

STRATEGY IN ACTION

THE FOUNDATION OF THE COMPANY'S ACTIVITIES IS THE GAZPROM NEFT DEVELOPMENT STRATEGY UNTIL 2025, WHICH WAS APPROVED BY THE BOARD OF DIRECTORS IN 2013 AND UPDATED IN 2017. BY IMPLEMENTING THE PLANS OUTLINED IN THE STRATEGY, THE COMPANY AIMS TO CREATE THE HIGHEST ADDED VALUE IN THE OIL AND GAS INDUSTRY IN RUSSIA ON THE CAPITAL INVESTED BY ITS SHAREHOLDERS.

A focused strategy based on technological leadership and continuous improvements to operational efficiency and safety are the decisive factors in the Company's success given the variability in the external environment and the challenges it poses.

In recent years, the Company has made significant progress in industrial safety and has become a leader in operating efficiency in Russia. Now the Company is committed to becoming one of the global leaders in terms of efficiency.

To this end, the Company has introduced an operational management system (OMS) that facilitates the overall development of the organization and encompasses such important areas as enhancing occupational safety, improving asset reliability, boosting efficiency, and optimizing the Company's operations as a whole. The OMS is designed to integrate these activities into a unified system and strengthen the links between different systems, standards, and regulations.

KEY DEVELOPMENT PROJECTS

PRIRAZLOMNAYA

THE WORLD'S FIRST ARCTIC ICE-RESISTANT PLATFORM

PRIRAZLOMNOYE FIELD

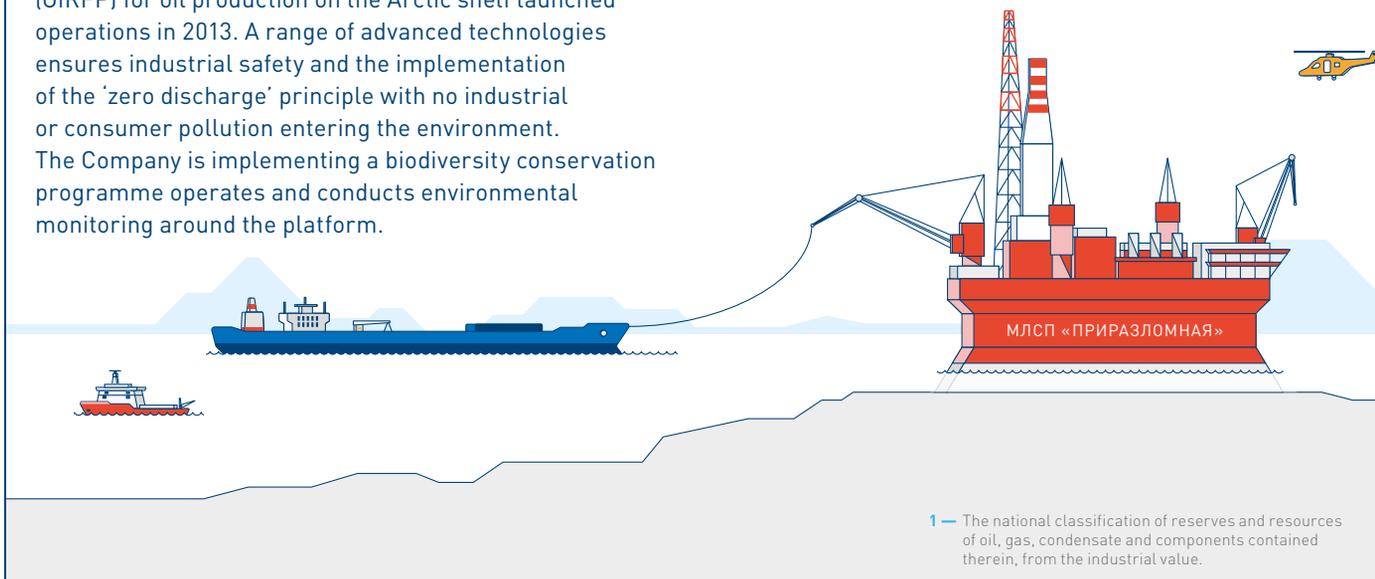
79

MNT OF OIL
RECOVERABLE RESERVES¹

2.64

MNT OF OIL
PRODUCTION IN 2017

The world's first offshore ice-resistant fixed platform (OIRFP) for oil production on the Arctic shelf launched operations in 2013. A range of advanced technologies ensures industrial safety and the implementation of the 'zero discharge' principle with no industrial or consumer pollution entering the environment. The Company is implementing a biodiversity conservation programme operates and conducts environmental monitoring around the platform.



¹ — The national classification of reserves and resources of oil, gas, condensate and components contained therein, from the industrial value.