollutant emissions.

Advantages of Gas Infrastructure Expansion



Gas Supply and Gas Infrastructure Expansion Programs

GRI 203-1

In 2020, gas supply and gas infrastructure expansion programs for 2021–2025 were approved by heads of

67 regions of the Russian Federation and Chairman of the Management Committee of PJSC Gazprom Alexey Miller. In 2021, added to the list was the Irkutsk Region, with the design of draft projects for 2021–2025 planned for the Republic of Tatarstan, as well as the Chelyabinsk and Kostroma Regions.

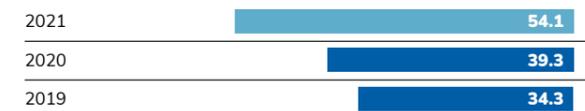
Regional Gas Infrastructure Expansion Program for 2021



In 2021, natural gas was supplied to:



Gazprom's investment in gas infrastructure expansion programs¹, RUB billion



Number of households across Russia prepared for gas infrastructure expansion, thousand



Number of regions included into the Regional Gas Infrastructure Expansion Program



¹ Gazprom Mezhrefiongaz's data. 2021 saw a major rise in the volume of design and construction work under the regional gas supply and gas infrastructure expansion programs for 2021–2025.

² Including entities where only design and survey work was underway in 2021.

ADDITIONAL GAS INFRASTRUCTURE EXPANSION IN GAS-SUPPLIED LOCALITIES

In accordance with Clause 8 of List of Instructions of the President of the Russian Federation No. Pr-753 dated May 2, 2021, on delivering against the address of the President of the Russian Federation to the Federal Assembly of the Russian Federation dated April 21, 2021, gas infrastructure of gas-supplied localities shall be, without financing from local households, further expanded to boundaries of households remaining isolated from the gas network located near the intra-settlement gas pipelines by 2023, provided a relevant request has been made, in accordance with the criteria and terms of such service (utility connection) established in advance.

Federal Law No. 184-FZ On Amendments to Federal Law No. 69-FZ On Gas Supply in the Russian Federation dated March 31, 1999 passed on June 11, 2021, established the single gas infrastructure expansion operator.

To deliver against the Federal Law On Gas Supply in the Russian Federation, Gazprom Gazifikatsiya began operating under the Gazprom Group as per Instruction of the Chairman of the Management Committee of PJSC Gazprom Alexey Miller No. 01-1981 dated June 15, 2021.

By order of the Government of the Russian Federation No. 3603-r dated December 15, 2021, Gazprom Gazifikatsiya was appointed the single

gas infrastructure expansion operator and assigned to 72 entities and the Sirius federal territory, as well as to regions in the Siberian and Far Eastern Federal Districts where gas production and transportation facilities of PJSC Gazprom are currently unavailable.

By the end of 2021, Gazprom received over 554,000 requests for additional gas expansion and signed over 152,000 agreements, under which:

- gas networks were expanded to more than 72,100 households;
- over 29,200 households were connected.

To ensure financing for the additional gas infrastructure expansion, in 2021, Gazprom Gazifikatsiya reviewed 259 offers to enter into agreements submitted by gas distribution companies. Upon considering the offers, 196 agreements were signed with a total value of RUB 128.2 billion.

Under the agreements, Gazprom Gazifikatsiya received 185 submissions from gas distribution companies worth RUB 13.6 billion, with 162 of them reviewed and over RUB 10.2 billion allocated. The financing was provided to 19 gas distribution companies in 19 regions.



Interaction with Indigenous Peoples

GRI OG 9

GRI OG 12

Indigenous minorities fall into the Local Communities group of the Gazprom Group's stakeholders. The Group strives to preserve their original habitat and traditional way of life.

294.74

RUB million

Gazprom's spending in support of indigenous minorities in 2021

Key Principles of Interaction with Indigenous Minorities



Partnership

Long-term partnerships with associations of indigenous minorities and administrations of municipal districts



Specificity

Factoring in the specifics of the economic and social development and use of natural resources by indigenous minorities



Equality

Equal cooperation and mutual interests in dealing with common objectives



Social responsibility

Gazprom's involvement in solving social issues of indigenous minorities

Gazprom Group's spending in support of indigenous minorities in 2021, RUB million

Spending type	Amount spent
Initiatives to support indigenous minorities of the North and promote traditional activities, investment in farming and fishing craft	258.3
Social care services, aid for people of the Far North with limited mobility, diagnostic assistance, medical treatment and rehabilitation of gravely sick and disabled children	23.3
Environmental expedition to clean up Vilkitsky Island	11.1
Compensation of expenses related to the use of the Obskaya-Bovanenkovo railroad by indigenous minorities of the North	2.0

The list of companies operating in the areas inhabited by the indigenous minorities of the Far North includes Gazprom Neft and the Group's subsidiaries Gazprom Dobycha Nadym, Gazprom Dobycha Yamburg, Gazprom Dobycha Noyabrsk, Gazprom Dobycha Urengoy, Achimgaz, Severneftegazprom, Gazprom Transgaz Surgut and Gazprom Nedra. These companies support traditions and culture of indigenous minorities. To assist communes, public hearings, research and other initiatives are held, including interaction with associations of indigenous minorities (Yamal for Posterity!, Yamal, and Vozrozhdeniye social movement).

GRI 203-1

Spending in support of indigenous minorities, RUB million

Change 2021/2020, %	
	+14.9
2021	294.74
2020	256.54
2019	154.03

In 2021, the amount of charity spending in support of indigenous minorities grew by 14.9% year-on-year to RUB 294.74 million. The increase was due to the removal of the COVID-19 restrictions on public events.

The Gazprom Group's projects take into account current geographies and specifics of indigenous minorities' lifestyle. No relocation is initiated, and no relevant programs are underway.

GRI 411-1

In 2021, there were no registered violations of indigenous minorities' rights in the Gazprom Group's licensed areas.

GRI OG 10

In the reporting year, no actual substantial or potential adverse impact on local communities took place, nor were there any conflicts with local communities and indigenous minorities.

In 2021, Gazprom Dobycha Yamburg continued the implementation of the Cooperation Territory project to support local communities by encouraging social investment and charity and preserving the traditional habitat, way of life and cultural values of indigenous minorities. With the company's help, the national celebrations of the Reindeer Herders' Day and the Fishermen's Day took place across nine localities in the region of its production operations. The participants of the events were given snowmobiles, boat motors and hard floor inflatable boats.

As part of the project, tundra people and pensioners of the Tazovsky District also received targeted aid throughout the reporting year, including assistance in hosting sports and cultural events, supplying food to tundra nomads, as well as buying New Year presents for members of the Tazovsky Division of the Yamal for Posterity! association.

SUPPORT OF TUNDRA PEOPLE

The Bovanenkovskoye and Kharasaveyskoye fields developed by Gazprom Dobycha Nadym are located in the traditional settlement area of indigenous minorities of the Far North traversed by nomadic routes.

The Gazprom Group strives to observe the rights of people inhabiting this region by taking the following measures:

- the Bovanenkovskoye field's infrastructure is designed to take into account the needs of reindeer herders, leaving the traditional migration routes untouched;
 - 22 crossings for reindeer herds were arranged;
 - the filling of low-sloped banks was completed to ensure trouble-free movement of animals;
 - ground communications were designed in an n-shape;
 - before nomad migration, the crossings are examined by a dedicated working group;
- reindeer herders can get medical help and consultations of specialist physicians at the Bovanenkovo health center;
- children of remote nomad camps are transported by air to the boarding school in the Yar-Sale village of the Yamalsky District.



Charity and Volunteering

In order to contribute and make a difference, the Gazprom Group works to address the most pressing social issues by engaging in charity and acting as a sponsor.

> 3,500
social projects
funded by the Gazprom Group in 2021

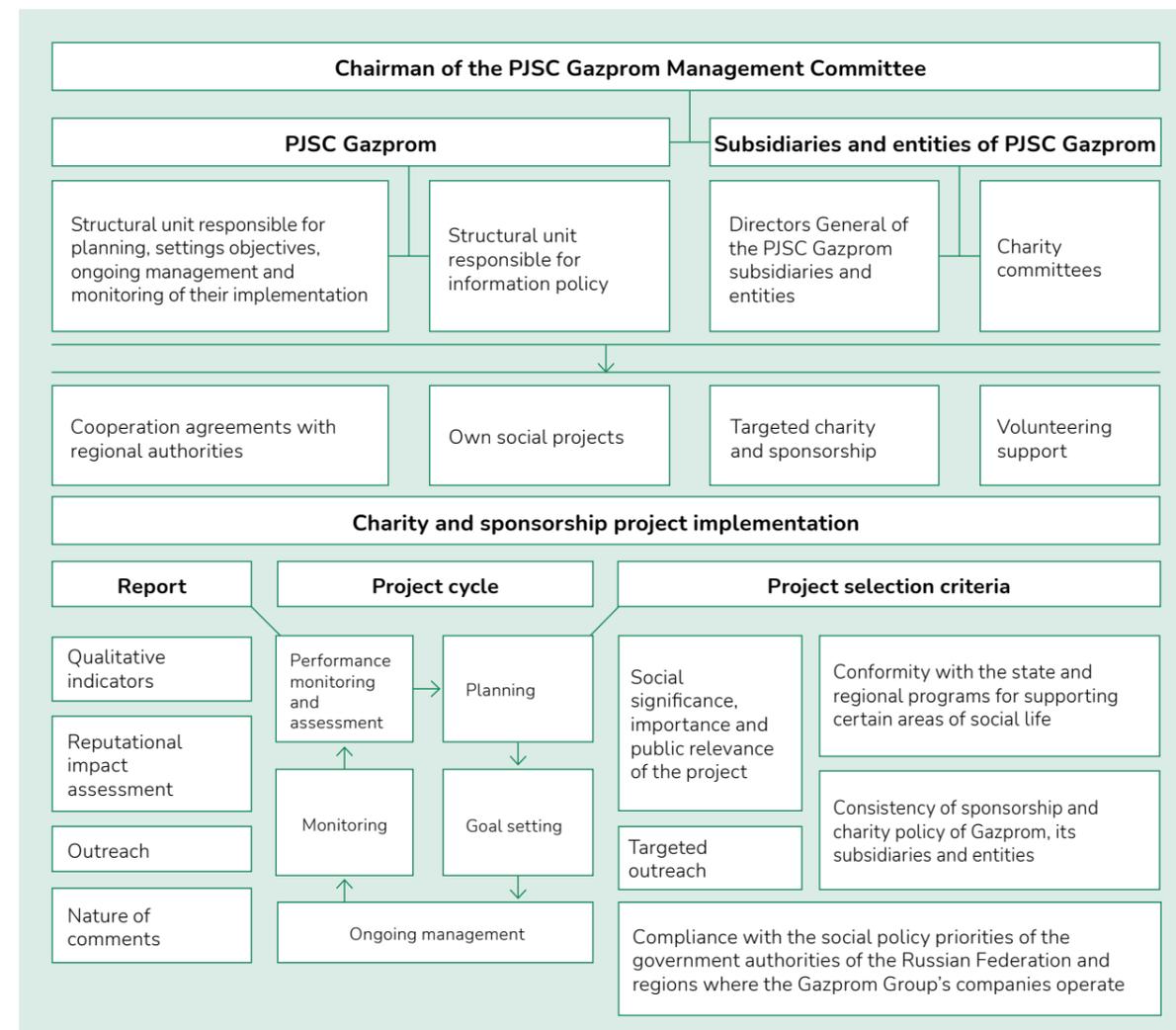
Charity Management

At Gazprom, social initiatives are governed by the Regulation on Sponsorship and Charitable Activities. When considering the allocation of funds to a project, the Group takes into account its social significance, importance and public relevance, as well as its targeted outreach. As a rule, the final decision is made by the management of the Gazprom Group's companies.

The Group's key tools to implement charity initiatives include:

- cooperation agreements with regional authorities;
- own social projects;
- targeted charity;
- volunteering support.

Management of the Gazprom Group's Charity and Sponsorship Projects



GRI 203-1

Charity support broken down by area

Type of costs	2019	2020	2021	Change 2021/2020
PJSC Gazprom's charity spending, RUB million	27,723.96	28,770.93	39,490.23	37.3%
support of sports development (including sports facilities construction under the Gazprom for Children Program), %	50.54	52.46	44.68	-7.78 p.p.
urban infrastructure improvement in the Company's regions of operation, %	30.73	20.75	35.05	14.30 p.p.
culture support, %	6.14	3.22	1.54	-1.68 p.p.
education support, %	4.42	7.46	8.00	0.54 p.p.
spiritual values support, %	1.70	3.05	4.52	1.47 p.p.
other (support for healthcare, science, socially vulnerable groups, etc.), %	6.47	13.06	6.20	-6.86 p.p.

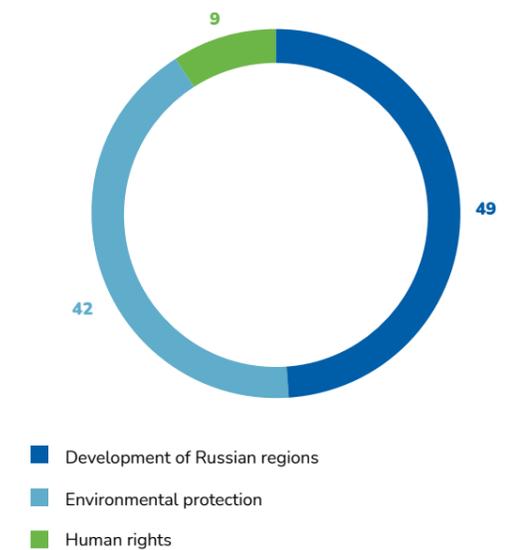
In the reporting year, the Group's charity spending increased by 37.3%.

Corporate Volunteering

The Gazprom Group employees are volunteers in a variety of charity projects, with volunteering now ingrained in the Group's corporate culture.

79,760
employees¹
of Gazprom Group participated in volunteer activities

Areas of corporate volunteering, %



¹ The total number of employees who participated in all volunteer campaigns (for example, if one person participated in two or more campaigns, they are counted twice).

Volunteering Projects

Equals Project

The Equals project is a program run by Gazprom Pererabotka in St. Petersburg and aimed at providing equal opportunities for people with mental health conditions. The initiative helps raise awareness of inclusivity and contribute to developing a social environment for people with special needs. The company finances art studios at a mental health care home and supports the Special Olympics movement, the world's largest rehabilitation program that includes year-round training sessions, competitions and art events. Gazprom Pererabotka is also working to create Russia's first inclusive cluster called Normal Place. As volunteers, the company's employees take part in sports competitions for adults and kids with mental health conditions, and organize workshops for people supported by the Perspectives charitable foundation.

Environmental Campaign on Vilkitsky Island

Gazprom Dobycha Urengoy and Gazprom Dobycha Nadym provided financial support for an environmental campaign to clean up Vilkitsky Island in the Kara Sea, an initiative run as part of the Environment national project. In summer 2021, a team of the Russian Center for Arctic Development and volunteers worked to remove waste from the island. To do that, they dismantled dilapidated buildings, sorted metal structures collected during previous expeditions and delivered them to a temporary warehouse, collected barrels and wood, and drained fuels and lubricants from all tanks to a dedicated reservoir for subsequent recycling.



Memory Garden

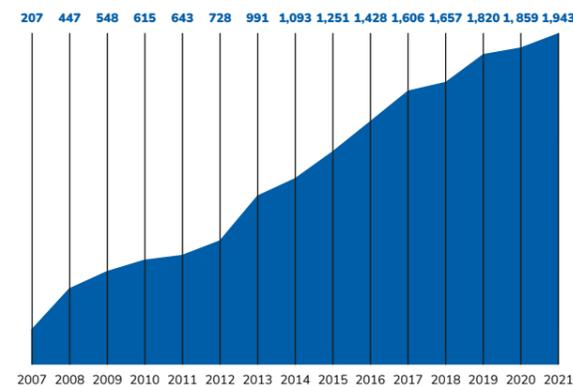
In September 2021, volunteers from Gazprom Dobycha Noyabrsk took part in Memory Garden, an international campaign to plant 27 million trees in memory of those who lost their lives in the Great Patriotic War. In 2021, the Memory Garden initiative attracted hundreds of thousands of people from Russia and beyond, including Kazakhstan, Kyrgyzstan, Cuba, Armenia, South Africa, and Algeria. The company's volunteers helped plant trees in one of the neighbourhoods of Noyabrsk. The total number of trees planted by city residents during the campaign day exceeded 2,230.

Gazprom for Children Project

GRI 203 GRI 413-1

The largest social project of the Gazprom Group, Gazprom for Children helps put up sports centers, sports grounds and stadiums for kids in central and remote regions of Russia. These facilities are also accessible to children and teenagers with mobility problems. The Gazprom for Children project helps get kids interested in sports and understand how important physical activity is for a satisfying, fulfilling, and purposeful life – two aspects that in turn lay the foundation for sports achievements in the future.

Number of facilities as part of the Gazprom for Children project in 2007–2021 (cumulatively)



Results of the Gazprom for Children project for 2021¹

BUILT

11
sports and fitness complexes

49
multifunctional sports grounds

REPAIRED

3
school stadiums in the Amur Region

16
school stadiums

- secondary school in St. Petersburg
- kindergarten and school in the settlement of Bolshoye Goloustnoye in the Irkutsk Region
- sports and recreation camp for children in the Karaul village in the Tambov Region

1
stadium with a football field in the town of Zavolzhye, Nizhny Novgorod Region

1
high school in St. Petersburg



14 years since the start project

GAZPROM BUILT

1,714
school stadiums and multifunctional sports grounds

161
sports, educational, social and cultural facilities

130,000
children were able to engage in various types of sports

74 out of 85 Russian regions

- across all federal districts covered by the project:
- Central Federal District – 654 facilities
 - North-Western Federal District – 328 facilities
 - Southern Federal District – 252 facilities
 - North Caucasian Federal District – 118 facilities
 - Volga Federal District – 239 facilities
 - Urals Federal District – 95 facilities
 - Siberian Federal District – 141 facilities
 - Far Eastern Federal District – 116 facilities

GAZPROM RENOVATED

68
sports facilities

¹ Data for the Central, North-Western, Volga, Siberian and Far Eastern federal districts.

Charity Projects

GRI 203-1 GRI 413-1 UNCTAD A.3.2

Support for Sports and Cooperation with Sports Federations

The Gazprom Group helped Russia's Olympic team to take part in the 2020 Summer Olympics in Tokyo, organizing and holding events, projects and programs of the Russian Olympic Committee for the Russian Olympic

team to prepare for, and take part in, the Olympic Games, Youth Olympic Games, European Games, and European Youth Olympic Festivals. The Group also helped organize events to develop professional sports.



FOOTBALL FOR FRIENDSHIP

Football for Friendship, an international social program for kids run by PJSC Gazprom, is aimed at instilling universal human values such as equality, fairness, peace, and healthy lifestyle, and at promoting children's and youth sports.

The program's key goals are to:

- develop children's football globally;
- promote a healthy and active lifestyle;
- socialize young people in cultural and sports environments;
- help develop a multicultural mindset;
- promote core universal human values globally.

To that end, a number of sports and educational events are held as part of the Football for Friendship program:

- free draw of the Football for Friendship;
- Football for Friendship World Championship;
- International Friendship Camp;
- International Football for Friendship Forum;
- International Children's Press Center for the Football for Friendship program;
- International Football for Friendship Coaches Academy;
- Football for Friendship International Award.



The program is open for boys and girls aged 12, including those with special needs, who unlock their potential as young footballers and young journalists. Representing various nations and cultures, kids are divided into mixed national teams, showing that ethnicity, gender, and physical abilities do not prevent them from playing football on the same team.

During the last season, the 2021 Online Football for Friendship World Championship was held on a digital platform of Football for Friendship World, a free multiplayer football simulator. This was a game of mixed international teams based on the football for friendship principle. The final game was won by the team Argali, composed of kids from Aruba, Belize, Guatemala, Costa Rica, and Mexico.

Children from Bangladesh, Bolivia, Hungary, and the USA were recognized the best journalists as part of the International Children's Press Center for the Football for Friendship. They put together interviews, articles and pieces that appeared in the leading sports media in various countries.

In 2021, coaches and young footballers from over 350 football academies and sports schools took part in sports, environmental, and educational activities as part of the program. At the end of the season, social initiatives of academies from Afghanistan, India, Sri Lanka and Togo won the

Football for Friendship International Award. Another 14 football academies in Bolivia, Canada, Columbia, Uruguay, Paraguay, Puerto Rico, Costa Rica, Trinidad and Tobago, Belize, Aruba, Guatemala and Mexico received grants to develop children's football and promote the program's values among their students.

As part of the season's final matches, the program's participants set the Football for Friendship's third Guinness World Record™: the largest number of viewers at a virtual stadium (during the Online Football for Friendship World Championship).

In the 2021 season, kids shared their tips on how everyone can do their part to help the planet, launching the Small Steps to Save the Planet challenge.

Over the past nine seasons, the program has spanned 211 countries and regions, bringing together more than 16,000 participants and winning support from more than 6 million people. The project has won over 70 international and national awards in social responsibility, sports, and communications. Football for Friendship also set three Guinness World Records: largest number of ethnicities represented in a single football training session, largest ever number of participants in an online football event, and the largest number of viewers at a virtual stadium.

Social Support and Inclusion



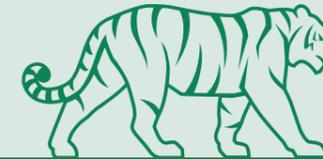
Airat Ishmurzin

Director General of Gazprom Pererabotka
PhD in Engineering

Airat supports socially important programs aimed at promoting sports, as well as accommodation and inclusion efforts to help certain groups of people. He is also engaged in projects of his own. The Equals project instigated by Gazprom Pererabotka seeks to establish an equal opportunities environment for people with mental disorders. As part of the project, Gazprom Pererabotka also earmarks funds for the Special Olympics movement and is working to create Russia's first inclusive cluster called Normal Place.

Social Projects Run Together with NPOs

In order to preserve and increase the population of rare animal species included in the Red Book of Russia, three tigers were released into the wild following rehabilitation: tiger called Zima in the Primorye Territory and Sanda and Amba in the Amur Region. Another project was the start of the construction of a nature museum and a feed preparation building as part of the administrative facility of the Authority for Protection, Control and Regulation of the Use of Wildlife in Ussuriysk.



Projects were implemented to support children from orphanages and social care facilities, as well as children with special needs in a number of Russian regions, including St. Petersburg and Moscow and the Moscow, Leningrad, Smolensk, and Kostroma regions. Charity assistance was aimed at programs and initiatives on further education, sports and cultural events, social adaptation of children from orphanages and social care facilities, procurement of equipment as necessary, and holding celebrations for children, including the New Year and Christmas holidays.

Support for Socially Vulnerable Population Groups

The Company assisted in implementing the [Passport for Life](#), a project that focused on developing individual simulation games for kids to help them plan their adult lives. Designed for youth aging out of state care, the initiative covered 180 orphans and children abandoned by their parents, helping them achieve self-sufficiency in society. The Company provided funding to create a professional education section at children's home No. 3 in St. Petersburg to train young people in basic skills in a number of professions: computer operators, binding and printing workers, hair stylists, makeup artists, apparel production workers, designers, and archive specialists.

Ahead of the New Year, the Gazprom Group held its traditional charity campaign called [Bringing Joy](#). In 2021, Gazprom employees donated presents for children aged under four who were abandoned by their parents when they were born or lost parental care afterwards due to severe illness or financial hardship. Around 400 presents were given to mental health children's homes No. 6, 9, and 13 (dedicated one) in St. Petersburg – facilities that have years of track record of caring for children with neurological and mental disorders.

Support of Healthcare

Gazprom Group supported the Development of Innovative Approaches to Treat Acquired Aplastic Anemia in Children project implemented by Dmitry Rogachev National Research Center of Pediatric Hematology, Oncology and Immunology. The project was part of the research to design effective methods for diagnosing and treating severe diseases.

Restoration of Historical and Cultural Sites, Support for Art

Gazprom partnered with the National Underwater Research Center (NURC) to carry out an engineering survey of the Neva River's bottom within the boundaries of St. Petersburg with a view to detecting hydroacoustics anomalies. Other joint initiatives with NURC include launching a project to create a virtual 3D museum of artefacts raised from the bottom and publishing of several books on historical facts uncovered by NURC researchers.

Partnership with State Hermitage Museum

In 2021, PJSC Gazprom supported the State Hermitage Museum's project to create a Russian Culture in the First Half of the 18th Century permanent exhibition. It marks 300 years since proclamation of the Russian Empire, the 300th anniversary of the Treaty of Nystadt, and the 350th birthday of Peter the Great. The exhibition highlights Russia's art and culture during the reign of Peter I and his daughter and successor to his cause, Empress Elizabeth.

In 2021, PJSC Gazprom and the State Hermitage Museum signed a Letter of Intent at the St. Petersburg International Economic Forum to continue their cooperation.

Partnership with Tsarskoe Selo State Museum and Heritage Site

In the reporting year, PJSC Gazprom and the Tsarskoe Selo State Museum and Heritage Site signed an Agreement at the St. Petersburg International Economic Forum aimed at the cultural heritage protection and development of the museum.

Gazprom is sponsoring the restoration of the plafond and icons of the Resurrection of Christ Church at the Catherine Palace, lost during WWII. Of the original 114 icons only four have survived to date. The plan is to fully restore the iconostasis by the end of 2022.

The large-scale reconstruction of the Lyons Hall at the Catherine Palace was completed in March 2021, with the opening attended by Minister of Culture Olga Lyubimova. Following the restoration, over 120,000 people visited the hall in the second half of the year alone.

In 2021, the Company continued supporting Private Space of Catherine II, a major restoration and information project, which seeks to reconstruct the interiors in eight private rooms of Catherine II at the Zubov Wing of the Catherine Palace. The work includes purchasing appropriate artefacts and is scheduled for completion in 2023. The restored private rooms will become a part of a new Catherine Palace tour.

Partnership with Peterhof State Museum Reserve

In the reporting year, PJSC Gazprom signed a Cooperation Agreement with the Peterhof State Museum Reserve aimed at the cultural heritage protection and development of the museum.

In 2021, PJSC Gazprom continued financing the restoration of the Chinese Palace in Oranienbaum, with two more halls opening to the public – the Stucco Room and the Small Chinese Salon. Currently, 12 out of 17 interiors at the palace are open to visitors. Work is ongoing in the Big Chinese Salon and the Small Antechamber, to be followed by the Chinese Bedroom, the Dressing Room, the Portrait Room, and Catherine II's Study. The project will be completed by 2024. In the summer of 2021, over 42,000 people visited the Chinese Palace.

In 2021, the Lendok film studio hosted the presentation of Chinese Palace: Legacy of the Empress, a virtual reality film combining the genres of historical drama and documentary, created with the financial support of PJSC Gazprom. The film can be viewed on the Oculus online platform and at the Peterhof State Museum Reserve with the possibility of arranging off-site screenings.

SOMNUM: Mental Cinema about St. Petersburg

In 2021, PJSC Gazprom came up with the initiative and supported the creation of the SOMNUM. Mental Cinema About St. Petersburg immersive performance. The historical streets of St. Petersburg, many of which had been renovated by Gazprom, became the stage of this innovative theatrical performance. The show marked the emergence of a new genre combining the theatrical, educational and virtual reality formats and became an important event for the theater and arts communities.

Support for arts

As part of its efforts to promote theater, Gazprom sponsored the tours of St. Petersburg troupes to Moscow to celebrate Fyodor Dostoyevsky's 200th birthday by staging shows based on his works: The Brothers Karamazov, Liturgy Zero, Crime and Punishment.

To popularize documentary films, the Company supported In Love With Art festival of documentary, feature and animation films.

Support for Renovation of Monuments and War Memorials

In 2021, Gazprom Group financed the operation of 88 Eternal Flame memorials in hero cities and cities of military glory across Russia. The Company also sponsored renovation and repairs of military burial sites in Russia and Latvia.

Support for Science and Education

To promote geographical knowledge and interest in Russia's geography, history and culture, Gazprom partnered with the Russian Geographical Society to support the Geographical Dictation international educational campaign and the Most Beautiful Country photo contest.

Support for Business Events and Projects

Gazprom Group sponsored the 24th St. Petersburg International Economic Forum, one of the world's largest and most influential business platforms for discussing global and regional economic issues.

FRIENDS OF ST. PETERSBURG MULTI-PURPOSE SOCIAL PROJECT

In September 2020, PJSC Gazprom launched the Friends of St. Petersburg project with the support of the Committee for State Control, Use and Protection of Historical and Cultural Monuments under St. Petersburg's City Administration.

The project seeks to:

- preserve the best traditions of the St. Petersburg school of restoration;
- help protect St. Petersburg's cultural and historical heritage and contribute to its development

Friends of St. Petersburg is part of PJSC Gazprom's large-scale restoration effort in the city involving renowned restorers and architects, social activists, urbanists, local history specialists, as well as art experts and historians.

The project is a great opportunity for students and young professionals to take part in protecting and restoring the city's cultural and historical monuments and use this unique experience to develop St. Petersburg's school of restoration. Over the course of the project, more than 300 students and young professionals participated in offline events and over 3,000 were involved in online activities.

The project activities are held as part of PJSC Gazprom's large-scale restoration effort in St. Petersburg and cover the city's leading museums – Tsarskoe Selo State Museum and Heritage Site, Peterhof State Museum Reserve, and the State Russian Museum.

In 2021, the Gazprom Group conducted 18 project activities with media representatives also attending. These included:

- a workshop on interior restoration of the Zubov Wing of the Catherine Palace at Tsarskoe Selo;
- workshops at the State Russian Museum – Historical Landscape: Preservation Issues Based on the Gardens of the Russian Museum and Digital Technologies in Museums: the Multimedia Centre of the Russian Museum;

- a workshop Immersive Theater as a Conversation Between Generations by the creators of Somnum. Mental Cinema about St. Petersburg, and a visit to the show's premiere;
- an information workshop at the Alexandrinsky Theater on Modern Construction in the Historical City Center: the New Stage of the Alexandrinsky Theater;
- subcultural Landscape, a special project for young artists with the support of the North-Western Branch of the Pushkin State Museum of Fine Arts, the Stieglitz Academy and leading specialists of the Committee for State Control, Use and Protection of Historical and Cultural Monuments. In line with the world's best practices, the project successfully combines contemporary art, educational programs, and local government support to develop and improve the urban environment.

PJSC Gazprom took part in the Mission to Preserve international festival. As part of the event, a special prize was established on behalf of the Friends of St. Petersburg project. The participants of the festival were invited to come up with cultural heritage protection projects to be implemented in St. Petersburg and the Leningrad Region. Over 200 school and university students took part in the event, with a Gazprom representative in the jury.

In 2022, Friends of St. Petersburg will be expanded to involve more educational and discussion platforms and new interaction formats with the audience.



Appendices



1. Stakeholder Engagement

GRI 102-21

GRI 102-43

Stakeholder engagement system at the Gazprom Group

Engagement methods	Examples of engagement in 2021
Media	
Press releases	<ul style="list-style-type: none"> Published over 230 official press releases on PJSC Gazprom website.
Press conferences, briefings, management interviews	<ul style="list-style-type: none"> Held six press conferences and briefings.
Press tours to PJSC Gazprom's production sites and gas transportation infrastructure facilities	<ul style="list-style-type: none"> Published 14 interviews with the top management of PJSC Gazprom. Arranged 14 press tours to PJSC Gazprom's production sites and gas transportation infrastructure facilities.
Explanations, comments, and answers to journalists' questions	<ul style="list-style-type: none"> Provided about 800 answers, explanations, and comments provided to media representatives. Held eighteen special events with media attendance as part of the Friends of St. Petersburg project. 50 Architectural Ensemble episodes about PJSC Gazprom's program for comprehensive improvement of St. Petersburg were aired on Radio Zenit. Conducted tours of Gazprom Arena, the Chinese Palace, the Catherine Palace and the Alexandrinsky Theater for bloggers and quiz winners. Released a series of articles and radio programs covering the tours. At the St. Petersburg International Economic Forum, attended by media representatives and federal TV channels, signed agreements with the leading museum facilities: a cooperation agreement with the Tsarskoye Selo State Museum and a letter of intent with the State Hermitage Museum. Signed a cooperation agreement with the Peterhof State Museum Reserve aimed at preserving the cultural heritage and developing the museum. Minister of Culture Olga Lyubimova was present at the signing ceremony. 30 stories about Gazprom's charitable projects in St. Petersburg were broadcast in the Best Morning program on NTV channel. The Company also partnered with NTV to create a special section on the channel's website dedicated to PJSC Gazprom's social responsibility initiatives.

Stakeholder engagement system at the Gazprom Group

Engagement methods	Examples of engagement in 2021
Educational and scientific institutions	
Participation in industry events for young people	<ul style="list-style-type: none"> Participated in industry events for young people (young scientists, professionals, and students of Russian and international universities).
Setting up special classes/departments at secondary schools	<ul style="list-style-type: none"> Set up Gazprom classes in secondary schools and opened specialized departments in Russian universities.
Organization of work experience practice for students	<ul style="list-style-type: none"> Organized work experience practice for students of secondary vocational education institutions and higher education institutions at the Gazprom Group entities.
Carrying out R&D projects for PJSC Gazprom	<ul style="list-style-type: none"> Gubkin Russian State University of Oil and Gas developed an integrated solution to increase working gas volume and reduce time for starting up cyclic operation of underground gas storage facilities in structurally complicated water formations.
Participation in the creation of innovative scientific and technical centers	<ul style="list-style-type: none"> Participated in designing the concept for an innovative scientific and technical center for energy and oil and gas production at the St. Petersburg State Marine Technical University (Primorskaya Dolina Science and Technology Center).
Conducting promising research in hydrogen energy	<ul style="list-style-type: none"> Conducted intensive hydrogen production research (joint projects with the Russian Academy of Sciences).
NGOs	
Financial support for charitable, environmental and other initiatives of NGOs	<ul style="list-style-type: none"> Participated in the activities of professional communities (RUIE, the Russian Chamber of Commerce and Industry, the Russian Gas Association (Union of Oil and Gas Companies), etc.).
Open public hearings	<ul style="list-style-type: none"> Supported the Russian Geographical Society (RGO): holding of the Geographical Dictation international educational campaign; creation of RGO's restoration workshop to help preserve and restore various artefacts (manuscripts, books, maps, etc.); holding of the Most Beautiful Country photo contest; providing grants for environmental projects and programs.
Joint biodiversity conservation projects in the Arctic	<ul style="list-style-type: none"> Participated in the joint development of the Biodiversity Preservation Program in the Arctic Zone of the Russian Federation and other biodiversity initiatives (RGO, Marine Mammal Council).
Participation of the Gazprom Group employees and their families in joint volunteer campaigns and events	<ul style="list-style-type: none"> Supported the National Underwater Research Center (NURC) projects (surveying the bottom of the Neva River, Gulf of Finland and the Baltic Sea to detect hydroacoustics anomalies, creating a virtual 3D museum of artefacts raised from the bottom, and publishing books on historical facts uncovered by NURC researchers). Gazprom Group employees and their families participated in such projects as the all-Russian Best Eco-Volunteer Team contest, Green Spring national environmental clean-up, national Bike to Work Day, international contest Environmental Culture. Peace and Harmony, and #TogetherBrighter All-Russian Energy Conservation Festival.

Engagement methods	Examples of engagement in 2021
Shareholders and investors	
Holding general shareholders meetings	<ul style="list-style-type: none"> In 2021, the annual General Shareholders Meeting was held in absentee voting format due to the pandemic.
Meetings of the senior independent director with representatives of investment funds	<ul style="list-style-type: none"> In November 2021, Senior Independent Director Viktor Martynov held an online meeting with representatives of major investment funds.
Enabling communication with the corporate secretary	<ul style="list-style-type: none"> To facilitate interaction with shareholders and investors, the contact information of the structural unit heads acting as the corporate secretary was posted PJSC Gazprom's website.
Developing PJSC Gazprom's website in three languages with additional information	<ul style="list-style-type: none"> Additional information on various aspects of the Group's operations is published on PJSC Gazprom's website in Russian, English and German.
Holding annual Investor Days and other regular events involving shareholders in various formats	<ul style="list-style-type: none"> In 2021, the annual Investor Day was held online and included an ESG session.
Written inquiries from shareholders	<ul style="list-style-type: none"> In 2021, PJSC Gazprom held conference calls on the Group's consolidated financial statements under the IFRS, attended by the Company's management.
Hot line (telephone) for shareholders	<ul style="list-style-type: none"> The Company interacted with investors and analysts at investment conferences and during 1-on-1 meetings (mainly in video and teleconferences).
Investor visits to production sites	<ul style="list-style-type: none"> Shareholders and investors sent written inquiries to the Group's e-mail address and by mail. All inquiries were duly considered as prescribed by the Group's by-laws.
ESG sessions, webinars and meetings with investors on sustainability and low-carbon economy matters	<ul style="list-style-type: none"> In 2021, communication with shareholders concerned various issues relating to share ownership, including the holding of the annual General Shareholders Meeting, dividend payments, and inheritance rights. A Hot Line number for shareholder inquiries on any issues of concern is available on PJSC Gazprom's website. On average, the Group receives over a hundred shareholder calls and dozens of written inquiries per month. In 2021, Gazprom held over 80 online meetings with more than 260 Russian and international institutional investment funds. In 2021, the following events were organized for investors: <ul style="list-style-type: none"> a visit to the Gazprom Group production facilities in the Amur Region; an ESG session as part of PJSC Gazprom's Investor Day; a PJSC Gazprom webinar on the hydrogen market outlook; a meeting with investors to present the interim sustainable development scenarios for PJSC Gazprom through 2050 in the context of the global trend towards low-carbon economy; participation in the International Business Congress "ESG Financing Tools and Their Importance for Oil and Gas Companies in the Next Decade"; an ESG session and a webinar on the dynamics of the gas market in Europe as part of the St. Petersburg International Gas Forum.

Engagement methods	Examples of engagement in 2021
Business partners	
Cooperation agreements	<ul style="list-style-type: none"> In 2021, Gazprom signed over 60 documents with Russian and foreign partners with a view to developing the gas processing segment, ensuring gas supply and expanding gas infrastructure across Russian regions, broadening the application area of NGV fuel, providing the Company's sites with domestic high-tech products, as well as pushing forward cooperation in R&D. The Company also interacted with a number of partners: <ul style="list-style-type: none"> licensors, as part of discussions regarding the construction of new hydrocarbon processing facilities; suppliers about raw material pricing; transportation companies about pricing for transportation services and execution on full train shipments; Non-Profit Partnership Council for Organizing Efficient System of Trading at Wholesale and Retail Electricity and Capacity Market, Council of Electricity Producers and Strategic Electricity Investors and Hydropower of Russia associations about electric power industry development.
Joint coordinating committees and task forces	
Participation in conferences and forums	
Interaction with industrial unions and associations	
Personnel interaction	
Conferences	<ul style="list-style-type: none"> Conference on performance results under the General Collective Bargaining Agreement¹. Workshop meetings among employees on HR management. Regular meetings of representatives of the workforce and the management to resolve relevant issues. Employee training under skills upgrading adaptation programs.φSports events at the Gazprom Group entities (sports contests between subsidiaries, GTO fitness tests).
Workshop meetings	
Regular meetings of workforce with the management	
Skills upgrading programs	
Sports contests	
Local authorities	
Presentations on the Gazprom Group's activities to senior local government officials	<ul style="list-style-type: none"> Held meetings on gas infrastructure expansion and signed cooperation and social partnership agreements with municipal administrations and constituent entities of the Russian Federation. Financed initiatives aimed at social and economic development of the Purovsky District of the Yamal-Nenets Autonomous Area. Participated in table-top civil defense exercises with federal executive authorities, government authorities of the entities of the Russian Federation, local authorities and organizations on development and implementation of civil defense measures in the Russian Federation.
Cooperation agreements	
Financial support of municipal initiatives	
Joint drills and trainings	

¹ Hereinafter the General Collective Bargaining Agreement of PJSC Gazprom and Its Subsidiaries for 2019–2021.

Engagement methods	Examples of engagement in 2021
Government	
Agreements with regions of the Russian Federation	<ul style="list-style-type: none"> Signed cooperation agreements and memoranda with constituent entities of the Russian Federation (Republic of Tatarstan, Amur Region, Astrakhan Region, Volgograd Region, St. Petersburg, and the Yamal-Nenets Autonomous Area). Developed and approved synchronization plans for 2022 gas infrastructure expansion in the Republic of Sakha (Yakutia), Kamchatka Territory, Khabarovsk and Primorye Territories, Amur Region, Irkutsk, Sakhalin Region. Participated in discussions and meetings on the rollout of socially oriented and economically efficient gas supply and gas infrastructure expansion system, additional gas expansion in localities, as well as safe operation of gas equipment in the housing and utility segment. Interacted with federal executive authorities regulating the heat market (Federal Antimonopoly Service, Ministry of Energy, Ministry of Construction, and Ministry of Economic Development). Participated in the development of projects under an agreement to build a common gas market within the Eurasian Economic Union (EAEU). Participated in task force meetings of the State Council of the Russian Federation on the energy industry and of the Ministry of Construction on technical regulations, Expert Council and Committees meetings of the State Duma, Municipal Services Commission meetings of the Public Council of the Ministry of Energy. Participated in nation-wide table-top exercises held by the EMERCOM of Russia in cooperation with the governance bodies and forces of the National Emergency Management System to prepare for the spring flooding, protect localities and economic and social infrastructure from wildfires, as well as work out emergency response to industrial disasters.
Participation in events hosted by the government and specialist non-profit organizations: parliamentary hearings, councils, round tables and task force meetings	
Submission of data to federal authorities	
Participation in the development of road maps and expert reviews of draft laws, including preparation of proposals, comments and amendments	
Joint drills and trainings	

Engagement methods	Examples of engagement in 2021
Local communities	
Charity	<ul style="list-style-type: none"> Financed medical treatment, rehabilitation and examinations of people with disabilities and seriously ill children.
Participation in city and region development programs	<ul style="list-style-type: none"> Purchased specialized medical equipment (machine rehabilitation equipment for use at home, regular and power wheelchairs).
Public councils at the Group's companies in the regions of operation	<ul style="list-style-type: none"> Provided financial support to the St. Petersburg Association of Non-Governmental Organizations of Parents to Children with Disabilities in implementing programs aimed at social integration of disabled children, young people with lifelong disabilities and their family members.
Open public hearings (including on environmental impact assessment)	<ul style="list-style-type: none"> Upgraded existing equipment, purchased new lab equipment and renovated space for advanced training of a talent pool from among promising students of School No. 1 in Svobodny (Amur Region).
Volunteer activities in the regions of operation	<ul style="list-style-type: none"> In 2021, the Public Council of the Amur GPP Construction project in Svobodny (Amur Region) held four meetings to provide an update on the progress made, environmental initiatives and related monitoring procedures, the Company's HR policy and employment of the region's residents, local aid, development of the city's social infrastructure and construction of a new residential neighborhood Alexeevsky.
Support of indigenous minorities	<ul style="list-style-type: none"> In 2021, the Gazprom Group arranged 3,290 environmental initiatives, with 2,820 territories of over 7,000 ha cleaned up and over 450,000 young trees and shrubs planted by Group employees. 79,760 Group employees took part in volunteer activities in 2021. Held national celebrations (Reindeer Herders' Day and Fishermen's Day) and provided financial support to associations (Yamal for Posterity!, Yamal, and Vozrozhdeniye) and local communities of indigenous minorities.
Consumers¹	
Customer satisfaction monitoring procedures	<ul style="list-style-type: none"> In 2021, Gazprom conducted a comprehensive assessment of consumer satisfaction with services of PJSC Gazprom's subsidiaries and affiliates, receiving and processing over 27,000 questionnaires. The assessment was based on a consumer survey. The average level of satisfaction was high (7.91 on a 10-point scale).
Development of remote services, expansion of communication channels	<ul style="list-style-type: none"> In 2021, Gazprom Mezhrefiongaz Group's gas selling companies (RGCs) were assigned a set of requirement for their single-window services.
Claims management system	<ul style="list-style-type: none"> At RGCs, a web platform for data integration was developed and launched, enabling online exchange of information between RGC accounting systems, personal customer account and state information system of municipal services. The platform also ensures quick reporting to the state information system of municipal services regarding payment delays (if any) on the part of natural gas consumers, as required by Russian laws. In 2021, twelve customer centers in seven gas distribution organizations (GDOs) were opened and renovated; 43 customer centers in 14 GDOs were joined with gas equipment stores; 193 customer centers in 41 GDOs changed their working hours to provide visitors with more options.

¹ For information on consumer categories of the Gazprom Group's key products, see subsection Consumers Categories of Gazprom's Core Products.

Engagement methods	Examples of engagement in 2021
Marketing incentives to encourage consumers' equipment and vehicle conversion to natural gas	<ul style="list-style-type: none"> During the year, 17,194 vehicles were converted to natural gas under marketing programs. 22,955 customer requests submitted to the Hot Line of the Gazprom CNG filling station network were processed.
Foreign regulators of energy markets	
Submission of necessary reports to relevant agencies and regulators	<ul style="list-style-type: none"> Submitted reports on the terms of signed gas supply contracts, including related addenda, transactions carried out via the Gazprom Export Electronic Trading Platform, and secondary-market agreements regarding transportation capacities sublease, as well as on actual gas supplies to EU countries to the Agency for the Cooperation of Energy Regulators (ACER) and Energie-Control Austria (E-Control)
Participation in economic and energy forums and gas and energy conferences	<ul style="list-style-type: none"> Participated in the European Gas Conference, Flame Conference, Baker Hughes Annual Meeting, St. Petersburg International Gas Forum, WEC World Energy Leaders' Summit, etc.
Participation in public consultations on legislative initiatives, changes to the energy market regulations and introduction of new rules and regulations regarding the energy market operation	<ul style="list-style-type: none"> Participated in public consultations held by energy market players (transmission operators, national regulators and other entities) regarding the requirements for information exchange, interaction between gas transmission operators, new standards of gas quality, prescriptive technical specifications, technical and commercial conditions for natural gas transportation and storage, regulation and taxation of energy exports and imports and anti-monopoly laws.

2. GRI Content Index and UNCTAD Indicators

GRI 103–2 GRI 103–3

GRI 102–55

GRI Content Index

Standard / Disclosure / SDG	Standard name / Disclosure name	Location in the Report	Page
GRI 101	Foundation (2016)	About the Report	10
GRI 102 General Disclosures (2016). Organizational profile			
GRI 102–1	Name of the organization	About the Gazprom Group / Gazprom Group Profile	14
GRI 102–2	Activities, brands, products, and services	About the Gazprom Group / Gazprom Group Profile	14
SDG 2, 7, 8, 9, 16, 17			
GRI 102–3	Location of headquarters	About the Gazprom Group / Gazprom Group Profile	14
GRI 102–4	Location of operations	About the Gazprom Group / Gazprom Group Profile	14
SDG 7, 17		See the website of PJSC Gazprom: https://www.gazprom.com/about/production/extraction/	
GRI 102–5	Ownership and legal form	About the Gazprom Group / Gazprom Group Profile	14
GRI 102–6	Markets served	About the Gazprom Group / Consumer Categories Identified for Gazprom's Core Products	42
SDG 7, 17		See Operations and Marketing Geography, PJSC Gazprom Annual Report 2021	
GRI 102–7	Scale of the organization	About the Gazprom Group / Gazprom Group Profile	14
SDG 7, 8, 9, 17		About the Gazprom Group / Gazprom Group's Business Model	18
		About the Gazprom Group / Contribution to Russia's Economy	21
		Employee Development / HR Management at the Gazprom Group	108
		See the Balance sheet in the consolidated financial statements prepared in accordance with IFRS as of December 31, 2021: https://www.gazprom.com/f/posts/13/041777/gazprom-ifrs-2021-12mth-en.pdf	
		As of December 31, 2021, the IFRS consolidated financial statements included the indicators of the following number of organizations: subsidiaries – 342, joint operations – 8, associated organizations and joint ventures – 55.	

GRI Content Index

Standard / Disclosure / SDG	Standard name / Disclosure name	Location in the Report	Page
GRI 102–8	Information on employees and other workers	Appendix 5. To the Employee Development section	198
RUIE – 3.1.1.			
SDG 8			
GRI 102–9	Supply chain	About the Gazprom Group / Responsible Supply Chain	37
			38
GRI 102–10	Significant changes to the organization and its supply chain	About the Gazprom Group / Gazprom Group Profile	14
		In the reporting period, the organization and its supply chain did not change materially.	
GRI 102–11	Precautionary Principle or approach	Environmental protection	78
GRI 102–12	External initiatives	Sustainability Management / The Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN Sustainable Development Goals (SDGs) in 2021	48
RUIE – 3.3.4.			
SDG 16, 17		Employee Development / Social Partnership	123
GRI 102–13	Membership of associations	Gazprom Group's Sustainability Management System / Sustainability Management in Gazprom Group's Sustainability Report 2020: https://sustainability.gazpromreport.ru/en/2020/	–
RUIE – 3.3.5.			
SDG 16, 17		See Issuer's Participation in Banking Groups, Banking Holdings, Holdings and Associations, Issuer's Report as of Q1 and Q2 2021 (in Russian): https://www.gazprom.ru/investors/disclosure/reports/2021/	
		In 2H 2021, there were no major changes in information included in this item.	
GRI 102 General Disclosures (2016). Strategy			
GRI 102–14	Statement from senior decision-maker	Message from the Chairman of the Gazprom Management Committee	2
GRI 102–15	Key impacts, risks, and opportunities	Sustainability Management / The Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN Sustainable Development Goals (SDGs) in 2021	48
		Sustainability Management / Overview of Sustainability Risks	64
GRI 102 General Disclosures (2016). Ethics and integrity			
GRI 102–16	Values, principles, standards, and norms of behaviour	About the Gazprom Group / Mission and Strategy	17
		Sustainability Management / Gazprom Group's Sustainable Development Policy	46
		Sustainability Management / Ethical Business Principles	66
GRI 102–17	Mechanisms for advice and concerns about ethics	Sustainability Management / Ethical Business Principles	67
SDG 16			
GRI 102 General Disclosures (2016). Governance			
GRI 102–18	Governance structure	See the PJSC Gazprom's Corporate Governance Structure chart and the Governing and Supervisory Bodies section of PJSC Gazprom Annual Report 2021	–
GRI 102–19	Delegating authority	Sustainability Management / Sustainability Management System	60

GRI Content Index

Standard / Disclosure / SDG	Standard name / Disclosure name	Location in the Report	Page
GRI 102-20	Executive-level responsibility for economic, environmental, and social topics	Sustainability Management / Sustainability Management System	60 61
GRI 102-21	Consulting stakeholders on economic, environmental, and social topics	Sustainability Management / Sustainability Management System	61
SDG 17		Appendix 1. Stakeholder Engagement Practices	161
GRI 102-22	Composition of the highest governance body and its committees	Sustainability Management / Sustainability Management System	61
SDG 5		See the PJSC Gazprom's Board of Directors section of PJSC Gazprom Annual Report 2021	
GRI 102-23	Chair of the highest governance body	Not an executive officer in the organization	–
GRI 102-24	Nominating and selecting the highest governance body	See the Governing and Supervisory Bodies section of PJSC Gazprom Annual Report 2021	–
SDG 5		See Article 35 of PJSC Gazprom's Articles of Association: https://www.gazprom.com/ff/posts/74/562608/gazprom-articles-2020-06-26-ed-en.pdf	
		See Resolutions of the Board of Directors On Recognizing Certain Candidates to the PJSC Gazprom's Board of Directors as Independent (in Russian): https://www.gazprom.ru/ff/posts/13/302401/meeting-protocol-decision-3604.pdf https://www.gazprom.ru/ff/posts/13/302401/meeting-protocol-decision-3603.pdf https://www.gazprom.ru/ff/posts/13/302401/meeting-protocol-decision-3602.pdf	
GRI 102-25	Conflicts of interest	Sustainability Management / Ethical Business Principles	67
SDG 16		See Clauses 5.5 and 5.7 of the Regulation on Board of Directors of PJSC Gazprom: https://www.gazprom.com/ff/posts/74/562608/regulations-board-of-directors-2019-06-28-en.pdf	
		See Note 37 Related Parties to the consolidated financial statements prepared in accordance with IFRS as of December 31, 2021: https://www.gazprom.com/ff/posts/13/041777/gazprom-ifrs-2021-12mth-en.pdf	
		See the Corporate Ethics and Anti-Corruption section of PJSC Gazprom Annual Report 2021	
GRI 102-26	Role of highest governance body in setting purpose, values, and strategy	Sustainability Management	47
		See Clause 2.4 of the Regulation on Board of Directors of PJSC Gazprom: https://www.gazprom.com/ff/posts/74/562608/regulations-board-of-directors-2019-06-28-en.pdf	
GRI 102-30	Effectiveness of risk management processes	Sustainability Management / Overview of Sustainability Risks	63
GRI 102-31	Review of economic, environmental, and social topics	Sustainability Management / Board of Directors and Management Committee Report	61

GRI Content Index

Standard / Disclosure / SDG	Standard name / Disclosure name	Location in the Report	Page
GRI 102-32	Highest governance body's role in sustainability reporting	About the Report / Overview	10
GRI 102-33	Communicating critical concerns	See the PJSC Gazprom's Board of Directors section of PJSC Gazprom Annual Report 2021	–
		See Sections 8 and 9 of the Regulation on Board of Directors of PJSC Gazprom: https://www.gazprom.com/ff/posts/74/562608/regulations-board-of-directors-2019-06-28-en.pdf	
GRI 102-34	Nature and total number of critical concerns	Sustainability Management / Board of Directors and Management Committee Report	61
		See the PJSC Gazprom's Board of Directors section of PJSC Gazprom Annual Report 2021	
GRI 102-35	Remuneration policies	See the Remuneration of Members of Governing and Supervisory Bodies section of PJSC Gazprom Annual Report 2021	–
GRI 102-37	Stakeholders' involvement in remuneration	See the Remuneration of Members of Governing and Supervisory Bodies section of PJSC Gazprom Annual Report 2021	–
GRI 102 General Disclosures (2016). Stakeholder engagement			
GRI 102-40	List of stakeholder groups	About the Report / Overview	11
GRI 102-41	Collective bargaining agreements	Employee Development / Social Partnership	123
RUIE — 3.1.4.		Appendix 5. To the Employee Development section	200
SDG 3, 4, 5, 8, 10			
GRI 102-42	Identifying and selecting stakeholders	About the Report / Overview	11
GRI 102-43	Approach to stakeholder engagement	About the Report / Overview	12
SDG 16		Appendix 1. Stakeholder Engagement Practices	161
		During the preparation of the 2021 Report, remote public consultations were held to make sure that the information disclosed is relevant for stakeholders. A total of 15 representatives of stakeholders took part in the consultations. In the course of the public consultations, 42 comments were received, including 18 suggestions to include additional information in the Report and 14 follow-up questions on the information provided in the Report. As part of the consultation process, representatives of stakeholders were given explanations on 21 comments, with another 10 comments reflected directly in the Report. 11 comments received will be handled by the Task Force for the Report preparation at its meeting in the following reporting period.	
GRI 102-44	Key topics and concerns raised	About the Report / Overview	12

GRI Content Index

Standard / Disclosure / SDG	Standard name / Disclosure name	Location in the Report	Page
GRI 102 General Disclosures (2016). Reporting practice			
GRI 102-45	Entities included in the consolidated financial statements	About the Report / Overview	11
GRI 102-46	Defining report content and topic Boundaries	About the Report / Overview	10 12
GRI 102-47	List of material topics	About the Report / Overview	12 13
GRI 102-48	Restatements of information	As the scope of data collection expanded in the reporting period, the approach to converting electricity savings from kilowatt-hours to joules changed (a direct approach with 1 million kWh equaling 0.0036 GJ was applied). To account for the change, the indicators for the periods preceding the reporting period were retrospectively recalculated.	–
GRI 102-49	Changes in reporting	To prepare the Report for 2021, the list of potentially material topics was updated ("Response to COVID-19 Pandemic and its Consequences" was added). The list of topics deemed material (important for stakeholders and under the Gazprom Group's strong impact) did not change versus the previous year. There were no significant changes of the topic boundaries versus the previous year.	–
GRI 102-50	Reporting period	About the Report / Overview	9
GRI 102-51	Date of most recent report	About the Report / Overview	8
GRI 102-52	Reporting cycle	About the Report / Overview	9
GRI 102-53	Contact point for questions regarding the report	Appendix 11. Contacts and Feedback	210
GRI 102-54	Claims of reporting in accordance with the GRI Standards	About the Report / Overview	8
GRI 102-55	GRI Content Index	Appendix 2. GRI Content Index and UNCTAD Indicators	168
GRI 102-56	External assurance	About the Report / Overview Appendix 9. Assurance by FBK, LLC (professional assurance)	9 206
GRI 103 Management Approach (2016)			
GRI 103-1	Explanation of the material topic and its Boundary	About the Report / Overview	12

GRI Content Index

Standard / Disclosure / SDG	Standard name / Disclosure name	Location in the Report	Page
GRI 103-2	The management approach and its components	About the Gazprom Group / Innovations at the Gazprom Group (material topic 6)	27 28
GRI 103-3	Evaluation of the management approach	About the Gazprom Group / Responsible Supply Chain (material topics 5, 8, 9, 28)	36
SDG 1-17		About the Gazprom Group / Quality Management System (material topics 7, 8)	40
		Environmental Protection (material topic 8)	80
		Environmental Protection / Climate Protection (material topics 10, 14, 25)	81
		Environmental Protection / Atmospheric Air Protection (material topic 10)	96
		Environmental Protection / Waste Handling (material topic 11)	101
		Environmental Protection / Water Resources Protection (material topic 12)	98
		Environmental Protection / Biodiversity Preservation (material topics 13, 15)	103
		Employee Development / HR Management at the Gazprom Group (material topics 1, 18, 19, 20, 21)	108
		Employee Development / Social Partnership (material topic 19)	123
		Process Safety (material topic 27)	128
		Process Safety / Occupational Health (material topic 8)	132
		Community Investment (material topics 22, 24, 26)	143
		About the Gazprom Group / Corporate Ethics and Values of the Gazprom Group, Gazprom Group's Sustainability Report 2020 (material topic 21)	–
		PJSC Gazprom Annual Report 2021 / Performance Results (material topic 2)	–
		Appendix 2. GRI Content Index and UNCTAD indicators	168
		Appendix 3. To About the Gazprom Group section	183
		Appendix 4. To Environmental Protection section (material topic 8)	185
Material topics			
SDG 7, 8, 9, 11, 12, 17	Innovations and R&D at the Gazprom Group	About the Gazprom Group / Innovations at the Gazprom Group	27

GRI Content Index

Standard / Disclosure / SDG	Standard name / Disclosure name	Location in the Report	Page
SDG 2, 7, 8, 9, 11, 12, 17	Gas infrastructure expansion in the Russian Federation	Community Investment / Gas Infrastructure Expansion in Russian Regions	145
SDG 2, 7, 8, 9, 11, 12, 17	Natural gas vehicle fuel market development	Environmental Protection / Climate Protection	86
SDG 2, 7, 8, 9, 11, 12, 17	Gazprom Group's efforts in replenishment of hydrocarbon reserves	See the Performance Results section of PJSC Gazprom Annual Report 2021	–
GRI 201 Economic Performance (2016)			
GRI 201–2	Financial implications and other risks and opportunities due to climate change	Sustainability Management / Overview of Sustainability Risks	64
SDG 13		Environmental Protection / Climate Protection Activities in 2021	86
		Appendix 4. To Environmental Protection section	186 190
		The financial implication and risk management costs are assessed as part of the sustainable development scenarios, which in 2023 will be the basis of PJSC Gazprom's Climate Strategy through 2050.	
GRI 203 Indirect Economic Impacts (2016)			
GRI 203–1	Infrastructure investments and services supported	Community Investment / Gas Infrastructure Expansion in Russian Regions	146
RUIE — 1.7.		Community Investment / Interaction with Indigenous Peoples	148
SDG 9		Community Investment / Charity and Volunteering	151 154
GRI 203–2	Significant indirect economic impacts	About the Gazprom Group / Contribution to Russia's Economy	22
SDG 3, 4, 8, 17, 11		Community Investment / Local Development	143
GRI 204 Procurement Practices (2016)			
GRI 204–1	Proportion of spending on local suppliers	About the Gazprom Group / Responsible Supply Chain	39
SDG 8, 11, 12			
GRI 205¹ Anti-corruption (2016)			
GRI 205–2²	Communication and training about anti-corruption policies and procedures	Sustainability Management / The Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN Sustainable Development Goals (SDGs) in 2021	59
SDG 16		Sustainability Management / Ethical Business Principles	69

¹ The risk of the Economic Security category, Corruption class was assessed for PJSC Gazprom's key subsidiaries that are included in its consolidated financial statements.

² The following information is not provided because no centralized records are kept: data broken down by region, total number and percentage of the members of governance bodies trained on the anticorruption policies and methods, data broken down by employee category and region.

GRI Content Index

Standard / Disclosure / SDG	Standard name / Disclosure name	Location in the Report	Page
GRI 206 Anti-competitive Behaviour (2016)			
GRI 206–1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	See Note 39 Operational Risks to the consolidated financial statements prepared in accordance with IFRS as of December 31, 2021: https://www.gazprom.com/f/posts/13/041777/gazprom-ifrs-2021-12mth-en.pdf	–
GRI 207 Tax (2019)			
GRI 207–1	Approach to tax	For more details on the approach to tax obligations, see the Gazprom Group's Sustainability Report 2020, page 87.	–
SDG 17			
GRI 207–2	Tax governance, control and risk management	See the Tax Policy of the Gazprom Group section of the Gazprom Group Sustainability Report 2020 and the Financial Performance section of PJSC Gazprom Annual Report 2021.	–
SDG 17			
GRI 207–3	Stakeholder engagement and management of concerns related to tax	See the Tax Policy of the Gazprom Group section of the Gazprom Group Sustainability Report 2020.	–
SDG 17			
GRI 207–4	Country-by-country reporting	Information broken down as per GRI standards is not disclosed.	–
SDG 17		See Appendix 1. GRI Content Index and UNCTAD Indicators, Gazprom Group Sustainability Report 2020	
GRI 302 Energy (2016)			
GRI 302–3	Energy intensity	Environmental Protection / Climate Protection / Energy Saving	92
RUIE — 2.2.1.			
SDG 7, 11, 12			
GRI 302–4¹	Reduction of energy consumption	Environmental Protection / Climate Protection / Energy Saving	94
SDG 7, 11, 12		Appendix 4. To Environmental Protection section	192
GRI OG 2	Total amount invested in renewable energy	Sustainability Management / The Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN Sustainable Development Goals (SDGs) in 2021	53
SDG 7, 9, 17			
GRI 303 Water and Effluents (2018)			
GRI 303–1	Interactions with water as a shared resource	Environmental Protection / Water Resources Protection	98 99
SDG 6, 11, 12		See Section 4 Responsibility for the Well-Being of Our Planet / Environmental Protection of the Gazprom Group Sustainability Report 2020	–
GRI 303–2	Management of water discharge-related impacts	Environmental Protection / Water Resources Protection	98 99
SDG 6, 11, 12		See Section 4 Responsibility for the Well-Being of Our Planet / Environmental Protection of the Gazprom Group Sustainability Report 2020	–

¹ Consolidated data for the Gazprom Group is not provided in the Report because no centralized records are kept.

GRI Content Index

Standard / Disclosure / SDG	Standard name / Disclosure name	Location in the Report	Page
GRI 303-3	Water withdrawal	Environmental Protection / Water Resources Protection	98
RUIE — 2.3.			99
SDG 6, 11, 12			
GRI 303-4	Water discharge	Environmental Protection / Water Resources Protection	98
SDG 6, 11, 12, 14			100
GRI 303-5	Water consumption	Environmental Protection / Water Resources Protection	98
RUIE — 2.3.			99
SDG 6, 11, 12			
GRI 304 Biodiversity (2016)			
GRI 304-2	Significant impacts of activities, products, and services on biodiversity	Environmental Protection / Biodiversity Preservation	104
SDG 3, 14, 15			
GRI 304-3	Habitats protected or restored	Environmental Protection / Biodiversity Preservation	103
SDG 3, 14, 15			
GRI 305 Emissions (2016)			
GRI 305-1	Direct (Scope 1) GHG emissions	Environmental Protection / Climate Protection / Control and Accounting of GHG Emissions	83
RUIE — 2.5.			
SDG 3, 11, 12, 13			
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Environmental Protection / Climate Protection / Control and Accounting of GHG Emissions	83
RUIE — 2.5.			
SDG 3, 11, 12, 13			
GRI 305-3	Other indirect (Scope 3) GHG emissions	Environmental Protection / Climate Protection / Control and Accounting of GHG Emissions	84
RUIE — 2.5.			
SDG 3, 11, 12, 13			
GRI 305-4	GHG emissions intensity	Environmental Protection / Climate Protection / Control and Accounting of GHG Emissions	84
SDG 11, 12, 13			
GRI 305-5	Reduction of GHG emissions	Environmental Protection / Climate Protection / Energy Saving	94
SDG 11, 12, 13			
GRI 305-6	Emissions of ozone-depleting substances (ODS)	Environmental Protection / Climate Protection / Atmospheric Air Protection	97
SDG 3, 11, 12, 13			
GRI 305-7	Nitrogen oxides (NO _x), sulphur oxides (SO _x), and other significant air emissions	Environmental Protection / Climate Protection / Atmospheric Air Protection	97
RUIE — 2.6.			
SDG 3, 11, 12, 13			

GRI Content Index

Standard / Disclosure / SDG	Standard name / Disclosure name	Location in the Report	Page
GRI 306 Waste (2020)			
GRI 306-1	Waste generation and significant waste-related impacts	Environmental Protection / Waste Handling	101
RUIE — 2.7., 2.7.2.		Appendix 4. To Environmental Protection section	193
SDG 3, 6, 11, 12, 14, 15			
GRI 306-2	Management of significant waste-related impacts	Environmental Protection / Waste Handling	101
RUIE — 2.8.			
SDG 3, 6, 11, 12, 14, 15			
GRI 306-3	Waste generated	Appendix 4. To Environmental Protection section	193
RUIE — 2.9.			195
SDG 3, 6, 11, 12, 14, 15			
GRI 306-4	Waste diverted from disposal	Appendix 4. To Environmental Protection section	194
SDG 6, 11, 12, 14, 15		The data is collected using the methodology set out in statistic form 2-TP (waste). For the lack of centralized records, no breakdown is given for the following operations (separately at the facility and by third parties): 1. Reusing waste for the intended purpose (recycling); 2. Bringing back to the production cycle after appropriate treatment (recovery); 3. Other waste disposal actions.	
		No breakdown by waste class for the Gazprom Group is given due to the lack of centralized records.	
GRI 306-5	Waste directed to disposal	Appendix 4. To Environmental Protection section	194
SDG 6, 11, 12, 14, 15		The Gazprom Group does not use incineration with energy generation. Incineration with energy generation is not classified as a separate category of waste management.	
		No breakdown by waste class for the Gazprom Group is given due to the lack of centralized records.	
GRI OG 6	Volume of flared and vented hydrocarbon	Environmental Protection / Atmospheric Air Protection	97
SDG 3, 6, 11, 12, 14			
GRI OG 7	Amount of drilling waste (drill mud and cuttings) and strategies for treatment and disposal	Appendix 4. To Environmental Protection section	195
SDG 3, 6, 11, 12			
GRI 307 Environmental Compliance (2016)			
GRI 307-1	Non-compliance with environmental laws and regulations	Appendix 4. To Environmental Protection section	185
RUIE — 2.10.			
SDG 11, 12, 14, 15			

GRI Content Index

Standard / Disclosure / SDG	Standard name / Disclosure name	Location in the Report	Page
GRI 401 Employment (2016)			
GRI 401-1 SDG 8	New employee hires and employee turnover	Appendix 5. To the Employee Development section In line with PJSC Gazprom's by-laws, personnel loss (and hiring) turnover is calculated as the ratio of the number of quitters (hired) to the average headcount, including external part-timers. Since the Group does not have an average headcount breakdown by gender and age, no hiring and personnel loss rates are disclosed with a breakdown by age and gender. Records are kept broken down by region for the number of quitters (hired) and the average headcount, including external part-timers. The number of quitters (hired) broken down by region is given in the Sustainability Report. The Group does not plan to have an average headcount breakdown by gender and age due to the extensive efforts required to implement additional analytical resources to keep records of the average headcount.	197
GRI 401-2 SDG 8	Benefits provided to fulltime employees that are not provided to temporary or part-time employees	Employee Development / HR Management at the Gazprom Group	114
GRI 403 Occupational Health and Safety (2018)			
GRI 403-1 SDG 8	Occupational health and safety management system	Process Safety / Process Safety Management The labor safety management system operates in line with the Labor Code of the Russian Federation ¹ and other laws and regulations of the Russian Federation. It applies to employees of PJSC Gazprom, its subsidiaries, entities and branches that operate within Russia. PJSC Gazprom's representative offices are located abroad and are bound by requirements of the country they are located in. STO Gazprom 18000.1-001-2021 Integrated System of Process Safety Management. Key Provisions regulates regional aspects of the system's application in Belarus and Armenia.	129
GRI 403-2 SDG 8	Hazard identification, risk assessment, and incident investigation	Process Safety / Process Safety Management Process Safety / Occupational Health	129 133
GRI 403-3 SDG 8	Occupational health services	Employee Development / HR Management at the Gazprom Group Process Safety / Occupational Health	116 132

GRI Content Index

Standard / Disclosure / SDG	Standard name / Disclosure name	Location in the Report	Page
GRI 403-4 SDG 8	Worker participation, consultation, and communication on occupational health and safety	Employee Development / Social Partnership Process Safety / Occupational Health	124 133
GRI 403-5 RUIE — 1.4. SDG 4, 8	Worker training on occupational health and safety	Process Safety / Occupational Health	133
GRI 403-6 RUIE — 1.4. SDG 3, 8	Promotion of worker health	Employee Development / HR Management at the Gazprom Group Process Safety / Occupational Health	116 132
GRI 403-7 SDG 8	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Process Safety / Occupational Health	137
GRI 403-8 SDG 8	Workers covered by an occupational health and safety management system	Process Safety / Process Safety Management	131
GRI OG 13 SDG 3, 8	Number of process safety events, by business activity	Process Safety / Occupational Health	138
GRI 404 Training and Education (2016)			
GRI 404-1 RUIE — 3.1.10. SDG 4, 8	Average hours of training per year per employee	Employee Development / HR Management at the Gazprom Group In line with PJSC Gazprom's by-laws, the average duration of training is calculated as the ratio of the total number of training hours to the average headcount, excluding external part-timers. Since the Group does not have an average headcount breakdown by gender, the average duration of training per female and male employee cannot be provided.	119
GRI 404-2 SDG 4, 8	Programs for upgrading employee skills and transition assistance programs	Employee Development / HR Management at the Gazprom Group	119
GRI 405 Diversity and Equal Opportunity (2016)			
GRI 405-1 RUIE — 3.1.12. SDG 5, 8, 10	Diversity of governance bodies and employees	Employee Development / HR Management at the Gazprom Group See UNCTAD D.1.2 and D.1.3.	109
GRI 406 Non-discrimination (2016)			
GRI 406-1 RUIE — 3.2.2. SDG 5, 8, 10	Incidents of discrimination and corrective actions taken	Employee Development / HR Management at the Gazprom Group	111

¹ Labor Code of the Russian Federation No. 197-FZ dated December 30, 2001.

GRI Content Index

Standard / Disclosure / SDG	Standard name / Disclosure name	Location in the Report	Page
GRI 411 Rights of Indigenous Peoples (2016)			
GRI 411-1 RUIE — 3.2.3. SDG 10	Incidents of violations involving rights of indigenous peoples	Community Investment / Local Development	149
GRI 413 Local Communities (2016)			
GRI 413-1¹ RUIE — 3.3.3. SDG 1, 2, 3, 4, 8, 10, 11	Operations with local community engagement, impact assessments, and development programs	Community Investment / Local Development Community Investment / Charity and Volunteering	143 152 154
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	No significant actual or potential negative impact on local communities was detected in the reporting period	–
GRI OG 9 SDG 1, 2, 3, 4, 8, 10, 11	Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place	Community Investment / Local Development	148
GRI OG 10 RUIE — 3.2.3. SDG 10	Number and description of significant disputes with local communities and indigenous peoples	Community Investment / Local Development	149
GRI OG 12 RUIE — 3.2.3.	Operations where involuntary resettlement took place, the number of households resettled in each and how their livelihoods were affected in the process	Community Investment / Local Development	148
GRI 416 Customer Health and Safety (2016)			
GRI 416-2 SDG 3, 12 RUIE — 3.4.2.	Incidents of non-compliance concerning the health and safety impacts of products and services	About the Gazprom Group / Quality Management System	41
GRI 419 Socioeconomic Compliance (2016)			
GRI 419-1	Non-compliance with laws and regulations in the social and economic area	About the Gazprom Group / Responsible Supply Chain About the Gazprom Group / Quality Management System Employee Development / Social Partnership Process Safety / Occupational Health	37 40 124 136

¹ The share (in per cent) of operations in which community engagement programs have been implemented is not provided because no centralized records are kept.

UNCTAD Indicators

Indicator code	Area	Indicator	Disclosure	Page
A. Economic area				
A.1	Revenue and/or (net) value added	A.1.1: Revenue	About the Gazprom Group / Gazprom Group Profile	21
A.2	Payments to the Government	A.2.1: Taxes and other payments to the Government ¹	About the Gazprom Group / Gazprom Group Profile	21
A.3	New investment/ expenditures	A.3.1: Green investment	Appendix 4. To Environmental Protection section	185
		A.3.2: Community investment	Community Investment / Local Development	143
		A.3.3: Total expenditures on research and development	About the Gazprom Group / Innovations at the Gazprom Group	28
A.4	Local supplier/ purchasing programs	A.4.1: Percentage of local procurement	About the Gazprom Group / Responsible Supply Chain	39
B. Environmental area				
B.1	Sustainable use of water	B.1.1: Water recycling and reuse	Environmental Protection / Water Resources Protection	100
		B.1.2: Water use efficiency	Sustainability Management / The Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN Sustainable Development Goals (SDGs) in 2021	52
		B.1.3: Water stress	Environmental Protection / Water Resources Protection	100
B.2	Waste management	B.2.1: Reduction of waste generation	Appendix 4. To Environmental Protection section	193
		B.2.2: Waste reused, re-manufactured and recycled	Appendix 4. To Environmental Protection section	193
		B.2.3: Hazardous waste	Environmental Protection / Waste Handling	193
B.3	Greenhouse gas emissions	B.3.1: Greenhouse gas emissions (Scope 1)	Environmental Protection / Climate Protection	83
		B.3.2: Greenhouse gas emissions (Scope 2)	Environmental Protection / Climate Protection	83
B.4	Ozone-depleting substances and chemicals	B.4.1: Ozone-depleting substances and chemicals	Environmental Protection / Climate Protection	97
B.5	Energy consumption	B.5.1: Renewable energy	Sustainability Management / The Gazprom Group's contribution to achieving the national development goals of the Russian Federation and the UN Sustainable Development Goals (SDGs) in 2021	53

¹ VAT is not included since this tax is indirect and actually paid by consumers of products, work and services.

Indicator code	Area	Indicator	Disclosure	Page
C. Social area				
C.1	Gender equality	C.1.1: Proportion of women in managerial positions	Employee Development / HR Management at the Gazprom Group	109
C.2	Human capital	C.2.1: Average hours of training per year per employee	Employee Development / HR Management at the Gazprom Group	119
		C.2.3: Employee wages and benefits as a proportion of revenue, with breakdown by employment type and gender	Total payroll (salaries and social benefits) to total revenue ratio for the reporting period: 0.086	-
C.3	Employee health and safety	C.3.1: Expenditures on employee health and safety as a proportion of revenue	Employee Development / HR Management at the Gazprom Group 0.39% of the Gazprom Group's revenue is spent on industrial safety, occupational safety, and health protection activities ¹ .	131
		C.3.2: Frequency/incident rates of occupational injuries	Process Safety / Occupational Health	134
C.4	Coverage by collective agreements	C.4.1: Percentage of employees covered by collective agreements	Employee Development / Social Partnership	123
D. Institutional area				
D.1	Corporate governance disclosure	D.1.1: Number of board meetings and attendance rate	Sustainability Management / Board of Directors and Management Committee Report	61
		D.1.2: Number and percentage of female board members	There are no female members of PJSC Gazprom's Board of Directors.	-
		D.1.3: Board members by age range	Composition of PJSC Gazprom's Board of Directors by age range: • over 50 y.o. – 10 people; • 30 to 50 y.o. – 1 person.	-
		D.1.4: Number of meetings of audit committee and attendance rate	Sustainability Management / Board of Directors and Management Committee Report	61
		D.1.5: Compensation: total compensation per board member (both executive and nonexecutive directors)	Remuneration of Members of Governing and Supervisory Bodies, PJSC Gazprom Annual Report 2021	-
D.2	Anti-Corruption	D.2.1: Amount of fines paid or payable due to settlements	In the reporting period, the Gazprom Group faced no fines paid or payable in relation to corruption.	-
		D.2.2: Average number of hours of training on anti-corruption issues, per year per employee	0.1 hours	-

¹ Without Gazprom Neft Group.

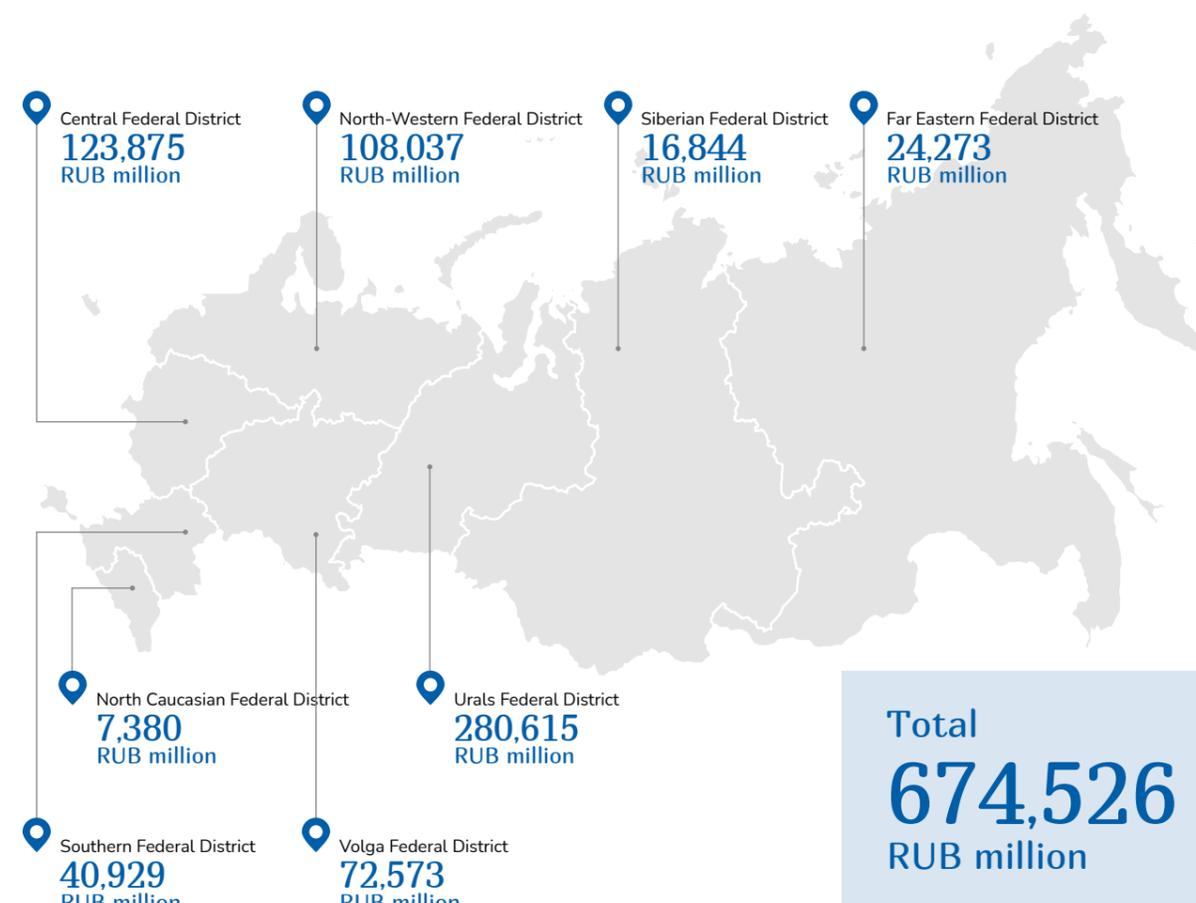
3. To About the Gazprom Group section

GRI 103-2 GRI 103-3

PJSC Gazprom's share capital structure, %

Shareholder	As of December 31, 2020	As of December 31, 2021
The Russian Federation represented by the Federal Agency for State Property Management	38.37	38.37
JSC Rosneftgaz	10.97	10.97
JSC Rosgazifikatsiya	0.89	0.89
ADR holders ¹	16.71	16.16
Other registered persons	33.06	33.61

Taxes paid by the Gazprom Group to regional budgets in 2021, RUB million



¹ The issuing bank of ADRs for PJSC Gazprom's shares is the Bank of New York Mellon.

4. To Environmental Protection section

The data collection perimeter for the Environmental Protection section (unless otherwise stated)

PJSC Gazprom, the Company – the parent company of the Gazprom Group – Public Joint-Stock Company Gazprom – and its 100% subsidiaries and entities involved in exploration, production, transportation, underground storage, processing of hydrocarbons, as well as operation of the Unified Gas Supply System (UGSS):

Gazprom Dobycha Astrakhan LLC, Gazprom Dobycha Irkutsk LLC, Gazprom Dobycha Krasnodar LLC, Gazprom Dobycha Kuznetsk LLC, Gazprom Dobycha Nadym LLC, Gazprom Dobycha Noyabrsk LLC, Gazprom Dobycha Orenburg LLC, Gazprom Dobycha Urengoy LLC, Gazprom Dobycha Shelf Yuzhno-Sakhalinsk LLC, Gazprom Dobycha Yamburg LLC, Gazprom Nedra LLC, Gazprom Transgaz Volgograd LLC, Gazprom Transgaz Grozny LLC, Gazprom Transgaz Yekaterinburg LLC, Gazprom Transgaz Kazan LLC, Gazprom Transgaz Krasnodar LLC, Gazprom Transgaz Makhachkala LLC, Gazprom Transgaz Moscow LLC, Gazprom Transgaz Nizhny Novgorod LLC, Gazprom Transgaz Samara LLC, Gazprom Transgaz Saint Petersburg LLC, Gazprom Transgaz Saratov LLC, Gazprom Transgaz Stavropol LLC, Gazprom Transgaz Surgut LLC, Gazprom Transgaz Tomsk LLC, Gazprom Transgaz Ufa LLC, Gazprom Transgaz Ukhta LLC, Gazprom Transgaz Tchaikovsky LLC, Gazprom Transgaz Yugorsk LLC, Gazprom UGS LLC, Gazprom Pererabotka LLC, Gazprom NGHK LLC, Gazprom Energo LLC, Gazprom Tsentrremont LLC, Gazprom Geotekhnologii LLC, Gazprom Gazomotornoye Toplivo LLC, Gazpromavia Aviation Company LLC, Gazpromtrans LLC, Gazprom Flot LLC, Gazprom Invest LLC, Gazprom Sotsinvest LLC, Gazprom trubinvest LLC.

Gazprom Neft Group and **Gazprom Neft** mean PJSC Gazprom Neft and its subsidiaries.

Gazprom Neftekhim Salavat means Gazprom Neftekhim Salavat LLC and its subsidiaries.

Gazprom Energoholding means Gazprom Energoholding LLC and its subsidiaries (PJSC Mosenergo, PJSC MOEK, PJSC OGC-2, PJSC TGC-1).

Gazprom Mezhrefiongaz Group, or Gazprom Mezhrefiongaz, means Gazprom Mezhrefiongaz LLC and its subsidiaries.

The **Gazprom Group, Gazprom** or the **Group** mean PJSC Gazprom (with all the above subsidiaries and fully-owned entities) and the following companies:

Gazprom Neft Group, Gazprom Energoholding, Gazprom Neftekhim Salavat, Vostokgazprom Group, Gazprom Mezhrefiongaz Group, JSC Daltransgaz, Sakhalin Energy Investment Company Ltd. (Sakhalin Energy), OJSC Severneftegazprom, CJSC Purgaz.

The Group's gas business companies include PJSC Gazprom (100% of its subsidiaries and entities involved in production, transportation, underground storage and refining of hydrocarbons, as well as operation of the UGSS): Gazprom Mezhrefiongaz, Vostokgazprom Group (JSC Gazprom Dobycha Tomsk), JSC Daltransgaz, Sakhalin Energy Investment Company Ltd., OJSC Severneftegazprom, CJSC Purgaz.

The environmental impact, ecological and economic indicators are shown for the Gazprom Group's operations in Russia.

UNCTAD A.3.1

The Gazprom Group's environmental protection expenditures, RUB million

Indicator	2019	2020	2021	Change 2021/2020, %
Investments in capital assets aimed at environmental protection and rational use of natural resources	20,421.32	13,987.15	60,529.57	332.8
Current environmental protection expenditures	32,180.11	34,440.66	36,303.25	5.4
Negative environmental impact fees	617.68	693.11	710.64	2.5
The Gazprom Group, total	53,219.11	49,120.92	97,543.46	98.6

GRI 103–2 GRI 103–3 GRI 307–1

Environmental penalties paid by the Gazprom Group (excluding joint operations) in the Russian Federation, RUB million

Indicator	2019	2020	2021	Change 2021/2020, %
Penalties paid	14.63	12.38	23.86	92.7

Breakdown of the Group's environmental penalties by company, RUB million

Gazprom Neft Group	13.59
PJSC Gazprom	8.21
Gazprom Energoholding	0.79
Other Group companies	1.27

GRI 201-2-1

**Financial implications and other risks and opportunities due to climate change
(in accordance with the TCFD recommendations)**

Risk/opportunity	Type	Exposure	Financial implications before mitigants	Probability	Materiality	Specific impact on the Company
Risk 1: Carbon tax introduction	Transitional	Higher indirect (operating) costs as a result of Russia potentially introducing taxes to ensure the achievement of national commitments to reduce GHG emissions.	Higher costs due to the introduction of GHG emission fees.	Low	Moderately high	Tax payments will increase PJSC Gazprom's financial burden and impact expenditure restructuring and optimization, in particular resulting in less spending on GHG emission reduction projects.
Risk 2: Emissions cap and trade	Transitional	Higher production costs and weaker competitive capacity due to Russia introducing the law on GHG emission reduction in 2021 to determine the accounting mechanism for corporate emissions, and potential caps in this area that may force PJSC Gazprom to cut emissions below economically viable levels and targets.	Higher production costs and weaker competitive capacity.	Low	Moderately high	The new law may have an impact on the Company, for instance, in the form of higher operating expenses as a result of carbon emission taxes, marginal rates or trading mechanisms, and a weaker competitive position. This risk will prompt the Company to look for new markets and target new domains.
Risk 3: Emerging laws and regulations for existing products/services	Transitional	Lower revenues due to weaker demand for products and services. The Paris Agreement is giving rise to new regulatory requirements as countries seek to meet their stated GHG reduction contributions. The countries that rely on natural gas supplied by Gazprom may potentially impose legal requirements or implement measures to support renewable energy to meet their national commitments to reduce GHG emissions, which is likely to result in lower demand for gas.	Lower revenues due to weaker demand for products and services.	Low	High	The EU's high subsidies for green hydrogen projects may affect the future demand for blue hydrogen and natural gas. Weaker demand for products and services will reduce PJSC Gazprom's revenue and force the Company to introduce mitigants and preventive measures, including tapping into new sales markets and niches for natural gas application. This risk will prompt the Company to look for new markets and target new domains.
Risk 4: Changes in the average temperature. Snow and ice	Physical	Possible deviations from standard operating procedures and process flows due to changing average temperatures, which translates into seasonal production drops; thawing of the most sensitive frozen soils; weather hazards rising in number and strength; shorter periods of winter roads operation.	Higher operating expenses, lower revenues.	Possible	Moderately high	At high risk is a major gas production facility with prospective annual volumes comparable to current domestic supplies and twice as much as non-FSU supplies. This risk may translate into higher operating expenses and greater financial burden for the Company, including spending on additional monitoring of infrastructure in the permafrost area and reconstruction of deformed facilities. The Company takes proactive measures aimed at stabilizing soils, among other things, as part of its program to adapt business activities to climate and geocryological changes.

Risk/opportunity	Type	Exposure	Financial implications before mitigants	Probability	Materiality	Specific impact on the Company
Risk 5: Extreme weather hazards rising in frequency and strength	Physical	Lower productivity/downtime and weaker revenues are possible due to risks of adverse weather conditions (wind storms, squalls, hail, steady rain, extreme fire danger, severe flooding, etc.) Hazardous natural phenomena may take place in the location of PJSC Gazprom's process facilities with varying frequency and duration.	Lower productivity/downtime. Lower revenues.	Possible	Moderately high	Due to weather hazards, the regions where Gazprom operates extensive infrastructure are potentially exposed to the risks of damage to buildings and structures, higher failure rates of pipeline transportation systems and deformation of water supply and sewerage systems, which may result in emergencies. This risk may translate into high construction and reconstruction costs and a decrease in revenues equivalent to the value of gas lost in an emergency. Updating corporate standards enables the Company to factor in risks during the design and operation of buildings and structures.
Risk 6: Changes in the bearing capacity of permafrost soils, emerging dangerous exogenous processes	Physical	Destruction of supporting infrastructure across Gazprom's production and transportation systems driven by dangerous exogenous processes (water thermal erosion, thermokarst, cryoplanation, solifluction, frost heaving, etc.).	Destruction of supporting infrastructure, higher operating expenses.	Possible	High	The Company's operating expenses may rise due to damage caused by changes in the permafrost bearing capacity, emerging dangerous exogenous processes and their impact on PJSC Gazprom's facilities and supporting infrastructure in the Far North.
Risk 7: Deterioration of the Company's reputation (image) due to its failure to meet the stated GHG reduction targets	Transitional	Lower revenues due to weaker demand for products and services. Weaker market capitalization and investment case if the risk materializes.	Lower revenues due to weaker demand for products and services.	Extremely low	Low	We cannot quantify risk consequences, as responses from various stakeholder groups (investors, customers, government agencies, etc.) may vary significantly depending on other external factors. Our products have a minimum carbon footprint.
Risk 8: Changing consumer behaviors	Transitional	Lower revenues caused by weaker demand for products and services on the back of an increased importance of carbon intensity in production, and consumer preferences shifting in favor of renewable energy.	Lower revenues due to weaker demand for products and services.	Low	Moderately high	The carbon intensity becomes increasingly important as it affects competitiveness of products in the commodity and financial markets. The onrush of alternative energy sources threatens to shift consumer preferences in favor of renewable energy.
Risk 9: Uncertain market environment	Transitional	Higher CAPEX as a result of the EU considering imposing prohibitive customs barriers and duties on products originating from the countries that defy GHG reduction efforts.	Higher CAPEX.	Low	Moderately high	The proposed revision of the EU Energy Taxation Directive, carbon border adjustment mechanism for certain local industries, and legislative amendments to strengthen the climate change policy due to changes in the EU Emissions Trading System Directive may bring about additional restrictions on Russian gas supplies to the region. This risk will prompt the Company to look for new markets and enter new niches.

GRI 201-2-2

**Financial implications and other risks and opportunities due to climate change
(in accordance with the TCFD recommendations)**

Risk/opportunity	Type	Exposure	Financial implications before mitigants	Probability	Materiality	Specific impact on the Company
Opportunity 1: Development and/or expansion of low-emission products and services	Products and services	Higher revenues driven by stronger demand for lower-emission products and services. Transport migration to natural gas helps significantly reduce emissions during fuel production and along the entire production chain. Growth of Gazprom's NGV fuel sales correlates directly with reduction of GHG emissions.	Higher revenues driven by stronger demand for a broader offering of lower-emission products and services.	Very high	Moderately low	Natural gas production and sales as motor fuel is a strategic business of PJSC Gazprom.
Opportunity 2: Low-emission energy sources	Energy resource	Lower operating expenses (for example, by using the least expensive emission reduction techniques). Potential for increased natural gas consumption in energy generation due to a smaller share of coal-fired generation and stronger demand for natural gas driven by gasoline and diesel replacement by gas motor fuel.	Lower operating expenses (for example, by using the least expensive emission mitigating techniques).	Relatively high	Moderately high	Gazprom Energoholding's energy mix saw coal and fuel oil replaced by natural gas, which led to a significant reduction of emissions, including pollutants, into the air. The company launched new highly efficient generating capacities while also decommissioning obsolete underperforming equipment. In particular, this helped cut sulphur dioxide emissions and relevant fees as a result.
Opportunity 3: Carbon market participation	Markets	Emission quota trading will give a strong push to carbon prices and stimulate replacement of coal as a fossil fuel with natural gas.	Return on investments in low-emission technology.	Possible	Low	PJSC Gazprom is considering participation in pilot climate projects and carbon unit trading (emission quotas and units of emission reduction driven by climate projects). This will enable us to gain experience in such initiatives related to offsetting emissions.
Opportunity 4: Lower demand for fuel and energy resources	Energy resource	An increase in the average temperature will cause the Company to produce and purchase less electricity and consumer demand for fuel and energy to drop.	Lower operating expenses.	Relatively low	Low	An increase in the average temperature will cause the Company to produce and purchase less electricity and, therefore, generate less Scope 1 and 2 GHG emissions.
Opportunity 5: Higher loyalty and trust from stakeholders	Sustainability	Sustainable corporate reputation (image) translated into higher loyalty and trust from stakeholders and a stronger demand for current products and services	Higher shareholder value.	More likely than not	Medium	GHG reduction programs and initiatives and publications about GHG emissions in mass media improve stakeholder trust and loyalty and contribute to the alignment of the Gazprom Group's activities in the regions of operation with stakeholder initiatives.
Opportunity 6: Use of new technology and development of hydrogen energy projects	Energy resource	Production and use of hydrogen and methane mixtures significantly reduces GHG and other emissions of heat engines.	Development of hydrogen energy driven by industrial production of hydrogen. Expanding the product range, penetrating new niches.	Relatively high	Medium	PJSC Gazprom patented the most economically viable method to produce hydrogen and methane mixture from natural gas by means of adiabatic conversion using off-gas heat. Hydrogen and methane mixture used in the gas turbine unit helps cut CO ₂ emissions. In 2021, to create and pilot innovative low-carbon technologies in production, storage, transportation and use of hydrogen and methane mixtures and hydrogen produced from natural gas and develop applications for our own processes, we set up a dedicated unit, Gazprom Hydrogen.
Opportunity 7: Use of more efficient production and distribution processes	Efficient use of resources	Carbon footprint of the Russian natural gas tends to decrease due to annual upgrades and energy efficiency improvements in the gas transmission system. Reduction of GHG emissions correlates directly with a decrease in natural gas (methane) losses during transportation and a technology-based reduction in natural gas consumption for internal needs.	Lower operating expenses (for example, by improving efficiency and reducing costs).	Almost surely	High	Innovative technology used by PJSC Gazprom to reduce gas losses during transportation helps shrink the carbon footprint of Russian natural gas.

Fuel and Energy Savings

GRI 302-4

The following standards were used to calculate the fuel and energy savings:

1. STO Gazprom 3.3-2-044-2016 Standards and Targets of Resource Consumption, Equipment Usage and Inventory Development at PJSC Gazprom. Methodology of Setting Natural Gas Consumption Limits for Internal Process Needs and Technological Losses during Trunkline Gas Transportation;
2. STO Gazprom 2-1.20-601-2011 Methodology of Estimating the Effect of Fuel and Energy Savings from Internal Process Needs of the Gas Trunkline Transportation;
3. STO Gazprom 2-1.9-191-2008 Methodology of Estimating the Heat Consumption Limits for the Internal Process Needs of OJSC Gazprom's Gas Transportation Businesses;
4. STO Gazprom 2-3.5-113-2007 Methodology for Assessing Energy Efficiency of Gas Transportation Facilities and Systems;
5. STO Gazprom 3.3-2-001-2006 Methodology of Setting Power Consumption Limits for Internal Process Needs of Gas Transportation;
6. STO Gazprom 3.0-2006 Standards and Targets of Resource Consumption, Equipment Usage and Inventory Development at OJSC Gazprom. Main Provisions;
7. STO Gazprom RD 1.19-126-2004 Methodology of Estimating Unit Gas Consumption Standards for Heat Generation and Calculation of Losses in Heating Systems (Boiler Stations and Heat Supply Networks);

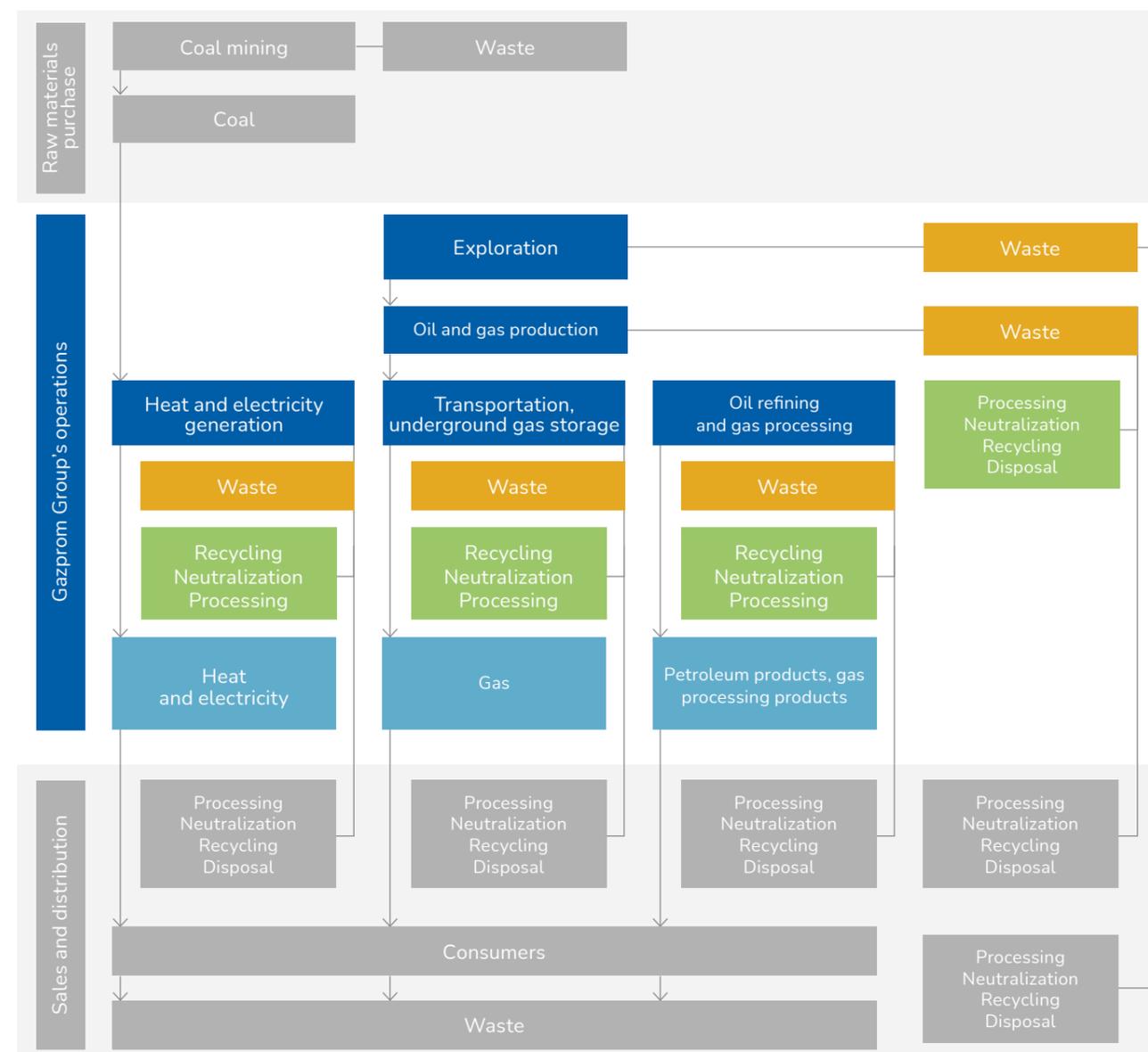
8. R Gazprom 2-1.20-819-2014 Methodology of Estimating the Amount of Fuel and Energy Savings from Implementation of Energy Saving Initiatives at the Subsidiaries;
9. R Gazprom 2-1.20-742-2013 Methodology of Defining the Energy Saving Potential of Process Facilities.

Fuel and energy savings are shown for PJSC Gazprom's subsidiaries:

Gazprom Dobycha Astrakhan LLC, Gazprom Dobycha Krasnodar LLC, Gazprom Dobycha Nadym LLC, Gazprom Dobycha Noyabrsk LLC, Gazprom Dobycha Orenburg LLC, Gazprom Dobycha Urengoy LLC, Gazprom Dobycha Shelf Yuzhno-Sakhalinsk LLC, Gazprom Dobycha Yamburg LLC, OJSC Gazprom Transgaz Belarus, Gazprom Transgaz Volgograd LLC, Gazprom Transgaz Grozny LLC, Gazprom Transgaz Yekaterinburg LLC, Gazprom Transgaz Kazan LLC, Gazprom Transgaz Krasnodar LLC, Gazprom Transgaz Makhachkala LLC, Gazprom Transgaz Moscow LLC, Gazprom Transgaz Nizhny Novgorod LLC, Gazprom Transgaz Samara LLC, Gazprom Transgaz Saint Petersburg LLC, Gazprom Transgaz Saratov LLC, Gazprom Transgaz Stavropol LLC, Gazprom Transgaz Surgut LLC, Gazprom Transgaz Tomsk LLC, Gazprom Transgaz Ufa LLC, Gazprom Transgaz Ukhta LLC, Gazprom Transgaz Tchaikovsky LLC, Gazprom Transgaz Yugorsk LLC, Gazprom Pererabotka LLC, Gazprom UGS LLC, Gazprom Energo LLC, Gazprom Mezhtregiongaz LLC.

Waste handling at the Gazprom Group

GRI 306-1



GRI 306-3

UNCTAD B.2.1

UNCTAD B.2.2

UNCTAD B.2.3

Gazprom Group's waste production by type, %

Waste type	2019	2020	2021	Change 2021/2020, p.p.
Bottom ash waste	44	37	38	1
Drilling waste	27	34	34	0
Oil sludge	6	9	5	-4
Other	23	20	23	3

Gazprom Group companies' waste generation by hazard class, thousand tons

Indicator	2019	2020	2021	Change 2021/2020, %
Hazard Class I	0.24	0.23	0.21	-8.7
Hazard Class II	0.83	0.79	0.95	20.3
Hazard Class III	154.59	244.36	99.10	-59.4
Hazard Class IV	1,293.21	1,510.33	1,417.81	-6.1
Hazard Class V (almost non-hazardous waste)	1,888.21	1,474.12	1,528.51	3.7
Total	3,337.08	3,229.83	3,046.59	-5.7
Class I and II waste in total waste generated, %	0.03	0.03	0.04	0.01 p.p.

The increase in the Hazard Class II waste generation (up 20.3% year-on-year) was driven by a large number of scheduled maintenance, write-off and disassembly works on motor vehicles, which involve the replacement of automotive batteries, and the replacement of batteries for uninterrupted power supply systems at several subsidiary facilities.

GRI 306-4 GRI 306-5

Waste handed over for recycling, thousand tons

Indicator	2019	2020	2021	Change 2021/2020, %
Total, incl.:	1,173.66	1,479.79	1,405.75	-5.0
waste recycled at the facility	94.71	58.58	285.01	386.5
waste handed over to other business entities for recycling	1,078.95	1,421.21	1,120.74	-21.1

Waste handed over to neutralization, storage or otherwise treated, thousand tons

Indicator	2019	2020	2021	Change 2021/2020, %
Total waste managed, incl.:	126,931.2	128,068.5	128,814.0	0.6
generated as of the beginning of the reporting year	123,507.3	124,735.7	125,661.5	0.7
generated in the reporting year	3,337.1	3,229.8	3,046.6	-5.7
received from other business entities	86.8	103.0	105.9	2.8
Processed at the facility	0.0	0.0	0.0	0.0
Recycled at the facility	94.7	58.6	285.0	386.3
Neutralized at the facility	67.4	90.2	102.9	14.1

Indicator	2019	2020	2021	Change 2021/2020, %
Handed over to other business entities:				
for processing	5.2	28.5	15.6	-45.3
for recycling	1,079.0	1,421.2	1,120.7	-21.1
for neutralization	231.9	247.5	196.1	-20.8
for storage	1.4	2.4	13,250.4	552,000.0
for burial	335.9	285.3	186.7	-34.6
Disposed at operated (own) storage facilities	1,168.7	926.8	902.3	-2.6
Disposed at operated (own) burial facilities	383.3	265.0	344.2	29.9
Generated as of the end of the reporting year	124,732.3	125,669.8	113,312.3	-9.8

Waste handed over to other business entities for storage increased significantly because, as of the beginning of the year, PJSC OGC-2 (Gazprom Energoholding) recorded bottom ash waste transferred to Krasnoyarskaya GRES-2 which, together with its waste accumulated on storage sites, became the property of another legal entity as a result of a sale and purchase transaction.

Handling of oil-contaminated waste at the Gazprom Group, %

Activity	2019	2020	2021	Change 2021/2020, p.p.
Waste handed over to other business entities for recycling and neutralization	33	63	57	-6
Waste handed over to other business entities for disposal	32	19	5	-14
Present at the enterprise as of the end of the reporting year, including storage facilities	35	18	38	20

GRI OG 7 GRI 306-3

Handling of drilling waste at the Gazprom Group

Indicator	2019	2020	2021	Change 2021/2020
Total drilling waste managed, thousand tons	1,065.9	1,354.9	1,348.73	-0.46%
Waste handed over to other business entities for recycling and neutralization	74	72	54	-18 p.p.
Present at the enterprise as of the end of the reporting year, incl. storage facilities, %	21	23	27	4 p.p.
Recycled at the enterprise, %	0	3	17	14 p.p.
Disposed of at own storage and burial facilities, %	5	2	2	0 p.p.

5. To the Employee Development section

GRI 102-8

Headcount as of the end of the reporting period by employment contract type, **thousand people**

2019		2020		2021	
Fixed-term employment contract	Indefinite-term employment contract	Fixed-term employment contract	Indefinite-term employment contract	Fixed-term employment contract	Indefinite-term employment contract
28.5	445.3	31.2	446.4	32.7	446.5

Headcount as of the end of the reporting period by employment contract type and gender, **thousand people**

2020				2021			
Fixed-term employment contract		Indefinite-term employment contract		Fixed-term employment contract		Indefinite-term employment contract	
Male	Female	Male	Female	Male	Female	Male	Female
17.3	13.9	324.9	121.5	18.5	14.2	324.0	122.5

Headcount as of the end of the reporting period by region, **thousand people**

Federal district / foreign countries	2019	2020	2021	Change 2021/2020, %	Reason for change
Far Eastern Federal District	6.9	8.6	10.2	18.6	The increase was driven by: <ul style="list-style-type: none"> the implementation of strategic projects in gas processing and transportation; food service expansion.
Volga Federal District	87.8	86.6	86.4	-0.2	
North-Western Federal District	63.8	67.7	70.7	4.4	The increase was driven by: <ul style="list-style-type: none"> the creation of additional FTEs for companies implementing PJSC Gazprom's investment program; the establishment of Gazprom Gazifikatsiya as part of the Group; an agreed increase in the headcount of the Gazprom Neft Group entities involved in IT projects.
North Caucasian Federal District	12.4	12.2	12.1	-0.8	
Siberian Federal District	26.4	25.4	26.0	2.4	The increase was related to the Gazprom Neft Group activities: <ul style="list-style-type: none"> the launch of catalyst production; the opening of filling stations.
Urals Federal District	130.5	130.5	129.5	-0.8	

Federal district / foreign countries	2019	2020	2021	Change 2021/2020, %	Reason for change
Central Federal District	77.1	73.3	72.1	-1.6	The decrease was due to Gazprom Tsentrenergogaz leaving the Gazprom Group.
Southern Federal District	41.8	42.3	42.0	-0.7	
Russia's continental shelf	0.3	-	-	-	
Foreign countries	26.8	31.0	30.2	-2.6	The decrease was associated with the change in the structure of Gazprom Neft companies engaged in wholesale and retail sale of petroleum products.

Headcount as of the end of the reporting period by employment type and gender, **thousand people**

2019				2020				2021			
Full-time employment		Part-time employment		Full-time employment		Part-time employment		Full-time employment		Part-time employment	
male	female										
336.4	134.3	0.7	2.4	341.4	132.9	0.8	2.5	341.5	134.1	1.0	2.6

GRI 401-1

The increase was due to the low base of 2020, when the inflow of new employees was obstructed by COVID-19 restrictions. In 2021, the restrictions were gradually lifted.

Number of new hires, **thousand people**

Change 2021/2020, %	+16.8
2021	79.8
2020	68.3
2019	76.6

Number of new hires by age group

Age	2019		2020		2021		Change 2021/2020, %
	thousand people	%	thousand people	%	thousand people	%	
Under 30 y.o.	28.3	36.9	22.7	33.2	26.4	33.1	16.3
30 to 40 y.o.	23.4	30.6	22.9	33.6	25.0	31.3	9.2
40 to 50 y.o.	14.8	19.3	14.3	20.9	17.7	22.1	23.8
50 y.o. or more	10.1	13.2	8.4	12.3	10.7	13.5	27.4

The share of new employees under 40 years old declined. The trend is in line with the age distribution dynamics in Russia as per the Rosstat data.

Number of new hires by gender

Gender	2019		2020		2021		Change 2021/2020, %
	thousand people	%	thousand people	%	thousand people	%	
Male	48.2	63.0	43.8	64.2	50.2	62.9	14.6
Female	28.4	37.0	24.5	35.8	29.6	37.1	20.8

The changes in gender statistics are negligible.

Number of new hires by region

Federal district / foreign countries	2019		2020		2021		Change 2021/2020, %
	thousand people	%	thousand people	%	thousand people	%	
Far Eastern Federal District	2.1	2.7	2.4	3.6	3.0	3.8	
Volga Federal District	12.6	16.4	8.8	12.9	12.7	15.9	
North-Western Federal District	11.6	15.2	11.8	17.3	15.6	19.6	
North Caucasian Federal District	1.5	2.0	1.2	1.7	1.1	1.4	
Siberian Federal District	5.6	7.3	5.5	8.0	5.7	7.1	
Urals Federal District	19.7	25.8	16.7	24.4	19.2	24.1	
Central Federal District	13.4	17.5	9.0	13.2	10.7	13.4	
Southern Federal District	6.3	8.2	4.8	7.0	6.1	7.6	
Russia's continental shelf	0.01	0.0	-	-	-	-	
Foreign countries	3.8	4.9	8.1	11.9	5.7	7.1	
Total	76.6	100.0	68.3	100.0	79.8	100.0	

The increase was due to the low base of 2020, when the number of employee separations declined on the back of COVID-19 restrictions. In 2021, the restrictions were gradually lifted.

Number of quitters, thousand people

	Change 2021/2020, %
2021	+12.3
2020	73.3
2019	65.3
	71.5

Quitters headcount broken down by gender

Gender	2019		2020		2021		Change 2021/2020, %
	thousand people	%	thousand people	%	thousand people	%	
Male	43.4	60.7	39.2	60.1	46.1	62.9	17.6
Female	28.1	39.3	26.1	39.9	27.2	37.1	4.2

The increase in the share of male quitters was driven by the reorganization of the Gazprom Neft Group and Gazprom Neftekhim Salavat Group, which had a predominantly male headcount.

Number of quitters by age group

Age group	2019		2020		2021		Change 2021/2020, %
	thousand people	%	thousand people	%	thousand people	%	
Under 30 y.o.	19.8	27.7	14.5	22.3	18.7	25.4	29.0
30 to 40 y.o.	19.3	27.0	18.5	28.3	21.3	29.1	15.1
40 to 50 y.o.	13.1	18.3	13.0	19.9	14.8	20.2	13.8
50 y.o. or more	19.3	27.0	19.3	29.5	18.5	25.3	-4.1

Both the share and headcount of quitters of 50 years or older are decreasing. The headcount went down as there were fewer employees who quit in 2021 due to reaching the pension age. The share decline was attributed to a higher proportion of quitters of other age groups.

Number of quitters and staff turnover by region

Federal district / foreign countries	Total quitters, thousand people			Incl. due to staff turnover, thousand people			Staff turnover, %			Change 2021/2020, p.p.
	2019	2020	2021	2019	2020	2021	2019	2020	2021	
	Far Eastern Federal District	0.6	0.9	1.4	0.2	0.3	0.5	3.0	3.3	
Volga Federal District	13.6	9.9	11.6	3.8	2.6	3.6	4.5	3.1	4.3	1.2
North-Western Federal District	9.3	9.6	12.2	4.1	3.5	5.4	6.8	5.3	8.0	2.7
North Caucasian Federal District	1.5	1.4	1.1	0.4	0.3	0.4	3.3	2.6	3.3	0.7
Siberian Federal District	4.8	6.4	5.1	2.2	1.7	2.4	8.8	6.7	9.8	3.1
Urals Federal District	19.0	16.1	17.9	5.1	4.5	5.6	4.0	3.5	4.4	0.9

Federal district / foreign countries	Total quitters, thousand people			Incl. due to staff turnover, thousand people			Staff turnover, %			Change 2021/2020, p.p.
	2019	2020	2021	2019	2020	2021	2019	2020	2021	
Central Federal District	12.6	12.4	11.6	6.6	4.8	6.5	8.8	6.5	9.1	2.6
Southern Federal District	6.2	4.8	5.9	2.5	1.7	2.5	6.0	4.2	5.9	1.7
Russia's continental shelf	0.3	-	-	-	-	-	-	-	-	-
Foreign countries	3.6	3.8	6.5	1.5	1.3	2.7	5.7	4.5	9.3	4.8
Total	71.5	65.3	73.3	26.4	20.7	29.6	5.8	4.4	6.4	2.0

Reasons behind higher staff turnover:

- low base of 2020, when staff turnover went down due to COVID-19 restrictions. In 2021, the restrictions were gradually lifted;
- high turnover in Gazprom Energoholding Group and Gazprom Neftekhim Salavat;
- increased staff turnover in Gazprom Neft Group companies engaged in wholesale and retail sale of petroleum products due to structural changes and a traditionally high turnover in retail sales.

Staff turnover at PJSC Gazprom is calculated as the ratio of employees who resigned (Clause 3, Article 77 of the Russian Labor Code) or were fired for unauthorized absence and other disciplinary offenses (Article 81 of the Russian Labor Code) to the average headcount (including external part-timers).

GRI 102-41

Subsidiaries which are parties to the General Collective Agreement:

Gazprom Dobycha Astrakhan LLC, Gazprom Dobycha Krasnodar LLC, Gazprom Dobycha Nadym LLC, Gazprom Dobycha Noyabrsk LLC, Gazprom Dobycha Orenburg LLC, Gazprom Dobycha Urengoy LLC, Gazprom Dobycha Yamburg LLC, Gazprom Export LLC, Gazprom Mezhhregiongaz LLC, Gazprom Pererabotka LLC, Gazprom Transgaz Kazan LLC, Gazprom Transgaz Krasnodar LLC, Gazprom Transgaz Makhachkala LLC, Gazprom Transgaz Moscow LLC, Gazprom Transgaz Nizhny Novgorod LLC, Gazprom Transgaz Saint Petersburg LLC, Gazprom Transgaz Samara LLC, Gazprom Transgaz Saratov LLC, Gazprom Transgaz Stavropol LLC, Gazprom Transgaz

Surgut LLC, Gazprom Transgaz Tchaikovsky LLC, Gazprom Transgaz Tomsk LLC, Gazprom Transgaz Ufa LLC, Gazprom Transgaz Ukhta LLC, Gazprom Transgaz Volgograd LLC, Gazprom Transgaz Yekaterinburg LLC, Gazprom Transgaz Yugorsk LLC, Gazprom UGS LLC.

As of December 31, 2021, the share of subsidiaries' employees covered by the General Collective Bargaining Agreement of PJSC Gazprom, Its Subsidiaries and Entities was 47.8% of the Group's total headcount.

Subsidiaries responsible for the core operations of PJSC Gazprom (gas production, processing, transportation and underground storage) and included in the scope of average monthly salary calculation

Gazprom Dobycha Astrakhan LLC, Gazprom Dobycha Krasnodar LLC, Gazprom Dobycha Nadym LLC, Gazprom Dobycha Noyabrsk LLC, Gazprom Dobycha Orenburg LLC, Gazprom Dobycha Urengoy LLC, Gazprom Dobycha Yamburg LLC, Gazprom Pererabotka LLC, Gazprom UGS LLC, Gazprom Transgaz Volgograd LLC, Gazprom Transgaz Yekaterinburg LLC, Gazprom Transgaz Kazan LLC, Gazprom Transgaz Krasnodar LLC, Gazprom Transgaz Makhachkala LLC, Gazprom Transgaz Moscow LLC, Gazprom Transgaz Nizhny Novgorod LLC, Gazprom Transgaz Samara LLC, Gazprom Transgaz Saint Petersburg LLC, Gazprom Transgaz Saratov LLC, Gazprom Transgaz Stavropol LLC, Gazprom Transgaz Surgut LLC, Gazprom Transgaz Tomsk LLC, Gazprom Transgaz Ufa LLC, Gazprom Transgaz Ukhta LLC, Gazprom Transgaz Tchaikovsky LLC, Gazprom Transgaz Yugorsk LLC, OJSC Gazprom Transgaz Belarus, Gazprom Transgaz Grozny LLC.

6. To the Process Safety section

List of subsidiaries, entities and branches covered by the Integrated System of Process Safety Management (ISPSM):

PJSC Gazprom branches (15):

PJSC Gazprom Branch for Office Buildings Management, PJSC Gazprom Branch Avtopredpriyatie PJSC Gazprom, PJSC Gazprom Branch Bogorodskoye Official Reception House, PJSC Gazprom Branch Morozovka Recreation House, PJSC Gazprom Branch Soyuz Recreation House, PJSC Gazprom Branch Sluzhba Korporativnoy Zashchity PJSC Gazprom, PJSC Gazprom Branch Glavnoye Upravlenie Okhrany PJSC Gazprom in St. Petersburg, PJSC Gazprom Branch Dalnevostochnoye Mezhhregionalnoye Upravlenie Okhrany PJSC Gazprom in Khabarovsk, PJSC Gazprom Branch Privolzhskoye Mezhhregionalnoye Upravlenie Okhrany PJSC Gazprom in Samara, PJSC Gazprom Branch Severo-Uralskoye Mezhhregionalnoye Upravlenie Okhrany PJSC Gazprom in Novy Urengoy, PJSC Gazprom Branch Sibirskoye Mezhhregionalnoye Upravlenie Okhrany PJSC Gazprom in Tomsk, PJSC Gazprom Branch Tsentralnoye Mezhhregionalnoye Upravlenie Okhrany PJSC Gazprom in the Moscow Region, PJSC Gazprom Branch Yuzhno-Uralskoye Mezhhregionalnoye Upravlenie Okhrany PJSC Gazprom in Yekaterinburg, PJSC Gazprom Branch Yuzhnoye Mezhhregionalnoye Upravlenie Okhrany PJSC Gazprom in Krasnodar, PJSC Gazprom Branch 644 in St. Petersburg.

Subsidiaries within the Unified Gas Supply System (31):

Gazprom Flot LLC, Gazprom Dobycha Astrakhan LLC, Gazprom Dobycha Irkutsk LLC, Gazprom Dobycha Krasnodar LLC, Gazprom Dobycha Kuznetsk LLC, Gazprom Dobycha Nadym LLC, Gazprom Dobycha Noyabrsk LLC, Gazprom Dobycha Orenburg LLC, Gazprom Dobycha Urengoy LLC, Gazprom Dobycha Shelf Yuzhno-Sakhalinsk LLC, Gazprom Dobycha Yamburg LLC, Gazprom Pererabotka LLC, Gazprom Transgaz Volgograd LLC, Gazprom Transgaz Grozny LLC, Gazprom Transgaz Yekaterinburg LLC, Gazprom Transgaz Kazan LLC, Gazprom Transgaz Krasnodar LLC, Gazprom Transgaz Makhachkala LLC, Gazprom Transgaz Moscow LLC, Gazprom Transgaz Nizhny Novgorod LLC, Gazprom Transgaz Samara LLC, Gazprom Transgaz Saint Petersburg LLC, Gazprom Transgaz Saratov LLC, Gazprom Transgaz Stavropol LLC, Gazprom Transgaz Surgut LLC, Gazprom Transgaz Tomsk LLC, Gazprom Transgaz Ufa LLC, Gazprom Transgaz Ukhta LLC, Gazprom Transgaz Tchaikovsky LLC, Gazprom Transgaz Yugorsk LLC, Gazprom UGS LLC.

Subsidiaries and entities responsible for the functioning of the Unified Gas Supply System (48):

Gazprom Invest LLC, Gazprom Sotsinvest LLC, Gazprom LNG Vladivostok LLC, Gazprom Portovaya LNG LLC, Novy Urengoy Gas Chemical Complex LLC, Gazprom GNP Holding LLC, Gazpromavia Aviation Company LLC, Gazprom Gaznadzor LLC, Gazprom Gazobezopasnost LLC, Gazprom Nedra LLC, Gazprom Inform LLC, Gazprom Komplektatsiya LLC, JSC Gazprom Space Systems, Gazprom Mezhhregiongaz LLC, Gazprom Telecom LLC, Gazprom Upravlenie Aktivami LLC, Gazprom Pitaniye LLC, Gazprom Transservis LLC, Gazprom Energo LLC, JSC Gazprom Bytovye Systemy, JSC Gazprom trubinvest, Gazpromtrans LLC, Gazprom Geotekhnologii LLC, CJSC Gazprom Armenia, Gazprom Kyrgyzstan LLC, OJSC Gazprom Transgaz Belarus, Gazprom Proyektirovaniye LLC, Gazprom College Volgograd, Gazprom Corporate Institute, Gazprom Vocational School Novy Urengoy, Gazprom Training Simulator Computer Center, PJSC Gazprom Training Center, PJSC Gazprom ONUTC, Gazprom Shkola, Gazprom Shkola Saint Petersburg, Gazprom Investholding LLC, Gazprom VNIIGAZ LLC, Gazprom Expo LLC, Gazprom Export LLC, NIIgazeconomika LLC, JSC SevKavNIPIgaz, OKDC PJSC Gazprom Private Healthcare Institution, ChOP Gazprom Okhrana LLC, Gazprom EP International B.V., Gazprom CNIS Private Entity, Gazprom 335 LLC, Gazprom Investproject LLC, Gazprom Personal LLC.

7. Glossary of Abbreviations and Code Names used in the Report

ADR	American depositary receipt
AEPS	Automated Electronic Procurement System of PJSC Gazprom
APG	Associated petroleum gas
BAT	Best available technologies
Boe	Barrel of oil equivalent
CDP	Climate Disclosure Project, an international project that runs the global disclosure system to manage the environmental impacts of companies
CNG filling station	Automobile gas-filling compressor station
Company	PJSC Gazprom
COVID-19	2019 novel coronavirus infection
DCA	Designated conservation area
EMS	Environmental management system
EnMS	Energy Management System
ESG	Environmental, social and governance criteria
EU	European Union
FSU countries	Countries located in the former Soviet Union territory other than the Russian Federation
Gazprom Energoholding	Gazprom Energoholding LLC and companies consolidated under its management (PJSC Mosenergo, PJSC MOEK, PJSC TGC-1 and PJSC OGK-2)
Gazprom Neft Group, Gazprom Neft	PJSC Gazprom Neft and its subsidiaries
Gazprom Neftekhim Salavat	Gazprom Neftekhim Salavat LLC and its subsidiaries
Gazprom, Gazprom Group, Group	A group of companies consisting of PJSC Gazprom (parent company) and its subsidiaries
GBP ETP	Electronic Trading Platform of Gazprombank Group
GCF	Gas and condensate field
GHG	Greenhouse gases
GPP	Gas or gas condensate processing plant
GPU	Gas pumping unit

GRI	Global Reporting Initiative, an international project to develop and improve sustainability reporting standards
IFRS	International Financial Reporting Standards
ISO	International Organization for Standardization
ISPSM	Integrated System of Process Safety Management
KPI	Key performance indicator
LNG	Liquefied natural gas
LPG	Liquefied petroleum gases
M&E	Materials and equipment
MCS	Mobile compressor station
MET	Mineral extraction tax
NGV	Natural gas vehicle
NPO	Non-profit organization
OECM	Operational environmental control and monitoring
OGCF	Oil and gas condensate field
PJSC Gazprom and its key subsidiaries	PJSC Gazprom and its gas production, transportation, processing and underground storage subsidiaries: Gazprom Dobycha Astrakhan LLC, Gazprom Dobycha Krasnodar LLC, Gazprom Dobycha Nadym LLC, Gazprom Dobycha Noyabrsk LLC, Gazprom Dobycha Orenburg LLC, Gazprom Dobycha Urengoy LLC, Gazprom Dobycha Yamburg LLC, Gazprom Pererabotka LLC, Gazprom Transgaz Volgograd LLC, Gazprom Transgaz Kazan LLC, Gazprom Transgaz Krasnodar LLC, Gazprom Transgaz Makhachkala LLC, Gazprom Transgaz Moscow LLC, Gazprom Transgaz Nizhny Novgorod LLC, Gazprom Transgaz Saint Petersburg LLC, Gazprom Transgaz Samara LLC, Gazprom Transgaz Saratov LLC, Gazprom Transgaz Stavropol LLC, Gazprom Transgaz Surgut LLC, Gazprom Transgaz Tchaikovsky LLC, Gazprom Transgaz Tomsk LLC, Gazprom Transgaz Ufa LLC, Gazprom Transgaz Ukhta LLC, Gazprom Transgaz Yekaterinburg LLC, Gazprom Transgaz Yugorsk LLC, OJSC Gazprom Transgaz Belarus, Gazprom UGS LLC
QMS	Quality Management System
R&D	Research and development
RD	Administrative document
Refinery	Oil refinery
Report	The Gazprom Group's Sustainability Report

RES	Renewable energy sources
RMICS	Risk management and internal control system
RUIE	Russian Union of Industrialists and Entrepreneurs
Sakhalin Energy	Sakhalin Energy Investment Company Ltd.
SDG	Sustainable Development Goal
SER	Secondary energy resources
SLCA	Special labor conditions assessment
SME	Small and medium-sized enterprises
STI	Strategic target indicator
STO	Corporate Standard
TCFD	Task Force on Climate-related Financial Disclosures, non-profit organization responsible for the development of respective disclosure standards
TOE	Tonne of oil equivalent
Ton of reference fuel	Ton of reference fuel (coal equivalent) equal to 877 m3 of natural gas, 0.7 ton of oil and gas condensate
UGS	Underground gas storage
UGSS	Unified Gas Supply System
UNCTAD	United Nations Conference on Trade and Development which presented core indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals
VAT	Value-added tax
VMI	Voluntary medical insurance

8. Assurance of the Russian Union of Industrialists and Entrepreneurs



9. Approval from FBK

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FBK

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT [TRANSLATION FROM RUSSIAN ORIGINAL]

To the management of Public Joint-Stock Company "GAZPROM"

We have undertaken a limited assurance engagement of the accompanying Gazprom Group's Sustainability Report 2021 (hereinafter referred to as the Report).

Responsibility of Public Joint-Stock Company "GAZPROM"

Public Joint-Stock Company "GAZPROM" (hereinafter referred to as PJSC "GAZPROM") is responsible for preparation of the Report in compliance with the requirements of GRI Sustainability Reporting Standards for the report prepared in accordance with the Core option. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Rules of Independence of the Auditors and Audit Organizations and The Code of Professional Ethics of the Auditors, which are in accordance with International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The firm applies International Standard on Quality Control 1, Quality Control for Firm that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Report compliance with the requirements of GRI Sustainability Reporting Standards for the report prepared in accordance with the Core option based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Report is free from material misstatement.

A limited assurance engagement undertaken in accordance with this standard involves assessing compliance of the Report with the requirements of GRI Sustainability Reporting Standards for the report prepared in accordance with the Core option (Criteria - GRI Sustainability Reporting Standards requirements).

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, inspections of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we have undertaken the following activities:

- Interviewing the management and employees of PJSC "GAZPROM" and obtaining documentary evidence.
- Study of information available on the websites of Gazprom Group's companies related to their activities in the context of sustainable development.

¹ The Report includes the information about the Gazprom Group companies in line with the scope of consolidated statements under IFRS 10 Consolidated Financial Statements, unless specified otherwise. Due to the existing differences in data gathering and consolidation, certain groups of disclosures may have their individual boundaries

TRANSLATION NOTE: Our report has been prepared in Russian and in English. In all matters of interpretation of information, views or opinions, the Russian version of our report takes precedence over the English version.

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FBK

- Study of public statements of third parties concerning economic, environmental and social aspects of Gazprom Group's companies activities, in order to check the validity of the declarations made in the Report.
- Analysis of non-financial reports of companies working in the similar market segment for benchmarking purposes.
- Selective review of documents and data on the efficiency of the management systems of economic, environmental and social aspects of sustainable development in Gazprom Group's companies.
- Study of the existing processes of collection, processing, documenting, verification, analysis and selection of data to be included into the Report.
- Analysis of information in the Report for compliance with the requirements of GRI Sustainability Reporting Standards for the report prepared in accordance with the Core option.

The procedures were performed only in relation to data for the year ended 31 December 2021.

The evaluation of reliability of the information on performance in the Report was conducted in relation to compliance with the requirements of GRI Sustainability Reporting Standards for the report prepared in accordance with the Core option and information referred to in the GRI Content Index. With respect to this information assessment of its conformity to external and internal reporting documents provided to us was performed.

The procedures were not performed in relation to forward-looking statements; statements expressing the opinions, beliefs and intentions of PJSC "GAZPROM" as the parent company of Gazprom Group to take any action related to the future; as well as statements based on expert opinion.

The procedures were performed in relation to the Russian version of the Report subject to undergo the public consultations procedure as well as subject to be sent to Global Reporting Initiative in order to notify it of the use of the GRI Sustainability Reporting Standards in the Report preparation.

We had no chance to verify that the annual report of PJSC "GAZPROM" for 2021, which is referred to in the Report, is published due to the fact that the date of signing this Assurance Report preceded the planned date of this activity completion.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about compliance of the Report, in all material respects, with the requirements of GRI Sustainability Reporting Standards for the report prepared in accordance with the Core option.

Basis for Limited Assurance Qualified Conclusion

GRI 102: General Disclosures 2016 reporting requirements to Disclosure 102-41 imply reporting the percentage of total employees covered by collective bargaining agreements. Disclosure 102-41 in the report reflects the share of the total headcount of subsidiaries of PJSC "GAZPROM" employees covered by 'General Collective Bargaining Agreement of PJSC Gazprom and its Subsidiaries' (disregarding employees covered by other collective bargaining agreements) in total headcount of Gazprom Group employees.

Limited Assurance Qualified Conclusion

Based on the procedures performed and evidence obtained, except for the effect on the matter described in the 'Basis for Limited Assurance Qualified Conclusion' section of our report, nothing has come to our attention that causes us to believe that the Report has not complied, in all material aspects, with the requirements of GRI Sustainability Reporting Standards for the report prepared in accordance with the Core option.

FBK, LLC

Practitioner
Partner
acting under Power of Attorney No. 76/18 of December 17, 2018

The Russian Federation, Moscow
May 26, 2022



V.Y. Skobarev

TRANSLATION NOTE: Our report has been prepared in Russian and in English. In all matters of interpretation of information, views or opinions, the Russian version of our report takes precedence over the English version.

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10. Opinion Issued Following Public Consultations

Introduction

PJSC Gazprom (the "Company") proposed that we assess the information disclosed in the Gazprom Group's Sustainability Report 2021 (the "Report") for alignment with stakeholder expectations, along with the quality of the Company's response to the recommendations and proposals received from stakeholders during the Report preparation.

Report Assessment Procedure

We read the draft Report provided by the Company, asked questions and offered feedback during dedicated online Public Consultations. In the course of the Public Consultations, we received the required comments and the table on how the Company took into account our recommendations and proposals. We provide assessment of the above information only.

We are unaware of any facts that may compromise the reliability of information disclosed in the Report. Yet, it should be noted that reviewing the collection and analysis system for the reported information and its reliability is beyond the scope of this assessment. Besides, the assessment does not purport to confirm the extent of the Report compliance with any Russian and international reporting and/or operational standards.

When assessing the Report, we expressed our opinion as independent experts, not representatives of the companies that employ us. We confirm our independence and objectivity in respect of the Report assessment. We did not receive any remuneration from the Company for taking part in the Public Consultations.

The results of our work are presented in this Opinion issued following the Public Consultations. The Opinion contains judgements on which we have come to an agreement. The Company may use it for corporate and stakeholder communication purposes by publishing the original version without any changes.

Disclosure Alignment with Stakeholder Expectations

The Report presents the list of material topics jointly defined by the Company's representatives and a wide range of stakeholders. We believe that the selected material topics reflect the key interests of stakeholders.

In our opinion, all material information presented in the Report is sufficient for the stakeholders to gain an understanding of the Gazprom Group's current state and development prospects.

The disclosure is well-balanced as it presents both the positive aspects of the Company's performance and the challenges it faces along with the ways of tackling them.

The Company's Response to Stakeholder Recommendations as Part of the Report Preparation

To take into account information queries from a wide range of stakeholders in the best possible way, the Company surveyed 1,766 representatives of such stakeholders. The results served as a basis for the final list of material topics to be reflected in the Report.

Additionally, the Company held Public Consultations on the draft Report enabling us as stakeholder representatives to comment on the Report's contents. The Company recorded all proposals and recommendations received during the public consultations, analyzed them and provided the information on how they will be taken into account in preparing the Report, which proves that the dialogue was constructive.

Conclusions

We agreed to give a positive opinion on the Report in terms of its format and disclosure scope. The Company prepared an informative and well-structured report that meets our expectations.

We highly appreciate the Company's initiative aimed at expanded interacting with stakeholders in preparing the Sustainability Report, and recommend that the Company should continue close cooperation on this issue with representatives of the target audiences of the Report, while also continuously improving the applied frameworks and tools.

Public Consultations: Signatures of Participants

Full name	Position	Signature
BESSEL, Valery	Professor of the Department of Thermodynamics and Thermal Engines at Gubkin Russian State University of Oil and Gas	
BRILEV, Sergey	President of the Global Energy Association	
GOLOVNEV, Andrey	Member of the Russian Academy of Sciences, Professor, Doctor of Historical Sciences, Director at Peter the Great Museum of Anthropology and Ethnography (the Kunstkamera) of the Russian Academy of Sciences	
GRISHANKOVA, Svetlana	Managing Director at RAEX-Europe	
ZAVALNY, Pavel	Member of the State Duma of the Federal Assembly of the Russian Federation, Chairman of the Committee on Energy	
ESIPOVA, Irina	General Director of Fuel and Energy Communications Development Center	
KNIZHNIKOV, Aleksey	Head of the Program for the Business Environmental Responsibility at WWF Russia	
KOVALCHUK, Vladimir	Chairman of the Gazprom Workers' Union Interregional Organization	
NIKITCHANOVA, Ekaterina	Deputy Director – Head of the Expert Center at the Russian Institute of Directors	
PLAKIDA, Aleksander	Chairman of the Governing Board at the National Network of the Global Compact Association	
REMCHUKOV, Maxim	Sustainable Development Director at SIBUR	
TKACHENKO, Galina	Chair of the Visit Youth Leisure Center (Svobodny, Amur Region) and the Public Council of the Amur GPP Construction project	
TOPOLYA, Ivan	Head of the Integrated Reporting Committee, Director of the Finance Department at Sberbank	
FEOKTISTOVA, Elena	Deputy Chair of the Committee on Corporate Social Responsibility and Sustainable Development, Managing Director for Corporate Responsibility, Sustainable Development and Social Entrepreneurship in the Russian Union of Industrialists and Entrepreneurs	
KHUDI, Valery	Chairman of the Management Board of Yamal Regional Social Movement of Indigenous Minorities "Yamal"	

11. Contacts and Feedback

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Should you have any questions regarding this Sustainability Report, please contact PJSC Gazprom's Department responsible for the information policy.

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Email: sustainability@gazprom.ru.