RESULTS OF SOCIAL ACTIVITIES IN 2016

RESULTS OF SOCIOECONOMIC AGREEMENTS

The projects implemented by the Company jointly with the government in 2016 as part of socioeconomic agreements included initiatives to build and repair social infrastructure (schools, day care centres, sports complexes and fields, healthcare facilities, cultural centres and libraries, among other things), support public associations and sports clubs, and develop other social and environmental projects.

Projects implemented with the Company’s support in 2016 included the following:

Yamalo-Nenets Autonomous District:
- opening of the Vynagurovsky sports complex (Noyabrsk), a football stadium (Nadyom), an indoor ice rink (Salekhard) and a pool (Tarko-Sale);
- start of construction on two day care centres (Noyabrsk and Muravlenko) and a school (Tarko-Sale), and continued construction on sports complexes (Labytnangi and Salekhard).

Khanty-Mansi Autonomous District-Yugra:
- construction of a residential building with 120 apartments (Khanty-Mansiysk);
- complete overhaul of a day care centre (Novoagansk settlement);
- infrastructure development of an embankment (Russkinskaya village);
- construction of a cultural centre (Repolovo);
- organisation of the activities of summer environmental teams (Khanty-Mansiysky District).

Orenburg Region:
- equipment for a mini children’s playground (Gorny village);
- equipment for a mini children’s playground at a day care (Platovka village);
- replacement of windows with plastic windows at a primary school (Verkhnyaya Platovka village);
- purchase of furniture and a multimedia projector for Matrosov Platovka secondary school;
- events dedicated to Victory Day;
- construction of a medical and obstetrical station (Berdyanka village);
- purchase of a school bus (Ivanovka village);
- purchase of New Year’s presents for children from low-income families;
- repair of a school’s roof (Chkalov village);
- complete overhaul of a medical and obstetrical station building (Abramovka village).

Tomsk Region:
- reconstruction of a building of Day Care No. 23 (Novovasyuganskoie rural settlement);
- purchase of a bus for Novoseltsevskaya School (Parabelsky District);
- infrastructure development of Podsolnukhi Day Care (Parabelsky District).

Tyumen Region:
- purchase of housing accommodations (apartments, houses) with land plots for social sector workers in the Uvatsky Municipal District;
- purchase of housing accommodations (apartments, houses) with land plots to resettle people from unsuitable (dilapidated) housing.

Omsk Region:
- repair of schools (Yekaterininskoye village and the city of Tara);
- repair of a day care centre (Litkovka village);
- repair of the Sever cultural and leisure centre (Tara).

KEY PROJECTS OF THE ‘NATIVE TOWNS’ PROGRAMME

‘MULTIPLYING TALENT’ TOURNAMENT

Since 2015, Gazprom Neft has been conducting the oil and gas-themed ‘Multiplying Talent’ tournament, which aims to enhance the appeal of engineering and technical professions among school students and develop their research skills. As part of the tournament, students solve tasks related to oil and gas themes and develop presentational skills. In accordance with best practices for social project planning, the tournament format primarily focuses on developing students’ ability to apply the knowledge they obtain in research activities, which will benefit them when they start studying at university and when building their careers. The tournament takes place in two stages with the final held in St. Petersburg where kids defend their projects in front of a panel of judges and take part in a quest game. In 2016, the tournament attracted 1,800 students (a 50% increase from 2015) and 612 teams from Moscow, St. Petersburg, Tyumen, Khanty-Mansiysk, Tomsk, Muravlenko, Noyabrsk, Novy Port and Mys Kamenny. The tournament was widely covered in the media and praised by stakeholders in the regions.
‘DIY CITY’ PROJECT LABORATORY

The project, which was launched in Omsk in 2015, involves creating a platform based on which residents together with experts, representatives of the local government and business launch their own projects to develop the urban environment. The start of the projects is preceded by an educational programme as part which the laboratory participants learn about methods to study a city’s needs and sociocultural project planning.

Today, Gazprom Neft has become one of the leading companies in Russia’s oil and gas industry in terms of its technological capabilities. But with field development becoming ever more complex with every passing year, the industry is in constant need of new approaches and solutions. That’s why we actively encourage interest among talented young students in obtaining an education in engineering and studying precisely those sciences essential to the industry. Indeed, it’s precisely these people who will, before too long, be managing these technical processes.

A second laboratory was put into operation in 2016 in Khanty-Mansiysk. In accordance with the project goals, which are adapted to a region’s relevant sociocultural objectives, the main work consisted of creating informal creative sites for young people. Local activists developed and launched two projects as part of the laboratory: a documentary theatre at the Yugra-Classic Concert and Theatre Centre, and a cultural communications centre based at Library No. 6.

The Omsk laboratory also continued working in 2016. Over two years, it has hosted several dozen open educational events and approximately 150 activists have proposed initiatives based on which nine projects have successfully been implemented. Two projects have been recognised as potentially sustainable and are being prepared to take part in the ‘Native Towns’ grant competition. The laboratory has become a catalyst for the development of the volunteer movement in Omsk. Some 150 volunteers took part in implementing projects in 2016.

For the second year in a row, the laboratory is ‘discovering’ young people who on their first try are capable of implementing a serious project that can be much-needed not only in Omsk, but in Moscow, St. Petersburg and any European city.

Yekaterina Goldberg
Project Laboratory Expert and Project Curator from the Strelka Institute for Media, Architecture and Design

‘STENOGRAFFIA’ STREET ART FESTIVAL

The Company has provided support to the ‘Stenograffia’ street art festival since 2015. Artists use street art (drawings on walls and building facades) to provide a decorative design for a monochrome urban environment in an effort to make it visually more friendly. Teams of artists are formed based on applications that participants post on the festival website in accordance with their wishes, logic and the logistics of the event. Sixty-five objets d’art were created in Yekaterinburg, Orenburg, Khanty-Mansiysk, Omsk, St. Petersburg, Noyabrsk, Muravlenko, Mys Kammenny and Novy Port as part of the festival’s ‘Visual Ecology’ theme in 2016. The festival featured competitions among writers, graffiti-battles, master classes, road-shows by artists and various joint promotional events. The ‘Stenograffia’ festival has been attended by hundreds of artists from Russia, CIS countries, Italy, Germany, Switzerland, France and Spain. Some of the objets d’art created in Yekaterinburg have ended up in prestigious international street art catalogues, including the Google Art Project.
THE ‘VIEW FROM THE WINDOW’ SOCIAL PROJECT

The ‘View from the Window’ social project of the ‘Stenograffia’ festival has generated the biggest response from local communities. As part of the project, artists painted surfaces that can be seen from the windows of people whose only interaction with the outside world for long periods of time or permanently is through windows.

There is a two-storey maintenance building below the windows of our department with a dreary, gloomy appearance. So we were all very happy when the artists turned the wall of the building into an amazing picture. I’m all for it because it creates positive emotions and it’s attractive. This is very important for the kids who spend a lot of time with us and are forced to suffer pain every day.

Mikhail Stepanov
Head of the Traumatology Department at Omsk Children’s Clinical Hospital No. 3

THE ‘CREATIVE PRACTICES’ PROJECT

The ‘Creative Practices’ project was launched in 2013. The idea of the project is based on acknowledging the leading role that human capital plays in shaping a new economy in general and creating an attractive and comfortable urban environment in particular. The programme is built on successful foreign experience, specifically British, where creative industries are supported at the government level. A key objective of the project is to support creative programmes and social initiatives, exchange experience between active city communities with the involvement of leading experts and study the factors that have led to the development of creative industries in Russian cities.

‘Creative Practices’ started with the launch of an educational programme at Saint Petersburg State University at which the speakers included Russian and international experts and prominent specialists in economics, urban studies, the media and culture. As the programme evolved, it started including cities where Gazprom Neft has a presence: Omsk, Tyumen, Orenburg, Tomsk, Khanty-Mansiysk, Noyabrsk and Muravlenko, where studies and surveys were also conducted that revealed the main problems and factors for the development of creative industries. Lectures and master classes with themes that were relevant to the cities were conducted in summer and autumn 2016 based on the survey results.

Small cities are important both for Europe and for Russia. Their problems are more expressed than in big cities. They must be human-oriented and have integrated functions. A city can only exist if it lives in the heart and mind of its inhabitants. We listen to people: what’s important to them, what they like, and we think about what can be done to make this place better for them. The most important thing is to find a balance between the amount of investment, people’s involvement in the transformation process and the opportunities that life in this city offers.

Brian Evans
Professor of Urbanism and Landscape at The Glasgow School of Art

‘MATHEMATICAL PROGRESSION’

‘Mathematical Progression’ is a project implemented jointly with Saint Petersburg State University that aims to support basic science, generate interest in it and attract talented schoolchildren and high school students to this field. The project is implemented in four stages. During the first stage, schoolchildren from 23 regions of Russia have the opportunity to attend lectures by prominent scientists. In the second stage, second-year students at Saint Petersburg State University who demonstrate impressive results in their studies are given scholarships. During the third stage, Gazprom Neft creates conditions for the young scholars to gain applied mathematical knowledge and perform research work. The Company also funds research-based trips and encourages their academic pursuits, granting personal awards to mathematicians for advanced achievements in research activities. Prize winners become employees of Saint Petersburg State University’s Chebyshev Laboratory for a year. The fourth stage involves support for fundamental research as well as scientific and educational activities at Chebyshev Laboratory. In 2016, a system of travel grants started functioning for gifted young people, enabling them to attend classes at leading mathematical schools.
The ‘Mathematical Progression’ project is a means of social mobility for all talented schoolchildren. But it’s very important that our cooperation functions based on the development of technologies. There needs to be a fundamental basic school. Technology in the modern world isn’t just changing quickly, but overnight! Specialists working with a narrow focus sometimes can’t simply readjust – they need to constantly replenish their knowledge. And in this regard, the more fundamental education is, the easier it is to always stay in shape.

Sergey Tikhomirov
Research Fellow at Chebyshev Laboratory and Associate Professor

The ‘Creative Practices’ programme continues to address problems related to resource that helps graduates find employment. The winner of the contest in 2016 was the project ‘Tatyana’ – HRM-CRM – a web resource that helps graduates of orphanages and young people with disabilities address problems related to finding employment. The goal of the project is to link graduates who have difficulties finding work with companies that are ready to provide them with jobs. The web resource consolidates all information and interacts with candidates through the VKontakte network, and with employers through the ‘Rabota-i’ website.

The programme, which was developed jointly with the Faculty of Liberal Arts and Sciences at Saint Petersburg State University, aims to solve regional socioeconomic problems with the help of creative industries. In 2016, the ‘Creative Practices’ programme explored the main problems and promising trends involved in developing a creative environment in a number of regions where the Company operates. Intensive educational courses were conducted for local specialists and activists based on the results of these practices. The programme speakers included Russian and international experts on economics, urban studies, the media and culture. The Company also launched a programme of international internships for specialists in the creative sector in 2016. The first internship took place in the UK.

The ‘Creative Practices’ programme continues to function based on requests from the target audience of specific cities with the organisation of internships for local specialists, master classes and lectures as well as competitions for creative social projects. The winner of one such competition in 2015 was the ‘V-meste’ (Together) team of architects, designers and urbanists who put forward a programme for the transformation of the Sovremennik library in St. Petersburg’s Krasnogvardeysky District. Over the course of a year, the library was transformed into a modern creative space and an educational and leisure centre that hosts film lectures, master classes and creative meetings. The local district administration joined in the transformation of the library with funding for the complete overall of a library room.

The winner of the contest in 2016 was the project ‘Tatyana’ – HRM-CRM – a web resource that helps graduates of orphanages and young people with disabilities find employment. The goal of the project is to link graduates who have difficulties finding work with companies that are ready to provide them with jobs. The web resource consolidates all information and interacts with candidates through the VKontakte network, and with employers through the ‘Rabota-i’ website.

Gazprom Neft Cup
The Gazprom Neft Cup international tournament of children’s hockey teams is the official tournament of the KHL and one of the biggest children’s hockey tournaments in Europe. The Gazprom Neft Cup has an unprecedented level of organisation for children’s competitions: matches are officiated by professional referees, games take place at ice arenas that are certified for KHL matches and the games are covered by leading sports media outlets. In 2016, the tenth Gazprom Neft Cup involved 25 teams from five countries and was attended by 32,000 spectators. The final matches of the Gazprom Neft Cup were broadcasted on KHL TV and Match TV.

In 2016, Gazprom Neft continued implementing a number of social projects and programmes that aim to improve the quality of life and broaden opportunities for the local communities to reach their potential in regions where the Company operates.

When I was first introduced to the problem, I realised that kids with disabilities don’t always have the opportunity to easily and quickly adapt in society when they find themselves one-on-one with the world of professions. It became clear that a system was needed to consolidate information about how the employment process works for a particular candidate and that the starting point shouldn’t be a desire to save a specific person, but to create conditions so that this person can save himself.

Ilya Smetanin
Director of the ‘Rabota-i’ Centre and one of the creators of the ‘Tatyana’ project
With support for the development of infrastructure, the Company funded the construction of homes in remote populated areas and housing for indigenous peoples of northern Russia and also built and repaired social infrastructure.

As part of efforts to develop grassroots and professional sport, Gazprom Neft provided support for the ‘Courtyard Sport’ project (children’s and adult tournaments in mini-football, hockey, volleyball and hockey in valenki boots) and the ‘Drug-Free Courtyard’ project (a mini-football tournament involving courtyard-based teams in Novosibirsk) and hosted the Alexander Shlemenko mixed MMA children’s tournament in Omsk. The Avangard hockey academy, a Gazprom Neft project that aims to create a unified hockey training system for kids and young people, continued to evolve. As part of the project, the Company provides support for the construction and provision of equipment for ice arenas and stadiums in Urals and Siberian cities and villages.

**SPORTS INFRASTRUCTURE IN YNAD**

Today, the Yamalo-Nenets Autonomous District is among the top three Russian regions in terms of its sports facilities. Historically, however, the situation in the region had been exactly the opposite despite the prevalence of a young population and its keen interest in sport. For this reason, building sports infrastructure became one of the top priorities in Gazprom Neft’s social activities in the region. In just a few years, the Company built 19 multifunctional sports fields, six sports complexes and stadiums in Muravlenko, Tarko-Sale, Nadym and Noyabrsk as well as a pool in Tarko-Sale as part of the ‘Courtyard Sport’ project. Branches of the Avangard academy appeared in Noyabrsk and the Purovsky District, and construction continues on the Polyanyn sports complex in Labytnangi, the Yamal-Arena sports complex in Salekhard and branches of the Avangard academy in Labytnangi and Muravlenko.

In keeping with tradition, the Company provided support for the fourteenth international ‘Spirit of Fire’ film debut festival as part of its efforts to promote the development of the cultural potential of Russia’s regions. The geography of the ‘Native Town’ festival expanded to Muravlenko, Omsk and Noyabrsk in 2016. Over three years, the format of the festival has evolved from a leisure event to a place for the personal fulfilment of local residents. Educational and sports associations along with interactive sites were organised as part of the ‘Native Town’ festival.

In creating new educational opportunities and promoting the growth of the educational and scientific potential of the regions, Gazprom Neft developed a partnership with the country’s leading universities at which future oil and gas industry specialists are trained. With the Company’s support, educational programmes are formed and conditions are created for scientific research activities and manufacturing practices. Gazprom Neft devotes special attention to infrastructural support for educational institutions in small villages. Multimedia classes were launched at schools in the villages of Mys Kamenny and Novy Port in 2016.

Gazprom Neft has been implementing projects jointly with the Maritime Council under the Government of St. Petersburg since 2011 to promote maritime professions among young people. Such projects include specialised maritime classes and children’s associations with a maritime and shipbuilding focus.

The Gazprom Neft Cup is an integral part of the hockey season. We are thrilled that such a significant project, which enables hundreds of prospective kids to gain invaluable experience from participating in high-level competitions, takes place under the auspices of the KHL. All young hockey masters have something to strive for now. I am confident that with the right effort and commitment after a few years many of them will be able to play in the Youth Hockey League and then the KHL.

Dmitry Chernyshenko
President of the Kontinental Hockey League

In 2016, the project ‘Promoting Maritime Professions in the Youth Environment and Educational Support’ was recognised as the best in the nomination ‘Project for Children’ as part of a competition among the PR services of Gazprom PJSC subsidiaries and organisations.

Gazprom Neft continued providing assistance to cultural, religious, scientific, non-profit, sports and educational organisations in 2016. Such organisations included the Russian Geographical Society, Hermitage Museum, St. Petersburg Yacht Club, Russian Military Historical Society, Yamal Cooperation Fund, UNESCO Moscow International Fund, the Union of Journalists of St. Petersburg and the Leningrad Region, the Yamalo-Nenets Autonomous District Figure Skating Federation and the National Intellectual Development Fund for Support to the Research and Design Activities of Students, Graduate Students and Young Scientists, among others.

**HUMANITARIAN PROJECT IN SERBIA**

In 2016, Gazprom Neft funded the interior design of the dome of the Church of Saint Sava in Belgrade, a major Serbian architectural monument and one of the largest Orthodox churches in the world. The Company provided this assistance as part of a programme to support humanitarian projects involving culture and the preservation of Serbia’s historical heritage. The interior surface of the church’s main dome will be decorated with mosaic compositions covering an area of 1,230 square metres. The work is being managed by Academician of the Russian Academy of Arts and People’s Artist of Russia Nikolay Mukhin.