

PUBLIC RECOGNITION

In 2018, the Home Towns social investment programme won two prestigious Leaders of Corporate Charity awards in the Best Grant Competition and Method of Evaluating Social Impact of Charitable Projects categories. Leaders of Corporate Charity is the largest competition of charity practices and social investment among Russian companies organised by the Donors Forum (the Association of Sponsoring Organisations), PricewaterhouseCoopers audit company and the Vedomosti newspaper.

The Company's grant competition received high accolade at the Champions of Goodness corporate volunteering contest, winning the second place in the Contribution to Corporate Volunteering category. This nationwide competition is organised by the Association of Managers

and the National Corporate Volunteering Council.

The Company also came top in the Leaders of Corporate Charity in the Northwest regional competition. Its Strelka Week project was recognised as the best project for local community development. The Arithmetic Progression project run together with the Chebyshev Laboratory at St Petersburg State University was ranked second best educational initiative for North-Western Federal District.

Gazpromneft-Khantos, Gazprom Neft's subsidiary, earned the Black Gold of Yugra prize. In 2017, the company came second in the Social and Economic Partnership among the Companies with Annual Production of over 5 Mt of Oil category.

Meeting targets for 2018

Target	Result
Pursue initiatives outlined in social and economic partnership agreements signed with Russian regions, hold at least one meeting with regional authorities to discuss the agreement implementation and adjust the action plan accordingly. Audit 100% of published and effective local regulations or law-making initiatives that may affect the Company's operations	The Company took part in assessing the regulatory impact of 30 laws and regulations adopted in the Tyumen, Omsk, Tomsk, Orenburg regions, Yamal-Nenets and Khanty-Mansi – Yugra autonomous areas, Moscow and St Petersburg. For details on the results of the efforts made as part of the social and economic partnership agreements, see the Regional Policy and Development of Local Communities chapter.
Increase the number of Russian regions cooperating with the Company in the substitution of lubricant and process fluid imports to 17	In 2018, the lubricant import substitution programme covered three more areas – the Moscow and Amur regions and the Primorye Territory. As a result, the total number of effective agreements reached 17.

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Target	Result
Enter into agreements on the supply of innovative bitumens manufactured by Gazprom Neft with at least five Russian regions	The programme for supplying Gazprom Neft's innovative bitumens expanded its scope to include seven more regions: St Petersburg, the Amur, Leningrad, Moscow and Rostov regions, and the Krasnodar and Primorye territories.
Implement the Company's policy with respect to the indigenous ethnic minorities of the North in the Khanty-Mansi and Yamal-Nenets autonomous areas, deliver on the plan for interaction with the indigenous northern minorities	The policy was implemented. For details on the plan for interaction with the indigenous northern minorities, see the Regional Policy and Development of Local Communities chapter.
Keep on holding meetings chaired by the heads of key regions within the Company's footprint to discuss a number of bilateral cooperation matters, expand the geography of such meetings	The Company took part in integrated meetings focused on business development and social cooperation in key regions of operation and also in the Stavropol and Krasnodar territories, Rostov and Kurgan regions, etc.
Continue developing the Avangard Ice Hockey Academy, including the launch of the first Academy branch in Labytnangi, Yamal-Nenets Autonomous Area	2018 saw the opening of an ice palace in Muravlenko, Yamal-Nenets Autonomous Area, with the new facility set to become the base for a branch of the Avangard children's ice hockey academy and serve as premises for year-round training in hockey, figure skating and short track speed skating. The commissioning of the Academy's branch in Labytnangi, Yamal-Nenets Autonomous Area, was rescheduled for 2019.
Continue the implementation of key projects under the Home Towns social investment programme	2018 saw the continued implementation of all key projects as part of the Home Towns social investment programme. For more details, see the Regional Policy and Development of Local Communities chapter.
Hold grant competitions of social initiatives in six regions of operation: the Omsk, Tomsk, Orenburg and Tyumen regions, and the Yamal-Nenets and Khanty-Mansi autonomous areas. Support at least 100 initiatives, including at least 20 projects from local initiative groups, put in place a competition-based framework for local initiative groups across the regions	New scheduled grant competitions were held in six regions of operation. The framework for initiative group competitions was implemented in all regions. A total of 118 projects were supported based on the outcome of such competitions, including 38 projects of local initiative groups, with some ₹ 26 m provided in grant funding in 2018.
Continue to promote the Company's volunteering initiatives, including distance learning for volunteers; stage the fourth volunteering contest and support at least 50 employee initiatives as part of such contest	The fourth volunteering contest was held in 2018. 157 applications were submitted for the contest, up by a third y-o-y. The number of winners hit a new record, too: the Company supported 84 initiatives from 30 regions of operation.

Targets for 2019

- > Perform an assessment of the Company's relations with regional governments and the ways of informing them on the Company's operations in key regions.
- > Sign and enforce the implementation of social and economic agreements and roadmaps in Russian regions.
- > Arrange for an internal assessment of the Home Towns project portfolio.
- > Continue holding grant competitions of social projects in the six regions of operation: Omsk, Tomsk, Orenburg and Tyumen regions, Yamal-Nenets and Khanty-Mansi – Yugra autonomous areas. Support at least 100 contestant initiatives.
- > Ensure the development of corporate volunteering projects and maximise the effect of the volunteering initiatives.
- > Carry on supporting the culture and historical heritage of Serbia.