



## GOALS FOR 2017

### > HSE AND OS

In 2017, Gazprom Neft plans to:

- > prevent accidents at hazardous production facilities;
- > reduce equipment accidents (incidents) by 10%;
- > reduce the fatal accident rate (FAR) by 30%;
- > prevent man-made emergencies at production facilities.

The Company will implement the following key measures in HSE, OS and CD:

- > the functioning of an industrial safety department at the Corporate University;
- > the training of drivers according to the requirements of the 'Traffic Safety Control System' standards for defensive/winter driving;
- > the implementation of a corrective action plan to reduce the risk of fires at power-generating plants;
- > the further implementation of updated 'Basic Safety Rules';
- > the further introduction of the 'Five Steps' risk assessment tool;
- > the development of a method to record accidents as well as hazardous actions and working conditions;
- > the implementation of an incentive programme for providing timely information about violations of industrial safety requirements;
- > the creation of a mobile app for Industrial Safety Service employees.

### > MITIGATING NEGATIVE ENVIRONMENTAL IMPACTS AND EFFECTIVELY UTILISING RESOURCES

The Company will continue carrying out programmes to improve environmental safety in 2017. As part of efforts to implement production programmes to modernise and build infrastructure by 2020 taking into account the requirements for reducing the man-made impact on the environment, the Company will continue working towards its medium-term goals, in particular:

- > reducing specific harmful (pollutant) air emissions;
- > reducing specific greenhouse gas emissions;
- > reducing the discharge of contaminated and insufficiently treated wastewater into the ground, surface water bodies and centralised water disposal systems;
- > increasing the share of disposed and recycled waste;
- > reducing the share of above-limit payments for negative environmental impact;
- > increasing the APG utilisation level to 95%.

As part of the Year of Ecology in Russia, the Company also plans to conduct technical and communications measures that aim to mitigate any negative environmental impact and develop an environmental culture.

## ► ENERGY CONSERVATION AND ENERGY EFFICIENCY

### TARGETS:

- > To implement the Upstream Division's 2017 energy conservation and energy efficiency programmes (125 mn kWh).
- > To achieve the planned specific electricity consumption indicators for the Upstream Division (29.47 kWh/TJ).
- > To implement the Downstream Division's energy conservation programme and conserve the following main fuel and energy resources:
  - heat energy – 525,000 Gcal
  - fuel – 121,500 TOE
  - electricity – 30.6 mn kWh

### ENERGY CONSERVATION IN MACHINERY AND TECHNOLOGY:

#### UPSTREAM DIVISION

- > Use of high efficiency electric submersible pump units.
- > Introducing electric submersible pump units with an expanded work area.
- > Conducting geological and technical measures to reduce water produced and pump it into the formation.
- > Installation of variable frequency drives on pumping equipment.
- > Replacement of submersible cables with cables that have an enlarged cross-section.
- > Pilot testing of pump equipment with improved performance and efficiency indicators.
- > Reconstruction/modernisation of pump units.
- > Modernisation of lighting systems and optimisation of electric heating systems.

#### DOWNSTREAM DIVISION

##### Key objectives in improving energy conservation management:

- > The expansion of the scope of the Downstream Division's Unified Energy Management System with the priority energy-related enterprises: Slavneft-YANOS (JV) and the branch of Gazpromneft-Lubricant Materials LLC – Omsk Lubricant Materials Plant;
- > The organisation of EMS training for employees and the advanced training of the energy managers of the Division's subsidiaries;
- > The development of corporate standards and methodologies in energy conservation and efficiency;
- > The exchange of experience with oil companies (continued experience of energy efficiency meetings between Gazprom Nef enterprises and other oil companies).

##### Key objectives in improving the reliability of power supplies:

The Downstream Division's power supply reliability management system will be improved and developed in several areas in the medium-term, including:

- > searching for, adapting and replicating new technologies, methods and best practices, establishing a new functionality and increasing the use and effectiveness of the system's existing resources (material resources and personnel);
- > strengthening and centralising the functional vertical of energy management;
- > expanding the functions of the Main Control Room as regards the real-time assessment and monitoring of energy equipment reliability indicators;
- > systematic work to improve the skill and motivation level of personnel;
- > performing additional targeted research work in reliability.