

STATEMENT

Nord Stream submits its second Quarterly Environmental Monitoring Report on Construction in the Finnish Section of the Pipeline

- **No impact on sediment quality from rock placement monitored**
- **Minor short-term impact on water quality from pipe-lay by the anchored lay barge**

Zug/Helsinki, January 24, 2011. Nord Stream has submitted its second quarterly environmental monitoring report from the third quarter of 2010 (Q3/2010) to the Finnish authorities. The results confirm that the pipeline has been installed according to permit conditions and that dredging at the Russian landfall did not have any effects on the water quality in the Finnish waters near the border.

Nord Stream's monitoring programme in the Finnish Exclusive Economic Zone (EEZ) has been designed to monitor the implementation of the project and to observe the actual environmental impacts of pipeline construction and operation.

Nord Stream's environmental monitoring in the third quarter of 2010 addressed mattress installation for cable crossings, pipe-lay by the anchored pipelay barge Castoro Sei and transboundary impacts from the dredging activity at the Russian landfall. The results of benthos and sediment sampling in Finnish EEZ related to rock-placement performed in Q2/2010 are also presented in the Q3 report.

The environmental monitoring report¹ of the third quarter shows that:

- Sediment analysis results from the monitoring site near the tie-in area showed no change in dioxin concentrations during the rock placement. The TBT² concentrations were relatively high before and after the activity. Based on the results, rock placement activity did not have any evident effect on the TBT concentrations in the

¹ Nord Stream gas pipeline construction and operation in the Finnish EEZ. Environmental Monitoring Q3/2010. Ramboll Finland Oy

² TBT: Tributyltin. An organic tin compound used earlier as a biocide in antifouling paints on ships and boats. International Maritime Organisation (IMO) prohibited the application of organotins in antifouling systems of ships and boats in 2003. Since 2008, the outer surfaces of vessels shall not contain TBT, to prevent the leaching of this compound into water environment.

sediment. The likely cause of the relatively high concentrations is the vicinity of shipping lanes in the sampling area.

- The benthos was scarce at the monitoring site near the tie-in area before and after the rock placement. The low oxygen concentration near the seabed typical at these water depths makes the living conditions unfavorable. Based on the results, the rock placement did not cause significant harmful impacts to benthos.
- The pipeline was installed within the installation corridor defined in the permit, except over a length of 177 m where the installation deviated slightly to avoid boulders located in the corridor.
- Based on the as laid pipeline seabed configuration the total calculated rock volume to be placed after the pipelay is approximately the same as designed.
- Water quality monitoring results for the pipelay by the anchored lay barge measured close to the seabed showed minor short-term, turbidity peaks above the seabed in the vicinity of the pipeline installation corridor. The highest value recorded was low, 3.4 NTU³. No general increase in turbidity was observed.
- Water quality monitoring results for the pipelay by the anchored lay barge throughout the water column showed elevated turbidity values near the seabed within 500 metres of the pipeline installation corridor. The highest value was 37 NTU. The increase is likely attributed to the movement of partly buried pipe at the same location during a repair on the vessel. Considering the prevailing poor oxygen concentration at these depths, no harmful effects to biota are assessed to have been caused.
- Dredging at the Russian landfall did not have any effects on the water quality in the Finnish waters near the border.

The Finnish environmental monitoring programme is being implemented by nationally recognized specialist companies. The experienced local contractor for the water quality monitoring is Luode Consulting and for benthos monitoring Fish and Water Research Ltd.

The monitoring report was submitted to the Finnish Centres for Economic Development, Transport and the Environment, who are overseeing the compliance of Nord Stream's construction activities with Finnish environmental requirements.

Nord Stream is committed to reporting to the Finnish monitoring authorities on its environmental monitoring on a quarterly and annual basis. In the annual report, the actual impacts of the Project based on the parameters measured will be compared to the impacts assessed in the EIA. The annual report will be submitted to the Finnish monitoring authorities and municipalities in the spring 2011. The third quarterly

³ NTU: nephelometric turbidity unit. Measurement unit describing the water turbidity. 10 NTU is generally considered as a threshold value for visible turbidity.

monitoring report from the last quarter of 2010 (Q4) will be submitted to the Finnish authorities by end of March 2011.

In 2010, Nord Stream invested 13 million euros in its overall Environmental and Social Monitoring Programme (ESMP). More than 20 companies are conducting the surveys defined in the ESMP, to determine the actual impacts of the construction of the Nord Stream Pipeline. Sixteen subjects, including e.g. water quality and seabed recovery, are collected from approximately 1,000 survey stations along the route in the waters of Russia, Finland, Sweden, Denmark and Germany. The data are analysed in internationally recognised laboratories, and Nord Stream reports the results to the national environmental authorities in each country.

See more information on Nord Stream's environmental monitoring in the Finnish Exclusive Economic Zone:

<http://www.nord-stream.com/en/safety-environment/environmental-monitoring/finland.html>

See more information on Nord Stream's overall environmental monitoring:

<http://www.nord-stream.com/en/safety-environment/environmental-monitoring.html>

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Notes to editors

Nord Stream is a natural gas pipeline that will link Russia and the European Union through the Baltic Sea. The European Union's annual natural gas imports in the year 2008 were approximately 320 billion cubic metres (bcm) and are projected to increase to around 500 bcm by the year 2030. By then, the EU will need additional gas imports of 160 to 200 bcm per year (Source: IEA, World Energy Outlook, 2010). Nord Stream will meet up to one third of this additional gas import requirement by connecting the European gas pipeline network to some of the world's largest gas reserves. The project will be an important contribution to long-term security of supply and a milestone of the energy partnership between the European Union and Russia.

Nord Stream AG plans to have the first of two parallel pipelines operational in 2011. Each line is approximately 1,220 kilometres long, providing a transport capacity of some 27.5 bcm per year. Full capacity of about 55 bcm per year will be reached when the second line goes on stream. This is enough gas to supply more than 26 million European households.

Construction of the Nord Stream Pipeline started in April 2010, after completion of environmental studies and planning and an Environmental Impact Assessment (EIA) along the entire pipeline route. Three pipelay barges have been commissioned to work on the project: Saipem's Castoro Sei is carrying out the majority of the construction in the Baltic Sea. The Castoro Dieci has completed its operations in German waters, where it constructed both pipelines in the German landfall section; Allseas' Solitaire handles construction in the Gulf of Finland as a subcontractor of Saipem. The first pipeline is scheduled to be operational in 2011, the second one in 2012.

In 2010, Nord Stream invested 13 million euros in its Environmental and Social Monitoring Programme (ESMP). More than 20 companies are conducting the surveys defined in the ESMP, to determine just how, and if, the Baltic Sea's flora and fauna have been impacted by the construction of the Nord Stream Pipeline. Sixteen subjects, including water quality, bird, fish and mammal populations, and seabed recovery, are collected from approximately 1,000 survey stations along the route in the waters of Russia, Finland, Sweden, Denmark and Germany. The data are analysed in internationally recognised laboratories, and Nord Stream reports the results to the national environmental authorities in each country. Nord Stream plans to invest approximately 40 million euros into its ESMP to monitor any impact of the construction and operation of the pipeline through 2016.

Nord Stream AG is an international joint venture established for the planning, construction and subsequent operation of the new offshore gas pipeline through the Baltic Sea. Russian OAO Gazprom holds a 51 percent stake in the joint venture. The German companies BASF SE/Wintershall Holding GmbH and E.ON Ruhrgas AG hold 15.5 percent each, and the Dutch gas infrastructure company N.V. Nederlandse Gasunie and the French energy company GDF SUEZ S.A. each hold a 9 percent stake.