



**ROSNEFT**



**ROSNEFT:**

CONTRIBUTING TO IMPLEMENTATION OF UN SUSTAINABLE DEVELOPMENT GOALS



## Gerhard Schröder

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Chairman of the Board  
of Directors of Rosneft Oil  
Company

In 2020, Rosneft became the best Russian oil and gas company in a number of international ratings of sustainable development: in Refinitiv, Bloomberg and the global corporate rating in the field of human rights CHR.B. FTSE Russel, the division of London Stock Exchange, confirmed that the Company remains a participant of a group of international stock indices FTSE4Good Index Series.

The ratings reflect the sustainability of the Company's corporate governance model, its ability to maintain competitive performance in rapidly changing external conditions and the Company's commitment to the core UN Sustainable Development Goals.

In 2020, Rosneft became the first Russian company to establish long-term carbon management goals. The Company's plans include prevention of greenhouse emissions in the amount of 20 million tons of CO<sub>2</sub> equivalent, reduction of the intensity of emissions in oil and gas production by 30%, achievement of the intensity of methane emissions below 0.25%, as well as zero routine flaring of associated gas. Responsible approach to environmental impact is used in the assessment of all Company's investment projects – special attention is paid to minimizing ecosystem damage and rational use of resources. A promising project – Vostok Oil – from the very beginning is developed as a low carbon.

As participants of the UN Global Compact, we diligently work for meeting the growing global energy demand which is a prerequisite for harmonious socioeconomic development and improved living standards.

Therefore, I am pleased to introduce the vision and guidelines for the Company's sustainable development, which reflect our responsible approach and contribution to achieving the 17 Sustainable Development Goals of the United Nations that are integrated in strategic and policy documents of the Company.



## Igor Ivanovich Sechin

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Chairman of the Management  
Board, Chief Executive Officer  
of Rosneft Oil Company

As a responsible producer and a participant of the global energy market, the Company is focused on the rational use of natural resources and implements large-scale upstream projects, refinery upgrades, production of modern environment-friendly fuels and minimization of its environmental footprint.

While executing the Strategy "Rosneft-2022", the Company implements initiatives aimed at entering the first quartile in the area of health, safety and environment, combatting climate change, developing employee potential, and contributes to regional socioeconomic development.

High agility and flexibility of our business model, establishing partnerships in integrated production and marketing businesses on global, national and regional levels ensure the Company can achieve solid results despite volatility in commodity markets.

This document is another proof that business responsibility is one of the Company's core values, and it complements the reports and policies in the area of sustainable development that we publish regularly for the purpose of informed and sustainable dialogue with our stakeholders.

# Rosneft-2022 Strategy contributes to achieving the Sustainable Development Goals of the United Nations<sup>1</sup>

In 2018, The Board of Directors of Rosneft Oil Company<sup>2</sup> approved strategic guidelines and Public statement “Rosneft: contributing to implementation of the UN Sustainable Development Goals”

## Sustainable Development Goals of Strategic Priority



Acting within execution of the [Rosneft-2022 Strategy](#), the Company is guided by the principles of corporate responsibility and works for the benefit of its shareholders and other stakeholders. Starting with 2010, Rosneft has participated in the UN Global Compact, that urges its members to contribute to achieving the UN Sustainable Development Goals (SDGs).

[On December 20, 2018, the Board of Directors of Rosneft Oil Company](#) has approved the following UN SDGs of strategic priority for its core businesses:

- Good health and well-being;
- Affordable and clean energy;
- Decent work and economic growth;
- Climate action;
- Partnerships for the goals.

## Sustainable Development Goals integrated in current operations



The Company’s operations directly contribute to achieving the UN goals which is also supported by Rosneft’s participation in various projects and initiatives aimed at improving living standards in the regions of our operations, and developing public health services, science and education, culture and ecology.

The Company’s mission, values, objectives and strategic guidelines of sustainable development are aligned with the UN Sustainable Development Goals.

<sup>1</sup> Sustainable Development Goals of the United Nations (approved by the UN General Assembly Resolution on September 25, 2015) aim to achieve significant progress in meeting global economic, social and environmental challenges.

<sup>2</sup> “Rosneft” and the “Company” mean PJSC Rosneft Oil Company either separately or together with its subsidiaries and affiliates as the context may require.



## COMBATING COVID-19

**In 2020, 11 billion rubles were allocated for comprehensive program of combatting Covid-19.**

These expenses are related to the implementation of quarantine measures, including payments for employee health examinations, additional support for medical institutions, disinfection of premises, purchase of additional materials and protective equipment for maintenance staff.

The staff vaccination campaign against the new coronavirus infection, launched in 2021, was carried out according to the schedule and also covered hard-to-reach regions.

The employees were vaccinated with the GamKovidVak (Sputnik V) drug by the forces of highly professional medical staff involved. As a result of the work carried out, **the goal of forming herd immunity** has been achieved.



## GOOD HEALTH AND WELL-BEING

### 3.1. Protecting health and ensuring safe working environment. Promoting labor safety of suppliers and contractors

The Company aims at achieving leading results in accident-free operations and ensuring the safety of Rosneft employees and contractors.

The basis of [Rosneft-2022 Strategy](#) is to build a business that takes into account the highest requirements in the field of ecology, industrial safety and environmental protection. By adopting Rosneft-2022 Strategy in 2017, which was declared as the year of “Ecology” by the President of the Russian Federation Vladimir Putin, Rosneft has committed itself to achieve world leadership positions in this area. The desire to achieve **zero fatal injuries** is a key guideline which determines the Company’s approach to its activities. Company’s and contractors’ occupational safety standards are an integral part of employee culture of production activities.

Rosneft is aimed at achieving leadership positions in the world in the field of ensuring accident-free production activities and safe working conditions for employees, preserving the health of the population, living in the areas of activity of the Company, as well as minimizing the impact on the environment.

Striving to achieve zero fatal injuries.

## THE GOAL IS ZERO



zero harm to people



zero damage to property

**Proactive actions based on the belief that any incident can be prevented are a priority for the Company. If the works cannot be performed safely, they must be suspended.**

In 2020, increased attention was paid to such areas as leadership among managers, compliance with the "Golden Rules of Labor Safety", the safety of contractors, technological processes and traffic, as well as the use of a risk-oriented approach with the application of barriers in the development and implementation of programs/activities aimed at improving safety.

Key performance indicators (KPIs) of management include indicators of industrial safety, labor and environmental protection. Managers at all levels act in accordance with the Company's uniform "Leadership Principles" in the field of HSE rules and provide safe working conditions for all employees of the Company and contractors.

In 2020, more than 130 thousand employees of the Company were trained according to the "[Golden Rules of Labor Safety](#)" in a remote format; more than 25 thousand employees of the Group's companies were trained by internal trainers at key corporate courses in the field of HSE rules: "The procedure for internal investigation of accidents", "Risk management in HSE", "Leadership in the field of HSE", as well as "Golden Rules of Labor Safety".



PJSC Rosneft and 103 Companies of the Group are certified for compliance with the international standard of the occupational safety and health management system, as well as for compliance with the international standard of the environmental management system.

The certification of the Group's Companies for compliance with ISO 14001:2015 is carried out taking into account the specifics of the enterprises' activities, including the evaluation of the class of safety of production facilities, the expectations of investors, partners, customers and other stakeholders. This certification is completed in two ways: as part of a single certificate of PJSC Rosneft and independently, by the Companies of the Group. At the same time, each Company undergoes the necessary audit procedures. In 2020, 66 Companies of the Group were certified as part of a single certificate of the Company, 37 more enterprises were certified independently.



We use internationally recognized indicators to assess the achievement of results in the field of industrial safety and labor protection (including LTIF and PSER,<sup>1</sup> tier 1, for the exploration and production segment and LWIF<sup>2</sup> and PSER, tiers 1 and 2, for the refining and marketing segment to measure safety performance. Both employees and contractors are included in these indicators from the beginning of 2018).

<sup>1</sup> PSER — frequency of equipment accidents.

<sup>2</sup> LTIF, LWIF — indicators of occupational injuries with temporary disability.

Corporate standards and requirements in the field of HSE are equally applied to the activities of contracting organizations. The management system of subordinate organizations in the Company covers the entire life cycle of customer-contractor interaction from selection to evaluation after the completion of contractual obligations. A prospective long-term implementation plan until 2022 has been developed for each element of the system.

Please see Section 12.3. for more information.

Key milestones in achieving [Rosneft – 2022](#) goals on industrial safety, labor and environmental protection are included in the KPIs of the Company's management.

In 2020, five meetings of the Company's HSE Committee were held. The results of achieving the Company's target in the field of HSE issues are reviewed quarterly, first by the HSE Committee, which includes the representatives of Company's management, and then by the Board of directors of PJSC Rosneft.

In 2020, the costs of labor protection and industrial safety measures amounted to about 48 billion rubles, taking into account the transfer to remote working arrangements and restrictive measures that enabled to preserve the health of employees.

## 3.2. Environmental Policy and Commitments

Preserving the environment for future generations is an integral part of Rosneft corporate culture and business principles. The Company aims at becoming the leading performer in minimizing the environmental footprint of its operations and in sustainability of its production facilities.

**In 2018–2022, our “green” investments will total RUB 300 bln.**



Preserving the environment for future generations

The Company’s environmental targets up to 2022 include the following:

- minimizing the environmental footprint through the application of best-in-class available technologies, [waste recycling](#), [effective waste water treatment](#), and consistent implementation of environmental investment projects and initiatives;
- taking action for ecosystems and [biodiversity protection](#) and natural resources recovery, including [land remediation](#). Preserving the environment for future generations.

Rosneft operates an [integrated HSE management system](#) which meets the requirements of the generally recognized international standard ISO 14001:2015 “Environmental management system”. Environmental risk management is integrated into the internal control system and HSE risk management system.

In 2020, “green” investments amounted to approximately 42 billion rubles.

In 2020, Rosneft continued to move towards its goals of minimizing the environmental impact and improving the environmental friendliness of its business and achieved improvements in the key indicators compared to the previous year.

- the total mass of polluting emissions was reduced by 14%;
- the volume of previously accumulated drilling waste has been reduced by 33%;
- the area of contaminated land was reduced by 10%.

In 2020, the Company processed 4.7 million tons of drilling waste, 850 thousand tons of oil-containing waste and restored more than 400 hectares of oil-contaminated land.

One of the key measures for the implementation of this program in 2020 became the commissioning of priority facilities for the utilization of APG at the Yurubchenya-Tokhomskeye field of “East-Siberian oil and gas company”. Within the framework of this investment project, a gas compression station (GCS) with a capacity of 0.8 bcm of gas per year at the first stage, a fuel gas treatment plant with a capacity of 312 mcm per year, a high-pressure gas pipeline and a cluster of gas-injection wells started working. Total capacity of the facilities at the first stage will amount to 2 bcm of gas per year.



**The Company has been advancing with its environment-friendly business – retail stations offering natural gas motor fuel.**

In 2020, the Company operated a network of stations, consisting of 13 modules of compressed natural gas (CNG) at existing gas stations and one specialized station. Up to 3.6 thousand cars are refueled daily at these stations. During the year the network sold 22 mcm of natural gas as automobile fuel which is 19% higher than the last year values.

Rosneft retail sites have 14 charging stations for electric vehicles, 5 of which are fast charging stations (50 kW) in Moscow region, Vladivostok, Khabarovsk and Leningrad region, and 9 of which are slow charging stations (22 kW) in Tver region and Krasnodar territory.

In 2020, the Company continued offering its customers motor fuels with improved technical characteristics (Pulsar 100 and Euro 6, and a range of ACTIVE motor fuels). At the end of 2020 Pulsar branded fuel was produced at about 30% of oil depots, taking into account new production facilities at 2 oil depots organized in 2020: in Khabarovsk (Khabarovsk region) and in Georgevsk (Stavropol region). The geography of sales of branded fuels has also increased. By the end of 2020 Pulsar branded gasoline Pulsar 92, Pulsar 95 and Pulsar 100 has been sold at more than 1.1 thousand retail sites, Euro 6 – at more than 750 retail sites in 33 Russian regions and Active – at more than 130 retail sites in 8 Russian regions.

In 2020, the Company continued producing marine fuels with improved environmental characteristics.

Please see Sections 7.2., 11.2. for more information.

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## 3.3. Risk and incident management

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**The Company aspires to accident-free operations and ensuring the safety of its employees and contractors.**

Between 2019 and 2020, updated approaches to risk management in the field of HSE, involving common assessment criteria and decision-making levels, as well as the use of a barrier approach, were introduced in 135 Group's companies. Priority was given to companies engaged in high-risk activities in the field of HSE, including those included in the perimeter of the corporate certificate of compliance with international standards ISO 45001 and ISO 14001.

Please see Section 12.3. for more information.

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## 3.4. Road safety

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In 2020, as part of the transport safety management system for the prevention of road accidents, the Company approved the Rosneft Road Safety Concept for 2020–2022. This concept takes into account the main goals and objectives of the Decree of the President of the Russian Federation No. 204 of May 07, 2018 and the Road Safety Strategy of the Russian Federation for 2018–2024, including:

- reduction of injuries and severity of consequences of road accidents;
- compliance with the requirements of the legislation in the field of HSE;
- continuous improvement of road safety indicators;
- no accidents due to vehicle malfunction and drivers' health status;
- the use of a risk-based "barrier" approach in the process of road safety management.

**The Company has adopted “The system of safe vehicle operation”, which covers employees, contractors and subcontractors, and sets standards for drivers, vehicles, and equipment.**

The Company uses indicators (including SVAR and RTAF) for a comparative assessment of the effectiveness of transport safety and regularly conducts control and preventive measures to raise awareness of the importance of compliance with traffic rules.

## 3.5. Developing favorable social environment

Rosneft acts in compliance with the highest standards of social responsibility with a particular focus on health protection and comfortable working conditions, support and promotion of healthy lifestyle, improved housing and living standards for Company employees and their families and financial support of veterans and retired people.

The Company also contributes to developing favorable social environment in the regions of its operations.

Within four years (2017–2020), the Ministry of Energy of the Russian Federation has been recognizing Rosneft as the company of the highest social responsibility in Russia's oil and gas industry.



Our contribution to development of favorable social environment focuses on:

- comprehensive housing program (corporate mortgage loans, providing employees with office and rented housing);
- improvement of social and living conditions at our production sites, including remote regions and areas with severe climate conditions;
- corporate pension program and veteran social support project;
- insurance program: over 340 thousand employees are insured with voluntary health insurance policies, and with voluntary accident insurance programs.

The strategic initiative “Affordable housing” has been drawn up on the basis of a comprehensive housing program and is an important driver of the corporate social policy with a successful 15-year track record.

## In 2020, 1,158 families of Company employees improved their housing conditions using a mortgage loan program.

Housing issues of nonresident specialists are solved with the help of corporate housing, which includes more than 1,700 apartments in the regions of the Company operations.

In 2020, the financing of the [strategic initiative "Active Longevity"](#), aimed at improving the social conditions of pensioners, amounted to 1.6 billion rubles. The implementation of this program allowed indexing pensions of 40.2 thousand pensioners by 6.18%.



In 2020, 3.4 thousand veterans of the Company received additional financial assistance.

To provide timely medical care and evacuation at the Company's production facilities, uniform standards of medical support and emergency assistance are implemented. The Company has high requirements for speed and quality of pre-hospital care in remote and hard-to-reach facilities and participates in the constant improvement of the competencies and skills of medical workers of industrial health centers and development of telemedicine technologies.

Implementation of the following purpose-oriented programs has continued as part of the [strategic initiative "Modern Medicine"](#):

- outfitting worksite health facilities with state-of-the-art training equipment that help to improve medical emergency response capabilities. In 2020, more than 670 units of professional training equipment were purchased for the use in worksite health facilities at 52 of the Group subsidiaries;
- creating a corporate telemedicine network that connects health units at remote production facilities with large-scale regional consulting centers. In 2020, the corporate telemedicine network was put into operation at remote health centers of RN-Yuganskneftegaz LLC, RN-Vankor LLC and RN-Uvatneftegaz LLC;
- conducting a corporate medical examination of the Company's employees aimed at early detection of cardiovascular and oncological diseases. In 2020, about 12 thousand workers of the Companies of the Group underwent medical examinations, taking into account the epidemiological restrictions associated with the pandemic.

In order to preserve and strengthen the health of the Company's staff, one of the priorities of the Company's social policy is to provide employees with high-quality medical care, organize sanatorium treatment and prevent diseases. In relation with a difficult epidemiological situation in 2020, sanatorium-resort and rehabilitation treatment of employees and their family members were partially suspended. In total, in 2020, 30,800 employees, their family members and pensioners were rehabilitated in the health resorts of the Russian Federation — mainly in the health facilities of the perimeter Companies and regional health resort and wellness organizations.

The Company supports the development of professional and amateur sports. Rosneft finances the CSKA Hockey Club (Moscow) and is a sponsor of football club Arsenal Tula. The Company, being a sponsor of the LADA Sport ROSNEFT automobile racing team, supports the domestic automaker and contributes to the development of motor sports in Russia. Rosneft is also the general sponsor of the International Sambo Federation.

Please see Section 1.2. for more information



## 3.6. Innovation activities

In line with Presidential Decree No. 632 Rosneft is acting as a technological partner of the Federal Science and Technology Program for the Development of Genetic Technology in 2019–2027. The Company has registered a non-profit organization in the field of genetics – a universal platform where market participants, research institutes and medical institutions can elaborate proposals on improving regulation as well as develop approaches to introducing global best practices.

The biotechnological campus will be among the main projects of the program. The biotechnological campus pilot site will be located on the grounds of the Academicians Shemyakin and Ovchinnikov Institute of Bio-organic Chemistry of the Russian Academy of Sciences in Moscow.

Rosneft will become an anchor customer of the biotechnological campus. The Company will not only give its employees an opportunity to be the first to perform full-scale genomic sequencing but will also create a venue for pediatric research for partner medical facilities. This will make it possible to screen workers with critical and dangerous jobs, as well as elaborate new approaches to ensuring industrial security and providing social support which may become the standard throughout most of the Russian economy.

**The main goal is to provide personnel with interdisciplinary education that meets the highest global standards. To reach this goal, Rosneft has created a master's program entitled Genomics and Human Health at the biological faculty of the Moscow State University**

As a technological partner of the program, Rosneft will render the necessary support to the initiatives of key Russian Genetics developers, including the National Research Center "Kurchatov Institute", the Moscow State University, and academic institutes, as well as promote international partnerships, cooperation and information exchange.

Within the framework of the Federal scientific and technical program for the development of genetic technologies, a Center for full-genome sequencing is being created in Russia. Its main task is to decipher and systematize the genomes of hundreds of thousands of Russians which will allow us to bring the fight against severe genetic diseases to a new level.

With the support of Rosneft, two organizations have been created: the Autonomous non-profit organization for the development of genetic technologies (ANO), which determines the strategic goals of the project and its interaction with other departments, and Biotechkampus LLC, which, when funding is opened, will begin to deal with scientific, applied and technical problems. Since September 2020, the master's program Genetics and Human Health has been organized at the Biological faculty of Lomonosov Moscow State University. The purpose of the program is to train cool specialists who can make a real contribution to improving people's health.



# AFFORDABLE AND CLEAN ENERGY

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## 7.1. Increasing Company energy efficiency in all operating segments

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The Company is one of the largest consumers of fuel and energy resources. The total volume of consumption of fuel and energy resources during 2020 amounted to 19 million tons of raw materials or 216,946 million rubles in monetary terms.

The Company is one of the largest consumers of fuel and energy resources: its share in the country's energy balance exceeds 4%.

Since 2009 Rosneft has been implementing the [Energy Saving Program](#). The Program aims at reducing energy consumption and improving economic, environmental and operating performance.

In 2020, investment in the Energy Saving Program amounted to RUB 1.6 billion.



The savings of fuel and energy resources from the implementation of the Energy Saving Program are included in the list of key performance indicators (KPIs) of managers and amounted to 396 thousand tons of units or 6.7 billion rubles.

Since 2013 the Company has adopted and has been improving an energy management system which is aligned with the international ISO 50001 standard. The Corporate Policy on energy efficiency and energy saving is in place. In 2020, Group subsidiaries certified to ISO 50001 accounted for over 98% of the Company's total energy consumption.

The roadmap for the development of the Energy Management System of PJSC Rosneft for 2021–2023 was approved by the Energy Efficiency Commission of the Company, and the program of energy savings for 2021–2025 with the planned savings of fuel and energy resources of 2.6 million tons of units or 37.5 billion rubles in monetary terms was also developed.

Please see Section 13.4. for more information

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## **7.2. Developing conditions for increasing environmental friendliness when using the Company's products**

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Most greenhouse gas emissions associated with the use of products manufactured by the oil and gas industry relate to the consumer use. In order to minimize the environmental footprint and to combat the climate change the Company consistently:

- expands the list of products with improved fuel efficiency and low emissions;
- informs consumers about the improvement of the environmental and operational characteristics of the fuels produced and about the release of new types of products;
- changes the production structure in favor of more environmentally friendly products, increasing gas production and its share;
- implements projects for the production of fuels using biocomponents;
- develops charging infrastructure for electric vehicles at the Company's retail sites.

In 2012–2020, Company's gas output increased from 16 bcm to 63 bcm per annum — the highest growth rate in absolute terms among the Russian independent producers. The Rosneft-2022 Strategy provides for continued gas production growth. The planned increase of the share of gas in the Company's energy mix will contribute to sustainable and environmental consumption.

The Company is working on increasing the level of the associated petroleum gas (APG) utilization within implementation of the Gas investment program for the beneficial use of the associated petroleum gas.

**In 2020, as part of the implementation of the Company's Investment Gas Program to improve the rational use of associated petroleum gas, 21 production facilities were launched, including facilities for gas injection into the reservoir, power generation, gas treatment and use, as well as gas transportation infrastructure. The Program is being implemented in all regions of the Company's presence.**

For new deposits an integrated approach, which provides for the necessary measures at the stage of drawing up project-orientated documents for the development of deposits, ensuring the required level of rational use of APG, is used.

## In 2013–2020, Rosneft's capital investments in projects, involving the useful use of APG, exceeded 164 billion rubles.

[Rosneft, as an environmentally responsible company, constantly improves and expands the development and production of high-tech types of petroleum products with improved environmental characteristics.](#) The Company expands the geography of sales of Euro 6 and AI-100 gasolines, increases the production of low-sulfur marine fuel RMLS.

In order to meet the increased requirements of European legislation in the field of reducing CO<sub>2</sub> emissions, Bayernoil and MiRO refineries in Germany have successfully implemented projects for mixing a new bio-component HVO (hydrogenated vegetable oil) with diesel fuel. In order to further improve the efficiency of emissions management, several areas are being considered, in particular, the development of the production of "green" hydrogen.

In accordance with the demand forecasts and the development of the electric vehicle market, Rosneft continues to further develop the charging infrastructure at its retail sites. 14 charging stations for electric vehicles, including 5 fast charging stations (50 kW) in the Moscow region, Vladivostok, Khabarovsk and Leningrad region, and 9 slow charging stations (22 kW) in the Tver region and Krasnodar territory have been installed and are operating. Rosneft plans to develop charging infrastructure for electric vehicles within the framework of cooperation with the largest electric power companies in Russia – PJSC RusHydro and PJSC ROSSETI.

In 2020, the Company continued the expansion of the production of eco-friendly fuels:

- high-octane gasoline AI-100 has been put into production at the Yaroslavl refinery; since January 2021, direct deliveries of a new type of gasoline have been organized at Rosneft retail sites in the Yaroslavl and Kostroma regions. The Company earlier established the production of AI-100 at the Ryazan oil refinery and the Ufa Group of refineries;
- in 2020, at the Ryazan oil refinery, the Saratov refinery and the Ufa Group of refineries, the total production of Euro 6 gasoline with improved environmental and operational properties amounted to 1.3 million tons, which is more than 2 times higher than the production volumes of this product in 2019.

**Automobile gasoline of the Euro 6 brand produced by the Saratov oil refinery was awarded the "Russian Quality" mark. The corresponding diploma and certificate were issued by the all-Russian Quality Organization. The documents confirm that the quality of the manufactured products is significantly higher than the requirements established by Russian regulatory documents and international standards.**



In 2020, sales of high-octane fuel Euro 6 were carried out in 11 regions of the Russian Federation

Euro-6 gasoline contains:

- less sulfur, which helps to increase the service life of the exhaust gas neutralization system;
- retains its composition unchanged and does not oxidize for a long time which has a positive effect on the engine operation;
- contains less benzene and aromatic hydrocarbons, and, consequently, lower exhaust gas toxicity;
- contains less olefin hydrocarbons, which means that less deposits accumulate on the internal parts of the engine;
- contains fewer impurities that have a negative impact on the operation of the engine;
- the use of Euro 6 allows to reduce the emissions of the car's exhaust system, including total hydrocarbon emissions, up to 24%, non-methane hydrocarbon emissions – up to 27%, particle emissions – up to 64%.

**The Company sells Euro 6 fuel with improved operational and environmental characteristics in 11 regions of the retail chain's presence: the Republic of Bashkortostan, Krasnodar territory, the Republic of Adygea, Nizhny Novgorod, Smolensk, Tula, Kaluga, Ryazan, Vladimir, Moscow regions and in Moscow.**



In 2019, the Company's refineries organized the production of the following eco-friendly low-sulfur marine fuels that meet the IMO requirements introduced from 01.01.2020: RMLS at the Komsomolsk refinery and at the oil refining complex ANC Bashneft, TMS of type A at the Novokuibyshevsky oil refinery.

Currently, the production of low-sulfur marine fuel RMLS, which meets the IMO requirements, is carried out at the Komsomolsk, Syzran, Achinsk and Bashneft oil refineries. Bunkering with such fuel helps to minimize the impact of transport on the environment.

### 7.3. Ensuring access to energy and reliable energy supplies to consumers, including the emerging markets

The Company is a prominent participant in the global energy market, and acknowledges its role and responsibility for timely, reliable energy supplies to consumers, equally affordable and at competitive prices.

## Rosneft's share in the global crude oil production amounts to 6%.

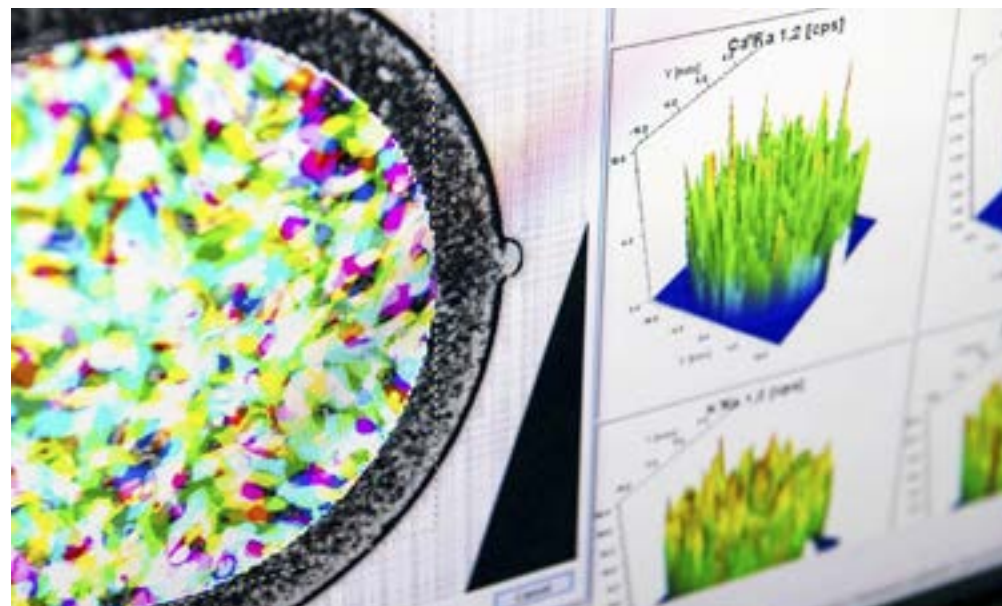
The Company has established a diversified system of energy supplies accessible for consumers with different levels of economic development, in compliance with modern energy security requirements, and offering a wide range of cooperation options, including tender sales and longterm contracts. We focus on increasing hydrocarbon production and improving our incremental product mix.

Please see Section 2.1. for further details.

## 7.4. Innovation activities

**Leadership in innovation and R&D activities is an important growth driver for the Company. Rosneft innovation effort includes development and application of new products and technologies, and business process management know-how.**

The Company has adopted and regularly updates the [Innovative Development Program](#) aimed to make the Company one of the industry technology leaders. In 2020, the program investments amounted to RUB 50.3 bln, including R&D investments of RUB 26.8 bln.



An important aspect of the Company's development are innovative research activities



Priority activity areas include:

- elaboration of new technologies, equipment and materials with a view to increasing energy and operating efficiency, and developing new types of reserves, including development and application of proprietary geological and hydrodynamic field modeling tools and geophysical and hydrodynamic well logging;
- development of new products, improving the Company product mix;
- process-focused and other innovations aimed at improvement of operational safety and business efficiency;
- introduction of smart production processes and development of digital technologies, including dedicated software.

**In 2018–2020, confirmed economic benefit from piloting new technologies and introducing results of dedicated innovation projects technologies exceeded RUB 40 bln.**

[Rosneft has a scientific and technological unit](#) that provides the development of scientific and technical solutions in all production areas and in all regions of the Company's presence, starting from the geological study of the subsurface and up to the production of final commercial products of oil and gas processing and petrochemistry.

Specialists of the scientific and technological unit participate in all business processes: from drilling wells to selling fuel at Company's retail sites; they work on all major projects of the Company both in Russia and abroad.

The scientific and technological block unites 34 corporate research and development institutes and engineering centers of Rosneft which employ more than 20 thousand qualified specialists, including more than 800 people with PhD degrees.

In order to preserve a favorable environment and biological diversity a specialized institute for ecology has been established and operates on the basis of SamaraNIPIneft LLC. Its activities are aimed at the development and implementation of scientific research works and environmental technologies for use at the Company's facilities.

With the participation of the RN-Krasnoyarsk Oil institute, work on the organization of an underground gas storage facility, as a temporary centralized storage of all associated gas until the start of its monetization, is being carried out.

Within the framework of import substitution, the successful development of our own production of catalysts continues. The result for 2019–2020 is the development of our own catalysts for diesel fuels and vacuum gas oil hydrotreatment processes and the beginning of their large-capacity production and application. The operation of diesel fuel hydrotreatment catalysts at the refineries in Ryazan and Ufa and vacuum gas oil the at refinery in Syzran has demonstrated that Company's own brands of catalysts are not inferior in quality characteristics, and in some indicators they surpass the best foreign analogues.

Please see Sections 3.6., 6.4., 13.5., 14.3 for more information.



# DECENT WORK AND ECONOMIC GROWTH

## 8.1. Contributing to sustainable development and diversification of the national economy

The Rosneft-2022 Strategy incorporates strategic guidelines, goals and targets that promote sustainable development of the national economy, related industries and regions of the Company's operations. The Company contributes to sustainable development and technical progress of the economy, creation of new industries, highly productive job sand value-adding products through a transfer to long term contracts with consumers, suppliers and contractors, as well as a system of anchor orders.

[The Company's program of import substitution and localization of manufacturing equipment](#) provides for development of related industries and gradual localization of foreign equipment production, including partnerships with leading world manufacturers.

## 8.2. Protecting employee health and safety, contributing to health and safety of contractors and suppliers

Please refer to Section 3.1.

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## 8.3. Creation of favorable social environment

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Please refer to Section 3.5.

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## 8.4. Supporting family and childhood

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**The Company ensures social protection for employees and their families. Employees, following the end of their maternity leave, have a guaranteed work place and smooth integration in the corporate team.**

In Group subsidiaries payment for the period of temporary disability related to pregnancy and childbirth is based on an average salary calculation. The Company provides assistance for construction of social and health care facilities for children within the framework of its social and economic partnership with the regions.

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## 8.5. Freedom of association and collective bargaining

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**The Company supports freedom of association, acknowledges the integrity of the employees' right to conclude [collective agreements](#), and the right of every employee to collective representation of his/her interests, including trade unions. These norms are stipulated in [Rosneft's Code of Business and Corporate Ethics](#).**

## More than 71.3% of Company employees are part of the labor contract.

The Company is a member of a two-level social partnership system:

- corporate social partnership. It is supported by active interaction with the Interregional trade union organization of PJSC Rosneft – based on the results of joint work, the template "Standard Collective Agreement" has been adopted and regular meetings of the Company's management with the trade union assets of the Companies are held. Representatives of the trade union organization carry out independent control and assessment of the level of industrial safety and labor protection at Rosneft's facilities through the labor protection commissioners.
- sectoral social partnership at the level of the oil and gas industry. Representative of PJSC Rosneft is a member of the industry commission for the regulation of social and labor relations, as well as the Council (a collegial management body) of the all-Russian industry association of employers of the oil and gas industry. More than 200 Societies of the Group are represented by the all-Russian industrial association of employers at the sectoral level of social partnership.

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## 8.6. Productivity growth and efficiency improvement

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**The Company focuses on improving operational efficiency, increasing productivity and creating incremental added value.**

The Company has elaborated and put in place a comprehensive set of measures aimed at productivity growth that includes steps to raise profitability and cut costs, with productivity metrics being part of management KPIs. A set of measures aimed at productivity growth is integrated in the business planning process and Rosneft's Long-Term Development Program, which is annually audited with independent external assurance and considered by the Board. Efficiency improvement programs designed for specific business streams are under way.

Targets related to productivity growth and cost cuts are included in the key performance indicators for assessing Company top management activities (KPIs).



The project of pre-university training and career guidance "Rosneft- classes" is being implemented in 27 regions of the Russian Federation. The total number of students exceeds 2.7 thousand people from 64 schools, 57 settlements.

## 8.7. Education as a mean of integrating young people into the energy sector

Being a responsible employer and a key industry player, the Company implements [a policy](#) focused on ensuring a steady inflow of professionally trained young specialists from among the best graduates.

The corporate system of continuous education "School-Higher school-Enterprise" is a key element of the corporate youth policy.



Rosneft provides opportunities for young people to get their first professional experience through internship and recruitment programs as part of the Company's university engagement. In 2019, the Company provided internship opportunities for over 7.0 thousand students. Every year, more than 1 thousand graduates join the Rosneft team.

Please see Section 4.2. for further details.



## 8.8. Establishing sustainable procurement system along the entire value chain

The Company aims to cooperate with suppliers and contractors that are interested in sustainable development of their supply chains, and application of new technological and innovative solutions.

Rosneft is one of the largest consumers of goods, works and services among Russian private and partially state-owned companies.

The persistently high demand for goods, works and services in the context of continuous business development is a powerful driver of the Russian and global economy.

The Company expects its suppliers and contractors to adhere to the principles stipulated by international regulations and public corporate documents related to human rights which are aimed at observing human rights,

health and safety, environmental protection, prevention of corruption, fraud and conflict of interest, statutory compliance and promotion of economic and social development.

When choosing suppliers and contractors, the Company is guided by the following key principles:

1. Openness.
2. Competitiveness.
3. Relevance.
4. Efficiency.

These principles are established by the current legislation of the Russian Federation, as well as the unified Supply Policy adopted by the Company in 2020. The policy defines the key goals, objectives, and fundamental principles of working with Company's suppliers and priorities of the organization of the supply of PJSC Rosneft and the Companies of the Group. The Principles are implemented through common on the purchase of goods, works and services for the Company and companies of the Group.



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## 8.9. Increasing Company energy efficiency in all operating segments

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Please refer to Section 7.1.

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## 8.10. Creating decent living and labor conditions in remote regions

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In the reporting year, Rosneft continued its work to ensure decent living and working conditions in remote regions for Rosneft employees and contractors, working at the Company's fields.

In 2020, this complex of services is carried out at 391 shift settlements, including administrative and household complexes and buildings, residential car-houses.

The costs of providing favorable social and living conditions in 2020 amounted to 6.7 billion rubles.

In 2020, capital investments for construction, reconstruction, development and improvement of shift settlements, support bases of brigades, sites and workshops amounted to 4.2 billion rubles.

A set of measures to counteract and prevent the spread of infection (COVID-19) in shift camps has been developed and implemented. In particular, observation facilities have been organized for employees of the Companies who take over the shift, employees are provided with individual protective equipment and antiseptics, daily thermometry is carried out, a ban on holding mass events has been introduced, etc.

For more information, see the subsections 1.1., 1.2., 2.2., 10.4.





# CLIMATE ACTION

## 13.1. Risks and opportunities related to climate change

The Company identifies and assesses risks and opportunities inherent in its business, as well as the activities of its suppliers and contractors.

The approach of the Company management and the flexibility of its business model provide high adaptability to possible changes in the energy landscape.

Our medium-term goals are in line with the growing climate-related society expectations and are aimed at:

- increasing the natural gas production, the use of which can significantly reduce greenhouse gas emissions;
- implementing refinery development projects, increasing output of products in demand and feedstock for petrochemicals;
- reducing greenhouse gas emissions, including methane, and increasing energy efficiency;



- **Developing, producing and stepping up sales of new products that allow consumers to reduce emissions and improve energy efficiency;**
- **Development in new environmentally oriented business segments.**

Rosneft is developing various scenarios of global energy evolution. Our strategic planning and engagement in consideration of industry documents takes into account risks and opportunities for the Company and the energy sector of the Russian Federation associated with climate change and transition to the low-carbon energy. The Company has made management decisions to control the prevention of greenhouse gas emissions and minimize the carbon footprint at its main production facilities.

In April 2020, the Board of Directors approved expansion of the tasks and functions of the Strategic Planning Committee and renamed it to the Strategy and Sustainable Development Committee. The Committee assists the Board of Directors in determining strategic goals and benchmarks of the Company development, including the goals of Rosneft in the area of environmental and social responsibility and Corporate governance (ESG) and evaluating the long-term performance of the Company and the contribution of Rosneft to the UN Sustainable Development Goals (SDGs). The functions of the Strategy and Sustainable Development Committee include analyzing risks and opportunities of Rosneft related to climate change and the environment, including water resources management, and highlighting key SDG issues to the Board of Directors of Rosneft.

In December 2020, the Company's Board of Directors reviewed **Carbon Management Plan until 2035, which provides for the following key goals:**

- prevention of greenhouse gas emissions in the amount of 20 million tons of CO<sub>2</sub> equivalent;
- reduction of the intensity of emissions in oil and gas production by 30%;
- achieving a methane emission intensity below 0.25%;
- zero routine flaring of associated gas.

In 2020, active work on issues related to management and reduction of greenhouse gas emissions was conducted at the level of the Subcommittee on carbon management, established a year earlier as part of the Committee on industrial safety and labor protection. Taking into account the importance of issues related to the competence of this collegial body, at the end of 2020, by the decision of the

Management Board, the Company's Subcommittee was transformed into **Carbon Management Committee**, under the leadership of the First Vice President of the Company, reporting to the Chief Executive Officer.

In 2020, the Company's Environmental Development Concept until 2035, which defines the basic principles of environmental protection and contributes to the achievement of the UN Sustainable Development Goals, as well as to the national environmental goals of the Russian Federation, was developed and considered at the Board of Directors' Strategy and Sustainable Development Committee.

Within the framework of the **Concept of Environmental Development of PJSC Rosneft until 2035**, the following goals are set:

- 15% reduction in total non-greenhouse gas emissions;
- 15% reduction in emissions of sulfur dioxide and nitrogen oxides by 2035.

In the context of Russia's accession to the Paris Agreement, Rosneft actively cooperates with all interested parties in the field of mitigation of the consequences of climate change and adaptation to climate change. The Company will continue to improve the carbon reporting system in accordance with the normative regulations of Russian legislation and internationally adopted approaches including the task group recommendations on financial disclosure of information related to climate change: Task Force on Climate-related Financial Disclosure, TCFD.

The Company recognizes the importance of **reducing methane emissions** at all stages of the value chain. In 2020, as a member of the initiative of leading international oil and gas companies to reduce methane emissions in the natural gas supply chain, Rosneft translated to Russian for universal access the best practices for reducing methane leaks in the production and supply chain of natural gas. Also in 2020 a pilot project to test advanced technologies for detecting methane leaks, including remote laser scanning (using unmanned aerial vehicles), infrared cameras and ultrasonic detectors was successfully implemented at three companies of the Group. In 2021, within the framework of the tasks, as set out in the Carbon Management Plan, work on the development and regulation of technologies to reduce methane leaks continues and expands.

## Rosneft has received recognition in the leading international ESG ratings.

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### 13.2. Improving Company energy efficiency in all operating segments

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Please refer to Section 7.1.

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### 13.3. Taking action conducive to improved energy efficiency when using Company products

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Please refer to Section 7.2.

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### 13.4. Environmental policy and commitments

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As a participant of the UN Global Compact the Company strives to reduce the impact from its operations on climate change.

The Company's main instruments for reducing greenhouse gas emissions are the Investment Gas Program, aimed at increasing the level of rational use of associated petroleum gas, and the Energy Saving Program.

Within the framework of the largest new project of the Company, Vostok Oil, local wind generation projects, wind fields, will be developed where weather conditions allow.

[The Rosneft-2022 Strategy provides for achieving a 5% reduction in greenhouse gas emissions on a unit basis \(scope 1 and scope 2\).](#)

The Company implements the Gas Investment Program for increasing the beneficial use of the associated petroleum gas and the Energy Efficiency Program, aiming at preventing of over 8 mln tones of CO<sub>2</sub> equivalent going into the air by 2022. **The main objective of the Company's Investment Gas Program to improve the rational use of associated petroleum gas is to reduce the APG flaring rate to less than 5%, in accordance with the targets set by the Government of the Russian Federation. This task is solved through an integrated approach to the development of fields: the creation of infrastructure for the collection, use and supply of natural gas to consumers or the re-injection of gas into the reservoir.**

Energy efficiency indicators improved by 15% in 2018–2020, as a result it was possible to avoid emissions of 3.9 million tons of CO<sub>2</sub>-eq during this period.

For more information, see subsections 7.1., 7.2.



In 2020, Group Companies planted about 1.5 mln trees as part of the forest preservation initiative.

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## 13.5. Innovative activities

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The Company implements innovative projects aimed at developing technical solutions for the use of renewable energy sources to supply electricity to oil and gas producing enterprises, as well as develops technologies and equipment for the preparation and use of natural gas and APG, including for electricity generation. A few of patents have been received.

Please see Section 7.4. for further details.



# PARTNERSHIPS FOR THE GOALS

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## 17.1. Participation in global initiatives

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The Company, as a participant of the [UN Global Compact](#), shares the principles of the Social Charter of Russian Business and supports the Anti-Corruption Charter of Russian Business.

The Company is also supportive of general principles and values of the [Universal Declaration of Human Rights](#), and the Declaration of the [International Labor Organization on Fundamental Principles and Rights at Work](#). We support initiatives aimed at sustainable development, higher transparency, combating corruption, respecting the fundamental human rights, closing the inequality gap, and protecting the environment.

Please see Sections 10.6., 13.1. for further details.

## 17.2. Participating in sustainable energy development



[Igor Sechin, Chief Executive Officer of Rosneft, made a key presentation at the Energy Panel "Transformation of the World Energy", held within the framework of the XXIV St. Petersburg International Economic Forum.](#)

The Company acknowledges the importance of [sustainable development](#) of the global energy sector and responsible behavior of key producers, including sufficient investment volumes to replenish the resource base, timely and efficient development of reserves and ensuring reliable supplies to consumers from developed and developing countries. Given modern challenges, it is unacceptable to create obstacles to the participation of producers in the global oil and gas market and barriers to investment in energy efficient projects.

The Russian oil and gas sector in general and the Company in particular continue to increase supplies to the world market, responding to the growing needs of the global economy. Rosneft participates in the formation of a dialogue focused on the sustainable development of the energy sector, including:

- changing the regulatory environment, developing fiscal initiatives to improve the efficiency of the development of the resource base, oil refining and petrochemical industry;
- building integrated supply chains, creating new capacities and technological solutions;
- expansion of partnerships with industry participants at the Russian and international levels, including cooperation in the field of HSE (with bp and [Equinor](#));
- agreement on strategic cooperation in the field of carbon management and sustainable development with bp;
- agreement on cooperation in the field of carbon management with Baker Hughes.

For more information, see subsections 8.1., 9.2.



### **17.3. Effective partnership with state organizations, businesses and society**

**The Company is committed to an open, constructive dialogue and responsible cooperation with state organizations, businesses and society. In this dialogue we comply with the applicable legislation and high standards of the corporate and business ethics. This helps to enhance the Company's opportunities and promotes creation of favorable conditions for developing its business. Key areas of engagement include development of the federal and regional laws and the industry normative base, promotion of key initiatives for sustainable development of the industry and the regions.**

In 2020, despite the restrictions associated with COVID-19, the Company held the [VII Corporate Congress of Ecologists](#) of Rosneft, which was remotely attended by the representatives of bp and Equinor. Participants from partner companies presented reports on conservation issues, biodiversity, climate conservation and sustainable development, as well as took part in the discussion of core topics related to carbon management. Since 2007, the Company has been holding annual round tables in the key regions of its activity, during which the priorities of the development

of the Group's companies, environmental protection, industrial safety and labor protection, and the contribution of the Company to the development of the economy and infrastructure of the regions, the social sphere and charity, support for science and education.

Please see Sections 2.3., 16.3. for further details.

In terms of new staff training and supporting education in the oil and gas sector, it is additionally worth noting that in 2020 the first graduation of masters in the field of supply took place at the Gubkin Russian State University of Oil and Gas. The masters completed a two-year program at the Department of Supply System Management in the Oil and Gas Complex and also completed an internship in the relevant departments of Rosneft. The following students were involved in the training activities organized by managers and lead specialists of the Supply Service of PJSC Rosneft, who helped to hold training seminars, events and industrial practice, as well as to obtain applied knowledge in the field of supply and organization of procurement procedures. The graduates of the program were 14 masters, 7 of whom received a degree with honors. In order to strengthen the employee potential, in autumn 2020 the training of the second set of undergraduates (26 people) in full-time and part-time form started under this program. As part of the support of small- and medium-sized enterprises (SMEs), the Company interacts with JSC Corporation SME in terms of organizing training seminars on the participation of SME subjects and self-employed citizens in the procurement of PJSC Rosneft and the Group's companies. The Company actively promotes the participation of SMEs in small purchases at the Section "Corporate Online Store" of JSC TEK-Torg (KIM). Participation in the KIM provides SMEs with a simplified participation procedure and direct access to small-volume purchases.



# NO POVERTY

## 1.1. Contributing to regional socioeconomic development and better well-being

Rosneft is one of the largest public oil and gas company in terms of crude oil reserves and production and plays a strategic role in the Russian energy industry and the national economy, accounting for 3.8% of Russia's GDP and 3.9% of the country's investments and maintaining the status of the largest taxpayer of the Russian Federation.

Company operations contribute to sustainable development of regions and related industries, creation of added value and workplaces across the entire value chain, better well-being and sustainable social development.

Please see Sections 3.5., 8.1., 8.10 for further details.

Rosneft provides about 2.5 million workplaces in Russia, including our employees, suppliers and contractors.



Rosneft is one of the largest employers in Russia. In 2020, our average headcount amounted to 342.7 thousand people.

The Company accounts for over RUB 6 trln, or almost one third of the total investment in the Russian economy.<sup>1</sup>

## 1.2. Social responsibility and social investments

**The Company continued to develop a systematic approach to solving social issues, reducing social risks, ensuring long-term fruitful relations with the regions of its presence and strengthening the image of a socially responsible Company. Traditionally, in the regions of its presence, the Company implements social and infrastructure projects that directly affect the quality of life of the population (including the Company's employees).**

In 2020, the Company's financing of the social sphere amounted to 34 billion rubles. In 2020, agreements with 48 subjects of the Russian Federation were in force, under which 5.3 billion rubles were allocated to finance the social sphere. In addition, in 2020 the Company allocated 1.5 billion rubles for the implementation of individual charity projects and 1.2 billion rubles for sponsorship activities.

Effective interaction with the subjects of the Russian Federation under the conditions of the spread of a new coronavirus infection, allowed the Company to actively support regional healthcare, implementing a full range of measures to protect the population and the vital infrastructure of the regions of production activity in the current sanitary and epidemiological situation. In the conditions of the necessity of rapid response in some cases the form of support as direct financing was changed to the purchase and subsequent gratuitous transfer of the essential medical equipment and personal protective equipment to the regions.

Please see Sections 3.5., 11.5. for further details.

<sup>1</sup> The multiplier of investments in the oil and gas sector was about 6.5 x for each invested ruble.





# ZERO HUNGER

## 2.1. Meeting energy demand

**Responsible business conduct is one of the Company's priorities, including equal access to products of guaranteed quality and offered at a fair market price.**

Rosneft's oil product supply enterprises provide consumers of the Russian domestic market with the fuel of guaranteed quality and at a fair market price, which is necessary for the smooth functioning and balanced development of industry, transport and agriculture, especially during peak demand periods during sowing and harvesting operations.

Rosneft is consistently developing the infrastructure for interaction:

- with the population, by selling petroleum products and related products through a network of retail sites;
- with the business segment, through a network of retail sites and a non-cash payment service for legal entities using virtual and plastic fuel cards;
- with manufacturers and independent networks, through the wholesale trade of petroleum products from oil depots.

Rosneft supplies oil products to regions of the Russian Federation, including remote and hard-to-access areas. The geography of the Company's retail network is vast and includes over 3 thousand sites in 66 Russian regions and over 6 thousand retail sites abroad.

Rosneft also owns 13 refineries in Russia, as well as stakes in 5 refineries abroad (3 refineries in Germany, the Mozyr refinery in Belarus and a refinery in India's Vadinar). The Company and its partners are considering projects for constructing new refineries in Indonesia and China.

Please see Section 7.3. for further details.

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## 2.2. Supplying remote regions and promoting shared use of infrastructure

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**Infrastructure, created by the Company in the course of its operations, contributes to better living standards and socioeconomic development which is particularly important for Russia's remote regions.**

When realizing projects in the remote regions of Siberia and the Far East, the Company implements construction of road infrastructure, including winter roads and water crossings which are used both for shipment of equipment and personnel to Company sites, and by local dwellers aiming to ensure uninterrupted delivery of food, consumer goods, and fuels to remote regions. The Company's subsidiaries contribute to oil product deliveries to Russia's northern areas in order to ensure ample energy supplies for the winter period.

Rosneft supports local producers. In the regions of its presence the Company includes products under local brands in the assortment of the Rosneft gas station retail network, provides them with the best places on the shelves and accompanies sales with advertising materials. About 20% of the assortment matrix of stores and cafes is formed on the basis of an analysis of sales/demand at the regional level; the choice of suppliers is carried out on a competitive basis, which contributes to the development of small- and medium-sized businesses.

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## 2.3. Supporting indigenous people of the North and local communities

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The Company respects the cultural heritage, traditions, and rights of people. Rosneft supports projects which contribute to sustainable development of indigenous people of the North and local communities. These projects are aimed at preserving unique ethnic culture, traditional lifestyle and economic activities of indigenous people and providing proper education and health care services.

**Rosneft supports projects that meet the interests of sustainable development of the indigenous peoples of the North and local communities**

The Company's approach is enshrined in the [Code of Business and Corporate Ethics of Rosneft Oil Company](#). Various sports and ethno-cultural events are being implemented; funds are allocated for the purchase of equipment for fishing activities, construction and repair of housing, social and infrastructure facilities.

The events are aimed at supporting the traditional way of life and types of industry, improving housing conditions, improving the infrastructure of settlements, purchasing equipment, fuel and lubricants for conducting commercial management, implementation of summer recreation programs, participation in exhibitions, contests, competitions, other cultural and sports events with national themes, various educational and wellness programs.

Since 2017 the Company has been a sponsor and organizer of the "ECOARCTICA" Environmental Forum – a joint project of the Administration of the Nenets autonomous okrug and RN-Shelf-Arctic LLC, a subsidiary company of PJSC Rosneft. The goals and objectives of the activities carried out within the framework of the project are:

- organization of an open discussion of topical issues of safe development of the Arctic;
- development of cooperation between the regions of the Company's presence;
- conducting educational work in the field of ecology and professional orientation among school students;
- support of local initiatives to promote sports competitions of the peoples of the North.



**One of the key events of the forum in 2020 was the round table "Topical issues of safe development of the Arctic and biodiversity conservation".**

Taking into account the current epidemiological situation, in 2020, for the first time the round table was held in an online format and became international, connecting 7 cities from Russia and Norway. More than 30 people took part in the round table: representatives of the government, the expert and scientific community, as well as the representatives of the indigenous peoples of the North. One of the main topics of discussion was reindeer husbandry and the protection of reindeer. During the event, the experience of reindeer herders of the Nenets autonomous okrug and scientists involved in reindeer husbandry was presented.

As part of the educational work among students of grades 1–11, a children's drawing contest on the theme "Heirs of Victory" was organized, career guidance lectures "General Geology", "Environmental protection on the Arctic Shelf" were held, and were attended by more than 130 students from 8 schools: Rosneft-classes of the school of the village of Seekers in Naryan-Mar, the school of the village of Krasnoe and the "Nenets secondary School named after A. P. Pyrerka". The Environmental quiz was attended by more than 220 schoolchildren.

Traditionally, within the framework of the forum, events dedicated to the Day of the Deer where 14 reindeer herding farms took part were held. The participants of the holiday were over 1,000 people. Competitions in national sports were organized among reindeer herders of the NAO: reindeer sledding races, sled jumping, tenzei throwing.

Within the framework of the international film festival "ARTCTIC OPEN" in Arkhangelsk, a photo exhibition "The Attraction of the Arctic" was organized by Rosneft together with the non-governmental development institute "Innopraktika". As part of the exhibition, unique shots from the atlas "[Russian Arctic. Space. Time. Resources](#)" and photos taken during large-scale research expeditions of Rosneft were presented. Visitors of the exhibition saw majestic ice landscapes, amazing wildlife and the biodiversity of the Arctic underwater ecosystems.

Competitive, business, educational and cultural programs provide an opportunity to get acquainted with modern culture, see the premiere films of directors of the Nordic countries. In 2020, the film festival was held in Arkhangelsk, Severodvinsk and Novodvinsk.



The Company continues to support the "IT-camp" project, which is being implemented by the government of the Khanty-Mansi autonomous okrug-Yugra (KhMAO-Yugra) in order to increase the quality of life of the indigenous small-numbered peoples of the North,

living in remote and hard-to-reach camps, and ensure access for public services and distanced learning. In 2020, within the framework of this project, 17 access points were connected to the Internet, covering 779 people of the 54 territories of traditional nature use and 4 national villages.

In 2020, thanks to Rosneft, about 800 residents of the ancestral lands of the indigenous small-numbered peoples of the North on the territory of the Khanty – Mansi autonomous okrug-Yugra received access to the Internet. With funds allocated by the Company, 17 access points in 54 territories of traditional nature use of indigenous people are connected to the global network. In 2021, it is planned to install at least 20 more points.

Depending on the location of a particular household, the necessary technical solution is applied – either masts with antennas that amplify the signal from the operators' base stations are installed, or satellite dishes that transmit the signal over the Wi-Fi network in the houses and on the street are placed on the huts for remote settlements.

Ugra is the first region of Russia where the inhabitants of the ancestral lands have a way out access to the Internet which makes it possible, without leaving the camp, to remotely receive education, consult medical specialists, have access to various information, state and other socially significant resources.



# QUALITY EDUCATION

## 4.1. Corporate system of continuous learning and employee education

Competent and highly qualified employees are the main asset of the Company and a prerequisite for its sustainable development. The Company has established a uniform corporate system of continuous learning and education that reaches out to all business segments, staff categories and is accessible to more than 300 thousand of Company employees.

The corporate Standards “On professional training” and “[On employee assessment and professional skills development](#)” are in place. The Company has developed over 1.3 thousand professional and technical skills sets, as well as procedures for skills assessment for core business processes. Within the framework of the corporate continuous learning and employee education:

- The Company incorporates more than 64 corporate learning centers and develops successful cooperation with leading domestic and international educational institutions;
- On an annual basis, the Company conducts more than 700 thousand man-hours of mandatory professional, technical and management training, as well as secondment and knowledge-sharing programs with international partner companies;
- The Company develops management expertise with the help of MBA programs.



### **Promotes professional skills with more than 200 specialized programs of the corporate professional and technical training.**

In 2020, in the conditions of a difficult epidemiological situation, the sustainable development of the corporate employee training system was ensured.

The Company together with educational partner organizations carried out a lot of work on the processing of the content of educational programs and the introduction of remote learning formats, using IT platforms, methods of group and individual online learning, knowledge level control.

The Company has previously paid considerable attention to the development of online knowledge transfer technologies, and 2020 has intensified work in this direction. The trend of using the mixture of full-time and distance learning approaches (blended learning) will continue to develop in the future.

The Rosneft-Class project: "From School to Enterprise" is one of the Company's strategic and important projects. In 2020 34 Companies of the Group employed 106 graduates of Rosneft classes who have received a specialized higher education.

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## **4.2. Supporting secondary and higher professional education**

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The Company cooperates with Russian and international educational institutions with a view to creating new programs, modern educational facilities and training centers of excellence.

Our support of secondary and higher professional education includes the following:

- Rosneft has established partnerships with 68 Russian and international universities, and 119 organizations of vocational education;
- The Company supports 25 proprietary academic departments;
- Projects are under way aimed at the development of scientific and educational university infrastructure; staff training programs are enhanced and upgraded;
- The Company supports efforts to obtain higher education, including scholarship programs for foreign students;
- Specialized master's programs are being developed in partner universities: "Genomics and human health", "Digitalization in the field of fossil fuel geology", "Chemical technology", "Oilfield chemistry", "Supply Management", "Internal Audit", "Staff Management", etc.

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## **4.3. Education as a mean of integrating young people into the energy sector**

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Please refer to Section 8.7.



## GENDER EQUALITY

### 5.1. Increasing employee capabilities and equal opportunities for professional growth and development

The Company creates comfortable working conditions aiming to unlock the potential of each employee and operates in compliance with the Social Charter of Russian Business and the Universal Declaration of Human Rights.

**Every individual is guaranteed the rights and freedoms proclaimed in these two documents. We apply a uniform transparent approach to employee remuneration, assessment, motivation and career development.**

The Company provides equal opportunities for professional growth and employee development. In 2020, the share of female employees was 32.4%, including managers – 23.6%, top managers and senior managers of the Companies of the Group – 15%, in the Management Board of the Company – 11.1%. In 2021, the former head of the Austrian Ministry of Foreign Affairs Karin Kneissl joined the Board of Directors for the first time.

Rosneft implements programs for the development of the employee reserve and the development of professional skills of the staff. Since 2005 an annual corporate review-competition for the title of "The Best in the profession" has been held. Every year more than 20 thousand employees of the Company take part in the competition.



Young specialists participate in a comprehensive corporate program, including orientation classes, development of engineering thinking, professional and leadership skills. Every year more than 60% of young specialists take part in corporate scientific and technical conferences which have become platforms for career growth.

## 5.2. Supporting family and childhood

Please refer to Section 8.4.





# CLEAN WATER AND SANITATION

## 6.1. Water management

**Access to water resources and prudent management of fresh water ecosystems are critically important for people's health, environment preservation and sustainable development.**

**The Company is committed to ensuring the rational use of water resources within its operations and taking action to protect and replenish them.**

Rosneft is committed to complying with the water management legislation. This is achieved by carrying out timely repair and upgrading activities where necessary, and introducing best available technologies where appropriate. The Company monitors the state of environment on an ongoing basis, which allows us to take timely action for minimizing our environmental footprint.

The Company carries out annual inspections of offshore wellheads, and executes environmental monitoring of marine ecosystems and environmental and fishing mapping at the Company's offshore licence areas.

In new projects, wherever possible, the technology of laying pipelines under the sea bottom in the construction of water crossings is used. If this is not possible, all measures will be taken to prevent damage to water resources.

Within the framework of the Concept of Environmental Development of PJSC Rosneft until 2035, the following goal is set: to reduce the consumption of "fresh"<sup>1</sup> water by 10% by 2030 by increasing reuse and improving the efficiency of purification. For new projects – maximum reuse of water.

In 2020, the current costs of water resources management (reception, treatment, transportation and disposal of wastewater) amounted to more than 6.5 billion rubles. The share of recycled and re-sequentially used water in 2020 amounted to 94% of the total volume of water used for production needs;

This allows saving the volume of external water consumed (clean water).

## 6.2. Water treatment and recycling programs

Implementation of major environmental projects improves water management efficiency at Rosneft production facilities and water quality in the water supply facilities of cities and residential areas in the regions of Company operations. Construction and upgrades of water treatment facilities are an integral part of the large-scale corporate refinery maintenance program.

Within the framework of the Agreement on Cooperation with the Ministry of Natural Resources and Ecology of the Russian Federation (the Ministry of Natural Resources of the Russian Federation and the Federal Service for Supervision of Natural Resources of the Russian Federation (Rosprirodnadzor))

the Company implements eight priority environmental projects. Six of them are related to the improvement of water quality and higher efficiency of water use.

The following projects have already been executed in that respect:

- a new biological treatment unit at Bashneft-Ufaneftekhim, a unique project for Russia and Eurasia, which is designed to treat all industrial, rain and utility waste water from the Bashneft refineries, and 66 local businesses. As a result, by using purified waste water, we reduce fresh water consumption by 2.5 times.
- the Company commissioned an advanced water treatment facility incorporating a membrane bioreactor at the Novokuibyshevsky refinery with a view to increasing water treatment efficiency and reducing fresh water use consumption by maximizing the use of treated waste water, and ensuring complete automation of the process.
- the block of circulating water supply and treatment facilities of the Novokuibyshevsky plant of oils and additives. It was put into operation in 2020 in order to improve the quality of wastewater and increase the efficiency of the use of recycled water in production.

As a result of the project implementation, the needs for recycled NCMP water are met with the required parameters for the normal conduct of technological processes.

<sup>1</sup> Fresh water is fresh water withdrawn from surface and underground water bodies, including the fresh water supplied by third parties under water supply contracts.

In 2020, the implementation of large-scale environmental projects for the reconstruction/technical re-equipment of wastewater treatment facilities also continued. At the Kuibyshev and Syzran refineries projects for the reconstruction of treatment facilities and biological wastewater treatment facilities were carried out.

In 2020, a complex of treatment facilities for wastewater treatment of the Valanginskaya deposit of the Vostochno-Urengoy license area was commissioned by JSC Rospan International. In oil production projects the Company improves the efficiency of water resources management by using water injection technology to maintain reservoir pressure and increase oil recovery, which leads to minimal water intake from surface water bodies.

Rosneft operations with regard to managing water resources were assigned the B- score in the global CDP water rating. This demonstrates the efficiency of the Company's environmental policy.

## 6.3. Minimizing oil spill footprint and managing risks

**The Company strives to prevent, reduce and minimize the footprint of oil spills.**

The Company has established and improves an Emergency Oil Spill Response System which ensures prompt response to crude oil and oil product spills, their localization and elimination with a view to minimizing the environmental footprint, including the impact on water resources.

In 2020, the Company started implementing a new large-scale program "Improving the reliability of pipelines in 2020–2025". 23 oil and gas producing enterprises of the Company take part in the program.

**The main goals for the period of the program implementation:**

- Reducing the pipeline failure rate by over 20% by the end of 2025 (compared to 2019).
- Increasing the volume of in-line inspection for better pipeline controls.
- Selecting, testing and introducing new technologies and materials to increase protection against corrosion and sediment build-up.
- Developing and applying improved operating pipelines controls.

The program "Improving the reliability of pipelines 2020–2025" provides for the reconstruction of more than 7 thousand km of pipelines, capital and current repairs of more than 6 thousand km of transport networks. In 2020, the Company reduced the area of previously accumulated oil-contaminated land by 7%.

In order to minimize the impact on the land, the Company introduced a new standard for the reclamation of contaminated land, as well as standard requirements for supervision of natural restoration works. Rosneft builds and reconstructs landfills for the disposal of industrial waste and equips enterprises with modern equipment and equipment for the processing of oil sludge.

Within the framework of the Concept of Environmental Development of Rosneft, the Company has set the following goals until 2035:

- reclamation of 100% of polluted lands of "historical heritage"<sup>1</sup> by 2035;
- liquidation of 100% of oil-containing waste of "historical heritage" by 2035;
- implementation of the principles of the closed-loop economy<sup>2</sup> during the implementation of current activities and new projects.

<sup>1</sup> "Historical heritage" means waste and polluted lands formed in the past as a result of economic activities of third parties in the territories and (or) objects operated/used by the Company.

<sup>2</sup> The closed-loop economy is aimed at maintaining the value of products, materials, and resources for as long as possible by returning them to the production process cycle at the end of their use, while minimizing waste generation.



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## 6.4. Innovative activities

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The Company implements innovative projects aimed at developing technologies for [drilling waste and oil sludge treatment](#), emergency oil spill response, oil decontamination of seas and [land remediation](#).

The Company owns licences for strains of pure growth bacteria and microbial species which are designed for decontaminating sea areas and coastlines of northern seas.



# INDUSTRY, INNOVATION AND INFRASTRUCTURE

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## 9.1. Promoting development of infrastructure, related sectors and industrial complexes

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The Company Investment program and anchor orders provide powerful incentive for development of related sector and the national economy as a whole, ensuring higher level of industrialization and application of new technologies. Implementation of our oil and gas projects leads to creation of new oil producing provinces and promotes regional development, particularly due to infrastructure construction which is important for the oil industry and its oilfield services segment.

The Company invested over 4 trillion rubles in its business development, including the launch of oil and gas greenfield projects, modernization of existing facilities, and establishing resilient modern infrastructure for conducting business in the regions of Company operations.



Thanks to the introduction of advanced technologies at promising and mature locations, the Company's production and inventory continue to grow steadily.

The Company's investment portfolio and anchor orders form the basis for the creation, re-equipment and expansion of enterprises in various industries.

The Company contributes to creating infrastructure for new projects (in East Siberia and other remote areas), oilfield equipment manufacturing and the development of related industries, including metals, chemicals, engineering, and electronics.

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## 9.2. Creating economic value

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**The Company has a sustainable value-adding integrated business model aimed at using the opportunities which result from changes in the global energy mix, structural changes in commodities markets, and technological advancement. This approach, along with efficient investment portfolio management, corporate governance system, and effective stakeholder partnerships promote incremental profitability, creation of added value across the entire value chain, and unlocking the full resource potential. The Company takes into account global energy trends, including the growing role of natural gas, development of new types of reserves and new production regions.**

Please see Sections 8.8., 11.1., 12.3. for further details.

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## 9.3. Innovative activities

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Please refer to Section 7.4.



## 9.4. Ensuring sustainable infrastructure functioning

In 2020, in an unfavorable epidemiological situation, Rosneft paid special attention to the issues of information security as one of the key factors for ensuring the sustainable functioning of the Company's IT infrastructure. In a short time the Company has provided the transfer of employees to a remote format of work, while ensuring the availability and continuity of IT services and maintaining the required control over the state of information security of infrastructure, information systems and resources. At the same time, additional tests were carried out to increase the

level of awareness of users about the current threats to information security related to remote work and cyber training of employees on information security issues. Compliance with the requirements of communication and information security is an obligatory element of the corporate culture and an important condition for carrying out daily activities, including joint work with business partners. At the same time, special attention is paid to the convenience of communications and the development of new types of services, taking into account the increased mobility of employees and access to corporate information resources and systems.

In 2021, Rosneft's guidelines in the field of information security remain unchanged and are aimed at ensuring a secure information environment, sustainable digital development, centralization of information security functions and improvement of the process of employee awareness on information security threats, which is especially important in the context of active development of infrastructure solutions of the Company, such as regional data centers, unified communications, mobile solutions.





## REDUCED INEQUALITIES

### **10.1. Partnerships and social investments in the regions of operations**

Please see Section 1.2.

### **10.2. Fiscal stability and budget revenues assurance**

In 2020, the Company paid to the all levels of budgets of the Russian Federation and extra-budgetary funds more than 2.4 trillion rubles of taxes, duties and insurance premiums, including more than 0.3 trillion rubles to the budgets of the regions of presence.

While maintaining the status of the [country's largest taxpayer](#), the Company makes a significant contribution to ensuring the stability of the budget system and contributes to the contribute to Russian socioeconomic development.



In 2020, Rosneft followed the [key principles](#) in the field of taxation, which fix the unconditional and timely fulfillment of legal requirements as the basis of the Company's activities in the tax sphere. This document, published by the Company in 2019 (the first among the largest companies in the Russian oil and gas sector), reflects the main principles and objectives in the field of taxation, among which the formation of a stable tax environment is highlighted, and sets a new standard for responsible tax behavior based on the principles of openness and transparency in the tax sphere.

Please see Section 1.1. for further details.

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## 10.3. Developing human talent and providing equal opportunities for professional growth and development

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Please see Section 5.1.

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## 10.4. [Social policy](#)

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Rosneft adheres to the principles of high social responsibility, and ensuring decent living standards for its employees (please refer to Section 3.5.). The Company is striving to maintain the labor remuneration at a level which exceeds an average salary in the regions of its operations, conducting an annual salary indexation.

The Company has a collective agreement template that contains a list of benefits, guarantees and compensations providing additional social protection for employees.

In 2020, social payments, benefits and one-time bonuses (part of gross payroll) amounted to 22.8 billion rubles.

In addition to the current template of the collective agreement, more than 85 Group's companies have joined the industry agreement on organizations of the oil and gas industries and the construction of oil and gas facilities in the Russian Federation for 2020–2022, which contains a guaranteed level of benefits, guarantees and compensations provided to employees of the oil and gas industry.

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## 10.5. Supporting indigenous peoples of the North and local communities

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Please refer to Section 2.3.

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## 10.6. [Compliance and combating corruption](#)

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The Company adheres to the principle of zero tolerance of corporate fraud and corruption in any form and manifestation.



In 2010, the Company joined the [UN Global Compact](#) and the [Social Charter of Russian Business](#), and has been providing support for the [Anti-Corruption Charter of Russian Business](#) since 2013.

Please see Section 17.1. for further details.

The Company's principles and approach are stipulated in its local normative acts: [the Policy for combating corporate fraud and involvement in corrupt activities](#), [the Code of Business and Corporate Ethics of Rosneft](#), [Regulations of Rosneft internal control rules for prevention, detection and suppression of illegal use of insider information in Rosneft and \(or\) market manipulation](#), the procedure for managing conflict of interest at Rosneft and its subsidiaries, and regulations on the rules for the exchange of business gifts and business hospitality.

In 2020, the security hotline received more than 37 thousand requests.

Quarterly, information about the work of the [security hotline](#) is provided to the Board of Directors of Rosneft and to the Chairman of the Board of Directors of PJSC "Rosneft".

When working with suppliers and contractors, Rosneft consistently controls contracting procedures, pricing and discounting mechanisms with a view to detecting possible collusion, effectively spotting signs and facts of affiliation and selfish interests, as well as predisposition to corrupt behavior.

Please see Section 12.3. for further details.

In 2020, the volume of training in the field of compliance with business ethics, combating corporate fraud and corruption amounted to more than 30.7 thousand people-courses.

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## 10.7. Creating favorable social environment

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Please refer to Section 3.5.



# SUSTAINABLE CITIES AND COMMUNITIES

## 11.1. Meeting the growing demand for energy resources

Rosneft occupies a unique position in the field of supplying low-carbon hydrocarbons to meet the growing global demand for energy resources. Being one of the leaders in the global energy sector, having an extensive and efficient resource base and occupying a strategic position in the global hydrocarbon market, the Company aims to reduce greenhouse gas emissions by 2035 and produce more energy with less impact on the climate and the environment.

**The Company acknowledges that in the long-term crude oil and natural gas will retain an important role in the energy mix, with a growing share of gas as a clean fuel. As a responsible producer, the Company steadily increases the volumes and efficiency of hydrocarbon production.**

The main goals of Rosneft in the field of gas monetization are to ensure obligations for its supply to the Company's consumers and to expand the portfolio of long-term contracts that guarantee the implementation of growing production volumes. By the end of 2020 the share of gas in the total volume of Rosneft's hydrocarbon production has exceeded 20%, which corresponds to the strategy of increasing gas production in the total portfolio of production projects.

Currently, the Company supplies gas to more than 35 regions of the Russian Federation, acting as the main supplier in a number of them.



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## 11.2. Improving living standards in cities and other residential areas

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**The Company's activities contribute to higher living standards, ensuring environmental sustainability and reducing the environmental footprint of the automobile transport.**

Rosneft is constantly improving characteristics of its motor fuels and expanding the geography of its supplies, as well as the range of available products and additional services at petrol stations (including non-fuel business).

In 2020, in order to maintain and develop sales in the conditions of a pandemic, the Company constantly developed services for observing social distancing and minimizing contacts; for example, contactless remote payment for fuel and related products through mobile applications, without leaving the car interior. In partnership with Yandex, by the end of 2020, about 1,500 gas stations have been connected to the contactless fuel payment service, the contactless food payment service is now available at 50 gas stations.

Please go to Section 7.2 for more details.

In 2020, the Company continued to increase the number of gas stations, selling fuels with improved environmental and operational characteristics: branded gasoline Pulsar and a range of bp fuels with ACTIVE technology.

Pulsar branded gasolines and bp fuels with ACTIVE technology ensure the purity of the fuel system of engines of various modifications-both with traditional injection and with direct fuel injection, due to the involvement of cleaning components in the composition of unique fuels. The use of these fuels maintains cleanliness of the fuel system, which, in turn, allows to optimize the formation process of fuel-air mixture and ensures its maximum efficient combustion. The result is, among other things, an improvement in fuel efficiency.

By the end of 2020 Pulsar branded gasoline and bp fuels with ACTIVE technology have been sold by more than 1.1 thousand retail sites in 33 regions of the Russian Federation.

Developing a retail network of natural gas motor fuels in Russia is one of Rosneft's priorities in its retail business. Using gas as a motor fuel ensures better transportation efficiency due to lower carriage costs and significantly reduces the automobile environmental impact.

By 2028 the Company plans to expand the gas filling infrastructure, including the development of a network of individual automobile gas-filling compressor stations, LNG technology, as well as the construction of CNG modules at the Company's existing gas retailing sites.

Rosneft's retail network has the potential of becoming a platform for developing the charging infrastructure for electric vehicles.

As part of the development of an innovative and environmentally oriented approach and taking into account the interests of consumers, Rosneft plans to develop charging infrastructure for electric vehicles in cooperation with the largest electric power companies in Russia.

Please refer to section 3.2 for more details.

Please refer to section 7.2 for additional information.

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## 11.3. Environmental policy and commitments

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**In accordance with its [Policy on Health, Safety and Environment](#), the Company, wherever possible, tries to avoid operations within residential areas.**

In case a corporate asset is located inside, the Company carries out measures, aimed at protecting the environment and avoiding any impact on people along with conducting environmental monitoring and controls. The Company regularly conducts voluntary Saturday clean-up activities and other initiatives in the areas of its operations.

Rosneft signs agreements on social and economic cooperation with regional authorities that provide for additional investment for regional development and environmental initiatives (please refer to Section 1.2.).



In 2020, the volume of the Company's expenditure on environmental initiatives amounted to around 74 billion rubles.

## 11.4. Supporting indigenous people of the North and local communities

Please refer to Section 2.3.

## 11.5. Culture and heritage

The Company respects the cultural heritage, traditions, and rights of people and supports cultural heritage projects.

Rosneft provides support for the following projects:

- Financial support for the academic symphonic orchestra of the St. Petersburg Philharmonic named after Shostakovich which is internationally recognized as one of Russia's symbols; support for the Britten-Shostakovich Festival Orchestra, support for the State Academic Mariinsky Theatre and the Saint Petersburg Music House;
- Holding unique cultural projects in the Pushkin State Museum of Fine Arts, the State Hermitage, and a joint exhibition with the State Tretyakov Gallery;
- Support for annual on-stage appearances of the Choir of the Sretensky Monastery in the regions of Company operations (22 cities) with various programs (since 2015), tours of Boris Eifman's St. Petersburg State Academic Ballet Theatre in the cities of Russia;
- Conducting the annual corporate festival "Rosneft discovers talent (the Star is born)" (since 2011), unlocking creative potential of Company employees and their family members;
- Reconstruction and restoration of cultural and historical heritage sites, including a complex of the Konev Monastery of the Nativity of the Virgin and the cathedral of the Nativity of the Christ in Yuzhno-Sakhalinsk.

Please refer to Section 1.2.

## 11.6. Creating favorable social environment

Please refer to Section 3.5.



# RESPONSIBLE CONSUMPTION AND PRODUCTION

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## **12.1. Environmental policy and commitments**

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**Environmental responsibility is an integral part of the Company's culture, ensuring its sustainable development.**

In order to prevent potential environmental footprint the Company is committed and takes the necessary action with a view to protecting the environment, preserving and recovering natural resources. The Company's commitment is supported by continuous improvement of our products, as well as processes and working environment for the Company employees and partners.

## 12.2. Sustainable development and efficient use of natural resources

The Company follows the principles of sustainable development and efficient use of natural resources, while implementing the following initiatives:

- extending the life of field development and increasing the oil recovery factor, in particular, by introducing modern enhanced oil recovery techniques, implementing well intervention programs and increasing the share of highly productive horizontal and multilateral wells (in 2020, the share of horizontal wells amounted to 68%, growing by 11% year-on-year);

- shared use of infrastructure within cluster field development ensuring lower environmental footprint;
- effective utilization of associated petroleum gas and other byproducts of crude oil and gas production;
- transitioning to more sustainable production by improving refinery yields, undertaking refinery upgrades, and changing the product mix as a result of incremental environmental requirements;
- applying new technologies and technological solutions in order to expand sustainable production methods and reduce the level of losses along the entire value chain.

Preserving the environment is an integral part of the Company's corporate culture.

Please see Sections 7.4., 13.5., 14.3. for further details.

## 12.3. Effective procurement system

The Company is developing an effective procurement system based on the principles of openness, competitiveness, validity, and effectiveness.

In 2020, the volume of goods, works, services procured by the Company (Rosneft Oil Company and the Group Subsidiaries) from external counterparties amounted to 2.76 trillion rubles.

Transparency of procurement, broader competitiveness and equal access to procurement for the market participants is assured, in particular, by organizing procurement procedures in electronic form on TEK-Torg, an electronic trading platform.

The Company and the Group Subsidiaries initiated more than 137,000 procurement procedures in 2020.

In general, more than 464,000 suppliers have been registered on the TEK-Torg platform.<sup>1</sup>

In order to ensure an efficient and sustainable supply system the Company operates in strict compliance with the requirements of industrial safety, labor protection and environmental protection (HSE rules). To implement an integrated approach to comply with the requirements of the HSE rules and in connection with the coming into force Company's regulations "The procedure for interaction with contractors in the field of industrial and fire safety, labor protection and the environment", which establish new qualification criteria for HSE rules, standard qualification criteria have been developed for the types of products, works, services in the field of HSE rules.



The Company applies the same requirements to contractors in the field of industrial safety, labor protection and environmental protection (HSE rules). All standard contracts contain clauses on the need to comply with the Company's rules in the field of HSE rules.

<sup>1</sup> Cumulative total since the beginning of the electronic trading platform JSC TEK-Torg.





Important selection criteria for contractors and suppliers include commitment to the values and norms adopted by the Company in the area of industrial safety and labor protection.

With regard to oilfield works (in particular, drilling), the standard contract contains a separate addendum, based on the requirements of applicable legislation, including regulations in the field of ecology, which deals with the treatment of contractors with drilling waste.

In 2020, as part of raising awareness and interest of suppliers and contractors (including SMEs) in participating in the Company's procurement procedures, Rosneft, together with JSC SME Corporation and ETP JSC TEK-Torg, held 13 events on the organization of procurement activities in the Company. Seminars were held in the cities of Ivanovo, Sochi, Khabarovsk, Ulyanovsk, Tuapse, Nizhnevartovsk, in the Republics of Bashkiria, Tatarstan, Volgograd, Sakhalin, Tomsk regions and the Krasnoyarsk Territory and other regions of the Russian Federation.

For more information, see section 16.1 "Human rights and freedoms".



# PRESERVING MARINE ECOSYSTEMS

## 14.1. Biodiversity of marine ecosystems

The Company follows the principle of maintaining favorable environment and biological diversity in all regions of the Company's operations. Preservation of the marine ecosystems of the Arctic zone is in the focus of our attention.

Within the framework of the Environmental Development Concept of Rosneft until 2035, all future projects should comply with the principle of "total positive impact" on biodiversity, in accordance with the best practices of the International Union for Conservation of Nature (IUCN).

### High standards of environmental security form a cornerstone of the Rosneft-2022 Strategy.

Environment preservation is an integral part of the Company's corporate culture and social responsibility. Rosneft prioritizes environmental security, preservation and recovery of natural resources in every area of its activities.

On a regular basis since 2012, the Company has been conducting complex research expeditions aimed at studying marine Arctic ecosystems, with particular attention paid to rare and protected species, including those listed in the endangered-species list of the Russian Federation, regional endangered-species lists, and the Red List of the International Union for Conservation of Nature.

In 2020, the results of a three-year research project of the Black Sea dolphins, implemented with the support of Rosneft, were summed up. Full-fledged research of these animals has not been carried out since the 80s of the last century.

As part of the project, scientists of the Marine Mammal Laboratory of the P. P. Shirshov Institute of Oceanology conducted two full-scale marine expeditions along the coast of the Krasnodar Territory, each with a length of about 1 thousand km. During the expeditions, a large-scale air survey of the Black Sea cetaceans was carried out, covering the north-eastern part of the Black Sea. Coastal surveys were also carried out, as well as a wide range of laboratory studies. In addition, the method of automatic photo accounting of Black Sea cetaceans was used for the first time.

Based on the results of marine expeditions, cartographic charts of the seasonal distribution of cetaceans were built. The number of cetaceans in the research area, according to preliminary estimates, is about 20 thousand individuals. Including white-barrel dolphins—more than 12 thousand individuals, bottlenose dolphins — about 4 thousand, azovok — a little more than 1.5 thousand.

For the first time, qualitative and quantitative description of sound signals (whistles) of Black Sea dolphins living in nature was made — it is a necessary basis for future acoustic monitoring. The method of local acoustic accounting of bottlenose dolphins by individual identification of "autograph whistles" has been successfully applied. Based on the data obtained, recommendations how to prevent the impact on the key habitats of the Black Sea cetaceans were developed.

With the support of the specialists of the "Arctic Scientific Center", a general-audience publication based on the results of the first comprehensive study of Black Sea dolphins in thirty years, implemented with the support of PJSC "Rosneft", was prepared and published. The publication has been transferred to the federal and regional state bodies, responsible for the conservation of marine mammals and ecosystems of the Black Sea, and other interested organizations.

Within the framework of cooperation with the Foundation for Support of Scientific and Project Activities of Students, postgraduates and Young Scientists "National Russian Intellectual Development", the Company publishes environmental atlases of the Russian seas. The purpose of these publications is to provide general up-to-date information on physical geography, oceanology, hydrometeorology, ecology and history of the waters of the Russian seas. The published publications received a positive assessment from the scientific and expert community.

In May 2020, Rosneft, together with the non-governmental development institute Innopraktika presented a unique atlas "[The Black and Azov Seas](#)" as part of the [series](#)



"[Ecological Atlases of the Seas of Russia](#)". The atlas consists of 6 thematic chapters, it presents more than 50 thematic maps-schemes of the water area and the coastal zone of the Black and Azov Seas. The Atlas contains valuable scientific data on the state of the environment obtained, among other things, during the long-term research work of Rosneft.

**As part of the [series "Ecological atlases of the seas of Russia"](#), in December 2020, the "Barents Sea" and "Species-Biological Indicators of the State of Arctic Marine Ecosystems" atlases were published.**

The Atlas of the Barents Sea contains detailed information about the typification of the shores of the Barents Sea, provides up-to-date information about marine mammals, birds, fish, benthos and plankton. The atlas contains more than 55 thematic maps-schemes of the water area and the coastal zone of the Barents Sea seas, a lot of graphs, diagrams, summary tables and artistic illustrations. The atlas reflects the results of long-term environmental monitoring and research activities of PJSC Rosneft at the Company's licensed sites. The publication presents the results of special works on the study of marine mammals—polar bear and walrus, which were carried out within the framework of the corporate program for the conservation of marine ecosystem biodiversity.

In the publication "Species-biological indicators of the state of marine Arctic" more than 60 species of inhabitants of the northern latitudes are described, a brief description of the seas of the Russian Arctic is presented, methods of biological indication are generalized and an assessment of biodiversity at Rosneft's license areas is given. The publication contains unique artistic illustrations, maps and photos from the Company's expeditions.

Specialists of the "Arctic Scientific Center" of the Company and the lead Russian institutes of Russia worked on the atlases of the series. These are the Lomonosov Moscow State University, the P. P. Shirshov Institute of Oceanology of the Russian Academy of Sciences, etc. Digital versions of the editions of the Eco series—logical atlases of the seas are published for a wide audience of readers on the Company's website.

Within the framework of the agreement concluded with the Ministry of Natural Resources of Russia in 2020, the “Arctic Scientific Center” has started implementing a corporate program for the study, conservation and monitoring of key species – bioindicators of the stability of Arctic ecosystems: polar bear, Atlantic walrus, wild reindeer and white gull – a rare species of gull, listed in the endangered-species list of the Russian Federation.

The program was a continuation of large-scale studies of polar bears and walruses carried out in 2014–2018, according to the results of which a unique scientific material about the current state of animals living in the Arctic was collected and systematized. The study of these animals allows us to assess the state of ecosystems as a whole.

In June 2020, specialists of the “Arctic Research Center” and the Federal State Budgetary Institution “Arctic and Antarctic Research Institute” began comprehensive studies of the White gull population listed in the endangered-species list. The expedition started in the north-eastern part of the Kara Sea, the specialists carried out their work during the entire period of nesting of birds – about two months. The main place of research and stationary observations was chosen by the island of Wiese. The scientists also conducted research in the Severozemelsky Nature Reserve, the islands of the Great Arctic Reserve. During the expedition, passing aviation observations and inspection of potential sites were carried out. To obtain the most accurate information

about the number and features of the spatial placement of the white gull, scientists used unmanned aerial vehicles, point-to-point digital photography, photo / video recorders and GPS trackers for tracking the movements and seasonal activity of birds. As part of the research, 10 photo traps were installed, 39 individuals of the white gull were caught and ringed, more than 70 blood samples, feathers and food samples were taken for subsequent laboratory processing.

In the field season of 2020, for the first time, comprehensive studies of walruses and polar bears on the islands of the Franz Josef Earth archipelago were conducted almost simultaneously. The expedition was organized by specialists of “Arctic Scientific Center” LLC together with the Institute of Ecology and Evolution Problems of Russian Academy of Sciences named after Severtsov and the Center for Marine Research of Lomonosov Moscow State University.

As part of the study of the polar bear, stationary observations of animal both on land and water were carried out. The scientists managed to collect morphometric data of six individuals of bears: to weigh the bears, take samples of blood, wool, biomaterials, and also to identify patterns of distribution and behavior of animals in the ice-free period.

As part of the walrus study, most of the known deposits were examined, and one new one was discovered on Jackson Island. At all places of large accumulations of animals biopsy samples were collected, which will allow for a large-scale molecular and genetic analysis of the Atlantic walrus group of the Franz Josef Land archipelago. Satellite transmitters were installed on animals of different sex and age groups. In total, more than 3,300 animals were counted. Previously, it was believed that this group does not exceed 3,000 individuals.

In the autumn-winter period of 2020, field studies of wild reindeer were conducted on the Taimyr Peninsula and in Evenkia. Scientists of the Siberian Federal University and the “Arctic Research Center” jointly conducted aviation surveys, tagging of deer with collars with satellite transmitters, which will allow remote investigation of the migration routes of animals. As part of the research, daily stationary observations were also carried out, following the migration of wild reindeer, water and land motorized routes along the banks of the Kheta and Khatanga rivers. More than 50 samples were selected for further laboratory studies.

The collected data will allow us to confirm and update previously known data and supplement the current understanding of the distribution and key habitats of the studied species.

## 14.2. Environmental policy and commitments

The Company ensures that action plans are in place to protect ecosystems and biodiversity at all stages of project development.

### The Company Environmental Impact Assessment process is the key element in project planning.

When carrying out work in offshore areas, the Company follows the provisions of international conventions such as the International Convention for the Prevention of Pollution from Ships (MARPOL), and the Convention on the Protection of the Black Sea Against Pollution. The Company is also governed by the requirements of the national legislation on the continental shelf of the Russian Federation; on the exceptional economic zone of the Russian Federation; and on inland waters, the territorial seat of the adjacent zone of the Russian Federation. Ships used by the Company comply with the provisions of the International Convention for the Prevention of Pollution from Ships (MARPOL).

Field work at chartered vessels is allowed only after the technical audit aimed at establishing compliance with the Company's requirements is complete.

Offshore projects are implemented upon availability of all required endorsements and permissions provided by authorized authorities, a positive conclusion of the Federal environmental expertise office, and public approval for their accomplishment.

In December 2020, an international scientific and practical conference "ECOARCTICS" was held in the online format. The organizers of the event were the Company of the "RN-Shelf-Arctic" Group and the administration of the NAO (Naryan-Mar). The conference participants discussed the experience of geological exploration and oil production, the use of environmentally friendly technologies and issues of biodiversity conservation.

In 2020, Rosneft held 11 stakeholder engagement meetings, with 8 of them in the format of public hearings and 3 as surveys, focused on the implementation of offshore projects and biodiversity conservation.

## 14.3. Innovative activities

**Within its Innovation program, the Company continues to identify and implement solutions to protect marine ecosystems, including development of a list of species that are bio-indicators of sustainable marine ecosystems in the Company's license areas in the Arctic seas, and creation of a new biological product based on psychrophilic microorganisms to effectively clean the water and coastline of high latitude seas of pollution (please go to Section 14.1.).**

The "Arctic Scientific Center" and the National Intellectual Development Foundation, supporting scientific project-based activities of students, doctoral candidates and young scientists, have been carrying out a joint research project aimed at creating oil-degrading bacteria for decontamination of hydrocarbon polluted water surface and coastal the zones of the Northern Seas. Currently, the parties have completed the development of the microbial prototype of the drug and its technology pattern.

In 2020, within the framework of the targeted innovative project "Creation of a microbial preparation for utilization of hydrocarbon pollution in the seas of the Arctic the region: scaling of technologies and drug testing", a program for the development of the microbial drug production technology was prepared, a methodology, estimating the shelf life and reproducibility of technological characteristics of the microbial drug, was developed, the working out of the modes of biomass production, drying and granulation of microbial biomass was carried out.

Creation of a new type of microbial drug and its convenient technological form will allow to localize and eliminate oil pollution of various types. The native forms of microbes in the composition of each drug, due to their regional specifics, will provide the most complete and safe purification from hydrocarbons in various regions of oil production.



**Within the framework of the project, between 2014 and 2020, 10 patents for microbial drugs and 29 patents for psychrophilic strains of microorganisms were obtained, showing efficiency of utilization of petroleum products in the marine environment and under negative temperatures; one of these drugs ("Strain *Pseudoalteromonas arctica* for destruction of oil and petroleum products", the patent of the Russian Federation No. 2703142), in 2020, received an award of Rospatent in the nomination "100 best Russian inventions in 2019 and the first half of 2020".**

The Company is going to conduct tests of the drug in conditions that are as high as possible close to the real ones. For this purpose, the building of flow-through aquarium systems was equipped on the territory of the Belomorskaya Biological Station with the support of the Company. The laboratory is located on the seashore, which is necessary to ensure the operation of the marine water supply system in a year-round mode,

including complex ice situation in winter. In the premises of the new building a flowing marine aquarium system, that mimics the conditions of the open sea area as much as possible, will be installed. At the same time, hydrocarbons and a microbial drug are guaranteed not to fall into the sea. The inadmissibility of environmental pollution is one of the categorical test conditions.

By the end of 2023, it is planned to complete the development of an industrial technology for producing a microbial drug. The implementation of the development in the perimeter of the Company will optimize and improve the quality of the activities carried out within elimination of possible emergency situations at the Company's license areas in the Arctic.



## LIFE ON LAND

### **15.1. Biodiversity of terrestrial ecosystems**

**The Company is committed to ensuring actions are in place to protect ecosystems and biodiversity, paying particular attention to protected environmentally sensitive areas.**

A key element in the evaluation of future projects is the Company Environmental Impact Assessment process. Decisions are made based on the analysis of background environmental conditions, including the condition of valuable and specially protected flora and fauna. Projects are implemented only after confirmation of compliance with environmental requirements and monitoring of the implementation of relevant measures. The Company has established the Register of protected environmentally sensitive areas in the regions of its operations and undertakes further steps to minimize its environmental footprint on the basis of results obtained from environmental monitoring.

The Company does not conduct geological exploration within specially protected areas. When carrying out work on environmentally sensitive territories and near specially protected natural territories, the Company implements all possible preventive measures to avoid negative effects on the environment and ensure the preservation of biodiversity. Rosneft is taking measures to mitigate the environmental impact based on the monitoring results.

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## 15.2. Sustainable management of natural resources and minimized environmental footprint

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**We are committed to the prudent use of the natural resources (including increased recycling) and give consideration to the environmental impact of our operations.**

We focus on preserving environmental integrity and project execution in environmentally sensitive areas. Preventive action and other environmental initiatives aimed at minimizing our environmental impact constitute a distinctive area of the Company's activities, including forest recovery, land management and landscape monitoring in oil and gas provinces.

The Company is executing a number of programs and projects, which minimize our environmental footprint, including:

- the Gas investment gas program for increasing the beneficial use of the associated petroleum gas at both existing and new fields (see Section 13.4.);
- a wide range of environment protection projects with the goal of reducing the consumption of fresh water (see Section 6.2.);
- the processing and safe disposal of waste, such as drilling waste re-injection;
- Introduction of cordless seismic surveying which ensures lower impact on ecosystems;
- the Energy efficiency program aimed at improving the efficient use of fuel and energy resources while maintaining the target production level, and refining and sales volumes of hydrocarbons (the expected energy saving between 2019 and 2023 is 4.3 mln toe, see Section 7.1.).

### **Unique wireless seismic technology.**

In 2020 the development of the innovative seismic data registration system "Gepard" was completed, the geological information content and productivity were confirmed and the possibility of carrying out work in hard-to-reach regions was proved. The assessment and ranking of the Company's sites for the prioritized introduction of new technologies has been carried out, data on the optimal design of seismic exploration works to solve geological problems and reduce the impact on the environment is being collected.

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## 15.3. Promoting ecosystems sustainability in the regions of Company operations

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**The Company recognizes the need to promote the sustainability of ecosystems in the regions of its presence, carrying out activities to minimize the impact on vulnerable ecosystems, biodiversity or critical components of natural ecosystems, based on monitoring and evaluation of basic environmental parameters.**

In accordance with the Concept of ecological development of the Company 2035, during the planning of new projects in all regions of its presence all possible steps to avoid conducting any business or to prevent any impact on protected territories, categories 1A and 1B, according to the classification of the International Union for conservation of nature (IUCN) and the world heritage of UNESCO, will be done. All new facilities will have to be designed based on the principle of eco-friendly and environmental safety and the absence of negative impacts on ecosystems, which should be ensured through the introduction of environmentally friendly best available technologies (BAT), constant monitoring and comparative analysis with scientifically based basic parameters.

**Rosneft is implementing projects for the conservation of biodiversity in the regions of its activity.**





**In 2020, more than 70 million fingerlings of important fish species were released in support of ecosystem sustainability in the regions of Company operations.**

These included juveniles of pelyad, Siberian sturgeon, grayling, sockeye salmon, Atlantic salmon, chum and whitefish in the Republic of Sakha (Yakutia), Krasnoyarsk Territory, Arkhangelsk, Tyumen and Sakhalin Regions, the Republic of Karelia and the Khanty-Mansiisk autonomous region – Yugra.

The enterprise RN-Yuganskneftegaz made a huge contribution to the corporate events for the release of juvenile fish. As part of the activities for the preservation of river ecosystems, the company has released more than 50 million fry of various fish species, including valuable ones: Siberian sturgeon, muksun, peladi, into the basins of the Ob and Irtysh rivers.

**The Company is implementing a comprehensive project to restore the ecosystem of the northernmost territories of Russia – the protected archipelago of Franz Josef Land.**

**Rosneft provides support to the project aimed at establishing a system of alternative power supply in a specially protected nature reserve in the vicinity of Cape Zhelaniya, at the northern end of Severny island of the Novaya Zemlya Archipelago. The project will contribute to successful conservation of natural habitats of a particular environmental and historic value.**

An expedition to study wild reindeer was conducted in Taimyr. Scientists of the Siberian Federal University conducted observations of the migration of the Taimyr-Evenk population of wild reindeer. One of the main tasks of the expedition was to estimate the number of young animals that appeared on the light this year, which will enable us to simulate the dynamics of the population in a changing climate.



# PEACE, JUSTICE AND STRONG INSTITUTIONS

## 16.1. Human rights and freedoms

The Company operates in strict compliance with the Social Charter of Russian Business and the Universal Declaration of Human Rights. We acknowledge the importance and value of fundamental human rights and freedoms proclaimed by the United Nations, including the freedom of association, the right to conclude collective agreements, labor rights, the right to favorable environment and health protection and the rights of indigenous people.

Rosneft is a participant of the [UN Global Compact](#).

[The Company's commitment to human rights is reflected](#) in the Rosneft Code of Business and Corporate Ethics, internal policies and local normative acts. The [Code of Business and Corporate Ethics](#) applies to all subsidiaries, in which the Company possesses a majority of votes. Main mechanisms for monitoring and assessing activities in the area of human rights are in place.



Within the framework of compliance with legal obligations to ensure the internationally recognized rights and freedoms of individuals and groups of people, in 2020 the Company developed and published on the official website of the Company the "Declaration of PJSC Rosneft in the field of human rights when interacting with suppliers of goods, works and services". When submitting an application for participation in the procurement, each supplier/contractor confirms that they have read the declaration, as well as their readiness to comply with all the principles set out in it.

The Company has developed a "[Code of Suppliers of goods, works and services of PJSC Rosneft in the field of human rights](#)". The Code is aimed at forming a strong business relationship between PJSC Rosneft and its suppliers. By adopting the Code, suppliers support the Company's position in the field of human rights and undertake to extend the Code's provisions to the entire supply chain of goods, works and services.



The Company acts in strict compliance with the Social Charter of the Russian business and the Universal Declaration on Human Rights. More than 71.3% of Rosneft employees are part of the labor contract.

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## 16.2. Establishing sustainable procurement system along the entire value chain

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Please refer to Section 12.3.

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## 16.3. Developing stakeholder engagement

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The Company is focused on developing stakeholder engagement based on partnership and long-term, fruitful, trustworthy and mutually beneficial relations with its stakeholders, including shareholders, investors, consumers, authorities, general public and business community.

Effective communications based on principles of openness, mutual respect and responsibility contribute to our sustainable development.

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## 16.4. Compliance and combating corruption

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Please refer to Section 10.6.

# ROSNEFT: SUSTAINABLE DEVELOPMENT PRINCIPLES

Reference list for compliance with themes aligned with Sustainable Development Goals of the United Nations

PRINCIPLES	APPROACH AND IMPLEMENTATION MECHANISM	INDEXES
<b>Leading with agility in the age of energy transition</b>	<ul style="list-style-type: none"> <li>■ Flexible business model</li> <li>■ Balanced investment portfolio</li> <li>■ Robustness across the cycle and value creation</li> <li>■ Energy security and energy access</li> </ul>	2.1., 3.2., 7.1., 7.2., 7.3., 7.4., 8.6., 8.8., 8.9., 9.1., 9.2., 9.3., 11.1., 12.2., 13.1., 13.2., 13.3., 13.4., 16.2., 17.2.
<b>Securing people, environment and values</b>	<ul style="list-style-type: none"> <li>■ Safety culture and performance</li> <li>■ Working environment and benefits for employees</li> <li>■ Security for people, business and assets</li> </ul>	3.1., 3.3., 3.4., 3.5., 3.6., 7.2., 8.2., 8.3., 9.4., 10.4., 10.6., 10.7., 11.6., 12.3., 13.4., 16.2., 16.4., 17.2., 17.3.
<b>Doing business the right and responsible way</b>	<ul style="list-style-type: none"> <li>■ Integrity across all business units and operations</li> <li>■ Transparency and reporting</li> <li>■ Respect of human rights</li> <li>■ Ethics, compliance and anti-corruption</li> <li>■ Risk management</li> </ul>	2.1, 3.1, 3.2, 3.3, 3.5, 4.1, 4.3, 5.1, 5.2, 7.3, 8.2, 8.3, 8.4, 8.5, 8.7, 8.10, 9.4, 10.2, 10.3, 10.4, 10.6, 10.7, 11.6, 12.3, 13.1, 16.1, 16.3, 16.4, 17.1, 17.2, 17.3
<b>Enhancing economic and social development</b>	<ul style="list-style-type: none"> <li>■ Direct and indirect economic contribution</li> <li>■ Supply chain and related industries development</li> <li>■ Employment and workforce training</li> <li>■ Industrial and social infrastructure</li> <li>■ Energy access, new products and solutions</li> </ul>	1.1, 1.2, 2.1, 2.2, 2.3, 3.5, 3.6, 4.1, 4.2, 4.3, 5.1, 5.2, 7.2, 7.4, 8.1, 8.3, 8.4, 8.7, 8.8, 8.10, 9.1, 9.2, 9.3, 10.1, 10.2, 10.3, 10.4, 10.5, 10.7, 11.1, 11.2, 11.4, 11.5, 11.6, 12.3, 16.2
<b>Addressing threats of climate change</b>	<ul style="list-style-type: none"> <li>■ Climate-related governance</li> <li>■ Emissions reductions</li> <li>■ Energy intensity of our industrial operations</li> <li>■ Use of our products</li> </ul>	3.2, 6.1, 6.2, 7.1, 7.2, 8.9, 11.2, 12.1, 12.2, 13.1, 13.2, 13.3, 13.4, 13.5, 14.1, 14.2, 14.3, 15.1, 15.2
<b>Efficiently managing our environmental impact</b>	<ul style="list-style-type: none"> <li>■ Environmental stewardship</li> <li>■ Water management</li> <li>■ Ecosystems and biodiversity</li> </ul>	3.2, 6.1, 6.2, 6.3, 6.4, 11.3, 12.1, 12.2, 12.3, 13.1, 13.4, 14.1, 14.2, 14.3, 15.1, 15.2, 15.3
<b>Partnering with our stakeholders</b>	<ul style="list-style-type: none"> <li>■ Efficient partnerships</li> <li>■ Respect of human rights</li> <li>■ Labour rights, comfortable working conditions and social protection for our employees</li> <li>■ Company's values across our supply chain</li> </ul>	1.2, 3.5, 3.6, 4.1, 4.2, 5.1, 5.2, 6.2, 8.1, 8.3, 8.4, 8.5, 8.8, 9.2, 10.1, 10.3, 10.4, 10.7, 11.5, 11.6, 12.3, 16.1, 16.2, 16.3, 17.1, 17.2, 17.3