

APPENDIX 5. TERMS AND ABBREVIATIONS

A

APG

means associated (petroleum) gas, a mixture of gaseous hydrocarbons dissolved in oil and released during oil production

ASP (ALKALINE-SURFACTANT-POLYMER FLOODING)

means chemical technique for oil recovery enhancement where a mixture of anionic surfactants, sodium carbonate and polymer is injected into the reservoir

ASSETS, FACILITIES OR OPERATIONS

herein means PJSC Gazprom Neft's subsidiaries and controlled entities

BBAZHENOV FORMATION, RESERVES OF THE BAZHENOV FORMATION

means a stratum in the West Siberian basin

C

CNG

means compressed natural gas

CO₂

means carbon dioxide

CORPORATE COMMUNICATIONS

means communications, including the exchange of information, between the Company and its stakeholders

E

EBITDA

means earnings before interest, tax, depreciation and amortisation

ENMS

means an energy management system

G

GRANT COMPETITION OF SOCIAL PROJECTS

means the social investment tool used by the Company to select, on a competitive basis, and support projects addressing the key social issues in its regions of operation. Grant competitions are part of the Home Towns social investment programme

GRI (GLOBAL REPORTING INITIATIVE)

means an international organisation developing and promoting a recognised and credible sustainability reporting framework that can be applied by all organisations regardless of their size, sector or location

GRI STANDARDS

means the latest version of the internationally accepted sustainability reporting framework developed by the Global Reporting Initiative (GRI)

L

H

HEADQUARTERS / CORPORATE CENTRE

means the management company PJSC Gazprom Neft

HOME TOWNS

means Gazprom Neft's social investment programme seeking to tackle the most pressing social and economic development issues across its footprint, among other things, through cooperation with local communities. The programme focuses on urban development (housing construction and improvement of public areas), creation and development of mass and children's sports infrastructure, support of sports organisation and events, backing and promotion of education, preservation and development of local cultural potential, and cooperation with indigenous northern minorities

HSE

means health, safety, environment and civil defence

I

IFRS

means International Financial Reporting Standards

IRMF

means an integrated risk management framework. Risk management is a continuous streamlined process to identify, assess, monitor and respond to risks at all corporate levels

ISO 26000

means an international social responsibility standard published in 2010 and aimed at all companies and sectors. It is a set of guidelines defining the general terms and principles of socially responsible activities

L

LPG

means liquefied petroleum gas

LTIF (LOST TIME INJURY FREQUENCY)

means the number of lost time injuries occurring in a workplace per 1 million hours worked

M

MOTOR FUEL CLASS

means an emission standard introduced by Russia's Technical Regulations On Requirements to Motor and Aviation Gasoline, Diesel and Bunker Fuel, Jet Fuel and Fuel Oil similar to European standards. For example, class 5 is equivalent to Euro-5 as per the Technical Regulations

MUD PIT

means facilities designed for the storage of drilling waste

N

NON-FINANCIAL REPORTING –

see Sustainability Reporting

NO_x

means nitrogen oxides

NPO

means a non-profit organisation

O

OE

means oil equivalent

OILFIELD SERVICES

means oil and gas field services, including drilling of wells, installation of drilling rigs and multi-well pads, well workover, and repairs of drilling equipment

OMS

means operations management system

P

PETROLEUM SLUDGE

means a physical combination of several compounds, such as water, petroleum products and mineral matter (clay, metal oxides, sand, etc.)

PRMS (PETROLEUM RESOURCES MANAGEMENT SYSTEM OF THE SOCIETY OF PETROLEUM ENGINEERS)

means an international framework developed for the estimation and management of hydrocarbon resources. It focuses on whether the resources are potentially available and economically recoverable

R

R&D

means research and development

RSPP

means the Russian Union of Industrialists and Entrepreneurs

S

SO₂

means sulphur dioxide

STAKEHOLDERS

means an entirety of individuals and legal entities that have interest in the Company's operations. They can affect or be affected by the Company's actions and performance

SUSTAINABILITY (NON-FINANCIAL) REPORTING

means a framework (processes) to collect, consolidate, analyse and present information on the balance between the financial, industrial, social and environmental aspects of the Company's performance. It sets out the principles and ways of embracing interests of numerous stakeholders and managing stakeholder relations when tackling issues important for the Company and society as a whole

SUSTAINABLE DEVELOPMENT

means development that meets the needs of the present without compromising the ability of future generations to meet their own needs. The definition was introduced by the UN's World Commission on Environment and Development in the Our Common Future report. Quoted after Sustainability Reporting Guidelines Version 3.0. Translated from English. GRI, 2006

T

TFE

means a tonne of fuel equivalent

U

UN SDGS

means the Sustainable Development Goals adopted by the UN member states in 2015

V

VOC

means volatile organic compounds