

PGNiG
Code
of Responsible
Gas and
Oil Production

The Code of Responsible Gas and Oil Production of Polskie Górnictwo Naftowe i Gazownictwo SA is designed to help us foster relations with the local communities in areas of our ongoing or planned exploration and production projects.

Our efforts to nurture good relations with local communities and care for the natural environment form the twin pillars of our Sustainable Development and Corporate Social Responsibility Strategy.

In line with our mission statement, PGNiG's primary commitment is to ensure reliable and secure supplies of clean and environmentally-friendly energy, in the form of oil and gas produced from both conventional and unconventional sources, using a range of competitive and innovative solutions.

We are faithful to our tradition and proud of the trust placed in us by our customers, while remaining ready for new challenges and being open to change.

Acting in the best interests of our shareholders, customers and employees, we desire to be a trustworthy and transparent partner, pursuing our development and value-creation goals in keeping with the principles of sustainability.



In running our business, we adhere to the standards set out in the formally implemented PGNiG Code of Ethics.

In building our relations with local communities we therefore adhere to the principles of strict compliance with law, good, mutually beneficial cooperation, transparency and social involvement.

In putting our mission into practice, we rely on a set of key values: responsibility, reliability, partnership and quality.

All these values are also reflected in the detailed ethical standards which apply at all stages of our natural gas and crude oil production processes.

Responsibility

Our intention is to run our gas production business in such a way as to minimise all potential adverse impact, while maximising benefits to stakeholders. This is an important consideration in our business decisions and activities.



Our aim is to develop harmoniously, in a way delivering benefits not only to our business but also to its natural and social environment.

We endeavour to offset our environmental footprint with initiatives focused on environmental protection and the preservation of biodiversity, as well as land reclamation of sites formerly occupied by our projects, restoring them to their original condition.

We conduct our business in compliance with all applicable legal requirements, from the environmental impact assessment onwards, including securing all environmental decisions and permits related to waste, water and wastewater management, atmospheric and noise emissions, and emissions of substances and mixtures that could pose a hazard to the environment, etc.

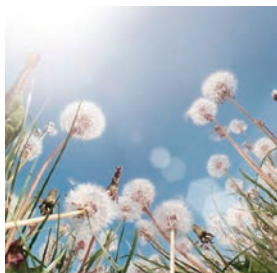


We analyse and monitor those components of the environment that may be impacted by our operations (such as the soil, surface and ground waters, the acoustic climate, air and protected natural objects).

We also seek to be actively involved in the social and cultural life taking place around us, with a special focus on initiatives run by local communities.

Environmental protection

When conducting seismic surveys, **we adhere strictly to the terms, requirements and obligations specified by the Regional Directorates of Environmental Protection** on such issues as the possibility and dates of working in areas protected by the Natura 2000 initiative, as well as the rules governing restrictions on research methods and equipment.



We select drilling sites after identifying the surrounding environmental, natural and social conditions in order to eliminate spatial conflict and minimise the nuisance caused by our operations.

When performing drilling and production activities, we make every effort to eliminate or reduce the environmental and social impact of our business to a minimum, for instance by reclaiming natural areas where we have conducted operations.

We regularly update our procedures and best practices with a view to preventing any negative effects from the work performed.



Being aware of the impact of gas exploration and production on various aspects of a given region's social and economic life, we strive to ensure that it is as positive as possible.

Social commitment

We try to encourage representatives from local government, non-governmental organisations and social organisations **to work with us to ensure reliable, multifaceted and transparent communication** on the issues related to natural gas acquisition.

We support the initiatives that are important to our local communities in the areas of infrastructure, education, culture and society.

Shared economic value

We also look for **opportunities to employ** representatives of local communities, as well as to **develop** local services and other forms of **entrepreneurship** in the area.

Reliability

Within our Group companies, **we implement integrated management systems that are certified and audited by independent entities. These include Environmental Management Systems and the HSE (Health, Safety, Environment) system.**

Our aim is to provide our stakeholders **with reliable and highly understandable information on our objectives**

We search for market solutions that are both economically viable and environmentally and socially friendly.

and operating methods, as well as on all the aspects of our business activities that are of direct concern to them.

We do not shy away from challenges, **act in a transparent manner, and strive to find constructive solutions to problems.**

We keep our word and fully discharge our obligations, while also notifying our stakeholders of any possible changes taking place in the course of a project's performance.

We conduct all activities with due regard for applicable laws and regulations.

Examples of our activity

Environmental protection

When carrying out seismic surveys, **we limit environmental damage to a minimum.**

Any **work related to drilling, hydraulic fracturing and well testing is performed by our company in accordance with best practices and the legal requirements for environmental protection.**

Social commitment

We are committed to fulfilling all our obligations towards local communities, not only as demanded by law, but also on **contractual and voluntary bases.**



Shared economic value

We are conscientious about meeting our liabilities, including property tax liabilities, fees for exploration and production licences and fees for use of the environment.

In undertaking community-oriented initiatives, **we follow the criteria of public utility and priorities set in cooperation with local authorities.**

Partnership

We treat others the way we want to be treated.



We engage in **continuous dialogue** with our social partners and the general public, to clarify our intentions and methods and to ensure that expectations are met.

We **create opportunities to freely share views** concerning our business while respecting the opinions and preserving the dignity of others.

We are **respectful and considerate** of representatives of local authorities and non-governmental organisations active in the areas of our operations.

We **maintain close cooperation** with the competent institutions whose role is to supervise what we do. Environmental protection and mining regulatory bodies oversee every stage of our projects – from preliminary data acquisition, through drilling and production, to post-job remediation.

Examples of our activity

Environmental protection

When conducting seismic surveys we stay in close touch with the Regional Directorate of Environmental Protection, the forestry service and the local authorities, on all matters related to the natural environment.

We also consult with local experts and representatives of environmental organisations.

Social commitment

We engage in social dialogue on the local level using all available communication channels to share information about the **locations** of our sites, as well as our **methods, policies and objectives**.

Shared economic value

In the areas of our production facilities we **establish relationships** with the local authorities, with whom we **strive to harmonise** our efforts on **mandatory taxes, fees and voluntary infrastructure** or other **joint initiatives for the benefit of the local communities**.

Quality

We actively explore opportunities for refining our capabilities and processes, with due regard paid to the welfare of our organization, employees, customers, business partners, local communities and the environment.

Any field work we carry out is in keeping with the most exacting standards of quality, safety and environmental protection.

We believe that all employees, regardless of their job titles, should live our core values in practice.



We seek to implement the best available techniques in our work, **according to our abilities and the expectations of our stakeholders.**

Examples of our activity

Environmental protection

In our surveying activities we aim for increasingly green solutions and technologies, with a particular focus on reducing the consumption of water and chemical additives, as well as the level of noise emissions.

During preparations and conduct of geophysical surveying – setting up geophysical equipment, including cables and micro-seismic sensors – the movement of people and equipment-carrying vehicles is limited to the necessary minimum in

order to maintain the utmost care and minimise the impact on nearby vegetation and terrain.

Shared economic value

We take care to effectively build reliable relationships with our subcontractors and business partners, relying on the principles of responsible communication and cooperation.

Social commitment

We choose the best frameworks for conducting dialogue with our local communities, in order to keep them abreast of the plans and activities which weigh on the quality of their lives, and in order to listen and **respond to their opinions and expectations.**

We strive to ensure that our **involvement in the lives of our local communities is delivered in accordance with the highest standards** and best practices.

All contractors working for PGNiG should observe, respect and comply with the values and standards of conduct defined in the PGNiG Code of Responsible Gas and Oil Production.