

# Preserving the Environment



ROSNEFT

ROSNEFT'S  
SUSTAINABILITY  
REPORT 2022



Rosneft continues to disclose its corporate non-financial metrics on the annual basis and releases its 17th Sustainability Report for 2022 (the Report).

The Report provides information on the ESG (environmental, social and governance) aspects of the Company's operations in 2022 in the industry-specific context. The Report seeks to address the needs of a wide range of stakeholders.

For more details on the Report, materiality assessment and independent external assessment, see [Appendix 1](#).

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[WWW.ROSNEFT.COM](http://WWW.ROSNEFT.COM)

# Message from the Chief Executive Officer and Chairman of the Management Board



## Igor Sechin

Chairman of the Management Board and Chief Executive Officer

### GRI 2-22

In 2022, Rosneft further enhanced its green transformational leadership among Russian oil and gas companies by setting new sustainability trends and maintaining an environmental focus in its operations. With its Rosneft-2030: Reliable Energy and Global Energy Transition Strategy, the Company was the first player in the Russian market to set a target of achieving operational carbon neutrality by 2050. To unlock the carbon sequestration potential of Russia's natural ecosystems, in 2022 Rosneft launched the world's

most ambitious forestation project with a potential absorption capacity of 10 million tonnes of CO<sub>2</sub>-equiv.

In 2022, Rosneft showed impressive results in terms of carbon management. As one example, the Company already reduced its greenhouse gas emissions by as much as 11% vs the base year of 2020. Over the past year, Rosneft has completed the construction of 17 facilities designed to improve the associated petroleum gas (APG) utilisation rate at its producing assets, while the Company's comprehensive programme to monitor methane

emission sources has been expanded to cover more than 800 facilities across 20 assets.

The Company has reaffirmed its commitment to the UN Sustainable Development Goals and made a material contribution to Russia's national projects. Rosneft's environmental initiatives, innovations and social projects have always sought to protect Russia's natural heritage, strengthen the nation's technological sovereignty, enhance the welfare of its citizens, and improve living standards across the regions where the Company operates.

Importantly, Rosneft has taken on additional commitments to augment Russia's natural assets by reclaiming and replenishing land, water, forest and biological resources. A large-scale programme to remedy legacy contaminated lands is a vivid example of these efforts. Over the past ten years, the Company has reclaimed over 2.7 thousand ha of soil contaminated by industrial activities in the Soviet times and in the 1990s. Over the past three years alone, the Group Subsidiaries have planted more than 18 million seedlings and young trees. Furthermore, in 2022 the Company's subsidiaries released over 55 million fingerlings of valuable and commercial species.

Another milestone in the Company's history is the tenth anniversary of Rosneft's comprehensive research in the Arctic region. The Company is running an integrated research and environmental monitoring programme in the Arctic region. It would be no exaggeration

to say that this is the most ambitious endeavour in this field since the Soviet times – more than 40 expeditions have been held so far to carry out geological, hydrometeorological and biological research in the Russian Arctic.

Support for fundamental scientific studies and promotion of advanced practical solutions designed to underpin Russia's technological sovereignty are the top priorities of the Company's Innovation Development Programme. In 2022, Rosneft became the first company in Russia to launch the commercial production of hydrocracking catalysts. In addition to that, the Company manufactures a wide range of catalysts indispensable for the oil refining industry, with its products supplied to Russian companies and countries of the Asia-Pacific.

The Company's proprietary exploration and production software covers 90% of the Company's production needs and fully covers hydraulic fracturing design and geosteering activities. Savings from the implementation of in-house IT solutions have already exceeded RUB 10 bln.

Rosneft actively contributes to the development of social services, including healthcare, education and culture, and runs large-scale infrastructure projects in the regions of operation. The Company's sponsorship also focuses on supporting education, culture, sports and environmental protection. Rosneft has traditionally provided assistance to D. D. Shostakovich St Petersburg Academic Philharmonia, State Hermitage Museum, and the Sretensky Monastery Choir. The Company also acts as the general sponsor of White Ship, a foundation for the support of creatively talented children and youth. Rosneft offers financing to CSKA, Russia's most successful hockey club, and provides support to the LADA Sport ROSNEFT racing team.

Corporate volunteers make a strong contribution to Rosneft's social and environmental initiatives. In 2022, the Company's employees took part in more than 800 municipal, regional and nationwide campaigns focusing on environmental protection, healthy lifestyles and charity.

# Strategically important UN Sustainable Development Goals and the Company's contribution to Russia's national projects



The Company plans to achieve a step change in the occupational health and safety performance, prioritising zero fatal injuries and zero occupational accidents as our goals.

The Company pays particular attention to occupational safety and comfortable working environment for its employees and contractors.



Rosneft takes steps to improve energy efficiency in all of its business activities and recognises leadership in innovation as a key development driver.

As a responsible producer and member of the global energy market, the Company seeks to ensure timely and reliable energy supplies to consumers (including emerging markets) on equal terms and at competitive prices.



Rosneft contributes to sustainable economic growth and technical modernisation, creation of new production facilities and highly efficient jobs, and manufacturing of high value-added products.

The Company is committed to providing social security to its employees and their families, preserving jobs, and protecting human rights.



The Company's strategic targets factor in the public needs and environmental concerns and include:

- ramping up production of natural gas as a lower-carbon energy source
- running refinery development projects to boost the output of products in high demand and feedstock for the petrochemical industry
- reducing emissions and increasing efficiency of production facilities
- creating and rolling out new products contributing to reduced environmental impact and higher fuel efficiency.



Rosneft recognises the importance of the global energy sector's sustainability and responsible business practices of the industry majors.

The Company shares the principles of Russian and international ethical declarations, statements and initiatives, including the respect for fundamental human rights, elimination of inequality and protection of the environment.

## A NUMBER OF HIGH-PRIORITY SUSTAINABILITY PERFORMANCE INDICATORS ARE PART OF THE MANAGEMENT'S KPIS

In 2022, green investments came close to RUB **57 bln.**

HSE IMS certification takes place at more than **100** facilities accounting for **72.5%** of the total headcount of the Group Subsidiaries covered by management accounting reports.

More than **186.5 thousand** employees underwent enhanced preventive examination in 2019–2022 to identify and treat any relevant conditions.

Rosneft's Energy Saving Programme delivered fuel and energy savings of **326** thousand tonnes of reference fuel.

**41** Group Subsidiaries accounting for **95%** of the Company's 2022 energy consumption were certified for compliance with ISO 50001 (Energy Management Systems).

In the Russian market, Rosneft sells fuels with improved environmental properties and performance – Pulsar and Euro 6.

On a daily basis, **70** stationary and **15** mobile laboratories run over **4.7** thousand checks to ensure the high quality of petroleum products at the Company's oil depots and filling stations.

**68.5%** of employees receive additional social protection under collective bargaining agreements.

Over **54** thousand pensions were raised by 2% as part of the Active Longevity Programme.

**Over 1 thousand** employees improved their living conditions by participating in the corporate mortgage programme in 2022.

**1,136** schoolchildren completed Rosneft classes in 2022.

The Company implemented a number of carbon management initiatives to reduce greenhouse gas emissions by **11%** vs the 2020 base.

The Company's subsidiaries employ cutting-edge technology to detect methane emission sources using unmanned aerial vehicles and portable equipment for surface inspections.

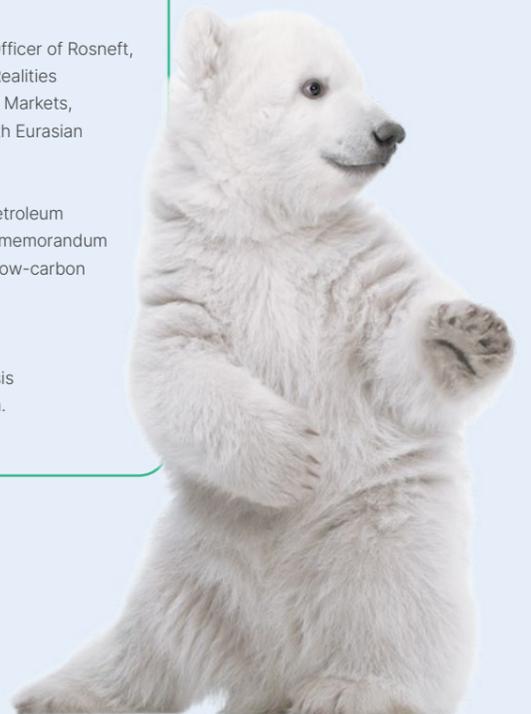
Rosneft continues its progress towards the 2035 targets and looks beyond to explore ways of further reducing emissions by leveraging new low-carbon technologies.

Igor Sechin, Chief Executive Officer of Rosneft, was the key speaker on the Energy Panel of the St Petersburg International Economic Forum.

Igor Sechin, Chief Executive Officer of Rosneft, was the key speaker at New Realities of the Commodity and Energy Markets, a dedicated session of the 15th Eurasian Economic Forum.

Rosneft and China National Petroleum Corporation (CNPC) signed a memorandum on cooperation in the field of low-carbon development.

In 2022, Rosneft cooperated with 75 universities on the basis of agreements on cooperation.



## ROSNEFT'S CONTRIBUTION TO RUSSIA'S NATIONAL PROJECTS



As part of the cooperation agreement signed by Rosneft and the government of the Khanty-Mansi Autonomous Area – Yugra, Samotlorneftegaz provided assistance in the reconstruction of the Ob River embankment in Nizhnevartovsk.

As part of the agreement signed by Rosneft and the government of the Samara Region, Samaraneftgaz co-financed a project to create a park facility in the settlement of Sukhodol.

The Achinsk Refinery supported a project to upgrade roads in the town of Achinsk in the Krasnoyarsk Territory.



Alfabit Most, a special-purpose polymer-modified bitumen (PMB) produced by Rosneft, was included in the Register of New Technologies and Materials of the Russian Road Research Institute.

Rosneft develops infrastructure and customer services in the highway segment of the market, in particular along key federal highways in Central Russia, new M-11 Neva, Central Ring Road, and M-12 East highways, and roads in the Krasnoyarsk Territory.



Rosneft constructed and fitted out a new building of the Junior Science Academy in Chapaev, Republic of Sakha (Yakutia).

In the Krasnoyarsk Territory, the Company became the industrial sponsor of the Young Professionals federal project. Oil and Gas Production, Smart Power Metering Systems, and Electrical Installation workshops have been launched on the basis of the Krasnoyarsk Mounting College, and Oil Refining and Gas Refining, Industrial Automation and Laboratory Chemical Analysis workshops – in the Achinsk Oil and Gas Technical College.



Rosneft actively develops EV charging infrastructure: as at the end of 2022, 55 EV charging points, including 45 fast-charging ones (50–150 kW), were installed at the Company's filling stations.

The Company's subsidiaries employ cutting-edge technology to detect methane emission sources using unmanned aerial vehicles and portable equipment for surface inspections.

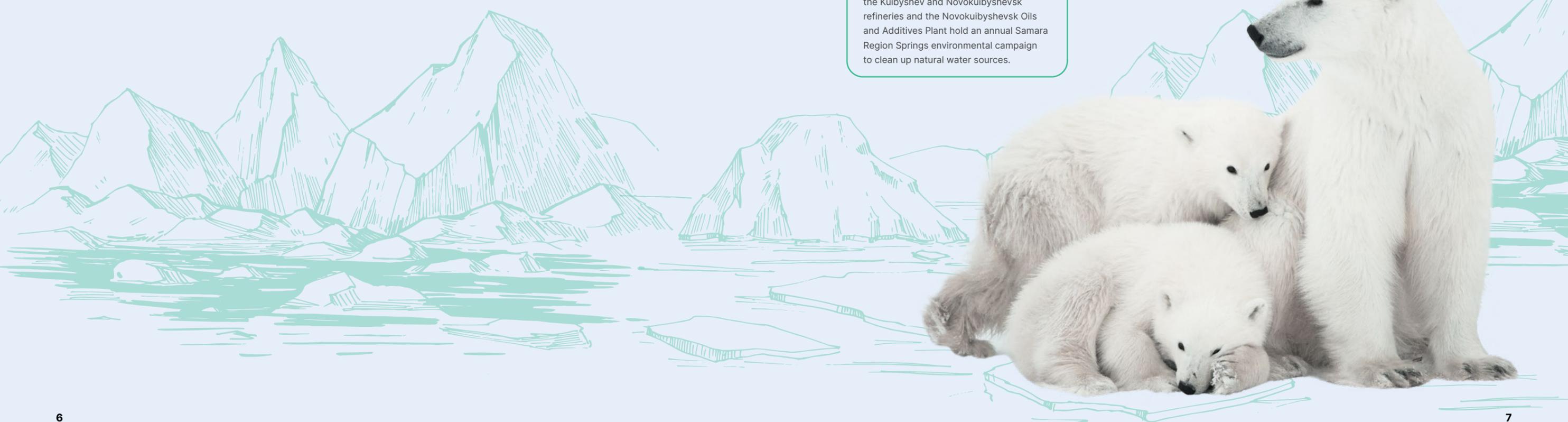
In 2022, Rosneft organised three expeditions to hard-to-reach and underexplored regions of the Russian Arctic to gain more insights into the population of white gulls, Atlantic walrus and wild reindeer.

Samotlorneftegaz provides active support to a regional programme designed to protect the Siberian sturgeon.

As part of the Volga Rehabilitation federal programme, volunteers from the Kuibyshev and Novokuibyshevsk refineries and the Novokuibyshevsk Oils and Additives Plant hold an annual Samara Region Springs environmental campaign to clean up natural water sources.



Rosneft and the government of the Primorye Territory signed a cooperation agreement to support the educational system and professional guidance. This agreement is designed to contribute to the implementation of the Professionalitet federal project in the Primorye Territory.



# 2022 ESG highlights

## JANUARY

Rosneft and SPIMEX signed an agreement on cooperation in carbon management and the development of exchange trading in carbon units.  
Rosneft's bitumen is included in Russia's Register of New Technologies and Materials.

## FEBRUARY

Rosneft and China National Petroleum Corporation (CNPC) signed a memorandum on cooperation in the field of low-carbon development.  
Rosneft obtained a patent for the development of innovative solutions for the interpretation of seismic data.

## MARCH

The Syzran Refinery doubled the output of its environmentally friendly marine fuel RMLS 40.  
The Sibiryak sports and recreation centre in the Khanty-Mansi Autonomous Area – Yugra opened its doors to the visitors after refurbishment sponsored by Rosneft.

## APRIL

Employees of Rosneft and its subsidiaries took part in the All-Russian Green Spring 2022 clean-up day: they planted flowers and trees, cleaned river banks, beautified selected municipal territories, and held environmental competitions.  
In the Krasnoyarsk Territory, RN-Vankor provided support in staging the Reindeer Herder Day, the main festivity celebrated by the indigenous peoples of the North.  
RN-Uvatneftegaz provided assistance in publishing a book titled Designated Protected Natural Areas of the Tyumen Region, which presents scientific data on sanctuaries of federal and regional significance and regionally protected natural heritage.

## MAY

Rosneft became the first company in Russia to launch the commercial production of hydrocracking catalysts.  
Tyumenneftegaz launched a grant project to study the biodiversity of the unique Solyonoye Lake and the adjacent territory.

## JUNE

Rosneft and the Russian Ministry of Energy signed a cooperation agreement designed to enhance the stability of the fuel and energy market, foster trade and economic partnerships, attract investments, and facilitate projects in the energy sector.  
On the sidelines of the 25th St Petersburg International Economic Forum, Rosneft and St Petersburg State Forestry University signed an agreement to develop a forestation project in the Krasnoyarsk Territory.  
Rosneft and the Federal Forestry Agency entered into a cooperation agreement to implement forestation projects.  
Rosneft and the Federal Service for Environmental, Technological, and Nuclear Supervision signed an agreement to cooperate in improving Russia's occupational safety legislation.

## JULY

Ufaorgsintez upgraded its water supply and sewage systems.  
The Syzran Refinery assembled the aeration system of the biological treatment unit as part of upgrading its water treatment facilities.  
Bashneft provided support to open a new kindergarten for 220 children in the settlement of Kushnarenkovo, Republic of Bashkortostan.

## AUGUST

The environmental lab at the Kuibyshev Refinery was certified by the national certification system for compliance with GOST ISO/IEC 17025-2019 (General Requirements for the Competence of Testing and Calibration Laboratories).

## SEPTEMBER

On the sidelines of the 7th Eastern Economic Forum:  
• Rosneft and the Siberian Federal University entered into an R&D agreement to provide methodological support for the comprehensive forestation project in the Krasnoyarsk Territory;  
• RN-Lubricants became a member of the Association for Waste Recycling.

## OCTOBER

Rosneft organised three expeditions to hard-to-reach and underexplored regions of the Russian Arctic as part of the Environment national project.  
Rosneft's experts developed standard corporate requirements for the detection of sources of fugitive methane emissions at the Company's production facilities.

## NOVEMBER

As part of the Fourth Russian-Chinese Energy Business Forum, Rosneft, Moscow State Institute of International Relations (MGIMO) and Tsinghua University entered into a cooperation agreement on personnel training.  
As part of the 15th Eurasian Economic Forum, Rosneft, Moscow State Institute of International Relations (MGIMO) and Azerbaijan State Oil and Industry University signed a cooperation agreement on personnel training.

## DECEMBER

Rosneft developed a methodology to quantify fugitive methane emissions at the Company's production sites, which brings together best global practices and regulator recommendations.  
Rosneft held the 9th Corporate Congress of Ecologists to discuss progress against the Rosneft-2030 Strategy in terms of environmental protection and decarbonisation.  
Rosneft's Integrated HSE Management System (HSE IMS) was once again certified under the Occupational Health and Safety Management Systems and Environmental Management Systems standards.  
Rosneft launched a chain of ultra-fast EV charging points.

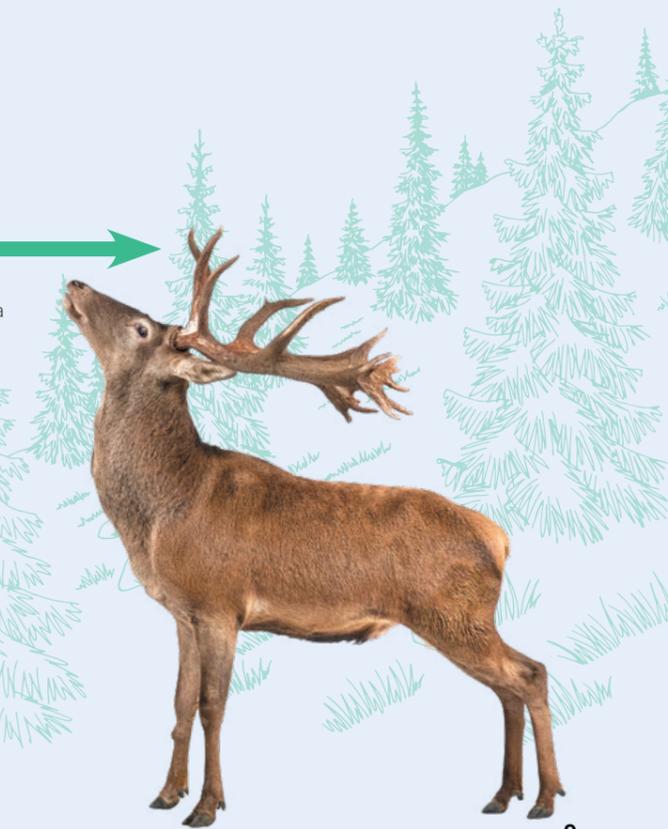
## JANUARY

RN-Vankor implemented the industry's first ever technology for converting a diesel power plant into a gas-fuelled one as a way to reduce emissions.  
RN-Uvatneftegaz opened a new shift camp at the Protozanovskoye field.

## FEBRUARY

Rosneft and Innopraktika Development Institute announced the launch of a new environmental project to research ecosystems of the Northern seas.

Events after the reporting date.  
**2023**





**Over 2,000**

walrus were discovered by scientists in 2022 during Rosneft's expedition on Eva-Liv Island.

Fun fact: newborn walrus calves weigh 25–30 kg.

Rosneft studies populations of the Atlantic and Laptev subspecies of the walrus to assess the state of Arctic ecosystems.

**Sustainable  
development.**

# Strategic vision of sustainable development

## Walrus research

The walrus is the largest pinniped species of the Northern Hemisphere. Ice plays a major role in their lives as walruses drift on ice floes between feeding grounds and take a rest in between diving. Climate change is one of the major threats for them: melting sea ice is causing walrus populations to shrink and makes feeding more difficult.

Since 2012, Rosneft has been studying the current status of walrus populations of the Atlantic and Laptev subspecies. The results improve monitoring methods and expand what science knows about walruses, helping preserve this rare species.

GRI 2-23 | GRI 3-3



# Rosneft-2030 Strategy

The key focus of the Rosneft-2030: Reliable Energy and Global Energy Transition Strategy is to achieve operational<sup>1</sup> carbon neutrality by 2050.

It sets a long-term horizon for the Company's climate agenda and underpins its strategic vision<sup>2</sup>, which is to remain a reliable producer focused on minimising its climate and environmental footprint.

In addition, the Strategy features the following targets<sup>3</sup>:

- reduce absolute Scope 1 and Scope 2 GHG emissions by 5% and more than 25% by 2025 and 2035, respectively;
- reduce methane intensity to below 0.2% by 2030;
- achieve zero routine flaring of APG by 2030;
- reduce unit GHG emissions (Scope 1 and 2) in Exploration and Production to below 20 kg of CO<sub>2</sub>-equiv. per boe by 2030 or sooner.

contaminated land<sup>5</sup>. In 2022, the total area of legacy contaminated lands decreased by 16%.

The Company plans to achieve a step change in the area of safety, striving for zero fatal injuries and zero accidents affecting equipment as priority goals. In 2022, the equipment accident rate<sup>6</sup> went down by 30%.

Also, the strategy envisages continued implementation of our corporate and social programmes that focus on talent development and significantly contribute to the achievement of Russia's national development goals until 2030.

**Our status as a responsible energy supplier and one of Russia's energy transition leaders is evidenced by our emission cut targets in the Rosneft-2030 Strategy.**

As the Company progressed towards these targets, absolute greenhouse gas emissions dropped by 11% vs 2020<sup>4</sup>, driven by the Energy Saving Programme, launch of a gas and condensate treatment unit at one of the Company's key assets, pilot project to purchase low-carbon electricity, and optimisation of the Company's asset portfolio.

Rosneft remains firmly committed to the environmental agenda, with a particular focus on biodiversity conservation and the promotion of circular economy. The Company also reaffirms its previous commitment to 100% waste recycling and remediation of legacy



<sup>1</sup> Operational carbon neutrality means Scope 1 and 2 carbon neutrality.  
<sup>2</sup> "Rosneft" and the "Company" mean Rosneft Oil Company PJSC either separately or together with its subsidiaries and affiliates, as the context may require.  
<sup>3</sup> Reduction targets are set against the base year of 2020 and cover 100% of Scope 1 and 2 GHG emissions in the Company's reporting perimeter unless stated otherwise.  
<sup>4</sup> The Strategy's base year.  
<sup>5</sup> Waste generated and land contaminated as a result of activities of previous owners of assets prior to their integration into Rosneft.  
<sup>6</sup> Process safety event rate (PSER-1).

# Contribution to the UN Sustainable Development Goals

GRI 2-23

Rosneft's mission, values, goals, and strategic priorities are consistent with the 17 United Nations Sustainable Development Goals<sup>1</sup>.

The Company regularly updates its public statement "Rosneft: Contributing to Implementation of UN Sustainable Development Goals", which reflects progress in this area. The statement complements Rosneft's

Policy on Sustainable Development and complies with the principles of openness, transparency and information disclosure to shareholders, investors, and other stakeholders.

In December 2018, Rosneft's Board of Directors approved five UN Sustainable Development Goals of strategic priority for Rosneft's core operations.

The UN Sustainable Development Goals were used as a reference during the development and approval of the Rosneft-2030 Strategy.

## UN Sustainable Development Goals of strategic priority

	<ul style="list-style-type: none"> <li>Protecting employee health and safety</li> <li>Implementing the environmental policy</li> <li>Managing risks and incidents</li> <li>Ensuring road traffic safety</li> <li>Fostering a favourable social environment</li> </ul>
	<ul style="list-style-type: none"> <li>Increasing energy efficiency across all operating segments</li> <li>Creating conditions to improve energy efficiency when using Company products</li> <li>Ensuring access to energy and reliable energy supplies to consumers, including in the emerging markets</li> <li>Innovative activities</li> </ul>
	<ul style="list-style-type: none"> <li>Contributing to the sustainable development and diversification of the national economy</li> <li>Protecting employee health and safety</li> <li>Contributing to the health and safety of suppliers and contractors</li> <li>Fostering a favourable social environment</li> <li>Supporting family and childhood</li> <li>Ensuring freedom of association and collective bargaining</li> <li>Productivity growth and efficiency improvement</li> <li>Using education as a means of integrating young people into the energy sector</li> <li>Establishing a sustainable procurement system along the entire value chain</li> <li>Increasing energy efficiency in all operating segments</li> <li>Creating decent living and labour conditions in remote regions</li> </ul>
	<ul style="list-style-type: none"> <li>Managing risks related to climate change</li> <li>Creating conditions to improve energy efficiency when using Company products</li> <li>Increasing energy efficiency in all operating segments</li> <li>Implementing the environmental policy</li> <li>Championing innovations</li> </ul>
	<ul style="list-style-type: none"> <li>Participation in global initiatives</li> <li>Contributing to sustainable energy development</li> <li>Establishing effective partnership with state organisations, business, and society</li> </ul>

<sup>1</sup> The UN Sustainable Development Goals (adopted by the Resolution of the UN General Assembly on 25 September 2015) seek to achieve a meaningful progress in addressing global economic, social and environmental challenges.

## SUSTAINABLE DEVELOPMENT AND ESG INVESTING TRAINING

In the reporting year, employees RN-Vankor and RN-Yuganskneftegaz were offered an opportunity to participate in a training session called "The Relevance of ESG Remains Unchanged".

An internal training session on sustainable development was also held for the heads of press services at subsidiaries.



FOR DETAILS, SEE OUR PUBLIC STATEMENT "ROSNEFT: CONTRIBUTING TO IMPLEMENTATION OF UN SUSTAINABLE DEVELOPMENT GOALS" ON THE COMPANY'S WEBSITE

Over **300** employees

took part in the Company's awareness workshops on sustainable development and ESG investing in 2022.



# ESG investing

GRI 2-23

The development of ESG investing is supported and overseen by Igor Sechin, CEO and Chairman of Rosneft's Management Board, who has repeatedly proclaimed social and environmental responsibility as a key value of the Company. The Company continues to take steps to deliver on its sustainability goals under the Rosneft-2030: Reliable Energy and Global Energy Transition Strategy.

Rosneft engages with investors on an ongoing basis to keep them updated on ESG investing activities in the reporting period.

The Company held two video conferences to present the Rosneft-2030 Strategy to analysts, investors and ESG rating agencies in February 2022.

In 2010, Rosneft joined the UN Global Compact, the world's largest corporate sustainability initiative bringing together more than 16,000 companies from over 160 countries.

Rosneft adheres to the ten principles of the UN Global Compact in the areas of human rights, labour, environment and anti-corruption. These principles are taken into account at both strategic and operational levels; in particular, they are incorporated in the internal regulations that cover key business processes of the Company.

**In the reporting year, the Company approved another public statement – "Saving the Planet for the Benefit of the Current and Future Generations: Sustainable Forest Management".**

THE DOCUMENT IS AVAILABLE ON THE COMPANY'S WEBSITE AT



**In 2022, Rosneft submitted its statement of continued support for the UN Global Compact and the annual Advanced Communication on Progress (CoP) in a new format, thus joining the ranks of 1,000 companies pioneering efficient sustainability disclosures.**

# Recognition of sustainability achievements

The investor community, which views ESG investing as a long-term trend, is highly supportive of the Company's pursuits.

In March 2022, Rosneft scored ahead of all Russian peers in the Net Zero Company Benchmark, which measures global companies' progress towards carbon neutrality under the Climate Action 100+ investor initiative.

In the reporting period, for the seventh time in a row, Rosneft became one of the leaders of Russian ESG indices, including the MOEX-RSPP Responsibility and Transparency and Sustainability Vector indices.

The Company was assigned the highest A+ rating in the Sustainable Corporate Governance ESG rating compiled by the University of Perugia (Italy) and Da-Strategy Corporate Development Agency.

# Sustainable corporate governance

## Sustainability Policy

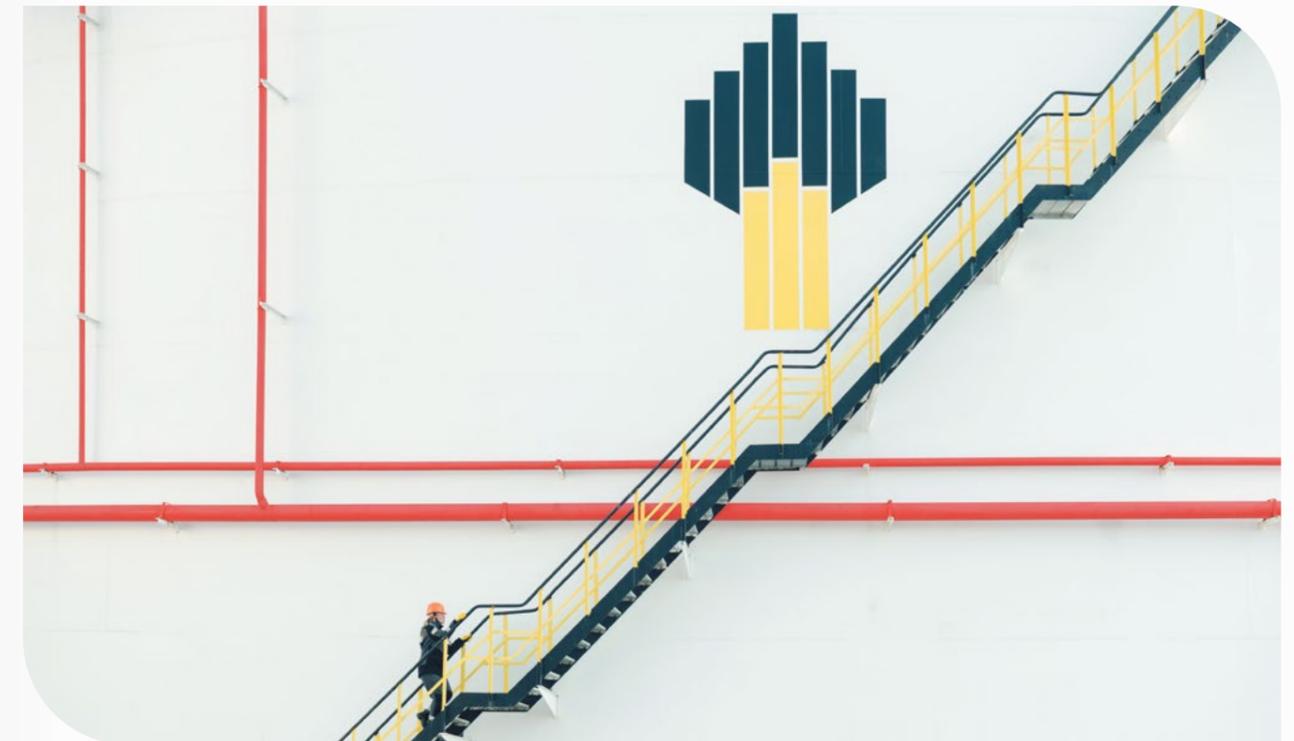
GRI 2-23

The Company has put in place the Sustainable Development Policy, which sets out Rosneft's approaches and position in the area of sustainable development.

The Company's goals and objectives as outlined in the document include furthering its strategy

and ensuring industry leadership, facilitating professional and personal growth of employees, using natural

resources in a sustainable way, establishing effective and transparent communication with stakeholders, etc.



ROSNEFT'S POLICY ON SUSTAINABLE DEVELOPMENT IS AVAILABLE ON THE COMPANY'S OFFICIAL WEBSITE

# Corporate governance

GRI 2-13 GRI 2-9

The Company's corporate governance framework is designed to help realise the rights of shareholders and investors, improve the Company's investment case, effectively use and safeguard the funds provided by shareholders (investors), and create efficient risk assessment mechanisms.

In 2022, we continued to strengthen the corporate governance framework to meet the needs of our shareholders and other stakeholders and ensure ongoing sustainability management.

**GENERAL SHAREHOLDERS MEETING**

- Rosneft's supreme governing body responsible for decision-making on key matters of the Company's business
- Sets up a strong Board of Directors

The Company offers its shareholders equal and fair opportunities to exercise their legal rights<sup>1</sup> and ensures sustainable dividend growth.



**EXECUTIVE GOVERNING BODIES**

Manages day-to-day operations and reports to the Board of Directors and the General Shareholders Meeting.

**Management Board**

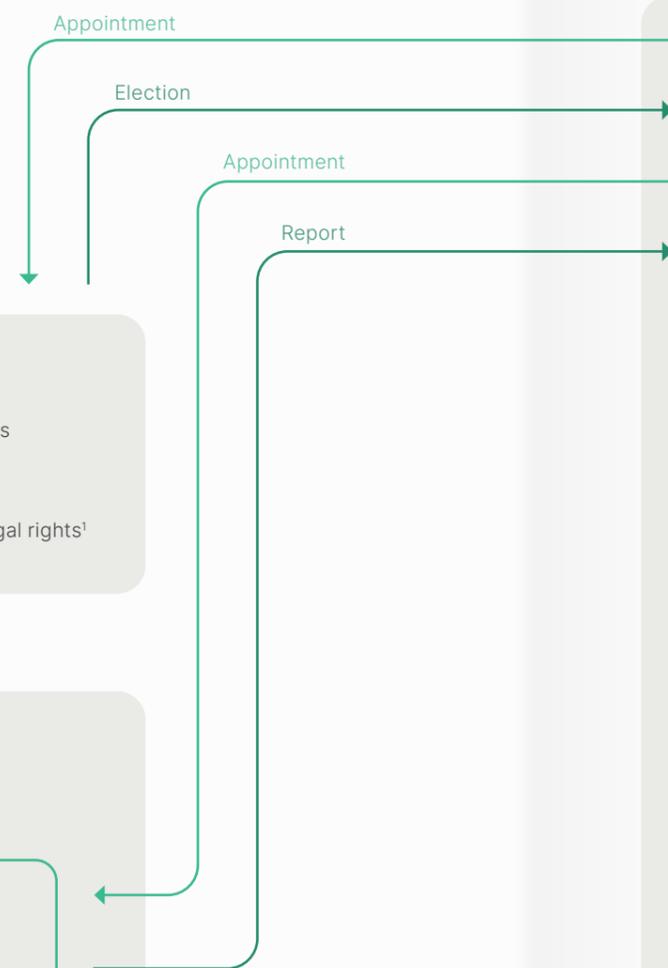
Collective executive body responsible for decision-making on key matters of the Company's business:

- defining key strategic areas
- drafting and submitting proposals on strategic priorities to the Board of Directors
- reviewing strategy progress reports

**Chief Executive Officer**

Sole executive body

- acts as the Chairman of the Management Board;
- provides for implementing and follows up on the collective governing bodies' decisions, including those related to sustainable development



**BOARD OF DIRECTORS**

The Board of Directors performs the following key functions:

- strategic governance of the Company's business for the benefit of all shareholders
- oversight of the executive bodies

**COMMITTEES OF THE BOARD OF DIRECTORS**

**Strategy and Sustainable Development Committee**  
(one member is independent director)

- takes part in developing corporate and business line strategies and oversees their implementation
- reviews the Company's sustainability reports and other ESG-related public reports
- analyses, and informs the Board of Directors on, the risks and opportunities related to climate change, environment (including water resource management) and Rosneft's social responsibility (including respect for human rights)

**HR and Remuneration Committee**  
(two thirds of the members are independent directors)

- ensures succession in the governing bodies and management by analysing the Company's current and anticipated needs with respect to the qualifications of governing body members and top managers taking into account its interests and strategic goals
- considers matters and works on detailed decisions pertaining to the development of effective and transparent remuneration practices for the Company's Board of Directors, executive bodies and top management
- reviews drafts of the Company's Code of Business and Corporate Ethics and internal regulations (policy level) on HR and social matters, including human rights

**Audit Committee**  
(all members are independent directors)

- reviews the management's proposals on improving the Risk Management and Internal Control System and an acceptable risk level
- reviews independence and impartiality of external audit, ensures independent and impartial internal audit, and considers insider information matters
- checks accuracy and completeness of financial statements and other reports, and ensures reliability and effectiveness of the Risk Management and Internal Control System, and oversees compliance



FOR MORE DETAILS ON THE CORPORATE GOVERNANCE FRAMEWORK, SEE THE CORPORATE GOVERNANCE SECTION OF THE 2022 ANNUAL REPORT, PAGE 26, AND THE OFFICIAL WEBSITE

<sup>1</sup> For details on shareholder engagement, see the 2022 Annual Report.

# Performance in 2022

## General Shareholders Meeting

The decision to pay dividends is made by Rosneft's General Shareholders Meeting upon recommendation of the Board of Directors.

The Dividend Policy aims to balance the interests of the Company and its shareholders, seeking to boost the Company's investment appeal and shareholder value. The target payout ratio is at least 50% of Rosneft IFRS net income.

In June 2022, the Annual General Shareholders Meeting approved dividends payable on Rosneft's

ordinary shares for 2021 in the amount of RUB 23.63 per share, which makes up a total of RUB 250.4 bln.

In December 2022, an Extraordinary General Shareholders Meeting approved the payment of interim dividends of RUB 20.39 per share, or a total of RUB 216.1 bln.

Total dividends declared in 2022 amounted to RUB 466.5 bln.

**RUB 466.5 bln**

dividends declared by the Company for 2021 and interim dividends for 2022

## Board of Directors

The Board of Directors consists of 11 members nominated by the Company's shareholders. It has four independent directors, which ensures an effective balance of interests and solid decision-making.

As part of the sustainability risk management process, the Board of Directors did the following:

- reviewed the report on the status of the Plan for the Enhancement of the Risk Management and Internal Control System
- reviewed HSE reports
- approved the report on materialised company-wide financial and operational risks for the preceding year.

Despite the unprecedented changes in the external environment caused by market volatility, the Board of Directors recognises progress in implementing the Rosneft-2030 Strategy.

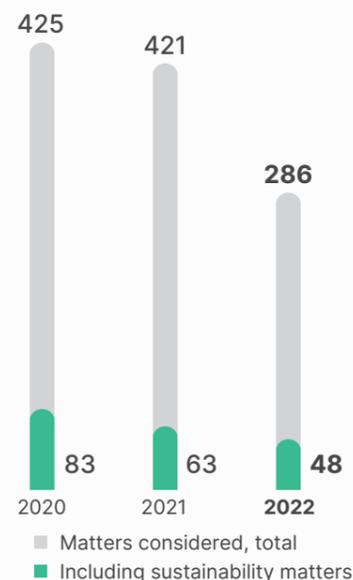
In the reporting year, one in nine matters considered by the Board of Directors or the Management Board was related to the Company's sustainable development.

The share of the Board committees' recommendations on sustainable development stood at 23%.

**48 out of 286 items (16.8%)**

reviewed by the Board of Directors, its committees and the Management Board in 2022 pertained to sustainable development

**NUMBER OF ITEMS REVIEWED BY THE BOARD OF DIRECTORS (INCLUDING ITS COMMITTEES) AND THE MANAGEMENT BOARD**



## Strategy and Sustainable Development Committee

GRI 2-12 GRI 2-24

The Strategy and Sustainable Development Committee consists of five members of the Company's Board of Directors.

The Committee assists the Board of Directors in providing strategic management of the Company's activities and protecting

shareholders' interests by overseeing Rosneft's strategy and sustainable development.

### Key resolutions in 2022

Area	Resolution
Determining priority business areas	<ul style="list-style-type: none"> <li>• The results of monitoring the progress against the Rosneft-2030 Strategy and its status, as well as the Company's updated development strategy reviewed</li> <li>• The updated Long-Term Development Programme, as well as the audit results for the Programme implementation in 2021 reviewed</li> <li>• The report on the progress against Rosneft's Innovation Development Programme for 2021 reviewed</li> <li>• The updated Programme to Improve the Efficiency of Rosneft's Accounting Function reviewed</li> </ul>
Previewing information (reports) on the progress against the development strategy, sustainable development (ESG) targets, and the Company's HSE activities	<ul style="list-style-type: none"> <li>• Report on the Company's HSE activities in 2021 and preliminary results of 2022 reviewed</li> <li>• Rosneft's Sustainability Report 2021 reviewed</li> </ul>

**9 meetings**

in the form of absentee voting held by the Strategy and Sustainable Development Committee

---

**and 18 items**

reviewed.

## Key sustainability performance indicators

To ensure successful implementation of the Rosneft-2030: Reliable Energy and Global Energy Transition Strategy, its targets are linked to the KPIs and remuneration of the members of the Management Board and senior executives. A considerable part of the Strategy's targets and respective KPIs of the management are related to ESG areas, such as:

- implementing strategic objectives and initiatives

- achieving environmental targets, including reduction of emissions and discharges, waste and the area of contaminated lands
- reducing injury rates for the Company and contractors/subcontractors

- reducing equipment accident rates
- fuel and energy saving
- making innovative activities more effective
- enhancing labour productivity
- integrating professional standards into the Company's activities.

For more details on the Company's sustainability KPIs guiding the implementation of the Rosneft-2030: Reliable Energy and Global Energy Transition Strategy, see the [Personnel chapter](#) of this Report

# Risk management system and ESG risks

## Policy on the Risk Management and Internal Control System

Rosneft has established and is continuously improving its Risk Management and Internal Control System (RM&ICS) aimed at the proactive identification and analysis of risks, including those related to sustainable development.

Risk management is governed by the Company's Policy on the Risk Management and Internal Control System and Standard on Risk Management and Internal Controls. These documents standardise requirements for the functioning and development of the corporate risk management system.

The Company's RM&ICS is integrated into strategic and business planning processes in line

with the recommendations of the Bank of Russia. Rosneft identifies and assesses risks that may affect the Company's mid- and long-term targets (strategic risks)

and risks affecting targets outlined in the Company's business plan (corporate financial and operational risks).

### Main risk types

Strategic risks and threats

### Key target categories

Targets outlined in the Strategy (mid- and long-term targets)

Corporate financial and operational risks

First-year targets outlined in the Company's business plan (short-term targets)

For more details on the Risk Management and Internal Control System, see the **2021 Sustainability Report**, and the Risk Management and Internal Control System section on page 40 of the **2022 Annual Report**

## Sustainability risks affecting the Company's mid- and long-term targets

The annual process of strategic risks identification relies on the analysis of strategic goals and targets formalised in the Company's documents, as well as analysis of news and other sources that forecast the development of the oil and gas industry. Based on the outcomes, a list of strategic threats (possible events bearing negative implications for the achievement of the Company's mid- and long-term

goals) is compiled. The list also includes other sustainability threats and is aligned with the TCFD<sup>1</sup> recommendations.

The Company's top management evaluates the impact of strategic threats on the Company's strategic targets. The assessment horizon and the metrics used depend on the way specific targets are set out in Rosneft's strategy. The procedure

involves both expert analysis and approaches based on statistics and development scenarios.

Following the identification and assessment of strategic risks and threats, responsible officers produce risk reports, which are then submitted to the Risk Management Committee, Chief Executive Officer and the Audit Committee of the Board of Directors.

<sup>1</sup> Task Force on Climate-related Financial Disclosures, TCFD.

## Strategic threats related to sustainable development<sup>1</sup>

Strategic threat	Description
<b>Environmental</b>	
Advance of alternative energy and green technologies and improvements in energy efficiency (TCFD: Transition Risks. Technology)	<ul style="list-style-type: none"> <li>Accelerated development of alternative energy development, including renewables;</li> <li>ramped-up construction of renewable energy capacities;</li> <li>accelerated development of power storage technologies;</li> <li>technology and efficiency improvements in the use of renewables in the transportation sector (EVs, hydrogen fuel, LNG, etc.);</li> <li>higher efficiency in the use of motor fuel;</li> <li>energy saving and energy efficiency improvements;</li> <li>technological gap in the development of green technologies;</li> <li>expenses associated with transition to low-carbon technologies</li> </ul>
Changes in the structure of energy consumption (TCFD: Transition Risks. Market)	<ul style="list-style-type: none"> <li>Shift towards consumption of greener fuel;</li> <li>quantitative change in the nature of global and local energy systems;</li> <li>demographic changes;</li> <li>shift of the demand focal point to developing countries;</li> <li>products getting squeezed out by cheaper or better quality alternatives;</li> <li>increased share of alternative energy sources in countries' energy mix;</li> <li>adoption of plans for accelerated transition to renewable energy</li> </ul>
Natural disasters (TCFD: Physical Risks. Acute)	<ul style="list-style-type: none"> <li>Unfavourable and dangerous (extreme) natural phenomena;</li> <li>large-scale geophysical disasters, earthquakes, landslides, geomagnetic storms, tsunamis, volcanic activity, etc.;</li> <li>increased danger of extreme natural phenomena such as cyclones and floods;</li> <li>lower reliability of the existing infrastructure;</li> <li>expenses associated with safeguards against extreme natural phenomena;</li> <li>restrictions/disruptions in production and supplies, access to assets, etc.;</li> <li>increased insurance scope and costs;</li> <li>maintenance expenses, income lost due to downtimes</li> </ul>
Climate change in the regions where the Company operates (TCFD: Physical Risks. Chronic)	<ul style="list-style-type: none"> <li>Changes in the type of precipitation and extreme volatility of weather conditions;</li> <li>rising average temperature and sea level, permafrost thawing, etc.;</li> <li>increased frequency and scale of adverse weather events that may affect the output and supply of oil and petroleum products;</li> <li>shorter delivery times, logistical challenges in remote northern projects (ice bridges, etc.);</li> <li>expenses associated with the redesign and enforcement of facilities, and elimination of climate change consequences across the regions, etc.;</li> <li>decline in equipment efficiency and lifetime</li> </ul>
<b>Accidents and environmental damage</b>	<ul style="list-style-type: none"> <li>Anthropogenic environmental damage, radioactive contamination, etc.;</li> <li>damage and destruction caused to the Company's properties or assets;</li> <li>numerous fatalities or injuries;</li> <li>significant damage to the environment;</li> <li>man-induced environmental factors;</li> <li>losses resulting from uninsured risks or risks where insurance does not cover the full scale of loss;</li> <li>limitations in insurance contracts</li> </ul>
<b>Social</b>	
<b>Epidemics and diseases</b>	<ul style="list-style-type: none"> <li>Epidemics, pandemics, diseases, etc.;</li> <li>epidemic-related restrictions;</li> <li>global outbreak of COVID-19 or another infectious disease</li> </ul>
Conflicts, terrorism, civil disturbance	<ul style="list-style-type: none"> <li>General situation with safety in certain regions;</li> <li>terrorist threats;</li> <li>social unrest;</li> <li>aggravation of conflicts</li> </ul>

<sup>1</sup> The Top 5 strategic sustainability threats determined as a result of identification and assessment of strategic risks and threats are additionally highlighted in bold font.

Strategic threat	Description
<b>HR and social risks</b>	<ul style="list-style-type: none"> <li>Challenges of recruiting and retaining unique professionals or personnel of designated qualifications;</li> <li>growing competition in the labour market and turnover rates;</li> <li>demographic transition (personnel ageing, changing lifestyle, labour force decline, etc.);</li> <li>lack of employee education and training system, necessary qualifications or skills;</li> <li>downscaling of social projects and corporate support and education programmes for employees;</li> <li>decreasing interaction with the regions of operation and local communities</li> </ul>
Safety of critical facilities	<ul style="list-style-type: none"> <li>Lack of asset and infrastructure protection;</li> <li>new forms of threats to human and facility safety;</li> <li>premeditated actions by third parties;</li> <li>misappropriation of energy during transportation;</li> <li>transportation and product restrictions by third parties</li> </ul>
<b>Corporate governance</b>	
<b>Cyber security</b>	<ul style="list-style-type: none"> <li>Lack of IT reliability and security, cyber security;</li> <li>obsolete cyber security infrastructure or measures</li> </ul>
<b>Deterioration of the tax regime</b>	<ul style="list-style-type: none"> <li>Negative changes in the tax regime;</li> <li>refusal to grant tax cuts; existing tax cuts getting eliminated</li> </ul>
Tighter regulation and requirements in the industry	<ul style="list-style-type: none"> <li>Changes in rules and/or actions of governments and regulatory authorities (including those concerned with foreign economic and international activity, trade relations, etc.);</li> <li>constraints placed on certain operations, suspension of certain facilities;</li> <li>ban or restrictions on conducting business in certain geographic territories and regions (reserves, protected areas, etc.);</li> <li>additional/restrictive conditions imposed on licence issuance;</li> <li>establishing/keeping excessive requirements (e.g. on environmental safety) for business;</li> <li>shift in the state/government strategic goals and priorities;</li> <li>growth in expenses associated with regulatory compliance and/or operating restrictions;</li> <li>changes in environmental requirements, regulations, requirements imposed on product quality and data collection/monitoring systems, etc.</li> <li>limitations/changes related to the existing production assets;</li> <li>changes in disclosure requirements</li> </ul>
Stricter regulation and requirements related to climate change. New climate initiatives (TCFD: Transition Risks. Policy and Legal)	<ul style="list-style-type: none"> <li>Review/expansion of requirements for corporate governance and reporting standards (financial, ESG, climate-related, etc.);</li> <li>changes in responsible investment principles and sustainable development goals;</li> <li>lawsuits over the effects of hydrocarbon production on climate change;</li> <li>growth in expenses (for example, expenses associated with regulatory compliance, higher insurance contributions, fines, court rulings, etc.);</li> <li>write-off, depreciation, and early retirement of assets due to changes in the climate change laws;</li> <li>carbon taxes/charges;</li> <li>carbon border adjustment;</li> <li>regulation (standardisation, restriction) of sales of high-carbon goods;</li> <li>tighter regulation of business sectors contributing to GHG emissions / climate change, etc.;</li> <li>quota trading and emission restrictions</li> </ul>
Reputation and less appealing investment case (TCFD: Transition Risks. Reputation)	<ul style="list-style-type: none"> <li>Pivot of investors, financial organisations, etc., towards responsible investments;</li> <li>negative public perception;</li> <li>stigmatisation of the oil and gas industry;</li> <li>failure to meet stakeholder expectations in terms of energy transition pace and scope</li> </ul>

For more details on climate risks, see [the Strategic Targets to Prevent Climate Change section](#) of this Report

## Sustainability risks affecting the Company's short-term targets

On the operational level, the mid- and long-term targets outlined in the strategy are reflected in the Company's business plan and key performance indicators for the management.

For the purposes of developing the Company's business plan, the responsible officers identify corporate financial and operational

risks which may affect short-term targets and certain management KPIs in the planning year. The identified corporate financial and operational risks are updated on a quarterly basis.

Risk assessment (prioritisation) is linked to the impact that the risks may have on the Company's business plan and provides for a wide range of tools (statistical analysis, simulation

modelling, expert assessment of the Company's management, etc.) to be used in the process. Based on the results so obtained, response measures are developed.

Reports on corporate financial and operational risks are submitted to the Risk Management Committee, Chief Executive Officer, the Board of Directors and its Audit Committee.

### Corporate financial and operational risks related to sustainable development

Sustainability aspect	Risk <sup>1</sup>
Environmental	<ol style="list-style-type: none"> <li><b>Risk of accidents</b></li> <li>Risk of environmental damages caused by an emergency</li> </ol>
Social	<ol style="list-style-type: none"> <li><b>Risk of fatal injuries</b></li> <li><b>Risk of asset losses (due to the unstable geopolitical situation)</b></li> <li>Subpar employee qualifications / shortage of qualified personnel</li> </ol>
Corporate governance	<ol style="list-style-type: none"> <li><b>Risk related to rising purchase prices for electric power</b></li> <li><b>Risk of breach of competition laws</b></li> <li><b>Litigation risk</b></li> <li><b>Risk of tax claims and risk of losing tax benefits</b></li> <li>Risk of corporate fraud and corruption</li> <li>Information security risks</li> <li>Risk of increased tariffs for gas delivery through Gazprom's gas transportation system</li> <li>Risks of disruptions/unavailability/losses with respect to data stored in systems, applications and infrastructure IT services</li> <li>Risk of inaccuracies in financial reports prepared in line with the applicable accounting standards and/or untimely submission of such reports</li> </ol>

<sup>1</sup> The most significant financial and operational risks included in the relevant reports on the identification of company-wide risks are additionally highlighted in bold font.

# Anti-corruption efforts. Business ethics

GRI 3-3

## Anti-fraud and anti-corruption efforts and conflict of interest management

The Company has developed and put in place a system of preventive actions and pro-active measures aimed at ensuring no violations of applicable laws, industry legislation and internal regulations with a view to setting high professional and ethical standards, minimising compliance risks, and avoiding financial losses or reputational damage.

The Company's anti-corruption procedures are aligned with relevant laws and regulations, including:

- applicable international anti-corruption laws and regulations
- Federal Law No. 273-FZ On Combating Corruption dated 25 December 2008
- guidelines of the Russian Ministry of Labour and the Federal Agency for State Property Management
- International Anti-Corruption Standard ISO 37001:2016 "Anti-bribery management systems – Requirements with guidance for use"
- ICC Guidelines on Conflicts of Interest in Enterprises.

GRI 3-3

GRI 2-23

Rosneft has zero tolerance for any form or manifestation of corporate fraud and corruption. The Company's principles and approaches in the field are defined in the following documents:

- Policy on Combating Corporate Fraud and Involvement in Corruption Activities
- Rosneft's Code of Business and Corporate Ethics
- Internal Control Rules for the Prevention, Detection and Suppression of Illegal Use of Insider Information in Rosneft
- Regulations on Managing Conflicts of Interest
- Regulations on the Procedure for Exchange of Corporate Gifts and Hospitality

- Regulations on the Procedure for Charitable Activities
- Regulations on Sponsorship Activities, etc.

GRI 2-15

Our Security Service has a dedicated unit to coordinate the efforts towards countering corporate fraud and corruption, including by:

- setting up a risk assessment procedure to analyse risks on the corporate and Group Subsidiary levels
- developing a comprehensive programme for countering corporate fraud and corruption
- handling reports received by the Security Hotline
- monitoring conflicts of interest, etc.

### Governing bodies

Governing bodies	Role
Audit Committee of the Board of Directors	Approval of strategic documents and guiding principles in anti-fraud and anti-corruption, regular performance assessment; consideration and approval of the results of a review of the anti-corruption risk management and internal control process.
Chief Executive Officer	Ensuring the implementation of the Company's Policy on Combating Corporate Fraud and Involvement in Corruption Activities, and approval of relevant internal documents.

The Company has drafted and approved a Comprehensive Anti-Fraud and Anti-Corruption Programme for 2021–2024, fully aligned with Russia's National Anti-Corruption Plan for the same period<sup>1</sup>.

On a regular basis, the Company takes the following steps as part of the Comprehensive Programme:

- informs relevant units about new anti-corruption regulations and government initiatives
- conducts anti-corruption audits of draft internal regulations
- collects declarations on property and property-related obligations of its officers/employees, as well as on income, property and property-related obligations of their spouses and minor children who are included in the list of persons required to submit such declarations
- carries out a campaign to collect ethical declarations of the Company's officers and employees in order to monitor their compliance with restrictions, prohibitions and requirements of anti-corruption laws

- requires that employees sign an anti-corruption clause, which is part of employment contracts, including upon their appointment to new positions. The clause specifies limitations, prohibitions and requirements aimed at preventing conflicts of interest
- screens candidates for potential conflicts of interest, including affiliation.

In the reporting period, the following measures were implemented:

- employees were quarterly updated on typical violations of anti-fraud and anti-corruption rules
- corporate fraud and corruption risk was assessed/reassessed on a quarterly basis
- all employees received the All About Compliance e-newsletter dedicated to the International Anti-Corruption Day.

The Company has a system in place to control the contracting, pricing, and discounting procedures used when interacting with suppliers and contractors to identify possible collusion. This ensures efficiency in identifying signs and facts of affiliation, personal interest, or potential corruption schemes.

In 2010, Rosneft joined the UN Global Compact and announced its commitment to the principles stated in the Social Charter of Russian Business. Since 2013, the Company has been supporting the Anti-Corruption Charter of the Russian Business.

In 2022, the Company vetted more than

**175,700** prospective bidders

In line with due diligence requirements,

**4,000** of them

were assigned high and medium levels of risk

<sup>1</sup> Presidential Executive Order No. 478 dated 16 August 2021 On the National Anti-Corruption Plan for 2021–2024 and Instruction of the Russian Government No. MM-P17-12165 dated 6 September 2021.

## Performance assessment

### GRI 3-3

An independent and unbiased review of the risk management and internal control performance in the area of anti-corruption efforts is carried out by Rosneft's Internal Audit Service.

### GRI 2-16 GRI 2-26

The Company operates a 24/7 Security Hotline to report on suspected, proven and potential cases of corporate fraud, corruption and conflict of interest. Members of the Company's Board of Directors are updated on the Security Hotline performance on a quarterly basis. The Company also provides regular updates on the Security Hotline performance and identified corporate fraud and corruption cases to its employees as part of fraud and corruption prevention.

The Company rewards whistleblowers for providing valuable information which helped prevent corporate fraud and corruption. Rosneft guarantees confidentiality of all whistleblowers, whether employees or not, and their protection from any pressure, prosecution or discrimination.

A total of 355 audits or internal investigations were initiated following the processing of calls received by the Security Hotline in 2022. The number of complaints fell by 36% and that of internal investigations by 29%, which the Company attributes to its strong efforts to develop the corporate compliance framework.

### GRI 205-3

#### SHARE OF QUERIES ESCALATED TO AUDITS IN 2022, %



- 53% ■ Fraud/corruption/embezzlement
- 17% ■ Ethical standards, labour laws
- 6% ■ Contractor violations
- 7% ■ Retail sales of petroleum products
- 4% ■ Procurement procedures
- 13% ■ Other violations

Of all the calls handled by the Security Hotline,

# 355

resulted in audits or internal investigations.

RUB

# 171 mln

of damage identified/prevented following the review of Security Hotline calls



## Business ethics

Adherence to corporate business ethics helps build stakeholder trust in the Company and contributes to robust development and increased shareholder value in the long run.

The Company has a strong focus on developing its business and corporate ethics. Compliance with business ethics rules and principles is conducive to effective working, mutual respect and support, and collaborative teamwork. Rosneft's subsidiaries hold various events and training sessions to promote Rosneft's Code of Business and Corporate Ethics and its corporate values.

### GRI 2-23

In 2022, the Company updated its key documents on business and corporate ethics:

- Rosneft's Code of Business and Corporate Ethics (Order of Rosneft No. 179 dated 13 April 2022), and
- Regulations on the Procedure for the Company's Employee Interaction as Part of Implementation of Rosneft's Code of Business and Corporate Ethics (Order of Rosneft No. 195 dated 13 April 2022).

All of the Company's employees have been briefed on the Code; all new hires receive guides on the Code, and its e-version is available on the Company's internal portal and all portals of subsidiaries.



THE CODE OF BUSINESS AND CORPORATE ETHICS IS POSTED ON THE COMPANY'S OFFICIAL WEBSITE

### GRI 205-2

### GRI 410-1

The Company monitors compliance with rules of business ethics and standards on business conduct, regularly reminds its employees that the Code is an internal document to be followed at all times, and conducts surveys and polls to analyse compliance with and application of the Code by employees. The Company takes steps to identify and manage any ethical conflicts. The Code of Business and Corporate Ethics implementation system relies on ethics champions, whose duties include:

- explaining the requirements of business ethics documents, principles, policies and procedures to employees
- providing employees with advisory support on the implementation and application of the Code
- resolving ethical conflicts
- arranging for handling of employees' queries relating to business ethics, and developing feedback mechanisms
- informing employees about business ethics decisions made.

### THE COMPANY'S MAIN OBJECTIVES AND VALUES:

- leadership
- effectiveness
- integrity
- safety

### CORPORATE CULTURE DAY

In 2022, Rosneft's subsidiaries held the Corporate Culture Day. Employees took active part in creative contests, business games, and workshops on business ethics, and there were experts on ethics available to answer any questions that came up. In the reporting year, more than 100 thousand employees of the Company and their family members took part in the activities.

### WEBINAR ON BUSINESS ETHICS AND CIVIL COMMUNICATION AS STEPS TOWARDS A COMFORTABLE WORK ENVIRONMENT

As part of the new League of Knowledge project, in May 2022 Bashneft held a webinar titled "Business Ethics and Civil Communication: Steps Towards a Healthy Work Environment".

The event's expert, also acting as its moderator, talked about the key rules and details of business communication. More than 100 employees took part in an interactive business game on ethics.

# Approaches to promoting human rights

## GRI 3-3

In its operations, Rosneft recognises and respects fundamental human rights and freedoms and follows the Universal Declaration of Human Rights, the Social Charter of the Russian Business, relevant generally accepted standards, and applicable laws. The Company's human rights protection principles are set out in:

- Rosneft's Code of Business and Corporate Ethics
- the Company's Policy on Sustainable Development
- the Company's Public Position in the Field of Human Rights
- Declaration on Human Rights for Interacting with Suppliers of Goods, Works and Services
- Code of Suppliers of Goods, Works and Services in the Area of Human Rights Observance.

## GRI 2-24

All employees of the Company and its subsidiaries have been briefed on the Code of Business and Corporate Ethics, including its provisions on respecting human rights.

THE COMPANY'S PUBLIC POSITION IN THE FIELD OF HUMAN RIGHTS IS POSTED ON ITS OFFICIAL WEBSITE



In addition, Rosneft expects all of its business partners, suppliers, and contractors to recognise the fundamental human rights and freedoms and adhere to the basic human rights principles in their operations.

Personnel training on human rights matters is integrated into various training courses offered by the Company.

## GRI 2-26

The Company has the necessary procedures in place to promptly address complaints and claims relating to human rights. Key relevant tools include the Security Hotline and the Ethics Hotline.

Matters related to human rights can also be raised by the Company's employees directly with their immediate superior and ethics champions available in most of the subsidiaries.

THE DECLARATION ON HUMAN RIGHTS FOR INTERACTING WITH SUPPLIERS OF GOODS, WORKS AND SERVICES IS AVAILABLE ON THE COMPANY'S WEBSITE



# 64,900

total number of Rosneft employees who completed training in human rights policies and procedures in 2022

# 57%

share of Security Service personnel who completed training in human rights policies and procedures in 2022

# 1,098,000 man-hours

training in human rights policies and procedures in 2022

THE CODE OF SUPPLIERS OF GOODS, WORKS AND SERVICES IN THE AREA OF HUMAN RIGHTS OBSERVANCE IS AVAILABLE ON THE COMPANY'S WEBSITE



# Approach to taxation

## GRI 3-3

## GRI 207-1

In 2022, the Company complied with Rosneft Key Tax Principles, a public document reflecting the long-term tax policy of Rosneft.

The Key Tax Principles of the Company are:

- strict and timely compliance with applicable tax laws
- accrual and payment of taxes in accordance with the actual economic substance of relevant business transactions and activities.



ROSNEFT KEY TAX PRINCIPLES ARE AVAILABLE ON ITS WEBSITE

## GRI 207-2

The Company's tax function provides for the development of centralised approaches to all elements of taxation and their implementation at Group Subsidiaries. The function is led by First Vice President.

Tax risk management and internal controls are carried out at all levels and stages of the tax function and supervised as part of the company-wide risk management and internal control system.

The Company continuously monitors the efficiency of the tax function, develops and streamlines control mechanisms and has engaged independent auditors to confirm the accuracy, in all material respects, of Rosneft's IFRS consolidated financial statements, in particular, of the reported tax amounts and other tax data.

## GRI 207-3

The Company performs its tax activities in accordance with the principle of strict and timely compliance with applicable tax laws, including the cooperation with relevant tax authorities with respect to tax control procedures.

A key tax objective of the Company is to ensure the transition of Rosneft and the largest Group Subsidiaries to tax monitoring, a new type of tax control based on direct online communication between taxpayers and tax authorities.

Following steps taken in 2022, starting 2023, a total of 30 largest Group Subsidiaries participate in the tax monitoring, including Rosneft. The share of tax payments of the Group Subsidiaries participating in the monitoring in the Group's total tax payments to the Russian budget is 76%.

## GRI 207-4

As the largest Russian taxpayer for many years running, Rosneft makes a significant contribution to budget revenues and social and economic development of Russia.



# Stakeholder engagement

GRI 2-29

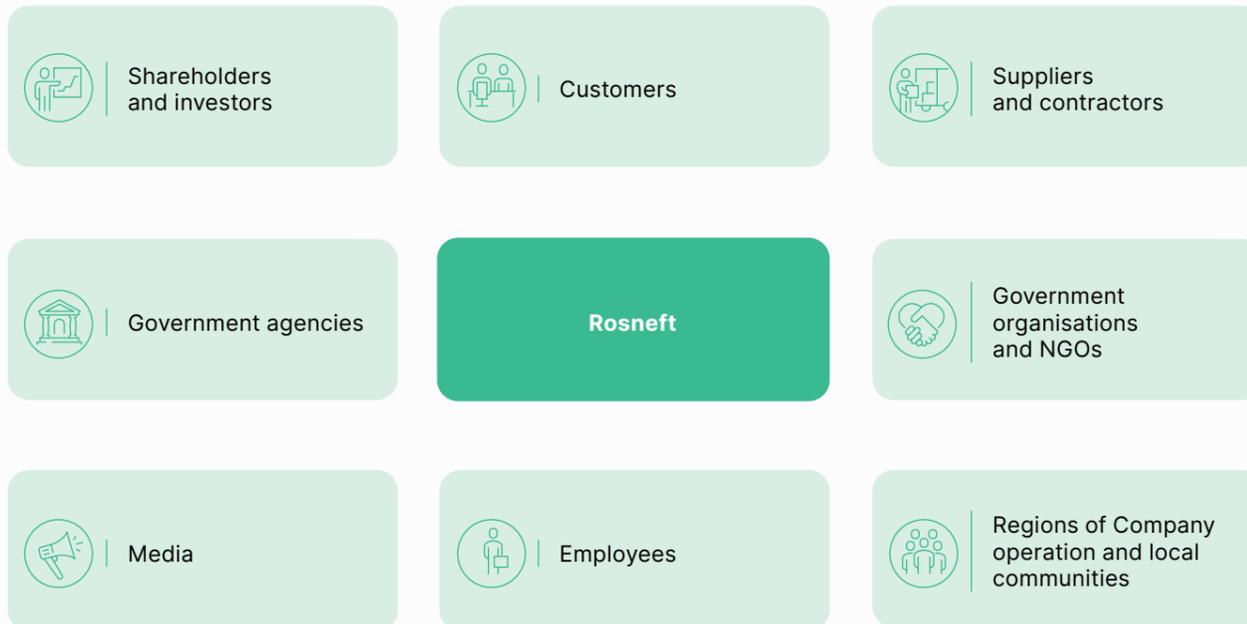
Rosneft interacts with a wide range of stakeholders, aiming to build a productive and mutually beneficial partnership that serves as the basis for accomplishing strategic goals and growing business.

In its relations with stakeholders, the Company is guided by applicable laws and regulations and high

business ethics standards and relies on various forms and mechanisms of interaction<sup>1</sup>.

Rosneft has the Policy on Sustainable Development and the Code of Business and Corporate Ethics.

## STAKEHOLDERS



<sup>1</sup> According to GRI 2021, the definition of stakeholders was updated to read "individuals or groups that have interests that are affected or could be affected by an organisation's activities". However, the Company continues to use the definition of stakeholders as interpreted by the AA1000 Stakeholder Engagement Standard (AccountAbility) while keeping in mind those stakeholders that are not affected by the Company but may affect the Company.

## KEY STAKEHOLDERS AND INTERACTION HIGHLIGHTS IN 2022



### SHAREHOLDERS AND INVESTORS

#### Interaction

- speeches by the CEO at major international investment forums
- participation in one-on-one and group meetings, including those on sustainability and ESG matters
- conference calls involving heads of finance, economics, and operations
- publication of press releases, presentations, reports, and material facts on resolutions of the Company's Board of Directors and General Shareholders Meeting on the corporate website
- engagement with rating agencies on ESG

#### Agenda

Increase in capitalisation, growth and sustainable development of Rosneft, transparency of operations.

#### Achievements in 2022

RUB 466.5 bln – recommended dividend payout to the Company's shareholders for 2021 and first six months of 2022



### GOVERNMENT AGENCIES

As Russia's largest taxpayer, Rosneft contributes to the nation's social and economic development.

#### Interaction

- production operations
- payment of taxes and other levies to the budget system
- cooperation with regional authorities
- legislative improvement efforts

#### Agenda

- compliance with laws
- timely tax payments
- investments in regional development
- sustainable regional employment levels
- development of urban infrastructure

#### Achievements in 2022

- timely payment of taxes and other levies to the budget system of Russia
- contribution to Russia's national projects



### GOVERNMENT ORGANISATIONS AND NGOS

#### Interaction

Rosneft takes an active part in social, scientific, sport and education development, collaborates with educational, non-profit and non-governmental organisations. The Company is also a member of a number of professional associations and business unions.

- social initiatives
- stewardship support of educational organisations and cultural and sports institutions
- partnership with the Leaders of Russia competition
- cooperation with associations of indigenous peoples of the North
- membership in professional associations and unions

#### Agenda

Attention to socially important issues, including sustainable use of natural resources, support of the social and cultural spheres of the public interest. Corporate social responsibility.

#### Achievements in 2022

- Rosneft became a leader of the RSPP Responsibility and Transparency (B+ group) and Sustainability Vector indices (A group) for the seventh time in a row
- Rosneft appeared on the "B" list of the RSPP Sustainable Development Goals disclosure rating
- employees of Rosneft subsidiaries took part in the Water of Russia environmental campaign

## RETAIL CHAIN CUSTOMERS

### Interaction

- sales of petroleum products and associated complementary goods through the retail network, wholesale of petroleum products from oil depots
- integrated business solutions with non-cash payments
- Rosneft loyalty programmes; Family Team, and Bashneft's loyalty programme
- development of remote fuel payment services for individuals
- B2B fuel payment service via a mobile application

### Agenda

- uninterrupted supplies
- ensuring the safety of employees, clients and suppliers in the context of the coronavirus spread
- fuel supplies to remote and poorly accessible areas
- guaranteed petroleum product quality control
- simplified business processes for legal entities
- loyalty programme for individuals
- higher service speed at filling stations
- high customer service standards
- development of customer value proposition
- incremental offering of goods and services at corporate filling stations

### Achievements in 2022

- around 2.9 thousand filling stations and complexes in Rosneft's retail network across Russia
- contactless payments for fuel using the Faster Payment System via a dynamic QR code introduced at all filling stations
- 55 EV charging points installed at the Company's filling stations, including 45 fast-charging (50–150 kW) ones
- permits obtained to commission 21 gas filling infrastructure facilities
- seven independent checks conducted by the Federal Agency for Technical Regulation and Metrology (Rosstandart), confirming the high quality of the Company's motor fuel

## MEDIA

### Interaction

- ensuring high transparency of information in accordance with the Company's Information Policy
- discussions at public events (conferences, forums)
- publications on the website and official social media accounts
- the Company's statements in response to media publications
- website posts containing official reports and the Company's position on various issues

### Content of website publications:

- hydrocarbon management, including effective use of APG
- technology and innovation
- environmental protection activities
- energy saving and energy efficiency
- credit and ESG ratings
- HR and social matters
- financial and operating performance
- contribution to the social and economic development of local communities

### Agenda

Regular updates with reliable, relevant and complete information.

### Achievements in 2022

- around 400 news items and press releases published on the Company's website
- Annual Report and Sustainability Report published
- "Rosneft: Contributing to Implementation of UN Sustainable Development Goals" public statement updated. The Company also published another public statement, "Saving the Planet for the Benefit of the Current and Future Generations: Sustainable Forest Management"

ROSNEFT'S INFORMATION POLICY IS POSTED ON ITS WEBSITE



## SUPPLIERS AND CONTRACTORS

### Interaction

- sustainably high volumes of procurement of goods, works and services from small and medium enterprises (SMEs)
- swift response to changes in the competitive environment and supply chains
- improvement of contractors' competencies, including in terms of occupational health and safety
- organising workshops and round tables for suppliers and contractors

### Agenda

Responsible business practice: competitiveness and effectiveness, proper performance under agreements, compliance with ethical standards and non-discrimination.

### Achievements in 2022

- activities to liberalise HSE requirements held as a way to support suppliers
- a number of meetings held with contractors on safe workplace conditions. The meetings also discussed results of incident investigations and takeaways
- in Krasnoyarsk, Rosneft held the Supplier Day for local manufacturers and contractors as part of the 13th Siberian Energy Forum

## REGIONS OF COMPANY OPERATION AND LOCAL COMMUNITIES

### Interaction

- development of infrastructure across the regions of Company operations
- round tables and public discussions
- charity and sponsorship programmes
- support of environmental campaigns and initiatives

### Agenda

Workplaces, development of local communities, social support.

### Achievements in 2022

- 15 base stations set up to provide Internet access to over 270 representatives of indigenous minorities of Yugra as part of a social partnership agreement signed between the Company and the Government of the Khanty-Mansi Autonomous Area – Yugra
- gas distribution facilities to ensure gas supplies to local communities (distribution gas pipelines) commissioned in the Sverdlovsk Region as part of the additional gas infrastructure expansion programme
- supported a project to upgrade roads in the town of Achinsk in the Krasnoyarsk Territory run as part of the Housing and Urban Environment national project

## EMPLOYEES

### Interaction

- ensuring occupational safety
- providing remuneration
- organising education, training and professional development
- social policy implementation: establishing optimal workplace conditions, voluntary insurance, development of the health protection system and a pension plan

### Agenda

- stable and competitive salary, professional growth, social protection
- safe working environment, including in the context of the coronavirus spread

### Achievements in 2022

- training provided to employees (ca. 798 thousand man-courses)
- 68.5% of employees receive additional social protection under collective bargaining agreements
- regular revaccination against COVID-19 and seasonal flu vaccinations underway to maintain herd immunity achieved at the Company (over 90% of employees)
- more than 186.5 thousand employees covered by an enhanced preventive examination programme in 2019–2022 to identify and treat any relevant conditions
- more than 300 thousand employees of Rosneft and Group Subsidiaries covered by personal insurance programmes
- more than 75 thousand employees, members of their families, and retirees received treatment in Russia's health resorts



**35 tonnes**

is the weight of a grey whale

Fun fact: the trademark of grey whales is the heart-shaped blow they leave behind when exhaling – this is because they have two blowholes.

Rosneft has been studying grey whales for over 20 years.

**Climate action  
and carbon  
management.**

### Monitoring grey whale population

Rosneft contributes to preserving the population of the Korean-Okhotsk grey whale, which is included in the Red Data Book of Russia. Grey whales are large mammals: with a weight of up to 35 tonnes and a length of 16 metres, they are among the Top 10 largest animals in the world. During a year, a grey whale can cover distances of up to 18 thousand km in water.

As part of the Sakhalin-1 project, Rosneft monitors and studies grey whales and has been keeping an eye on the Korean-Okhotsk population since 1997. The research results are used to improve protection measures, which have by now proved their worth: ecologists say that the grey whale population under observation is growing by 4% annually. They grey whale is one of the few species removed from the critically endangered species list.

A global leader in the energy industry, Rosneft is driven by an aspiration to meet demand for hydrocarbons while also minimising its environmental footprint to contribute to the goals set by the Long-Term Strategy of Socio-economic Development of the Russian Federation with Low Greenhouse Gas Emissions until 2050, the Paris Climate Agreement and UN Sustainable Development Goals.



# Strategic targets to prevent climate change

## GRI 3-3

The Rosneft-2030: Reliable Energy and Global Energy Transition Strategy<sup>1</sup> sets a number of ambitious sustainability goals, with the key strategic focus on reaching operational carbon neutrality by 2050.

This goal shapes the Company's long-term climate agenda, laying the foundation for the strategic vision

to remain a reliable and efficient producer taking climate and environmental responsibility very seriously.

The Company is committed to the UN Sustainable Development Goals (SDGs), primarily SDG 7 (Affordable and clean energy) and SDG 13

(Climate action). These goals are directly related to the Company's carbon management framework for both reducing GHG emissions and handling physical climate risks.

### Rosneft-2030: climate agenda horizons<sup>2</sup>

<b>Short-term</b>	Reduction of absolute GHG emissions of Scope 1 and 2 by 5% by 2025
<b>Medium-term</b>	<ul style="list-style-type: none"> <li>reduction of absolute GHG emissions of Scope 1 and 2 by over 25% by 2035</li> <li>reduction of methane emissions intensity to below 0.2% by 2030</li> <li>zero routine flaring of APG by 2030</li> <li>reduction of unit GHG emissions of Scope 1 and 2 in exploration and production to below 20 kg CO<sub>2</sub> equiv. per boe by 2030 or sooner</li> </ul>
<b>Long-term</b>	Operational carbon neutrality by 2050

The Company plans to reach operational carbon neutrality by reducing GHG emissions, using low-carbon electricity, introducing energy-saving

tools, developing carbon capture and storage technologies, and tapping into the potential of natural CO<sub>2</sub> absorption.



FOR MORE INFORMATION ON OUR STRATEGIC PRIORITIES AND CARBON FOOTPRINT REDUCTION TARGETS, PLEASE VISIT OUR OFFICIAL WEBSITE



<sup>1</sup> Approved by Rosneft's Board of Directors in late 2021.  
<sup>2</sup> The greenhouse gas reduction targets are set against the base year of 2020 and cover 100% of Scope 1 and 2 emissions in the Company's reporting perimeter, unless specifically stated otherwise.

## Levers to deliver against the GHG emissions reduction targets

### GRI 302-4

Lever	Description
Energy Saving Programme	Increasing energy efficiency by saving fuel and energy resources in key areas of production operations
Gas Investment Programme	Implementation of the APG utilisation programme and plans for achievement of zero routine flaring Additional opportunities are considered as regards the use of advanced technologies for APG reinjection to maintain reservoir pressure
Methane emissions management	Improvement of procedures for accounting, identification and elimination of fugitive methane emissions with the use of innovative technologies as part of the air and ground monitoring process. Rolling out the best practices of the comprehensive programme to detect and eliminate sources of fugitive methane emissions across Rosneft's upstream and downstream operations. Equipping tanks with oil fraction recovery devices
Gas share in the portfolio	Increasing gas share in total output to 25%
Carbon dioxide capture and storage projects	In the reporting year, an independent assessment was conducted into the potential of underground storage of carbon dioxide in the Company's licence areas, as well as an assessment of the feasibility of using carbon dioxide enhanced oil recovery technologies. Various options for developing these projects are considered
Renewable energy sources	The Company is conducting feasibility studies for the use renewable energy sources for power generation at existing facilities and those under construction
Green energy	The Company is estimating the possibility to procure green energy. In 2022, Rosneft implemented a pilot project to purchase low-carbon electricity for RN-Yuganskneftegaz and Ryazan Refinery resulting in an overall reduction of GHG emissions of 2.8 mmt of CO <sub>2</sub> -equiv.
New technologies and products	Reviewing projects for the production of new low-emission products, such as blue hydrogen <sup>1</sup> (optional – green <sup>2</sup> ), biofuels, eco-friendly jet fuel, to reduce Rosneft's Scope 3 footprint <sup>3</sup> . Exploring synergy with existing hydrogen plants, as well as carbon capture technologies and projects
Natural carbon absorption	Delivering forest and carbon management projects to offset GHG emissions using the potential of Russian forests <sup>4</sup>
Material flow management programme	Loss reduction and downsizing the consumption of hydrocarbons and their products

### GRI 302-4

**Rosneft's Energy Saving Programme delivered fuel and energy savings of 326 thousand tonnes of reference fuel in 2022.**

For details on energy saving and energy efficiency in the Company, see [the Innovative Development and Contribution to Russia's Technological Sovereignty chapter](#) of this Report

<sup>1</sup> Blue hydrogen is the hydrogen produced from fossil fuels such as natural gas purified from carbon dioxide using the Carbon Capture and Storage (CCS) technology.  
<sup>2</sup> Green hydrogen is the hydrogen produced by water electrolysis using solar, wind or other renewable energy sources.  
<sup>3</sup> The reduction of Scope 3 GHG emissions, i.e. all indirect emissions across of the Company's production lifecycle, except for Scope 2 emissions, including consumer emissions.  
<sup>4</sup> Including net emission compensation by purchasing/monetising carbon units.

## Carbon management

### GRI 3-3

The Company has the Carbon Management Committee led by the Company's top manager who reports to the CEO. It consists of the key top managers and heads of structural units whose activities directly impact the achievement of carbon management goals.

The Committee reviews matters and makes decisions related to the operation of the planning and forecasting system to manage GHG emissions, including regular reporting on the Company's progress towards decarbonisation as part of its strategy. The Committee is also responsible for considering and accounting for climate risks in the context of the global energy transition, including physical risks to production operations and infrastructure, and climate change adaptation opportunities.

In the reporting year, the Committee considered the following:

- management of the Company's long-term carbon development and GHG emissions reduction goals;
- assessment of the Company's GHG emissions and identification of risks to the achievement of strategic targets towards GHG emission reduction;
- implementation of the programme to detect and eliminate sources of fugitive methane emissions at the Company's production facilities;
- delivery of the Gas Investment Programme and the Energy Saving Programme;

- long-term forecast for GHG emissions and ranking of subsidiaries by emissions intensity;
- carbon management benchmarking;
- technical and economic assessment of low-carbon technology development prospects;
- carbon capture and storage technology development and deployment stages;
- hydrogen business development;
- overview of circular economy principles;
- vision for tapping into the carbon market, etc.

To empower executives to make timely carbon management decisions, for the first time the Company assessed its greenhouse gas emissions for the first half of 2022 also forecasting the expected year-end result and providing factor

analysis of the variance. In addition, the Company prepared medium- and long-term forecasts of greenhouse gas emissions and a list of initiatives designed to reduce them and achieve the Company's strategic goals.

In the reporting period, the Company continued to monitor progress against the approved programmes and initiatives aimed at reducing greenhouse gas emissions.

To meet long-term commitments, Rosneft started looking into the possibility of adding carbon management provisions to the contracts concluded with its contractors as it realises the importance of achieving carbon neutrality taking into account the national goals, instructions of the President of Russia and Russian legislation.

**The Committee's key functions include monitoring and control over the achievement of the Company's strategic carbon management targets amid the global energy transition based on the goals of the Paris Agreement and UN SDGs (Affordable and clean energy, Climate action), as well as the preparation of recommendations to the CEO and the Board of Directors.**

## Developing carbon management competencies

Rosneft employees take regular trainings to develop the decarbonisation and carbon footprint reduction competencies. In 2022, both head office and subsidiary employees continued taking the corporate carbon management course.

In November 2022, the head office and subsidiary employees took part in the Decarbonisation and Carbon Footprint Reduction professional development programme.

A seminar on major carbon management issues became the first joint event held under the Cooperation agreement on personnel training signed in 2021 between Rosneft, Ufa State Petroleum Technological University, and Tsinghua University – one of China's flagship universities. The participants discussed the oil and gas sector decarbonisation technologies, as well as trends and specifics of the development of carbon

regulation in different countries, including the formation of the carbon market in China.

In the reporting year, the head office and subsidiary employees also attended courses on forest climate projects, forest conservation and reforestation as a method of carbon absorption and sequestration (deposition), and methods and ways to minimise greenhouse gas emissions in the oil and gas industry held at St Petersburg State Forestry University.

## Climate-related threats and opportunities

### GRI 201-2

The Company performs regular assessment of the climate change impact on the achievement of its

long-term business targets. When considering climate risks and opportunities, the Company

is guided by the recommendations of the Task Force on TCFD<sup>1</sup>.

### Mitigation of climate-related threats<sup>2</sup>

#### TCFD Physical Risks

##### TCFD Chronic Risks

Climate change in the regions of Company operations

- ✓ Rosneft takes into account around 15 types of natural hazards and around 30 threshold hydrometeorological parameters in its production activities, which enables the Company to avoid or reduce the impact of weather and climate conditions.
- ✓ Natural hazards include extremely high and low temperatures, strong winds, heavy precipitation, disturbances, freshets and floods, permafrost thawing, ice conditions in seas and rivers, and wildfires.
- ✓ The Company's production operations can also be affected by glaze, ice storms, blizzards, and haze. The most exposed segments include Exploration and Production, and the least exposed include Commerce and Logistics, Oil Refining and Petrochemicals.

#### Adverse impact minimisation

- The Company is implementing measures to ensure integrity as part of the key asset maintenance programme in Oil Refining and Petrochemicals and the Pipeline Reliability Programme in Exploration and Production.
- The Company has an insurance programme in place for key production assets (covering damages).
- The Company develops and implements corrective measures based on lessons learnt from incidents.
- The Company actively invests in R&D activities to investigate climate change, the extent and impacts of thawing permafrost, adaptation to climate change, and improve the accuracy of climate data.
- The Company applies at least 150 regulations, of which 80 are corporate documents defining hydrometeorological thresholds required to be accounted for in accordance with the occupational health and safety rules.

#### TCFD Acute Risks

Natural disasters

#### Adverse impact minimisation

- In case of risks arising from unfavourable and hazardous conditions in the regions hosting Rosneft's projects, the Company's management will take every reasonable step to minimise their potential adverse impact.
- To reduce risks, climate adaptation measures are implemented, such as the insurance programme for key production assets (covering damages).

#### TCFD Transition Risks

#### TCFD Policy and Legal Risks / TCFD Reputation Risks

- Stricter regulation and requirements related to climate change. New climate initiatives.
- Reputation and less appealing investment case
- ✓ In 2022, for the seventh time in a row, Rosneft became one of the leaders of Russian ESG indices, including the MOEX-RSPP Responsibility and Transparency and Sustainability Vector indices.
- ✓ The Company was assigned the highest rating in the Sustainable Corporate Governance ESG rating compiled by the University of Perugia (Italy) and Da-Strategy Corporate Development Agency.
- ✓ In 2022, Rosneft submitted its statement of continued support for the UN Global Compact and the annual Advanced Communication on Progress (CoP) in a new format among 1.000 companies pioneering efficient sustainability disclosures.
- **Adverse impact minimisation**
- Implementation of the Rosneft-2030: Reliable Energy and Global Energy Transition Strategy.
- Regular monitoring of the recommendations of international and regional climate and environmental initiatives and other stakeholders.
- Ongoing dialogue with key investors, ESG analytical and rating agencies.
- Implementation of initiatives to reduce carbon footprint, including through natural CO<sub>2</sub> absorption.
- Protecting the Company's interests in court. Analysis of climate court cases.
- Regular monitoring of requirements and recommendations of international and regional regulators and authorised organisations.
- Active cooperation with state authorities, non-governmental organisations and professional communities in Russia and abroad to make informed climate regulation decisions.

#### TCFD Market Risks

Changes in the structure of energy consumption

#### Adverse impact minimisation

- Implementation of the Rosneft-2030: Reliable Energy and Global Energy Transition Strategy.
- Regular monitoring of the market and the requirements and recommendations of authorised organisations.
- Leveraging optimisation tools, including non-derivative financial instruments, searching for alternative sales channels for petroleum products, streamlining logistics.
- Adoption and regular update of the Innovation Development Programme.
- Further expansion of the retail network selling motor fuels with improved environmental properties.
- Development of the compressed natural gas sales network. As at the end of 2022, the Company operated a network of 21 CNG-filling stations in eight Russian regions.
- Rosneft filling stations are equipped with EV charging points. By the end of 2022, 55 EV charging points, including 45 fast-charging (50-150 kW) ones, were installed at the Company's filling stations in eight regions across the country. In addition, Rosneft cooperates with Russia's largest electric power companies to implement agreements for EV charging infrastructure development until 2024.
- The Company is conducting feasibility studies for the use of renewable energy for power generation at existing facilities and those under construction.
- Plans for expanding the range of products with a low carbon footprint by reducing emissions across the production chain and increasing GHG emissions absorption under the Company's forest and carbon management projects in Russia.

<sup>1</sup> Task Force on Climate-related Financial Disclosures, TCFD.

<sup>2</sup> For the description of climate change, see the Risk Management System and ESK Risks section of this Report.

### TCFD Technology Risks

Advance of alternative energy and green technologies and improvements in energy efficiency

#### Adverse impact minimisation

- Implementation of the Rosneft-2030: Reliable Energy and Global Energy Transition Strategy.
- Adoption and regular update of the Innovation Development Programme.
- Implementation of the Energy Saving Programme to increase energy efficiency by saving fuel and energy in key areas of production operations.
- Development of the compressed natural gas sales network. As at the end of 2022, the Company operated a network of 21 CNG-filling stations in eight Russian regions.
- Rosneft filling stations are equipped with EV charging points. By the end of 2022, 55 EV charging points, including 45 fast-charging (50-150 Kw) ones, were installed at the Company's filling stations in eight regions across the country. In addition, Rosneft cooperates with Russia's largest electric power companies to implement agreements for EV charging infrastructure development until 2024.
- Reviewing project opportunities for the production of new low-emission products, such as blue hydrogen (optional – green), biofuels, eco-friendly jet fuel, to reduce Rosneft's Scope 3 emissions.
- The Company is conducting feasibility studies for the use of renewable energy for power generation at existing facilities and those under construction.

### Overview of climate-related opportunities

#### TCFD Products/Services Opportunities

Development and/or expansion of low-emission offering of products and services

#### Natural gas production and sales

The Company seeks to increase gas production as the most environmentally friendly fossil fuel with a view to reducing its carbon footprint and fostering carbon neutrality in Russia and globally. Rosneft keeps full pace with modern global trends, actively increasing the share of gas in its portfolio, with a strategic goal to expand it to 25% of the total hydrocarbon output.

- Development and/or expansion of low-emission offering of products and services
- Opportunities for business diversification
- Changing consumer preferences

#### CNG retail sales

The use of compressed natural gas as motor fuel will allow consumers to benefit from more efficient vehicle operation by cutting transportation costs and significantly reduce the environmental footprint of road transport. The Company's retail business continues to develop sales of eco-friendly and cost-effective gas motor fuel, acting in line with the government's fuel market development priorities. As at the end of 2022, the Company operated a network of 21 CNG-filling stations in eight Russian regions.

- Development and/or expansion of low-emission offering of products and services
- Opportunities for business diversification
- Changing consumer preferences

#### Improved motor fuels. Low-sulphur marine fuel

As an environmentally responsible company, Rosneft consistently implements key green initiatives, improving the development and production of advanced petroleum products and fuels with enhanced environmental properties. The Company sells fuels with improved environmental characteristics and performance such as Euro 6 and AI-100, implements the Pulsar-branded fuel sales programme and produces low-sulphur marine fuel RMLS 40. The Syzran Refinery and Rosneft's corporate R&D institute developed and launched a new technology to produce RMLS 40 marine fuel (EI type) with sulphur content below 0.1%. The production technology of this marine fuel relies on the RN-5251 catalyst made by RN-Kat (part of the Rosneft Group).

#### Greener motor oils

The Company's fuels are low on SAPS content, which helps reduce fuel consumption and make exhaust gases less toxic.

- Development and/or expansion of low-emission offering of products and services
- Opportunities for business diversification
- Changing consumer preferences

#### EV charging stations

The Company is installing EV charging points at its filling stations in line with demand forecasts and EV market evolution, with EV charging stations in place at retail sites in eight Russian regions.

### TCFD Resource Efficiency Opportunities

APG utilisation

#### APG utilisation

The Company is implementing the Gas Investment Programme to reduce APG utilisation to below 5% in line with the target set forth by the Russian Government based on a comprehensive approach to field development, envisaging the construction of infrastructure to collect, use and supply gas to consumers or reinject it back into formation. In 2022, the Company completed the construction of 17 APG utilisation facilities.

The Gas Investment Programme seeks to ensure a more sustainable APG use driven by:

1. construction of gas transportation infrastructure and gas compressors to enable the supply of stripped dry gas to the unified gas transmission system and to the Company's own and third party gas processing plants;
2. construction of gas reinjection infrastructure;
3. construction of interfield gas pipelines to collect and deliver gas to consumers;
4. construction of final separation gas compressors;
5. construction of gas purifiers;
6. construction of in-house generating capacities;
7. use of gas for the Company's oil treatment needs

Raising efficiency of production and transportation

#### Enhanced oil recovery due to APG and prevention of methane emissions

In 2022, the Company completed the construction of 17 APG utilisation facilities. The most important ones include:

- the 79 km Suzun–Vankor interfield gas pipeline;
- completion of three gas-injection wells at Vostsibneftegaz that allowed increasing the volume of reinjected gas to 1,975 mln cu m;
- fuel gas treatment unit at Vostsibneftegaz for the Company's own gas-powered electricity generation;
- 36 MW in-house power plant at Vostsibneftegaz

TCFD Resource Efficiency Opportunities

#### Energy Efficiency and Energy Saving

Higher energy efficiency offers an opportunity to increase business margins, while contributing to climate action. Rosneft carries on with its Energy Saving Programme, with 326 ktce of fuel and energy saved in 2022.

Objectives as part of energy efficiency improvement:

- increasing the efficiency of the fuel and energy use given the stated hydrocarbons production, refining and sales targets,
- Unlocking the potential of energy saving and energy efficiency improvement,
- development of economically justified energy saving measures, equipment and technologies, including innovations,
- implementation of targeted energy saving and other associated initiatives as part of the production, refining, petrochemicals, marketing and distribution operations, and service delivery;
- achievement of fuel and energy saving targets;
- implementation of organisational initiatives aimed at establishing an energy efficiency management framework with annual updates to the Energy Saving Programme to cover newly developed measures and update the list of measures.

#### The Company is actively embracing circular economy principles

According to the Rosneft-2030: Reliable Energy and Global Energy Transition Strategy, oil-contaminated waste will be fully recycled, the legacy contaminated land will be remediated and the circular economy principles will be actively embraced.

# Energy outlook and energy transition

As a way to combat the climate change, Rosneft regularly assesses threats and opportunities arising from changes in global economy and energy transition.

Part of that effort is the analysis of existing and development of own scenarios charting the long-term development of the economy and the energy industry. The Company's long-term scenario forecast for the development of the global economy and energy industry formed the basis for the Rosneft-2030 Strategy and the Carbon Management Plan for the Period until 2035. The forecast was approved for use in strategic management and at the Company's business units.

The key global energy trends that took shape in the previous decades remain unchanged.

After a sharp drop in energy consumption in 2020 amid COVID-19 restrictions, the demand for energy resources (including fossil fuel) exceeded the pre-pandemic level of 2019. This was due to the recovery in global output and disruptions in regional energy systems provoked by the instability of new renewables. In 2022, despite a rise in global prices for fossil fuel, the demand kept growing. It is therefore logical to expect a continued increase in global CO<sub>2</sub> emissions.

### SCENARIO FORECASTS DEVELOPED BY ROSNEFT FOR THE PERIOD UP UNTIL 2040

**Evolutionary Scenario**

Suggests that the historical trends in the global economy and energy markets will continue into the future. In this scenario, the key limitations will be the availability of technology, and the intensification of international trade tensions, sanction pressure and regionalisation processes.

**"Below 2 °C" Scenario**

Implies that the goals of the Paris Climate Agreement will be met. The forecast metrics in this scenario are defined based on the commitment to keep global warming to **1.8 °C** by 2100, which will only be possible in case of drastic changes in the energy efficiency of production processes and the mix of global energy consumption.

Tapping into a mix of all available energy types and sources will facilitate further economic growth and will help meet the rising demand for energy. The extensive

use of hydrocarbons is essential in contributing to the long-term sustainable development of global economy and energy.

## Comparison of scenario forecasts developed by Rosneft for the period up until 2040<sup>1</sup>

	Evolutionary Scenario	"Below 2 °C" Scenario
<b>Global GDP</b>	Growth by 76%	Growth by 68%
<b>Energy consumption</b>	Growth by 15%	Decline by 1%
<b>Oil consumption</b>	Growth by 11%	Decline by 21%
<b>Natural gas consumption</b>	Growth by 29%	Decline by 5%
<b>Coal consumption</b>	Decline by 20%	Decline by 49%
<b>Consumption of new renewables</b>	3.4x growth	5.4x growth
<b>Share of fossil fuel in the global energy demand (in 2021: 79%)</b>	Decline by 6%	Decline by 19%
<b>Share of hydrocarbons in the global energy mix (in 2021: 53%)</b>	54%	46%
<b>Share of renewables in the global energy mix (in 2021: 3%)</b>	9%	Growth to 16%
<b>Key driver behind growth in the global consumption of primary energy</b>	Population growth and higher energy supply per capita in the developing nations (primarily in Asia-Pacific)	
<b>Additional average annual investments</b>	-	USD 1.7 trln higher compared to the Evolutionary Scenario
<b>Goals of the Paris Agreement</b>	Not met	Met

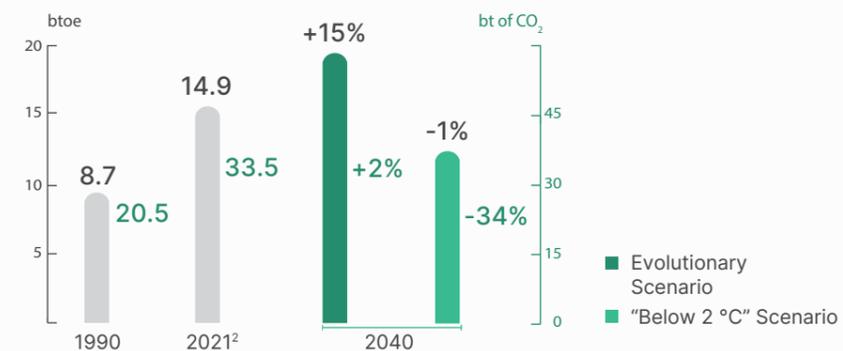
With the UN expecting the planet's population to rise to 9.2 billion people, the **Evolutionary Scenario** assumes that by 2040 growth of global GDP will lead to an increase in energy consumption, including the consumption of oil. The latter will continue expanding (albeit at a slower pace) until 2040, after which point we might witness demand saturation. The demand for natural gas will be growing on a continuous basis. The share of hydrocarbons in the energy mix will rise. The increasing relevance of environmental issues will trigger a decline in coal consumption and a marked hike in the consumption of new renewables. Despite all that, the goals of the Paris Agreement are not met under this scenario.

As the **"Below 2 °C" Scenario** seeks to meet the goals of the Paris Agreement (global energy transition scenario), it imposes unrealistically stringent requirements on the pace of energy efficiency improvements

and the decarbonisation of global economy. Under this scenario, the energy intensity of global GDP is expected to decrease almost twice as fast as it has done over the past thirty years. To meet the GHG emission targets set in the "Below 2 °C" Scenario, we will need to start reducing the consumption

of coal in the upcoming years and the consumption of oil and gas by 2030. Cuts in the consumption of fossil fuel are expected to be largely offset by a wider use of new renewables. However, hydrocarbons will continue to dominate the global energy mix by 2040 even under this scenario.

### GLOBAL CONSUMPTION OF PRIMARY ENERGY AND CO<sub>2</sub> EMISSIONS FROM FOSSIL FUEL



Sources: actual – IEA, estimates – Rosneft

<sup>1</sup> Compared to the base year of 2021.  
<sup>2</sup> The provided figures are absolute values.

The “Below 2 °C” Scenario requires radical transformation of both the energy sector and global economy in general. According to the estimates, the prerequisite for this scenario is a significant increase in average annual investments in the global energy sector as compared to the Evolutionary Scenario, which will reduce financing in other industries. This will lead to a slowdown in global economic growth.

The primary energy consumption mix will depend on the severity of restrictions imposed by the climate change policies. According to the estimates under both scenarios, hydrocarbons will continue to dominate the global energy mix.

Under the Evolutionary Scenario, energy consumption in the developed nations will grow moderately to reach the saturation point in or around 2030, after which it will begin to reduce and in 2040 will come in at 6% below the 2021 level. Under the “Below 2 °C” Scenario, energy consumption in the developed countries must

reduce by nearly 20% in 2040. Such evolution of energy consumption will be largely subject to the fulfilment of carbon neutrality commitments.

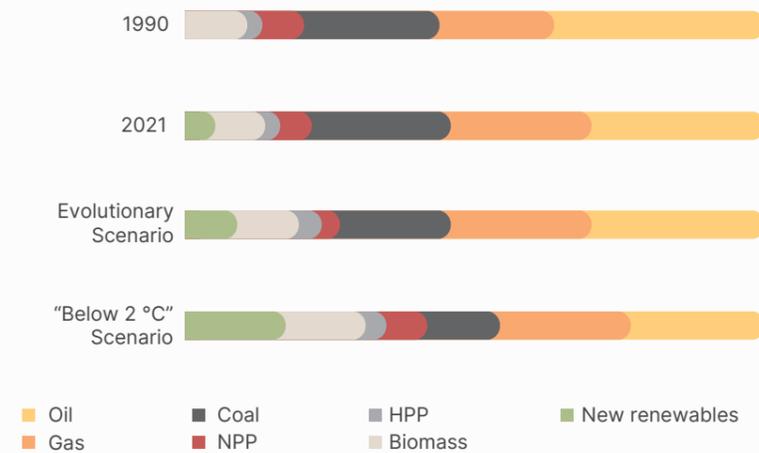
Asia-Pacific will remain the largest energy consumer in 2040, as its share in global consumption is expected to rise by several percentage points from 44% to around 50% depending on the selected scenario.

The global energy crisis, which kicked off in 2021, among other things, due to the underfunding of the fossil fuel sector, continues to this day. It reduces the likelihood of the “Below 2 °C” Scenario and increases the chances of the Evolutionary Scenario to materialise. Provided that there will be no global economic or geopolitical crisis in the future, the long-term Evolutionary Scenario remains relevant despite the ongoing geopolitical tensions, as it is rooted in the fundamental technological trends of global economy and energy.

**Given the forecast of energy markets and demand, the Company reduces CO<sub>2</sub> in line with its Rosneft-2030 Strategy and continues to grow its gas production, while also improving the quality and range of its products, expanding its sales geography, and marketing more environmentally friendly products.**

**The Company's business is set to maintain stability under all scenarios.**

**GLOBAL CONSUMPTION OF PRIMARY ENERGY, %<sup>1</sup>**



Source: actual – IEA, estimates – Rosneft

<sup>1</sup> Shares may not add up to 100% due to rounding.

# Achieving climate goals in 2022

## Lower GHG emissions

GRI 3-3

The Rosneft-2030 Strategy identifies the reduction of carbon footprint and achievement of operational carbon neutrality by 2050 as the top priorities. To that end, the Company implements:

- the Gas Investment Programme to increase the rational use of associated petroleum gas
- The Energy Saving Programme aimed at deploying energy-saving technologies and the rational use of fuel and energy resources.

GRI 305-1

UNCTAD B.3.2

UNCTAD B.3.1

GRI 305-2

✓ In 2022, GHG emissions from the Company's operations totalled 71.9 million tonnes of CO<sub>2</sub>-equiv., including 55.8 million tonnes of CO<sub>2</sub>-equiv. of direct emissions (Scope 1) and 16.1 million tonnes of CO<sub>2</sub>-equiv. of indirect emissions (Scope 2) associated with procurement of electricity and energy<sup>1</sup>. Scope

1 and Scope 2 emissions reduction vs the base year of 2020 was ca. 11%. The positive dynamic as compared to the previous period was driven, among other things, by the purchases of low-carbon electricity<sup>2</sup> and asset portfolio optimisation.

In 2022, methane emissions amounted to 158.8 thousand tonnes, including fugitive emissions of 75.0 thousand tonnes.



<sup>1</sup> Categories of emission sources, recordable greenhouse gases and emission factors are aligned with the Guidelines approved by Order of the Ministry of Natural Resources and Environment No. 300 dated 30 June 2015.  
<sup>2</sup> Procurement of low-carbon electricity for the Ryazan Refinery and RN-Yuganskneftegaz.

### Some of the climate action projects implemented across the Group Subsidiaries in 2022

#### Projects under the Gas Investment Programme

RN-Vankor	Vankor has one of the most extensive and advanced gas gathering, treatment and transportation systems, which brings it among the industry's top facilities by APG utilisation (around 99%). In 2022, the total volume of gas collected for transportation was 44.4 billion cu m
RN-Krasnodarneftegaz	For the past few years, the company has commissioned eight large gas gathering and treatment facilities. In 2022, the time required to complete scheduled maintenance of the gas gathering, compression, treatment and transportation system, was reduced, which helped boost the APG utilisation rate to 98.7%. Gas supplies to the unified gas transmission system exceeded 900 million cu m, while supplies to third parties were in excess of 330 million cu m

#### Projects under the Energy Saving Programme

Samotlorneftegaz	The economic effect was around RUB 813 mln, with 23.8 thousand tonnes of reference fuel saved Highlights: <ul style="list-style-type: none"> <li>• deployment of energy efficient submersible equipment and optimisation of oil well operation</li> <li>• replacement of pumping equipment in oil treatment and pumping systems, as well as systems to maintain reservoir pressure for facility operation</li> <li>• optimisation of production facility operation</li> </ul>
RN-Yuganskneftegaz	The economic effect was around RUB 1.8 bln, with 51.3 thousand tonnes of reference fuel saved Highlights: modernisation of submersible equipment for artificial lift and pumping equipment in oil treatment and pumping systems, as well as systems to maintain reservoir pressure, optimisation of production facility operation
Achinsk Refinery	The economic effect exceeded RUB 445 mln, with 27.3 thousand tonnes of reference fuel saved Highlights: streamlining fuel consumption through adjustment of operations, improving efficiency of heat exchangers, modernisation and optimisation of process equipment operation

#### ✓ Direct GHG emissions, thousand tonnes

GRI 305-1 UNCTAD B.3.1

Period	2020	2021	2022
Carbon dioxide (CO <sub>2</sub> )	57,467	51,141	<b>51,845</b>
Methane (CH <sub>4</sub> )	134	122.5	<b>158.8</b>

#### ✓ Unit GHG emissions, tonne of CO<sub>2</sub>-equiv. / tonne of reference fuel

GRI 305-4

Period	2020	2021	2022
Exploration and production (including oilfield services)	0.155	0.147	<b>0.149</b>
Oil refining, petrochemicals and oil product sales	0.126	0.115	<b>0.116</b>

The reduction in indirect GHG emissions by the Company in 2022 reached

**ca. 2.8 million tonnes of CO<sub>2</sub>-equiv.**

following purchases of low-carbon electricity under agreements with the largest energy companies

### IMPLEMENTING A LARGE-SCALE FORESTATION PROJECT IN THE KRASNOYARSK TERRITORY

In 2022, Rosneft began to implement an ambitious forestation project in the Krasnoyarsk Territory, which was acclaimed by the President of the Russian Federation.

The project's goal is to increase GHG emissions absorption by local forests and bring it to 10 million tonnes of CO<sub>2</sub>-equiv. In addition, it will be a lever to achieve low-carbon objectives of the Vostok Oil project, which will feature four times lower unit emissions than the average for greenfields operated by the major global companies.

At the first stage, the Company joined forces with St Petersburg State Forestry University and Siberian Federal University to study Russian and international forestation experience, identify suitable methods for implementing various types of forestation projects and assess their potential impact on carbon footprint and economic feasibility. As part of the initiative, the parties are expected to develop a project concept, which draws on the modern approach to project monitoring and improved methods for assessing carbon absorption by local forests.

The Company is now working with Rosleskhoz to create legal framework for implementing projects on lands classified as forests and agricultural lands.



**A climate project is a set of measures to reduce (prevent) GHG emissions or increase GHG emissions absorption. Forestry-related climate projects are called forestation projects. Climate projects are evaluated using verified carbon units. One carbon unit equals 1 tonne of CO<sub>2</sub>-equiv. reduced, prevented or absorbed. Carbon units can be used to compensate for the entity's own GHG emissions (reduce carbon footprint), or be sold.**

## Comprehensive programme to detect and eliminate sources of methane emissions

Reducing GHG emissions is one of Rosneft's priorities. The Company supports and adheres to national and international goals in this field. We place a special emphasis on reducing methane emissions as its potential impact on the global warming is 25 times higher than that of greenhouse gas.

In 2022, we completed feasibility studies for implementing technological solutions to reduce methane emissions at production facilities of 20 Exploration and Production Group Subsidiaries. The studies were carried out with the assistance from the corporate research institute experts who assessed the equipping of tanks with light fraction recovery devices and other solutions.

In 2022, the Company developed a standard programme to detect and eliminate sources of fugitive methane emissions at hydrocarbon production facilities and a methodology for quantitative assessment of such emissions. The methodology has been piloted at ten Exploration and Production Group Subsidiaries and scheduled for further roll-out across the Company's facilities.

In the reporting period, we rolled out and implemented a comprehensive programme to detect and eliminate sources of fugitive methane emissions using drones (UAVs) and portable surface inspection devices at 24 Exploration and Production Group Subsidiaries.

UAV inspections were held at 341 production facilities of 17 subsidiaries, covering 81 sq km of land and 1.7 thousand km of gas pipelines. Surface inspections using portable devices were carried out at 525 facilities operated by 20 subsidiaries.

### BASHNEFT REDUCES CARBON FOOTPRINT

In 2022, Bashneft initiated surface monitoring of methane emissions at production facilities.

A combination of high-tech equipment, including laser, ultrasound and thermal imaging sensors, enables our experts to identify and eliminate sources of fugitive methane emissions at production facilities. The surface inspections were introduced to complement the UAV monitoring.

In 2022, surface and UAV inspections of methane emissions covered over

**800 facilities of 20 Group Subsidiaries**

The use of a whole range of advanced technological solutions enables the Company to accurately detect the source of emissions in order to further investigate its cause and develop measures to eliminate even the slightest deviations from the stringent standards for operating oil and gas fields.

**RN-Nyaganneftegaz monitors methane emissions at its deposits using UAVs. In 2022, the entity's drones carried out 186 inspections with total flight time of 483 hours.**

## Gas production

The development of the Company's gas business is in line with the global trend of increasing the use of natural gas as a fuel with lower greenhouse gas emissions. One of the Company's

strategic goals is to increase the share of gas in total hydrocarbon production to 25%. To that end, the Company has set the following objectives:

- improving the economic efficiency of gas sales in the Russian Federation, including through the timely implementation of projects;
- enhancing the use of technologically advanced solutions.

## APG utilisation

GRI 3-3

One of the Company's climate goals is to reach zero routine flaring by 2030.

In 2022, the volume of APG utilised across Rosneft amounted to 28.6 bcm (including gas used for liquid hydrocarbon production). The APG utilisation rate at mature assets in the reporting year came in at 91.6%.

Development of greenfield assets is one of the key drivers behind the Company's growth. Rosneft has adopted a comprehensive approach to greenfield

development, which embraces initiatives to improve APG utilisation rates at the stage of preparing design documents for field operation.

In 2022, Rosneft continued to implement its Gas Investment Programme. In the reporting period, we completed the construction of 17 facilities, including:

- the 79 km Suzun-Vankor interfield gas pipeline;
- completion of three gas-injection wells at Vostsibneftegaz, which allowed the Company to increase the volume of reinjected gas to 1,975 mcm;
- fuel gas treatment unit at Vostsibneftegaz for the Company's own gas-powered electricity generation;
- 36 MW in-house power plant at Vostsibneftegaz.

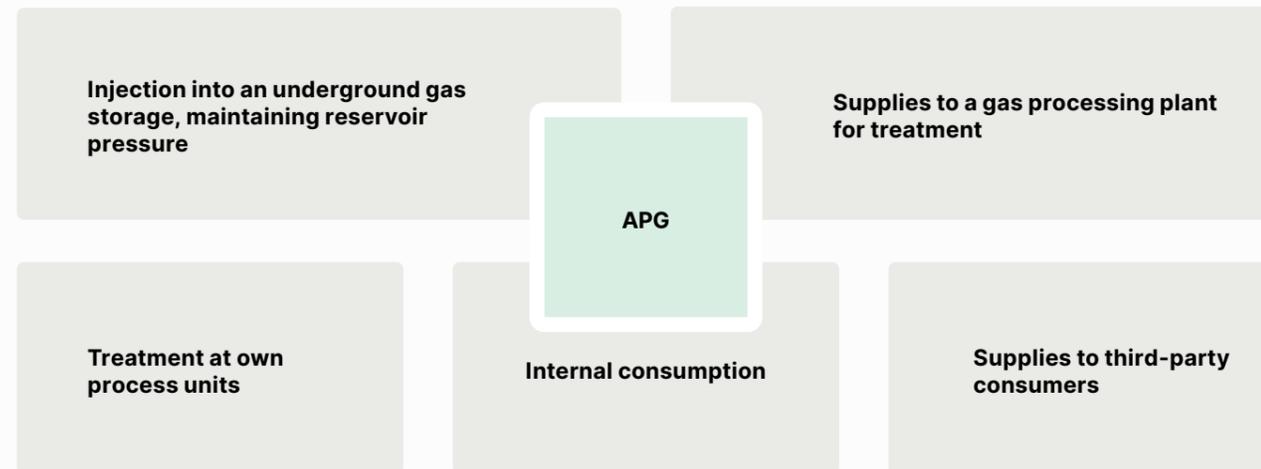


**RUB 22.8 bln**

invested in the construction of gas infrastructure facilities to improve the APG utilisation rate in 2022

**The Company has set a goal to reach zero routine APG flaring by 2030. In addition to the accelerated delivery of the Gas Investment Programme, the Company is considering additional APG utilisation options for greenfield assets to match best global practices.**

## APG UTILISATION IN GROUP SUBSIDIARIES



### APG TREATMENT TECHNOLOGY BY ORENBURGNEFT

In 2022, Orenburgneft deployed an APG treatment solution removing hydrogen sulphide. The technology was developed by the corporate research institute.

As part of this innovation, APG is purified using hydrogen sulphide neutraliser, which removes sulphide content from it. The gas

is then injected into the Zagorsk comprehensive gas treatment unit for further processing.

The technology enables Orenburgneft to treat additional volumes of APG with sulphide content and increase the output of natural gas liquids and stripped dry gas, thus providing

an opportunity to supply additional volumes of treated gas to trunklines.

The new solution helped increase the rational use of APG by 100 thousand cu m per day. Its five-year economic effect is estimated at RUB 1.3 bln.

### SCIENTIFIC AND PRACTICAL CONFERENCE ON ENVIRONMENTAL SAFETY

2022 saw the Company hold the fifth scientific and practical conference on environmental safety, current law enforcement issues, improvement of environmental practices, as well as scientific and practical solutions. The event brought together 140 employees from 42 organisations and 11 engineering and production companies.

The conference featured presentations on GHG emissions inventory and monitoring, current trends and practical aspects of decarbonisation at the Company's facilities, and details of climate project verification.

The conference also included a round table titled Carbon Dioxide Capture Systems. Prospects

in the Russian Market, which was attended by representatives of Rosneft, engineering and production companies.

## Stakeholder engagement on the climate agenda

Addressing the challenges of the climate agenda requires cooperation at the national, international and sectoral levels.

Rosneft contributes to fulfilling the commitments made by the Russian Federation under the Paris Agreement and actively engages with all stakeholders to work towards mitigating climate change risks and climate change adaptation. The Company continues to improve its carbon reporting system in accordance with the Russian legislation requirements and international reporting protocols and methodologies including the TCFD recommendations.

Rosneft's GHG reduction activities and adaptation actions align with the principles of the UN Global Compact. The Company interacts with the government and expert community on developing new carbon regulations in Russia. As part of the Low-Carbon Development Strategy of Russia until 2050<sup>1</sup>, the Company took part in putting together a plan to implement the strategy.

The Company also took part in discussing regulations related to the law On Limiting Greenhouse Gas Emissions, including:

- Resolution of the Government of the Russian Federation No. 707 dated 20 April 2022 On Approval of Rules for Submission and Verification of Greenhouse Gas Emissions Reports, the Form of a Greenhouse Gas Emissions Report, Rules on Creating and Maintaining the Carbon Unit Register, and Amendments to Certain Acts of the Government of the Russian Federation
- Resolution of the Government of the Russian Federation No. 518 dated 30 March 2022 On the Procedure for Setting Operator Fees for Carbon Unit Register Transactions
- Order of the Russian Ministry of Economic Development No. 248 dated 11 May 2022 On Approval of Criteria and the Procedure for Recognising Projects Implemented by Legal Entities, Individual Entrepreneurs or Individuals as Climate Projects; the Form and Procedure for Submitting Progress Reports on Climate Projects

Rosneft participates in the work of interdepartmental advisory and coordinating bodies set up to resolve climate issues, including:

- Interdepartmental Working Group on Economic Aspects of Environmental Protection and Regulation of Greenhouse Gas Emissions under the Russian Ministry of Economic Development
- Working Group on Climate Projects under the Russian Ministry of Natural Resources and Environment
- Working Group on Energy and Environment of the Interdepartmental Commission to Support Russia's G20 participation
- Working Group on Energy Efficiency and Greenhouse Gases under the Committee on Energy Strategy and Development of the Fuel and Energy Complex (FEC) of the Chamber of Commerce and Industry of the Russian Federation
- Working Group on Climate Conservation under the Ministry of Natural Resources and Environment as part of the Environment national project

### ROSNEFT AND CNPC AGREE TO COOPERATE IN LOW-CARBON DEVELOPMENT

In early 2022, a Russian delegation led by President Vladimir Putin visited Beijing. During the visit, Rosneft and China National Petroleum Corporation (CNPC) signed a memorandum of understanding as regards cooperation in the field of low-carbon development.

Pursuant to the memorandum, Rosneft and CNPC will explore the prospects for cooperation

in low-carbon development across such areas as reduction of greenhouse gas (including methane) emissions, technologies for boosting energy efficiency, as well as CO<sub>2</sub> capture and storage (CCS) technologies. The parties will also consider other areas of potential cooperation in the field of low-carbon development. Low-carbon technologies developed by the two

companies, including smart and digital solutions, may be applied in future large-scale joint petroleum projects in Russia and China.

In December 2022, the fifth meeting of the Joint Coordination Committee of Rosneft and CNPC took place. The Committee stressed the importance of carbon management initiatives.

<sup>1</sup> Adopted in pursuance of Decree of the President of the Russian Federation No. 666 dated 4 November 2020 On Reducing Greenhouse Gas Emissions.



**21,000**

geese nest in Evenkia

Fun fact: geese fly in a V formation, which enables them to travel a 71% longer distance. The average speed is 65 km/h.

Rosneft finances a project to study endangered species of geese in Evenkia: red-breasted goose, lesser white-fronted goose, and taiga bean goose.

**Preserving  
the environment  
for future  
generations.**



Rosneft's environmental priorities include implementing cutting-edge technologies when designing new facilities and improving its environmental performance by investing in production upgrades.



### Studies of rare bird species

Geese traditionally breed in the taiga and forest-tundra environments of Evenkia. They play a major role in maintaining the region's biological balance. To preserve the population, it is important to know their nest sites, flyways, and wintering locations.

Since 2016, Rosneft has been supporting the Geese of Evenkia project, which helps support and analyse data on goose population numbers, habitat, seasonal distribution, and territorial links of goose species that nest in Evenkia. As part of the project, ornithologists confirmed new wintering areas of the Evenkia flock of the taiga bean goose and lesser white-fronted goose, suggesting that existing data on the population needs to be reviewed.

**RUB 57 bln**

of Rosneft's green investments in 2022

# Managing environmental impacts

## Management approach

GRI 3-3

As a UN Global Compact member, Rosneft operates in line with the UN Sustainable Development Goals (SDGs) and principles. Aware of our responsibility, we selected key areas of environmental protection to contribute to advancing the following SDGs:

- **SDG 3** Good health and well-being
- **SDG 6** Clean water and sanitation
- **SDG 7** Affordable and clean energy
- **SDG 11** Sustainable cities and communities
- **SDG 12** Responsible consumption and production
- **SDG 13** Climate action
- **SDG 14** Life below water
- **SDG 15** Life on land
- **SDG 17** Partnership for the goals

To ensure sustainability of its operations, the Company supports a variety of social, research and environmental projects and initiatives at the national and local level.

We take systemic effort to use natural resources in a sustainable and responsible way by identifying, minimising and avoiding potential environmental impacts. We also develop cooperation with all stakeholders to identify the most effective and comprehensive solutions.

The Company's long-term environmental agenda relies on the Rosneft-2030 Strategy and the 2035 Environmental Vision. To achieve our strategic goals in environmental protection, we

are implementing our 2025 Environmental Efficiency Improvement Programme and other initiatives focused on selected relevant areas.

### STRATEGIC DOCUMENTS AND PROGRAMMES IN ENVIRONMENTAL PROTECTION

#### ROSNEFT-2030 STRATEGY

#### 2035 ENVIRONMENTAL VISION

- Minimisation of environmental footprint, including introduction of best available and environmentally friendly technologies in operations, and implementation of environmentally friendly investment projects and environmental protection initiatives
- Steps to protect ecosystems and biodiversity and restore natural resources, including land remediation

- 2025 Environmental Efficiency Improvement Programme
- A programme to eliminate environmental legacy effects
- Relevant programmes, projects and action plans
- Conceptual approaches to biodiversity conservation
- Pipeline reliability enhancement programme
- Gas investment programme

**To achieve environmental goals set in the Rosneft-2030 Strategy, we improve management approaches in this domain, scale up relevant initiatives and invest in making our operations as eco-friendly as possible.**

**In the long run, Rosneft seeks to ensure a net positive impact on ecosystems.**

Our 2035 environmental targets:

- minimise our environmental impact (dispose of waste, remediate land, treat wastewater and reduce emissions and discharges more efficiently)
- introduce the principles of circular economy
- protect and preserve ecosystems and biodiversity

We regularly conduct multi-tier comprehensive monitoring of programmes and initiatives aimed at environmental protection while also assessing progress against relevant goals and KPIs. Additionally, we analyse macroeconomic, region-specific and other external factors, with the outcomes submitted to the Company's senior management to make timely and informed management decisions.

All Group Subsidiaries contribute to the 2025 Environmental Efficiency Improvement Programme. The document has four focus areas:

- increasing an APG utilisation rate;
- making water use more efficient;
- improving waste management;
- remediating legacy contaminated lands.

The programme sets out annual action plans for all Group Subsidiaries. Environmental indicators are part of the Company's governance system and are integrated into KPIs at all management levels, including those of Group Subsidiaries.

Our operations comply with Russian laws, international best practices, available technologies and design solutions. Throughout the product lifecycle, we perform systematic environmental monitoring of activities, including contractors', which covers compliance with applicable laws along with control, measurement and analysis as regards the quality of air, surface, underground and ground water, and soils.

For effective contractor management, the Company develops, unifies, standardises, and implements requirements to their activities. When carrying out procurement procedures related to environmental work or services, the Company applies qualification requirements that include the availability of all the necessary permits, licences, rights to use technology and approval certificates in accordance with applicable laws, sufficiency of trained personnel with relevant experience, materials, supplies and equipment as needed, as well as other criteria.



## Environmental management system

The environmental management system is part of the Group-wide Health, Safety and Environmental Integrated Management System (HSE IMS) and is aligned with ISO 14001:2015 Environmental Management System.

In 2022, a total of 107 Group Subsidiaries completed certification, including 74 as part of the umbrella Rosneft certificate and 33 as part of independent certification. Corporate HSE IMS requirements compliant with globally recognised ISO 14001 go beyond certified facilities as we seek to apply them across the Group Subsidiaries and contractors regardless of certification.

As part of its ambition to become a global leader in minimising its environmental footprint, the Company prioritises environmental safety and responsible use, preservation and replenishment of natural resources. The Company's Policy on Health, Safety and Environment sets out principles of sustainable use of natural resources and environmental impact reduction.

**Rosneft and 107 Group Subsidiaries are certified for compliance with ISO 14001:2015 Environmental Management System.**

For more details on the environmental impact management system and HSE IMS, see chapter 4 **Occupational Health and Safety** of this Report.



**FOR THE FULL TEXT OF THE COMPANY'S POLICY ON HEALTH, SAFETY AND ENVIRONMENT, SEE OUR WEBSITE**



## Cooperation in the area of environment

Rosneft actively cooperates with government agencies, including:

- dedicated committees of the State Duma
- task forces of the Russian Government committees and subcommittees
- Russian Ministry of Natural Resources and Environment
- Russian Ministry of Economic Development
- Rosprirodnadzor
- Rosleskhoz

Rosneft representatives regularly take part in activities of Rosprirodnadzor R&D Council.

In 2022, Rosneft continued to help improve environmental regulation, participating in discussions of draft laws in forestry, state environmental review, air protection, waste management and other related matters.

Together with the Government of the Krasnoyarsk Territory, we drafted proposals on creating a legal framework in Russia for forestation projects. The proposals went to federal executive authorities and the Russian Government. In 2022, we also signed a cooperation agreement with Rosleskhoz to implement forestation projects.

For more details on the forestation project, see chapter 2 **Climate Action and Carbon Management** of this Report.

Rosneft carried on with the Business and Biodiversity initiative, which is part of the federal Conservation of Biological Diversity and Ecological Tourism Development project within the framework of the Environment national project.

For more details on the Company's contribution to the Environment national project, see the **Biodiversity Conservation section** in chapter 3 of this Report.

The Company pays a lot of attention to engagement with stakeholders as part of public discussions of projects and to managing environmental queries. In 2022, Group Subsidiaries received and responded to over 140 queries from stakeholders.

### ENVIRONMENT AS THE FOCUS AREA OF CORPORATE EVENTS

In the reporting year, Rosneft held two environmental events.

In summer, a session took place that saw our environmental experts define actions needed to achieve goals set out in the Rosneft-2030: Reliable Energy and Global Energy Transition Strategy. Other topics were promising approaches and key objectives in environmental safety and protection.

In December, Rosneft held its 9th Corporate Congress of Ecologists to discuss environmental goals and strategic initiatives along with considerable progress made by the Company to become greener. The key topics were biodiversity conservation, transition to circular economy, elimination of legacy contamination and advancing geotechnical monitoring. Experts also presented a new corporate methodology to make a quantitative assessment of methane emissions and outcomes of an innovative project to detect, measure and eliminate sources of methane emissions. The event was attended by more than 260 Rosneft employees from over 100 subsidiaries.

## Environmental investments

The Company invests a lot of resources in long-term capital construction that has a material impact in terms of environmental protection.

In 2022, the Company increased the share of funds earmarked for capital construction and investment projects related to environmental fixed assets. For instance, Rospan International commissioned a gas and condensate treatment unit

at its Vostochno-Urengoy sky licence area, which helped reduce air emissions and minimise the environmental footprint.

A special focus area for the Company is developing technology to help reduce

environmental impact of its operations. In 2022, environmental R&D expenses, including targeted innovative projects, amounted to RUB 222 mln.

### UNCTAD A.3.1

RUB  
**155** bln

worth of green investments by Rosneft in 2020–2022.

Among other things, the funding aimed to make APG utilisation more efficient, pipelines more reliable, and management of water, waste and land remediation more effective.

### BASHNEFT AS A LEADER IN ENVIRONMENTAL PROTECTION

In 2022, Bashneft invested over RUB 6.6 bln in projects to reduce air pollution, safe disposal of industrial waste, land remediation, reforestation and restoring fish population.

As a result of an environmental campaign in Ufa, which houses the Company's refining and petrochemical facilities, air pollution was down 4.2%. In the Republic of Bashkortostan, its key producing region, Rosneft increased APG utilisation to 96.15% against the statutory requirement of 95%, while also reducing accumulated oil-containing waste from current activities by 45%.

Sorovskneft, Bashneft's producing asset, became the best oil and gas producing company in an environmental contest organised by the Government of the Khanty-Mansi Autonomous Area – Yugra.



### Environmental investments, RUB mln

Metric	2020	2021	2022
Green investments, including:	44,343.4	54,735.3	<b>56,836.8</b>
• for capital construction of facilities related to environmental fixed assets	4,184.8	6,316.7	<b>10,149.4</b>
• environmental expenses during construction (waste management, land remediation and development of environmental protection documents)	6,663.1	6,203.3	<b>6,253.8</b>
• related environmental investments (increasing APG utilisation, improving pipeline safety, enhancing energy efficiency, etc.)	33,495.6	42,215.3	<b>40,433.6</b>

### Operating expenses related to environmental protection, RUB mln

#### GRI 2-27

Metric	2020	2021	2022
Operating environmental protection expenses (OPEX)	31,428	31,177	<b>36,182</b>
✓ Payments to budgets of all levels related to environmental protection and environmental management, including:	3,894	5,192	<b>2,871</b>
• payments for environmental impact	1,427	1,360	<b>1,786</b>
• compensation for environmental damage	931	1,203	<b>305</b>
Non-financial sanctions, number of cases	0	0	<b>0</b>

#### KUIBYSHEV REFINERY'S ENVIRONMENTAL LABORATORY

In 2022, the wastewater and air testing lab at the Kuibyshev Refinery was certified for compliance with GOST ISO/IEC 17025-2019 (General Requirements for the Competence of Testing and Calibration Laboratories).

The refinery's lab is a cutting-edge analytical facility that features a testing centre and a mobile air control station. Its experts monitor the quality and waste, recycled and natural water, benthal deposits and air

round the clock. The lab's high-precision equipment can analyse 18 indicators in around 7,000 water tests and 24 indicators in some 3,000 tests of air samples per month.

# Biodiversity conservation

## Biodiversity management

### GRI 3-3

Rosneft is committed to protecting the environment and maintaining biological diversity across its footprint. In cooperation with leading research and design organisations, the Company has long been conducting comprehensive geological, hydrometeorological and ecological studies in the Russian Arctic.

Our corporate targets and principles of preserving biodiversity are set out in the Rosneft-2030 Strategy and 2035 Environmental Vision. In the reporting year, Rosneft started developing a comprehensive corporate programme to preserve biodiversity in its regions of operation.

We conduct business in strict compliance with Russian and local environmental laws, pass all the required reviews, obtain approvals of competent authorities, including state environmental review bodies, and organise public hearings and discussions.

### Biodiversity conservation principles

- When planning new projects in the regions where it operates, the Company makes every effort to avoid any activities or any negative impact on protected natural areas (categories 1a and 1b according to the Union for Conservation of Nature (IUCN) classification) and UNESCO World Heritage Sites.
- In designing new facilities, we seek to ensure environmental safety and eliminate any adverse impact on ecosystems. To do that, we employ best available technologies, monitoring, and comparative analysis against key parameters.
- Planned initiatives adhere to the principle of net positive biodiversity impact in line with IUCN best practice guidelines.

**In its operations, the Company tracks and adopts best global practices and cooperates with the leading research environmental institutions to apply the most effective methods of biodiversity conservation.**

Throughout the project life cycle, we take steps to reduce and prevent potential impact on the environment. All planned operations are subject to evaluation, with special measures developed and put in place to mitigate any potential negative effect. As part of any project, we conduct environmental control and monitoring to assess the effectiveness and adequacy of environmental measures and introduce additional ones as necessary.

### BIODIVERSITY CONSERVATION MEASURES

-  Environmental impact assessment prior to project implementation
-  Development of biodiversity conservation programmes
-  Roll-out of action plans for emergency animal rescue
-  Impact mitigation activities
-  Ecosystem monitoring and comprehensive field research

Rosneft pays special attention to personnel training and professional development. As part of this effort, we build employee skills for offshore work, including training on the protection, rescue and rehabilitation of birds and marine mammals. We engage leading experts and hold workshops and events for experience sharing.

The Company has implemented an action plan for emergency animal rescue, which includes measures to prevent emergencies, response procedures, and steps to provide for the necessary human resources, materials and equipment.

**FOR MORE DETAILS ON THE COMPANY'S APPROACH TO ENVIRONMENTAL IMPACT MANAGEMENT, SEE OUR HSE POLICY**



**FOR MORE DETAILS ON THE COMPANY'S APPROACH TO BIODIVERSITY CONSERVATION, SEE OUR WEBSITE**



## Study of protected and key indicator animal species

### GRI 3-3

As part of the cooperation agreement between Rosneft and the Ministry of Natural Resources and Environment to implement the Conservation of Biological Diversity and Ecological Tourism Development federal project, we take part in the Environment national project. In 2022, we carried on with our large-scale efforts to assess the sustainability of Arctic ecosystems based on studies of key

indicator species, including polar bear, Atlantic walrus, wild reindeer, and ivory gull – a rare gull listed in the Red Data Book of the Russian Federation.

The research was praised by the Ministry of Natural Resources and Environment and the Federal Agency for Fishery in letters of gratitude sent to the Company.

Over **RUB 70 mln**

allocated by Rosneft to a project to study key indicator species of the Arctic ecosystem as part of the Environment national project.

## Research and monitoring of species – indicators of ecosystems sustainability in 2022

### GRI 304-1

Type	Territory	Activities	Partner
Polar bear	Desktop research	Detailed analyses of the polar bear's biologicals: <ul style="list-style-type: none"> <li>• microbiological</li> <li>• molecular and genetic</li> <li>• toxicological</li> <li>• serological</li> <li>• hematology tests.</li> </ul>	Severtsov Institute of Ecology and Evolution, Russian Academy of Sciences
Atlantic subspecies of the walrus	Islands of the Franz Josef Land Archipelago in the Barents Sea (over 40 islands)	The following work has been carried out: <ul style="list-style-type: none"> <li>• search for and examination of haulouts known from historical data and assessment of current conditions on five islands</li> <li>• counting of walruses using unmanned aerial vehicles</li> <li>• remote biopsy</li> <li>• non-invasive collection of activity traces</li> </ul>	Severtsov Institute of Ecology and Evolution, Russian Academy of Sciences; Marine Research Center of Lomonosov Moscow State University
Wild reindeer	Krasnoyarsk Territory, Taymyr Peninsula, Kheta and Khatanga rivers valley	A reindeer capacity assessment of Taymyr pastures was conducted. The migration status of the Taymyr-Evenk deer population in the Kheta-Khatanga river crossing of the Taymyr Peninsula was updated. This work included: <ul style="list-style-type: none"> <li>• route surveys and deer tagging with satellite transmitter collars</li> <li>• establishing the size, sex, and age of the population</li> <li>• lab tests of biomaterials for heavy metals and radionuclides</li> <li>• molecular genetic testing for polymorphism</li> <li>• building mathematical models of maps (reindeer routes during migration intervals, circadian rhythm, direction, distance and intensity of migration, etc.)</li> </ul>	Siberian Federal University
Ivory gull	Krasnoyarsk Territory, Kara Sea islands – Vize, Golomyanny, Sredniy, Domashny	The following work has been carried out: <ul style="list-style-type: none"> <li>• UAV aerial surveys</li> <li>• nearly 120 km walking surveys</li> <li>• banding of adult species</li> <li>• fitting birds with GPS trackers</li> <li>• collection of biological samples.</li> </ul>	Arctic and Antarctic Research Institute



**FOR MORE DETAILS ON THE STUDY OF KEY INDICATOR SPECIES OF ARCTIC ECOSYSTEMS CONDUCTED BY ROSNEFT IN 2022, SEE OUR WEBSITE**

### COOPERATION WITH THE AMUR TIGER CENTRE

Rosneft maintains close cooperation with the Amur Tiger Centre, supporting specially protected areas within the Amur tiger habitat, rehabilitation and reintroduction centres. We also help purchase the required equipment and vehicles for research and build social infrastructure for scientists.

In 2022, Rosneft funded an equipment upgrade for the hunting control task force of the Khabarovsk and Primorye Territories, bonuses to state hunting inspectors working as part of anti-poaching task forces or in local specially protected natural areas, and additions to in-house vehicle fleet.

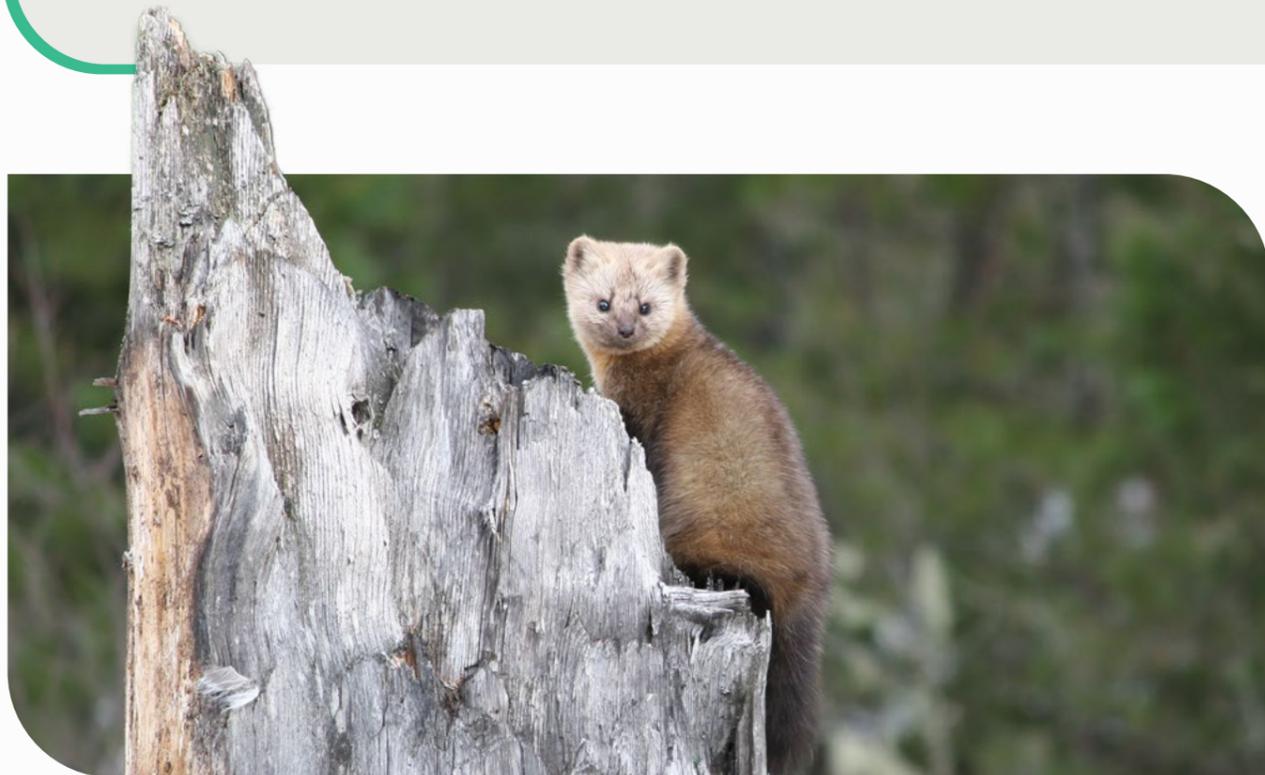
In the next reporting period, the Company will support the opening of a more than 940 sq m museum of the Amur tiger in Ussuriysk.

### RESEARCHERS CONFIRM AN INCREASE IN SABLE POPULATION IN EVENKIA THANKS TO ROSNEFT'S GRANT

Research funded through a grant from East Siberian Oil and Gas Company helped update the number of forest sables after many years of fires. Scientists from the Central

Siberian Reserve found out that Evenkia's sables had grown in number to around 160 thousand species over the previous five years, with an average density of four sables per 1,000 ha.

According to ecologists, this was possible due to improved availability of food (abundance of rodents and vegetation) and low anthropogenic impacts.



## Reproduction of aquatic bioresources

In its environmental activities, the Company places a particular emphasis on the reproduction of aquatic bioresources.

The Saratov Refinery took part in a project to make the Volga River cleaner. As part of its biodiversity conservation efforts, the company restored the aquatic bioresources of the Saratov reservoir.

In the reporting year, over 30 Group Subsidiaries helped reproduce and release juvenile fish into commercial fishing waters across the regions of operation. In cooperation with territorial departments of the Federal Agency for Fishery and branches of Basin Authority for Fisheries and Conservation of Aquatic Biological Resources (Glavrybvod):

- RN-Yuganskneftegaz released over 41 million fingerlings of valuable commercial species, including 3.9 million of endangered Siberian sturgeons
- RN-Uvatneftegaz, RN-Nyaganneftegaz and Tyumenneftegaz released more than 7.2 million fingerlings of muksun, nelma, pelyad and whitefish
- Sibneftegaz released 2.8 million pelyad fingerlings into water reservoirs
- RN-Purneftenegaz released over 1.7 million pelyad fingerlings into the Ob River
- Samotlorneftegaz released about 1.3 million Siberian sturgeon and muksun fingerlings into Siberian water bodies
- Bashneft released nearly 570 thousand pelyad, sterlet and common carp fingerlings.

Rosneft's subsidiaries released not only valuable fish species, such as nelma, trout, muksun and sterlet, but also popular commercial fish, including pelyad, common carp, pike, and broad whitefish.

Over **55 million**

fingerlings were released into water reservoirs by Group Subsidiaries in 2022

### TYUMENNEFTEGAZ GRANT PROJECT TO STUDY BIODIVERSITY OF SOLYONOYE LAKE

In 2022, Tyumenneftegaz launched a grant project to study the biodiversity of Solyonoye Lake and its adjacent territory. Experts sampled water, benthal deposits, vegetation and wildlife around the lake and installed camera traps.

Solyonoye Lake is a unique natural water body in the Tyumen Region. Its water and mud have a hydrochemical composition similar to those of the Dead Sea.

The study identified 428 animal, plant and fungi species, ten of which are listed in the Red Data Books of the Tyumen Region and Russia.

### YUGRA GOVERNMENT THANKS RN-YUGANSKNEFTEGAZ FOR ITS CONTRIBUTION TO PRESERVING LOCAL BIODIVERSITY

The Yugra Government thanked RN-Yuganskneftegaz, Rosneft's major producing asset, for its contribution to preserving local biodiversity.

The award means recognition of the company's efforts in preserving and restoring forest flora and river fauna in the region. Over the previous years, more than 280 million valuable fish were released into the Irtysh River and its tributaries and over 700 ha of land were remediated.

# Reducing air emissions

## GRI 3-3

Aware of how important it is to reduce air emissions from its operations, Rosneft takes a number of steps to minimise its impact on air, including:

- implementing investment projects with an environmental effect
- use of the most efficient eco-friendly equipment
- inventory of emission sources, and more

To ensure environmental welfare of local communities, we monitor emissions from its operations,

especially those located near or within localities across its geography. We install air quality control systems and stationary air quality monitoring stations at the boundaries of the environmental protection zones and provide mobile environmental laboratories with cutting-edge equipment.

In 2022, the Company reduced emissions of key pollutants, such as sulphur dioxide, carbon monoxide, and nitrogen oxides.

# Ca. 2%

reduction in gross pollutant emissions in 2022

## ✓ Structure of gross air emissions, kt

### GRI 305-7

Substance	2020	2021	2022
Gross air emissions, including:	1,521	1,336	<b>1,314</b>
• carbon monoxide	689	621	<b>637</b>
• volatile organic compounds	369	322	<b>334</b>
• hydrocarbons (excluding volatile organic compounds)	239	187	<b>163<sup>1</sup></b>
• sulphur dioxide	84	76	<b>71<sup>2</sup></b>
• nitrogen oxide	68	60	<b>61</b>
• particulate matter	62	65	<b>46</b>
• benz(a)pyrene	0.00003	0.00004	<b>0.00002</b>
• other	9	4	<b>3</b>

<sup>1</sup> Hydrocarbon emissions (excluding volatile organic compounds) decreased after emission sources were equipped with soot-free flare tips at Samotlorneftegaz facilities and operating modes were changed at oil treatment units at RN-Yuganskneftegaz.

<sup>2</sup> Lower year-on-year sulphur dioxide emissions are, among other things, due to major overhauls at some of the Company's refineries.

## Unit air emissions by type, t/ktce

Emissions	2020	2021	2022
Unit SO <sub>2</sub> emissions			
Exploration and production	0.056	0.048	<b>0.038</b>
Oil refining and petrochemicals	0.50	0.47	<b>0.49</b>
Unit NO <sub>x</sub> emissions			
Exploration and production	0.13	0.122 <sup>1</sup>	<b>0.121</b>
Oil refining and petrochemicals	0.146	0.135	<b>0.149</b>
Unit hydrocarbon emissions (including volatile organic compounds)			
Exploration and production	1.29	1.09	<b>1.05</b>
Oil refining and petrochemicals	1.01	0.97	<b>1.02</b>

### THE INDUSTRY'S FIRST EVER TECHNOLOGY TO CONVERT A DIESEL POWER PLANT INTO DUAL-FUEL

In 2022, RN-Vankor power engineers developed and tested a technology for converting a diesel power plant into gas-fuelled one, which reduced solids and CO<sub>2</sub> emissions by 90% and 30% respectively, and significantly cut emissions of nitrogen and sulphur oxides.

To deliver these results, the company assembled new utility networks serving control and protective systems, gas equipment, a gas pressure reducing unit, and gas distribution networks at the Vankor field. Thanks to the new dual-fuel technology, the diesel generator set with a unit capacity of 5.6 MW runs both on diesel and mixed (50/50) gas and diesel fuel.



<sup>1</sup> NO<sub>x</sub> emissions from oil production in 2021 have been updated.

# Water conservation

## GRI 3-3

Throughout its production cycle, Rosneft takes steps to ensure responsible use of water. We are implementing our Environmental Efficiency Improvement Programme and capacity upgrade plans to withdraw less water from natural sources, increase the share of recycled and reused water, manage associated formation water in an environmentally sound way, and install cutting-edge wastewater treatment systems.

The Company regularly evaluates the sufficiency of water resources across the regions where it operates<sup>1</sup>. Most of the Company's operational activities are carried out in regions where there is sufficient water supply; however, irrespective of the supply level, the Company takes a number of steps to ensure sustainable use of water resources and protection of water bodies.

The Company follows applicable laws in its water use, ruling out any possibility of water shortages for local communities.

## GRI 303-1

Process water is procured from underground sources, surface water bodies, third-party organisations under water supply contracts, meltwater and stormwater runoff collection on-site, and other sources. The Company works to make water use more efficient at different management levels by devising various technical and organisational control measures and implementing investment projects.



FOR MORE DETAILS ON THE COMPANY'S WATER CONSERVATION APPROACH, SEE THE OFFICIAL ROSNEFT WEBSITE

**As part of its Environmental Vision, Rosneft is looking to achieve a 10% decrease in fresh<sup>2</sup> water consumption by 2030 (for current operations) by reusing more and improving treatment efficiency.**

**Rosneft aims to achieve maximum water reuse for new projects.**

**RUB 7.1 bln**

invested in water management and wastewater treatment, transportation and disposal in 2022

### ROSNEFT TAKES PART IN THE WATER OF RUSSIA CAMPAIGN

In 2022, over 15 thousand Rosneft employees took part in the Water of Russia environmental campaign, cleaning the shores of water bodies in 44 regions where Rosneft operates.

Samotlorneftegaz employees organised a clean-up day to collect waste along the ten-kilometre shoreline of Kymyl-Emtor Lake. In Tyumen, RN-Uvatneftegaz, Tyumenneftegaz and Kynsko-Chaselskoye Neftegaz employees cleaned 16 ha of Pesyanoye Lake shores. RN-Yuganskneftegaz environmental volunteers removed waste along more than 12 km of the Ob River, while Angarsk Petrochemical Company staff helped clean the Angara River banks.

During the Water of Russia campaign, Rosneft team collected around 180 cu m of waste, with sorted plastics sent for recycling.

### The Kuibyshev Refinery's project to upgrade water supply and treatment systems became part of the Environment national project at the regional level.

**Expected effects:**

- **high quality of treated wastewater in line with modern standards**
- **no excessive discharges into water bodies**
- **reduction of discharges into water bodies**

**Additionally, the refinery plans to eliminate evaporation from open surfaces by using air-tight equipment.**

### UFAORGSINTEZ UPGRADES WATER SUPPLY AND SEWAGE SYSTEMS

In 2022, Ufaorgsintez upgraded its water supply and sewage systems, which helped significantly reduce process water consumption, streamline pipeline servicing and cut electricity consumption by a third, with savings of up to 330 thousand kWh per year.

As part of the upgrade, the company retrofitted a water cooling unit and replaced 86% of pipelines for direct and return industrial water.

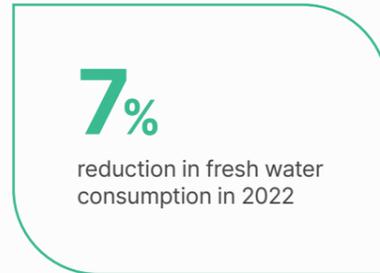


<sup>1</sup> Aqueduct project.  
<sup>2</sup> Fresh water is water drawn from surface and underground sources, rainwater, and water received from third parties under water supply contracts. It is used for production, utility, and other needs of the Company. According to the GRI 303 international standard, fresh water is water containing less than 1.000 milligrams per litre (mg/l) of dissolved solids (the definition is based on ISO 14046:2014).

## Water withdrawal and water consumption

In 2022, total water withdrawal was comparable to the previous year's volume due to initiatives to reduce water consumption and withdrawal from natural sources.

Fresh water consumption went down by 7% year-on-year to 348 million cu m thanks to a decrease in water withdrawal from surface water bodies.



### UNCTAD B.1.3

#### Total water withdrawal, mcm

Metric	2020	2021	2022
Total withdrawn water, including:	2,026	1,867.5	<b>1,869</b>
• from underground sources	108.9	85.2	<b>83.9</b>
• from surface sources	238.3	237.4	<b>216.7</b>
• rainwater	7.9	8.8	<b>5.9</b>
• collection of wastewater	126.2	114.7	<b>107.1</b>
• supply of produced water	4.2	6.7	<b>6.8</b>
• intake of associated formation water	1,498.0	1,371.3	<b>1,407.1</b>
• from water supply networks of other organisations	42.6	43.3	<b>41.5</b>

### GRI 303-3

#### ✓ Fresh water withdrawal, mcm

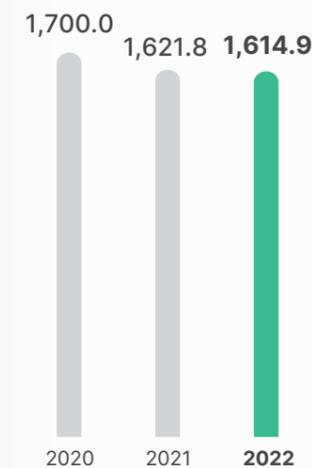
Metric	2020	2021	2022
Fresh water withdrawal, including:	397.7	374.8	<b>348</b>
• from underground sources	108.9	85.2	<b>83.9</b>
• from surface sources	238.3	237.4	<b>216.7</b>
• from water supply networks of other organisations	42.6	43.3	<b>41.5</b>
• rainwater	7.9	8.8	<b>5.9</b>

In 2022, the share of recycled and reused water exceeded 93% of total water used for operational needs, which serves to reduce the volume of fresh water withdrawn externally.

**Rosneft applies circular economy principles in water management.**

### GRI 303-5

#### ✓ USE OF WATER FROM ALL SOURCES, MCM



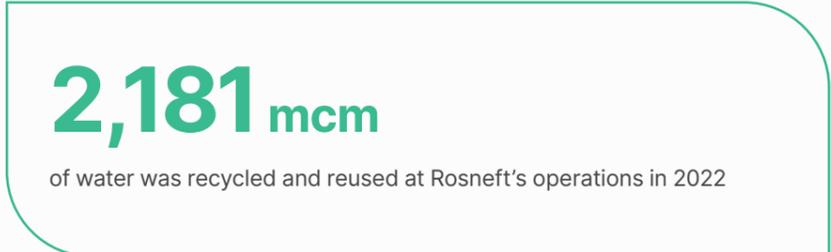
#### Management of extracted formation water

Metric	2020	2021	2022
Total volume of extracted formation water, mcm	1,498.4	1,371.3	<b>1,407.1</b>
Injection into the formation to maintain reservoir pressure without treatment, mcm	88.5	76.6	<b>131.6</b>
Injection into the formation to maintain reservoir pressure with treatment, mcm	1,317.1	1,214.0	<b>1,193.0</b>
Disposal of formation water, mcm, including discharge:	92.1	80.1	<b>86.1</b>
• into underground reservoirs	92.1	80.1	<b>86.1</b>
• on the ground	0.014	-	-
Total hydrocarbons in waste formation water, kt	20.2	18.8	<b>21.7</b>

### UNCTAD B.1.1

#### Recycled and reused water

Metric	2020	2021	2022
Recycled and reused water, mcm	2,358	2,368	<b>2,181</b>
Share of recycled and reused water in total water used for operational needs, %	94	93.4	<b>93.3</b>



# Water discharge

## GRI 303-2

In 2022, water discharge to surface water bodies that can have an impact on water resources was reduced by nearly 4% year-on-year. To minimise this potential impact, the Company has been consistently implementing a series of organisational, technical,

and investment initiatives to renovate treatment facilities at Group Subsidiaries.

Rosneft includes the most effective discharge-reducing measures in its register of key measures to achieve the environmental performance targets

and makes sure to keep them under additional control. The Company's subsidiaries construct, reconstruct and upgrade water treatment facilities, improving the state of water bodies and contributing towards Russia's 2030 national development goals.

## GRI 303-4

### ✓ Water discharge to the environment, '000 cu m

Metric	2020	2021	2022
Utility fluids discharge	70,256	73,033	<b>76,128</b>
Industrial effluent discharge, including:	197,528	194,094	<b>187,938</b>
• to surface water bodies	133,674	130,387	<b>125,471</b>
• into underground reservoirs	63,829	63,622	<b>62,390</b>
• on the ground	25	85	<b>77<sup>1</sup></b>

### Industrial effluent discharge, '000 cu m

Metric	2020	2021	2022
Effluents treated to standard quality and effluents clean according to standards	130,900	122,115	<b>125,085</b>
Polluted and insufficiently treated effluents	66,628	71,979	<b>62,853<sup>2</sup></b>

<sup>1</sup> A year-on-year change is due to less wastewater discharged by oilfield services companies.  
<sup>2</sup> A year-on-year change is mainly due to a new approach to accounting for third-party industrial effluents discharged via the centralised sewage system of the Ryazan Refinery.



## INNOVATIVE TECHNOLOGY IMPLEMENTED AT THE SYZRAN REFINERY

In 2022, as part of upgrading its water treatment facilities, the Syzran Refinery started assembling the aeration system of the biological treatment unit.

Following the upgrade, the refinery will use the membrane bioreactor technology to produce highly purified wastewater. To monitor water and soil, the Syzran Refinery had previously introduced

a versatile mobile environmental station for on-site analysis of natural, waste and recycled water. A combination of biological treatment and ultrafiltration helps remove 99% of organic and mineral contaminants from wastewater. The refinery's facilities can treat up to 32 thousand cu m of wastewater per day.

The upgrade of biological treatment facilities is in line with Rosneft's 2035 Environmental Vision. The Syzran Refinery is a five-time winner of the Leader of Environmental Activities in Russia contest in the category "Best Environmental Policy in the Refining Industry".

## PRELIMINARY WATER DISCHARGE UNITS DESIGNED AND LAUNCHED

In 2022, the corporate R&D institute and RN-Remont NPO designed a mobile station for preliminary water discharge made up of quick-release small parts.

The station is transportable by road or rail and can be set up at a field six times faster than a fixed one – within six months instead of three years. It features a cutting-edge

water treatment unit capable of reducing the concentration of petroleum products in water to 15 mg/l against the maximum permissible concentration of 50 mg/l.

The system is suitable for mature fields with a high water cut as well as for small fields. The innovative design serves

to reduce the utilisation of field infrastructure for pumping ballast formation water with no capex needed and cut the consumption of electricity and reagents, while also ensuring water discharge of proper quality.

A single system of this kind is expected to increase oil production by 50 tonnes per day.

# Oil spill risk management

## Developing a system to prevent oil spills

GRI 3-3

The Company places a special emphasis on protecting the environment and minimising environmental risks from its operations. In line with the Rosneft-2030 Strategy, we develop and introduce measures to minimise our footprint.

To manage risks of environmental accidents, we focus on two areas – oil spill prevention and emergency response. Risk management measures are included in the scope of reporting on the Company's current financial and economic risks. This is done at three levels: the corporate level, the level of business and functional blocks, and the level of Group Subsidiaries.

Rosneft is implementing a set of priority measures to prevent equipment failures, and is also running a dedicated programme to make pipelines more reliable. In 2022, as part of this programme, we replaced 1.6 thousand km of oilfield pipelines, applied corrosion inhibitors to 16.2 thousand km of pipelines, and performed diagnostics and inspections of over 24.5 thousand km of pipelines for industrial safety.

In the reporting period, in accordance with the Rosneft-2030 Strategy, we updated our special-purpose 2020–2025 Pipeline Reliability Improvement Programme with a prospect up to 2035. From 2023 to 2027, we plan to replace some 13 thousand km of oilfield pipelines under the programme.

Despite adequate measure to prevent oil spills, we are aware of potential risks and make sure we are ready to respond to any spills of oil or petroleum products.

We engage in-house and outstaffed professional rescue teams to quickly respond

to emergencies. We have a total of over 8 thousand certified rescuers at our disposal, of which more than 3.4 thousand are from our own and external professional rescue teams. On top of that, Group Subsidiaries continuously train in-house rescue teams. In 2022, we certified in-house rescue teams at eight facilities and hired teams underwent certification at nine facilities.

In the reporting year, initiatives to assess preparedness for containing and responding to oil and petroleum product spills were included

**We have adopted a dedicated 2030 programme enabling Group Subsidiaries to establish in-house professional rescue teams. At the first stage, a team was set up at RN-Yuganskneftegaz, successfully completing certification in December 2022.**

in 23 comprehensive and targeted HSE inspection plans. Seven sites were inspected for blowout safety.

One of focus areas was the assessment of professional rescue teams operating under contracts

for blowout safety services signed with Group Subsidiaries. The findings confirmed that their activities complied with all applicable laws and regulations. All blowout elimination teams are duly certified in the area of emergency response.

The facilities take steps to prevent blowout risks in compliance with laws<sup>1</sup>. On top of that, 20 Group Subsidiaries made additional checks of hired rescue teams for the availability of all necessary resources.

## Monitoring of amendments to laws on the prevention and response to oil spills

In line with evolving Russian legislation, the Company has drafted standard requirements for making plans to prevent, contain and respond to oil and petroleum product spills (oil spill prevention, containment and response plans). These requirements set out procedures for drafting such plans taking into account the nature of activities at upstream, midstream and downstream facilities.

The facilities draft and approve their own oil spill prevention, containment and response plans, with 47 of them updated in 2022 as part of the process.

Before approving these plans, Group Subsidiaries held comprehensive drills together with federal executive authorities, regional government agencies, local administrations and rescue teams. The drills confirmed that seven facilities were fully prepared to respond to emergencies.

As a responsible subsoil user, Rosneft invests every effort in preserving the environment and fragile Arctic ecosystems.

We have developed an action plan to save animals in case of emergencies during offshore

activities. The plan sets out general guidelines for response and rescue operations.



**TO LEARN MORE ABOUT OUR ANIMAL RESCUE PLAN IN CASE OF EMERGENCIES, SEE OUR WEBSITE**

**In 2022, the RN-Yuganskneftegaz rescue team came in second best in a civil defence and emergency response competition in the Khanty-Mansi Autonomous Area – Yugra. The contest brought together 11 teams from major local fuel and energy companies.**

<sup>1</sup> Guidelines for developing and taking measures to prevent well blowouts at oil production facilities approved by the Russian Ministry of Energy on 15 February 2001, Rostekhnadzor's Order No. 534 On Approving National Standards and Rules of Industrial Safety Safety Rules in the Oil and Gas Industry dated 15 December 2020.

# Waste management and land remediation

GRI 3-3

## Land remediation

Land resources are essential for maintaining balanced local ecosystems and stable operations. For this reason, Rosneft pays close attention to land protection and efficient use. When carrying out remediation work, Rosneft complies with all applicable Russian laws, as well as corporate procedures defined in the Company's Standard on Remediation of Disturbed and Contaminated Lands.

To reduce its negative impact on land, the Company implements a set of measures provided for by the 2025 Environmental Efficiency Improvement Programme, Pipeline Reliability Enhancement Programme, and other short and long-term plans for land remediation and rehabilitation.

In the reporting year, the Company developed and approved a programme to eliminate environmental legacy effects, targeting land contaminated as a result of past activities of previous owners of assets prior to their integration into Rosneft. 2022 saw 149 ha of legacy lands remediated under the programme, with the largest contributions coming from Rosneft facilities that operate in the Khanty-Mansi Autonomous Area – Yugra (Samotlorneftegaz, RN-Nyaganneftegaz and RN-Yuganskneftegaz). As at the end of the reporting period, we successfully remediated over 470 ha of land. More than 90% of the work was performed by the Company's internal ecological services established by key Group facilities.

Winter remediation is an effective technique for restoring the biological productivity of soils in the north; it enables year-round works and annual ramp-up in the pace of remediation efforts.

This method has been successfully employed for several years now, mainly by companies located in the Khanty-Mansi Autonomous Area – Yugra. Today, approximately 70% of land remediation activities are carried out during winter.

To protect land resources and use them rationally, we implement the best available technologies and monitor the quality of remediation work, which is carried out both in-house and by contractors.

**Complete elimination of legacy contamination by 2035 is a strategic focus area of Rosneft's sustainability activities that supports its position as a Russian green leader.**

**over 470 ha**  
of land successfully remediated

**From 2020 to 2022, Rosneft cleared over 470 ha of lands contaminated by previous owners, including in the Soviet period<sup>1</sup>.**

GRI 304-1 | GRI 304-3

### Land use, ha

Metric	2020	2021	2022
Area of contaminated land at the beginning of the year <sup>2</sup>	2,710	1,922	<b>1,996</b>
Area of contaminated land identified during the pre-project study	113	415	<b>495</b>
Area of accumulated contaminated land	220	183	<b>215</b>
Area of contaminated land as at the year end	2,450	1,999	<b>2,232</b>
Area of mechanically disturbed and contaminated land subject to natural restoration	74	350	<b>2</b>
Area of mechanically disturbed and contaminated lands subject to remediation	14,957	11,509	<b>12,088</b>

**In 2022, RN-Nyaganneftegaz eliminated all legacy contaminated lands at its facilities.**

### REMEDICATION OF LEGACY LANDS IN THE KHANTY-MANSI AUTONOMOUS AREA – YUGRA

In the reporting year, Rosneft subsidiaries operating in the Khanty-Mansi Autonomous Area – Yugra proceeded with a comprehensive programme for remediation of legacy lands.

RN-Nyaganneftegaz completed a comprehensive programme to remediate legacy lands. In total, the company restored more than 114 ha of disturbed land, including 14 ha in 2022.

RN-Yuganskneftegaz has tripled the amount of restored land in the last five years. In 2022, the company restored about 224 ha of lands, including legacy lands, which is up 4.5% year-on-year.

In the reporting period, Samotlorneftegaz remediated 127 ha of legacy lands. The company employs state-of-the-art techniques and equipment to boost land remediation efficiency in adverse natural and climatic conditions of Siberia.

The programme to remediate legacy lands seeks to achieve environmental goals set out in the Rosneft-2030 Strategy. The Company is committed to becoming the leader in minimising the environmental footprint and promoting eco-friendly production.

<sup>1</sup> As at the baseline period.  
<sup>2</sup> Data for the beginning of the year differs from the end of the previous year due to changes in the reporting scope of Group Subsidiaries and inventory adjustments.

# Waste management

According to its Environmental Vision, Rosneft set a goal of eliminating 100% of oil-containing legacy<sup>1</sup> waste by 2035. The goal is to be accomplished through a comprehensive upgrade of production assets, introduction of best available technologies, timely recycling and neutralisation of waste, and reuse of recycled waste in process operations.

## ROSNEFT'S APPROACH TO WASTE MANAGEMENT



Continuous monitoring and ongoing communication with Group Subsidiaries on changes in relevant laws to ensure timely and full compliance



Engagement of companies that specialise in waste utilisation and treatment and not only comply with all relevant regulatory requirements, but also have extensive expertise in this area



Comprehensive assessment of alternative technologies at the design stage, providing a rationale for the selection of the least waste-intensive technologies in relation to individual projects



Effective internal and external control over waste handling in accordance with the Supervision of Environmental Restoration Activities internal regulation

### GRI 306-1 | GRI 306-2

Drilling waste is one of the main types of waste generated in the course of Rosneft facilities' operations. In the reporting period, all our facilities from the Exploration and Production function conducted an efficiency evaluation as regards the disposal of this type of waste. The evaluation results helped identify the best disposal methods. Due to improved efficiency of waste management and reliance on an approach that rules out additional accumulation of waste, the volume of drilling waste was reduced by 34% in the reporting year, with over 4 million tonnes processed.

Rosneft places a particular emphasis on the establishment

and control of oil-containing and drilling waste management performed both internally and externally. To ensure high quality of waste management activities, corporate requirements are applied.

The measures we put in place helped process around 1.2 million tonnes of oil-containing waste.

Improved waste management efficiency in 2022 resulted in

# 34%

reduction in accumulated drilling waste

### GRI 306-3 | GRI 306-4 | GRI 306-5 | UNCTAD B.2.1 | UNCTAD B.2.2

#### Waste handling, kt

Metric	2020	2021	2022
Waste at the beginning of the year, taking into account adjustments during the reporting period	16,284	6,050	<b>5 668<sup>2</sup></b>
Generated and accepted (from third-party organisations) waste as at the year end	5,458	6,213	<b>5,869</b>
✓ Disposed of (used) and neutralised waste as at the year end <sup>1</sup>	6,181	6,067	<b>5,686</b>
Buried waste as at the year end	365	348	<b>369</b>
Accumulated waste as at the year end	15,197	5,849	<b>5,482</b>

Rosneft continued employing a green technology it had previously patented for drill cuttings disposal at Vostok Oil, recycling around 75 thousand tonnes of drill cuttings in the reporting period.



FOR MORE DETAILS ON THE DRILL CUTTINGS RECYCLING TECHNOLOGY, SEE THE 2021 SUSTAINABILITY REPORT



<sup>1</sup> Legacy contamination of land and oil-containing waste result from prior third-party activities on the Company's territories and/or facilities.

<sup>1</sup> Incl. transferred into ownership of third parties.  
<sup>2</sup> Data for the beginning of 2022 differs from the end of 2021 due to changes in the reporting scope of the Company and adjustments to waste volumes based on tool-based measurements

# Sustainable use of resources and circular economy principles

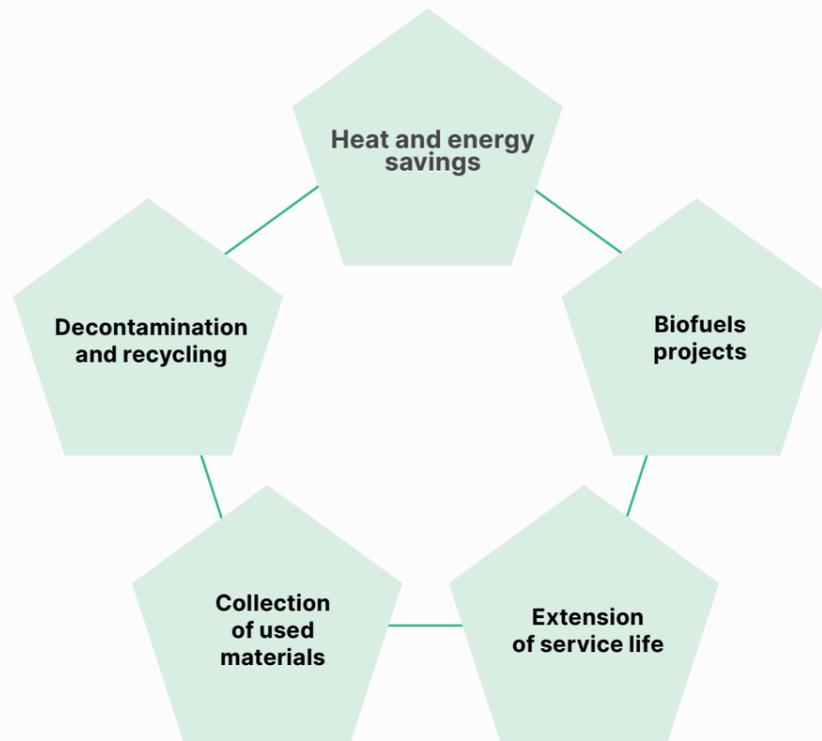
## Fostering circular economy

Rosneft recognises the need to introduce the principles of circular economy into its operations to mitigate environmental impact.

The Company's effort towards the circular economy is in line with the UN SDGs, the Environmental Security Strategy of the Russian Federation, the Presidential Executive Order On National Development Goals of the Russian Federation to 2030, and the Russian Government Resolution On Approving the State Programme of the Russian Federation for Environmental Protection<sup>1</sup>.

In 2022, the Company approved approaches to implementing circular economy principles, which include:

- studying opportunities to increase the recycling of oils and packaging produced
- cutting the use of plastic consumables, including in cafes and stores at its filling stations



- establishing indicators and metrics to monitor the implementation of circular economy principles
- developing training courses for Company employees.

To foster the development of the industry for managing industrial and consumption waste in Russia, Rosneft participates in specialised associations and unions.

## Joining the Association for Waste Recycling

In 2022, RN-Lubricants became a member of the Association for Waste Recycling, which implements environmental projects in Russia to support the development of the national industry for managing industrial and consumption waste.

As a member of the Association, Rosneft will be able to meet its environmental targets and improve its environmental culture, including improvement of waste management processes and introduction of circular economy principles under the Rosneft-2030 Strategy.

### CLEAN WORLD AS A GIFT FOR CHILDREN

In 2022, employees of Slavneft-Krasnoyarskneftegaz took part in a plastic recycling campaign titled Clean World as a Gift for Children.

More than 500 employees supported the initiative. In two months, they collected approximately 100 kg of plastic waste: caps, bottles, bags and packages. At a recycling plant, the waste was then purified and processed to become toy stuffing. The plastic fibre was used to make toys in the form of animals native to the Krasnoyarsk Territory. Plush polar bears and sable cats were then given to Krasnoyarsk and Evenki schoolchildren on Knowledge Day.

## Green Office

In line with green office principles, Rosneft's enterprises focus on providing a comfortable working environment through planting greenery, using ergonomic furniture and improving lighting at workplaces. In addition, we have implemented a number of eco-friendly practices:

- installing sensor faucets, LED lighting, motion sensors, setting appliances to an energy saving mode, and switching off electrical appliances at the end of the working day to reduce water and energy consumption
- introducing separate containers for waste paper, plastics, batteries, etc.

The Company's facilities are equipped with separate waste collection sites, and electronic waste (such as batteries and computer, electronic and optical equipment) is recycled. Waste is transferred to special facilities for treatment, neutralisation and disposal, including through the use of best available technologies.

As part of the Green Office project, office paper is collected from the facilities on a permanent basis. There are special eco-boxes installed, each of them coming with a leaflet on how to dispose of documents properly.

The Company complies with international standards for green offices set out in the BRE Environmental Assessment Method (BREEAM).

A good example is Rosneft's Research and Development Centre located on Leninsky Avenue in Moscow. The building got a BREEAM international certificate with an Excellent rating.

Only about a dozen buildings in Russia currently have the Excellent rating under the BREEAM In-Use certification framework.

### COLLECTING CAR TYRES FOR RECYCLING

In 2022, Ryazan Refinery employees held a campaign to collect old car tyres for recycling. The event was timed to coincide with World Environment Day.

Car tyres are hazard class IV waste: they are manufactured from man-made materials, which take over a century to decompose. As part of the event, the plant's employees cleaned up 4 km of territory from discarded car tyres in one of the districts of Ryazan. As a result, more than 20 cu m of waste was collected and handed over for recycling. The resulting crumb rubber can be used across a number of industries, including road construction, as well as for making surfaces for playgrounds and sports grounds.

<sup>1</sup> Resolution of the Russian Government No. 326 dated 15 April 2014.

# Improving environmental awareness

## Environmental initiatives

Rosneft has a strong focus on promoting corporate environmental culture and responsible attitude towards the environment among its employees and contractors. To this end, we take steps to enhance employee involvement in ensuring compliance with environmental requirements, hold voluntary environmental events, and foster sustainable and responsible consumption of natural resources.

Since 2020, our employees and their family members have collected and delivered more than 825 tonnes of waste paper, plastic and batteries to specialised recycling companies as part of environmental actions and initiatives.

Employees of the Kuibyshev Refinery, Novokuibyshevsk Petrochemical Company, Novokuibyshevsk Refinery, Syzran Refinery, Novokuibyshevsk Oils and Additives Plant, Rospan International, and Samotlorneftegaz take part in a Russian environmental campaign to collect plastics. Proceeds from the collection are then donated to the Volunteers for Orphans charity foundation for it to purchase rehabilitation equipment for children with special needs who are brought up in foster families.

The Saratov Refinery supports a regional environmental campaign titled Algae Capped. The project

is aimed at tackling several problems at once: restoring biodiversity in the Volgograd Reservoir, preventing excessive algal blooms, recycling plastics, and involving the youth in the environmental movement. Together with students of Rosneft classes, the Saratov Refinery's employees collected more than 50 kg of plastic bottle caps. Proceeds from the recycled plastics were used to buy herbivorous fish fingerlings and release them into the Volga River. An average common carp, bighead carp, or grass carp consumes more than 1 kg of algae per day, helping prevent algal takeover of the river.

In addition to running their own environmental activities, the Company's subsidiaries also initiate and support local and regional campaigns to restore forest areas and plant city alleys. For instance, Bashneft-Dobycha took part in the Green Bashkiria environmental campaign organised by the Ministry of Forestry of the Republic of Bashkortostan. The company's employees planted about 10 thousand pine seedlings.

Employees of RN-Uvatneftegaz, Sorovskneft, Voronezhnefteprodukt, Kaluganefteprodukt and RN-Trans supported an environmental campaign called Save the Forest by planting seedlings in areas devastated by fires.

Over **190 tonnes**

of waste paper was sent for recycling by Rosneft companies in 2022

Company employees and their family members participated in more than

**400**

environmental initiatives in 2022

Rosneft pays special attention to the conservation and restoration of natural resources. In 2022, the Company and its subsidiaries planted

over **7.4 million tree**

seedlings of various species

### ENVIRONMENTAL RACES

In the summer of 2022, environmental races gained popularity among Rosneft's employees. In addition to their regular jogging activities, volunteers cleaned city recreation sites and park areas from rubbish.

Employees of East Siberian Oil and Gas Company held a Run to Clean Up! event on the Otdykh Island in Krasnoyarsk. Employees of RN-Morskoi Terminal Tuapse hosted a litter picking championship at the Kiselev Rock nature monument in the Krasnodar Territory.

The campaign resulted in over 3 tonnes of litter collected by more than 500 volunteering employees of Rosneft companies.

## Recognition of corporate achievements

Every year, Rosneft's subsidiaries are recognised and awarded for their overall environmental effort, as well as for individual projects on environmental rehabilitation in the regions across our footprint.

Orenburgneft won the Orenburg Region Economic Leader contest in the Environmental Responsibility category. The contest is held annually by the regional government, Orenburg Regional Union of Industrialists

and Entrepreneurs (Employers), and the Federation of Trade Union Organisations of the Orenburg Region.

Sorovskneft became the winner of the Best Oil and Gas Producer of Yugra in Environmental Protection Relations contest held among facilities with an annual oil output below 1 million tonnes.

The Syzran Refinery won the 18th All-Russian contest titled the Leader of Environmental Activities in Russia 2022 in the category "Best Environmental Policy in the Refining Industry". The competition is held by the Federation Council and the State Duma of the Russian Federation.

**In 2022, the Company's enterprises received 35 awards and acknowledgements from state authorities and public environmental organisations in the Nenets Autonomous Area, Tyumen, Irkutsk, Samara, Voronezh, Arkhangelsk regions, Khanty-Mansi Autonomous Area –Yugra, and other regions.**

## Environmental education

Among other things, environmental education includes engaging with the younger generation through environmental lessons, master classes, excursions, exhibitions, contests, etc. Children and teenagers are encouraged to take part in initiatives to collect batteries, paper and plastic caps for recycling, which helps develop responsible consumption behaviour and promotes relevant skills.

### ECOARCTIC TO CHILDREN

The Company launched the ECOARCTIC to Children social project under the auspices of the ECOARCTIC 2022 forum. The project seeks to raise children's environmental awareness and care for land, help them decide on their future career, and assist in choosing professions best suited for the region's needs.

Rosneft employees held region-specific career guidance lectures on ecology and geology for high school students of School No. 1 in Naryan-Mar and the Krasnoye settlement. Students were also told about space and the structure of the Earth, minerals, endangered animal species, their habitats, and protection measures. They learned lots of exciting things about geology, ecology and oil industry professions.

For more details on the ECOARCTIC 2022 forum, see the **Scientific Research in the Russian Arctic** section of this Report.

### ALL-RUSSIAN GREEN SPRING CAMPAIGN

About 35 thousand employees of 250 Rosneft subsidiaries took part in the All-Russian Green Spring 2022 environmental campaign.

They cleaned up litter in urban, forest and coastal areas, sorted the waste, and sent it for recycling. The campaign saw 1.8 thousand tonnes of waste collected, some 1.6 thousand ha of land cleaned, over 18 thousand fry of valuable fish species released into rivers, and around 62 thousand tree seedlings planted to combat soil erosion.



**600**

**Amur tigers inhabit  
Russia's Far East**

Fun fact: tigers love playing in the water from an early age. An adult tiger can easily swim across a river when hunting.

Rosneft supports programmes to study and preserve the Amur tiger population.

**4**

**Ensuring  
occupational  
health  
and safety.**

### Restoring Amur tiger population

The largest tiger subspecies with the northernmost habitat, the Amur tiger is included into the Red Data Book of Russia and the IUCN Red List. Today, the numbers of Amur tigers is recovering, currently standing at some 600 animals.

Since 2013, Rosneft has been contributing to a programme to study the Amur tiger population and supports specially protected areas within their habitat, along with rehabilitation and reintroduction centres. The Company helps purchase the required equipment and vehicles for research and build social infrastructure for scientists.



# HSE management



GRI 3-3

Rosneft's top priorities are to ensure the safety of all its employees and contractors, implement environmentally responsible work practices in all operational activities and minimise environmental footprint.

## STRATEGIC HSE TARGETS

- Striving for zero fatal injuries

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- Aiming for zero equipment breakdowns

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- Minimising an environmental footprint

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- Achieving a net positive impact on ecosystems

Rosneft operates in strict compliance with the Russian HSE laws, international standards, and best HSE practices.

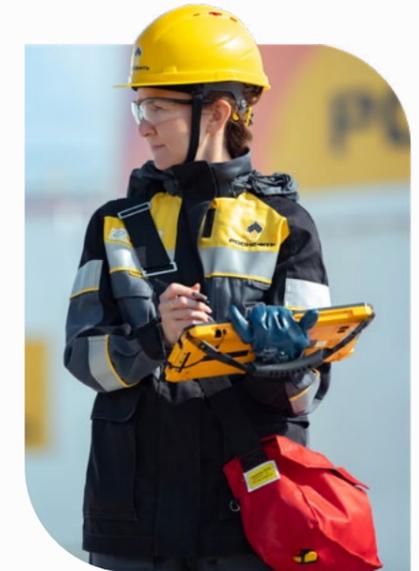
Strategic goals, initiatives, and systematic approaches to HSE management are enshrined in the Rosneft-2030: Reliable Energy and Global Energy Transition Strategy.

Rosneft's Policy on Health, Safety and Environment (HSE Policy) is a fundamental document that conveys the Company's position in this domain. The Policy outlines

the objectives, commitments and HSE principles that apply to Company and contractor employees across all regions of operation.



FOR ROSNEFT'S HSE POLICY, SEE OUR WEBSITE



## SYSTEMIC APPROACHES TO OHS MANAGEMENT UNDER THE ROSNEFT-2023 STRATEGY

- Unconditional compliance with the Golden Rules of Safety

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- Development of skills and competencies

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- Use of leading OHS indicators

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- Use of a risk-oriented OHS approach

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- Implementation of equipment reliability/integrity measures

## CORPORATE HSE GOVERNANCE

GRI 3-3    GRI 403-4

### ▶ ROSNEFT BOARD OF DIRECTORS

Exercises strategic governance of the Company's HSE activities.

### ▶ STRATEGY AND SUSTAINABLE DEVELOPMENT COMMITTEE

Develops proposals based on preliminary consideration of the Company's HSE performance reports, controls management of key HSE risks. Oversees the implementation of the Company's strategic carbon management agenda. Prepares recommendations to Rosneft's Board of Directors for decision-making.

### ▶ HSE COMMITTEE (STEERING BODY)

- Develops a consolidated approach to the delivery of HSE targets.
- Makes decisions and recommendations aimed at fostering the safety culture, preventing occupational injuries, reducing occupational disease risks, managing HSE risks and preventing emergencies.

### ▶ HSE COUNCIL (ADVISORY BODY)

Prepares proposals to update the Company's HSE Policy, development strategy and Rosneft's Long-Term Development Programme. Analyses the results and determines the Company's priority HSE areas in the short-, medium- and long-term. Prepares proposals to implement instructions of Rosneft's governing bodies.

The HSE Committee is a permanent coordinating body of the Company, comprised of Rosneft's top managers, heads of structural units of the Company's Head Office, and the General Director of Bashneft.

In 2022, the HSE Committee met six times to decide on the prevention of occupational injuries, accidents (including road traffic accidents), management of HSE risks, including the following decisions:

- introduction of tools aimed at improving the safety of Company employees and contractors;
- continued implementation of programmes to prevent falls on a flat surface, at height, and when working at height in Group Subsidiaries in 2023, as well as Rosneft's Road Safety Plan with a risk-oriented approach;
- further roll-out of Rosneft's Control of Work concept to the Group Subsidiaries.

### GRI 403-4

Rosneft's Interregional Trade Union Organisation actively contributes to the HSE management process. In the reporting year, trade union representatives participated in the Best in Profession-2022 Corporate Festival and Competition, in the work of commissions for personal protective equipment inspection, and audits of HSE activities at the Group's facilities.

Rosneft's Interregional Trade Union Organisation also run the Best HSE Representative competition in 2022. As part of the competition, a round table discussion was held to identify the main causes

of injuries specific to the production sites of the business units.

FOR MORE DETAILS ON OCCUPATIONAL HEALTH AND SAFETY, SEE OUR WEBSITE



For more details on the corporate governance structure, see the **Sustainable Development Management chapter** of this Report.



# Integrated Health, Safety and Environment Management System

## GRI 403-1

HSE processes are part of the Integrated HSE Management System (HSE IMS), which complies with global best practices, as well as Russian and international requirements in this area.

The Company's Integrated Health, Safety and Environment Management System standard<sup>1</sup> regulates the implementation of all relevant processes. In the reporting year, Rosneft conducted a large-scale communication campaign to support the standard's new requirements introduced at facilities.

In 2022, we developed a video tutorial describing the structure of the HSE management system and its elements. The tutorial mandatory to employees as part of their HSE induction training focuses on the role of each employee in ensuring industrial and environmental safety at the Company's facilities.

**The HSE IMS standard defines the integration and decomposition of HSE processes in the corporate governance framework, involvement of functional and business units in their implementation, including leadership and risk management processes.**

**The standard was designed in line with ISO and GOST R ISO Occupational Health and Safety Management System and Environmental Management System standards, as well as the Company's HSE Policy.**



FOR MORE DETAILS ON THE HSE IMS, SEE OUR WEBSITE

## GRI 403-5

### WORKSHOP ON CHANGES TO THE HSE MANAGEMENT SYSTEM

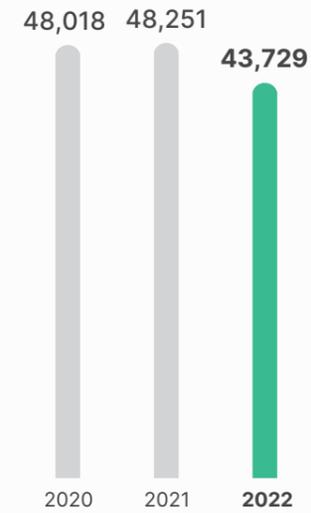
The summer of 2022 saw a company-wide workshop on the key changes in the Company's HSE management system. It was attended by representatives of the Company's Head Office and more than 80 subsidiaries.

The speakers focused on areas that are important for achieving the goals set in the Rosneft-2030 Strategy. The participants also discussed the key updates to the standard, and best practices already in use by the Group Subsidiaries. The workshop proved to be an effective venue for its attendees to interact and share experience.

The HSE IMS is annually audited for compliance with national and global HSE standard requirements. In 2022, Rosneft and Group Subsidiaries successfully passed such audit. In the reporting year, 74 facilities were certified as part of the Company's umbrella certification, 32 facilities completed independent occupational health and safety certification, and 33 were certified in environmental management.

Compliance certification takes into account the specific nature of their business, including the requirements of investors, partners, customers, and other stakeholders.

## EXPENDITURE ON HEALTH AND SAFETY, INCLUDING FIRE SAFETY AND BLOWOUT PREVENTION, RUB MLN



## GRI 403-8

✓ HSE IMS certification takes place at more than

than **100** facilities

facilities accounting for 72.5% of the total headcount of the Group Subsidiaries covered by management accounting reports

**RUB 43.7 bln.**

allocated by Rosneft to OHS in 2022



<sup>1</sup> Updated in December 2021.

<sup>1</sup> In 2020, CAPEX excluded VAT, OPEX included VAT, and in 2021 all costs were recognised net of VAT due to changes in the cost accounting methodology.

# HSE risk management

GRI 403-2

HSE risk management in the Company has four tiers – the corporate level (businesses and functional units), Group Subsidiaries and Group Subsidiaries' structural units.

To manage HSE risks and address those identified, the Company applies adequate and sufficient measures, which:

- are appropriate to the risk exposure assessed;
- have the necessary resources allocated on a priority basis;
- were approved at the relevant governance level.

The risk-oriented approach includes assessment, analysis and management taking into account global and industry HSE best practices, and helps predict possible events and take proactive steps to prevent them.

HSE risk management is a set of tools helping managers at various levels, from senior executives to line managers, to make the best and most efficient comprehensive decisions on operational safety when having limited resources. It is based on HSE risk analysis and assessment featuring a single matrix of HSE risk assessment and a bow-tie diagram. These findings are a starting point for prioritising mitigation efforts and defining the management level authorised to make a decision on the implemented risk management strategy.

The Company developed standard diagrams for fire, road, blowout, and pipeline failure risks defining

a set of proactive and reactive barriers (measures) for a particular type of incident. Based on standard solutions, the facilities develop programmes to create/enhance barriers. In particular, facilities designed and run programmes to prevent falls and road accidents.

In the reporting year, the Company streamlined the timing and formats of HSE risk management reporting to better align it with the business planning process. These efforts are planned to be embodied in new internal documents.

The Company also uses a barrier approach to investigate HSE incidents and develop remedial actions.

The barrier approach is one of the tools for reducing occupational injuries and accidents. It helps:

- significantly expand the scope and effectiveness of risk management;
- identify gaps in design solutions and/or applicable regulations and regulatory and technical documents regarding the proactive and reactive barriers in each case under investigation and develop specific remedial action plans.

With the Rosneft-2030 Strategy in place, the risk-oriented approach remains the central

## HSE RISK MANAGEMENT STRUCTURE



element in OHS and covers the full cycle of operations, from planning to reviewing the results. Process safety driven by the proactive risk-oriented approach results in a set of measures aimed at achieving the Company's safety targets. These measures are aimed not only at preventing accidents, but also at mitigating potential adverse consequences, primarily for people, society and the environment.

## PROACTIVE AND REACTIVE BARRIERS IN THE RISK MANAGEMENT PROCESS



## HSE control system

GRI 403-2

The HSE control system is governed by the Regulations on HSE Control. The Company ensures that all mandatory controls comply with the applicable laws.

The Company's Head Office and subsidiaries perform additional controls on a regular basis, including:

- full-scope and ad hoc inspections to verify compliance with HSE requirements, corporate plans and internal documents of the Company, as well as the adequacy of ongoing operational and environmental risk management efforts;
- internal HSE IMS audits to assess compliance with the Environmental Management System (ISO 14001) and Occupational Health and Safety Management System (ISO 45001) standards.

The results of audits held in Group Subsidiaries are subject to review by Rosneft's Control Commission.

HSE risk management issues, as well as identified shortcomings in operational safety subject to specific decisions are regularly reviewed by Rosneft's Control Commission. The Commission's meetings are attended by top managers and heads of Rosneft subsidiaries. In 2022, the Control Commission held 11 meetings.

In the reporting period, Rosneft developed and introduced a criterion-based assessment of subsidiaries factoring in the nature of their business along with current and planned HSE metrics.

Controls planning relies on this approach to ensure an objective assessment of various HSE aspects.

The main tasks performed during the reporting period were as follows:

- systematic analysis of gaps identified at the facilities and carefully planned corrective actions;
- feedback provided to the heads of the Company's operations on HSE management drawbacks identified on sites;
- assessment of HSE initiatives and programmes implemented by the Company.

The approach to the selection of Group Subsidiaries and criteria for determining the coverage of comprehensive and targeted checks did not change compared to the previous reporting period. At the same time, the total scope of planned HSE controls completed in 2022 grew by 14% year-on-year.

**In 2022, the Company's HSE Control and Investigation Department carried out 13 comprehensive checks, 38 targeted inspections, and 9 audits of the facilities' HSE IMS. Following the audits, corrective action plans were prepared to eliminate the identified gaps with a focus on HSE management improvements.**

# Occupational safety

## Safety culture

The Company implements various OHS measures and programmes. We train employees and contractors and make them aware of the need to comply with safe work practices, putting the necessary internal regulations in place.

**GRI 403-2**

The Company employs various feedback tools for employees to get advice or report safety violations. Employees may contact their supervisor, discuss the situation at stand-up meetings, send a message to the Security Hotline,

or receive a consultation from the Company's Head Office during HSE IMS checks at Group Subsidiaries. They have the right to refuse to perform work that is not safe and poses a risk of injury.

The **Golden Safety Rules** are mandatory key requirements for hazardous types of work. These rules apply to employees of both the Company and its contractors. The Golden Safety Rules are a handbook for employees of Rosneft, its subsidiaries, contractors, and subcontractors. Rosneft organises regular training sessions in applying them.



## HSE leadership

Managers of Rosneft and its subsidiaries undertake personal HSE leadership commitments, formalising their actions to demonstrate strong involvement and focus on safety. In the reporting period, the HSE Committee started approving the HSE leadership criteria. Representatives of Rosneft's subsidiaries regularly meet with contractors to discuss current health and safety issues,

review incidents and lessons learned, and develop joint solutions to ensure high safety standards at the Company's facilities.

**GRI 403-2**

The Company carried on with behavioural safety audits featuring photo evidence

and report preparation. Such audits seek, among other things, to assess HSE compliance at audited sites and identify risks of injury. In addition to risk identification and mitigation, they have a direct effect of unsafe behaviours.

## Control of Work concept

Rosneft has been implementing the Control of Work concept since 2021. The concept seeks to reduce occupational injury and accident rates by improving existing processes. The document establishes a uniform procedure for the introduction and practical application of additional tools set to improve the following processes:

- work planning;
- risk assessment;
- insulation of electrical equipment;
- control over work performance.

The concept involves the use of work planning schemes, plans for disconnecting electrical equipment, and risk assessment procedures when issuing work permits and checklists aimed at compliance with the Golden Safety Rules and HSE laws.

In 2023, the Company will continue to roll out the Control of Work concept and is also developing an internal document to regulate the processes outlined in the concept.

**In 2022, pilot projects under the Control of Work concept ran at 108 production facilities, including Exploration and Production, Oil Refining and Petrochemicals, Regional Sales, Commerce and Logistics, Gas, and Oilfield Service.**

## Contractor relationships

GRI 403-7

According to its HSE Policy, the Company does not differentiate between its own and contractor employees when it comes to personnel safety, life and health, with the same requirements applied to everyone.

Contractor activities are subject to control to minimise the risk of hazardous actions. Rosneft's contractor relationships (including their goals and objectives) are governed by its Regulations on Procedure

for Interaction with Contractors on Occupational and Fire Safety, Health and Environment Issues. Control procedures cover the entire cycle of customer-contractor interactions.

### CONTRACTOR COOPERATION ON HSE



## Involvement in law-making activities

In addition to the development of internal HSE management processes and systems, Rosneft helps improve a legal framework in the field of process and fire safety, occupational safety and health.

During the reporting period, the Company's experts took part in the following Rostekhnadzor events:

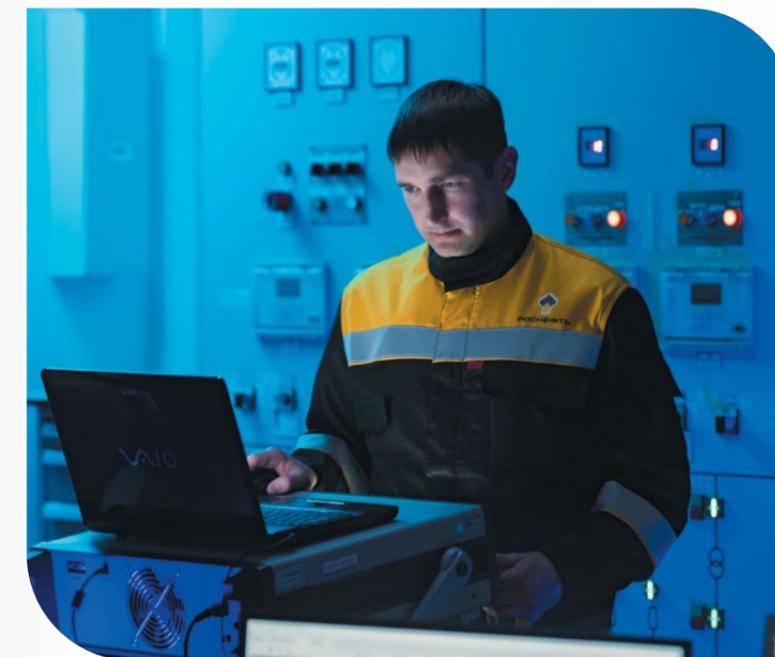
- joint meetings of Rostekhnadzor's R&D Council and businesses as part of the Safety of Oil and Gas Facilities section;

- working groups on the development of certain federal standards and rules on industrial safety;
- discussion of 77 draft laws and regulations on industrial safety.

## Automation of OHS processes

The Company kept developing corporate OHS information resources. In the reporting period, we started several IT projects in the following areas:

- roll-out of the information resource to the Company's Head Office, 33 Group Subsidiaries, including the Head Office and branches of Bashneft;
- upgrade of the information resource to expand its functionality, including the Contractor Rating and HSE Risk Management modules.



### ORENBURGNEFT SUCCESSFULLY TESTED AN INTELLIGENT VIDEO SURVEILLANCE SYSTEM AT PRODUCTION FACILITIES

Orenburgneft specialists piloted a domestic innovative video surveillance system powered by machine learning and artificial intelligence technology. The system monitors and controls the use of personal protective equipment by employees.

When a violation is detected, the system automatically takes a snapshot, highlights the violation area and sends it to the designated specialist, which adds to the decision-making efficiency and speed.

Orenburgneft plans to make use of these technologies at production facilities to improve industrial safety.

## Occupational health and safety training

GRI 403-5

The Company trains employees in both mandatory and additional HSE requirements to enhance relevant competencies. In 2022, Rosneft extensively used modern training methods including interactive (e.g. Golden Safety Rules) and distance learning courses.

In 2022, the Company's subsidiaries launched a project to assess employees' professional and technical HSE competencies. The project enabled the Company to assess the competencies of employees, including those in managerial positions, in various HSE areas, to identify gaps and create individual plans for competency improvement.

During the reporting period, the Company developed five interactive multimedia HSE courses. The target audience for each course

is estimated at around 50 thousand employees. Aimed at eliminating the key causes of injuries, the courses focus on the following areas:

- management system for a safe vehicle operation;
- passenger transportation safety;
- a risk-oriented approach to falling and stumbling prevention;
- a barrier approach in investigating incidents internally;
- basic principles of contractor management.

In addition to existing training programmes, the Company developed an in-depth course in using a risk-oriented barrier approach to investigate incidents, learn lessons, and plan remedial actions. The course targets incident investigation experts and the Company's top management.

Some **63 thousand**

employees received HSE training in 2022



## Occupational health and safety results

Safe working conditions for Company employees and contractors and incident prevention are of paramount importance for Rosneft.

As part of our occupational safety effort, we apply uniform regulations and a system of monitoring, control, and accounting to both Company and contractor employees.

In 2022, the Company's initiatives targeted the key causes of fatal injuries. The main focus was on programmes to prevent falls and road incidents and streamline processes in line

with the Control of Work concept. The said initiatives included work planning, risk assessment, insulation of electrical equipment, and work control.

### Injury rates among Rosneft and contractor employees<sup>1</sup>

GRI 403-9 GRI 403-10 UNCTAD C.3.2

Metrics/period	2020	2021	2022
Number of lost time occupational injuries (including fatalities) at Rosneft and its contractors per 1 million man-hours worked (LTIF <sup>2</sup> )	0.53	0.64	<b>0.74</b>
Number of on-the-job fatalities at Rosneft and its contractors per 100 million man-hours worked (FAR <sup>3</sup> )	1.7	1.66	<b>3.25</b>
Number of occupational injuries (including fatalities, lost time injuries and injuries requiring medical treatment) at Rosneft and its contractors per 1 million man-hours worked (TRIR <sup>4</sup> )	1.01	1.01	<b>1.09</b>
Total number of injured employees as a result of work-related accidents at Rosneft and its contractors	526	615	<b>708</b>
including fatalities, people	17	16	<b>31</b>
Occupational illness rate at Rosneft (the total number of identified occupational illness cases per 1 million man-hours worked)	0.01	0.02	<b>0.02</b>
Severe vehicle accident rate at Rosneft and its contractors associated with providing services / performing work in the Company's interests (SVAR <sup>5</sup> ) per number of kilometres run by vehicles normalised to 1 million kilometres	0.099	0.111	<b>0.127</b>
Total number of recordable road traffic accidents at Rosneft and its contractors associated with providing services / performing work in the Company's interests (RTAF <sup>6</sup> ) per number of kilometres run by vehicles normalised to 1 million kilometres.	0.43	0.57	<b>0.66</b>

<sup>1</sup> Rosneft and its contractors use a uniform methodology to record injuries as OHS requirements apply equally to both the Company's and contractors' employees.  
<sup>2</sup> LTIF – Lost Time Injury Frequency.  
<sup>3</sup> FAR – Fatal Accident Rate.  
<sup>4</sup> TRIR – Total Recordable Incident Rate.  
<sup>5</sup> SVAR – Severe Vehicle Accident Rate.  
<sup>6</sup> RTAF – Road Traffic Accident Frequency.

The Company pays particular attention to reducing the overall injury rate along with severity of consequences, and taking focused corrective action. In 2022, the share of severe accidents went down year-on-year.

An increase in fatal injuries in the reporting period was due to more fatalities among contractors. The overall injury rate was driven by higher transparency thanks to more efficient registration of minor injuries.

In the reporting year, we started introducing new tools to effectively prevent injuries in addition to those already in place:

- creating a dedicated briefing programme for line managers called Five Steps to Safety Success with visual aids and workshops for facility employees. In total, more than 100 subsidiaries took part in training;
- enhancing procedures for behavioural safety audits;

- introducing a tool to improve compliance discipline when implementing measures developed in response to fatal accidents;
- launching a project to assess professional HSE competencies;
- developing five multimedia courses on the key causes of injuries, etc.

In 2022, HSE Committee meetings involving the Company's top managers started to review the results of monitoring key initiatives and assessing their effectiveness.

One of our main HSE achievements is promoting a barrier approach. Under this approach, we focus on those HSE measures that have a known effectiveness in respect of specific security barriers (measures). Such measures have gained traction in key areas, including:

- prevention of major workplace accidents;
- preventing of falling, stumbling and road accidents resulting in severe injuries and consequences.

### FIVE STEPS TO SAFETY SUCCESS

is a checklist that helps line managers set clear and specific tasks for their staff and monitor their progress.



## Incident investigation

### GRI 403-2

Emergencies and accidents resulting in injuries to Company and contractor employees are at all times investigated and thoroughly analysed. The Company seeks to identify all possible causes that can lead to an incident and takes measures to eliminate them.

The procedure for an internal investigation of emergencies and HSE incidents relies on the Regulations on the Procedure for Incident Investigation.

Based on internal investigation results, the Company draws up an action plan, including corrective measures to eliminate systemic causes of the incident and prevent its occurrence going forward. Corrective measures set out in the action plan are mandatory for Group Subsidiaries.

Having investigated the incident, the commission analyses its causes and prepares an action plan based on the findings. The HSE function drafts a list of measures reflecting lessons learned from incidents. These measures are mandatory

for subsidiaries. The Company also monitors implementation of corrective actions.

In the reporting period, we took the following measures as part of the incident investigation process:

- added criteria and algorithms for deciding on whether to include emergencies at contractors/subcontractors in the corporate statistics to the Company's internal documents;
- extended templates for Breaking News and Lessons Learned circulars and improved algorithms for their approval and distribution;
- created a unified methodology to investigate accidents and occupational diseases not resulting in lost time (Tier 4 incidents).

To streamline an approach to recording emergencies at subsidiaries' contractors or subcontractors, the Company developed an algorithm for deciding on whether to include emergencies at contractors or subcontractors in the corporate statistics.

**To boost personnel competencies and provide an insight into the basic principles of internal incident investigation, Rosneft developed a dedicated course. It is taught by the staff of the Gubkin Russian State University of Oil and Gas and internal trainers from the Company's subsidiaries.**



# Safety of production facilities

## Process safety

GRI 3-3

Rosneft has been taking consistent steps to ensure process safety at its facilities in line with the corporate strategy. We focus on preventing incidents and minimising potential negative impacts on people, society and the environment.

The Company's subsidiaries implement process safety programmes to provide for safe operation and integrity

of equipment, while also ensuring compliance of production facilities with laws and regulations.

Rosneft maintains long-term fruitful cooperation with the Federal Service for Environmental, Technological and Nuclear Oversight (Rostekhnadzor) by holding joint events attended by the Company's experts and working

together to streamline the regulatory framework and improve safety in the oil and gas sector and other Russian industries.

We follow global trends and practices in employee protection, safe and uninterrupted operation of equipment and environmental stewardship.

## Equipment reliability and integrity

The Company has in place a process to record and analyse process safety accidents related to the equipment integrity (PSE-1<sup>1</sup> and PSE-2) in accordance with international standards.

The key areas for improving equipment reliability and integrity across the Company's facilities and priorities for corrective actions have been set based on a risk-oriented approach. This enabled the Company to accurately rate the criticality

of its equipment in the reporting period. Following the rating, we identified equipment with high HSE-related risks and took action, which resulted in a positive trend in PSER (Process Safety Event Rate) and fewer accidents in 2022.

### Equipment integrity indicators

Metric	2020	2021 <sup>2</sup>	2022
Tier-1 process safety event rate (calculated as the number of PSE-1-compliant process safety events to 1 million man-hours worked, PSER-1)	0.057	0.060	<b>0.042</b>
Tier-2 process safety event rate (calculated as the number of PSE-2-compliant process safety events to 1 million man-hours worked, PSER-2)	0.43	0.32	<b>0.22</b>

<sup>1</sup> PSE (Process Safety Event) means an incident occurring as a result of an unplanned or uncontrolled release of any process material, including non-toxic and non-flammable materials used in industrial processes, from primary containment, or an undesirable event or condition which with a slight change of circumstances may lead to a release of any process material from primary containment.

<sup>2</sup> Data for 2020 and 2021 was updated as per ANSI/API RP-754 recommendations to exclude subsidiary contribution to the Company's growth projects from the calculations.

### SAFETY OF PRODUCTION PROCESSES

Rosneft prioritises steps to reduce the risks of accidents related to equipment depressurisation and their severe consequences.

Production processes involve the movement and change of substances in pipelines, tanks and units. Each of these steps is of critical importance for the equipment integrity and thus safety. Better integrity means lower injury risks for employees.

Rosneft also implements measures to prevent equipment depressurisation in line with international safety standards.

### Implementation of programmes to improve reliability of equipment in Exploration and Production

In line with the environmental goals set in the Rosneft-2030 Strategy, the Company is committed to reducing land contamination from pipeline oil spills to zero by 2035. To that end, we updated our special-purpose 2020–2025 Pipeline Reliability Improvement Programme with a prospect up to 2035.

From 2023 to 2027, we plan to replace some 13 thousand km of oilfield pipelines, including pipeline crossing over water bodies (ca. 18% of the average length of pipelines in operation) under the programme.

In 2022, as part of the pipeline integrity programme, we:

- revamped and repaired 1.6 thousand km of oilfield pipelines;
- inhibited 16.2 thousand km of oilfield pipelines;
- carries out an in-line cleaning of 10.6 thousand km of pipelines;
- diagnosed and checked 24.5 thousand km of oilfield pipelines for safety.



## Improving the reliability of equipment in Oil Refining and Petrochemicals, and Regional Sales

The Company takes steps to maintain the operability of process equipment and has in place development plans for emergency protection systems and process automation for filling motor vehicles with petroleum products.

To ensure integrity of petroleum products and reduce injury rates, we equip tank trucks transporting petroleum products to the Company's filling stations with electronic security sealing systems.

In the reporting period, Rosneft implemented a wide range of initiatives to improve the reliability of equipment. These include:

Initiatives	Outcome
<b>Replacement of CrMo steel pipelines with austenitic welds</b>	32% of pipelines were replaced in 2015–2022; the rest will be replaced in 2023 and beyond
<b>Replacement of carbon steel pipelines</b>	17% of end-of-life pipelines were replaced in 2017–2022; the rest will be replaced in 2023 and beyond as they reach the end of their lifespan
<b>Removal of dead-end sections</b>	90% of dead-end sections were removed in 2015–2022; the rest will be replaced in 2023 and beyond
<b>Removal of various fittings</b>	76% of heterogeneous fittings were replaced in 2017–2022; the rest will be replaced in 2023 and beyond



## Safety at production facilities

In the reporting period, the Company's production facilities operated over 200 thousand units of equipment and devices, including drilling rigs, tanks, flowing wellhead equipment, pipelines, furnaces, vessels and pressure vessels, pumps, etc. In accordance with the current regulations, the Company's subsidiaries carry out equipment repairs, modernisation and replacements from time to time. The quality and timeliness of such activities is crucial to reducing accident risks.

In the reporting period, we registered a decrease in the number of accidents at hazardous production facilities as compared to the previous periods. All 2022 accidents were related to equipment depressurisation. Each accident was investigated,

including a full chronological description, assessment of triggers and the current situation, identification of critical factors, as well as of direct and systemic causes. Following the investigation, corrective actions were developed for each facility and subsidiary. The Company ensures monitoring and oversight of corrective actions.

### Incidents at Rosneft's facilities

Metric	2020	2021	2022
Number of accidents	7	7	6

### DOMESTIC PIPELINE REPAIR TECHNOLOGIES

Bashneft has implemented an innovative Russian solution for oilfield pipeline repairs, which halves the time for restoring pipeline tightness and prolongs the average oil pipeline life by 50%.

The novel technology relies on composite couplings made of glass fibre and polymers. Thanks to this unique solution, the repaired pipeline bearing capacity equals that of a new pipe.

Rolling-out of the new composite coupling solution for pipeline repairs will improve environmental and process safety at Rosneft's facilities and boost their financial and economic performance.

### NEW IT PRODUCTS FOR IMPROVING PIPELINE RELIABILITY

In the reporting period, Rosneft's science and design experts developed several IT products to enhance the Company's pipeline system.

The new software helps calculate the lifespan of fibre-reinforced pipelines as early as at the design stage. It is based on a study of pipe samples by various manufacturers.

Another important achievement was RN-SMT, an integrity monitoring information system for oilfield

pipelines. It enables the Company to both monitor oilfield pipeline operation and create programmes for boosting pipeline reliability.

Having proved successful during piloting, RN-SMT will be rolled out at Group Subsidiaries in 2023.

## Rescue team activities

We have implemented a number of comprehensive measures to ensure prompt emergency response, including the establishment of in-house and outstaffed professional rescue teams, as well as the contracting of third-party professional teams.

### Blowout safety

Given the large scale of well drilling, development, repairs and operation taking place at production sites, a major part of the Company's process safety activities is the prevention and elimination of potential complications.

The Company's blowout prevention system is governed by a number of comprehensive initiatives and regulations. The key document in the area is the Regulation on the Prevention and Elimination of Oil, Gas, and Water Shows and Blowouts.

The Company's approaches to blowout safety are well-structured, meet the mandatory statutory requirements and regulations on process safety and focus on ensuring safe well operations.

These approaches include a wide range of mechanisms and methods, in particular:

- unified regulatory requirements for incident prevention and swift response;
- involvement of professional rescue teams;

- target action plans for providing the required emergency stocks such as equipment, tools, materials, protective clothing, safety harnesses and personal protective equipment.

The Company employs more than ten blowout elimination teams with a total headcount of around 1,000 people to be able to swiftly respond to accidents at its facilities.

To maintain a high level of preparedness of response teams at all times, Group Subsidiaries organise joint training and drills with blowout elimination teams and departments. This involves assessing the knowledge, competencies and skills of on-site personnel in emergency response, and identifying the necessary capacity building initiatives of organisational and technical nature.



## Fire safety

In 2022, the Company invested over RUB 11 bln in fire safety measures. Under the fire safety programme, the share of trained and certified personnel at the Company's facilities grew to 98%.

In the reporting period, the Company revised and adjusted the programme's indicators and scope while also strengthening its efforts to ensure fire safety at the Company's facilities.

During the preparation for the wildfire season, the subsidiaries ran checks of fire safety at the facilities they operate. We organised weekly reporting of the progress on scheduled measures to prepare for the wildfire season and held tabletop training, including exercises to practice emergency response by the facility personnel.

To prevent emergencies during hot works and assess efficiency of personnel admission to such works at Group Subsidiaries and contractor entities, we held hot works months. As part of them, the Company organised:

- meetings on hot work processes attended by subsidiary and contractor personnel;
- audits of compliance with process and fire safety requirements at the facilities when preparing for and carrying out hot works.

The information on gaps identified during the review and analysis of relevant safety measures was communicated to the subsidiaries to act on accordingly.

The Company teamed up with regional and local authorities to monitor fire risks across the regions where it operates.

As part of the forest land lease contracts, we collaborated with forestry authorities to allocate human resources and means for wildfire response activities. We also developed action plans and implemented fire safety measures in forests.

Fire drills and comprehensive training exercises take place both as per schedule and as part of HSE reviews. The Company also checks fire and accident preparedness of its employees and rescue teams.

In the reporting period, the corporate fire brigade trained over 300 thousand employees of Group Subsidiaries and contractors and ensured safety for jobs exposed to fire hazard. In 2022, the Company's facilities had:

- 41 drills and exercises;
- 483 tactical training exercises and fire drills;

- 33 comprehensive training exercises;
- over 12 thousand on-site training sessions and tactical fire exercises.

Rosneft traditionally participated in federal and local public initiatives and projects. The Company's representatives are members of a working group of the Russian Ministry for Civil Defence, Emergencies and Elimination of Consequences of Natural Disasters established to improve the operations of firefighting and rescue teams. Rosneft also participates in the Technical Committee for Standardisation TC 274 "Fire Safety".

The Company makes a significant contribution to the safety of local communities in the regions where it operates. For example, in 2022, corporate fire safety teams were engaged more than 500 times to support local firefighting and rescue teams of the Russian Ministry for Civil Defence, Emergencies and Elimination of Consequences of Natural Disasters.

Thanks to the fire safety measures implemented in 2022:

- the Company's facilities were kept safe from wildfires;
- there were no reports of fires at the Company's socially important facilities.

# Transportation safety

## GRI 3-3

To achieve its production objectives, the Company actively uses different types of vehicles. As at the end of the reporting year, the Company and its contractors operated over 64 thousand vehicles, including over 36 thousand special purpose vehicles and more than 5 thousand passenger vehicles.

The Company creates a safe environment for drivers, passengers and third parties by doing the following:

- developing and implementing regulations in transportation safety;
- holding trainings and deploying protective equipment for transport;
- rolling out digital monitoring and control systems.

Rosneft pays special attention to equipping vehicles with in-vehicle monitoring systems and video recorders, which enable an unbiased assessment of driver behaviour and ensure they follow the established routes.

A major factor for preventing road accidents is engaging highly qualified drivers who can predict possible behaviour of other road users and take into account unfavourable weather conditions and other road risks. In order to develop their professional competencies and practice emergency response, the Company arranges for mandatory driver training and additional training sessions to improve driver skills.

Rosneft's transportation safety activities are fully in line with the state programmes. The Company liaisons with regional

authorities and traffic police and participates in initiatives aimed at the safe use of transport.

In 2022, the Company held four regional road safety forums attended by its transport contractors, traffic police, and regulatory authorities of Bashkortostan, Samara Region, Khanty-Mansi Autonomous Area – Yugra and Krasnoyarsk Territory.

We continued to implement the 2020–2022 Road Safety plan, which reflects the key goals and objectives of the Road Safety Strategy of the Russian Federation for 2018–2024 and Decree of the President of the Russian Federation No. 204 dated 7 May 2018.

In 2022, the Company implemented preventive measures to reduce road traffic accidents and road safety risks, including:

- identifying dangerous locations on oilfield, on-site, industrial, or temporary winter roads and installing warning systems, traffic signs, and cameras that could help detect violations;
- monitoring the placement of road safety notices, traffic signs alerting drivers to danger, as well as priority traffic signs, and hazard delineators;
- monitoring road infrastructure and maintenance, timely cleaning and treatment of road surfaces, placement of traffic signs, condition of ice and winter roads, readiness of utility vehicles;
- preventing road accidents, including vehicle roll-overs, and enhancing road safety across Group Subsidiaries;

- assessing the equipment of the Company's and contractors' vehicles using in-vehicle monitoring systems and video recorders;
- monitoring compliance with safety requirements related to transportation and trip planning arrangements, compliance with established travel routes and work and rest schedules by drivers of Group Subsidiaries and contractors using in-vehicle monitoring systems;
- preventive campaigns to ensure road traffic safety, including "Safe road – 2022" and "We Are for Road Safety – 2022" in the regions of operation;
- running the ten-day "Beware, Children!" campaign in cooperation with the traffic police, including by raising awareness about road traffic safety rules and holding children's drawing contests on traffic safety.

# 82% of drivers

hired by the Company's subsidiaries and contractors received training in safe driving in 2022

## Air transportation safety

### GRI 3-3

Air transportation safety is an important logistics and operations component of Rosneft's production processes. The Company is streamlining the aviation control system for Rosneft and Group Subsidiaries, which helps ensure multi-tier safety. The system provides for regular audits of contractors rendering aviation services, monitoring of its operation across subsidiaries along

with recording and analysis of incidents occurring during the performance of aviation services for Rosneft and Group Subsidiaries.

The reporting year saw a number of measures implemented to improve air transportation safety:

- installing additional equipment to boost the quality and safety of aviation services in helicopters;

- establishing regular communication with subsidiaries as regards general aviation control and air incident investigations in particular;
- holding 11 audits of contractors rendering aviation services and 10 audits of Group Subsidiaries.

**The Company's representatives take part in the Customers Committee of the Helicopter Industry Association. The Committee focuses on unifying requirements for contractors rendering aviation services set by Russian oil and gas companies in order to improve the quality of aviation services and reduce accident risks in the industry.**

**Air transportation safety initiatives implemented in 2022 delivered a 14.3% reduction in the number of incidents occurring during the rendering of aviation services for Rosneft and Group Subsidiaries.**

### GAMES LIBRARY "ROSNEFT'S DRIVING SCHOOL FOR SAFE ROADS"

In 2022, Rosneft opened a games library dubbed "Rosneft's driving school for safe roads" at the Kidburg children's vocational centre in St Petersburg.

The games library is a unique interactive educational platform for children where they can learn how to use the road and drive safely. It provides dedicated software for learning traffic regulations and a kids' filling station opened

in 2021 to teach children how to fill a car tank and drive vehicles on a designated highway.

Over the first year of operation, over 12 thousand children aged 6 to 14 visited the kids' filling station.



**2.5 metres**

is the wingspan of Steller's sea eagle

**Fun fact:** Steller's sea eagles are exceptionally smart, so they remember and recognise their fledglings throughout their entire life.

These birds are very meticulous in planning their hunt to never end up without prey. Rosneft supports the preservation and restoration of Steller's sea eagle population.

**5**

**Emergency risk management.**



### Protecting nesting sites of Steller's sea eagles

Steller's sea eagles are some of the largest birds of prey that nest solely in Russia's Far East.

They are on the IUCN Red List as a vulnerable species because their nests can be predated by mammalian carnivores and humans.

Rosneft subsidiaries have been monitoring nesting sites of Steller's sea eagles since 1995. A comprehensive programme is underway to protect the areas that these birds concentrate in along the east coast of Sakhalin Island and in the Komsomolsky Nature Reserve in the Khabarovsk Territory. As part of the programme, protective devices were put in place to safeguard 170 nesting sites, with nesting areas cleaned up and video surveillance installed to ensure protection against poachers.

The Company has in place a comprehensive emergency prevention and response system and adheres to the highest corporate safety standards to eliminate even the slightest risk of emergency.



#### GRI 3-3

The lives and health of our people is our key value. In line with that, the Company introduces corporate safety standards aligned with strategic priorities of the government's policy on emergency prevention and management and with latest international requirements.

Maintaining a high level of professionalism, competencies, and preparedness of governing bodies and ensuring the resources and manpower needed for emergency management is key to enabling the Company's employees to carry out their tasks amid emergencies.

The likelihood of emergencies at production facilities is minimised by reducing the risk of accidents that can escalate into emergencies. Emergencies can also result from natural disasters and natural hazards that can seriously affect the Company's assets across all of Russia's climatic and geographic areas, such as wildfires, hurricanes, heavy rains, floods (freshets), snowstorms, abnormal frosts, and earthquakes.

### ROSNEFT'S EMERGENCY PREVENTION AND MANAGEMENT OBJECTIVES:



minimising emergency risks at the Company's sites



maintaining the guaranteed level of employee safety



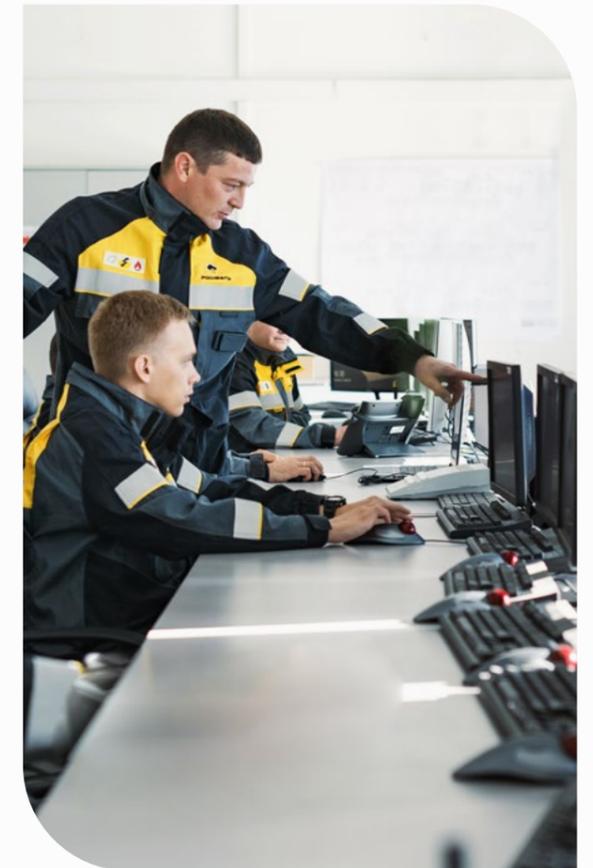
enhancing protection of the Company's assets and the environment



minimising potential consequences of natural hazards, including related potential damage and losses



ensuring the life safety of local communities in the Company's regions of operation in case of a potential or actual emergency as required by federal laws



## Approaches to management of the Company's risks related to emergency prevention and response

#### GRI 3-3

As part of the Corporate-wide Risk Management System, the Company has a dedicated risk management system for emergency prevention and response.

All Group Subsidiaries put aside financial and non-financial reserves for emergency prevention and response.

These are channelled to carry out rescue and other response activities, organise and maintain temporary accommodation and food supply for the affected employees, and take other urgent measures to ensure sustainable operations in case of an emergency.

FOR DETAILS ON THE COMPANY'S RISK MANAGEMENT STRUCTURE FOR EMERGENCY PREVENTION AND RESPONSE, PLEASE SEE ROSNEFT'S SUSTAINABILITY REPORT 2020



# Emergency prevention

GRI 3-3

An important part of emergency risk management system is putting in place preventive measures with a view to avoiding potential accidents at our facilities and mitigating the impacts of man-made and natural disasters.

Every year, the Company and Group Subsidiaries implement a set of scheduled measures to improve the protection of their employees, equipment, assets, and the environment in case of emergencies. These include:

- updating the Company's internal regulations on emergency prevention, management, and prompt response in case of a potential or actual emergency
- improving staff knowledge and skills and ensuring emergency preparedness of the Group Subsidiaries' emergency response bodies and on-site teams<sup>1</sup>
- effective use of information resources for emergency prevention and response
- developing systems for training employees of Group Subsidiaries in protection against various threats, and introducing the latest methodologies and technical tools for training
- creating, using, and replenishing financial and non-financial reserves for emergency response
- establishing and maintaining the operability of local and on-site alarm systems to inform Group Subsidiaries' employees about potential and actual emergencies
- strengthening communications between the Group Subsidiaries' on-site emergency response teams and the governing bodies and forces of the functional and regional emergency response management subsystems

The Company's internal documents on emergency prevention and response are fully aligned with federal laws.

To monitor the operational environment at the Company's facilities and promptly respond to potential or actual emergencies, our Emergency Response Centre has a 24/7 duty service desk. The Company also has in place a risk management information system and 24/7 duty dispatch services, with algorithms for dispatchers to follow in case of an actual or threatened emergency.

**In 2022, 120 duty dispatch services of the Group Subsidiaries were integrated into the shared crisis response system.**



## Prevention of man-made emergencies

The Company annually takes the following steps at its facilities to reduce the risk of incidents escalating into man-made emergencies:

- reviewing potential man-made risks with a view to taking preventive actions and mitigating their impact on the Company's assets
- regular employee training in emergency prevention and response
- ensuring constant readiness of emergency containment and hazard mitigation equipment



## Prevention of natural emergencies

Major natural hazards threatening the Company's facilities and potentially leading to an emergency include floods (freshets), wildfires, weather hazards (hurricanes, heavy rains, snowstorms, abnormal frosts), and earthquakes.

Every year, the Group Subsidiaries take a number of preventive and mitigating steps to ensure accident-free operation of assets, preparedness and prompt response of relevant bodies to natural emergencies.

Rosneft consistently prepares for the spring flood season by determining preventive measures and making regional forecasts for river ice breakup, while also developing guidelines to mitigate the effects of summer and autumn freshets and distributing those to Group Subsidiaries.

The Group Subsidiaries have in place flood response bodies, implement preventive action plans,

regularly update the list of facilities most exposed to floods, maintain communications with regional and municipal commissions for emergency prevention, response and fire safety, and arrange for a proactive build-up of resources.

In March 2022, the Company organised a tactical training exercise for the emergency management bodies and on-site teams of the Group Subsidiaries to ensure seamless operations and protect employees and assets against spring freshets. The training involved Rosneft emergency task force, corporate governing bodies and on-site teams of the Group Subsidiaries.

In 2022, the Group Subsidiaries developed and implemented measures to ensure fire safety and timely prevention of wildfires near oilfields, production sites, and other facilities. They also teamed up with Russia's local forest protection squads to monitor fire

risks in the Group's regions of operation. The Group Subsidiaries' facilities were kept safe from wildfires in 2022.

Thanks to the corporate policy on emergency prevention, the Company was able to prevent risks of emergencies at the facilities of Rosneft and the Group Subsidiaries in the reporting period.

**Thanks to a set of preventive measures, the Company ensured seamless operation of its facilities during the flood season.**

<sup>1</sup> Single State Disaster Management System.

# Emergency response

Ensuring a consistently prompt response to emergencies is a major part of emergency risk management. Every year, the Group Subsidiaries take the following steps to make sure response to potential emergencies is prompt and effective:

- update of action plans on emergency prevention and response
- establishment/improvement of the alarm systems designed to notify the Group Subsidiaries' management and emergency response teams
- drill exercises on switching management of Group Subsidiaries' on-site teams to an emergency mode

The Emergency Response Centre's service desk and the duty dispatch services of the Group Subsidiaries hold regular training sessions to be better prepared for emergency response.

Timely notification of the bodies overseeing the corporate emergency management subsystem and its employees across the Group Subsidiaries is ensured via a regular update of emergency notification procedures, maintenance of the existing alarm systems,

and creation of new ones. All the alarm systems used by the Group Subsidiaries are in good condition.

The alarm systems functioned properly in the reporting period and had their technical availability tested in line with approved schedules.

In 2022, upon emergency alerts from municipal service desks, governing bodies and the Group Subsidiaries' on-site emergency response teams were swiftly switched to emergency modes, carrying out comprehensive prevention activities so as to ensure response to respective threats and avoid their escalation into emergencies.

In the reporting period, the Emergency Response Centre's service desk held

**153 training sessions**

with duty dispatch services of the Group Subsidiaries on preparedness for emergency response



# Employee training in emergency response

As part of emergency risk reduction and mitigation, the Company focuses on preparing its governing bodies and providing for the resources and manpower needed for emergency management so as to improve their skills and professional competencies in ensuring safety of the Company's employees and protecting its facilities and territories against natural and man-made disasters.

Corporate training in emergency protection is aligned with relevant federal laws. To that end, all categories of employees complete:

- briefings upon hiring
- annual briefings
- monthly training sessions and tests

Certain employee categories also undergo retraining and advanced training provided by educational institutions, and attend instructional meetings, training sessions and exercises.

The 2022 exercises and sessions confirmed that the governing bodies and on-site emergency response teams

of the Company are able to make informed decisions about engaging in response and rescue operations and to carry out the necessary tasks on schedule and in any circumstances.

Every year, the Company holds competitions to recognise and award the achievements of its subsidiaries in civil defence, emergency prevention and response.

In 2022, the Russian Ministry for Civil Defence, Emergencies and Elimination of Consequences of Natural Disasters conducted five audits of the Group Subsidiaries' emergency prevention and response activities, with no issues identified.

Rosneft provides ongoing methodological support to the Group Subsidiaries and controls their readiness for emergency prevention and response, as well as remedial action following

the findings of regulatory audits. In 2022, Rosneft experts inspected 57 Group Subsidiaries for emergency prevention and response practices, and readiness of their on-site emergency response teams.

In 2022,

**152 facilities**

took part in the competition

**To assess the emergency preparedness of its Group Subsidiaries, Rosneft held 209 tactical training exercises and 275 tabletop exercises.**

## INSTRUCTIONAL MEETING ON CIVIL DEFENCE

As usual, June 2022 saw the Company hold an instructional meeting on civil defence, emergency prevention and response measures.

Managers and employees of the civil defence and emergency response units from about 200 Group Subsidiaries participated in the meeting remotely.

The participants reviewed the reporting year's emergency prevention and response activities and defined priority objectives.

To enhance the participants' professional skills, the meeting included workshops on organising response action of the bodies responsible for day-to-day management

of on-site emergency response teams in emergencies, as well as preparing and holding drills and training sessions on creating and storing non-financial reserves. In addition, the employees completed tests to assess their knowledge of laws, regulations and the Company's internal documents on civil defence and emergency response.



Rosneft supports

**33 bears**

in 16 zoos

Fun fact: newborn polar bears (cubs) weigh 200–300 g.

The polar bear is the symbol of the Arctic and one of the main indicator species for relevant marine ecosystems.

Since 2013, Rosneft has been running a programme to support all polar bears in Russian zoos.

6

Personnel  
management.

### Preserving polar bear population

Since 2012, Rosneft has been regularly conducting comprehensive research expeditions to study the health of Arctic marine ecosystems. Particular attention is paid to rare and protected species, including the polar bear. Scientists use polar bear population to assess the state of the environment in the Arctic. Later ice growth in autumn and earlier ice melt in spring caused by global warming means that bears have to stay on islands or on the coast, where food is scarce, which has a negative impact on the numbers and physical condition of the animals.

Rosneft runs a programme to rescue and rehabilitate orphaned polar bear cubs, and provides support to all polar bears across all Russian zoos.



# Management framework and personnel profile



Highly skilled and motivated employees are Rosneft's core asset. We retain, strengthen and develop human resources, offering professional and personal growth opportunities, as well as additional social support.

## Key focus areas of HR policy in the Rosneft-2030 Strategy



### Talent pool and leadership potential development

Rosneft Class: promotion of pre-university training, work with school students and young talent

Development of the talent pool system:

- HR committee meetings, selection and evaluation of the qualitative composition of the talent pool for target positions
- identification of promising employees in the talent pool to develop the Company's leadership potential
- implementation of individual development plans, improvement of managerial competencies

Leader of the Future management training programme

Talent without Borders internal exchange programme for promising employees



### Improvement of personnel motivation

Implementing personnel incentive programmes, including:

- developing an incentive system for the CEOs of Group Subsidiaries participating in the rotation programme
- improving the annual remuneration system for the CEOs of Group Subsidiaries
- developing and adapting incentive programmes for the personnel of the Company's major projects

### GRI 3-3

In its personnel management practices, Rosneft<sup>1</sup> complies with applicable Russian and international laws. The Company takes a zero tolerance approach to harassment or discrimination on the basis of gender, age, ethnic origin, religion, race, or any other grounds. It never uses forced, compulsory or child labour<sup>2</sup>.

The Company's personnel management priorities include:

- enhancing labour productivity and organisational effectiveness
- developing effective incentives, benefits and compensations
- ensuring talent management, development of staff through the continuous corporate education and training

- providing personnel with required skills and expertise for the Company's projects
- cooperating with state authorities and dedicated vocational and higher education institutions to support the government's policy in the area of human resources management
- managing HR in strict compliance with labour laws and other regulations applicable to labour relations

**The Company recognises the importance and value of fundamental human rights and freedoms at workplace: the freedom of association, the right to collective bargaining, labour rights and the right to health.**

<sup>1</sup> Foreign projects operate in line with local legislation and corporate procedures.

<sup>2</sup> An employment agreement with a minor may only be made in strict compliance with applicable laws of the country where Rosneft or its respective Group Subsidiary operates.

## Personnel structure

**GRI 2-7** **GRI 405-1**

Rosneft is one of Russia's largest employers. In 2022, its average headcount stood at 323.9 thousand people, down 2.0% year-on-year<sup>1</sup>. This was due to the changes in Rosneft's perimeter triggered by the optimisation of a number of the Company's assets. Russia accounts for the bulk of employees (99.6%).

The average age of the Company's employees increased by 0.2 years to 41.0. Managerial positions were held by 41.4 thousand employees.

The share of employees categorised as managers remained flat year-on-year at 12.3% of the total. Staff turnover in 2022 was 13.3%<sup>2</sup>.

**GRI 401-1** **UNCTAD C.1.1**

The share of female employees was flat at 33.0%. At the end of 2022, women accounted for 23.9% of all managers, while the share of women among top and senior managers of the Group Subsidiaries increased to over 18%<sup>3</sup>.



## Improving HR processes for better protection of labour rights

**GRI 3-3**

Rosneft is making consistent efforts to unify and automate its HR processes and to streamline the organisational

structures of the Group Subsidiaries' functions. This also helps to minimise the risks of labour rights violations.

## Unification and automation

Key HR business processes are performed in line with the uniform corporate HR, compensation and social development standards. The standards apply to personnel accounting, recording of working hours, organisational management,

remuneration system, and payments to the staff and third parties. In the reporting year, we continued to roll out uniform corporate HR, compensation and social development standards on corporate IT platforms (rolled out at nine entities).



### PERSONAL DATA PROTECTION

In 2022, a new version of the Regulation on Personal Data Processing was adopted. It provides details on the processes defined in the Policy on Personal Data Processing.

The Regulation describes the methods, algorithms and tools of personal data processing, which ensure compliance with the Russian laws on personal data<sup>1</sup>

in all corporate business processes and provide the necessary control of such compliance.



**THE COMPANY'S POLICY ON PERSONAL DATA PROCESSING IS AVAILABLE ON ITS WEBSITE**

## Unification of the organisational structures of the Group Subsidiaries

In order to optimise processes and costs, the Company takes consistent steps to unify the functions and organisational structures of the Group Subsidiaries. In 2022, in addition to the existing ones, we updated and rolled out standard organisational structures in the following areas – oil quality control, chemical and analytical studies, energy, capital construction, and geotechnical monitoring. We plan to complete their implementation at the relevant Group Subsidiaries by the end of 2023.

### EMPLOYEE'S PERSONAL ACCOUNT

In 2021, we continued developing the Employee's Personal Account self-service solution. It enables employees to quickly request and receive various certificates, maintain vacation schedules and reports for annual bonuses, file business trip applications and relevant cost accounts, view talent pool details and their personal data and file applications for data updates, etc.

As at the end of the reporting period, basic functions of the personal account were available at 12 Group Subsidiaries. In 2023, we will continue developing and scaling up Employee's Personal Account.

This digital solution helps enhance the online communication with employees, while also speeding it up and reducing the paper workflow.

**In 2022, Rosneft implemented the Adaptation of Personnel project. As part of it, the Company implements a set of measures to help integrate each new hire into corporate culture in their first months of employment. The project also includes surveying the employees to get feedback for enhancing the onboarding processes, as well as improving labour conditions and psychological environment at work.**

<sup>1</sup> 330.5 thousand people – average headcount in 2021.

<sup>2</sup> 13% – turnover rate in 2021.

<sup>3</sup> 16% – share of women among top and senior managers of the Group Subsidiaries in 2021.

<sup>4</sup> 336.2 thousand people – headcount as at 31 December 2022 as per the business plan.

<sup>1</sup> Federal Law No. 152-FZ On Personal Data in the Russian Federation.

# HR management performance

## Remuneration

Rosneft ensures comfortable working conditions and development for every employee. The Company follows the principle of equal pay for work of equal value with no pay gap between men and women performing identical functions.

We have a unified remuneration system applied across the Group Subsidiaries. In 2022, the following measures were taken with respect to employee motivation:

- the Sakhalin-1 project's motivation system was integrated with that of the Company
- a programme was developed to attract talent to the Vostok Oil project

### GRI 201-3

The Company's approach to remuneration is based on the principles of high social responsibility and a decent standard of living for its employees. Rosneft seeks to maintain wages above the regional average across its footprint and perform annual indexation. In 2022, we raised salaries by 4%.

## Short-Term Incentive Plan and key performance indicators for the management

### GRI 3-3

Rosneft's key performance indicators (KPIs) play a key role in its management incentives and remuneration system. The KPIs are annually reviewed and updated by executives of the Company and the Group Subsidiaries and approved by Rosneft's high-level governing bodies. The KPI list is based on the Company's strategic objectives, the Long-Term Development Programme and the business plan approved by Rosneft's Board of Directors.

The KPI system includes a number of sustainable development indicators (health and safety, environment, production safety and equipment integrity). KPIs are set on an individual

basis for the management, taking into account the specific areas they are working on. Each manager has KPIs aimed at reducing fatalities and the equipment accident rate, including with an adverse environmental impact.

To ensure successful implementation of the Rosneft-2030: Reliable Energy and Global Energy Transition Strategy, its targets are linked to the KPIs and remuneration of the management. For instance, the managers' remuneration depends on such factors as reduction of GHG emissions, improvement of energy efficiency, introduction of circular

economy principles, waste recycling, elimination of oil-containing waste and legacy contamination, biodiversity conservation, reduction of fatality and equipment accident rates, development of the portfolio of innovative projects, talent pool, and social programmes.

A considerable part of the Strategy's targets and respective KPIs of the management are related to ESG areas. Measures aimed at delivering on the set targets and initiatives are updated annually as part of the strategic planning cycle and reflected in the top management's KPIs.



# Personnel training and development

## Personnel training system

### GRI 3-3

Rosneft makes every effort to improve the professional, technical, managerial, and leadership competencies of its employees. To develop and maintain the high level of the training system as part the Rosneft-2030 Strategy, the Company implements such educational projects as Leader of the Future, RN-Class, and educational programmes with Russian and foreign partners.

Corporate professional and managerial training programmes to improve the competencies of target categories of personnel, existing managers, and the talent pool are an important

element of the Company's strategy along with long-term and innovative development programmes.

Sustainable development of the corporate personnel training system and an increase in training hours come from the flexible use of in-person and online training formats in line with the needs and requests of our facilities, as well as the use of advanced digital solutions and AR and VR technologies.

In the reporting period, Rosneft delivered 798 thousand man-courses in mandatory vocational

and management training, which is 30% above the target.

In 2022, the share of mandatory courses was flat vs the previous reporting period accounting for 70% of all training. Mandatory courses are designed in line with regulatory qualification requirements for employees in the fuel and energy sector. The share of vocational and management training to equip target personnel groups with the required professional and technical skills and develop management skills of the existing leaders and talent pool participants stands at 30%.

### Personnel training and development, thousand man-courses

Metric	2020	2021	2022
Total for year, including by category:	761.9	792.5	<b>798.0</b>
• managers	147	143.7	<b>150.3</b>
• talent pool	1	1.9	<b>2.5</b>
• white-collar workers	218	226.7	<b>231.4</b>
• young professionals	3	4.7	<b>4.3</b>
• blue-collar workers	393	415.4	<b>409.5</b>

Key personnel training and development results in 2022:

- Rosneft continued implementing the comprehensive career guidance and development programme for young exploration and production engineers in such roles as oilfield chemist, drilling supervisor and engineer, and project manager
- arranged training at Lomonosov Moscow State University Business School for employees of the Company's Exploration and Production unit under the professional retraining programme to improve performance and production methods
- held training under the Basics and Tools of Lean Manufacturing retraining programme
- organised retraining in Decarbonisation and Carbon Footprint Reduction, while also providing training under the carbon management programme designed by Rosneft experts
- implemented target training programmes for supervisory service employees and field supervisors in charge of well construction

- arranged five corporate training courses in energy efficiency
- offered HSE training, including the Golden Rules of Safety, dedicated courses for employees of Rosneft's aviation services, and other

- provided training for existing managers and talent pool of Rosneft's Head Office and Group Subsidiaries under MBA and Leader of the Future (Strategic Level, Operational Level, Young Talents) programmes.

**BEST IN PROFESSION**

Rosneft holds an annual Best in Profession Corporate Festival and Competition, which brings together representatives of key blue-collar and engineering occupations at Group Subsidiaries. The contest contributes to incentivising proactive and talented employees, sharing best practices, raising the status of blue-collar jobs as well as increasing the level of staff motivation and involvement.

The reporting year saw the finals of the 17th annual Best in Profession event contested by over 600 winners of the qualifying stages from 100 of the Company's subsidiaries. The competition was held at production facilities in the Samara Region.

The competition programme included theory and practice tests in 29 categories. Apart from the winners, each category named the best contestants in the area of health, occupational and fire safety, honouring them with a special Safe Work prize.

**In-house training system**

Rosneft's internal training system helps preserve and transfer knowledge within the Company. As at the end of the reporting year, the Company relied on in-house training centres, coaches, experts and workplace mentors for 61% of all training provided (490 thousand man-courses).

We leverage our in-house training centres, coaches, experts, and workplace mentors to provide

**61%**  
of the training

**An in-house coach is a Company employee involved in transferring knowledge who, in addition to their main job functions, provides training in their functional area.**

**A mentor is a highly skilled, experienced Company employee who facilitates onboarding of new hires – workers and young professionals – and builds up their skills to professional standards.**

✓ **Personnel training and development**

UNCTAD C.2.1 | GRI 404-1

Metric	2020	2021	2022
Average duration of training per employee per year, man-hours	50	57	60
Total duration of training, thousand man-hours	17,031	18,830	20,195
By category:			
• managers	3,564	3,720	4,036
• white-collar workers	3,570	4,103	4,534
• blue-collar workers	9,896	11,008	11,625
By gender <sup>1</sup> :			
• men	14,133	15,517	16,667
• women	2,897	3,313	3,528

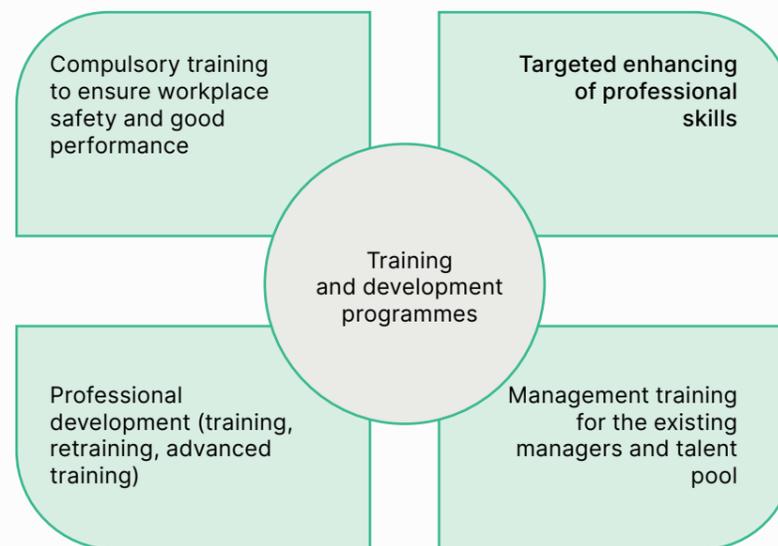
<sup>1</sup> The different number of training hours for men and women is due to the large amount of mandatory training for hazardous jobs that are mostly done by men.

GRI 404-2

In 2022, in-house coaches conducted

**99**  
corporate training sessions

**5,215**  
man-courses



### ROSNEFT HELD AN ANNIVERSARY WORKSHOP ON THE GEOLOGICAL SUPPORT OF WELL DRILLING

Rosneft held its tenth scientific and practical workshop on the geological support of horizontal well drilling. Its programme included two round tables with over 100 speakers, a debate session, and seven dedicated sessions.

The workshop was attended by around 300 participants from more than 60 oil and gas companies and universities.

As part of the workshop, a regular nationwide Geosteering Championship

was held, which was attended by over 100 representatives of the Company's subsidiaries and the Head Office. The winner was a university employee, who delivered the best results in terms of the efficiency of drilling operations in the reservoir.

In the reporting period, Rosneft's Geosteering School continued working actively: training sessions were held for employees of subsidiaries and corporate R&D institutes. They not only studied theoretical disciplines

related to the geological support for drilling horizontal wells, but also had the opportunity to develop practical skills in horizontal well drilling in a simulator modelling geological situations as close to working conditions as possible.

On top of that, new courses were added to the training targets in the reporting period: Quality Control in Deviation Survey Measurement and Seismic and Geological Analysis in Well Drilling.

### Corporate training centres

The Company's training base comprises 58 corporate training centres operating as part of the Company's Group Subsidiaries and training personnel in the following areas: Exploration and Production; Oil Refining, Gas Processing and Petrochemicals; Marketing and Distribution; In-House Services. The centres are equipped with classrooms for theoretical training, cutting-edge simulators, have testing sites and offer practical training.

Blue- and white-collar employees improve professional skills and take mandatory courses there.

Corporate training centres at RN-Yuganskneftegaz, Bashneft-PROFI (a branch of Bashneft), and Samotlorneftegaz were established and started their educational activities in 2022 to train employees working in the Khanty-Mansi Autonomous Area – Yugra and the Republic of Bashkortostan.

In 2022, the Company also worked on creating educational infrastructure facilities, including:

- a corporate training centre in Krasnoyarsk (part of the Vostok Oil strategic investment project);
- a regional training centre of the Komsomolsk Refinery in Komsomolsk-on-Amur.

### TRAINING IN THE KRASNOYARSK TERRITORY

In 2022, Rosneft continued to implement a major programme to support vocational and higher education institutions in the Krasnoyarsk Territory to provide Vostok Oil, the Company's flagship project, with highly skilled personnel, including from amongst local communities.

To meet the Company's needs, training in 30 professional areas has been set up at eight key educational institutions in the Krasnoyarsk Territory. Rosneft helps educational

institutions develop their technical capabilities, furnishes training workshops and laboratories with modern oil and gas simulators and equipment under the programme.

Oil and Gas Production, Smart Power Metering Systems, and Electrical Installation workshops have been opened on the basis of the Krasnoyarsk Mounting College, and Oil Refining and Gas Refining, Industrial Automation and Laboratory Chemical Analysis workshops – in the Achinsk Oil and Gas Technical

College. The new equipment enables students to explore and simulate oil production and refining processes, as well as master the advanced digital tech the industry introduces.

The programme is aligned with the goals of the Education national project. The Company continues to work on setting up a Corporate Training Centre in Krasnoyarsk to train personnel for the oil and gas industry.

### Professional standards

Rosneft consistently adopts professional standards in its operations. Currently, more than a quarter of the 1.5 thousand existing professional standards can be applied in the Company, with 84 standards classified as mandatory qualification requirements applicable to over 63 thousand employees of the Company, who have an educational background meeting the professional qualification requirements. Rosneft is a member of the National Council for Professional Qualifications in the Oil and Gas Industry.

**In 2022, the Company's representatives took part in professional skills competitions as part of the Labour Productivity national standard: Hi-Tech, the 9th Competition of High-Tech Professionals and the 2nd Rationalisation and Labour Productivity Cup. A total of 16 Company's subsidiaries represented by 39 contestants and 13 expert mentors participated in the two events. 23 participants were awarded prizes and badges of honour.**

### Skills assessment framework

The Company's integrated personnel assessment framework applies to all personnel categories, managers, white- and blue-collar employees and includes the following three areas:

- establishment of a succession pool and expert communities
- plans for competency training
- recruitment and change of job position.

Corporate and managerial skills assessment relies on the dedicated model. The model reflects the Company's culture and values, and includes an outline of managers' skills. In 2022, the Company used the model to evaluate over 15.61 thousand employees.

Rosneft has developed materials to assess the professional and technical competencies of personnel in key businesses, such as Offshore Projects, Oil Refining, Oil and Gas Production,

Marketing and Distribution, Logistics and Transportation, Capital Construction, Economics and Finance, and others. In 2022, by using the materials we assessed over 34.18 thousand people for compliance with the professional and technical skills requirements.

To ensure a reliable power supply and safe operation of the Group's power generation facilities, Rosneft is drafting company-wide professional requirements for employees of the Energy function.

### Comprehensive personnel assessment, thousand people

**GRI 404-3**

Skills assessed	2020	2021	2022
Professional and technical	> 16	> 25	> 34
Corporate and managerial	> 11	> 17	> 15

## Talent pool

Development of Rosneft's talent pool is an important tool to find, identify, and promote promising and talented employees.

For succession purposes, the Company makes consistent efforts to create and develop the management talent pool, which include steps to identify potential members of the pool, assess and develop them for their target positions. A separate workstream covers high potentials<sup>1</sup>, who are the pillars of the Company's future success. Modular management

training programmes (MBA and Leader of the Future) as well as a mentoring programme involving senior managers are organised for talent pool members at this stage.

In 2022, the Company approved 1.2 thousand talent pool members for management positions, including 340 high potentials.

Individual development plans are created for all talent pool members, which include trainings and courses, online training, work on key projects, and on-the-job development.

**2,544**  
man-courses

management training for the talent pool

## International educational projects

By cooperating with international universities, Rosneft takes advantage of opportunities to roll out its own innovations and to develop staff competencies, and contributes to academic research.

As part of the 15th Eurasian Economic Forum in Baku in 2022, Rosneft signed a trilateral Cooperation Agreement on Personnel Training with the Moscow State Institute of International Relations (MGIMO) and the Azerbaijan State Oil and Industry University. The Agreement provides for the training of Rosneft employees in joint educational programmes that focus, in particular, on alternative energy and management of major oil and gas projects, administration and management of digital projects, and R&D and innovation management. The parties agreed to promote Russian-Azerbaijani academic cooperation in the energy sector.

With Rosneft's support, students from Cuba and Mongolia continued to study at Gubkin Russian State University

of Oil and Gas and the Moscow State Institute of International Relations (MGIMO).

### COOPERATION WITH A LEADING UNIVERSITY IN CHINA

In 2022, Rosneft and Moscow State Institute of International Relations (MGIMO) entered into a cooperation agreement with one of China's leading universities, Tsinghua University.

The agreement was signed during the Fourth Russian-Chinese Energy Business Forum and enables the Company to send employees for training under joint educational programmes, such as alternative energy, renewable energy sources, digitalisation, artificial intelligence, and new tech in the oil and gas industry. Internships and various trainings are also included.

## Youth policy

Rosneft's youth policy seeks to ensure a steady influx of young professionals from among the top graduates of higher educational institutions, and their fast and effective onboarding at the Company's facilities. Systemic approach to establishing an external young talent pool of students and graduates of local universities enables succession and HR security within the Company in the long term.

Rosneft's school-to-workplace continuous education framework is an effective solution for the goals the youth policy pursues. Rosneft maintains partnership with 191 institutions of general, vocational, and higher education across the regions of the Company's operations.

The Company helps implement the state educational policy, while also contributing towards the goals of the Education and Science and Universities national projects. In 2022, the Company also participated in the Development of Integration Processes in Science, Higher Education and Industry, and People for the Digital Economy federal projects, and the national programme Digital Economy of the Russian Federation.

The Company is actively developing cooperation with 58 institutions of vocational education that provide training for workers, and supports the implementation of the Professionalitet and Young Professionals federal projects designed to upgrade vocational education in Russia.

### Youth policy highlights in 2022

Partner educational institutions in the Company's regions of operation



**58** schools

featuring



**113**

Rosneft classes



**58** colleges

training workers in high-demand professions



**75** partner universities

with



**27** specialised university departments

supported by Rosneft

**3,296** young professionals

employed by the Company at the end of 2022

<sup>1</sup> HiPo (high potentials) – employees with high growth potential.

## Rosneft classes

Rosneft classes are the first stage of forming the Company's external pool of young professionals. We organise Rosneft classes at top-ranking schools, lyceums, and gymnasiums in the regions that are important for us. They provide students with quality secondary education. Grades 10–11 of Rosneft Classes include in-depth study of maths, physics, chemistry, and computer science. The ultimate goal of the programme is to provide vocational guidance and motivate school students to enter universities in the Company's core professions and areas of training, and to be hired by Rosneft afterwards.

In 2022, the Company sponsored 113 Rosneft Classes in partnership with 58 secondary schools in 50 towns and settlements.

In the reporting year, 50 corporate career guidance workshops were held for Rosneft Classes students, where students learned the fundamentals of oil professions and were introduced to the operations of Rosneft companies.

The Company's partner schools continued a programme for fifth- to ninth-graders, which helps children develop an informed approach to choosing the area of study at high school.

Among other things, the Rosneft Classes project seeks to identify and provide support and education to the gifted youth. To this end, students are encouraged to participate in the Olympiad movement. In the school year 2021–2022, more than 40% students

of Rosneft classes became winners and runners-up in a wide range of Olympiads, contests, and R&D conferences, with 321 winning top awards and other prizes at various stages of the National Olympiad of Schoolchildren.

The Company has been successfully cooperating with the Talent and Success educational foundation and the Sirius Educational Centre for a number of years to develop young talents. In the reporting year, the results of Future of Rosneft, the fifth educational programme for young talents, were reviewed at the Sirius Presidential Lyceum in Sochi.

To make career guidance for schoolchildren more effective, Gubkin Russian State University of Oil and Gas offered advanced training for teachers in Introduction to Oil and Gas Engineering in 2022. 51 teachers from 46 of the Company's partner schools in 19 regions of Russia received the training.

In the reporting year, a joint project between Rosneft and Lomonosov Moscow State University on online learning for teachers and students continued. A total of 296 teachers were trained during the project from 2019 to 2022, including 33 chemistry, maths, and physics teachers who developed their expertise as part of the summer school. To create an optimal technical set-up and ensure quality communication in online training, the Company fit out 54 general education institutions with the necessary equipment.

In 2022,

**1,136**  
students

graduated from Rosneft Classes, of whom 207 graduated with honours

In 2022,

**1,063**  
graduates

enrolled at universities, of which 758 chose the Company's core areas of training

In 2022, the Company organised a summer project school at Lomonosov Moscow State University High School for 80 students from Rosneft Classes and 16 teachers, heads of regional schoolchildren delegations. Rosneft Classes students took part in the Robotics and 3D modelling workshops, as well as sports, cultural, and leisure events, and vocational guidance excursions.

### Rosneft Classes highlights

Metric	2020	2021	2022
Number of Rosneft Classes	122	108	113
Number of students	2,776	2,371	2,417
Number of regions	27	21	21

## Cooperation with universities

In 2022, Rosneft engaged with 75 Russian and foreign universities, of which 29 are our partners, on the basis of agreements on cooperation. Cooperation agreements with higher education institutions allow the Company to engage in joint efforts focused on employee training and retraining, and research and innovation, as well as help develop the research and education capabilities of universities so that their graduates are qualified to meet the current business needs.

Under cooperation agreements with universities, Master's programme on Genomics and Human Health continued at Lomonosov Moscow State University. In June 2022, the first students of the Master's programme graduated, and seven of the best graduates were employed at the Genetic Research Centre of Biotech Campus. The third group of students were enrolled in summer. At the end of the reporting year, 20 people were students of the Master's programmes.

In 2022, Rosneft supported the work of 27 specialised departments, where 71 of the Company's experts were involved research and teaching.

In 2022, more than 6 thousand students received on-the-job training at the Company's facilities, and 77 Master's students from Rosneft's four partner universities had long-term internships at the Company's Head Office.

The Company rewards the best students and teachers for their academic and research achievements. In 2022, university students received 696 corporate scholarships, and teachers received 289 grants.

For more information on Rosneft's climate-related forestation project, see the [Climate Action and Carbon Management chapter](#) of this Report

**> 24.5**  
thousand  
students

took part in the Company's career guidance events

### A NEW ROSNEFT CLASS OPENS IN TAIMYR

In autumn 2022, a new Rosneft Class was opened in Dudinka, Taimyr, with the support of RN-Vankor, the region's leading oil producer. This is the second Rosneft Class in Dudinka's secondary school No. 7.

The programme provides career guidance to gifted schoolchildren, prepares them for the country's oil and gas universities and involves in-depth study of maths, physics, chemistry, and computer science. Teachers from the Institute of Petroleum and Natural Gas Engineering of the Siberian Federal University are engaged in the process. Students learn the basics of the professions in the oil and gas industry, participate in corporate trainings, contests and R&D conferences.

### THE FUTURE OF ROSNEFT CORPORATE EDUCATIONAL PROGRAMME

The Company reviewed the results of the Future of Rosneft, 5th corporate educational programme for young talents, in 2022. The final stage of the programme was attended by 118 Rosneft Classes students from 19 regions, who (supported by 10 Rosneft experts) developed projects in ten areas of the oil and gas industry using modern programming languages, 3D modelling, and VR and AR technologies.

The Future of Rosneft has been in place since 2018. This educational programme provides an in-depth knowledge of programming, the fundamentals of engineering, and fosters project-oriented thinking in students. It promotes engineering and technical education and attracts young talents to the oil and gas industry. A total of about 1.5 thousand schoolchildren took part in the programme in 2022.

**In 2022, to successfully implement Rosneft's integrated climate-related forestation project in the Krasnoyarsk Territory, in cooperation with the St Petersburg State Forestry University, Siberian Federal University and other partner universities identified priority Master's programmes to train university graduates to meet the project's objectives.**

In 2022, Rosneft took part in the Eastern Economic Forum, where, among other things, it signed:

- an agreement on cooperation to support education and career guidance for young people with the Primorye Territory. The document provides for cooperation between the Company, the Primorye Territory, and educational institutions as part of the national projects and federal programmes in the region, support and development of Rosneft Classes in the region, advanced training of workers and engineers for high-tech industries, creation of social mobility mechanisms for graduates, and employment and retention of young professionals at Rosneft's companies in the region;
- an agreement on establishing a Rosneft Competence Centre at the Far Eastern Federal University to arouse interest of schoolchildren and students in the areas of training and professions highly sought by the Company, develop competencies of university academics and students in R&D, innovation, and engineering activities, increase the share of talented and motivated young people in the external talent pool of the Company, and meet its needs for additional training in the relevant energy, oil and gas, and chem tech programmes.

In 2022, the Company hired 1,424 young professionals (university graduates).

### STUDENTS OF THE SAMARA POLYTECH CONDUCTED RESEARCH IN A LABORATORY ESTABLISHED WITH THE SUPPORT OF THE SYZRAN REFINERY

In 2022, students at the Samara Polytech conducted research in a laboratory created with the support of the Syzran Refinery to study the isomerisation<sup>1</sup> process involved in producing Euro 6 gasoline.

The Modelling of Production Processes and Petrochemical Synthesis laboratory is part of a unique research facility established under the school-to-workplace corporate programme. The laboratory features equipment that simulates all refining processes in a real refinery. This enables students to engage in R&D: test and develop catalysts and optimise existing production processes.

### STUDENT INTERNSHIPS AT THE RYAZAN REFINERY

In 2022, the Ryazan Refinery hosted 55 students from Russia's universities for internship: Lomonosov Moscow State University, St Petersburg Mining University, and Ryazan State Radio Engineering University.

The Ryazan Refinery offers students all types of practical training opportunities – academic, workplace, and pre-graduation. The practical training programmes provide for acquiring skills both at the training centre and directly at the industrial sites. About 40% of the graduates from 10 partner universities choose to work at the Ryazan Refinery every year.

#### University cooperation highlights

Metric	2020	2021	2022
Number of partner universities <sup>2</sup>	68	76	75
Number of students doing an internship	2,475	4,849	6,014

<sup>1</sup> Isomerisation is the transformation of a chemical compound into an isomer, the rearrangement of atoms in the molecule of a substance without changing its qualitative and quantitative composition.

<sup>2</sup> Partner universities and universities that signed cooperation agreements.

## Support of educational institutions

Rosneft and its subsidiaries help partners in the education sector develop their technical capabilities. Each year, the Company sponsors purchases of computers,

interactive, teaching and laboratory equipment, renovation of classrooms and laboratories at educational institutions.

### ROSNEFT-USPTU RESEARCH AND EDUCATION CENTRE

In December 2022, Rosneft opened a refurbished research and education centre on the premises of the Mining and Petroleum Faculty of the Ufa State Petroleum Technological University (USPTU).

With the Company's support, the centre has established 15 educational clusters consisting of 14 laboratories focusing on exploration and drilling, 12 laboratories focusing on field development and operation, eight digital modelling classes and two technosphere safety laboratories.

The centre is equipped with state-of-the-art research and education facilities, some of which are unique, including those for core sample analysis and the study of hard-to-recover hydrocarbon reserves. This allows students to develop competencies relevant to the Company.

The Rosneft-USPTU Centre now has the capacity to train over 800 undergraduate and postgraduate students annually.

**Supported by Samotlorneftegaz, the Sovetsky Polytechnic College acquired an up-to-date high-tech forest harvester and a digital simulator to equip a workshop for forestry and logging machinery operator to implement the Young Professionals project.**

## Development of young professionals

In 2022, 91 Group Subsidiaries employed 3,296 young professionals. In the reporting year, as part of an effort to develop professional, corporate, and managerial

competencies, the Company arranged for training (4,258 man-courses) and participation of 2,192 young professionals in regional and cluster R&D

conferences. 75 facilities have councils of young professionals that facilitate the onboarding and retention of new hires in the team.

### Young professionals at Rosneft, people

Metric	2020	2021	2022
Number of young professionals hired upon graduation	1,009	1,066	1,424
Number of young professionals in the Company	3,621	3,241	3,296
Number of young professionals participating in R&D conferences	2,716	2,490	2,192

## Strategic young talent pool

Rosneft pays special attention to its strategic young talent pool staging regular assessment business games for young professionals in their third year of employment.

In 2022, the games brought together 456 young professionals from 83 facilities. Based on the results, we selected 158 participants

and recommended that they be included in the strategic young talent pool and receive further training under the Three Steps programme.

### WORK WITH YOUNG TALENTS HAS A NUMBER OF FOCUS AREAS

- Onboarding
- Training and development
- Identification and development of potential leaders
- Progress assessment
- Financial and social support

### INTERREGIONAL R&D CONFERENCE RUN BY ROSNEFT

In December 2022, Rosneft held the 17th Interregional R&D Conference attended by 412 young professionals, winners of the qualifying rounds of the conference, from 68 Group Subsidiaries. A jury of managers and experts from Rosneft's Head Office evaluated 326 projects. The best projects were recommended for roll-out at the Company's production facilities.

Young talents' projects are of great practical importance. At the end of the conference held in 2021, the best projects were implemented at 21 Rosneft facilities, with an economic effect of about RUB 524 mln



# Social policy and employee health

## GRI 3-3

For many years, Rosneft has been one of the most socially responsible employers in Russia. The Company creates comfortable working conditions and develops additional social protection programmes for its personnel laying major emphasis on social programmes designed to ensure the social support of its employees, their families, and retirees.

These programmes are implemented, inter alia, as part of the Company's key strategic initiatives.

### Modern medicine

- Improving the Company's healthcare system
- Running preventive programmes, including preventive medical examinations
- Introducing modern technologies to provide medical care to the Company's employees
- Taking administrative and sanitary measures and restrictions to prevent the spread of infectious diseases (including COVID-19)

### Affordable housing

Providing housing to the Company's employees, inter alia, as part of the corporate mortgage programme to improve their living conditions

### Active longevity

Ensuring regular indexation of corporate pensions to improve the social security of retirees

## KEY COMPONENTS OF THE SOCIAL POLICY

### GRI 401-2

	Healthcare and personal insurance		Comprehensive housing programme
	Corporate pension programme and social support project for veterans		Optimal social and working conditions at the Company's production facilities

## Healthcare and personal insurance

GRI 403-3

Rosneft views life and health of its employees as the greatest value and pays special attention to preserving and improving personnel health, ensuring professional longevity, and developing a culture of healthy lifestyle. To this end, the Company makes consistent efforts in the following areas:

- provision of emergency and routine medical services for employees, including those working at remote and hard-to-reach production facilities of the Company
- implementation of voluntary health and accident insurance programmes
- provision of resort and rehabilitation treatment opportunities for employees
- implementation of programmes aimed at disease prevention and mitigation, and promotion of a healthy lifestyle
- taking sanitary, epidemic, and restrictive measures to prevent the spread of infectious diseases (including COVID-19).

### Emergency and routine medical services at production facilities

Part of the Modern Medicine programme, this initiative includes:

- improving the Company's healthcare system by setting up a network of modern industrial medical stations, regularly strengthening professional competencies of medical staff, and conducting regular medical drills to practise emergency aid skills;
- introducing modern technologies to provide medical care to the Company's employees. In 2022, the corporate telemedicine network switched from test to normal (commercial) operation at 63 remote medical stations of 13 Group Subsidiaries participating in the project. In the reporting period, more than 2.2 thousand online medical consultations were conducted, including by highly skilled specialists, to promptly develop further treatment approaches.

The Company applies a practical approach and develops professional competencies of medical personnel at medical stations with the expert support of the National Intellectual Development Foundation.

In 2022, the following activities were organised and carried out in this realm:

- four online telemedicine training sessions that featured solving specific cases on modern standards of emergency medical aid;
- online training sessions on basic psychological support for people caught up in emergency situations and on the prevention of certain types of infectious diseases at the Company's production facilities;
- annual corporate scientific and practical conference on occupational health, where reports were presented on the specifics of prehospital emergency care in case of cerebrovascular diseases, modern protocols for diagnosis and treatment of anaphylactic reactions, certain aspects of licencing of medical activities at remote medical stations, etc.;
- an in-person training course for in-house coaches who help the Company's employees develop first aid skills.

**In July 2022, Vostsibneftegaz held a large-scale tactical and dedicated drill in the remote Yurubcheno-Tokhomskoye field, practising emergency medical aid using telemedicine technologies and the use of air ambulance for rapid evacuation.**

## Personal insurance programmes

Voluntary health insurance (VHI) policies for the Company's employees allow them to promptly receive the necessary medical care in multidisciplinary and specialised clinics boasting modern medical equipment and highly skilled medical staff.

In the reporting year, personal insurance programmes (voluntary health and accident insurance) covered more than 300 thousand employees of the Company.

In order to provide workers in remote areas and shift workers with affordable medical care, we made preparations with a partner insurance company to include the Telemedicine option in all VHI contracts in 2023. This will enable employees to receive full-fledged 24/7 consultations (initial and repeat ones) in any convenient way (by means of video, audio, in a chat) by qualified doctors of various specialities, including from leading clinics in Moscow.

Maintaining high standards of medical services quality for employees is the cornerstone for bolstering the professional longevity of the Company's personnel.

The Company also runs a voluntary accident insurance programme for employees to protect them from the risks of losing their health and a permanent source of income as a result of an accident.

## Resort treatment and rehabilitation

GRI 403-6

Resort treatment and rehabilitation opportunities aimed at preserving employees' health, extending their careers and preventing diseases remained an integral part of the social security package offered to the Company's employees, their families, and retirees (veterans of labour).

In 2022, more than 75 thousand employees, their family members and retirees went to health resorts and recreation centres in Russia – mainly to those that are part of the Group, regional health resorts and recreation centres, as well as health resorts in the Krasnodar Territory, resorts in Belokurikha, the Republic of Bashkortostan, and other Russian regions. Thus, the coverage of employees and their family members with healthcare programmes in 2022 returned to the pre-pandemic level of 2019.

**The Company continues a programme to improve the health of employees in the Republic of Cuba. Over the entire period of cooperation with our partners from Cuba, more than 13.5 thousand employees and their families took part in the programme from 2013 to 2022.**



## Disease prevention and mitigation programmes

In 2019–2022, the Company ran an enhanced preventive examination programme to identify any serious conditions at early stages and prevent complications from COVID-19.

In 2019–2022, the programme saw over

**186 thousand employees**

from 178 Group Subsidiaries, including 95% of the Company's Head Office.

Timely diagnostics and treatment provided to employees as part of this programme have significantly mitigated the risk of developing serious diseases preserving the life and health of employees, and extended their professional longevity.

Vaccination is an important element of the Company's medical and preventive measures.

To protect and promote the health of employees, the Group Subsidiaries conducted awareness campaigns on the risks of cardiovascular diseases for their timely detection and treatment, as well as campaigns on the prevention of flu, acute respiratory viral infections and novel coronavirus infection, healthy eating, healthy vision, encouraging people to quit smoking, etc. during the year.

**In 2022, regular revaccination against COVID-19 and seasonal flu vaccinations were underway to maintain herd immunity achieved at the Company (over 90% of employees).**

## ROSNEFT'S SUBSIDIARIES WIN THE RUSSIAN ORGANISATION OF HIGH SOCIAL EFFICIENCY, A NATIONWIDE CONTEST

Rosneft's subsidiaries traditionally take top prizes in various nominations of the Russian Organisation of High Social Efficiency, a nationwide contest held by the Ministry of Labour and Social Protection. The contest promotes the identification and promotion of best practices of Russian entities in tackling social issues.

Based on its performance in 2022, the Novokuibyshevsk Refinery took the Grand Prix of the competition. Together with the trade union, the subsidiary makes consistent efforts to protect the health and improve the social protection of its employees. They are based on the collective bargaining agreement providing for about

70 benefits and guarantees. Besides, the Novokuibyshevsk Refinery has commissions to settle social and labour disputes and provide additional assistance to employees, runs more than 15 social programmes and boasts a comprehensive fitness programme involving more than 2 thousand employees.

The Tomsk branch of RN-Service won four categories of the regional stage of the Russian Organisation of High Social Efficiency contest in the Tomsk Region. The subsidiary was awarded the first-degree certificate in the Creating and Developing Jobs at Production Facilities, Encouraging Healthy Lifestyle at Production Facilities, Best Conditions for Employees with Family Responsibilities

at Production Facilities nominations. The representatives of RN-Service received the second-degree certificate for their achievements in developing social partnership.

On top of that, in 2022 the Saratov Refinery won first place at the federal stage of the contest in the Best Conditions for Employees with Family Responsibilities at Production Facilities nomination. The facility's existing collective bargaining agreement includes a set of measures to support distressed families with children, including multi-child families and families with disabled children.

## ROSNEFT SKI TRACK STARTED IN RUSSIAN CITIES

In 2022, Rosneft held its first Rosneft Ski Track competition in four Russian cities: Angarsk, Krasnoyarsk, Nefteyugansk, and Ufa. More than 1,800 employees of the Company's subsidiaries and their family members aged 3 to 82 took part in the event.

The Rosneft Ski Track long- and short-distance competitions were held at a high professional level in six age categories and were part of Rosneft's major programme to promote sports and healthy lifestyles.



## Preventing infectious diseases: anti-epidemic measures to curb the spread of COVID-19

In 2022, amid the wave of COVID-19 in the country in January and February and the new strains of the virus emerging regularly, ongoing monitoring of scientific research, timely updates, swift introduction and tight control over the anti-epidemic measures helped the Company successfully cope with the pandemic challenges, minimise health risks for staff, and ensure continuity of the production process.

For these purposes, the Company implemented administrative and sanitary measures and restrictions on a continuous basis throughout the year at the Head Office and the Group Subsidiaries, including:

- operating emergency task forces to ensure the continuity of the Company's operations;
- daily monitoring employee morbidity rates and the epidemiological situation in the regions and reporting to the management;
- providing employees with PPE and disinfectants;
- testing the Company's employees on COVID-19 systemically;

- vaccinating/revaccinating staff against COVID-19;
- making special arrangements for shift workers (where necessary, in pre-shift observation, isolation facilities for those with symptoms at the field);
- complying with government-imposed restrictions in case of a worse epidemiological situation, including making remote work arrangements for staff;
- performing preventive sanitary treatment of premises;
- constantly monitoring employee compliance with health protocols, etc.

**Implemented as part of the Company's strategy, corporate healthcare and personal insurance programmes help support and build on the Healthcare national project.**

## ADVANCED METHODS OF PRENATAL GENETIC SCREENING

Rosneft is a technology partner for the Federal Scientific and Technical Programme for the Development of Genetic Technologies until 2027.

As part of these activities, the Company ran a project in 2021–2022 on non-invasive prenatal testing that can reliably detect genetic abnormalities in the fetus. Intended for the Company's employees and their family members, the project has welcomed more than 2.5 thousand pregnant women since its launch.

## Improved housing

For 17 years, the Company has been successfully running a comprehensive housing programme, a crucial incentive included in the corporate social policy.

The initiative enables the Company to attract and retain highly qualified employees, and ensure long-term engagement of valuable professionals across its footprint by providing housing through the following arrangements:

- granting non-interest-bearing loans to apartment buyers using mortgage loans issued by partner banks at a reduced interest rate (the Bank of Russia's key rate + 1 p.p.);

- providing corporate housing to relocated professionals. The total number of corporate residential facilities available in the Company's regions of operation exceeds 1 thousand

More than  
**1 thousand employees**

improved their living conditions under the corporate mortgage programme in 2022.

**With its Comprehensive Housing Programme, Rosneft contributes to the development of the Housing and Urban Environment national project.**

## Corporate pension benefits and care for veterans

### GRI 201-3

The corporate pension programme is an integral part of HR and social policy, as it is aimed at improving the social protection of retired employees.

The non-state pension programme covers employees of Rosneft and Group Subsidiaries within the framework of corporate pension agreements with Non-State Pension Fund (NPF) Evolution.

As part of the Rosneft-2030 strategy, over 54 thousand corporate pensions were raised by 2% in 2022 using the investment income of NPF Evolution, including under the Active Longevity programme.

For employees of Rosneft and the Group Subsidiaries who retired before the non-state pension programme was launched, we run a Social Support for Veterans project, whereby 17.1 thousand people receive a pension every month. In 2022, pensions rose by 5% as a result of the annual indexation.

In 2022, a total of  
**60.7 thousand**

former employees received corporate pensions

## Social and living conditions at production sites

In the reporting year, Rosneft continued to implement its comprehensive programme to ensure favourable social and living conditions for the employees of Group Subsidiaries and its contractors stationed in remote regions and operating in adverse climatic conditions. As part of improving the social and living comfort of employees we:

- introduced an automated system to speed up service and ensure transparency of records;

- made quality and dietary requirements more stringent;
- introduced a number of new innovative technologies, including a smart cash register, personal protective equipment dispensers, Digital Village (a universal mobile app), an automatic disinfection system and a timekeeping system;

- introduced an off-site catering service to provide meals to employees at remote workplaces who are unable to visit catering outlets;
- implemented a feedback collection system using QR codes;
- are developing a fast food concept (sale of patties, doughnuts, sandwiches, etc.).

Technology	Effects
<b>Smart cash desk</b>	<ul style="list-style-type: none"> <li>• Up to 3 times faster service time per customer;</li> <li>• effective use of space (two smart cash desks instead of one point of service);</li> <li>• real-time feedback collection</li> </ul>
<b>PPE dispensers</b>	<ul style="list-style-type: none"> <li>• Operate 24/7 all year round;</li> <li>• high-speed processing of enquiries compared to a large warehouse and handing out manually;</li> <li>• 100% data relevance, no human factor;</li> <li>• reduced costs for disposable PPE by up to 15%</li> </ul>
<b>Fast food concept</b>	Positive feedback from employees, interest in expanding the range.
<b>Digital Village, a universal mobile app</b>	<ul style="list-style-type: none"> <li>• One-stop information resource at the field;</li> <li>• a platform for feedback and assessment of services;</li> <li>• real-time management of KSO applications;</li> <li>• accommodation management based on complete statistics 24/7;</li> <li>• a platform for introducing effective innovations</li> </ul>

## Vostok Oil's social and living conditions

Vostok Oil is Rosneft's flagship project, which is unparalleled globally in terms of the scale of construction work and the number of people involved. The project will create a comprehensive infrastructure and fuel the development of northern regions.

Rosneft creates favourable social and living conditions for its employees at the project stage. To provide comfortable living conditions for the personnel at the existing production sites, the Company has built modern residential facilities equipped with all the necessary amenities for living and recreation away from home. The residential facilities apply

the principle of modular technology and are connected to each other by warm passageways, which is convenient in the harsh northern conditions.

In addition, near the Norilsk airport Rosneft installed a modern modular residential facility of a new format for 150 people, where oil workers can settle in case of flight delays due



to adverse weather conditions. We launched a pilot project at the residential facility to introduce a digital ecosystem to improve social and living conditions. There are plans to develop a special mobile app to manage various household services.

Modern canteens, laundries and dry-cleaners, shops and cafeterias are in operation at production sites. Employees have three meals a day, and the menu includes a variety of 4 thousand dishes. There are gyms and exercise rooms equipped with modern sports equipment, facilities for table tennis, chess and billiards for shift workers at the field.

### A NEW RESIDENTIAL FACILITY FOR SHIFT WORKERS AT THE PROTOZANOVSKOYE FIELD

In 2022, RN-Uvatneftegaz opened a new residential facility for shift workers at the Protozanovskoye field in the Uvatsky District of the Tyumen Region.

The residential facility consists of two buildings with a total area of more than 2 thousand square metres. The buildings can accommodate up to 110 people at a time. In addition to accommodation, the facility features offices, a conference room, a medical room and a laundry; a gym, a library and a billiard room are provided for the convenience of its residents. The new canteen with modern equipment will offer shift workers a balanced menu, tailored to the climatic conditions of the North, and Internet access throughout the facility will enable the workers to keep in touch with their families.

Thanks to the renovation of the residential facility, the Group Subsidiaries improved the quality of life of their employees, which will have a positive impact on their physical and mental health, as well as on productivity.

RN-Uvatneftegaz has repeatedly won the Russian Organisation of High Social Efficiency competition for creating jobs and improving working conditions.

## Collective bargaining agreement and labour rights

### GRI 3-3

Rosneft and Group Subsidiaries are fully committed and dedicated to human rights as established by the Constitution of the Russian Federation, Social Charter of the Russian Business, and generally accepted international rules and standards specified in the Universal Declaration of Human Rights and other UN documents.

Rosneft supports freedom of association, recognises the infeasible right of employees to make collective bargaining agreements and the right of every employee to collective representation of their interests, including through trade unions, and eliminates any possibility of creating a hostile, demeaning or offensive environment. The Company does not tolerate any forms of harassment or discrimination. The Rosneft Interregional Trade Union Organisation

(Rosneft ITUO) is a partner that plays a significant role in the Company's HR and social policies.

As at the end of 2022, there were 147 primary trade union organisations in Rosneft ITUO representing Group Subsidiaries, with over 139 thousand employees

### GRI 3-3

FOR MORE DETAILS ON ROSNEFT ITUO, VISIT THE OFFICIAL WEBSITE OF THE ROSNEFT INTERREGIONAL TRADE UNION ORGANISATION



being their members (42% of the total headcount) as at the end of the reporting period.

For more details on the Company's approaches to human rights protection, see the **Anti-corruption and Business Ethics** section of this Report

### GRI 2-30 UNCTAD C.4.1

Collective bargaining agreements cover

**68.5%**

of the Company's headcount

In 2022, Rosneft proceeded with its social partnership programme by conducting regular consultations on HR policy issues raised by employees with the chairs of both primary and general trade union

organisations of Group Subsidiaries. The management of the Company's HR and Social Affairs business function continued to engage in a constructive dialogue with the management of Rosneft ITUO.

Following joint efforts in 2022, the Standard Collective Bargaining Agreement with Rosneft ITUO was amended (12 amendments made) to include provisions that improve social security of employees and their families.

## Russian Association of Oil and Gas Employers

As at the end of 2022, 220 Group Subsidiaries liaised with the Russian Association of Oil and Gas Employers. Their close dialogue has paved the way for the Association to protect the interests of our Group Subsidiaries in their relationships with the oil and gas industry's Commission on Social and Labour Relations

and government agencies. Thanks to the solid benefits, guarantees, and reimbursements enjoyed by their employees, Rosneft's Group Subsidiaries officially joined the ranks of socially-oriented employers in Russia's oil and gas industry, which strengthened Rosneft's overall standing as a socially responsible employer.

FOR MORE DETAILS ON THE RUSSIAN ASSOCIATION OF OIL AND GAS EMPLOYERS, VISIT THE ASSOCIATION'S OFFICIAL WEBSITE



## Industry agreement between oil and gas companies

In 2022, more than 150 Group Subsidiaries were parties to the Industry Agreement on the Companies of the Oil and Gas Industry and the Construction of the Oil and Gas Industry Facilities, with all obligations assumed by subsidiaries discharged in full.





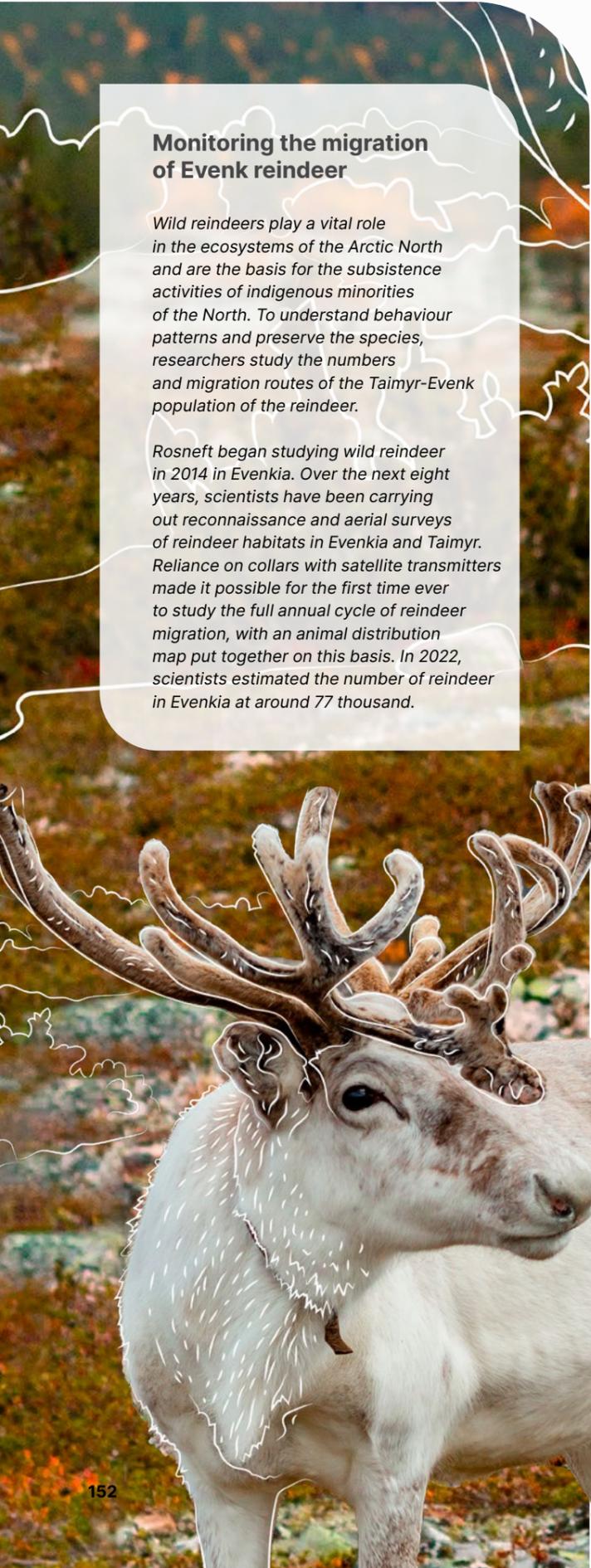
**77,000**

is reindeer population in Evenkia.

Fun fact: during migration, reindeer can cover distances of more than 700 km.

Rosneft studies reindeer migration routes in Taimyr and Evenkia.

**Research  
and innovation  
development  
and contribution  
to Russia's  
technological  
sovereignty.**



### Monitoring the migration of Evenk reindeer

Wild reindeers play a vital role in the ecosystems of the Arctic North and are the basis for the subsistence activities of indigenous minorities of the North. To understand behaviour patterns and preserve the species, researchers study the numbers and migration routes of the Taimyr-Evenk population of the reindeer.

Rosneft began studying wild reindeer in 2014 in Evenkia. Over the next eight years, scientists have been carrying out reconnaissance and aerial surveys of reindeer habitats in Evenkia and Taimyr. Reliance on collars with satellite transmitters made it possible for the first time ever to study the full annual cycle of reindeer migration, with an animal distribution map put together on this basis. In 2022, scientists estimated the number of reindeer in Evenkia at around 77 thousand.

# Innovation management



GRI 3-3

R&D and innovation development is a key to achieving strategic priorities related to production increases, efficiency improvements in business processes and reduction of environmental impact.

Rosneft has in place its Innovation Development Programme (the Programme). The Programme aims to achieve the Company's priority goals and to address efficiency, sustainable growth, transparency, social responsibility, and innovations issues.

The Company uses the Programme to build a portfolio of innovative projects, with every new technology developed under a separately

financed target innovative project (TIP). TIP is the main tool used by the Company to deliver on its innovation strategy.

In 2022, Rosneft took consistent steps to implement its R&D results, while also working to obtain state registration of intellectual property rights. In 2022, the Company submitted 63 intellectual property applications and obtained 68 patents.

### OBJECTIVES OF THE INNOVATION DEVELOPMENT PROGRAMME



Development and deployment of new technologies



Development, production, and launch of new world-class innovative products



Enhancement of the Company's shareholder value and competitive edge in the global market



Support to the Company's modernisation and technological advancement through high-impact improvements in key performance indicators for business processes

**68**  
patents  
obtained in 2022

**63**  
applications  
for patents  
and software  
certificates  
submitted

**955**  
patents  
on the Company's  
record in 2022

## Successful technology application

Every year, Rosneft develops innovative projects in various fields and implements them at the Group Subsidiaries. The Company deploys new technologies in geological exploration and field development, oil and gas production, oil refining, petrochemicals, gas projects, environmental protection and industrial safety.

In 2022, 108 technologies were put to test by 18 Group Subsidiaries. A total of 359 tests were conducted as part

of the pilot projects in 2022, resulting in 65.8 thousand tonnes of incremental oil production. The Company reviewed the results, assessed the economic viability of implementing proposed solutions, and prepared plans for their roll-out and implementation.

In 2022, the Company introduced and rolled out 39 new technologies, which proved their viability

following prior pilot tests. Rosneft spent RUB 2.1 bln to deploy and roll out 1.3 thousand solutions. As part of its efforts to implement TIP, the Company signed over 90 licence and sublicense agreements for the transfer of its software solutions, including those used to provide training to students at the industry-related departments of the leading Russian universities.

## Efficiency improvement proposals

There are efficiency improvement efforts within the Company aiming to streamline technological, organisational or management processes through innovation.

Efficiency improvement comprises a set of measures to identify and implement innovative solutions at Rosneft. The facilities' employees send

their efficiency improvement proposals on streamlining technological processes and rational use of resources to an ideas bank.

### A PATENT FOR THE DEVELOPMENT OF INNOVATIVE SOLUTIONS FOR THE INTERPRETATION OF SEISMIC DATA

Rosneft obtained a patent<sup>1</sup> for the development of innovative solutions for the interpretation of seismic data. The project was put together by the corporate research institute in collaboration with the Siberian Branch of the RAS.

The solution provides a more efficient method for processing the results of onshore and offshore seismic surveys and helps get extra details from the regular seismic survey findings. A detailed reconstruction of geological feature structure enables the Company

to better identify promising areas for exploration and production drilling at fields with a complex geological structure.

The Company has successfully deployed this solution at its fields in Eastern Siberia.

## Improving operating and production efficiency

The Company works systematically to reduce operating costs by introducing advanced technologies.

In 2022, Orenburgneft proposed 28 projects with an economic effect of over RUB 4 bln. One of the best cost-cutting initiatives was APG desulphurisation by diffusing hydrogen sulphide neutraliser.

The economic effect of the programme to boost operating efficiency at the Komsomolsk Refinery amounted to RUB 2.6 bln in 2022. The greatest economic effect was reached following the modernisation of distillation units and reduction of energy consumption.

At the Syzran Refinery, the economic effect of the programme to increase operating efficiency was RUB 1 bln

in the reporting period. The refinery optimised its process unit operations and product range and significantly reduced carbon footprint of oil refining, as well as fuel and energy consumption.

The Ryazan Refinery achieved an economic effect of RUB 2.9 bln from its operating efficiency improvement programme in 2022. It implemented 38 initiatives and proposals from employees aimed at reducing fuel, heat and electricity consumption and technological process optimisation. One of the major projects comprises a set of initiatives to lift restrictions on hydrotreating unit operation by increasing the use of secondary gasoil. This project boosted operating efficiency at the refinery and helped expand the production of commercial diesel fuels.

**In June 2022, Rosneft and the Federal Service for Intellectual Property (Rospatent) entered into an agreement to cooperate on the legal protection of intellectual property by offering relevant expertise, sharing experiences, and registering intellectual property rights.**

<sup>1</sup> Patent No. 2758416 (Method for Reconstruction of Fine Structure of Geological Features and Their Differentiation into Fractured and Cavernous).

# Digital transformation. Information security



## Unified Digital Platform

Technological advances are crucial for the Company's sustainable operational performance and technological sovereignty.

### GRI 3-3

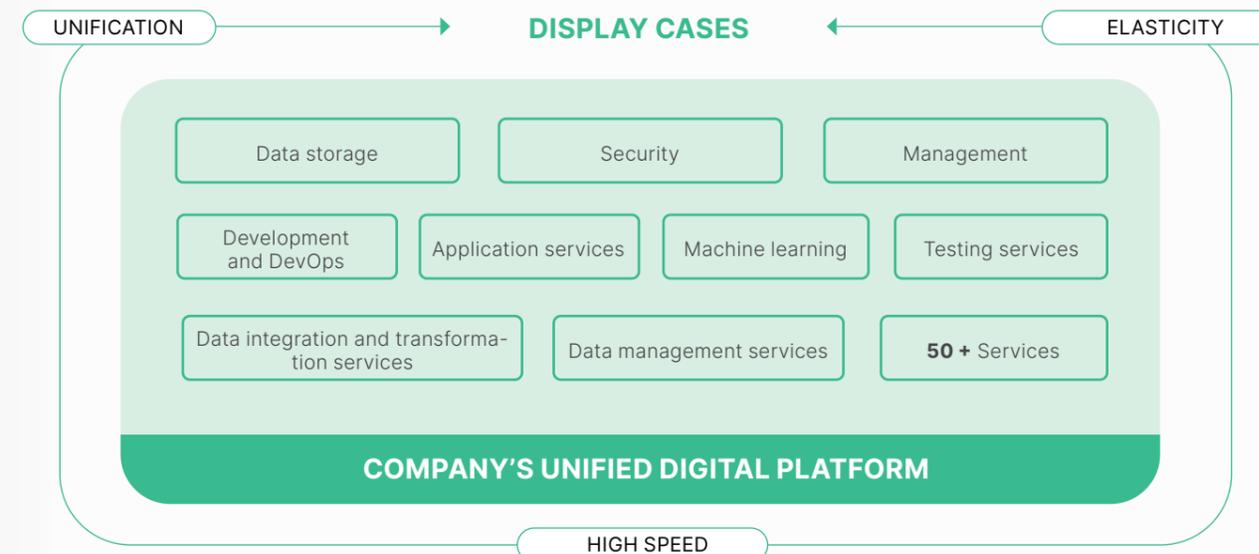
In 2022, as part of the approved Rosneft-2030: Reliable Energy and Global Energy Transition Strategy, the Company's Unified Digital Platform (UDP) became the key focus of information technology development.

Proprietary technologies pave the way to ensuring the Company's technological sovereignty and strengthening

competitive advantages in line with market trends. Today's environment demands a new approach to IT projects with due consideration of external and internal factors. The creation of a unified digital platform is in tune with the current trends of moving from monolithic frameworks towards more flexible microservice systems.

**The Company's Unified Digital Platform (UDP) consists of a set of popular digital services underpinned by modern infrastructure and cloud-based tools.**

### CONCEPTUAL FRAMEWORK OF THE UNIFIED DIGITAL PLATFORM (UDP)



The UDP develops in line with the needs of all businesses and functions of the Company. The platform will build an effective system of interconnections between all of Rosneft's digital platforms and services.

The Unified Digital Platform balances the load of computing infrastructure between projects, helps introduce uniform approaches to component development and unification, and avoids duplication of costs associated with the technology component. The effects

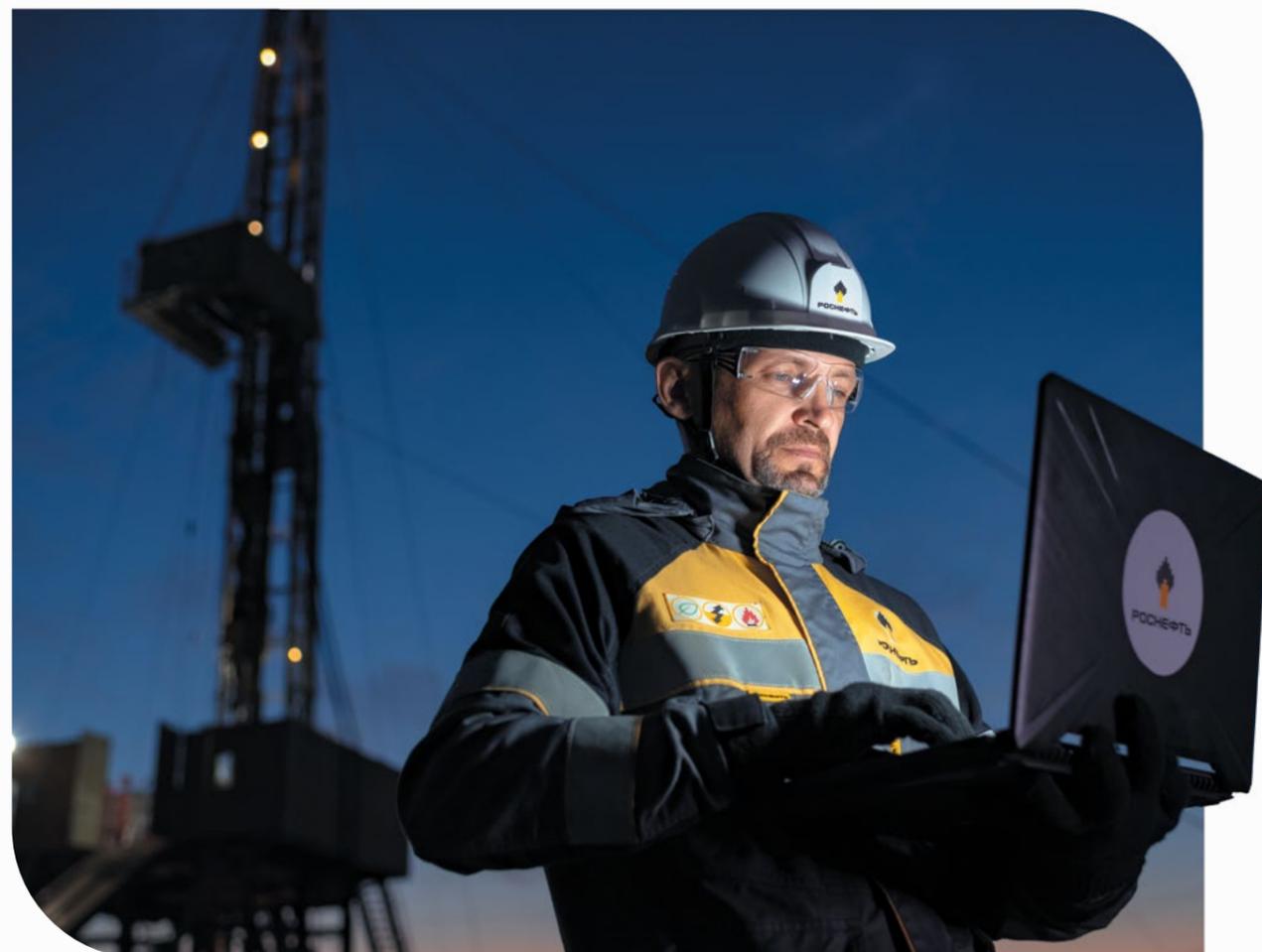
are achieved by using single data management infrastructure, unifying IT technologies based on the IT integrator's proprietary developments and open source software.

The platform has the following main functions:

- rapid process automation in a single information system;
- analytics based on a common data source for all management levels;
- ensuring a high level of control over the Company's material and cash flows.

Services are ready-to-use components that perform a useful technical or business function with a minimum array of settings available to platform users, such as Databases, Data Visualisation, and more.

UDP display cases are a set of linked objects and tables in a database that are combined into a data model to solve a business problem. This model enables users to amend, update, and collect necessary information using modern tools developed in Russia.



## Contribution of digital transformation to sustainable development goals

Rosneft develops and implements digital solutions designed to make a meaningful contribution to the UN Sustainable Development Goals. The Unified Digital Platform will be instrumental in achieving the Company's sustainability goals.

### Key projects of 2022 contributing to the UN Sustainable Development Goals



#### Economic impact

- We are introducing digital twins – production process engineering models in oil refining.
- The Company continues to roll out optimised process control systems to improve plant efficiency by maintaining optimum process conditions, reducing energy consumption and increasing the output of the most valuable products, with 13 systems commissioned at five refineries.
- The Company is introducing an information system for monitoring production indicators in Oil Refining and Petrochemicals (Oil Refining Information System) to ensure the automation of processes for monitoring and reporting production indicators, as well as increasing the transparency and reliability of data in management reporting



#### Social impact

- RN-Yuganskneftegaz began introducing artificial intelligence (AI) solutions into the company's telemedicine network. The AI compiles the necessary primary medical data into a checklist, which enables professionals to get a detailed picture of the employee's health status, identify pathologies early on and develop algorithms for disease prevention and treatment. In addition, this technology makes it possible to monitor the well-being of employees with chronic diseases remotely.
- Orenburgneft piloted an innovative Russian-made video surveillance system based on the machine learning and artificial intelligence technology to monitor and control the use of personal protective equipment by employees



#### Environmental impact and carbon management

- In 2022, 24 upstream facilities replicated best practices and approaches in identifying and eliminating fugitive methane emissions by using a set of advanced technologies. The programme combines comprehensive surface inspections of the infrastructure using portable equipment sensitive to microleaks and aerial inspections using drones to identify unusual concentrations of methane over linear and infrastructure facilities.
- In 2022, Rosneft's Scientific and Technical Council approved the layout of a standard programme for producing assets and a method to quantify fugitive methane emissions harmonised with international standards. These developments will ensure transparency of corporate processes to reduce methane emissions

## Information security

Information security is a key factor underlying the Company's sustainable operation amid digitalisation and improvement of business management, control and industrial automation systems.

The Information Security Policy is the core document in this realm.

In order to manage the information security function, we have built a diverse portfolio of IT security projects. The implementation of proactive response tools and safeguards against cyberattacks on the Company's information systems helped put in place reliable IT security infrastructure that fully meets the needs of Rosneft.

The Company regularly monitors compliance of the Group Subsidiaries with the Russian laws on the security of critical information infrastructure. The Company implements a wide range of measures to improve responsiveness and minimise the consequences of computer attacks on the critical

**The Company defines its information security as a state of affairs where its information infrastructure is sufficiently protected to ensure the consistent development and growth of computing capacities, autonomous operation of the Company and its participation in import substitution programmes.**

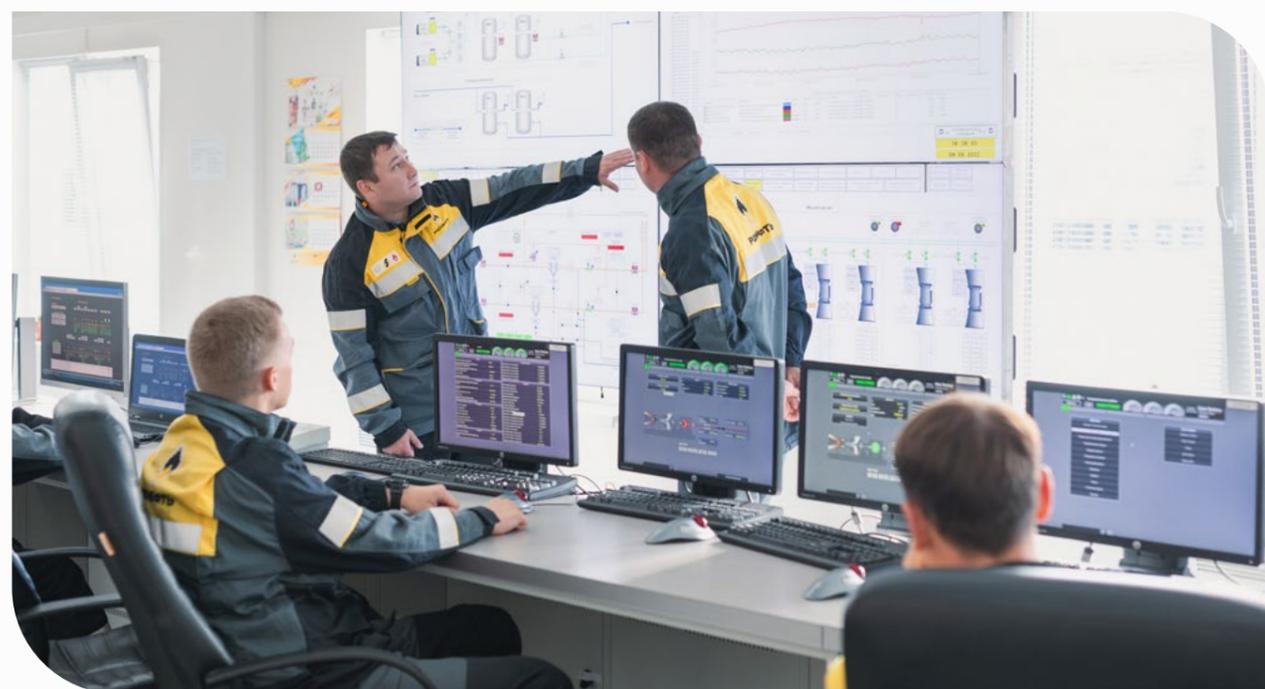
information infrastructure. Computer incident response exercises are carried out in accordance with the schedule.

The Company pays particular attention to building the necessary information security skills among employees

of the Company and its subsidiaries. In addition to having access to special training courses, users of Rosneft's IT capabilities receive regular updates on relevant computer threats and are trained in prompt computer incident response.



**FOR THE COMPANY'S INFORMATION SECURITY POLICY, SEE OUR WEBSITE**



## Energy saving and energy efficiency. Green energy

GRI 3-3

Improving energy efficiency and rational use of fuel and energy resources are Rosneft's key tools for reducing energy costs and GHG emissions.

### ✓ Energy consumption

GRI 302-1

In 2022, the Company consumed a total of 560.5 million GJ of energy. The most

energy-consuming activity (126 million GJ) is oil and gas production. The major

consumers of heat and fuel (295 million GJ) are oil refining and petrochemicals processes.

#### Energy consumption, mln GJ

Period	2020	2021 <sup>1</sup>	2022
Total consumption of non-renewable energy sources (process fuel)	271.1	283.1	<b>283.1</b>
Electricity consumption	168.5	163.2	<b>157.9</b>
Heat consumption	123.3	123.0	<b>119.5</b>
<b>Total energy consumption</b>	<b>562.9</b>	<b>569.3</b>	<b>560.5</b>



<sup>1</sup> Energy consumption data for 2021 has been updated.

# Energy management

Rosneft's energy management system is based on the approach set forth in the Company's Energy Efficiency and Energy Saving Policy. All Group Subsidiaries operate in line with ISO 50001 (Energy Management Systems). In 2013, the Company established its Commission on Energy Efficiency, which implements advanced solutions and approaches to energy efficiency management.

In 2022, the Commission on Energy Efficiency monitored progress against Rosneft's Energy Efficiency and Energy Management System Roadmap for 2021–2023, in particular:

- approved for use the Company's updated reference book Best Available Technologies, Technical Solutions and Equipment for Energy Efficiency and Energy Saving in Oil and Gas Production (update

of a similar reference book in hydrocarbon processing is scheduled for 2023);

- updated the energy efficiency criteria for the technological and organisational processes of energy management system development and ensured their use as part of the annual audits of the Group Subsidiaries;
- approved a methodology for a consistent assessment of the potential to reduce energy consumption by fuel and energy types for refineries.



FOR THE COMPANY'S ENERGY EFFICIENCY AND ENERGY SAVING POLICY, SEE OUR WEBSITE

**41 subsidiaries**

accounting for 95% of the Company's 2022 energy consumption were certified for compliance with ISO 50001 (Energy Management Systems)

# Raising employee awareness about energy management

The Company conducts annual corporate training for employees in energy efficiency and energy saving. The training programmes are delivered through Rosneft-Termneft, which possesses

the expertise, competencies and practical skills in improving energy efficiency.

In 2022, employees of Group Subsidiaries were given an opportunity

to pursue corporate training programmes on energy efficiency improvements at Rosneft-Termneft's training centre. A total of 307 employees completed the course in 2022.



# Energy saving and energy efficiency

GRI 302-4

The cornerstone of the Energy Management System is Rosneft's Energy Saving Programme prepared for every five-year period and updated annually. According to the Energy Saving Programme for 2022–2026, the five-year fuel and energy savings should total 2.4 million tonnes of reference fuel.

- ✓ The actual fuel and energy savings under Rosneft's Energy Saving Programme in 2022 came in at 326 thousand tonnes of reference fuel.

There are also regular quarterly meetings that review the outcomes of the Energy Saving Programme by workstream, analyse year-end targets and give risk mitigation instructions so that these targets could be achieved.

In 2022, the Company carried out checks of energy efficiency and progress against energy management system implementation and development in 16 Group Subsidiaries involved in oil and gas production and oil refining, with roadmaps drafted to address the identified gaps in 2023–2024. Another assessment is scheduled for 2023.

The Company had its own energy efficiency and energy saving divisions perform an internal energy efficiency audit of 863 production facilities

and units of equipment at 43 Group Subsidiaries to identify their energy saving potential and exploit it under the Energy Saving Programme.

**The introduction of energy saving technologies, equipment and optimisation of energy costs are the key areas of the Energy Saving Programme. The amount of fuel and energy resources saved by the Company as part of the programme totalled 326 thousand tonnes of reference fuel by the end of 2022.**

**8 technical audits**

of the quality of power facility management conducted

**401**

remedial actions completed

**14%**

reduction in the number of power failures in own networks vs 2021

## RYAZAN REFINERY DEVELOPED A VOLTAGE STABILISATION SYSTEM

In 2022, as part of measures to improve power supply reliability, the Ryazan Refinery began piloting of a voltage stabilisation system.

The stabilisation system supplies voltage to the process facility's grid in the event of a decrease

in voltage from external energy sources, restoring grid capacity in a fraction of a second. This helps avoid the restarting of equipment in the event of a voltage drop, increases the stability of the power supply for all processes at the refinery and ensures its normal operation.

A stable energy supply improves energy efficiency, equipment productivity and safety of the refinery.

### EFFECT FROM THE ENERGY SAVING PROGRAMME AT RN-YUGANSKNEFTEGAZ

In 2022, RN-Yuganskneftegaz, an oil producer, saved more than 426 million kWh of electricity thanks to the Energy Saving Programme. In monetary terms, savings amounted to RUB 1.8 bln, an increase of 5.8% over 2021. Savings were achieved by switching to energy efficient electric motors, upgrading centrifugal seasonal pumps for reservoir

pressure maintenance, and replacing the lighting system with LED sources. As at the end of 2022, RN-Yuganskneftegaz implemented more than 30 thousand energy saving measures. The greatest effect was obtained by upgrading the submersible and pumping equipment and optimising the operation of production facilities.

In 2022, the Company also confirmed compliance of its energy management system with ISO 50001:2018. The audit confirmed the transparency and objectivity of the energy efficiency assessment, as well as environmental impact reduction.

### Green energy

Combating climate change, developing green energy and saving

energy by improving energy efficiency are priorities for energy-intensive

production. Rosneft aims at developing green energy.

### PROVIDING GREEN ENERGY FOR A FIELD STATION OBSERVING GHG FLUXES

In 2022, Samotlorneftegaz under an agreement between Rosneft and the Government of the Khanty-Mansi Autonomous Area – Yugra provided funding for Yugra University to procure and install new generation solar panels and wind generators at the Mukhrino Field Station, as well as a 40-metre mast for observations of GHG fluxes,

thus upgrading the station's power supply system, making it more autonomous and using the most eco-friendly energy sources.

The Mukhrino Field Station was established in 2009 on the basis of the Scientific and Educational Centre "Environmental Dynamics and Global Climate Change" (UNESCO Chair) at Yugra

University. The unique network of measuring equipment for recording GHG fluxes and monitoring carbon balance has been deployed at the Mukhrino research site to enable long-term, year-round observations and participate in major national and international projects.

# Development of R&D capabilities

## Enhancement of the corporate Technology Cluster

GRI 3-3

To secure technological self-sufficiency, Rosneft is working to improve technologies, implement innovations and employ effective design solutions helping the Company to reduce construction and operational costs of hydrocarbon production and processing sites, while also keeping our processes safe and eco-friendly.

Rosneft has a total of 30 corporate research and design institutes, with 40 competence centres in key technology areas, including high-tech software, mobile oil treatment units, and biotechnology.

Rosneft's Technology Cluster supports the Company's sustainable development by creating proprietary solutions

and improving existing technologies to substitute foreign ones across the Company's operations.

The corporate Technology Cluster is the Company's single centre for development in science, technology and commercialisation. It serves to strengthen our technological sovereignty by creating in-house solutions. The cluster was set up in cooperation with the National Intellectual Development Foundation at the Vorobyevy Gory Innovation Science and Technology Centre of Lomonosov Moscow State University.

**In 2022, Rosneft's Scientific and Technical Council approved 20 design solutions to improve the reliability and efficiency of facilities. At the end of 2022, the general register of design solutions contained more than 210 entries.**

## Standard design and standardisation

### Standard design solutions

To improve the efficiency of design solutions and the quality of design, Rosneft operates a system of standard design solutions. The Company developed more than 300 standard solutions with an economic effect totalling more than RUB 50 bln.

The extent to which standardised solutions cover key areas of the Company's operations has enabled Rosneft to build a solid foundation for effective cooperation with the energy sector and take a leading position in industry standardisation.

**In 2022, Rosneft continued its extensive work to update and develop technical standards as part of the system of standard design solutions, with a special emphasis on the preparation for digital transformation of standards into a format focused on the key data and information they contain.**

### Standardisation system

The development of standardisation and technical regulation processes strengthens Rosneft's industry leadership. Every year the Company approves and implements over 100 effective Group-wide design solutions.

In the reporting year, Rosneft made a set of proposals to update more than 15 building regulations relevant for the oil and gas industry and submitted them to the Russian Ministry of Construction. The Company worked to update five regulations with resulting savings of up to RUB 40 bln in CAPEX.

We developed methods to analyse the sedimentation stability of diesel fuel to keep

it homogeneous and assess how filterability and viscosity are preserved in diesel fuels at negative temperatures in order to improve product quality.

The Company makes a significant contribution to the development of the national standardisation and certification system. Together with Innopraktika, the Institute of Oil and Gas Technology Initiatives, and the Innovation Engineering Centre, Rosneft started scaling up more than 300 corporate design standards to the industry level.

Our experts are active members of twelve technical committees for standardisation. Every year, they review more than 200 draft industry-wide regulations.

**In 2022, the Company reviewed over 200 draft standardisation documents to update and develop technical standards and make its design solutions more efficient.**

## Key projects in 2022

Rosneft is the first oil company in Russia to successfully create and expand a line of proprietary software to deliver on production objectives in geology, engineering, field development and operation.

To date, Rosneft's high-tech software product line for hydrocarbon exploration and production includes 23 software products of which 14 have already been put into operation, while another nine are in the phase of development and pilot testing.

Rosneft's proprietary software excels its foreign peers thanks to much better performance at a lower cost. Our

proprietary software has a number of major competitive advantages, such as ensuring technological sovereignty and the use of modern IT technologies, including high-performance computing and AI.

Rosneft actively commercialises its proprietary IT solutions. In 2022, we marketed RN-KIM for hydrodynamic modelling and RN-KIN for managing the development of oil and gas fields.



**FOR MORE DETAILS ON ROSNEFT'S FIELD DEVELOPMENT SOFTWARE, SEE RN.DIGITAL WEBSITE**

### ROSNEFT'S IT MARATHON

In 2022, Rosneft held a series of competitions for students and experienced IT professionals. The IT marathon brought together more than 2.3 thousand specialists from 130 cities and 12 countries, an absolute record in its four-year history. Such competitions provide an opportunity to find unique talent with original ideas for addressing current production issues and implementing promising technologies.

As part of a hackathon among Russian universities, participants carried out correlation and cluster data analysis and developed programmes applicable to a variety of geophysical well survey methods. Robotics programmers dealt with robotising core (rock sample) surveys. At the large-scale Rosneft Challenge, participants solved problems related to optimal oil field development, predicting failures of electric submersible pumps and streamlining well operation. The Company integrates proposed solutions into its software used for hydrocarbon exploration and production.

### ROSNEFT EXPANDED ITS COMMERCIAL RANGE OF RESEARCH-INTENSIVE SOFTWARE

In 2022, Rosneft brought nine research-intensive software developments to the external market, including RN-SIGMA, RN-GEOSIM, RN-VECTOR, RN-VISOR, RN-HORIZON+, RN-ROSPUMP, and RN-SIMTEP. For Exploration and Production, the Company developed RN-KIM, a simulator for hydrodynamic modelling, and RN-KIN, a digital system for field development analysis.

The Company's software products guarantee process safety through the use of AI and are far superior to their foreign counterparts at a lower cost. For example, the RN-KIN software package is one of the few IT products with a full cycle of digital modelling that, unlike its foreign counterparts, estimates hydrocarbon reserves according to both international and Russian standards, while unique features of RN-KIM include a highly accurate model for calculating the productivity of wells with hydraulic fractures.

# Localisation and contribution to Russia's technological sovereignty

GRI 3-3

Today, Rosneft is one of the leaders in introducing innovation in the country's upstream sector. Since 2015, the Company has been implementing the Equipment and Technology Localisation and Import Substitution Programme to ensure

the sustainability of its operations and meet the Russian Government's localisation and import substitution targets. The programme is aligned with strategic goals and objectives set forth in the Company's Long-Term Development Programme.

For several years now, the Company has maintained its leadership thanks to its research and design cluster, Europe's largest oil and gas research centre uniting 30 research and design institutes.

## ROSNEFT DEVELOPS A CORPORATE CATALOGUE OF 3D PRODUCTS FOR DESIGN AND CONSTRUCTION OF INDUSTRIAL FACILITIES

The Company's unified catalogue contains 150 thousand 3D products continuously updated to reflect changes in regulatory and technical

documents. Currently, ten of Rosneft's R&D and design institutes use the unified catalogue in designing.

Going forward, the catalogue will be expanded to meet the requirements of new hydrocarbon production and processing projects.

## Development of proprietary science-based designated software

Rosneft is actively migrating to proprietary software. The Company's proprietary exploration and production software covers 90% of the Company's production needs and fully covers hydraulic fracturing design and geosteering activities.

The Company's portfolio comprises 23 software products, ten of which are available for purchase by third parties.

Key research results in 2022:

- the Company developed and patented a specialised robotic workover unit. Once implemented, it will reduce repair times by 20%, eliminate the influence of human error, and reduce overall labour costs.
- Rosneft's science and design experts developed robotic systems for diagnosis of oil refining equipment.

- Rosneft created RN-Neural Networks, a self-learning system, which independently suggests the best options for new well placement, hydraulic fracturing and pre-development parameters based on the geological structure, physical and chemical properties and current state of the selected field, thus reducing the volume of calculations at a particular field by several times.

## ROSNEFT AND INNOPRAKTIKA CONTRACTED TO DEVELOP SOFTWARE FOR GEOLOGICAL 4D MODELLING

In September 2022, during the 7th Eastern Economic Forum, Rosneft and Innopraktika entered into an agreement to develop software for geological 4D modelling as part of the RN-GEOSIM software suite. The project aims to automate geological modelling and improve its quality and reliability.

RN-GEOSIM is a simulation platform for geological modelling using advanced artificial intelligence information technologies. Its key feature is a field's geological model that can be created automatically as new data become available, which greatly speeds up the model building process.

The agreement will accelerate decision-making in oil and gas prospecting, while also improving the exploration efficiency.

23

software products in the Company's portfolio



FOR MORE DETAILS ON THE RN-GEOSIM PLATFORM, SEE THE WEBSITE

## Advancing production of Russian catalysts

A reliable supply of quality catalysts is of strategic importance for the technological self-sufficiency of the Company as a whole. To ensure an uninterrupted supply of catalysts, Rosneft pays special attention to developing its own manufacturing capacities.

By early 2022, the annual consumption of catalysts by the Russian refining sector was as much as 20 thousand tonnes, with import dependency for some types reaching 70–80%. The most popular catalysts are those for catalytic cracking, hydrotreating, hydrocracking, and reforming.

For several years, Rosneft has been gradually replacing imported catalysts used in gasoline reformers with its own. The main producer is the Angarsk Plant of Catalysts and Organic Synthesis. The plant with a capacity of up to 500 tonnes per year produces more than 50 grades of catalysts for various refining and petrochemical processes. Its product range includes gasoline

reforming and isomerisation catalysts, as well as catalysts and adsorbents for various petrochemical processes.

In 2024, the Angarsk Plant plans to commission a new 600-tonne-per-year unit for the production of reforming and isomerisation catalysts. The unit will improve the quality of catalysts, reduce platinum losses, increase production reliability and safety, and ultimately meet the needs of all Russian refineries for this type of advanced catalysts.

To date, RN-Kat in Sterlitamak and Novokuibyshevsk Catalyst Plant are producing catalysts for oil refining and petrochemical processes, too.

By the end of 2022, hydrogen production, catalytic reforming, diesel hydrotreatment and vacuum gasoil hydrotreatment units at the Syzran Refinery switched to making the Company's own catalysts. In the future, we plan to increase the number of Group Subsidiaries using Rosneft's catalysts.

## DEVELOPMENT OF PROPRIETARY HYDROCRACKING CATALYST TECHNOLOGY TO INCREASE THE PRODUCTION OF EURO 5 FUELS

In 2022, Rosneft launched Russia's first commercial production of a hydrocracking catalyst for the stable production of high-quality petroleum products. The technology was developed by RN-Kat, the Company's specialist subsidiary.

Tests show that the Russian technology is on par with foreign solutions when it comes to key properties such as catalytic activity and target product yields. Bashneft-Ufaneftekhim will be the Company's first facility to start using the catalyst. In the short run, the Company expects to start running in full hydrocracking units at the rest of its refineries.

The project will increase the output of high-quality Euro 5 motor fuels and significantly reduce the dependence of the Russian refining industry on imported products.

### ROSNEFT'S INNOVATION IS INCLUDED IN RUSSIA'S REGISTER OF NEW TECHNOLOGIES AND MATERIALS

In 2022, RN-Bitum's innovative product Alfabit Most, a special-purpose polymer-modified bitumen (PMB), was included in the Register of New Technologies and Materials of the Russian Road

Research Institute established as part of the Safe and Quality Roads national project to use new technologies and materials of the road industry in Russia.

Alfabit Most PMB is a unique product that increases the durability of asphalt pavements and the service life of bridge structures, while also reducing the cost of roadway repair.

### ROSNEFT DEVELOPED A RANGE OF HIGH-TECH PG-GRADE ROAD BITUMEN

In 2022, RN-Bitum together with the corporate research institute developed a line of PG-grade road bitumen that guarantees an effective pavement operation at temperatures ranging from +52 to -46 °C. The new line of modern bitumen will provide the Russian road industry with high-quality and durable materials.

The Company's bitumen is supplied for road construction across Russia – from the Krasnodar Territory to the Far East. In response to growing domestic demand,

the Group Subsidiaries are increasing its output, improving the quality and enhancing production efficiency.

In 2022, the Syzran Refinery increased its bitumen capacity by 10% to 1.6 thousand tonnes per day by optimising the plant's operating mode.

Angarsk Petrochemical Company has produced above-target volumes of bitumen for the second year in a row, with around 140 thousand tonnes made during summer of 2022. To meet the growing demand for bitumen on the domestic

market, the facility is upgrading its bitumen production capacities. At the moment, the construction of a network of air-tight bitumen filling facilities is at its final stage. Once it is completed, the capacity will increase by a further 15%.

The Novokuibyshevsk Refinery and RN-Bitum optimised the formulation for BND grade road bitumen with improved consumer properties. Refining residue used in bitumen preparation allowed the Company to reach a record output of more than 235 thousand tonnes of bitumen in 2022.

### Advancing mineral deposit prospecting, exploration and development technologies

Rosneft takes consistent effort to introduce its proprietary innovations for high-tech production used in developing hard-to-recover reserves.

In early 2022, RN-Nyaganneftegaz successfully implemented an innovative method of wellbore cleanout after hydraulic fracturing. The "clean well" technology reduced the operation time by more

than 70% – from 65 to 16 working hours. The technology not only saves time but also fully eliminates the impact of the washing fluid on the formation and increases its productivity as a result.

### Government relations in import substitution and localisation

Rosneft experts are members of various interdepartmental task forces and research groups established by federal executive bodies to look for ways to reduce the domestic fuel and energy

sector's dependence on imported equipment and components, and decrease the share of services provided by foreign companies and the use of imported software.

In 2022, Rosneft continued to develop import substitution in cooperation with the following federal executive bodies:

- Russian Government
- Ministry of Industry and Trade
- Ministry of Energy
- Ministry of Economic Development

## Industrial cluster development

As a way to secure technological self-sufficiency and implement localisation projects, the Company has established a group of Industrial Assets (the Industrial Cluster) providing technological and logistical support for production operations, and ensuring timely repairs, maintenance and manufacturing of equipment (including equipment that is part of the import substitution programme) for Rosneft's needs.



### Goals the Company pursues in developing its Industrial Cluster:



Establishing R&D and manufacturing infrastructure to support re-engineering, application of innovative technologies, and import substitution



Running pilot projects and tests to deliver the Company's target innovation projects



Providing capabilities for local content development involving foreign technology partners and joint ventures with Russian innovation hubs/enterprises

# Scientific research in the Russian Arctic

## Research in the Arctic

GRI 3-3

Rosneft takes a responsible approach to operations in the Arctic and makes every effort to preserve local biosystems and sustainably exploit available resources.

Our main principles for working on the Arctic shelf:

- preserve a healthy environment and biodiversity;

- minimise environmental risks;
- prioritise preventive measures over measures aimed at containing and eliminating the consequences of emergencies;
- introduce innovative environmental technologies and improve the environmental performance of products;

- balance the interests of the Company and the public in using natural resources;
- prepare transparent and reliable environmental reports.

## Arctic research programme

In the Arctic, the Company implements a comprehensive long-term scientific programme covering geological, hydrometeorological and environmental aspects. In the reporting year, Rosneft continued its cooperation with Innopraktika and Rosgeologia.

We held a research expedition in the Chukchi Sea. For the first time in the region, two shallow geological boreholes were drilled to the north of Wrangel Island and more than 300 m of continental shelf rock samples were lifted. Drilling is done from the unique research vessel Bavenite (RosGeo) equipped with high-tech Russian equipment designed specifically for expedition needs.

Innopraktika conducts comprehensive laboratory analyses of extracted core and a synthesis of available retrospective geological information.

In 2022, the Company continued to study changes in the state of key indicator species of Arctic ecosystems – polar bear, Atlantic walrus, wild reindeer, and white gull, a rare gull listed in the Red Data Book of Russia. The Company conducts research as part of the cooperation agreement between Rosneft and the Ministry of Natural Resources and Environment to implement the Environment national project.

### ROSNEFT PUBLISHED THE MARINE MAMMALS OF RUSSIA ATLAS

In 2022, Rosneft together with Innopraktika, a non-governmental development institute, published an atlas titled Marine Mammals of Russia. The publication contains scientific data on the ecological condition of 47 mammal species that inhabit Russia's northern seas, on climatic and oceanographic features of the seas, problems of marine mammal protection, as well as more than 60 maps.

The atlas presents the results of the Company's many years of research on marine mammals such as polar bear and walrus carried out as part of the corporate biodiversity conservation campaign.

Another environmental atlas, The Barents Sea, prepared by Rosneft and Innopraktika in 2022 won an award at the ESRI Map Gallery, an annual international competition.



THE MARINE MAMMALS OF RUSSIA ATLAS IS AVAILABLE FOR FREE DOWNLOAD

### COOPERATION BETWEEN ROSNEFT AND INNOPRAKTIKA TO STUDY ARCTIC ECOSYSTEMS

In 2022, Rosneft and Innopraktika entered into a research agreement to assess the impact of anthropogenic factors on Arctic ecosystems in the White Sea.

The study focused on analysing changes in the diversity of benthos and plankton as well as hydrochemical parameters of seawater over the past 100 years. As part of the research, scientists will study the current state of the Arctic seas using the White Sea as an example. They are going to repeat observations from a century ago employing the latest methods. To this end, Rosneft will help the White Sea Biological Station to reconstruct the marine flow system structure, which will enable specialists to process hydrobiological samples from the water body.

Analysis of changes in the diversity of organisms and hydrochemical parameters of seawater will make it possible to forecast the dynamics of the ecological state of the seas in the western sector of the Arctic.

In 2022, the joint project of Rosneft and Innopraktika on developing shallow stratigraphic drilling won the first prize of the international R&D and innovation contest for developing the Arctic and the continental shelf.

For more details on Rosneft's Programme to Study Key Types of Arctic Ecosystems, see the [Biodiversity Conservation section](#) of this Report

## Arctic expeditions

In 2022, the Company continued its extensive programme of Arctic expeditions and research and did the following:

- Jointly with the Severtsov Institute of Ecology and Evolution (Russian Academy of Sciences), Rosneft made observations in the Franz Josef Land archipelago to identify walrus haulouts. Five islands were surveyed, with the largest haulout found on Hayes Island where scientists identified about 700 walruses. Previously, a smaller number of animals – not more than 150 specimens – had been observed at this site.
- Jointly with the Siberian Federal University, the Company surveyed wild reindeer in Eastern Taimyr during the spring, summer and autumn. All in all, the scientists carried out 13 flights covering more than 13 thousand km. The routes relied on the data from GPS sensors previously fitted to the collars

of individual specimens. Aerial surveys covered the entire summer area of reindeer in the flat part of Taimyr with more than 20 thousand images taken. Additional surveys were conducted in the southern part of the Byrranga foothills, where flocking herds of reindeer form clusters of tens of thousands of animals. On-the-ground studies of reindeer migration were conducted at the largest water crossing of the Kheta and Khatanga rivers. Ground and boat observations were carried out along a 380 km stretch of the river.

- Jointly with the Arctic and Antarctic Research Institute, Rosneft surveyed eight more previously known white gull nesting sites in 2022, including those on the Golomyany, Sredniy and Domashny islands, made aerial observations and 100 hours of video footage of gull nesting behaviour.

- During the Kara Summer 2022 research expedition, with the assistance of the Arctic and Antarctic Research Institute, Rosneft conducted hydrometeorological studies on the Russian Arctic shelf to support its corporate monitoring infrastructure in the Kara Sea. The Company carried out the maintenance of, and installed, additional submerged autonomous buoy stations in the Yenisei Gulf.
- The Floating University 2022 cruise organised by Lomonosov Northern (Arctic) Federal University studied rocky outcrops on the Franz Josef Land archipelago. For the first time, natural bitumen was discovered on the archipelago, thus allowing the researchers to refine the geological model of the Barents and Kara seas.



8

**160,000**

is sable population in Evenkia.

Fun fact: sables have no preferred time for hunting: they can do it both at night and during the day.

Rosneft supports research of sable population in the Krasnoyarsk Territory.

**Supporting social and economic development.**

### Studies of sable population

The sable is a unique animal primarily inhabiting Russia and playing a major role in the ecosystem of Siberian taiga. Scientists describe sables as euryphagous since they can eat both animal matter and plants.

Since 2015, Rosneft has been studying the size of the sable population and its trends, along with migration routes and biometrics. Scientists have found out that over the past five years, the population of sables in Evenkia has grown to 160 thousand. According to ecologists, this has been made possible due to improved availability of food and low anthropogenic impacts.

Supporting sustainable development in the regions of its operation is Rosneft's priority. The Company implements infrastructural projects of high social significance and contributes to growth in allied industries while also creating added value and new jobs across the value chain.



# Supporting social and economic development of the regions

GRI 3-3

## Investment programme

Rosneft's investment programme is based on the priorities set out in the Rosneft-2030 Strategy and constitutes a well-balanced project portfolio for all businesses that contributes to Russia's social and economic development and higher living standards of the country's population, including people living in remote areas.

The Company regularly evaluates and prioritises projects, optimises and reallocates investments between different lines of business based on portfolio management approaches, thus maintaining the ability to promptly respond to internal and external developments.

Rosneft's investment governance process is designed in line with best global standards and practices. It includes

approval of business projects, taking investment decisions, monitoring and control of project execution, management of the Company's investment portfolio, and enhancement of investment tools.

Investment governance is integrated with all related processes, including strategic and business planning, budgeting, reporting and financial control, project management and corporate governance.

### INVESTMENT PROCESS: PRINCIPLES AND OBJECTIVES

-  Focus on contributing to achieving the UN Sustainable Development Goals

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-  Honour the Company's strong social commitments, including its contribution to social and economic development of Russian regions

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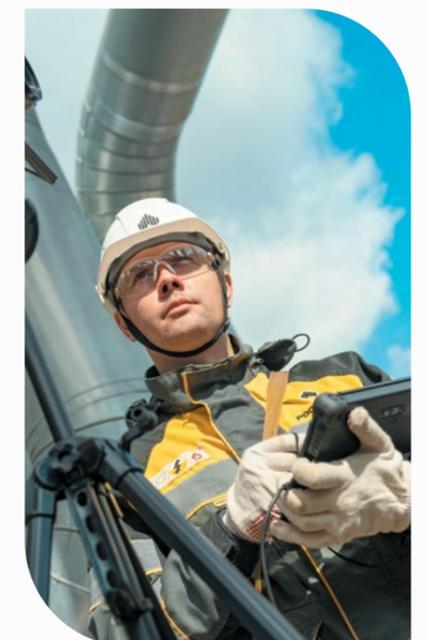
-  Increase efficiency across all operating segments

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-  Ensure robust business growth

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-  Improve investment discipline



## Investment programme split

In 2022, the Company's investments seek to maintain and develop mature and new oil and gas assets to meet the strategic goals related to production and reserve replacement. For greater efficiency of its upstream segment, the Company is developing and improving its oilfield service, including through the application of the latest technologies.

Investments focus on highly cost-effective projects to develop refineries, catalysts, additives, and the retail network. We expect

these projects to give a boost to production volumes and the yield of light products with improved environmental indicators.



FOR MORE DETAILS ON THE COMPANY'S INVESTMENT PROGRAMME, SEE ROSNEFT'S 2022 ANNUAL REPORT, PAGE 14

## Developing a gas distribution network in the Sverdlovsk Region

As part of the social gas infrastructure expansion programme, Rosneft's subsidiary Regiongaz-Invest built more than 240 km of gas pipelines in the Sverdlovsk Region, making it technically possible to connect 7,400 households to the gas network. The Company works to expand the country's gas infrastructure in pursuance of the Russian President's order. Thanks to the expansion

of the gas infrastructure, more than 4,300 contracts for the connection to the gas network were made, with over 500 households connected. Switching to a fuel that is environmentally friendly and inexpensive compared to other energy sources will improve the life quality of local communities, the reliability of energy supply to homes, and reduce heating costs for households.

Over the past five years, Rosneft has built more than 330 km of gas distribution networks, 17 gas boiler houses and an electric one in the region, while also renovating six gas boilers and providing them with modern energy-efficient equipment.

## Supporting social development of regions and charity

### GRI 3-3

Rosneft is actively contributing to social development in the regions of Company operations, including such areas as medicine, education and culture, while also promoting mass sports and implementing infrastructural projects.

The Company conducts its charity activities in accordance with Federal Law No. 135-F On Charity

and Volunteering dated 11 August 1995 and the Company's Regulations on the Procedure for Charitable Activities at Rosneft and Group Subsidiaries.

Projects aimed at social development run mainly on the basis of cooperation agreements with Russian regions.



### GRI 203-1

#### Regional projects

Region	Projects
Krasnoyarsk Territory	<ul style="list-style-type: none"> <li>Upgrading technical capabilities of the Krasnoyarsk Regional Centre for Maternity and Infancy Protection, the Karpovich Interdistrict Clinical Emergency Hospital, and the Igarka City Hospital</li> <li>Holding the Yenisei Ice 2022 Interregional Children's Sledge Hockey Tournament</li> <li>Construction of outdoor play facilities for children in the polar settlements of Nosok and Karaul</li> <li>Supporting the upgrade of roads in Achinsk as part of the Housing and Urban Environment national project.</li> </ul>
Republic of Bashkortostan	<ul style="list-style-type: none"> <li>Commissioning of two kindergartens – for 220 children in Kushnarenkovo, Kushnarenkovsky District, and for 50 children in Stary Kurdym, Tatyshlinsky District</li> <li>Landscaping of the square in front of the Oktyabr cinema in Neftekamsk</li> <li>Capital repair of Ufa Forestry Technical College</li> </ul>
Tyumen Region	<ul style="list-style-type: none"> <li>Building the Oil Industry Worker Square in Uvat</li> <li>Providing financial support for the Regional Sports School of the Olympic Reserve to organise and prepare for equestrian competitions</li> </ul>
Samara Region	<ul style="list-style-type: none"> <li>Revamping the arts school for 150 children in Otradny</li> <li>Providing Syzran City Hospital No. 2 and Children's Polyclinic No. 3 with medical equipment and vehicles</li> <li>Repairing the memorial to the heroes who fell in the Great Patriotic War in Chelno-Vershiny</li> <li>Procuring musical instruments for the Mirny Children's Music School in the Krasnoyarsky District</li> <li>Overhauling the secondary school in Novy Kutuluk as part of the Education national project</li> <li>Procuring vehicles for cultural institutions in the Neftegorsky District and equipment for the community centre in Utyovka, overhauling the building and equipping the community centre in Mochaleyevka, Pokhvistnevsky District</li> <li>Improving Victory Alley in Novokuibyshevsk and installing a monument to home front workers of the Great Patriotic War</li> <li>Tree and shrub planting in Novokuibyshevsk</li> </ul>
Khanty-Mansi Autonomous Area – Yugra	<ul style="list-style-type: none"> <li>Providing modern specialised multi-operating equipment and a digital simulator to Sovetsky Polytechnic College to equip a workshop for forestry and logging machinery operators</li> <li>Upgrading the equipment of school No. 8 in Khanty-Mansiysk</li> <li>Building a fitness centre in Singapai, Nefteyugansky District</li> <li>Major reconstruction of the Sibiryak sports and recreation centre in Nefteyugansk</li> <li>Launching a new sports facility in Sytomino, Surgutsky District</li> <li>Commissioning a kindergarten for 120 children in Singapai, Nefteyugansk District</li> <li>Carrying out overhauls and cosmetic repairs at 17 schools and kindergartens in Nyagan</li> <li>Improving the central family recreation park in Nyagan</li> </ul>
Republic of Sakha (Yakutia)	<ul style="list-style-type: none"> <li>Modernising of social facilities in Yakutsk, Lensk, Tas-Yuryakh in the Mirny District, Myndaba in Ust-Aldansky District, and Orto-Surt, Gorny District</li> <li>Opening the new Junior Academy of Sciences in Chapaev</li> <li>Procuring medical equipment and supplies for the Mirny Central District Hospital</li> </ul>
Yamal-Nenets Autonomous Area	<ul style="list-style-type: none"> <li>Procuring aqua systems for the cultivation of valuable fish species for the Agricultural Community of Kharampurovskaya</li> <li>Building Skatert indoor skate park in Novy Urengoy</li> <li>Procuring the Neyronchik training set and a sensor information kiosk for teaching basic digital skills and fostering a digital culture among students of secondary school No. 3 in Novy Urengoy</li> <li>Improving technical infrastructure of the Novy Urengoy Central City Hospital</li> </ul>
Irkutsk Region	<ul style="list-style-type: none"> <li>Equipping the Angarsk Perinatal Centre, Medical and Sanitary Unit No. 36, Angarsk City Children's Hospital No. 1, and Angarsk City Children's Dental Clinic</li> </ul>

## Supporting healthcare institutions in the Krasnoyarsk Territory

RN-Vankor provided financial support for the Karpovich Krasnoyarsk Interdistrict Clinical Emergency Hospital to procure a heart-lung machine for cardiac surgery, resuscitation and transportation, a vital piece of equipment for patients with severe COVID-19. This was the first machine of the kind in the hospital and the second one in the Krasnoyarsk Territory.

In addition, the subsidiary assisted the Krasnoyarsk Regional Clinical Hospital with the procurement of a modern mobile video endoscopic complex along with the required consumables and provided Igarka City Hospital with medical equipment.

### CELEBRATION OF THE 77TH ANNIVERSARY OF VICTORY DAY

In 2022, Rosneft and its subsidiaries were actively involved in celebrating the 77th anniversary of Victory in the Great Patriotic War and paying tribute to heroes of the oil industry.

More than 100 thousand employees of our subsidiaries all over the country took part in the Immortal Regiment patriotic initiative. Tens of thousands of the Company's employees took part in nationwide events such as Windows of Victory, Garden of Memory, Victory Dictation, Memory of Generations, and more. They provided targeted support to veterans and home front workers, planted young trees, organised festive concerts, visited memorial sites and took part in numerous sporting events.

Every employee of the Company honours the feat of the Soviet people and contributes to preserving the memory of the Great Patriotic War.

### SAMOTLORNEFTEGAZ SUPPORTS GIFTED CHILDREN OF THE NORTH

In 2022, Samotlorneftegaz completed the setup and equipment of the centre for identifying and supporting gifted children. The centre focuses on developing and nurturing young talents in science, arts, and sports, holding various activities for gifted youth from the cities of Khanty-Mansiysk, Nefteyugansk, and Raduzhny. The schoolkids are trained in educational sessions.

The project mainly aims to integrate into the educational process the best practices of working with schoolchildren in preparation for relevant school Olympiads, help unlock the scientific and technical potential of young people, and introduce effective educational models for the development of competencies that shape innovative, critical and inventive thinking.

The reporting year saw a total of 23 intensive educational sessions organised, with 1,400 children trained.

As part of the Talents 2030 federal project, Samotlorneftegaz also established a laboratory at Surgut State University. It's focus is on collaborating with local schools in the fields of genetics, biomedicine, and biotechnology. The laboratory features state-of-art genetic engineering equipment, which enables scientific experimentation and observation. In 2022, a total of 19 activities were held at the laboratory for 379 children from 12 municipalities in the Khanty-Mansi Autonomous Area – Yugra.



## Sponsorship

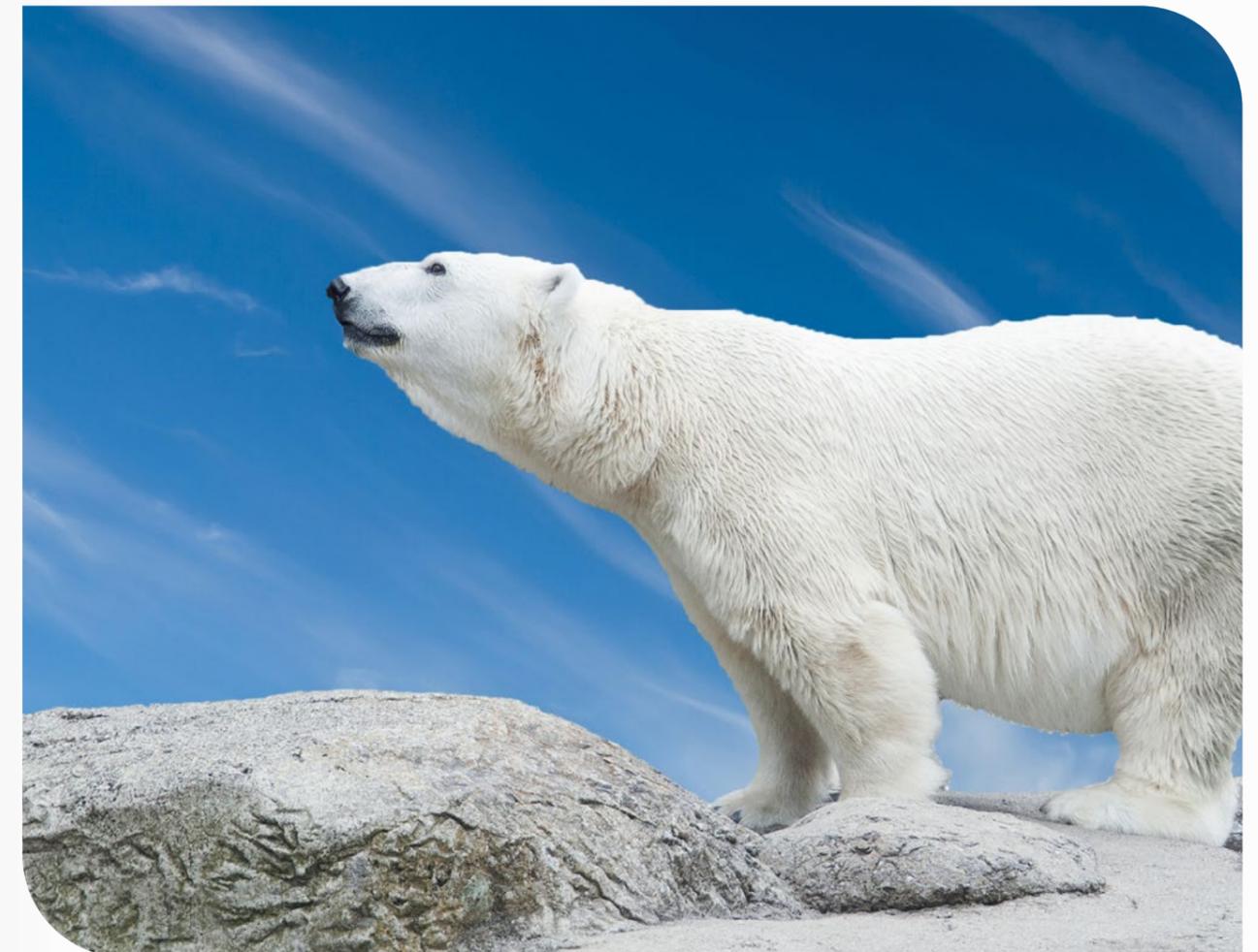
Rosneft is engaged in sponsorship activities in regions where it operates. We provide aid to projects in education and science, technology development, environmental preservation, revival of spiritual and national values, culture and sports.

The Company actively promotes professional and amateur sports by providing financial backing to CSKA hockey club and Arsenal football club. It is also the title sponsor of the International Sambo Federation. Rosneft supports domestic automakers and contributes to the development of motor sports in Russia, funding the LADA Sport ROSNEFT racing team.

Environmental protection is an integral part of Rosneft's corporate culture and social responsibility. The Company makes extensive efforts to preserve and restore natural resources and protect rare animals and marine mammals. Since 2013, the Company has been running a comprehensive programme to support polar bears living in Russian zoos. Today, Rosneft provides sustenance for 35 polar bears in 17 zoos across the country. In the reporting year, the open-air cages and pools for predators in the Yekaterinburg Zoo, Seversk Nature Park in the Tomsk Region,

and the Royev Ruchey park in Krasnoyarsk were reconstructed and significantly expanded. Open-air cages and technical premises were repaired in another four zoos in Novosibirsk, St Petersburg, Udmurtia, and Yakutia.

For more details on our study of protected and key indicator species, see the [Biodiversity Conservation section](#) of this report



# Volunteer movement

Corporate volunteering is an effective tool to implement social and environmental initiatives and a way to involve the Company's employees in addressing sustainability challenges while providing everyone with an opportunity to contribute and make a difference.

Rosneft has been running corporate volunteering programmes for many years. In line with its strong commitment to social responsibility, the Company encourages and promotes best volunteering practices across its footprint.

In 2022, Rosneft launched the Good Deeds Platform, a major company-wide volunteering programme. It is aimed at making employees of our subsidiaries part of the corporate volunteer movement and acts as an important tool to enhance corporate culture and foster team spirit and cohesion. In the reporting year, projects focused on social and humanitarian matters and environmental protection proved most popular.

The Company's volunteers take part in donor initiatives, support orphans, veterans of the Great Patriotic War, people with disabilities and those facing hardship, and also run environmental campaigns. All these initiatives are now part and parcel of our corporate culture.

At Bashneft, the Kind Hearts volunteering programme dates back to 2011 and currently has some 15 thousand participants. The company's employees are strongly involved in all-Russian volunteering campaigns, with a total of more than 100 initiatives completed over the 12 years since the programme's inception.

Employees of Rosneft's subsidiaries take part in city-wide, regional and federal campaigns to beautify and clean up their local areas, such as all-Russian projects titled Save the Forest, Green Spring, Garden of Memory, and more. As part of these initiatives, employees plant seedlings of various tree species to support the greening and reforestation commitments.



For more details on environmental campaigns involving the Company's employees, see [Improving Environmental Awareness section](#) of this Report

**In 2022, Bashneft's Kind Hearts corporate volunteering programme received a medal and award from the Russian President Vladimir Putin for the devoted contribution to the #WeAreTogether all-Russian volunteering initiative.**

## RN-NYAGANNEFTEGAZ EMPLOYEES TOOK PART IN A CAMPAIGN TO HELP WITH SCHOOL COSTS

In 2022, employees of RN-Nyaganneftegaz took part in a charitable volunteering campaign to help eligible families in Nyagan with some of the costs of sending their children to school.

Volunteers raised funds required to obtain whatever was necessary for primary school pupils with special needs, including stationery, arts kits, school uniform and seasonal clothes, sports equipment, and orthopaedic school bags. All the school kits were tailored to the needs of each child.

# Blood donation

As part of its strong social commitment, Rosneft supports and encourages blood donation. For more than a decade, the Company's subsidiaries have been running the Blood Donor Days, attracting thousands of employees every year. In 2022, blood donation campaigns brought together over 5 thousand Rosneft employees, with 155 of them officially recognised as Honorary Donors of Russia, which means they gave blood more than 40 times.

During the year, around 300 employees of Bashneft gave more than 110 litres of blood. To make sure collection of blood is safe and convenient,

the Blood Donation Centre of the Bashkortostan Republic in Ufa offered the expertise and equipment

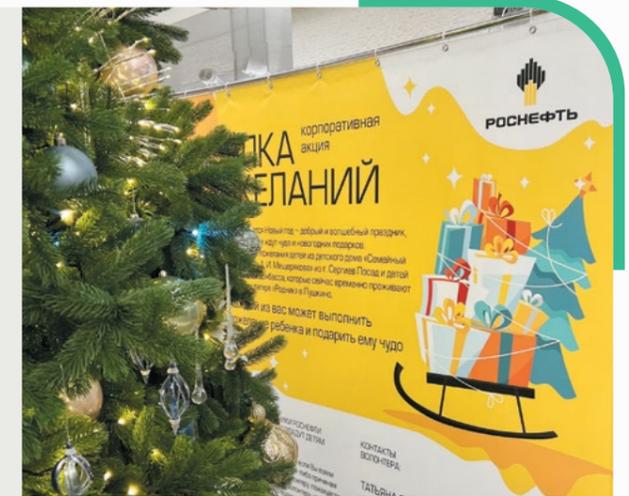
of its mobile unit and team. Several dozens of Bashneft employees have the Honorary Donor of Russia award.



## ROSNEFT EMPLOYEES TAKE PART IN THE WISHING TREE CAMPAIGN

In December 2022, Rosneft volunteers participated in the Wishing Tree, a major charity campaign run ahead of the New Year celebrations. As part of the initiative, New Year trees were put up at Rosneft's offices, adorned with decorations that have children's wishes written on the back of them. By taking part in the campaign, each employee had an opportunity to make one of the wishes to come true by selecting a decoration and donating the gift requested by children with disabilities, orphans, children from large families and families facing hardship.

The Wishing Tree brought together hundreds of employees and enabled them to provide much needed support to more than 2,500 kids.



## ORENBURGNEFT VOLUNTEERS RECEIVED LETTER OF ACKNOWLEDGMENT FROM REGIONAL MINISTRY OF SOCIAL DEVELOPMENT

Orenburgneft won the regional contest of social projects titled the Corporation of Good Deeds, receiving a letter of acknowledgement from the Ministry of Social Development of the Orenburg Region for helping create an environment that fosters corporate volunteering in 2022.

During the year, Orenburgneft volunteers held several workshops for students in the areas of road safety and electrical safety, and also took part in a fundraising campaign to cover parents' costs of sending children to school. A major volunteering initiative was the Circle of Kindness: intended to mark the Senior Citizen's Day, the campaign saw children

in orphanages send handmade postcards to those living in a care home for older people and people with disabilities in Buzuluk. Also, the Orenburgneft team helped with landscaping areas close to where the company's former employees lived, and visited the Great Patriotic War veterans to celebrate.

# Support for indigenous peoples of the North

**GRI 3-3**

Respect for the cultural heritage, traditions, and rights of indigenous peoples of the North is a guiding principle of Rosneft's operations in the regions where they live.

When engaging with indigenous peoples, the Company is guided by the following international documents:

- United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)
- Convention concerning the Protection of World Cultural and Natural Heritage
- Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities
- Framework Convention of the Council of Europe for the Protection of National Minorities.

Rosneft strictly complies with the Russian laws regarding indigenous peoples of the North, securing their rights to protection of their natural environment, traditional lifestyle, economic activities, and trades.

Representatives of indigenous peoples are involved in decisions that may affect their interests. In particular, they have the right to participate in the decision-making process during the assessment of environmental impact and public environmental reviews.



Help for indigenous peoples of the North remains a priority of the Company's charitable efforts and focuses on the following areas:

- supporting traditional lifestyle and activities
- improving the living conditions
- providing better infrastructure in populated localities
- purchasing equipment, lubricants, and fuels for the traditional trades and crafts
- providing summer recreation programmes
- taking part in ethnic exhibitions, contests, competitions, and other cultural/sports activities
- running a variety of educational and healthcare programmes.

In the reporting year, the Company engaged with indigenous peoples in a number of areas, including:

- improvement of infrastructure in remote settlements and providing better living conditions
- supporting and organising traditional festivities and contests
- developing social facilities of the municipal district and improving material and technical resources of the indigenous communities
- protecting the natural environment of the indigenous peoples and facilitating social and economic development related to the traditional use of natural resources.

Samotlorneftegaz is also actively engaged in providing charitable support to the indigenous peoples of the Khanty-Mansi Autonomous Area – Yugra. In 2022, the company continued to support sports events and celebrations, improve social infrastructure of towns, and implement the IT Camping Ground project.



## INTERNET ACCESS FOR INDIGENOUS PEOPLES OF YUGRA

In 2022, Samotlorneftegaz set up 15 stations to provide Internet access to over 270 representatives of indigenous minorities of Yugra. Depending on how remote a settlement or a camping ground is from base stations, either satellite dishes or signal improvement technology were used. Also, laptops were provided to indigenous peoples.

This Internet accessibility programme is aimed at providing equal digital opportunities for residents of large localities

and hard-to-reach settlements of Yugra. Using a regional educational platform titled Schools and Kindergartens on Camping Grounds, children of indigenous minorities aged three to seven can get primary education.

Over the past three years, Rosneft has set up 48 stations, helping to provide Internet access to some 1,600 people living in traditional settlements in the Khanty-Mansi Autonomous Area – Yugra.

## COMPANY SUBSIDIARIES IMPROVE LIVING CONDITIONS FOR INDIGENOUS MINORITIES

With support from RN-Vankor, indigenous minorities of Taimyr received comfortable portable cabins with heat insulation and all the equipment needed to live in Russia's polar regions. In 2022, RN-Vankor helped improve the living conditions of 23 families dwelling in the settlements of Nosok and Kellog, and the village of Karaul in Taimyr. The company works to provide better housing conditions to the region's indigenous minorities as part of a joint 2019–2025 campaign run with the local

authorities of Taimyr to relocate residents from dilapidated housing in the Krasnoyarsk Territory.

In 2022, Vostsibneftegaz helped to procure municipal service vehicles for indigenous peoples of the Evenkiysky District in the Krasnoyarsk Territory, which made it possible to reduce the time needed to clean areas in Baikit by a third. In addition, the Company's donations were used to purchase solar cells for reindeer herders to meet up to 10% of their demand for electricity.

**The Company's subsidiaries run various social projects to support indigenous peoples across their footprint: they help improve infrastructure in Northern settlements, provide assistance to families of reindeer herders, and arrange for materials and equipment to be delivered to educational, social, and healthcare facilities in areas traditionally inhabited by indigenous peoples.**

## Grant projects to support peoples of the North

A number of Rosneft subsidiaries operate in the remote areas that have traditionally been home to indigenous peoples of the North. Supporting their culture and lifestyle is among the key social areas for these subsidiaries to focus on. Grant projects are some of the effective tools to support indigenous minorities.

Vostsibneftegaz has been running its grant programme for over a decade. It aims to provide financial support for relevant research projects that can be applied in the North, including Evenkia, where the company operates. Since the inception of the programme, Vostsibneftegaz has financed over 30 projects, with eight of them implemented in 2022. Grants have been provided to improve infrastructure in remote settlements, provide better living conditions for indigenous minorities of the North, research local ecosystems, and help preserve the traditions and culture of local peoples.



### ROSNEFT SUPPORTED THE REINDEER HERDER DAY – MAIN CELEBRATION FOR YAMAL'S INDIGENOUS PEOPLES

In 2022, Rosneft's subsidiaries acted as the general partners of the Reindeer Herder Day, the most important celebration for indigenous minorities of the North. With support from RN-Vankor and RN-Purneftegaz, the event featured traditional contests, national dishes, and the songs and dances of indigenous peoples. Winners of reindeer races were awarded Buran snowmobiles, which are essential for living in the North.

RN-Purneftegaz, Rospan International and SevKomNeftegaz also provided support to tribal communities and agricultural facilities of indigenous peoples in the Yamal-Nenets Autonomous Area. Since 2019, RN-Purneftegaz has been running the Northern Friendship long-term project designed to preserve the culture and traditions of the indigenous minorities of the North.

### PRESERVING DIALECTS OF INDIGENOUS MINORITIES OF THE NORTH

Rosneft's subsidiaries have grant programmes designed to preserve languages and culture of indigenous peoples of the North.

A grant project of Vostsibneftegaz helped put together and publish a school textbook on the culture

and language of the Kets, one of the smallest ethnic groups of the North.

RN-Purneftegaz launched a programme to provide school education to children of the Forest Nenets in their mother tongue. The dialect they speak

is different from Tundra Nenets, which is the language of most of the textbooks available today.

Projects like these make it easier for children to learn their mother tongue and will help preserve their culture and traditions going forward.



### 5TH ECOARCTIC 2022 FORUM ON ENVIRONMENTAL PROTECTION

RN-Shelf Arktika, a subsidiary of the Company, became the title sponsor of the fifth EcoArctic 2022 Forum.

Over the past five years, the environmental protection event held in Yakutia, Taimyr and the Nenets Autonomous Area has brought together over 5 thousand visitors, attracted more than 60 speakers, and looked at some of the results of researching the Arctic flora and fauna. Over 700 local high school students took part in environmental quizzes and competitions and attended lectures on geology and ecology.

The forum proved an effective platform for dialogue between scientists, government officials,

major subsoil users, and local residents on matters relating to environmental protection and preservation of northern indigenous peoples' identity.

In 2022, the forum's central event was a roundtable on preserving unique water bodies; the discussion featured leading environmental experts from across Russia, attracting an audience of over 100 people.

The final part of the forum was a campaign to clean up legacy waste as part of the Clean Arctic, a major federal project. Environmental contests were held for the campaign's 200 participants, with a total of 60 tonnes of waste collected.

### GREAT SUGLAN, THE ALL-RUSSIAN EVENKS CONGRESS

In August 2022, the first all-Russian congress of the Evenks people, the Great Suglan, was held on the shores of Lake Baikal in the Irkutsk Region. The event brought together over 400 representatives of indigenous minorities of the North. They came from eight regions of Russia that have traditionally been home to the Evenks. Evenks living in China and Mongolia joined the event by videoconferencing, while Evenks from the Katangsky District of the Irkutsk Region were able to participate thanks to support from Verkhnechonskneftegaz.

The congress included a fair of handicrafts and an exhibition of books of Evenk fairy tales, dictionaries, historical research, and archive photos. Participants were offered an opportunity to compete in traditional Evenk sports, such as Evenk wrestling, jumping, and lasso throwing.

The Suglan also featured the Interregional Festival of Culture of the Tungus Peoples<sup>1</sup>, which is aimed at reviving and supporting the Evenk culture. The programme included themed discussions, best solo singing competition, and khorovod circle dances. The Great Suglan also offered workshops by prominent artists.



<sup>1</sup> Evenks were previously known as the Tungus people.



**80 km**

is the distance huskies can cover during a day.

Fun fact: scientists believe that this breed of dogs is more than 3,000 years old.

Rosneft supports the young musher school, which is designed to help revive the dog sled racing in Evenkia.

**High  
business  
standards.**

### Providing resources for husky kennel and training ground for mushers

Husky is a general term for Northern sled dogs. They were bred by peoples of the Far North, who needed dogs with stamina and capable of covering large distances. Huskies are believed to be more than 3,000 years old. They are the world's fastest animals at distances exceeding 40 km.

For nine years now, Rosneft has been supporting the young musher school for kids from indigenous settlements eager to learn the traditional Northern dog sledding. The Company helped set up a husky kennel and musher training ground for those learning the basics of this sport.



Rosneft is committed to responsible business practices, providing superior customer experience, engaging with suppliers and contractors and building relationships based on trust, mutual interest and transparency.



# Customer engagement

GRI 3-3

## Quality management system

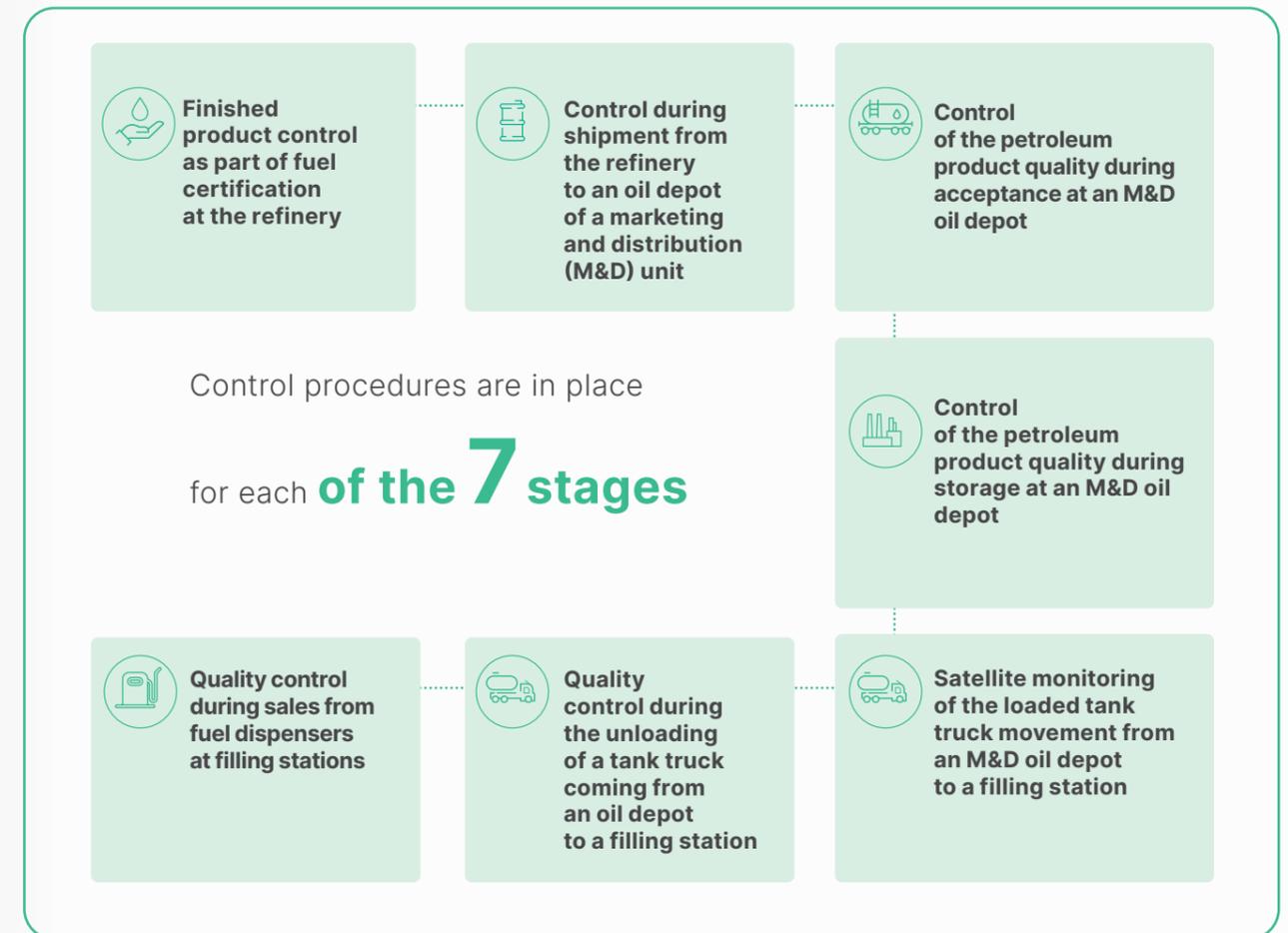
### Ensuring high product quality

With our corporate system of quality management for petroleum products, Rosneft ensures great performance and stability of fuel characteristics all the way through from refinery to the car tank. Our quality assurance relies on the unification of processes and procedures for handling petroleum

products during acceptance, storage, transportation, and sales at oil depots, loading stations, and filling stations.

Fuel quality is assessed at oil depots and filling stations in all regions where Rosneft operates

its retail network. Fuel quality is determined by modern equipment in 70 static petroleum testing laboratories, and in 15 mobile quality control laboratories. Every day, Rosneft conducts more than 4.7 thousand tests.



## Product safety

The Company's approaches to quality control of petroleum product safety are aimed at protecting the health and lives of people and preventing any damage to property or the environment.

Each delivery of petroleum products comes with a quality certificate or declaration of conformity to technical regulations of the Customs Union (CU TR 013/2011 and CU TR 030/2012). These documents are provided to customers at their request.

In the reporting year, the Company took a number of steps to improve its quality management processes:

- developed corporate standards covering premium products: Pulsar and Atum gasoline brands and Pulsar diesel fuel, which are manufactured using Russian-made multipurpose additives
- automated the manufacturing process for branded fuels; at 22 oil depots, doses of additives are determined in a fully automated mode
- put together and launched an action plan on increasing the safety and efficiency of secondary logistics in an effort to improve

business processes for petroleum products delivery to the retail sites. In 2022, 127 gasoline trucks at 18 M&D units were equipped with electronic security sealing systems

- 21 subsidiary M&D units underwent 31 internal inspections of test labs as part of the corporate certification system.

Also, the Federal Agency for Technical Regulation and Metrology (Rosstandart) conducted seven checks at M&D units, confirming the high quality of the Company's motor fuel.



### ROSNEFT SUBSIDIARIES WIN HIGHEST AWARDS AT THE TOP 100 BEST RUSSIAN GOODS CONTEST

In 2022, the Saratov Refinery and the Angarsk Polymer Plant became the winners of the Leader of Quality award in the Industrial and Technical Goods category of the Top 100 Best Russian Goods national contest.

The Leader of Quality award is given to manufacturers that provide consistently safe and high quality products or services. AI-95-K5 motor gasoline of the K5 class and Euro 6 emission standard made by the Saratov Refinery was among the contest's winners and received the 100 Golden Goods diploma. Another golden award and recognition also went to the Angarsk Polymer Plant for its expandable polystyrene and high-density polyethylene. A silver award was won by technical grade ethylbenzene and petroleum benzene.

Golden awards were also given to Bashneft for five of its products, including AI-92 unleaded gasoline, DT-E-K5 EURO cold-weather diesel fuel of the E grade, etc.

**> 4,700**  
checks  
of petroleum product quality every day

**70**  
stationary

and **15**  
mobile  
laboratories

employed for petroleum product quality control

## Retail network development

The Company operates one of the largest retail networks in Russia. In most of its regions of presence, the Company is among the leaders in the retail market. As at the end of 2022, Rosneft's retail sales covered 61 Russian regions.

The Company's filling stations operate under the Rosneft, Bashneft, and Petersburg Fuel Company brands.

In the reporting year, the Company continued to ensure uninterrupted operation of its filling stations and maintained high customer service standards.

Customers of the retail network can be grouped into two segments.

**Retail (B2C)**  
Individuals

**Corporate (B2B)** Legal entities and individual entrepreneurs, organisations

In 2022, Rosneft continued upgrading its retail network as part of commitment to develop the retail focus of filling stations in line with customer needs. Filling stations undergo a comprehensive renovation, helping Rosneft solidify the leadership standing of its retail brand. New format filling stations feature unique modern design with an emphasis on technology. The premises and main building of the stations are divided into functional zones to make customer experience easier and faster. Filling stations of the new format operate cafes under Rosneft's Zerno brand.

The Company continues developing its retail network across key regional markets. In the Krasnoyarsk Territory and the Rostov and Samara regions, filling stations were constructed and upgraded in line with the new format.

Rosneft also grows its presence in the highway segment of the market. Filling stations located along federal highways and motorways feature more services and an expanded range of items on offer at their cafes and stores. The highway format of filling stations is being developed predominantly along key federal highways in Central Russia, new M-11 Neva, Central Ring Road, and M-12 East highways, as well as roads in the Krasnoyarsk Territory.

Rosneft is improving its services offering, which goes beyond basic options in order to cater to the needs of various target audiences, namely drivers and passengers of passenger vehicles and trucks.

We are also continuing to grow the presence of our food trucks, which are equipped to cook popular dishes, snacks, and drinks. In 2022, eight M&D units operated a total of 15 cafes of this kind.



**Professional development of our personnel is a major focus for Rosneft. In 2022, the Company developed a multimedia course on category management basics for employees of the non-fuel business. The course covers theoretical approaches to managing product categories and practical tools to effectively implement them.**

The Company works to improve customer experience and offer more means of payment available. In 2022, all Rosneft-branded filling stations in Russia started accepting payments for petroleum products and associated items using the Faster Payment System via a dynamic QR code. Also, some of the regions ran pilot projects featuring self-service checkouts and terminals to pay for drinks.

The range of services is also expanding as filling stations start providing car washing, tyre and repair services, and other popular options.

To ensure seamless customer experience, Rosneft increases its reliance on digital technology, with new digital signage now put in place across the retail network. This will make them more visible during the night and help improve road safety.

### NEW FLAGSHIP FORMAT FILLING STATIONS UNDER ZERNO BRAND

In 2022, Rosneft opened filling stations of the new flagship format under the Zerno brand in Moscow, St Petersburg, and Samara. Flagship filling stations operating under the new format feature novel digital services and unique design.

The premises and main building of the stations are divided into functional zones to make customer experience easier. Flagship filling stations are equipped for contactless fuelling and have plasma display panels to spare customers the need to get out of their vehicles. They also have kitchens with automated equipment, reducing the waiting time without compromising quality.



## EV charging infrastructure development

Rosneft is actively developing EV charging infrastructure at its filling stations in line with the demand and forecasts for the EV market. As at the end of 2022, 55 EV charging points, including 45 fast-charging (50–150 kW) and ten slow-charging (22 kW), were installed at the Company's filling stations.

The Company continues to add new EV charging points at its filling stations in the Moscow, Tver, Lipetsk, Voronezh and Leningrad regions, Buryatia, Krasnodar Territory, and St Petersburg.

The service is being developed jointly with Russia's largest power companies, which in 2021 signed cooperation

agreements for the development of charging infrastructure.

### ULTRA-FAST EV CHARGING POINTS

In 2022, Rosneft launched a chain of ultra-fast EV charging points at filling stations in the Moscow Region. A total of 27 charging points with a capacity of 150 kW were installed, delivering an up to 80% charged battery in as little as 20 minutes and compliant with the main charging standards. Ultra-fast 150 kW charging points were also put in place at the Company's filling stations in the Lipetsk, Leningrad and Voronezh regions and the Krasnodar Territory.

## Fuels with improved environmental performance

As an environmentally responsible company, Rosneft is consistently improving the development and output of high-tech petroleum products and fuels with enhanced environmental performance.

The Company makes Euro 6 and AI-100-K5 gasolines, implements its targeted Pulsar-branded fuel sales programme, and offers low-sulphur marine fuel RMLS 40.

### Euro 6 gasoline

Euro 6 fuel contains less sulphur, benzene and aromatic hydrocarbons, resulting in lower corrosiveness and toxic levels of car exhausts. The use of Euro 6 gasoline helps to reduce car exhausts by decreasing total hydrocarbon emissions by up to 24%, non-methane hydrocarbon emissions by up to 27%, and particulate emissions by up to 64%.

### AI-100-K5

AI-100 gasoline of the Euro 5 emission standard is one of the most eco-friendly fuels: it significantly reduces the content of sulphur oxide, carbon and nitrogen compounds in car exhausts. The fuel has a number of other advantages: it increases vehicle acceleration by up to 9%, reduces vibration and noise, and the low sulphur and benzene content reduces engine carbonisation. The efficiency of AI-100-K5 has been confirmed by comprehensive tests.

### Compressed natural gas

Gas motor fuel is a more environmentally friendly and efficient type of fuel that allows car owners not only to considerably cut costs, but also benefit from a more efficient car while also reducing their environmental impact.

### Pulsar branded fuels

Pulsar fuels, which contain detergents, keep the engine fuel system clean. They effectively eliminate deposits from fuel cells, helping the system operate smoothly and reliably while at the same time supporting the car's basic operating characteristics.



## Contribution to gas motor fuel development

As part of a governmental programme to develop gas motor fuel, Rosneft is launching gas filling stations in Russian regions for vehicles running on compressed natural gas. The stations have all the necessary equipment made in Russia. As at the end of 2022, the Company operated a network of 21 CNG-filling stations in eight Russian regions:

republics of Udmurtia, Mordovia and Ingushetia, the Orenburg, Voronezh, Saratov and Ulyanovsk regions, and the Stavropol Territory.

Also, Vankorskoye UTT, a Rosneft subsidiary, is implementing the Ecopolis and Clean Energy conversion programme for cars to run on CNG. In the reporting

year, over 200 cars were converted, with another 500 vehicles in the pipeline for 2023.

The use of CNG as motor fuel helps consumers increase the maximum mileage per tank, improve vehicle efficiency by reducing the cost of transportation and significantly mitigate the environmental impact of motor vehicles.

### EXPANSION OF GAS FILLING NETWORK

In 2022, Rosneft's subsidiaries continued growing the network of gas filling stations across the Company's regions of operation. Gas filling stations were launched in the Orenburg Region for vehicles running on natural gas.

In the Saratov Region, Rosneft started operating a new format Zerno filling station where drivers can fill their car tanks with CNG.

In addition, Rosneft opened the first automobile gas compressor station in Udmurtia. It features the latest equipment and six gasoline pumps that can service up to 250 vehicles per day. In the same region, the Company launched the Ecopolis incentive programme to encourage legal entities to convert their vehicles to gas motor fuel.

Gas motor fuel helps reduce car-fuelling costs and mitigate the impact on the environment. Reliance on natural gas increases the engine service life, while compressed gas contributes to greater maximum mileage per tank.

## Improvement of energy efficiency and energy saving in retail

In 2022, M&D units continued efforts to reduce energy consumption. Energy efficiency measures were carried out as part of Rosneft's energy saving programme.

Energy efficiency improvement at filling stations and oil depots of the Group Subsidiaries focused mainly on two areas: optimisation of lighting and power supply costs, as well as optimisation of heating costs.



## Customer focus

### Improving customer experience

Customer focus is the key principle of Rosneft's retail business. High quality service and continuous improvements lay the groundwork for the Company's long-term partnership with loyal customers.

Driven by the Best is Rosneft's motto underlying its programme to develop customer value proposition. To expand the range of services available to drivers and passengers, in 2022 the Company took action in a number of areas such as:

- introduction of the Zerno cafe brand and cafe product range development and creation of a convenient seating capacity and self-service zone
- growing the presence of Rosneft's flagship filling stations that offer a comfortable environment for drivers and passengers who wish to take a break and rest
- increased offering of Pulsar 95, Rosneft's most popular branded fuel, across regions of operation
- introduction of a new type of digital signage at filling stations to make them more visible during the night.

In 2022, we continued to promote our Virtual Card service to phase out plastic cards and motivate the use of virtual cards by loyalty programme members. The number of issued virtual cards reached 3.73 million.

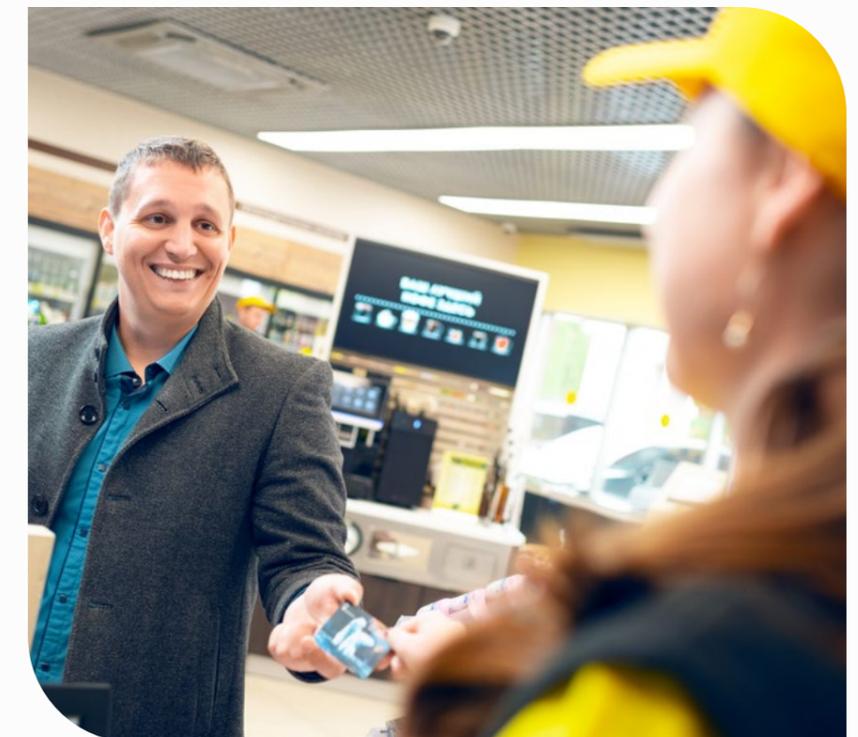
The Company relies on loyalty programme hotlines to improve customer feedback. Customers can submit phone or email queries covering a wide range of topics, such as activation of payment by bonus points, functioning of personal accounts and mobile applications, issue and use of virtual cards, terms and conditions of promotional campaigns, bonus point accumulation, etc. In 2022, a total of 593 thousand queries came from Family Team loyalty programme members, a reduction of 441 thousand<sup>1</sup>; all queries are handled promptly and without delays.

Very soon, the Company plans to launch a single hotline for individuals: the same phone number will be available for Family Team members and for individual customers that have not yet applied for a loyalty card.

In 2022, Family Team programme operators handled

**593,000**

queries



<sup>1</sup> Data comparison for 2021–2022 was based on the number of queries by members of the Family Team loyalty programme.

# Supplier and contractor relationship management

GRI 3-3

As one of the largest consumers of goods, works, and services across all of its geographies, Rosneft recognises the importance of partnership with all suppliers and contractors, and makes every effort to strengthen this interaction. The Company's model of partnership meets high international standards regarding procurement organisation and efficiency.

In its procurement activities, the Company adheres to the principles of effectiveness, reasonableness and competitiveness. It is especially important for suppliers/contractors to have relevant experience and required personnel, financial and other resources. The Company seeks to build long-term

integrated relations with its partners based on honouring existing agreements, supplying equipment, and ensuring a high level of production localisation. By meeting the above criteria and subject to providing a competitive quote, suppliers can bid for new contracts to be signed.

In the reporting year, the Company continued buildings relations with its suppliers as part of the Policy on Supply of Goods, Works and Services, which was adopted in 2020. The Policy sets out the key goals, objectives and guiding principles of the Company's supplier relations, as well as procurement management priorities for Rosneft and Group Subsidiaries.

## THE COMPANY'S PRINCIPLES IN SELECTING CONTRACTORS<sup>1</sup>

-  Competitiveness
-  Reasonableness
-  Effectiveness
-  Non-discrimination

## Supplier qualifications

The Company has a single system for controlling compliance of suppliers and contractors with mandatory and special requirements. All suppliers and contractors are vetted to make sure they meet requirements regarding due diligence, financial stability, and qualifications depending on the type of product they offer. Additionally, Rosneft may conduct offsite technical audits and in-depth

inspections to get an unbiased picture of a counterparty's activities and assess whether they are capable of honouring their contractual obligations on time and with due attention to quality.

Product quality control is carried out in the form of inspection control procedures at the supplier's production site and incoming control of product quality. Inspection control

at the supplier's production site helps to make sure manufacturing and shipment processes are aligned with the Company's contractual requirements.

To make the procurement process and risk management more effective, Rosneft and its subsidiaries run supplier qualification campaigns.

# Responsible relations with suppliers and contractors on HSE matters

## Contractor compliance with the Company's HSE requirements

For specific works and services, the Company assesses potential suppliers' compliance with HSE qualification requirements.

These mean that counterparties must have a health and safety management system in place and adhere to all applicable Russian laws and regulations. Also, in line with global best practices, the following is assessed:

- availability of relevant services/divisions
- personnel training and certification in the area of health and occupational, fire, and electrical safety

- availability of job-specific guidelines, briefing programmes
- provision of personal protective equipment to contracted personnel
- mandatory pre-employment and regular medical check-ups for employees
- pre- and post-trip medical check-ups for contracted drivers.

When procuring goods, the Company controls their quality through the means of technical audits and inspection control.

The purpose of technical audits is to examine suppliers' production and technical processes, technical capabilities and production capacity, and the range of products and equipment they offer. Technical audits also help assess the ability of suppliers to manufacture and supply the required amounts of products in line with the Company's technical specifications.

The Company has uniform requirements for inspection control of production and shipment of materials at suppliers' production sites.

## Contractor human rights compliance

The Company continues its efforts to employ its approaches to human rights in any interaction with suppliers and contractors.

Rosneft has developed and put in place the Code of Suppliers of Goods, Works and Services in the Area of Human Rights Observance in order to involve them in working out comprehensive

position on unconditional observance of fundamental human rights and freedoms in their business operations. The Code was circulated to all companies and entrepreneurs registered on the TEK-Torg electronic trading platform in Rosneft's section, and posted on the websites of TEK-Torg and the Company.

The Company expects its suppliers and contractors to implement a similar document and adhere to it in their operations. The Company also expects suppliers to ensure compliance with laws and regulations on environmental protection and avoid any action or omission that may result in an adverse impact on the environment.



ROSNEFT'S DECLARATION ON HUMAN RIGHTS FOR INTERACTING WITH SUPPLIERS OF GOODS, WORKS AND SERVICES IS AVAILABLE ON THE COMPANY'S WEBSITE

<sup>1</sup> In accordance with Rosneft's Policy on Supply of Goods, Works and Services and the Regulations on Procurement of Goods Works and Services binding on both Rosneft and the Group Subsidiaries.

## KEY PRINCIPLES OF HUMAN RIGHTS OBSERVANCE

- ▶ Ensuring conditions for fair treatment and non-discrimination
- ▶ Ensuring safe, secure, and healthy work environment
- ▶ Prevention of child labour and protection of young talent
- ▶ Prohibition of slavery and forced labour
- ▶ Anti-corruption measures
- ▶ Fair remuneration and work environment
- ▶ Respect for freedom of association, assembly and the right to collective bargaining
- ▶ Environmental responsibility
- ▶ Respect for the human rights of community members affected by the Company's operations
- ▶ Provision of access to local remedies



TO READ OUR CODE OF SUPPLIERS OF GOODS, WORKS AND SERVICES IN THE AREA OF HUMAN RIGHTS OBSERVANCE, SEE THE OFFICIAL WEBSITE



## Expansion of cooperation with businesses in regions of operation

### GRI 204-1

To raise the awareness of potential suppliers and contractors, including small and medium enterprises (SMEs), Rosneft regularly holds roundtable meetings to talk about the Company's procurement processes and planned procurement activities going forward.

In 2022, in order to attract new suppliers and contractors, the Company held four roundtables in the Moscow, Tomsk, Tyumen and Samara regions, Altai, Khabarovsk and Krasnoyarsk Territories, and the Republic of Bashkortostan. Also, in line with roadmaps for the development of communication with regional authorities, the Company has expanded its lists of manufacturers and suppliers eligible to take part in competitive procurement

procedures and submit quotes on their products, works and services for the Company's consideration.

Group Subsidiaries<sup>1</sup> annually achieve their targets for procurement from SMEs.

The use of the electronic trading platform of TEK-Torg ensures broader competition and equal access of market players to procurement. In 2022, Rosneft continued developing the functionality of its Corporate Online Shop on the TEK-Torg platform, adding an option to sign contracts electronically. This helped simplify and speed up the contracting process and reduce paper flow. In 2022, procurement by Group Subsidiaries through the Corporate Online Shop exceeded RUB 42 bln, which is twice as much as in the previous year.

**For procurement worth below RUB 5 mln, Rosneft's subsidiaries use the Corporate Online Shop.**

**For regional suppliers and contractors, Rosneft held eight Supplier Days in 2022 in the format of seminars and roundtables.**

### SUPPLIER DAY IN KRASNOYARSK

In November 2022, Rosneft held the Supplier Day for local manufacturers and contractors as part of the 13th Siberian Energy Forum in Krasnoyarsk.

The key project that requires the involvement of local suppliers and contractors is Vostok Oil, the largest investment project

in the oil and gas industry. During the event, potential suppliers and contractors had an opportunity to look at Rosneft's procurement plan for the region and understand the applicable procedure and requirements for bidders. Special emphasis was made on import substitution

in equipment and technology required for the Company's projects in the Krasnoyarsk Territory.

In northern territories, the Vostok Oil project will give a strong impetus to all related segments of the economy and provide orders for Russian suppliers.

<sup>1</sup> Subsidiaries whose activities are regulated by Russian Government's Resolution No. 1352 dated 11 December 2014 On Special Aspects of Participation of Small and Medium Enterprises in Procurement of Goods, Works and Services for Certain Types of Legal Entities.



**150** birds

were banded as part of an expedition to Kara Sea islands.

Fun fact: over 70% of global ivory gull population nest in Russia.

Rosneft engages in the field studies of ivory gull populations in the Arctic.

**Appendices.**



# Appendix 1. About the Report

## GRI 2-3

In 2022, Rosneft continues to disclose its corporate non-financial metrics on the annual basis and releases its seventeenth Sustainability Report (the Report).



ALL REPORTS ARE AVAILABLE ON THE COMPANY'S OFFICIAL WEBSITE

## GRI 2-29

The Report seeks to inform a wide range of Rosneft's stakeholders, including employees, shareholders and investors, communities in the regions of operation, public associations, customers and partners.

Sustainability reports are approved by Rosneft's Board of Directors.

The Company receives feedback from different sources – comments and suggestions on sustainability reports can be submitted by phone or to the email address in the Contact Details section. All messages are reviewed and taken into account when preparing the next Report.

## GRI 2-14

In order to avoid overlaps, some information is included in the Sustainability Report as a reference to the Company's 2022 Annual Report or other public documents.

### Assessment of the size of ivory gull colonies

The ivory gull is classified as the smallest population species of Arctic seabirds with a limited nesting range. The ivory gull is included into the Red Data Book and the IUCN Red List.

Rosneft has been studying the populations of ivory gulls on Kara Sea Islands since 2020. As part of the expeditions, scientists assess the numbers and condition of the birds, take samples of biological materials, band gulls, and equip them with GPS trackers to identify feeding regions.

## Reporting principles

The Report was prepared using the GRI Standards.

The Company also relied on the methodology of the following:

- GRI 11: Oil and Gas Sector 2021
- UN Global Compact principles
- International Financial Reporting Standards (IFRS)

- recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)
- 2016 IPIECA/API voluntary guidance for the oil and gas industry
- industry topics of Sustainability Accounting Standards Board (SASB)
- UNCTAD indicators for the entity reporting on contribution towards SDG implementation

The information on Rosneft's contribution to the UN SDGs, including those prioritised by the Company, is tagged in the Report by the relevant icons.

## Report content and materiality

### GRI 3-1 GRI 3-2

To identify material topics for disclosure in our 2022 Sustainability Report, we conducted a survey of external and internal experts. As part of the survey, experts assessed the materiality of each of the topics relating to the Company's activities.

In addition, as part of the procedure, non-financial reports of leading oil and gas companies in Russia and abroad were analysed and compared, with industry-specific material topics

and sustainability trends taken into account. The exercise helped identify 20 topics that received the highest average score and were deemed material.

### List of topics to be presented in the Report<sup>1</sup>

1.	<b>Carbon management</b>
2.	Climate-related risks and opportunities
3.	<b>APG management</b>
4.	Development of alternative energy and reliance on renewable energy sources
5.	<b>Energy saving and energy efficiency</b>
6.	<b>Ambient air protection</b>
7.	<b>Water and effluents management</b>
8.	<b>Waste management</b>
9.	Materials recycling and reuse
10.	<b>Prevention of and response to oil spills</b>
11.	<b>Land remediation</b>
12.	<b>Biodiversity conservation</b>
13.	Supplier environmental assessment

<sup>1</sup> Shown in bold are the topics deemed material.

14.	Supplier social assessment
<b>15.</b>	<b>Development of R&amp;D capabilities and innovations, including those related to combating climate change</b>
16.	Personnel training and professional development
17.	Personnel attraction and retention. Labour/management relations
18.	Social policy: social programmes, VHI and corporate pensions
<b>19.</b>	<b>Health and safety</b>
20.	Human rights protection, including diversity, equal opportunity, non-discrimination and inclusion
21.	Forced, compulsory and child labour
22.	Freedom of association and collective bargaining
23.	Labelling of products and services (including consumer health and safety)
<b>24.</b>	<b>Interaction with local communities and indigenous minorities</b>
25.	Charity and volunteering
<b>26.</b>	<b>Economic performance and investment appeal</b>
27.	The Company's tax policy
<b>28.</b>	<b>Countering corporate fraud and corruption</b>
29.	Procurement practices and transparency and competitiveness of procurement procedures
<b>30.</b>	<b>Contribution to Russia's technological sovereignty. In-house research and development</b>
<b>31.</b>	<b>Contribution to social and economic development of regions of operation</b>
<b>32.</b>	<b>National projects and goals and UN SDGs</b>
33.	Anti-competitive behaviour
<b>34.</b>	<b>Emergency preparedness</b>
<b>35.</b>	<b>Asset integrity</b>
<b>36.</b>	<b>Information security. Cyber security</b>

<sup>1</sup> Shown in bold are the topics deemed material.

## Independent external assessment

### GRI 2-5

The Company conducted an independent external assessment in the form of professional assurance.

TSATR – Audit Services LLC completed an engagement to provide limited assurance about certain indicators related to Rosneft's sustainability performance

in the reporting period, which are included in this Report and ticked («✓»). For the independent practitioner's assurance report, see page 206.

## Reporting boundaries

### GRI 2-2 | GRI 2-4 | GRI 3-2

This Report includes consolidated information about the Group Subsidiaries. It covers entities directly or indirectly owned by Rosneft that are consolidated under the IFRS (as subsidiaries and joint operations, respectively) fully or proportionally to Rosneft's interest therein, unless the notes indicate otherwise.

To the extent not disclosed in Rosneft's consolidated financial statements, indicators are given for the purposes of this Report in accordance with the following guidelines:

- Material HSE and HR indicators of Rosneft's subsidiaries are accounted for in full.

- Indicators of entities classified as joint operations are accounted for in full, provided that Rosneft ensures their compliance with its HSE and HR requirements.
- Reference data on entities classified under the IFRS as joint operations, associates and financial investments are accounted for to the extent material for the Company's sustainability performance.

## Definitions

In this Report, the terms Rosneft and the Company refer to PJSC Rosneft Oil

Company or the Group. The term Group Subsidiaries refers to the

entities where Rosneft holds directly or indirectly 20% or more.

## Disclaimer: forward-looking statements

The Report contains forward-looking statements regarding the Company's future sustainability performance.

Plans and intentions depend on the changing political, economic, social and regulatory environment in Russia and globally, which means

that the actual results presented in subsequent reports may deviate from the projections.

# Independent practitioner's assurance report



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## Translation of the original Russian version

### Independent practitioner's assurance report

To the Board of Directors of Rosneft Oil Company

#### Subject matter

We have been engaged by Rosneft Oil Company (hereinafter, "the Company") to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements (hereinafter, "the Engagement"), to report on the material sustainability performance indicators included in the Sustainability Report of Rosneft Oil Company (hereinafter, "the Report") and identified there by the «✓» symbol (hereinafter, "the Indicators"), as of 31 December 2022 or for 2022 (hereinafter, "the reporting period"):

- ▶ energy consumption
- ▶ energy saving and energy efficiency
- ▶ freshwater withdrawal
- ▶ water discharge
- ▶ use of water from all sources
- ▶ direct greenhouse gas emissions (Scope 1)
- ▶ indirect greenhouse gas emissions (Scope 2)
- ▶ unit greenhouse gas emissions
- ▶ gross air emissions
- ▶ waste directed to disposal
- ▶ payments to budgets of all levels related to environmental protection and environmental management
- ▶ workers covered by an occupational health and safety management system
- ▶ average duration of training per employee per year
- ▶ workforce by gender
- ▶ employees with disabilities

Other than as described in the preceding paragraph, which sets out the scope of our Engagement, we did not perform procedures on the remaining information included in the Report, and, accordingly, we do not express a conclusion on this information.

Under this Engagement, we did not perform any assurance procedures with regard to the following:

- ▶ forward-looking statements on performance, events or planned activities of the Company
- ▶ statements of third parties included in the Report

#### Applicable criteria

In preparing the Indicators, the Company applied its sustainability reporting principles as set forth in Section 5.2 "Principles of sustainability reporting" of the Company's Policy on sustainable development, and criteria defined in the Section "About the report" of the Report (hereinafter, "the Criteria").

#### Responsibilities of the Company's management

The Company's management is responsible for selecting the Criteria and preparing the Indicators in accordance with them in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Indicators, such that these are free from material misstatement, whether due to fraud or error. In addition, the Company's management is responsible for ensuring that the documentation provided to the practitioner is complete and accurate.

#### Practitioner's responsibilities

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements 3000 (revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (hereinafter, ISAE 3000).

ISAE 3000 requires that we plan and perform our Engagement to obtain limited assurance about whether, in all material respects, the Indicators are prepared in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our professional judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

#### Our independence and quality control

We apply International Standard on Quality Control 1 (ISQC 1) and International Standard on Quality Management 1 (ISQM 1) adopted by the International Federation of Accountants in respect of those matters for which the relevant requirements in ISQC 1 are either missing or less in scope (or in nature) than the requirements in ISQM 1, and accordingly, we maintain a robust system of quality control, including policies and procedures documenting compliance with relevant ethical and professional standards and requirements in law or regulation.

We comply with the independence and other ethical requirements of the IESBA Code of Ethics for Professional Accountants, which establishes the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.



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### Summary of work performed

The assurance engagement performed represents a limited assurance engagement. The nature, timing and extent of procedures performed in a limited assurance engagement is limited compared with that necessary in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within information technology systems.

A limited assurance engagement consists of making inquiries, primarily of persons responsible for preparing the Indicators and related information, and applying analytical and other appropriate procedures.

Our procedures included the following:

- ▶ inquiries of the representatives of the Company's management and specialists responsible for its sustainability policies, activities, performance and relevant reporting

- ▶ analysis of key documents related to the Company's sustainability policies, activities, performance and relevant reporting
- ▶ obtaining understanding of the process used to prepare the information on the Indicators
- ▶ review of data samples regarding the Indicators for the reporting period to assess whether this data has been collected, prepared, collated and reported appropriately
- ▶ collection of evidence substantiating other qualitative and quantitative information included in the Report at the headquarters level
- ▶ assessment of compliance of the Report and its preparation process with the Company's sustainability reporting principles

We also performed other procedures that we considered necessary in the circumstances.

#### Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Indicators are not prepared fairly, in all material respects, in accordance with the Criteria.

Signed

K.I. Petrov  
Partner  
TSATR – Audit Services Limited Liability Company

21 July 2023

#### Details of the independent practitioner

Name: TSATR – Audit Services Limited Liability Company  
Record made in the State Register of Legal Entities on 5 December 2002, State Registration Number 1027739707203.  
Address: Russia 115035, Moscow, Sadovnicheskaya naberezhnaya, 77, building 1.  
TSATR – Audit Services Limited Liability Company is a member of Self-regulatory Organization of Auditors Association "Sodruzhestvo."  
TSATR – Audit Services Limited Liability Company is included in the control copy of the register of auditors and audit organizations, main registration number 12006020327.

#### Details of the entity

Name: Rosneft Oil Company  
Record made in the State Register of Legal Entities on 12 August 2022, State Registration Number 1027700043502.  
Address: Russia, 115035 Moscow, Sofiyskaya naberezhnaya, 26/1.

# Appendix 2. Key sustainability indicators

Period	2020	2021	2022
<b>Health, safety and environment performance indicators</b>			
Ratio of the number of lost-time work-related injuries (including fatalities) at Rosneft to 1 mln man-hours worked (LTIF <sup>1</sup> )	0.53	0.64	<b>0.74</b>
Ratio of the total number of the Company's work-related fatalities at Rosneft to 100 mln man-hours worked (FAR <sup>2</sup> )	1.7	1.66	<b>3.25</b>
Health, safety and environment training, thousand man-courses	509.5	475.3	<b>560.7</b>
Expenditure on health and safety, including fire safety and blowout prevention, RUB bln	48	48	<b>43.7</b>
<b>✓ Air pollutant emissions</b>			
Gross air pollutant emissions (kt)	1,521	1,336	<b>1,314</b>
Air pollutant emissions from oil and gas production, t/ktce	3.51	3.24	<b>3.13</b>
Air pollutant emissions from refining and petrochemical activities, t/ktce	1.86	1.76	<b>1.89</b>
<b>✓ GHG emissions</b>			
Total emissions (Scope 1+2), mln t CO <sub>2</sub> -equiv.	80.9	72.7	<b>71.9</b>
Direct emissions (Scope 1), mln t CO <sub>2</sub> -equiv.	60.8	54.2	<b>55.8</b>
Indirect emissions (Scope 2), mln t CO <sub>2</sub> -equiv.	20.1	18.5	<b>16.1</b>
<b>✓ Direct GHG emissions, kt</b>			
Carbon dioxide (CO <sub>2</sub> )	57,467	51,141	<b>51,845</b>
Methane (CH <sub>4</sub> )	134	122.5	<b>158.8</b>
<b>✓ GHG emissions, t CO<sub>2</sub>-equiv. / tce</b>			
Exploration and production (including oilfield services)	0.155	0.147	<b>0.149</b>
Oil refining, petrochemicals and oil product sales	0.126	0.115	<b>0.116</b>
<b>✓ GHG emissions, t CO<sub>2</sub>-equiv. / kboe</b>			
Exploration and production (including oilfield services)	30.1	28.5	<b>28.9</b>
Oil refining, petrochemicals and oil product sales	24.6	22.5	<b>22.5</b>
<b>Water consumption and water discharge</b>			
Water consumption (water withdrawal from surface and underground sources) in oil and gas production, cu m / tce	0.51	0.46	<b>0.41</b>

<sup>1</sup> Lost Time Injury Frequency.  
<sup>2</sup> Fatal Accident Rate.

Period	2020	2021	2022
Water consumption (water withdrawal from surface and underground sources) for refining and petrochemical activities, cu m / tce	1.59	1.61	<b>1.68</b>
<b>Polluted water intake for treatment and use/discharge, mcm</b>			
• Wastewater	126.2	114.7	<b>107.1</b>
• Produced water	1,498.4	1,371.3	<b>1,407.1</b>
• Bottom water	4.2	6.7	<b>6.8</b>
Gross industrial effluent discharge to surface water, mcm	133.7	130.4	<b>125.5</b>
Water discharge to third-party networks for reuse, tcm	10,960.3	7,923.5	<b>3,518.17</b>
Water discharge to surface water in oil and gas production, cu m / tce	0.0004	0.0004	<b>0.0012</b>
Water discharge to surface water in refining and petrochemicals, cu m / tce	1.06	1.02	<b>1.07</b>
Polluted flow discharge to surface water in oil and gas production, cu m / tce	0.000004	0.000022	<b>0.000021</b>
Polluted flow discharge, to surface water in refining and petrochemicals, cu m / tce	0.52	0.56	<b>0.53</b>
<b>Environmental protection expenditures</b>			
Environmental protection investments, including as part of production programmes with an environmental effect, RUB bln	42	55	<b>57</b>
Operating environmental protection expenditures, RUB bln	31	31.2	<b>32.4</b>
Environmental fines payable, RUB bln	0.19	0.18	<b>0.08</b>
✓ Payments to budgets of all levels related to environmental protection and sustainable use of natural resources, RUB bln	3.9	5.2	<b>2.8</b>
<b>HR indicators<sup>1</sup></b>			
Headcount at year-end, thousand employees	355.9	334.6	<b>336.2</b>
Average headcount, thousand employees	342.7	330.5	<b>323.9</b>
<b>Workforce by category at year-end, %</b>			
• Blue-collar workers	52.4	51.3	<b>50.4</b>
• White-collar workers	35.2	36.4	<b>37.3</b>
• Managers	12.3	12.3	<b>12.3</b>
<b>✓ Workforce by gender at year-end, %</b>			
• Women	32.4	32.8	<b>33</b>
• Men	67.6	67.2	<b>67</b>
✓ Employees with disabilities (average headcount)	2,834	2,035 <sup>2</sup>	<b>2,309</b>
The number of quotas for hiring people with disabilities implemented by alternative means (financing, etc.)	1,336	1,419	<b>1,296</b>
<b>Anti-corruption performance indicators</b>			
Damage identified/prevented following the review of Security Hotline calls, RUB mln	38.7	76.5	<b>171.0</b>

<sup>1</sup> As per the business plan.  
<sup>2</sup> Changes in the number of employees with disabilities are due to the evolution of the Company's perimeter.

## Contribution to UN Sustainable Development Goals



FOR SPECIFIC OBJECTIVES AND METRICS, SEE ROSNEFT: CONTRIBUTING TO IMPLEMENTATION OF UN SUSTAINABLE DEVELOPMENT GOALS ON THE COMPANY'S WEBSITE

### UN SDGs of strategic priority



- protecting employee health and safety
- implementing the environmental policy
- risk and incident management
- ensuring road traffic safety
- fostering a favourable social environment

### Contribution to UN SDGs in 2022

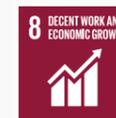
- 0.02 – occupational illness rate at Rosneft (the total number of identified occupational illness cases per million man-hours worked) **(GRI 403-10)**
- 0.042 – first level process safety event rate (the ratio of the number of process safety events that meet the PSE-1 criteria per million man-hours worked, PSER-1) **(GRI 11: Oil and gas (11.8))**
- 0.22 – second level process safety event rate (the ratio of the number of process safety events that meet the PSE-2 criteria per million man-hours worked, PSER-2) **(GRI 11: Oil and gas (11.8))**
- The Company has the Control of Work concept, which seeks to reduce occupational injury and accident rates by improving existing processes **(GRI 403-9)**
- Orenburgneft successfully piloted a Russian-made video surveillance system to monitor and control the use of personal protective equipment by employees **(GRI 403-6)**
- More than 300 thousand employees of Rosneft and Group Subsidiaries covered by personal insurance programmes **(GRI 11: Oil and gas (11.8))**
- The Company runs an enhanced preventive examination programme to identify any serious conditions at early stages and prevent complications from COVID-19. In 2019–2022, the programme covered over 186.5 thousand employees **(GRI 403-6)**
- In 2022, Rosneft reduced its gross pollutant emissions by around 2% **(GRI 305-7)**
- Volume of drilling waste reduced by 34% in 2022, with over 4 million tonnes processed **(GRI 306-5)**
- As part of the Vostok Oil project, the Company recycled around 85 thousand tonnes of drill cuttings in the reporting period **(GRI 306-5)**
- RN-Lubricants became a member of the Association for Waste Recycling in 2022 **(GRI 306-2)**
- 1,407.1 mcm – intake of associated formation water **(GRI G4 OG5)**
- 86.1 mcm – disposal of formation water, including discharge into underground reservoirs **(GRI G4 OG5)**



- increasing energy efficiency in all operating segments
- creating conditions to improve energy efficiency when using Company products
- ensuring access to energy and reliable energy supplies to consumers, including in the emerging markets
- innovative activities

- 560.5 million GJ – total energy consumption by the Company in 2022 **(GRI 302-1)**
- Rosneft's Energy Saving Programme delivered fuel and energy savings of 326 ktce **(GRI 302-4)**
- Almost RUB 57 bln in green investments **(GRI 11: Oil and gas (11.2))**
- In 2022, under an agreement with the Government of the Khanty-Mansi Autonomous Area – Yugra, Samotlorneftegaz procured and installed new generation solar panels and wind generators at the Mukhrino Field Station **(GRI 11: Oil and gas (11.2))**
- The APG utilisation rate at mature assets reached 91.6% **(GRI 11: Oil and gas (11.1))**

### UN SDGs of strategic priority



- contributing to the sustainable development and diversification of the national economy
- protecting employee health and safety
- contributing to the health and safety of suppliers and contractors
- fostering a favourable social environment
- supporting family and childhood
- ensuring freedom of association and collective bargaining
- productivity growth and efficiency improvement
- using education as a means of integrating young people into the energy sector
- establishing a sustainable procurement system along the entire value chain
- increasing energy efficiency in all operating segments
- creating decent living and working conditions in remote regions

### Contribution to UN SDGs in 2022

- 336.2 thousand qualified employees<sup>1</sup> **(GRI 2-7)**
- 798 thousand man-hours in mandatory vocational and management training, which is 30% above the target level **(GRI 404-1)**
- Over 15.61 thousand people underwent an assessment of corporate and managerial competencies **(GRI 404-3)**
- Over 34.18 thousand people underwent an assessment of professional competencies **(GRI 404-3)**
- Women account for 23.9% of all managers, with their share among top and senior managers of the Group Subsidiaries rising to over 18%<sup>2</sup> **(GRI 405-1)**
- 68.5% of employees receive additional social protection under collective bargaining agreements **(GRI 2-30)**
- The certification process of the Integrated HSE Management System covers more than 100 entities which account for 72.5% of the total headcount of all Group Subsidiaries covered by the Company's management accounting procedures **(GRI 403-8)**
- The Company operates in compliance with the laws ensuring freedom of association and rights to collective bargaining **(GRI 407-1)**



- managing risks related to climate change
- creating conditions to improve energy efficiency when using Company products
- increasing energy efficiency in all operating segments
- implementing the environmental policy
- innovative activities

- The Company reduced greenhouse gas emissions from its activities by 11% vs the 2020 base thanks to carbon management efforts **(GRI 305-5)**
- Direct GHG emissions (Scope 1) stood at 55.8 mmt of CO<sub>2</sub>-equiv. **(GRI 305-1)**
- Indirect emissions (Scope 2) associated with electricity and heat procurement stood at 16.1 mmt of CO<sub>2</sub>-equiv. **(GRI 305-2)**
- Methane emissions in 2022 amounted to 158.8 thousand tonnes, including fugitive emissions of 75.0 thousand tonnes
- The reduction in indirect GHG emissions by the Company in 2022 reached some 2.8 mmt of CO<sub>2</sub>-equiv. following purchases of low-carbon electricity under agreements with major energy companies **(GRI 305-5)**
- The Company interacts with the government and expert community on developing new carbon regulations in Russia. As part of the Low-Carbon Development Strategy of Russia until 2050<sup>3</sup>, the Company took part in putting together a plan to implement the strategy. The Company also took part in discussing regulations related to the law On Limiting Greenhouse Gas Emissions **(GRI 11: Oil and gas (11.2.4))**



- participation in global initiatives
- contributing to the sustainable development of the energy sector
- establishing effective partnership with state organisations, business, and society

- In 2010, Rosneft joined the UN Global Compact
- Rosneft submitted its annual Advanced Communication on Progress (CoP) in a new format, thus joining the ranks of 1,000 companies pioneering efficient sustainability disclosures
- In 2022, the Company complied with Rosneft Key Tax Principles, a public document reflecting the long-term tax policy of Rosneft **(GRI 207-1)**
- Rosneft: Contributing to Implementation of UN Sustainable Development Goals public statement was updated

<sup>1</sup> Headcount as at 31 December 2022 as per the business plan.

<sup>2</sup> The share of women among top and senior managers of the Group Subsidiaries in 2021 stood at 16%.

<sup>3</sup> Adopted in pursuance of Decree of the President of the Russian Federation No. 666 On Reducing Greenhouse Gas Emissions dated 4 November 2020.

# Appendix 3. Report's compliance with international standards

## GRI content index

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
<b>GRI 2. The organisation and its reporting practices</b>						
GRI 2-1	Organisational details	Contact Details The Company's Head Office is located in Moscow 2022 Annual Report, Rosneft Operations section, page 4 the General Information About Rosneft section, page 90 Official website of the Company  <b>Shareholder structure</b>	The information is disclosed partially pursuant to Resolution of the Government of the Russian Federation No. 400 dated 4 April 2019 On the Specifics of Disclosing and Providing Information Subject to Disclosure and Provision under the Federal Laws On Joint-Stock Companies and On the Securities Market (Resolution of the Government of the Russian Federation No. 400 dated 4 April 2019), as its disclosure and/or provision will/ may result in restrictions being imposed on the Company and/ or other persons, including new restrictions imposed on the person about whom/which the Company discloses and/or provides information	page 239		

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
GRI 2-2	Entities included in the organisation's sustainability reporting	About the Report	For the perimeter of data consolidation across the Group Subsidiaries for the purposes of the Sustainability Report, see the About the Report chapter	page 205		
GRI 2-3	Reporting period, frequency and contact details	1 January to 31 December 2022 About the Report Contact Details		page 202 page 239		
GRI 2-4	Restatements	About the Report		page 205		
	The key reasons for restatements in the Report are the development and improvement of the corporate reporting framework, clarification of the indicators' boundaries and retrospective information					
GRI 2-5	External assurance	About the Report Independent Assurance Report on Rosneft's 2022 Sustainability Report This appendix		page 204 page 206-207 page 212-234		
<b>GRI 2. Activities and workers</b>						
GRI 2-6	Activities, value chain and other business relationships	<b>Rosneft at a Glance and Operational Structure sections on the Company's website.</b>	There were no significant changes in the Company's business model during the reporting period There were no significant changes in the Company's shareholding structure and supply chain	page 208-211		
		2022 Annual Report, Rosneft Operations section, page 4 the General Information About Rosneft section, page 90. Appendix 2 Key Sustainability Indicators to this Report				
Key products: oil, gas, and refining products						

<sup>1</sup> Pages specified in the External Assurance column feature the Company's sustainability indicators that are marked with a check symbol throughout the text of the Report. Independent assurance was only conducted for the indicators marked with this symbol.

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
GRI 2-7	Information on employees and other workers	Appendix 2. Key sustainability indicators Management Framework and Personnel Profile.	The information is partially disclosed, without details of the headcount breakdown by region, pursuant to Resolution of the Government of the Russian Federation No. 400 dated 4 April 2019, as its disclosure and/or provision will/ may result in restrictions being imposed on the Company and/ or other persons, including new restrictions imposed on the person about whom/ which the Company discloses and/or provides information	page 208-211 page 126		
Headcount as at the end of 2022: 336.2 thousand employees, including: <ul style="list-style-type: none"> <li>permanent employment contract: women – 102,187, men – 211,564;</li> <li>temporary employment contract: women – 8,839, men – 13,570;</li> <li>full-time employment: women – 110,374, men – 224,897;</li> <li>part-time employment: women – 652, men – 237.</li> </ul>						
<b>GRI 2. Governance</b>						
GRI 2-9 IPIECA SHS-5	Governance structure and composition	Sustainable Corporate Governance 2022 Annual Report, Governance and Control Structure section, page 30-31  <b>Official website, Corporate Governance / Board of Directors section (<a href="https://www.rosneft.com">https://www.rosneft.com</a>)</b>		page 18-19		
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Sustainable Corporate Governance		page 21		

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
GRI 2-13	Delegation of responsibility for managing impacts	Sustainable Corporate Governance		page 18-19		
GRI 2-14	Role of the highest governance body in sustainability reporting	About the Report		page 202		
GRI 2-15	Conflicts of interest	Anti-corruption Efforts. Business Ethics		page 26		
GRI 2-16	Communication of critical concerns	Anti-corruption Efforts. Business Ethics		page 28		
<b>GRI 2. Strategy, policies and practices</b>						
GRI 2-22	Statement on sustainable development strategy	Message from Rosneft's Chairman		page 2-3		
GRI 2-23 UNGC Principle 7, Principle 10 IPIECA ENV-3, SHS-5	Policy commitments	Strategic Vision of Sustainable Development Sustainable Corporate Governance		page 12-16 page 17 page 26 page 29		
The Company believes it important to carry out environmental impact assessments (EIAs) to use the outcomes as a basis to develop activities aimed at minimising the Company's environmental footprint. In conducting EIAs, the Company follows the precautionary approach laid out in The Rio Declaration on Environment and Development (Principle 15. The Rio Declaration on Environment and Development, UN, 1992)						
Additional information is available on the Company's website at <a href="https://www.rosneft.com/Investors/Documents/development_policy_eng.pdf">https://www.rosneft.com/Investors/Documents/development_policy_eng.pdf</a> The Company's Policy on Sustainable Development: <a href="https://www.rosneft.com/upload/site2/document_file/code_of_business_and_corporate_ethics.pdf">https://www.rosneft.com/upload/site2/document_file/code_of_business_and_corporate_ethics.pdf</a>						
GRI 2-24	Embedding policy commitments	Sustainable Corporate Governance Anti-corruption Efforts. Business Ethics		page 21 page 30		
GRI 2-26 UNGC Principle 10	Mechanisms for seeking advice and raising concerns	Anti-corruption Efforts. Business Ethics		page 28 page 30		

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
GRI 2-27	Compliance with laws and regulations	Managing Environmental Impacts	Partially disclosed. No details provided on the total number of non-monetary sanctions and cases brought through dispute resolution mechanisms	page 64	page 64 page 209	
A number of Group Subsidiaries were imposed administrative fines for environmental non-compliance. Total fines in 2022 amounted to RUB 77.6 mln. Individual fines were insignificant						
GRI 2-28 UNGC Principle 8	Membership associations					
The Company is a member of the Russian–German Foreign Trade Chamber, Chamber of Commerce and Industry of the Russian Federation, Russian National Committee for Pacific Economic Cooperation, Petrochemical and Refiners Association, Russian Gas Society – association of oil and gas businesses, National Association for Subsoil Examination, Non-Profit Russian Corporate Counsel Association, and National Association of Technology Transfer (NATT)						
<b>GRI 2. Stakeholder engagement</b>						
GRI 2-29	Approach to stakeholder engagement	About the Report Stakeholder Engagement		page 32–35 page 202		
Rosneft interacts with all stakeholder groups that have an impact on, and are impacted by, the Company's operations						
GRI 2-30 UNGC Principle 3 IPIECA SOC-5	Collective bargaining agreements	Social Policy and Employee Good Health		page 148 page 211		
Appendix 2. Key sustainability indicators. Collective bargaining agreements cover 68.5% of the headcount						
<b>GRI 3. Material topics</b>						
GRI 3-1	Process to determine material topics	About the Report		page 203		
GRI 3-2	List of material topics	About the Report		page 203		
<b>26. Economic performance and investment appeal (material topic)</b>						
<b>GRI 201. Economic performance 2016</b>						
<b>Topic 11.1. GHG emissions</b>						
<b>Topic 11.14. Economic impact</b>						
<b>Topic 11.21. Payments to government</b>						
GRI 3-3	Management of material topics	Supporting social and economic development of the regions		page 175		

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
GRI 201-1 IPIECA SOC-13, GOV-4	Direct economic value generated and distributed	Appendix 2. Key sustainability indicators	The information is not disclosed pursuant to Resolution of the Government of the Russian Federation No. 400 dated 4 April 2019, as its disclosure and/or provision will/ may result in restrictions being imposed on the Company. The components of the Direct Economic Value Generated and Distributed consolidated in accordance with IFRS are partially presented in the press release on the Company's IFRS results for 12M 2022 (see at <a href="https://www.rosneft.com/press/releases/item/214043/">https://www.rosneft.com/press/releases/item/214043/</a> )	page 208–211		11.14.2 11.21.2
GRI 201-2	Financial implications and other risks and opportunities due to climate change	Climate-related threats and opportunities		page 42–45		11.1.1
GRI 201-3	Defined retirement plans and other benefit plans	Management Framework and Personnel Profile Social Policy and Employee Good Health		page 128 page 146		
GRI 201-4	Financial assistance received from government		The Company and Group Subsidiaries make use of benefits provided for by federal tax laws. In a number of regions of operation, the Company and Group Subsidiaries use income tax benefits and corporate property tax benefits under regional laws.			11.21.3

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
<b>31. Contribution to social and economic development of regions of operation (material topic)</b>						
<b>GRI 203. Indirect economic impacts 2016</b>						
GRI 3-3	Management of material topics	Supporting social and economic development of the regions		page 203		
GRI 203-1 IPIECA SOC-14	Infrastructure investments and services supported	Supporting social and economic development of the regions	The information is partially disclosed pursuant to Resolution of the Government of the Russian Federation No. 400 dated 4 April 2019 as its disclosure and/or provision will/may result in restrictions being imposed on the Company	page 177		11.14.4 11.14.1
<b>28. Countering corporate fraud and corruption (material topic)</b>						
<b>GRI 205. Anti-corruption efforts 2016</b>						
<b>Topic 11.20. Anti-corruption measures</b>						
GRI 3-3	Management of material topics	Anti-corruption Efforts. Business Ethics		page 26–31		11.20.1
GRI 205-1 UNGC Principle 10 IPIECA GOV-3	Total number and percentage of operations assessed for risks related to corruption, and significant risks identified					11.20.2
	<p>In 2022, risks related to corruption were assessed on a quarterly basis at the level of the Company, businesses, and business functions (covering 100% of all units). This risk is cross-functional and affects all business processes, requiring business process owners to develop control procedures aimed at preventing it.</p> <p>Anti-corruption is one of the components of the Code of Business and Corporate Ethics in place at Rosneft. The Company also has the Policy on Combating Corporate Fraud and Involvement in Corruption Activities approved by resolution of Rosneft's Board of Directors dated 21 May 2018, Minutes No. 19 dated 21 May 2018, and the Regulations on Coordinating Anti-Fraud and Anti-Corruption Processes providing for the algorithm and methodology to assess the risk.</p> <p>To implement the above documents, the Company took action in 2022 as part of the Comprehensive Anti-Fraud and Anti-Corruption Programme</p>					
GRI 205-2 UNGC Principle 10 IPIECA GOV-3	Communication and training about anti-corruption policies and procedures	Anti-corruption Efforts. Business Ethics		page 29		11.20.3

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
GRI 205-3 UNGC Principle 10 IPIECA GOV-3, GOV-5	Confirmed incidents of corruption and actions taken	Anti-corruption Efforts. Business Ethics		page 28		11.20.4
	<p>In 2022, there were no confirmed cases of corruption in which the Company was held liable by the regulators. Corruption prevention is the responsibility of the Company's Security Service, Internal and Personnel Security Office, and Internal Audit Service.</p>					
<b>GRI 206. Anti-competitive behaviour 2016</b>						
GRI 206-1	Number of legal actions against the Company regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation during the reporting period					
	<p>2022 saw no court disputes related to the Company's alleged violations of monopoly laws that would result in court orders taking effect.</p>					
<b>5. Energy saving and energy efficiency (material topic)</b>						
<b>GRI 302. Energy 2016</b>						
GRI 3-3	Management of material topics	Energy Saving and Energy Efficiency. Green Energy		page 159–162		
GRI 302-1 IPIECA CCE-6	Energy consumption within the organisation	Energy Saving and Energy Efficiency. Green Energy		page 159 page 208–211	page 159	11.1.2
	<p>The Group Subsidiaries use various types of fuel, above all natural and associated petroleum gas, as well as fuel oil, diesel fuel, and crude oil</p>					
GRI 302-4 UNGC Principle 9 IPIECA CCE-6	Reduction of energy consumption	Strategic Targets to Prevent Climate Change Energy Saving and Energy Efficiency. Green Energy		page 40 page 161 page 208–211	page 161	
	<p>The amount of fuel and energy resources saved by the Company as part of the energy saving programme totalled 326 thousand tonnes of reference fuel by the end of 2022.</p>					
<b>7. Water and effluents management (material topic)</b>						
<b>GRI 303. Water and Effluents 2018</b>						
<b>Topic 11.6. Water and effluents</b>						
GRI 3-3	Management of material topics	Managing Environmental Impacts Water Conservation		page 59–64 page 72		11.16.1

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
GRI 303-1	Interactions with water as a shared resource	Water Conservation		page 72		11.6.2
GRI 303-2	Management of water discharge-related impacts	Water Conservation		page 76		11.6.3
GRI 303-3 UNGC Principle 9 IPIECA ENV-1	Water withdrawal	Water Conservation		page 74	page 74	11.6.4
According to the data collection methodology, the Company discloses data on total volume of water withdrawn, including rainwater, wastewater, and produced water.						
GRI 303-4 UNGC Principle 9 IPIECA ENV-2	Water discharge	Water Conservation	Data shown does not include the freshwater category	page 76	page 76	11.6.5
GRI 303-5 UNGC Principle 9 IPIECA ENV-1	Water consumption	Water Conservation		page 75	page 75	11.6.6
<b>11. Land remediation (material topic)</b>						
<b>12. Biodiversity conservation (material topic)</b>						
<b>GRI 304. Biodiversity 2016</b>						
<b>Topic 11.4. Biodiversity</b>						
GRI 3-3	Management of material topics	Managing Environmental Impacts Biodiversity Conservation Waste Management and Land Remediation		page 59–64 page 65 page 80		11.4.1

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
GRI 304-1 IPIECA ENV-4	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity Conservation Waste Management and Land Remediation		page 67 page 81		
<p>The Company does not carry out exploration in protected areas. When operating in environmentally sensitive areas and near specially protected natural areas, the Company takes all possible preventive measures to avoid environmental impacts and ensure biodiversity conservation, including in the Yamal-Nenets Autonomous Area, Krasnoyarsk Territory, Arkhangelsk Region and the Republic of Sakha. In addition, the Company's production facilities are situated near the Verkhnee Dvuobye wetlands, Yugansky Nature Reserve in the Khanty-Mansi Autonomous Region – Yugra, various protected areas in the Samara Region, including I.I. Sprygin Zhiguli State Nature Biosphere Reserve, More-Yu wildlife sanctuary, Pym-Va-Shor nature monument in the Nenets Autonomous Area, as well as wetlands of the Krasnodar Territory. The Company engages in activities related to oil and gas production, treatment and transportation in areas traditionally used by indigenous peoples of the North, and carries out retail sales of petroleum products near protected areas, including the Utrish State Nature Reserve, Losiny Ostrov National Park, Samarskaya Luka National Park, Tunkinsky and Pribaikalsky national parks, Baikal Nature Reserve, Teberda Nature Reserve, Kumysnaya Polyana park, and Vysokovsky Bor nature monument. The Company operates in full compliance with applicable laws on environment protection</p>						
GRI 304-2 IPIECA ENV-3, SHS-5	Nature of significant impacts of operations, products, and services on biodiversity in formally protected areas and formally designated areas of special importance or sensitivity		Partially disclosed. The scale of the Company's operations makes it impossible to identify all of the species affected and extent of areas impacted	page 81		11.4.3
<p>Rosneft's operations involve environmental protection measures, comprehensive monitoring, and have no significant impact on the environment or biodiversity. Insignificant and reversible impacts on natural ecosystems, mainly noise, are possible during exploration and disappear upon completion of works</p>						

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
GRI 304-3 IPIECA ENV-4	Habitats protected or restored	Waste Management and Land Remediation	Partially disclosed. The scale of the Company's operations makes it impossible to identify all of the species affected and extent of areas impacted			11.4.4
The final phase of land remediation is the assessment of work by an independent contractor. Remediation is confirmed by acceptance certificates or records in the work performance and control register						
GRI 304-4 IPIECA ENV-4	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organisation, by level of extinction risk					11.4.5
Species with habitats in areas affected by the Company's operations include grey whale, sperm whale, reindeer, grey heron, golden eagle, Eurasian otter, European pond turtle, sturgeon, etc. The Company analyses its impact on the above species and aims to minimise it						
<b>12. Carbon management (material topic)</b>						
<b>6. Ambient air protection (material topic)</b>						
<b>GRI 305. Emissions 2016</b>						
<b>Topic 11.1. GHG emissions</b>						
<b>Topic 11.3. Air emissions</b>						
GRI 3-3	Management of material topics	Waste Management and Land Remediation. Oil Spill Risk Management		page 58-64 page 38-41 page 70		11.1.1 11.3.1
GRI 305-1 UNGC Principle 9 IPIECA CCE-4	Direct (Scope 1) GHG emissions	Achievement of Climate Goals in 2022. Appendix 2. Key sustainability indicators		page 49-50 page 208-211	page 49-50 page 208	11.1.5
GRI 305-2 UNGC Principles 7, 9 IPIECA CCE-4	Energy indirect (Scope 2) GHG emissions	Achievement of Climate Goals in 2022. Appendix 2. Key sustainability indicators		page 49 page 208-211	page 49 page 208	11.1.6
GRI 305-4 IPIECA CCE-4	GHG emissions intensity	Achievement of Climate Goals in 2022		page 50	page 50 page 208	11.1.7

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
GRI 305-6 IPIECA ENV-5	Emissions of ozone-depleting substances					
The Company does not use ozone-depleting substances on an industrial scale						
GRI 305-7 UNGC Principle 9 IPIECA ENV-5	NO <sub>x</sub> , SO <sub>x</sub> and other air emissions	Reducing Air Emissions		page 70 page 208-201	page 70 page 208	11.3.2
<b>8. Waste management (material topic)</b>						
<b>GRI 306. Effluents and Waste 2020</b>						
<b>Topic 11.5. Effluents and waste</b>						
GRI 3-3	Management of material topics	Waste Management and Land Remediation. Oil Spill Risk Management		page 80-82 page 78-79		11.5.1
GRI 306-1	Waste generation and waste-related impacts	Waste Management and Land Remediation		page 82		11.5.2
GRI 306-2	Management of waste-related impacts	Waste Management and Land Remediation. Appendix 2. Key sustainability indicators		page 82 page 208-211		11.5.3
GRI 306-3 IPIECA ENV-6, ENV-7	Waste generated	Waste Management and Land Remediation	Partially disclosed. No details provided on drill cuttings and waste breakdown by type	page 83		11.5.4
The main type of waste generated by the Company is oil sludge and drill cuttings. The Company does not consolidate information on waste by hazard class and disposal method, each Group Subsidiary accounts for its own waste						

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
GRI 306-4	Waste diverted from disposal	Waste Management and Land Remediation	Partially disclosed. The process for collecting data on the waste diverted from disposal is not yet in place. The main type of waste generated by the Company is oil sludge and drill cuttings. The Company does not consolidate information on waste by hazard class and disposal method, each Group Subsidiary accounts for its own waste	page 83		11.5.5
GRI 306-5 IPIECA ENV-7	Waste directed to disposal	Waste Management and Land Remediation. Appendix 2. Key sustainability indicators		page 83 page 208-211	page 83	11.5.6

**GRI 401. Employment 2016**
**Topic 11.10. Labour practices**

GRI 401-1 UNGC Principle 6	New employee hires and employee turnover	Management Framework and Personnel Profile. Key Sustainability Indicators	The information is partially disclosed pursuant to Resolution of the Government of the Russian Federation No. 400 dated 4 April 2019 as its disclosure and/or provision will/may result in restrictions being imposed on the Company and/or other persons, including new restrictions imposed on the person about whom/ which the Company discloses and/or provides information. The information on new hires and turnover by gender and age is not collected	page 126		11.10.2
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social Policy and Employee Good Health		page 141		11.10.3

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
<b>GRI 402. Labour/management relations 2016</b>						
GRI 402-1	Minimum notice periods regarding changes in operations, including whether these are specified in collective agreements					11.10.5
The Company complies with the labour legislation, including on duly notifying the employees of significant changes						
<b>19. Health and safety (material topic)</b>						
<b>GRI 403. Occupational health and safety 2018</b>						
<b>Topic 11.9. Occupational health and safety</b>						
GRI 3-3	Management of material topics	HSE Management		page 90-95 page 112-113		11.9.1
GRI 403-1	Occupational health and safety management system	HSE Management Occupational Safety		page 94		11.9.2
GRI 403-2	Hazard identification, risk assessment, and incident investigation	HSE Management Occupational Safety		page 96-97 page 98-99 page 105		11.9.3
GRI 403-3	Occupational health services	Social Policy and Employee Good Health		page 142-145		11.9.4
GRI 403-4 IPIECA SHS-1, SHS-2, SHS-3, SOC-6	Workers covered by an occupational health and safety management system	HSE Management		page 92-93		11.9.5
GRI 403-5	Worker training on occupational health and safety	Occupational Safety		page 94 page 102		11.9.6
GRI 403-6	Promotion of worker health	Social Policy and Employee Good Health		page 143-145		11.9.7

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	HSE Management Occupational Safety		page 98 page 100		11.9.8
GRI 403-8	Workers covered by an occupational health and safety management system	Corporate Governance Policy on Emergency Prevention and Response		page 95 page 208–211	page 95	11.9.9
GRI 403-9 IPIECA SHS-3	Work-related injuries	Appendix 2. Key sustainability indicators Occupational Safety	The Company discloses severe injuries as defined by applicable local regulations. Data on permanent disability injuries are not collected due to the limitations of the existing data collection system. Data on the number of man-hours worked is verified in the course of audits	page 103 page 208–211		11.9.10
GRI 403-10	Work-related ill health	Appendix 2. Key sustainability indicators Occupational Safety	In accordance with Federal Law No. 426-FZ On Special Assessment of Working Conditions dated 28 December 2013, the Company takes measures to identify hazards (hazardous production factors) that can lead to occupational diseases, informs employees about existing risks, and develops and implements initiatives to improve working conditions for employees	page 103 page 208–211		11.9.11
<b>GRI 404. Training and education 2016</b>						
GRI 404-1 UNGC Principle 6 IPIECA SOC-6	Average hours of training per year per employee by gender and category	Appendix 2. Key sustainability indicators Personnel Training and Development	The average training hours per employee for the year was 60 hours per person, for managers – 98 hours per person, white-collar employees – 36, blue-collar employees – 69; for men – 74, for women – 32 in 2022	page 130 page 208–211	page 130	11.10.6 11.11.4
GRI 404-2 IPIECA SOC-6	Programmes for lifelong skill and educational development	Personnel Training and Development		page 131		11.10.7

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
GRI 404-3 IPIECA SOC-6	Percentage of employees receiving regular performance and career development reviews	Appendix 2. Key sustainability indicators Personnel Training and Development	Partially disclosed. The Report presents data on the total number of employees subject to reviews. The Company currently does not collect any evaluation data by category or gender	page 133 page 208–211		
In 2022, Company-wide reviews of corporate and managerial competencies covered more than 49 thousand employees						
<b>GRI 405. Diversity and equal opportunity 2016</b>						
<b>Topic 11.11. Non-discrimination and equal opportunity</b>						
GRI 405-1 UNGC Principle 6	Diversity of governance bodies and key categories of employees	Appendix 2. Key sustainability indicators Framework Management Framework and Personnel Profile	✓ In 2022, the number of employees under 30 years of age totalled 49,257; between 30 and 50 years – 208,647; over 50 years – 78,257. The data is partially disclosed without indicating the breakdown of management personnel by gender and age pursuant to Resolution of the Government of the Russian Federation No. 400 dated 4 April 2019, as its disclosure and/or provision will/may result in restrictions being imposed on the Company and/or other persons, including new restrictions imposed on the person about whom/ which the Company discloses and/or provides information	page 126 page 208–211	page 209	11.11.5
✓ The Company complies with Russian laws on the protection of the disabled rights when it comes to meeting the established disabled quotas. We employ 2,309 disabled who enjoy equal access to education. The number of quotas for hiring people with disabilities implemented by alternative means (financing, etc.) was 1,296. At the same time, taking into account the nature of its operations and a high share of hazardous or dangerous jobs according to the special assessment of working conditions, the Company also pays compensations to the disabled employment promotion fund as provided for by regional laws						

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
<b>GRI 406. Non-discrimination 2016</b>						
<b>Topic 11.11. Non-discrimination and equal opportunity</b>						
<b>Topic 11.12. Forced labour and modern slavery</b>						
GRI 406-1 UNGC Principle 6	Total incidents of discrimination and corrective actions taken					11.11.7
The Company identified no incidents of discrimination in the reporting period						
<b>GRI 407. Freedom of association and collective bargaining</b>						
<b>Topic 11.13. Freedom of association and collective bargaining</b>						
GRI 407-1 UNGC Principle 3 IPECA SOC-8	Identified units and suppliers that could be violating freedom of association and rights to collective bargaining or that have a significant risk of such violations, as well as measures taken to protect these rights					11.13.2
The Company operates in compliance with the laws ensuring freedom of association and rights to collective bargaining. Rosneft has no information about units or suppliers that could be violating these rights						
	Employment disputes					
The Company operates in compliance with labour laws. Rosneft is committed to resolving all employment disputes through negotiations						
<b>GRI 410. Security practices 2016</b>						
GRI 410-1	Percentage of security personnel trained in the human rights policies or procedures					
All security personnel, as well as personnel of security service providers took training in human rights policies and procedures in 2022						

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
<b>24. Interaction with local communities and indigenous minorities (material topic)</b>						
<b>GRI 411. Rights of indigenous peoples 2016</b>						
<b>Topic 11.16. Land and resource rights</b>						
<b>Topic 11.17. Rights of indigenous peoples</b>						
GRI 3-3	Management of material topics	Support for indigenous peoples of the North		page 182		
The Company may require temporary or permanent access to areas where people live or work. The Company seeks to avoid relocating local residents unless absolutely necessary, in which case the Company provides required assistance to local communities						
GRI 411-1 UNGC Principles 1, 2	Total number of identified incidents of violations involving the rights of indigenous minorities and actions taken					11.17.2
The Company operates in some oil and gas producing regions where indigenous communities are present. In all these regions, the Company runs programmes to engage with, and provide support to, such communities. The Company operates in compliance with the laws prohibiting any forms of human rights violation. In 2022, no incidents of violations of indigenous peoples rights were identified in the Company						

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
<b>24. Interaction with local communities and indigenous minorities (material topic)</b>						
<b>GRI 413. Local communities 2016</b>						
<b>Topic 11.15. Local communities</b>						
GRI 3-3	Management of material topics	Supporting Social and Economic Development of Regions		page 175		11.15.1
GRI 413-1 UNGC Principle 1, 2 IPIECA SOC-9, SOC-10, SOC-11, SOC-13, SOC-14	Operations with local community engagement, impact assessments, and development programs		Due to the Company's scale and the complexity of operations, no system has been implemented to collect information on the number of divisions that carry out procedures related to stakeholder engagement and community impact assessment			11.15.2
The Company implements procedures for stakeholder engagement and community impact assessment and management in the key regions of Company operations, including when developing new projects. Such approaches affect the absolute majority of the Company's operations						
<b>3. APG management (material topic)</b>						
<b>Topic 11.1. GHG emissions</b>						
GRI 3-3	Management of material topics	Achievement of Climate Goals in 2022		page 53		
<b>10. Prevention of and response to oil spills (material topic)</b>						
GRI 3-3	Management of material topics	Oil Spill Risk Management		pages 78-79		

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
<b>15. Development of R&amp;D capabilities and innovations, including those related to combating climate change (material topic)</b>						
<b>Topic 11.2. Climate adaptation, resilience, and transition</b>						
GRI 3-3	Management of material topics	Development of R&D Capabilities. Innovation Management		page 152-153 page 163		
<b>30. Contribution to Russia's technological sovereignty. In-house research and development (material topic)</b>						
GRI 3-3	Management of material topics	Localisation and Contribution to Russia's Technological Sovereignty		page 166		
<b>32. National projects and goals and UN SDGs (material topic)</b>						
GRI 3-3	Management of material topics	Strategically important UN Sustainable Development Goals and the Company's contribution to Russia's national projects		page 6-7		

No.	Disclosure	Report section / references to other public documents	Comment	Report page	External assurance <sup>1</sup>	Reference to GRI 11: Oil and Gas Sector 2021 Standard
<b>34. Emergency preparedness (material topic)</b>						
<b>Topic 11.8. Asset integrity and emergency risk management</b>						
GRI 3-3	Management of material topics	Safety of Production Facilities. Emergency Prevention. Emergency Response		page 106 page 116-118		11.8.1
-	PSER integrity indicators (Tiers 1 and 2)	Safety of Production Facilities		page 106		11.8.3
<b>35. Asset integrity (material topic)</b>						
<b>Topic 11.18. Conflict and security (foreign assets)</b>						
GRI 3-3	Management of material topics	Safety of Production Facilities		page 106		
<b>36. Information security. Cyber security (material topic)</b>						
GRI 3-3	Management of material topics	Digital Transformation. Information Security		page 155		

### Climate-Related Disclosures (TCFD)

Category	Disclosure	Report section / comment	Report page	Reference to GRI 11: Oil and Gas Sector 2021 Standard
<b>Topic 11.2. Climate adaptation, resilience, and transition</b>				
Governance	a) The Board of Director's position on climate-related risks and opportunities	<ul style="list-style-type: none"> <li>Strategic vision of sustainable development</li> <li>Strategic Targets to Prevent Climate Change</li> </ul>	page 12-13 page 39	
	b) Management' role in assessing and managing climate-related risks and opportunities	<ul style="list-style-type: none"> <li>Sustainable Corporate Governance</li> <li>Risk management system and ESG risks</li> <li>Strategic Targets to Prevent Climate Change</li> </ul>	page 19 page 22 page 41-42	11.2.1
Strategy	a) Short-, medium- and long-term climate-related risks and opportunities identified by the Company	<ul style="list-style-type: none"> <li>Risk management system and ESG risks</li> <li>Strategic Targets to Prevent Climate Change</li> </ul>	page 22-25 page 42-45	11.2.1
	b) The impact of climate-related risks and opportunities on the Company's business, strategy and financial planning	<ul style="list-style-type: none"> <li>Risk management system and ESG risks</li> <li>Energy Outlook and Energy Transition</li> <li>Strategic Targets to Prevent Climate Change</li> </ul>	page 23-25 page 42-45 page 46-48	
Risk management	a) Processes to identify and assess climate-related risks	<ul style="list-style-type: none"> <li>Risk management system and ESG risks</li> </ul>	page 22,25	
	b) Processes to manage climate-related risks	<ul style="list-style-type: none"> <li>Risk management system and ESG risks</li> <li>Strategic Targets to Prevent Climate Change</li> </ul>	page 22,25 page 42-45	
	c) Integration of processes to identify, assess, and manage climate-related risks into a unified Company risk management process	<ul style="list-style-type: none"> <li>Risk management system and ESG risks</li> <li>Strategic Targets to Prevent Climate Change</li> <li>Emergency Prevention</li> </ul>	page 22 page 39,41 page 119	
Targets and indicators	a) Targets used by the Company to assess associated risks and opportunities in accordance with the risk management strategy and process	<ul style="list-style-type: none"> <li>Strategic Targets to Prevent Climate Change</li> <li>Water Conservation</li> <li>Waste Management and Land Remediation</li> </ul>	page 12-13 page 72 page 80	11.2.3
	b) Scope 1, Scope 2 and Scope 3 greenhouse gas emissions and associated risks	<ul style="list-style-type: none"> <li>Achievement of Climate Goals in 2022</li> </ul>	page 49-50	
	c) Targets used by the Company to manage climate-related risks and opportunities and their consequences	<ul style="list-style-type: none"> <li>Strategically important UN Goals and the Company's contribution to Russia's national projects</li> <li>Strategic Targets to Prevent Climate Change</li> <li>Achievement of Climate Goals in 2022</li> <li>Environmental impact management</li> </ul>	page 4-7 page 38-39 page 53 page 60	

**UNCTAD indicators**

Indicator	Report section / comment	Report page
<b>Economic area</b>		
A.3.1. Green investment	Managing Environmental Impacts	p. 63
<b>Environmental area</b>		
B.1.1. Water recycling and reuse	Water Conservation	p. 75
B.1.3. Water stress	Water Conservation	p. 74
B.2.1. Reduction of waste generation	Waste Management and Land Remediation	p. 83
B.2.2. Waste reused, re-manufactured and recycled	Waste Management and Land Remediation	p. 83
B.3.1. Greenhouse gas emissions (scope 1)	Achievement of Climate Goals in 2022	p. 49-50
B.3.2. Greenhouse gas emissions (scope 2)	Achievement of Climate Goals in 2022	p. 49
B.4.1. Ozone-depleting substances and chemicals	The Company does not use ozone-depleting substances on an industrial scale	
B.5.1. Renewable energy	Currently, the volume of generated renewable energy accounts for an insignificant part of total energy volume	
<b>Social area</b>		
C.1.1. Proportion of women in managerial positions	Management Framework and Personnel Profile.	p. 126
C.2.1. Average hours of training per year per employee	Personnel Training and Development	p. 130
C.3.2. Frequency/incident rates of occupational injuries	Occupational Safety	p. 103
C.4.1. Percentage of employees covered by collective agreements	Social Policy and Employee Good Health	p. 148

# Appendix 4. Abbreviations

<b>APG</b>	Associated petroleum gas	<b>IFRS</b>	International Financial Reporting Standards
<b>API</b>	American Petroleum Institute	<b>IOGP</b>	International Association of Oil & Gas Producers
<b>BREEAM</b>	Building Research Establishment Environmental Assessment Method	<b>IPIECA</b>	International Petroleum Industry Environmental Conservation Association
<b>CEPI</b>	Caspian Environmental Protection Initiative	<b>ISO</b>	International Organisation for Standardisation
<b>CNG</b>	Compressed natural gas	<b>ITUO</b>	Interregional Trade Union Organisation
<b>CNPC</b>	China National Petroleum Corporation	<b>KPI</b>	Key performance indicators
<b>COP26</b>	26th UN Climate Change Conference	<b>LNG</b>	Liquefied natural gas
<b>CRM</b>	Customer relationship management		
<b>CU TR</b>	Technical regulations of the Customs Union	<b>LTIF</b>	Lost Time Injury Frequency, the ratio of the number of lost-time on-the-job injuries (including fatalities) of the Company's employees to 1 mln man-hours worked
<b>DNA</b>	Deoxyribonucleic acid	<b>M&amp;D</b>	Marketing and distribution
<b>EMERCOM</b>	Ministry of the Russian Federation for Civil Defence, Emergencies and Elimination of Consequences of Natural Disasters	<b>MFM</b>	Multiphase flow meter
<b>ERP</b>	Enterprise resource planning	<b>NDCs</b>	Nationally determined contributions
<b>FAR</b>	Fatal Accident Rate, the ratio of the total number of the on-the-job fatalities in the Company to 100 mln man-hours worked	<b>NPF Evolution</b>	Non-State Pension Fund Evolution
<b>FEC</b>	Fuel and energy complex	<b>OHS</b>	Occupational health and safety
<b>G20</b>	The Group of Twenty	<b>OPEC</b>	Organisation of the Petroleum Exporting Countries
<b>GPP</b>	Gas processing plant	<b>OSR</b>	Oil spill response
<b>HSE</b>	Health, safety and environment	<b>PPE</b>	Personal protective equipment
<b>HSE</b>	Health, safety and environment	<b>R&amp;D</b>	Research and development
<b>HSE IMS</b>	Integrated Health, Safety and Environment Management System	<b>RES</b>	Renewable energy sources
		<b>Rosleskhoz</b>	Federal Forestry Agency
		<b>Rosnedra</b>	Federal Agency for Mineral Resources

<b>Rosprirodnadzor</b>	Federal Service for Supervision of Natural Resources
<b>Rostekhnadzor</b>	Federal Environmental, Industrial and Nuclear Supervision Service of Russia
<b>RSChS</b>	Single State Disaster Management System
<b>RSPP</b>	Russian Union of Industrialists and Entrepreneurs
<b>RTAF</b>	Road Traffic Accident Frequency, the ratio of the total number of road traffic accidents to the number of kilometres run by the vehicles in Group Subsidiaries normalised to 1 mln kilometres
<b>SME</b>	Small and medium enterprises
<b>SPIMEX</b>	St Petersburg International Mercantile Exchange
<b>TIP</b>	Target innovative project
<b>TRIR</b>	Total Recordable Incident Rate
<b>UAV</b>	Unmanned aerial vehicle
<b>UN</b>	United Nations
<b>UN SDGs</b>	Sustainable Development Goals of the United Nations
<b>VHI</b>	Voluntary health insurance

## Units of measurement

<b>bcm</b>	billion cubic metres	<b>mcm</b>	million cubic metres
<b>bln</b>	billion	<b>mln</b>	million
<b>boe</b>	barrel of oil equivalent	<b>mmt</b>	million tonnes
<b>CO<sub>2</sub>-equivalent, CO<sub>2</sub>-equiv.</b>	Greenhouse gas emissions as carbon dioxide equivalent (over a 100 year horizon)	<b>RUB</b>	rouble
<b>cu m</b>	cubic metre	<b>sq m</b>	square metre
<b>ha</b>	hectare	<b>t</b>	tonne
<b>kg</b>	kilogramme	<b>toe</b>	tonne of coal equivalent
<b>km</b>	kilometre	<b>th.</b>	thousand
<b>kt</b>	thousand tonnes	<b>toe</b>	tonne of oil equivalent
		<b>trln</b>	trillion

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**Feedback**

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### Assessing population size and habitat

*Siberian musk deer are small even-toed ungulates inhabiting Siberia and the Far East; they are included in the Red Data Book and the IUCN Red List as a vulnerable species. This is a very cautious animal that lives solitarily.*

*With Rosneft's support, scientists of the Central Siberian Reserve study the size of the Siberian musk deer population: they use satellite imagery, set up camera traps in the best feeding locations, and then analyse the photos. In 2022, the Siberian musk deer was confirmed to inhabit Evenkia, with its area of habitat determined and approximate population estimated at 300 animals.*

### 120,000 Siberian musk deer inhabit Russia

*Fun fact: on the upper part of the jaw, Siberian musk deer have two prominent, tusk-like canine teeth, which they use during the mating season to compete for females.*

*Rosneft works to identify Siberian musk deer areas of habitat in Evenkia.*





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