

Rosneft Climate Goals Summary

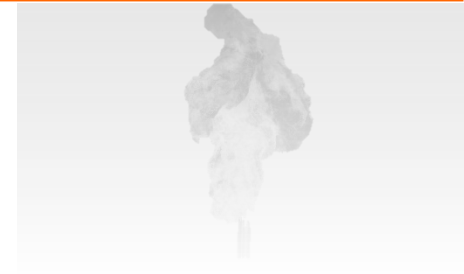


Preventing emissions¹ by 2035

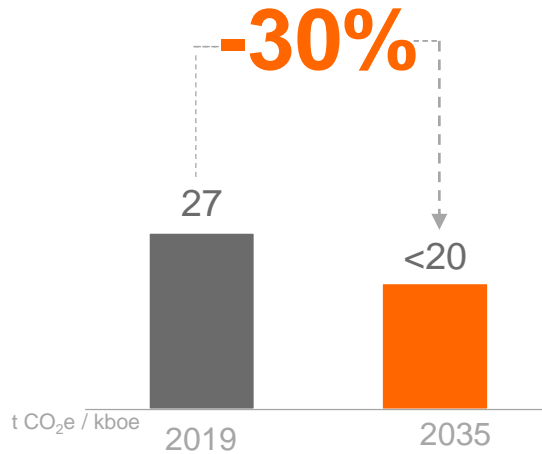
Reduction of Upstream emissions intensity by 2035

Reduction of methane emissions intensity by 2035

Achieving zero routine flaring by 2035



-20
mln t CO₂e



<0.25%

Zero
flaring²

Note: all figures are for assets in Russia only.

¹ Preventing of absolute Scope 1 and 2 (direct and indirect) emissions in comparable terms.

² Zero routine flaring of associated gas.

Rosneft is in a Unique Position to Deliver its 2035 Climate Goals

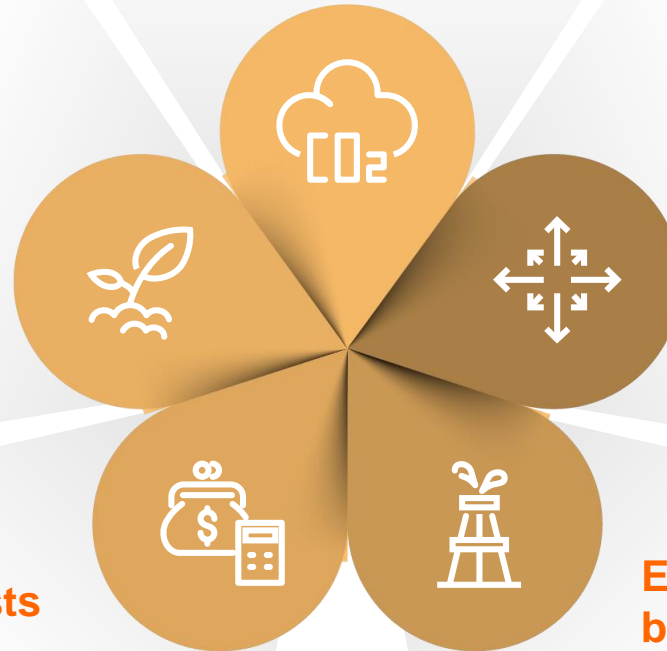


Underground storage potential in Russia and Rosneft's depleted fields potential to develop CCUS projects for disposal of greenhouse gas and APG storage

Great potential of natural carbon sinks in Russia

to develop forest conservation projects and offset CO₂ emissions

Size of the company allows to realize “economy of scale” (e.g., when replacing traditional generation with renewable energy)



Leadership in lifting costs allows to finance decarbonization and remain competitive on the cost curve

Extensive natural gas resource base with low production costs and growth potential

Levers to Deliver GHG Reduction Goals (1/2)



Lever

Details



Energy saving and energy efficiency

Energy savings have already achieved >4 mln toe¹
Company will continue energy efficiency program through **continuous improvements, including automation systems for lowering energy consumption**



APG utilization and flaring reduction

APG flaring reduction program acceleration and “zero routine flaring” target
Company considers additional options on **application of advanced technologies for APG reinjection and APG utilization**



Methane emissions

Advanced processes of **leakage prevention and elimination with innovative technologies**: drones, laser and infrared scanners, supersonic detectors



Share of gas in portfolio

Rosneft plans to produce 100 bcm of gas, increasing **gas in portfolio to >25%**

¹ For 2014-9M2020 period.

Levers to Deliver GHG Reduction Goals (2/2)



Lever

Details



CCUS projects

Rosneft plans to **leverage underground storage potential** of Russia, its own depleted fields and infrastructure

Analysis, development and pilot projects of carbon **capture, chemical neutralization, transportation and storage**

CCUS projects likely will be linked with blue hydrogen projects



Renewables

Potential for substitution of traditional thermal power with renewable Renewable energy at new projects – economy of scale potential



New products

Evaluation of projects producing new clean products, including **blue hydrogen** (optionally – green hydrogen) and other sustainable fuels, e.g. sustainable aviation fuel and biofuels – Scope 3 emissions reduction¹

Retrofitting existing steam methane reforming hydrogen production, achieving **OPEX synergies with CCUS** and economy of scale



Natural carbon sinks

Unlock natural carbon sinks potential of Russia and **develop full-scale forest conservation program** to offset CO₂ emissions²

¹ Emissions from customers' use of Company's products.

² Including mechanisms of net compensation of emissions through quotas purchase and monetization.