

# DEVELOPMENT OF THE TALENT POOL

GAZPROM NEFT'S TALENT POOL FORMATION SYSTEM AIMS TO MEET THE COMPANY'S DEMAND FOR SKILLED EMPLOYEES IN THE PRESENT AND FUTURE.

**19,000**

## EMPLOYEES

COVERED BY THE ANNUAL PERFORMANCE ASSESSMENT

**157**

## YOUNG PROFESSIONALS

TOOK PART IN A RESEARCH AND TECHNOLOGY CONFERENCE

## 'GAZPROM CLASSES'

### SUPPORT FOR THE BALTIC SCIENCE AND ENGINEERING COMPETITION

**In 2017, Gazprom Neft served as the general sponsor for the Baltic Science and Engineering Competition.**

The largest scientific competition among schoolchildren, which has been held in St. Petersburg since 2005. The final round of the competition included 348 students from Russia, Belarus, Ukraine, and Kazakhstan. The winners of the competition joined the Russian team that took part in the Intel International Science and Engineering Fair (Intel ISEF). Twelve participants (8 projects) were winners at the world finals and were awarded certificates by the Intel ISEF scientific jury.

Each year more than 200 scientists – doctors and candidates of sciences, university teachers, and post-graduate students – take part in the competition's jury.

The first specialized Gazpromneft-Class took place at Lyceum No. 82 in St. Petersburg during the reporting year. In addition to the core programme with an in-depth study of natural sciences, students studied specialized subjects, such as the fundamentals of geology and materials science, mathematical modelling in the oil industry, applied physics, time management, and the theory of inventive problem-solving. Students worked with case studies that develop creative and research potential.

Gazpromneft-Class joined the 'Gazprom Class' programme in 2017, which enabled students to take part in projects managed by the Gazprom Group. One such project was a powwow of 'Gazprom Classes' held in Sochi. The powwow programme included scientific, educational, sports, cultural, excursion, and team-building blocks.

## GAZPROM NEFT'S TALENT POOL FORMATION SYSTEM

### High school students

- Vocational guidance work with schoolchildren
- Profession-oriented classes held by Gazprom Neft
- 'Multiplying Talents' tournament and support for other scientific and technical Olympiads and championships



### College and university students

- Creation of master's programmes jointly with universities
- Support for the targeted education of promising students: grants and scholarships



### Young professionals

- '3 milestones' adaptation programmes
- Young professionals development programmes
- Research and technology conference for young specialists



### Company employees

- System for selecting employees with high potential and their inclusion in the talent pool
- Individual career planning and development programmes for professional and managerial skills

“Gazprom Neft has become one of the leaders in the Russian oil and gas industry today in terms of the level of technological effectiveness. The conditions for field development get more complex with each passing year and the industry constantly needs new solutions and approaches, so we try to find talented kids who are still in school and encourage their interest in obtaining an engineering education and studying exact sciences”.

**Mars Khasanov**

Gazprom Neft Technology Director and General Director of the Research and Technology Centre

**CORE DEPARTMENTS AND MASTER’S PROGRAMMES AT UNIVERSITIES**

The Company’s experts are involved in forming and developing standard and special programmes and courses that are created in accordance with corporate objectives at core departments and master’s programmes at universities. This helps students to develop the necessary skills and to attract young professionals with relevant

knowledge for the Company. The Company organizes extended (up to six months) internship programmes at its enterprises, which facilitate the further deepening of specialized knowledge among young professionals. The Company cooperates on an ongoing basis with industry-focused universities

in St Petersburg (St Petersburg Mining University, St Petersburg Polytechnic University and St Petersburg State University) and Moscow (Gubkin Russian State University of Oil and Gas, Moscow Institute of Physics and Technology), and also with regional universities (Tyumen and Omsk State Technical Universities, Tomsk Polytechnic University).

**GAZPROM NEFT RESEARCH AND TECHNOLOGY CONFERENCE OF YOUNG PROFESSIONALS**

The conferences for young professionals who are working their way through the Company’s production units aim to develop innovative thinking and involve young professionals in rationalization activities. The 7th Research and Technology Conference of the Upstream Division was held in a new format in 2017 with participants defending reports in seven sections, including the ‘Capital Construction’ and ‘Gas and Energy’ sections for the first time. A total of 86 young professionals took part in the conference and presented 77 reports to the jury commissions. The Research and Technology Conference of the Upstream Division was held in an open format for the first time and included representatives of Lukoil, Rosneft as well as leading oil and gas industry universities. The best works by the students were awarded with a RUB 2-million grant named after Honoured Oil Refining Worker Alexander Sannikov for the first time. In total, 71 participants gave presentations at the conference, which is twice as much as the previous year. The ‘HSE’ and ‘Digital Technologies and Business Support’ sections made their debut in the conference programme.

**TALENT COMMITTEE**

One of the key tools used to select candidates for the talent pool are meetings of the Talent Committee at which key functional managers consider and take decisions about promoting employees based on the results of an annual assessment of their activities and potential. In 2017, the regular performance assessment encompassed 19,000 employees, a 50% increase from the previous year. The assessment results serve as a basis for planning the development goals of employees, impact the size of annual bonuses and salary reviews, and serve as a starting point for the formation of the talent pool.

**PARTICIPATION IN WORLDSKILLS**

At the WorldSkills Hi-Tech Championship in 2017, **the Company’s employees finished among the top five in the ‘Chemical Analysis Laboratory’ skill**, while another Gazprom Neft employee took third place in the ‘Network and System Administration’ category.

## TALENT POOL DEVELOPMENT PROGRAMMES

Updates were made in 2017 to the manager development programmes: 'First Step' and 'Growth Manager' for line managers at subsidiaries, 'Professional Management' for line managers at the Corporate Centre, 'Bachelor of Management' for the Company's mid-level management, and 'Master of Management' with strict criteria for selecting experienced executives who hold high positions and have significant influence on the Company's business. The new programmes aim to solve business problems, including the analysis of internal cases, and cover modern economic and technological trends such as digitalization, robotics, the fourth industrial revolution, the economy of joint consumption, and continuing education, among others. The Company's senior executives are the supervisors of the programmes.

“Over the six months of the programme, the participants had to solve unconventional problems. In addition to their professional skills, they were required to demonstrate the ability to respond quickly to changing external factors. So they not only obtained the knowledge they will need in their everyday work, but also got an understanding of the principles of personal growth”.

### Nikolay Dolgov

Head of the Gazprom Neft  
Staff Development and Training Department

The 'Growth' career planning portal became accessible to all the Company's employees in 2017, providing each of them with the opportunity to take part in the management of their professional and career development. The portal allows

employees to envision themselves as professionals, select a career path using this resource, assess their skills, and get recommendations for further development.

## GOALS AND OBJECTIVES FOR 2018

### STAFF MOTIVATION

- Develop a unified model of comprehensive incentives that aims to balance out the compensation package for different groups of staff and synchronize it with other HR management tools
- Launch a project to upgrade the bonus system based on the integrated performance evaluation process for departments and employees
- Update the bonus programme for long-term and major projects involving the construction and reconstruction of facilities in accordance with the current operating models
- Update of the system of compensation and benefits for the Downstream Division and switch the Division's subsidiaries to a unified wage scale

### STAFF TRAINING AND DEVELOPMENT

- Improve the quality and expand the coverage of targeted development programmes and executive development programmes at the Corporate University
- Further develop professional communities and internal training
- Develop personal educational trajectories
- Provide comprehensive support to transform the corporate culture of Gazprom Neft, develop skills to manage changes at the Company, and offer methodical support to the teams that are implementing the transformation projects
- Evaluate the activities of the Corporate University's departments, select the most effective approaches, and introduce them as best practices at the Company
- Further develop the Corporate University's portal and introduce artificial intelligence technologies in distance learning programmes