

BOARD OF DIRECTORS // The Board of Director's performs the general management of the Company's operations. In accordance with its purview, the Board of Directors determines the Company's strategy, policy and core operating principles, including with respect to investment and borrowing, risk management, property disposal and other areas of operations, and monitors their implementation.

The purview of the Board of Directors is determined in the Charter and clearly separated from that of the Company's executive governing bodies that manage its day-to-day operations.

One of the most crucial functions of the Board of Directors is to form effective executive bodies and supervise their activities. The Board of Directors monitors the activities of the executive bodies and regularly reviews reports on the implementation of the Company's strategy and business plans. The purview of the Board of Directors includes the election and motivation of the executive bodies as well as the termination of their powers.

The Board of Directors approves the internal control and risk management policy and supports the operation of the risk management and internal control systems. The Board of Directors is responsible for managing the Company's key risks that impact the achievement of its strategic goals.

The Board of Directors monitors improvements in the corporate governance system and practices at the Company and reviews reports on the implementation of an action programme to improve corporate governance on an annual basis.

Taking into account the strategic importance of the challenges facing the Board of Directors, the Board members must have the confidence of shareholders and ensure the duties entrusted to them are performed in the most efficient manner possible.

The members of the Company's Board of Directors ensure the duties entrusted to them are performed in the most efficient manner possible. The Board of Directors is elected with 13 members. In accordance with the share capital structure (95.68% of the total common shares belong to PJSC Gazprom), the vast majority of members of the Gazprom Neft Board of Directors are elected upon recommendation by the controlling shareholder – PJSC Gazprom. Of the 13 members of the Board of Directors, ten are non-executive directors – representatives of the main shareholder, two are independent directors, and one is the Company's executive director. Gazprom Neft focuses on the criteria for independence enshrined in the Code of Corporate Governance of the Central Bank of the Russian Federation.

The Board of Directors is balanced in terms of its members possessing the key skills that are essential for effective work. The members of the Board of Directors have skills in accounting, strategic management, corporate governance, corporate finance and risk management as well as knowledge specific to certain areas of the Company's business.

The existing structure of the Board of Directors ensures it has an appropriate level of independence from Company management to provide proper control over the latter's work. Gazprom Neft has a transparent procedure for electing members of the Board of Directors, specifically:

- The Company provides shareholders with two months to nominate candidates for the Board of Directors, while legislation stipulates one month;
- The Company discloses information about the current members of the Board of Directors and candidates for the Board of Directors in advance;
- The Company regularly interacts with the depository bank that issues depository receipts;
- The Company employs the principle of cumulative voting for the election of members of the Board of Directors and explains its procedures;
- The Company announces the voting results on matters with an indication of the quorum and the persons who voted for each option;
- The Company publishes minutes of the General Meetings of Shareholders on its official website.

MEMBERS OF THE BOARD OF DIRECTORS // All members of the Company's Board of Directors have a solid professional reputation, substantial experience working at the Company and regularly interact with Company management, its structural units as well as the registrar and auditor in the performance of their functions.

The number of members of the Board of Directors is optimal for the Company's current goals, objectives and industry practices and allows for ensuring the necessary balance of competence among members of the Board of Directors.

The concurrent participation by members of the Board of Directors in the work of the boards of directors of other companies has not in any way affected their effectiveness in performing their functions and duties on the Gazprom Neft PJSC Board of Directors

Members of the Board of Directors are elected via a transparent procedure that enables shareholders to obtain sufficient information about candidates so that they can form an opinion on their personal and professional qualities. Information about candidates for the Board of Directors is conveyed to stakeholders via the publishing of a material event immediately after the minutes are compiled for the meeting of the Board of Directors at which this issue was considered. Comprehensive information about the candidates is subsequently published on the Company's website in Russian and English 30 days prior to the General Meeting of Shareholders at which the election of the Board of Directors is on the agenda.

CORE COMPETENCIES OF THE BOARD OF DIRECTORS //

Source: Company data



MEMBERS OF THE BOARD OF DIRECTORS AS OF 31 DECEMBER 2015 //



**ALEXEY BORISOVICH
MILLER**

Chairman of the Board of Directors

Born in 1962.

Graduated from Voznesensky Leningrad Institute of Finance and Economics.

2001 – Chairman of the Management Board of PJSC Gazprom.

2002 – Deputy Chairman of the Board of Directors of PJSC Gazprom.

Candidate of economic sciences.

Positions held at other organisations:

- 2003 – Chairman of the Board of Directors of JSC Gazprombank;
- 2003 – Chairman of the Board of Directors of JSC SOGAZ;
- 2007 – Chairman of the Board of the Gazfond Private Pension Fund;
- 2007 – Chairman of the Board of Directors of JSC Gazprom-Media Holding;
- 2008 – Chairman of the Board of Directors of Shtokman Development AG;
- 2010 – Chairman of the Supervisory Board of Gazprom Neft International S.A.;
- 2012 – Chairman of the Board of Directors of OJSC Russian Hippodromes;
- 2013 – Member of the Supervisory Board of the Global Energy Non-profit Partnership for the Development of International Research and Projects in Energy;
- 2013 – Chairman of the Management Board of the New Technologies of the Gas Industry Association of Equipment Manufacturers;
- 2014 – Chairman of the Board of Trustees of Saint Petersburg State University of Economics.



Interest in charter capital
(as of 31 December 2015)
Does not own Company shares



**VLADIMIR IVANOVICH
ALISOV**

Born in 1960.

Graduated from the Legal Department of Zhdanov Leningrad State University.

2008 – First Deputy Department Head at PJSC Gazprom.

Member of the Russian Association of Lawyers and member of the Corporate Governance Expert Council under the Central Bank of the Russian Federation.

2010 – Granted the title of Honoured Lawyer of the Russian Federation under a decree from the President of the Russian Federation.

Positions held at other organisations:

- 2007 – Member of the Board of Directors of OJSC Gazprom Automation;
- 2008 – Member of the Board of Directors of OJSC Kamchatgazprom;
- 2008 – Member of the Board of Directors of OJSC Daltransgaz.



Interest in charter capital
(as of 31 December 2015)
Does not own Company shares



**MARAT MARSEVICH
GARAYEV**

Born in 1973.

Graduated from Saint Petersburg State University of Economics and Finance with a degree in economics.

2002–2014 – Deputy Department Head at PJSC Gazprom.

February 2014 – First Deputy Head of the Department.

Positions held at other organisations:

- 2003 – Member and Chairman of the Board of Directors of JSC Gazprom Gas Energy Network;
- 2009 – Member of the Board of Directors of OJSC Gazprom Sera;
- 2010 – Member of the Board of Directors of OJSC Kazanorgsintez.



Interest in charter capital
(as of 31 December 2015)
Does not own Company shares

MEMBERS OF THE BOARD OF DIRECTORS AS OF 31 DECEMBER 2015 //



**VALERY ALEXANDROVICH
GOLUBEV**

Member of the Audit Committee of the Board of Directors

Born in 1952.

Graduated from Ulyanov (Lenin) Leningrad Electrotechnical Institute and the Academy of National Economy under the Government of the Russian Federation.

2006 – Deputy Chairman of the Management Board of PJSC Gazprom.

Candidate of economic sciences.

Positions held at other organisations:

- 2005 – Chairman and Member of the Board of Directors of OJSC Volgogradneftemash;
- 2006 – First Vice President and Member of the Supervisory Board of Russian Gas Company Non-profit Partnership;
- 2006 – Member of the Supervisory Board of LLP KazRosGaz;
- 2007 – Chairman of the Supervisory Board of JSC Moldovagaz;
- 2007 – Member of the Board of Directors of LLC International Gas Transportation Consortium;
- 2007 – Member of the Board of Directors of PJSC Mosenergo;
- 2007 – Chairman of the Board of Directors of CJSC Gazprom Armenia;
- 2009 – Co-chairman of the Supervisory Board for PSAs and Member of the Board of Directors of Sakhalin Energy Investment Company Ltd;
- 2009 – Member of the Board of Directors of LLC Gazprom Investproekt;
- 2009 – Member of the Board of Directors of OJSC Gazprom-South Ossetia;
- 2012 – Member of the Supervisory Board of Gazprom Neft Finance B.V.



Interest in charter capital
(as of 31 December 2015)
Does not own Company shares



**NIKOLAY NIKOLAYEVICH
DUBIK**

Member of the Audit Committee of the Board of Directors;
Chairman of the Human Resources and Remuneration
Committee of the Board of Directors

Born in 1971.

Graduated from Lomonosov Moscow State University and earned an EMBA at the Russian Academy of National Economy in 2009.

2008 – Member of the Management Board and Deputy Department Head at PJSC Gazprom.

Honoured Lawyer of the Russian Federation.

Positions held at other organisations:

- 2006 – Member of the Supervisory Board of JSC Moldovagaz;
- 2008 – Member of the Supervisory Board of JSC EuRoPolGAZ;
- 2008 – Member of the Board of Directors of LLC Lazurnaya;
- 2008 – Member of the Board of Directors of JSC Gazprom-Media Holding;
- 2008 – Member of the Board of Directors of Shtokman Development AG;
- 2009 – Member of the Supervisory Board of OJSC Gazprom Transgaz Belarus;
- 2010 – Member of the Supervisory Board of Gazprom Neft International S.A.;
- 2012 – Member of the Board of Directors of LLC Gazpromneft-Sakhalin;
- 2013 – Member of the Board of Directors of JSC Latvijas Gāze;
- 2014 – Member of the Board of Directors of CJSC Gazprom Armenia;
- 2014 – Member of the Board of Directors of LLC Gazprom Kyrgyzstan;
- 2015 – Member of the Board of Directors of Gazprom Marketing & Trading Ltd;
- 2015 – Member of the Board of Directors of GAZPROM Germania GmbH;
- 2015 – Member of the Administrative Board of Gazprom Schweiz AG.



Interest in charter capital
(as of 31 December 2015)
Does not own Company shares



**ALEXANDER VALERYEVICH
DYUKOV**

Born in 1967.

Graduated from Order of Lenin Leningrad Shipbuilding Institute. Obtained IMISP MBA in 2001.

December 2007 – Chairman of the Management Board and CEO of Gazprom Neft PJSC.

Positions held at other organisations:

- 2005 – Chairman and Deputy Chairman of the Board of Directors of PJSC SIBUR Holding;
- 2008 – Chairman of the Board of Directors and President of JSC Football Club Zenit;
- 2007 – Member and Chairman of the Board of Directors of JSC Lakhta Centre Multifunctional Complex;
- 2009 – Member of the Board of Directors of LLC National Oil Consortium;
- 2010 – Member of the Board of Directors of CJSC Hockey Club SKA;
- 2012 – Member of the Board of Directors of LLC Hockey City;
- 2012 – Member of the Board of Directors of LLC LIGA-TV.



Interest in charter capital
(as of 31 December 2015)
0.005357244% (254,003 shares)



ANDREY VYACHESLAVOVICH KRUGLOV

Member of the Human Resources and Remuneration Committee of the Board of Directors

Born in 1969.

Graduated from the Saint Petersburg Technological Institute of the Refrigerating Industry.

2004 – Deputy Chairman of the Management Board.

2004-2015 – Head of the OJSC Gazprom Department.

Doctor of economic sciences.

Positions held at other organisations:

- 2003 – Chairman of the Board of Directors of PJSC Belgazprombank;
- 2003 – Member of the Board of Directors of JSC Gazprombank;
- 2004 – Member of the Board of Directors of OJSC Vostokgazprom;
- 2004 – Member of the Board of Directors of OJSC Tomskgazprom;
- 2006 – Member of the Board of Directors of JSC SOGAZ;
- 2008 – Member of the Board of Directors of OJSC Gazprom Repair Centre;
- 2009 – Member of the Supervisory Board of GAZPROM Germania GmbH;
- 2009 – Member and Chairman of the Supervisory Board of Gazprom EP International B.V.;
- 2009 – Member of the Board of Directors of LLC Gazprom Investproekt;
- 2010 – Deputy Chairman of the Board of Directors of JSC Overgaz Inc.;
- 2010 – Member of the Supervisory Board of Gazprom Neft Finance B.V.



Interest in charter capital (as of 31 December 2015)
Does not own Company shares



ELENA VLADIMIROVNA MIKHAILOVA

Born in 1977.

Graduated from Moscow State Industrial University with a major in law and earned a Master's Degree in Business Administration from the Academy of National Economy under the Government of the Russian Federation.

2003-2011 – Deputy CEO for Corporate and Property Relations of LLC Gazprom Mezhhregiongaz.

2011 – Department Head at PJSC Gazprom.

2012 – Member of the Management Board of PJSC Gazprom.

Positions held at other organisations:

- 2009 – Member of the Board of Directors of JSC Gazprom Gas Energy Network;
- 2012 – Member of the Board of Directors of LLC Gazprom Investproekt;
- 2012 – Member of the Board of Directors of PJSC Mosenergo;
- 2012 – Member of the Board of Directors of OJSC Severneftegazprom;
- 2012 – Member of the Board of Directors of CJSC Leader;
- 2012 – Member of the Board of Directors of LLC Gazprom Gas Engine Fuel;
- 2013 – Member of the Board of JSC Latvijas Gāze.



Interest in charter capital (as of 31 December 2015)
Does not own Company shares



KIRILL GENNADYEVICH SELEZNEV

Born in 1974.

Graduated from Ustinov Baltic State Technical University and Saint Petersburg State University.

2002 – Head of the PJSC Gazprom Department.

2003 – Member of the Management Board of PJSC Gazprom.

2004 – CEO of LLC Gazprom Mezhhregiongaz.

Candidate of economic sciences.

Positions held at other organisations:

- 2003 – Member and Chairman of the Board of Directors of JSC Latvijas Gāze;
- 2003 – Member of the Supervisory Board of LPP KazRosGaz;
- 2003 – Member of the Board of Directors of OJSC Vostokgazprom;
- 2004 – Member of the Board of Directors of OJSC Tomskgazprom;
- 2006 – Member of the Board of Directors of JSC Football Club Zenit;
- 2006 – Member of the Supervisory Board of Russian Gas Company Non-profit Partnership;
- 2007 – Chairman of the Board of Directors of PJSC Mosenergo;
- 2008 – Chairman of the Board of Directors of OJSC Territorial Generating Company No. 1;
- 2010 – Member of the Board of Directors of JSC Gazprombank;
- 2011 – Member of the Board of Directors of OJSC Rossiya Bank;
- 2011 – Member of the Supervisory Board of Gazprom Neft Finance B.V.;
- 2013 – Member of the Supervisory Board of OJSC Russian Regional Development Bank.



Interest in charter capital (as of 31 December 2015)
Does not own Company shares

MEMBERS OF THE BOARD OF DIRECTORS AS OF 31 DECEMBER 2015 //



MIKHAIL LEONIDOVICH SEREDA

Chairman of the Audit Committee of the Board of Directors

Born in 1970.


Graduated from Saint Petersburg State University of Economics and Finance.

2002 – Member of the Board of Directors of PJSC Gazprom.

2004 – Deputy Chairman of the Management Board and Head of the Administration of the Management Board of PJSC Gazprom.

Positions held at other organisations:

- 2002 – Member of the Board of Directors of WIEH GmbH and Co KG;
- 2002 – Member of the Board of Directors of Wingas GmbH;
- 2002 – Member and Chairman of the Board of Directors of GAZPROM (U.K.) LIMITED;
- 2002 – Member and Deputy Chairman of the Board of Directors of OJSC Gazprombank;
- 2002 – Member and Chairman of the Board of Directors of OJSC Vostokgazprom;
- 2003 – Member of the Board of CJSC Panrusgaz;
- 2003 – Member and Chairman of the Board of Directors of SOJSC Centrenergogaz;
- 2004 – Chairman of the Board of Directors of OJSC Tomsgazprom;
- 2005 – Member and Chairman of the Board of Directors of OJSC Gazpromtrubinvest;
- 2007 – Member of the Board of Directors of OJSC Gazprom Cosmic Systems;
- 2014 – Member of the Board of Directors of OJSC Gazpromtrubinvest;
- 2015 – Member and Chairman of the Board of Directors of Gazprom Marketing & Trading Limited;
- 2015 – Member of the Board of Directors of Gazprom Marketing & Trading Singapore Ltd;
- 2015 – Member of the Board of Directors of Gazprom Global LNG;
- 2015 – Member of the Supervisory Board of Gazprom Germania GmbH;
- 2015 – President of the Administrative Board of Gazprom Schweiz AG.

 Interest in charter capital (as of 31 December 2015)
Does not own Company shares




VALERY PAVLOVICH SERDYUKOV

Born in 1945.

Graduated from Plekhanov Leningrad Mining Institute.

1999–2012 – Governor of the Leningrad Region.

Candidate of economic sciences. Holder of government and industry-based awards.

 Interest in charter capital (as of 31 December 2015)
Does not own Company shares



SERGEY ALEXANDROVICH FURSENKO

Member of the Human Resources and Remuneration Committee of the Board of Directors

Born in 1954.


Graduated from Leningrad Polytechnic Institute.

2011 – Member of the Executive Committee of the Union of European Football Associations (UEFA).

2012 – Member of the Presidential Council on the Development of Physical Education and Sport.

Positions held at other organisations:

- 2012 – Chairman and Member of the Board of Directors of LLC Gazprom Gas Engine Fuel.

 Interest in charter capital (as of 31 December 2015)
Does not own Company shares

The current Board of Directors as of 31 December 2015 was elected at the annual General Meeting of Shareholders on 5 June 2015 (Minutes No. 0101/01 dated 9 June 2015).

Apart from Alexander Dyukov, the chairman and members of the Board of Directors did not own any Company shares during the reporting period. No members of the Board of Directors concluded any transactions for the acquisition or alienation of any Company shares during the reporting year.

No claims were filed against members of the Board of Directors in 2015.

CHANGES TO MEMBERS OF THE COMPANY'S BOARD OF DIRECTORS IN 2015 //

There were no changes to the Company's Board of Directors in 2015. During the election of the Gazprom Neft Board of Directors, all standing members of the Company's Board of Directors were re-elected.



VSEVOLOD VLADIMIROVICH CHEREPANOV

Member of the Human Resources
and Remuneration Committee of the Board of Directors

Born in 1966.

Graduated from Lomonosov Moscow State University.

2010 – Member of the Management Board and Department Head at PJSC Gazprom.

Candidate of geological and mineral sciences.

Positions held at other organisations:

- 2010 – Chairman of the Board of Directors of LLC CentreKaspneftegaz;
- 2010 – Member of the Board of Directors of CJSC Achimgaz;
- 2010 – Member of the Supervisory Board of Wintershall AG;
- 2010 – Member of the Board of Directors of Shtokman Development AG;
- 2010 – Member of the Board of Directors of OJSC Severneftegazprom;
- 2010 – Member of the Supervisory Board of Gazprom EP International B.V.;
- 2011 – Chairman of the Board of Directors of LLC Gazpromviet;
- 2011 – Non-executive Director of the Board of Directors of Sakhalin Energy Investment Company Ltd.;
- 2012 – Member of the Board of Directors of LLC Gazpromneft-Sakhalin;
- 2013 – Member of the New Technologies of the Gas Industry Association of Equipment Manufacturers.



Interest in charter capital
(as of 31 December 2015)
Does not own Company shares

¹ Detailed information about the rating available at the website <http://www.kommersant.ru/doc/2810043>.

² Prepared by experts of the Association of Independent Directors and the Russian Union of Industrialists and Entrepreneurs in partnership with JSC PricewaterhouseCoopers Audit and the Moscow Exchange.

SECRETARY OF THE BOARD OF DIRECTORS // The Secretary of the Board of Directors handles effective regular interaction with shareholders and the coordination of the Company's actions to protect the rights and interests of shareholders, and also supports the effective work of the Board of the Directors.

The main tasks of the Secretary of the Board of Directors are: to ensure the Company's governing bodies and officials comply with the corporate governance rules and procedures prescribed by the laws of the Russian Federation and the Company's Charter and internal documents; to prepare for and hold the General Meeting of Shareholders and meetings of the Board of Directors and its committees; to disclose information about the Company; and improve corporate governance practices.

The Secretary of the Board of Directors is appointed by the Board of Directors based on the recommendation of the Chairman of the Board of Directors.

The main functions of the Secretary of the Board of Directors include:

- organisational and information support for the work of the Board of Directors and its committees;
- preparing for and holding General Meetings of Shareholders;
- providing assistance to the Chairman of the Board of Directors in organising and planning the work of the Board of Directors;
- organising the storage of documents of the Board of Documents;
- monitoring the implementation of the decisions of the Board of Directors;
- interaction with members of the Board of Directors, consulting members of the Board of Directors on corporate governance matters and the provision of the necessary documents and information to members of the Board of Directors;
- ensuring the disclosure of information about the Company;
- organising interaction between the Company and its shareholders;
- performing other functions in accordance with the Regulation on the Board of Directors, the Company's internal documents and the instructions of the Chairman of the Board of Directors.



ALEXEY VLADIMIROVICH DVORTSOV

Secretary of the Board of Directors



Interest in charter capital
(as of 31 December 2015)
Does not own Company shares

Born in 1972.

Graduated from the State University of Management in Moscow and obtained an EMBA diploma from Stockholm School of Economics in 2012.

2007 – Head of the Corporate Regulation Department of Gazprom Neft PJSC.

2008 – Secretary of the Board of Directors.

Alexey Dvortsov finished first in the rating of corporate governance directors in the fuel and energy sector according to Kommersant Publishing House and the Association of Managers. (16th 'Top 1,000 Russian Managers' rating)¹.

In addition, Dvortsov ranked among the '25 Best Corporate Governance Directors / Corporate Secretaries'² for 2015.

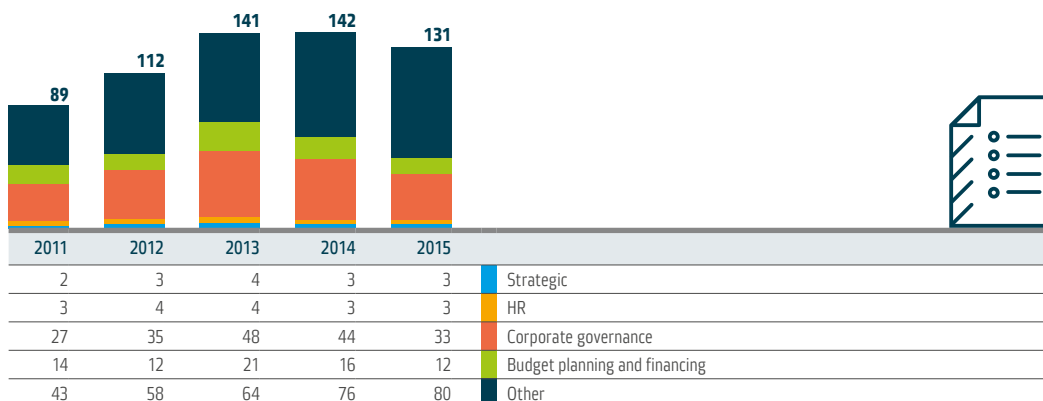
Dvortsov does not own shares or interests in PJSC Gazprom Neft or its subsidiaries.

Dvortsov does not have kinship with any other people who are members of governing bodies and/or bodies that monitor financial and business operations.

ACTIVITIES OF THE GAZPROM NEFT BOARD OF DIRECTORS //

STRUCTURE OF MATTERS CONSIDERED BY THE BOARD OF DIRECTORS BY THEME //

Source: Company data



131 items
considered by the Board
of Directors in 2015



The following issues were considered in strategic and investment planning:

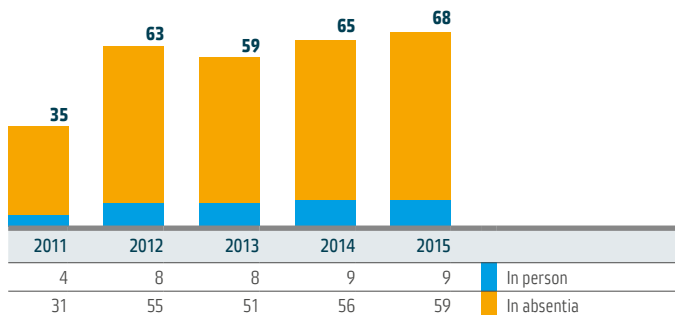
- the Company's strategic performance indicators;
- the development strategy for NIS a.d. Novi Sad;
- Gazprom Neft's cooperation with companies from the Asia-Pacific Region;
- the report on the Company's Innovative Development Programme until 2020;
- the report on environmental protection activities and the waste management programme at the Company's oil refineries;
- the status and effectiveness of the implementation of the Gazprom Neft PJSC Investment Programme based on the Company's performance results in the first half of 2015 and amendments to the Investment Programme;
- the preliminary results of the implementation of the Gazprom Neft PJSC Investment Programme for 2015;
- approval of the Gazprom Neft Investment Programme for 2016;
- consideration of the projected investment plan for 2017–2018.

The following issues were considered in the social and environmental aspects of the Company's operations:

- the environmental activities of Gazprom Neft;
- the assessment of and measures to manage the Company's operational risks and industrial safety risks;
- the waste management programme at the Omsk and Moscow Oil Refineries as well as the concentration of harmful substances on the territory of plants and surrounding areas.

STATISTICS ON THE NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS //

Source: Company data



The following issues were considered in matters of corporate governance:

- the appointment of members of the Company's Management Board;
- the adoption of a number of decisions on corporate issues, including convening an extraordinary General Meeting of Shareholders to approve new versions of the Charter and Code of Corporate Governance and the payment of interim dividends;
- remuneration for members of the Board of Directors and Audit Commission for their work in 2014;
- concurrent membership in the governing bodies of other organisations by members of the Management Board;
- the approval of the first part of the decision to issue the Company's securities and exchange bonds (Exchange Bonds Programme) and the Prospectus for documentary non-convertible interest-bearing exchange-traded bonds in bearer form with mandatory centralized custody.

STATISTICS ON THE PARTICIPATION OF MEMBERS OF THE BOARD OF DIRECTORS IN MEETINGS IN 2015 //

Board of Directors member	Number of meetings attended by the Member of the Board of Directors	Total number of meetings the Member of the Board of Directors could have attended
Miller Alexey Borisovich Chairman of the Board of Directors Non-executive Director	68	68
Golubev Valery Alexandrovich Non-executive Director	68	68
Kruglov Andrey Vyacheslavovich Non-executive Director	68	68
Dubik Nikolay Nikolayevich Non-executive Director	68	68
Seleznev Kirill Gennadyevich Non-executive Director	68	68
Dyukov Alexander Valeryevich Executive Director	41	68
Alisov Vladimir Ivanovich Non-executive Director	68	68
Cherepanov Vsevolod Vladimirovich Non-executive Director	68	68
Sereda Mikhail Leonidovich Non-executive Director	68	68
Fursenko Sergey Alexandrovich Independent Director	68	68
Mikhailova Elena Vladimirovna Non-executive Director	68	68
Serdyukov Valery Pavlovich Independent Director	68	68
Garayev Marat Marselevich Non-executive Director	68	68



All members of the Board of Directors took part in all 68 meetings of the Board of Directors except for Alexander Dyukov since he does not attend meetings where related party transactions are considered.

The following issues were considered in budget planning and funding for the Company's activities:

- the execution of the Company's Budget based on the results of 2014;
- the approval of the Budget and Cost Optimisation Programme of Gazprom Neft PJSC for 2016;
- the debt structure and management of the Gazprom Neft Group's debt portfolio;
- the projected parameters of the Budget and Cost Optimisation Programme of Gazprom Neft PJSC for 2017-2018;
- the approval of a number of loan transactions;
- the approval of transactions to provide collateral for the obligations of members of the Gazprom Neft Group.

Other issues considered:

- the approval of related party transactions;
- the adoption of a number of decisions on the Company's participation (termination of participation) in other organisations as part of the implementation of a corporate restructuring programme;
- the accession of the Group's companies to the consolidated group of taxpayers;
- amendments to the Company's regulatory documents concerning procurements of imported products;
- the approval of sponsorship for sports clubs in the regions where Gazprom Neft operates (Football Club Zenit, Hockey Club SKA and NP Avangard SC) during sports seasons.

COMMITTEES OF THE BOARD OF DIRECTORS // The Company has two committees operating under the Board of Directors: the Audit Committee and the Human Resources and Remuneration Committee.

AUDIT COMMITTEE

The Audit Committee monitors the Company's financial and business operations, is elected by the Board of Directors and acts on the basis of the Charter and internal regulations.

Functions: The Audit Committee assists the Board of Directors in monitoring the Company's financial and business operations by evaluating the effectiveness of the internal control systems, including the mechanisms used to oversee the process of preparing and submitting financial and other reporting as well as its completeness and accuracy, and monitoring the risk management system. The Audit Committee is instrumental in maintaining constructive communication with the external auditor as well as the Company's financial and business oversight bodies and internal audit units.

The Audit Committee's activities are directly linked to the work plan of the Board of Directors and include the consideration of matters involving financial activities and investment planning.

The Audit Committee is comprised of three non-executive directors (elected by the Board of Directors on 10 June 2015):

- Sereda Mikhail Leonidovich (Chairman)
- Golubev Valery Alexandrovich
- Dubik Nikolay Nikolayevich

The work plan approved by the Audit Committee for 2015 provided for the consideration of 24 items. In particular, the following key issues were considered:

- the review of the Company's consolidated IFRS reporting for 2014;
- the selection of an auditor and determination of the auditor's remuneration;
- an assessment of the effectiveness of the internal control and risk management system and procedures;
- interaction between the external and internal auditors;
- approaches to the assessment of the Company's core risks using the Logistics, Processing and Sales Unit as an example and the assessment results;
- the review of the action plan to prepare for an external assessment of the Internal Audit Department's activities in 2016;
- the review of certain liquidity, market, currency and credit risks faced by Gazprom Neft PJSC and measures to manage them;
- the results of an audit of the financial statements of Gazprom Neft PJSC for the first nine months of 2015.

The financial statements of Gazprom Neft are audited on an annual basis. The Company's condensed interim financial reports prepared in accordance with IFRS were also examined by an independent auditor per international audit standards.

The Audit Committee considered the following internal documents:

- External audit policy of Gazprom Neft PJSC;
- Work plan of the Internal Audit Department for 2015-2017;
- Procedure for conducting an internal assessment of the Gazprom Neft PJSC Internal Audit Department's activities.

Representatives of the external auditor and the executives of the Internal Audit Service were invited to the Audit Committee's meeting.

HUMAN RESOURCES AND REMUNERATION COMMITTEE

The Committee contributes to the creation of the Company's human resources policy and handles matters involving remuneration for members of governing bodies and the Audit Commission. The Committee is elected by the Board of Directors and acts on the basis of the Charter and internal regulations.

The Committee is comprised of four non-executive directors (elected by the Board of Directors on 10 June 2015):

- Dubik Nikolay Nikolayevich (Chairman)
- Kruglov Andrey Vyacheslavovich
- Cherepanov Vsevolod Vladimirovich
- Fursenko Sergey Alexandrovich (independent director)

In 2015, the Committee held six meetings and considered the following key issues:

- remuneration for members of the Board of Directors and Audit Commission;
- the approval of the Programme on the Induction of Newly Elected Members of the Board of Directors;
- the preliminary consideration of a report on the fulfilment of the recommendations on improving the quality of the Company's corporate governance that were received as part of the corporate governance audit;
- the results of an effectiveness assessment of the activities of the Company's Board of Directors;
- participation by members of the Gazprom Neft Management Board in the governing bodies of other organisations;
- changes to the members of the Company's Management Board.

The Committee conducted an assessment of the activities of the Board of Directors based on which it noted the positive dynamics in the Board's work (related to an increase in the number of items submitted for discussion), active participation by Board members and the organisation of the work of the Committees under the Board.

As regards preparing information (materials) for the annual General Meeting of Shareholders, the Committee regularly conducts preliminary assessments of candidates for election to the Board of Directors.

The Committee prepared the appropriate recommendations for matters that require recommendations to be submitted to the Board of Directors. The Committee fully performed its duties during the reporting period.

PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS //

In accordance with the recommendations of the best corporate governance practices, the Board of Directors conducts an annual analysis and assessment of the effectiveness of its performance by evaluating all the areas of the Board's activities.

In accordance with the decision of the Board's Human Resources and Remuneration Committee dated 27 September 2010, the Committee conducts an annual internal assessment of the effectiveness of the activities performed by the Company's Board of Directors in the form of a survey (questionnaire). The questionnaire includes approximately 30 questions about the main areas of activities: members, work structure and procedures of the Board of Directors.

The analysis of the Board's performance over the reporting period revealed improvements in the following areas: identification of strategic priorities, interaction with executive management, balanced membership and awareness of the Board of Directors.

INDUCTION OF NEW MEMBERS OF THE BOARD

OF DIRECTORS // In order to support the effective work of the Board of Directors, the Human Resources and Remuneration Committee in 2015 approved the Programme on the Induction of Newly Elected Members of the Board of Directors.

The objectives of the Programme are to introduce newly elected members of the Board of Directors to the Company's production, financial and business activities and corporate governance practices as quickly and effectively as possible.

The Programme provides for the following measures:

- A meeting with the Chairman of the Board of Directors and discussion of the Board's work plan and the priorities in the Company's activities; determining the future role of each director on the Board in accordance with the director's professional knowledge and experience.
- A meeting with representatives of senior management, the provision of basic information about the Company's activities, discussion of the Company's operational and financial structure, and introduction to the members of the Management Board.
- Consultations with the Secretary of the Board of Directors: the Secretary shall describe the procedural and legal aspects of the activities performed by the Board of Directors and its committees and explain the rights and duties of Board members, matters concerning the payment of remuneration and compensation, and their responsibilities and liability insurance.
- Review of the Company's main documents, guidelines for Board members and a description of the main business matters, internal procedures and the organisational management of the Board of Directors and its committees.
- The Programme may also include such measures as visits to the Company's fixed assets, participation in the Company's public activities and meetings with key management personnel.

The Human Resources and Remuneration Committee shall monitor the implementation of the Programme.

MANAGEMENT BOARD AND CEO //

The structure of the Gazprom Neft executive bodies is determined by the Charter and includes the Management Board and the CEO. The Gazprom Neft Management Board is the collective executive body that oversees its day-to-day operations. In accordance with the Charter of Gazprom Neft, the Management Board is formed by the Board of Directors upon recommendation by the Gazprom Neft CEO. The term of office of the Management Board is also determined by the decision of the Board of Directors. The requirements for the professional qualifications of the Gazprom Neft Management Board members are established by the Company's internal documents.

Company CEO Alexander Dyukov (who was the first to run the Company in December 2006 and was re-elected for another five years in December 2011) serves concurrently as the Chairman of the Management Board, whose functional duties include organising the activities of the Management Board. In the absence of the Management Board Chairman, his functions are performed by one of three Deputy Management Board Chairmen: V.V. Yakovlev (First Deputy), V.V. Baranov or A.M. Cherner. A deputy is elected upon recommendation by the Management Board Chairman by a majority vote of the elected Management Board members. If the Chairman and the deputies are absent, the functions of the Management Board Chairman may be performed by any member of the Management Board based on the decision of the Management Board.