

The Company and the regions: cooperation to meet sustainable development objectives

The geography of Gazprom Neft currently encompasses more than 30 regions of Russia. In most of the regions the Company is a major participant in the socioeconomic development of the surrounding area, and in a number of regions it plays a strategic role.

Gazprom Neft contributes to regional development as an employer, taxpayer, participant in economic activities, social investor and partner of the government and society in solving priority regional tasks.

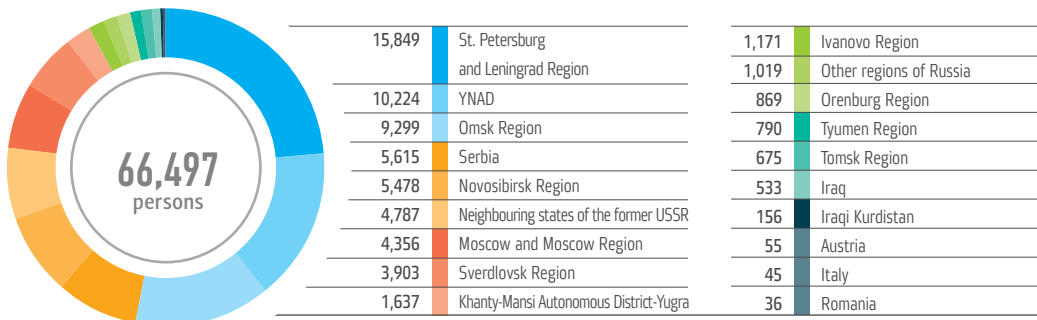
YURY BERG

Governor of the Orenburg Region



STRUCTURE OF COMPANY PERSONNEL BY CORE ACTIVITY AS OF 31 DECEMBER 2015¹ // persons

Source: Company data



¹ Headcount at the end of 2015.

“The Orenburg area is one of Russia’s largest industrial and agricultural regions. Given the current conditions, we are actively working on an import substitution programme. This concerns both the manufacturing of the products that are being substituted in the region as well as an increase in the products of domestic manufacturers, including lubricants. The agreement we have signed is the next step in the implementation of this programme”.

CATALYST PRODUCTION

In September 2015, the Omsk Region Government and Gazprom Neft signed a protocol of intent that reflects the parties’ plans to start manufacturing Russian-made catalysts for oil refining in the Omsk Region. The Omsk Region Government has set up a working group to implement the project. The region’s legislative assembly has approved tax incentives for catalyst manufacturers starting from 2016. In December 2015, the project was granted the status of a National Project (by the Ministry of Energy). This status will allow for the establishment of new high-tech production and jobs in the region.

IMPORT SUBSTITUTION PROGRAMME

In 2014, Gazprom Neft, together with regional authorities, launched a programme to phase out imported lubricants and technical fluids used in various industries and utilities. The Company supplies lubricants and technical fluids to state and municipal enterprises that are similar to their foreign analogues but have a more competitive price. This enables the region to save money on vehicle maintenance. Gazprom Neft signed agreements as part of the programmes in 2015 with the governments of the Orenburg Region, the YNAD, KMAD, Stavropol Region and St Petersburg.