

# Human resource development

Gazprom Neft is committed to recruiting and retaining the best employees – people who aim to achieve results and grow together with the Company – and forming a team united by common aspirations and values. Gazprom Neft views its employees as its strategic partners and investment in human resource development as an investment in the Company's future.

The HR management strategy employed by Gazprom Neft aims to provide the Company with a sufficient number of skilled employees in the present and the future in order to efficiently achieve the Company's key goals.

## Key areas of HR work:

- systematic recruitment and rotation of personnel;
- talent management, competency development and training;
- development of an incentive system and culture of engagement;
- growth in productivity and organisational efficiency;
- improved efficiency of the HR system.

The Company makes conscious efforts to attract, engage and retain the best employees.

In 2015, Gazprom Neft carried out a number of extensive public opinion surveys encompassing over 4,000 people, including the Company's potential candidates and employees. An Employer Value Proposition that focuses on the needs of target audiences was formulated based on the survey results and the Company's

strategic objectives. The EVP is intended to create a strong brand for the Company as an employer that attracts and retains the best employees.

## RUSSIAN EMPLOYERS

In 2015, Gazprom Neft ranked first in the 'Russian Employers' rating compiled by the recruitment holding HeadHunter. Analysing the appeal of employers, the rating includes expert external and internal assessments with the participation of the leading research companies.



## PROFILE OF PERSONNEL

In 2015, Gazprom Neft employed approximately 66,500 people with blue-collar workers making up 55% of personnel, and executives, specialists and office employees making up the remaining 45%.

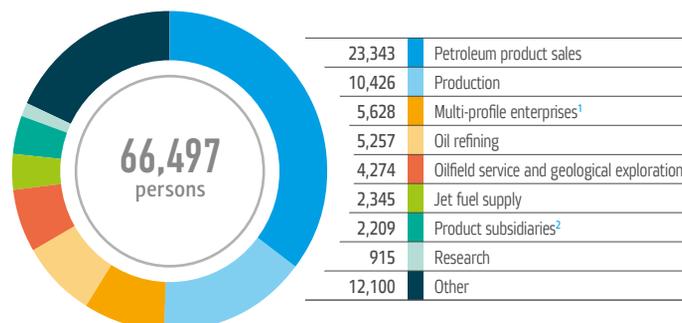
The average number of employees grew by 7.6% in 2015 due to the addition of new assets and totalled 61,862 people. The turnover rate was 16.2% in 2015, a 1% increase from 2014. The higher turnover rate is the result of restructuring carried out at information technology assets.

<sup>1</sup> NNIS and others.

<sup>2</sup> Lubricants, Bunkering, Bitumens.

## STRUCTURE OF COMPANY PERSONNEL BY CORE ACTIVITY AS OF 31 DECEMBER 2015 // persons

Source: Company data



## REMUNERATION AND SOCIAL SUPPORT FOR PERSONNEL

The Company is constantly improving its personnel remuneration system in accordance with its strategic objectives and the best global practices. Gazprom Neft conducts regular monitoring of the external market and provides employees with a competitive remuneration package. The average monthly salary of the Company's employees was RUB 100,222 in 2015.

The Company employs a unified social benefits system that includes basic and additional benefits. Such benefits include voluntary health insurance and accident insurance, supplemental payment exceeding the maximum disability benefits, monthly assistance for employees on childcare leave, the payment of health resort treatment for workers, financial assistance for family events, housing programmes, a private pension and more.

In order to involve personnel in the corporate culture, boost loyalty and recognise the best employees, the Company implements a material incentive programme that features professional skills contests, mass fitness activities and sports competitions, recreational events, corporate communication sessions and forums.

When drafting and implementing its personnel and social policy programmes, the Company develops partnerships with trade union organisations. Union representatives are actively involved in resolving matters that concern the professional, social and labour interests of employees.

### PERSONNEL EXPENSES // RUB mn

	2011	2012	2013	2014	2015
Payroll	42,403	39,364	45,040	58,510	74,400
Social payments	2,875	2,896	3,186	2,097	2,432
<b>TOTAL</b>	<b>45,278</b>	<b>42,260</b>	<b>48,226</b>	<b>60,607</b>	<b>76,832</b>

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**RUB 74,400** mn  
 Salary fund in 2015

## PERSONNEL TRAINING AND DEVELOPMENT

Gazprom Neft is continuously increasing investment in personnel training and development as well as the fostering of professional, management and leadership skills among employees.

The scope of training programmes is determined by the Company's strategic objectives and the results of employee skills evaluations. A total of 50,395 Company employees underwent training in 2015. Spending on training totalled RUB 690.1 million. The professional development of employees is based on models developed by the Company for the professional and technical skills of a particular position. Gazprom Neft pursues an individual approach to professional development based on an annual evaluation of an employee's activities. Since 2014, Gazprom Neft has employed an internal coaching system that makes it possible to train workers more effectively and simultaneously improve the skills of the coaches themselves. Leadership and management skills are taught at the Corporate Management Academy, which offers modular programmes for different levels of specialists: from line managers to senior executives. The Company also employs an organisational coaching system to train managers in mentoring and non-directive management skills.

In order to provide a talent pool for the present and the future, Gazprom Neft is developing a system to establish workforce capacity that includes vocational guidance with high school students, targeted education at higher and secondary educational institutions and a system to recruit and provide career planning for employees with high potential (including young professionals).

As part of such activities, the Company cooperates with the industry's best universities in the regions where it operates. Such cooperation aims to provide targeted training for students, enhance the skills of teachers and the quality of educational programmes and support talented students. In 2015, more than 200 people underwent training at targeted sites of Gazprom Neft. Some 1,000 students from partner universities and 300 students from special secondary educational institutions hold internships at the Company's enterprises each year.

More than 160 young professionals join the Gazprom Neft team each year. Candidates for the talent pool are selected at meetings of the Talent Committee – collective meetings of management teams based on an annual evaluation of the activities and potential of employees. Individual development plans are drawn up for succession candidates.