



Sakhalin Energy Limited Liability Company

**SAKHALIN ENERGY LIMITED LIABILITY COMPANY
PERSONAL DATA PROTECTION AND PROCESSING
POLICY**



SAKHALIN ENERGY LIMITED LIABILITY COMPANY PERSONAL DATA PROTECTION AND PROCESSING POLICY

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SAKHALIN ENERGY LIMITED LIABILITY COMPANY PERSONAL DATA PROTECTION AND PROCESSING POLICY

1 INTRODUCTION

1.1 PURPOSE

The purpose of this Policy is to ensure the protection of rights and freedoms of personal data subjects while processing personal data, including the protection of the rights to privacy, personal or family secret. This document reflects the Company's approach to personal data processing, establishes the procedure for the collection, storage, transfer, use, destruction and any other types of processing of personal data of personal data subjects, and defines the general scopes of responsibility for information security in the Company.

1.2 SCOPE

The Personal Data Protection and Processing Policy applies to all categories of personal data processed by the Company, personal data of employees of the Company and other persons, processed using the property of the Company, including, but not limited to, candidates for vacant job positions, representatives of shareholders, contractor's and subcontractor's personnel as regards the protection of their legal rights and interests. This Policy applies to the personnel of the Company and contractors.

1.3 DEFINITIONS AND ABBREVIATIONS

Automated personal data processing	Computer-aided processing of personal data.
Safety	The state when the vital interests of an individual and the Company are protected from internal and external threats.
Information security	Information protection that enables users, hardware and information technology to ensure the confidentiality, integrity and availability of information.
Asset security	The state when an asset is protected from external and internal threats.
Information blocking	Temporary cessation of collection, systematisation, accumulation, use and distribution of information, including its transmission.
Access to information	A possibility to obtain information and use it.
Information	Information (messages, data) regardless of the form of presentation.
Personal Data Information System	A complex of personal data contained in databases, as well as information technologies and technical means used for processing such data.
Use of personal data	Actions (operations) for processing personal data performed by the operator in order to make decisions or take other actions that has legal implications in relation to the personal data subject or other persons, or otherwise affect the rights and freedoms of the personal data subject or other persons.
Company	Sakhalin Energy Limited Liability Company
Information confidentiality	A mandatory requirement for a person who has gained access to certain information not to disclose this information to third parties without the consent of its owner.



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Personal data confidentiality	A mandatory requirement for the operator or another person who has gained access to personal data to prevent their dissemination without the consent of the personal data subject or any other valid lawful ground.
Personal data processing	Any action (operation) or set of actions (operations) to be performed for processing personal data, with or without the use of automation tools, such as acquisition, recording, systematisation, accumulation, storage, updating (amending), retrieval, use, transmission (distribution, disclosure, access), depersonalisation, blocking, deletion, or destruction of personal data.
Publicly available personal data	Personal data, the access to which is provided to an unlimited number of persons with the consent of the personal data subject or which are not subject to confidentiality in accordance with federal laws.
Operator	For the purposes of this document, an operator of personal data is the Company, which organises, independently or jointly with other persons, and/or processes personal data, and also determines the purposes of processing personal data, the composition of personal data to be processed, and actions (operations) for processing personal data.
Personnel	Employees of the Company, as well as employees of shareholder companies seconded to the Company under personnel provision contracts.
Personal data	In accordance with Federal Law No. 152-FZ of 27 July 2006 On Personal Data, personal data is any information relating to a directly or indirectly identified or identifiable individual (personal data subject). The purpose of Federal Law No. 152-FZ is to ensure the protection of human and civil rights and freedoms when processing personal data.
Contractor	A legal entity or an individual providing services for the Company under a contract.
Personal Data Information System user	A person participating in the operation of a Personal Data Information System or using the results of its operation.
Access control rules	A set of rules governing the access rights of access subjects to access objects.
Disclosure of personal data	Actions aimed at disclosing personal data to a certain person or persons.
Third party	A legal entity or a natural person that may provide or be provided with any personal data.



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Cross-border transfer of personal data	Transfer of personal data to a foreign state authority, a foreign legal entity or a foreign natural person in the territory of a foreign legal entity.
Information destruction	Actions that make it impossible to restore the content of information in the information system or as a result of which material information carriers are destroyed.
Information integrity	Capability of computer hardware or information system to ensure the immutability of information in the conditions of accidental and/or intentional distortion (destruction).



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2 REFERENCES

Other applicable documents which should be read or referenced in conjunction with this document include:

RF Federal Law On Personal Data

Federal Law No. 152-FZ of 27 July 2006
On Personal Data

Requirements for Protection of Personal Data
Processed in Personal Data Information
Systems

Approved by RF Government Decree
No. 1119 of 01 November 2012

RF Government Decree

RF Government Decree No. 687 of
15 September 2008 On Approval of
Regulations on Particular Considerations
Regarding Personal Data Processing
Without Automatic Means



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3 BASIC CONCEPTS AND PERSONAL DATA COMPOSITION

3.1 LIST OF PERSONAL DATA PROCESSED IN THE COMPANY.

The Company processes the following personal data categories of personal data subjects:

3.1.1 Personal Data of Employees

Personal data of employees are processed for the following purposes:

- 1) automated tracking of logistics operations in the Company;
- 2) keeping personnel records in accordance with the Labour Code of the Russian Federation;
- 3) calculating wages and bonuses;
- 4) organising a system of access to the Company's premises;
- 5) preparing regulated reporting to state control bodies (Federal Tax Service, Pension Fund, Social Insurance Fund, and others).

3.1.2 Personal Data of Job Applicants

Personal data of job applicants is processed for the following purpose:

- 1) selecting personnel to fill vacancies at the Company.

3.1.3 Personal Data of Customers and Contractors

Personal data of customers and contractors are processed for the following purpose:

- 1) automated control of contractual obligations.

3.1.4 Personal Data of Company Employees' Family Members

Personal data of employees' family members are processed for the following purposes:

- 1) ensuring the access control system at the Company's assets;
- 2) providing social guarantees, and for other purposes provided for by the employee's employment contract with the Company.

3.1.5 Personal Data of Individuals Appealing to the Company and Contractors

Personal data of individuals appealing to the Company and contractors are processed for the following purpose:

- 1) ensuring the reception and tracking of appeals and applications to the Company and contractors.

The list of personal data processed in the Company using both automated systems and non-automated ones shall be defined in accordance with legislation of the Russian Federation and Company's internal regulations taking into account the data processing objectives.

3.2 PERSONAL DATA PROCESSING PRINCIPLES

3.2.1 General Personal Data Processing Principles

The processing of personal data shall be based on the principle of conformity of the volume and nature of the processed personal data, as well as methods of processing personal data to the stated purposes of personal data processing.

Collection, accumulation, storage, modification, use, distribution, as well as other actions implied by personal data processing may only be carried out with the written consent of the natural person, with the exception of cases provided for by Federal Law No. 152 of 27 July 2006 On Personal Data.

Personal data are processed both with and without the use of automation tools.

The rules for personal data processing and protection without the use of automation tools are established in the relevant internal document of the Company.

The rules for processing personal data in the Personal Data Information System are established in the Instructions for the Information Security Administrator and in the Instructions for the Personal Data



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Information System User. Users and administrators of personal data information systems shall be appropriately informed.

3.2.2 Procedure for Personal Data Collection and Storage

When collecting personal data, the Company is obliged to provide the natural person (subject of personal data), at his/her request, with information about the purpose and methods of personal data processing, information about persons who have access to personal data, the list of processed personal data and their source, information about the processing time and personal data storage.

Personal data shall be stored in a form that allows determining the subject of personal data, no longer than required by the purpose of personal data processing.

Information provided by the employee when applying for a job shall be documented. When concluding an employment contract, the person entering employment shall present all necessary documents to the employer, as required by the Labour Code of the Russian Federation.

The Company receives personal data of applicants for vacant positions from specialised websites (electronic labour exchanges), from the company's website, or directly from applicants, who bring them in person or send them to the Company's email. If the applicant is invited for an interview, the data in the CV shall be documented. The Company may retain copies of supporting documents, but no longer than until the purpose of their processing is achieved.

The Company receives personal data of customers and contractor employees upon conclusion of the relevant contract; data shall be confirmed by the original documents and stored throughout the performance of contractual obligations.

The Company receives personal data of employees' family members upon the registration of a pass to the territory of the Company's assets and upon confirmation of the Company employee's need for social relief, confirmed by the original documents. Personal data shall be retained until the purpose of their processing is achieved.

The Company receives personal data of individuals appealing to the Company and contractors in the format of a document through the electronic form available on the Company's website, a letter sent by post or by e-mail. If necessary, personal data are confirmed by the original documents and stored until the purpose of their processing is achieved.

3.2.3 Transfer of Personal Data to Third Parties

It is not allowed to transfer personal data to a third party without a written consent of the personal data subject, with the exception of cases when it is necessary to prevent threats to the life and health of the personal data subject, as well as in cases established by federal law. This restriction does not apply to the exchange of personal data of entities in the manner prescribed by federal laws.

It is prohibited to transfer personal data of any subject for commercial purposes without his/her written consent. The processing of personal data of a subject for promoting goods, works, services on the market through direct contacts with potential consumers using communication means is allowed only with his/her prior consent.

Persons who have gained access to the personal data of a subject must be warned that these data can only be used for the purposes for which they were transmitted, and shall comply with this rule. Persons who receive personal data are obliged to keep them confidential.

The transfer or receipt of personal data shall be carried out in accordance with the approved Rules for Processing Requests from Personal Data Subjects or Their Representatives.

Personal data of applicants for vacant positions, family members of employees, individuals appealing to the Company and contractors cannot be transferred to third parties.

Personal data of employees are transferred to state regulatory bodies (Federal Tax Service, Pension Fund, Social Insurance Fund, and others) in accordance with federal laws.

Personal data of employees can be transferred in cases not provided for by federal laws to the following organisations:

- to automate bookkeeping;



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- for the purpose of voluntary medical insurance;;
- to other organizations upon employee's application.

Such transfer of personal data shall be carried out with the informed consent of the personal data subject. The above contracts define: list of actions (operations) to be performed on personal data by the processor of personal data, as well as the purpose of the processing and the responsibility of such person with regard to ensuring confidentiality of the personal data and their security during processing; also requirements for the protection of processed personal data shall be defined according to Article 19 of Federal Law On Personal Data No. 152-FZ of 27 July 2006.

3.2.4 Cross-Border Transfer of Personal Data

There is no cross-border transfer of personal data.

3.2.5 Procedure for Personal Data Destruction and Blocking

If the purpose of personal data processing is achieved, the operator shall stop the processing of the personal data or ensure its termination (if the processing of personal data is carried out by another party acting on behalf of the operator) and destroy the personal data or ensure their destruction (if the processing of the personal data is carried out by another party acting on behalf of the operator) within a period not exceeding thirty days from the date of achieving the purpose of personal data processing, unless otherwise provided for by the contract to which the personal data subject is the beneficiary or guarantor, another agreement between the operator and the personal data subject, or if the operator is not entitled to process personal data without the consent of the personal data subject on the grounds provided for by this Federal Law or other federal laws.

Destruction of personal data on paper shall be organised by the Personal Data Destruction Commission duly appointed by order. The destruction of personal data shall be documented in the form of a report in accordance with the approved Rules for Personal Data Processing and Protection Without the Use of Automation Tools.

Personal data processed in the Personal Data Information System shall be destroyed by deleting the records in the databases by the Information Security Administrator of the Company at the request of the subject or after the purpose of personal data processing has been achieved.

Personal data processing (blocking) can be temporarily suspended at the request of the personal data subject if he/she reveals any inaccuracy in the processed data or any illegal actions in relation to his/her data.

3.2.6 Personal Data Protection

When processing personal data, the Company takes organisational and technical measures to protect personal data from illegal actions in accordance with the requirements established by the Government of the Russian Federation.

A person responsible for organization of personal data processing shall be appointed by an order of the Company.

An Information Security Incident Response Team shall be appointed by an order of the Company.

The protection of personal data processed in non-automated mode shall be governed by the relevant Company's internal regulations.

The protection of personal data processed using the Personal Data Information System shall be governed by the Company's internal data protection documents.

3.2.7 Consent to Personal Data Processing

Job applicants for vacant positions give consent to the processing of personal data on the website of the Company during their personal visit to the Company office for a job interview. Posting their CV on electronic labour exchanges or sending their CV to the e-mail of the Company, applicants give their consent to the processing of their personal data.

Contractors and contractor employees give their consent to the processing of their personal data when they visit the Company's facilities.



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Employees' family members give their consent to the processing of their personal data when they apply for benefits provided by the Company or have a pass issued for access to the Company's facilities.

Individuals appealing to the Company and contractors are asked to give their consent to the processing of their personal data when they send a filled-in electronic form on the Company's website and during a personal visit to the Company. Sending a message to the e-mail box of the Company, citizens give their consent to the processing of their personal data.

All employees of the Company give their consent to process their personal data.

3.3 ACCESS TO PERSONAL DATA

3.3.1 Provision of Access for Employees to Personal Data of Subjects

Company officials shall have access only to personal data which they need for fulfilling their functional duties.

The Company has developed and approved a permit system for granting access to personal data. The list of persons admitted to personal data processing is compiled by the management of the Company on the basis of data provided by the heads of units which process personal data.

Company's officials shall be allowed to process personal data after they have read and understood organisational and administrative documents of the Company on personal data protection.

Access of officials to personal data processing is carried out in accordance with the list of personnel who have been granted access to personal data, approved by order.

In case of violations of the rules for processing personal data in the Company, the person responsible for organising personal data processing shall suspend personal data processing by users until the causes of violations are identified and eliminated.

Employees of the Company have the right to free access to their personal data, as well as the right to receive copies of any record of their personal data processed by the Company.

3.3.2 Provision of Access for the Personal Data Subject to his/her Personal Data

The Company is obliged to provide the subject with free access to his/her personal data processed by the Company.

To gain access to his/her personal data, the subject has to send a request to the Company. The request shall contain the number of the main identification document of the personal data subject or his/her representative, information on the issuance date and the issuing authority of the specified document, information confirming the participation of the personal data subject in business relations with the Company (contract number, date of conclusion of the contract, code word and/or other information), or information that otherwise confirms the fact of personal data processing by the Company, the signature of the personal data subject or his/her representative. The request may be sent in the form of an electronic document and signed by electronic signature in accordance with legislation of the Russian Federation.

Employees of the Company are obliged to provide personal data to the subject in an accessible form, without personal data of other subjects.

If the subject or his/her representative presents information confirming that the personal data are incomplete, inaccurate, or outdated, the Company shall update the data correspondingly. If the subject or his/her representative presents information confirming that the personal data were acquired illegally or are not necessary for the declared purpose of processing, the Company shall destroy such personal data within seven working days after the date of presenting such data. The operator shall notify the personal data subject or his/her representative about the updates and measures taken, and take reasonable action to inform the third parties to which the personal data of the personal data subject have been transferred.

Processing requests and appeals of personal data subjects shall be carried out in accordance with the Rules for Processing Requests of Personal Data Subjects or Their Representatives.

3.4 RIGHTS AND OBLIGATIONS IN PERSONAL DATA PROCESSING

3.4.1 Rights of a Personal Data Subject



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A personal data subject has the right to access information concerning processing of his/her personal data, including the data containing:

confirmation of personal data processing by the Company, as well as the purpose of such processing;

methods of personal data processing applied by the Company;

information about persons who have access to personal data or who may be granted such access;

list of personal data being processed and the source of their receipt;

terms of personal data processing, including the terms of storage;

information about legal implications that personal data processing may entail for the personal data subject.

Upon request from the personal data subject or his/her legal representative, the personal data subject or his/her legal representative shall be provided access by the Company to his/her personal data.

If the personal data subject believes that the Company is processing his/her personal data in violation of requirements of the Federal Law On Personal Data or otherwise infringes on his/her rights and freedoms, the personal data subject shall have the right to appeal to an authorised body or court of law against the Company's actions or inaction.

Personal data subject shall have the right for protection of his/her rights and legitimate interests, including the right to claim damages and/or the right to compensation for moral damage in a court of law.

In order to protect his/her personal data stored with the Company, each employee as the personal data subject has the right to:

- demand the exclusion or correction of incorrect or incomplete personal data;
- get free access to his/her personal data, including the right to receive copies of any record containing personal data;
- appoint his/her representatives to protect his/her personal data;
- preserve and protect his/her personal and family secrets;
- appeal to court against any unlawful actions or inaction of the Company in the processing and protection of his/her personal data.

3.4.2 Obligations of the Personal Data Subject

As regards his/her personal data, the personal data subject is obliged to:

transfer reliable documents containing personal data, the composition of which is established by the Labour Code of the Russian Federation, to the Company;

provide correct personal data; in case of changes or detection of errors or inaccuracies in personal data (surname, place of residence, etc.), immediately inform the Company thereof.

3.4.3 Rights of the Personal Data Operator

As the operator of personal data, the Company has the right to process personal data for legitimate and justified purposes, including providing personal data to third parties in case informed consent of the personal data subject is given or is provided for by applicable law.

In order to protect personal data stored with the Company, the employee processing personal data has the right to receive, enter and delete information within his/her scope of authority.

3.4.4 Responsibilities of the Personal Data Operator

The Company undertakes:

to abide by the confidentiality restrictions;



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not to disclose personal data of the personal data subject for commercial purposes without his/her written consent;

not to disclose personal data of the subject to a third party without his/her written consent, unless it is necessary to prevent a threat to the life and health of the subject, as well as in cases established by federal law;

to grant access to the personal data of subjects only to specially authorised persons and ensure that these persons receive only the personal data that are necessary for them to perform specific functions;

not to request additional information containing personal data, except for information necessary to achieve the purposes of personal data processing.

Employees admitted to the processing of personal data are required to familiarise themselves with the Company's documents which establish the procedure for personal data processing in the Company.

The Company is obliged to provide the personal data subject with the necessary information at the request of the authorised body for the protection of the rights of personal data subjects.

The Company is obliged to explain to the personal data subject the decision-making procedure based on exclusively automated processing of his/her personal data and possible legal implications of such a decision, to provide an opportunity to the subject to challenge such a decision, and also to explain to the personal data subject the procedure for protecting his/her rights and legitimate interests.

In case it is revealed that personal data are inaccurate or the Company has committed unlawful actions therewith, the Company is obliged, at the request of the personal data subject or his/her legal representative, or the authorised body for the protection of the rights of personal data subjects, to eliminate the committed violations or, if this is impossible, to destroy the data and notify the personal data subject or authorised body thereof.

Company officials, the list of which is approved by order, who are responsible for processing requests and appeals of personal data subjects, are required to provide each subject with the opportunity to familiarise themselves with documents and materials containing their personal data, unless otherwise provided by law, in accordance with the Rules for Processing Requests of Personal Data Subjects or Their Representatives.

3.4.5 Restriction of the Rights of Personal Data Subjects

The right of a personal data subject to access his/her personal data shall be restricted in the following cases:

- 1) processing of personal data, including personal data obtained as a result of operational investigative, counter-intelligence and intelligence activities, is carried out for the purposes of national defence, state security and law enforcement;
- 2) provision of personal data violates the constitutional rights and freedoms of others.

3.5 RESPONSIBILITY FOR VIOLATION OF PERSONAL DATA PROCESSING AND PROTECTION REGULATIONS

3.5.1 General

Legal entities and natural persons that hold, receive and use, as part of their powers, information about citizens, bear civil, criminal, administrative, disciplinary and other liability under the law of the Russian Federation for violation of the rules for the protection and processing of this information and the procedure for its use.

The unlawfulness of the activities of public authorities and organisations to collect personal data can be established in court at the request of the personal data subject, acting on the basis of legislation on personal data.

3.5.2 Personal Responsibility of Company's Officials



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Company officials guilty of violation of rules regulating the reception, processing and protection of personal data shall bear disciplinary, financial, administrative, civil or criminal liability under the applicable RF legislation.

The unit manager who has granted the official access to personal data shall be personally responsible for this decision.

Company officials who have gained access to personal data are personally responsible for ensuring the confidentiality of the information entrusted to them. In addition, Company officials receiving documents containing personal data for use in their work bear personal responsibility for the safety of such documents.

In the event that a violation of the confidentiality, integrity or accessibility of personal data entail any financial losses for the Company, the officials at fault shall compensate for the damage caused.