


APPROVED
By Order of PJSC Rostelecom

No. 01/01/536-15 dated June 19, 2015

Environmental Policy Statement
(Version 1)


(Revision I - updated by Order No. 01/01/412-12 on April 2, 2019)

Moscow
2015

 Rostelecom	Environmental Policy of PJSC "Rostelecom"
Version 1/2015	Business process ID: BP.PP.12

Contents

1.	DEFINITION	3
2.	GENERAL TERMS 2.1. Application 2.2. References 2.3. Terms, Definitions and Abbreviations	3 3 3 4
3.	INTRODUCTION	4
4.	OBJECTIVES	4
5.	PRINCIPLES	4
6.	GOALS	4
7.	APPLICABILITY	8
8.	RESPONSIBILITY	8
9.	STORAGE AND ARCHIVING	8
10.	REVISION	8

	Environmental Policy of PJSC "Rostelecom"
Version 1/2015	Business process ID: BP.PP.12

1. Definition

This Environmental Policy of PJSC Rostelecom (hereinafter - the "Policy") specifies requirements to the management of operations of PJSC Rostelecom (hereinafter – “Rostelecom” or the "Company"), which may have a negative impact on the environment.

The goal of this Policy is to establish the basic principles and obligations of the Company with respect to environment protection and promotion of ecological safety, the ways and mechanisms of their implementation.

This Policy comes into effect on the date of its approval.

2. General terms

2.1. Application


The requirements of this Policy shall apply to all Company branches and business units, on all business processes and other operations of the Company. Provisions of this Policy are taken into account by the Company management when taking managerial decisions or making plans for the medium and long term.

Application of this document in Macroregional and Regional Branches of the Company, the Multifunctional Common Service Center Branch, the Multifunctional Common Service Center Branch, the Business Training Center Branch - for the Management.

2.2. References

This Policy is based upon the following regulatory documents:

- Constitution of the Russian Federation;
- Environmental Doctrine of the Russian Federation (approved by Decree of the Government of the Russian Federation No. 1225-p of 31.08.2002);
- Fundamentals of the State Policy on Environmental Development of the Russian Federation for the period until 2030: (approved by the President of the Russian Federation on 30.04.2012);
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (ratified by Federal Law No. 49-FZ of November 25, 1994);
- Federal Law "On Environmental Protection" dated January 10, 2002;
- Federal Law No. 7-FZ "On Protection of Atmospheric Air" No. 96-FZ of 04.05.1999;
- Water Code of the Russian Federation No. 74-FZ of 03.06.2006;
- Forest Code of the Russian Federation No. 200-FZ of 4.12.2006;
- Federal Law “On Production and Consumption Wastes” No. 89-FZ of 24.06.1998;
- Federal Law “On Energy Saving and Increase of Energy Efficiency and Introduction of Amendments into Certain Legislative Instruments of the Russian Federation” No. 261-FZ dated November 23, 2009;
- Federal Law “On Specially Protected Natural Territories” No. 33- FZ dated March 14, 1995;
- Russian Federation Presidential Decree № 176 of 19.04.2017 ‘2025 Environmental Security Strategy’;
- Russian Government decree No.800 “On land reclamation and conservation” as of July 10, 2018;
- Rostelecom’s regulations for documentation management;
- Glossary of terms and definitions.

	Environmental Policy of PJSC "Rostelecom"
Version 1/2015	Business process ID: BP.PP.12

2.3. Terms, definitions and abbreviations

No terms or abbreviations are used in this Policy.

3. Introduction

As Russia's largest telecommunications operator, Rostelecom considers environment protection as an integral part of its day-to-day operation, fully recognizing the need to maintain ecological balance and ensure environmentally stable socio-economic development of society. While recognizing inevitable impact on the environment, the Company by approving this Policy assumes an obligation to minimize its impact, taking into account the consequences of its operations and compensating for the inflicted damage.

4. Objectives

The main objectives of the Company in regard to environmental protection and environmental safety are rational use of natural resources, minimization of the negative effect on the environment caused by the Company's operations and preservation of favorable environment for future generations.

5. Principles


- 5.1. Compliance in the course of operations with the requirements, norms and commitments established by the Russian Federation law and ratified by international treaties as regards protection of the environment, rational use of natural resources and environmental safety.
- 5.2. Adherence to the principles of sustainable development with respect to planning and carrying out Company's operations: pursuing its economic interests shall not affect the existing ecological situation, the quality of life and health of the people, and shall not do any harm to the environment and its certain components.
- 5.3. The absence of any obstacles hindering implementation by the Company's employees, as well as Russian Federation people, affected by the Company's operations, of their constitutional right to a favorable environment.
- 5.4. The Company's liability for ecological consequences (including remote ones) of its operations.
- 5.5. Ensuring reduction of negative impact on the environment and rational use of natural resources in the course of operations.
- 5.6. Considering potential environmental risks when making management decisions that determine the Company's development strategy. Environmental risks management and ecological control in the course of operations as part of the Company's business management system.
- 5.7. Transparency and availability of ecological information for all parties concerned.
- 5.8. Establishment and development in the Company of ecological culture, ecological values; creation of the Company's image as an ecology-oriented company.

6. Goals

To achieve the goals and implement the basic principles of the Environmental Policy, the Company intends to ensure:

6.1. Compliance with statutory requirements in the field of environmental protection, environmental management, environmental safety:

- 6.1.1. Registration with the State cadaster of the Group's properties which have negative impact on the environment, application for, and timely reissuance of permits for different types of

 Rostelecom	Environmental Policy of PJSC "Rostelecom"
Version 1/2015	Business process ID: BP.PP.12

negative impacts on the environment, subject to state regulation and control, in accordance with the assigned categories of the environmental impact.


- 6.1.2. Availability and timely reissuance of licenses for subsoil use, aimed at extraction of groundwater, decisions on provision of a water body for use, water use agreements. Compliance with requirements for subsoil and water use, established by licenses, decisions, contracts.
- 6.1.3. Timely and full payments for negative environmental impact and payments statements in accordance with the applicable law.
- 6.1.4. Compliance with other statutory requirements to the Company operations, including:
 - emissions of pollutants into the air,
 - discharge of pollutants into water bodies,
 - treatment of industrial and consumption waste,
 - use of water bodies,
 - extraction of groundwater,
 - soil pollution, land recultivation and conservation,
 - noise pollution,
 - electromagnetic radiation,
 - operations in natural areas of preferential protection
- 6.1.5. Timely and full compliance with instructions of supervisory authorities, if an instruction is not disputed in the manner prescribed by law.

6.2. *Compliance with sustainable development concept while planning and implementing operations:*

- 6.2.1. The priority of maintaining natural ecological systems, natural landscapes and natural sites.
- 6.2.2. Balanced combination of the economic interests of the Company with the environmental and social interests of the state and citizens.
- 6.2.3. Abandonment of projects and plans, the environmental effects of which cannot be predicted with a reasonable degree of certainty.
- 6.2.4. The priority of preventive activities over measures to mitigate the aftermath of negative impacts.

6.3. *Implementation of the constitutional right to a favorable environment of Rostelecom's employees, as well as Russian citizens:*

- 6.3.1. Consideration of environmental requirements in the implementation of new technological solutions, creation and modernization of infrastructure, construction and reconstruction of facilities.
- 6.3.2. Consideration of environmental requirements in the procurement of technology, materials and equipment, performance of works and services by contractors. Inclusion of obligations in contracts with suppliers and contractors in relation to:
 - availability of necessary environmental permits and sanitary documents for activities, products and materials;
 - compliance with the requirements of the Company normative documents related to environmental protection when carrying out works in the territory of the Company.
- 6.3.3. Priority use of environmentally friendly materials, technology and equipment certified in accordance with Russian and international environmental standards.
- 6.3.4. Harmonious integration of the Company's infrastructure in the existing natural-artificial complexes, residential and recreational areas. Creation of environmentally comfortable

 Rostelecom	Environmental Policy of PJSC "Rostelecom"
Version 1/2015	Business process ID: BP.PP.12

environment, including through land improvement and landscaping of the territories occupied by the Company. Applying the principles of environmental design for planning new and reconstruction of the existing facilities.

6.3.5. Business operations in territories and waters of high conservation value are only permitted in exceptional cases by special resolution of public authorities.

6.4. Responsibility for the environmental consequences of its operations: Consideration of environmental risks and possible environmental consequences at the design and strategic planning stages.

6.4.2. Charges for the compensation of harm to the environment caused by the Company operations, measures to rehabilitate the damaged environment.

6.4.3. Personal responsibility of the management for the consequences of their decisions, which result in damage to the environment.

6.5. Reduction of negative environmental impacts and rational use of natural resources: Using environmentally friendly data transfer technology. Phased transition to a fiber-optic network in the entire service area.

6.5.2. Reduction of energy intensity in provision of telecommunications services. Reduction of the proportion of auxiliary processes in the overall energy balance of the Company.

6.5.3. Increasing the share of renewable energy in the Company's energy mix. Consuming environmentally friendly energy sources such as solar panels, wind generators.

6.5.4. Introduction of energy-saving and resource-saving technology at the Company's facilities.

6.5.5. Introduction of low-waste and non-waste technology and manufacturing processes. Reduction of the share of resource-intensive and waste-intensive technology and equipment.

6.5.6. Prevention of environmental pollution as a result of the Company's operations. Avoidance of exceeding the negative impact levels established for the Company by permissive documents.

6.5.7. Planned reduction of the negative impact on the environment in accordance with regulatory requirements, including:

- reduction in pollutant emissions into the atmosphere,
- reduction in wastewater discharge, reducing specific water consumption, limiting groundwater consumption for operation needs,
- reduction in household and industrial waste generation.

6.5.8. Using recyclable materials, materials created with recycled resources. Transfer for recycling to third-party organizations of all types of recyclable waste.


6.5.9. Reduction of paper consumption due to widespread use of electronic document management system.

6.6. Environmental risk management system and operational environmental control:

6.6.1. Creation of the Company's organizational structure necessary for implementation of operational environmental control, provision of necessary administrative, personnel, financial resources. Appointment of people responsible for environmental safety, organization and implementation of operational environmental control in the Company and its business units.

6.6.2. Seeing to it that the Company's employees responsible for decision-making in environmental safety, environmental risk management, arrangement and implementation of operational environmental monitoring, as well as the employees involved in transportation, processing, decontamination and disposal of Hazard Categories 1-4 waste, have necessary qualification.

6.6.3. Drafting and timely updating the internal regulatory documents governing environmental protection, environmental safety, operational environmental monitoring in the Company.

	Environmental Policy of PJSC "Rostelecom"
Version 1/2015	Business process ID: BP.PP.12

Monitoring all internal regulatory documents of the Company to ensure their compliance with the environmental requirements.


- 6.6.4. Defining the objectives with regard to environmental safety, prevention of environmental pollution. Goal-oriented planning of measures to ensure environmental safety for the short and medium term, supervising the implementation of plans.
- 6.6.5. Organization of a pollution monitoring system; routine measurement of adverse impact levels, concentrations of pollutants, the amount of the resources consumed, waste and wastewater generated.
- 6.6.6. Regular inventory of facilities and sources of negative environmental impact.
- 6.6.7. Regular internal audits of compliance with environmental requirements and standards in the Company subdivisions. Control over elimination of violations, discrepancies.
- 6.6.8. Identification of the operations and business processes which can potentially trigger environmental risks, planning activities aimed to reduce environmental risks and prevent emergencies. Preparing and keeping up to date a risk management procedure to address emergency situations with a risk of environmental damage.
- 6.6.9. Documenting transactions, events, and processes related to environmental safety and operational environmental control. Availability of records and documents to be used to manage the Company environmental activities.

6.7. *Transparency and accessibility of environmental information:*

- 6.7.1. Publication of this Policy on the official website of the Company. Communicating the Policy and all documents adopted for its development to all Company employees.
- 6.7.2. Inclusion in the annual corporate reports of information on the implementation of environmental liability mechanisms provided for by this Policy and of internal regulatory documents to implement this Policy.
- 6.7.3. Transparency and availability of the results of the Company environmental assessment, environmental audit (in case it is held). Interaction with all parties concerned in the research carried out for evaluation of the Company's impact on the environment while designing and constructing new facilities.

6.8. *Corporate environmental culture and values:*

- 6.8.1. Inclusion of environmental responsibility in the set of basic values of the Company. Creation and posting in the Company's information resources of materials demonstrating its interest in maintaining a favorable environment and the active measures it takes in this respect.
- 6.8.2. Creation among the employees of a sense of involvement in environmental protection, the importance of the decisions they make in the course of their professional practice for the future of the biosphere, dependence of the quality of life on their civil position regarding the environmental protection. Raising environmental awareness among the Company employees through corporate information resources.
- 6.8.3. Participation in environmental activities of state and municipal authorities, non-profit organizations, public associations.
- 6.8.4. Rendering information support to educational, enlightenment, promotion activities in the field of environmental protection, environmental management, conservation, protection of rare plant and animal species.
- 6.8.5. Participation of the Company's representatives in public hearings, public discussions of environmental initiatives, draft regulatory acts affecting the Company operations.
- 6.8.6. Using the Company's commitment to environmental values while presenting products and services, interacting with customers, representing the Company in media.

	Environmental Policy of PJSC "Rostelecom"
Version 1/2015	Business process ID: BP.PP.12

7. Applicability

The tasks and activities listed in sections 6.3.3, 6.3.4, 6.5.3, 6.5.5 and 6.5.8 of the Policy cannot be implemented in the following cases:

- 7.1. The lack of technical capacity for their implementation in a particular region covered by the Company's operations.
- 7.2. If the implementation leads to disproportionate damage to the Company's economic interests.
- 7.3. Low or zero environmental efficiency due to external factors beyond the impact of the Company's operations.

8. Responsibility

Rostelecom's management team commits to implement the principles and objectives declared in this Policy. The Company's employees shall be deemed responsible for ensuring environmental safety, implementation of operational environmental control in accordance with the organizational structure of the Company and its business units and their duties.

9. Storage and archiving

During the term of validity, the original of this Policy shall be stored in the Document Support and Archives Division of the Administrative Department in accordance with the requirements of the Guidelines for Records Management in the PJSC Rostelecom.

10. Revision

A periodic review of this Policy shall be carried out by the Operation Control Division of the Corporate Center on an as-needed basis, but at least every 24 months.

A decision to initiate the document amendment process shall be made by the Director of the Department for Construction and Operation of Civil Facilities of the Corporate Center on the basis of proposals from the Operation Control Department, as well as other units, the results of application of the document in the Company, analysis of recorded and fixed discrepancies, as well as recommendations of internal or external audits.

The manner of regular verification and amendment of the document is specified in the Procedure for Managing Internal Regulatory Documentation of PJSC Rostelecom.

The current version of the approved document shall be posted on the Intranet portal in the Register of Internal Regulatory documents on the page of the Department for Construction and Operation of Civil Facilities with indication of affiliation to the business process BP.PP.12 "Administrative, Documentary and Organizational Support". The Head of the Operation Control Division shall be responsible for posting and keeping up to date the Policy at the Intranet portal as well as for keeping informed all the departments concerned about the posting of the current version.