



HEALTH, SAFETY AND ENVIRONMENT POLICY OF LUKOIL Group IN THE 21st CENTURY

LUKOIL Group's strategic mission is to be a competitive oil and gas company, characterized by balanced business growth, highest quality standards, careful attitude towards environment, rational use of natural resources and commitment to social responsibility principles.

While being aware of its social responsibility, the Company intends to contribute to long-term economic growth, social stability, prosperity and progress, thus preserving favorable environmental conditions and ensuring the efficient utilization of natural resources in the regions of LUKOIL Group's presence, and it expects society to realize the complexity and magnitude of the tasks faced by the Company.

LUKOIL Group's social responsibility implies creation of decent work conditions and pay, environmental safety and preservation of cultural heritage.

LUKOIL sets the following priorities: safe work conditions for its employees, health protection of the LUKOIL Group employees and of the local population in the regions of its presence, and environmental protection based on application of the best available technologies.

To accomplish those goals, the Company has established an efficiently functioning HSE Management System that provides for compliance with the fire safety requirements and also for emergency prevention and response. It is developed in line with the Russian legislation and also with the national laws of the countries of LUKOIL Group's presence, based on the best practices and certified for compliance with ISO 14001 and ISO 45001 standards.

THE HSE POLICY OF LUKOIL GROUP IN THE 21st CENTURY (HEREINAFTER THE POLICY) SETS THE FOLLOWING GOALS:

- higher utilization ratio of associated petroleum gas;
- application of the "zero discharge" principle for offshore field development;
- increased output of eco-friendly fuels compliant with European standards;
- efficient utilization of natural resources, both those involved in the production process and others occurring naturally in the regions of LUKOIL Group's presence, through introduction of resource-saving and energy efficient technologies and use of alternative energy sources;
- consistent mitigation of negative environmental impact through introduction of best available technologies, equipment, materials and improved automation of engineering process management;
- mitigation of impact, produced by operation of LUKOIL Group companies on climate, biological diversity of environmentally sensitive territories, including the Arctic zone of the Russian Federation;
- an improved HSE component, also due to the increased reliability of process equipment, including pipeline integrity, its safe and uninterrupted operation, introduction of new technologies and automated accident-prevention systems;
- preparedness of the management of LUKOIL Group organizations, employees, emergency rescue services and teams for possible accident, fire and emergency-response measures, and also higher preparedness and better equipment of firefighting and emergency rescue teams;
- improved development and implementation process of available and new programs aimed at continuous tracing and tackling of tasks in the area of industrial, fire, environmental and occupational safety, as well as emergency prevention;
- mitigation of man-caused environmental impact due to newly commissioned facilities through improved quality of pre-design and project documentation;
- improved efficiency of production control, corporate supervision and internal audit in terms of compliance with the legislative HSE, operational safety of offshore facilities, road traffic safety requirements at the facilities of LUKOIL Group organizations based on the introduction of cutting-edge information technologies, methods of engineering diagnostics and remote monitoring in line with the international standards ISO 14001, ISO 45001.

TO ACHIEVE THE SET GOALS, LUKOIL GROUP ASSUMES THE FOLLOWING OBLIGATIONS:

- implement the whole range of available and viable measures to prevent injuries, road traffic accidents, occupational illnesses and accidents among employees, and to mitigate their consequences;
- regard planned and implemented measures aimed to prevent negative impact upon the employees, the local population and environment as having a higher priority over those aimed, rather, to mitigate the related consequences;
- ensure consistent and continuous improvement of properties and characteristics of the impact produced by planned and implemented activities, products and services upon employees, the local population and environment, and also of the impact produced by consumption of natural resources, in keeping with the current advances in science, technology and society;
- efficiently control greenhouse gases emissions;
- continuously and regularly implement measures to reduce losses of oil, gas, petroleum and gas derivatives, and prevent their release into the environment;
- introduce the results of advanced scientific research and innovative technologies to gradually reduce the specific consumption of natural resources, materials and energy, while maintaining the maximum possible output;
- ensure compliance with legislation of the Russian Federation and national legislations in countries where LUKOIL Group companies operate, international agreements and branch-specific and corporate regulatory requirements, regulating industrial, fire and environmental safety, occupational safety, prevention and preparedness for emergency response;
- assess the impact produced by planned and implemented business activities, products and services upon the health of employees, local population and upon the environment at early stages of the planned activities, include additional assessment of risks when planning works in environmentally sensitive areas;
- assess process, professional, environmental, fire and climate change risks at all stages of a facility's life cycle;
- make and implement all managerial and production-related decisions while taking into account significant environmental aspects, production, professional risks, environmental and fire risks aimed at their mitigation or prevention;
- plan and undertake integrated measures to preserve biological diversity:
 - seek to avoid operations in the habitats of valuable and specially protected plants and animals, in especially sensitive environmental zones, in plant-vegetation seasons, during breeding and migration periods of wild animals, or minimize the impact when it is impossible to cancel the operations within certain territories during certain periods;
 - reduce areas of disturbed lands, preserving landscape integrity;
 - prevent or mitigate impact LUKOIL Group employees and parties acting on behalf of LUKOIL Group produce on wildlife;
- hold all employees of LUKOIL Group responsible for compliance of their operations with effective HSE and emergency response rules and standards; introduce incentive measures, ensure training and advanced training measures as related to the employees of the Company and LUKOIL Group organizations;
- ensure that all the organizations operating in the territory of and/or on behalf of LUKOIL Group organizations, at all stages of a facility life cycle, conduct their work in compliance with HSE, operational safety of offshore facilities, road traffic safety and emergency response rules and standards applicable across LUKOIL Group organizations;
- publicly inform the Company's shareholders and employees of its activities in the area of industrial, fire and environmental safety, occupational safety, operational safety of offshore facilities, road traffic safety, prevention and preparedness for emergency response;
- regularly interact with all parties interested in the Company's activities (general public, including the representatives of indigenous minorities residing in the areas of LUKOIL Group's presence, the legislative and executive authorities, research organizations, etc.) on issues ensuring industrial, fire and environmental safety, occupational safety, operational safety of offshore facilities, road traffic safety, prevention and preparedness for emergency response;
- ensure continuous improvement of the HSE Management System in compliance with the requirements of the ISO 14001 and ISO 45001 standards;
- ensure control over fulfillment of the obligations assumed as part of the Policy.

This Policy shall cover PJSC LUKOIL and other organizations of LUKOIL Group, unless they are contrary to national legislations of countries where LUKOIL Group companies operate.

Appendix No. 4 to PJSC LUKOIL
Order No. 92 of May 14, 2024.