



OIL REFINING

STRATEGIC OBJECTIVES

KPI for 2025

40

mn t

oil refining volume
in Russia

95%

refining depth
in Russia

80%

yield of light
petroleum products
in Russia

Implementing programmes to modernise oil refining facilities as well as growth in operating efficiency remain strategic priorities for Gazprom Neft as it develops its oil refining business in Russia. The Company has completed the first stage of the extensive modernisation of its oil refineries, which aims to improve the quality of the petroleum products it manufactures. All the motor fuels it produces correspond to fifth-class emission standards. The Company continues to implement key projects in the second stage of the modernisation programme, which aims to increase oil refining depth and expand the yield of light petroleum products. Work is also being continued on projects to improve operating efficiency and to mitigate the Company's environmental impact.

MILESTONES OF 2016

Continuation of the oil refinery modernisation programme:

- > Active construction of the Euro+ complex and the Biosphera biological treatment complex at the Moscow Oil Refinery
- > Design documentation drafted for the deep oil refining complex and construction launched on a primary oil refining complex at the Omsk Oil Refinery



SALES

STRATEGIC OBJECTIVES

KPI for 2025

100%

volume of products manufactured at the Company's Russian oil refineries sold via its high-margin sales channels

Gazprom Neft has two main sales segments: the sale of motor fuels via the Gazpromneft filling station network and Small-scale wholesale channels as well as the sale of petroleum products to industrial consumers. Specialised goals have been set for each segment. The target scale of Gazprom Neft's sales business should ensure the ability to sell 100% of the petroleum products it manufactures on the market via its own sales channels for maximum coverage of the entire value chain in the oil business.

DYNAMICS OF KEY INDICATORS

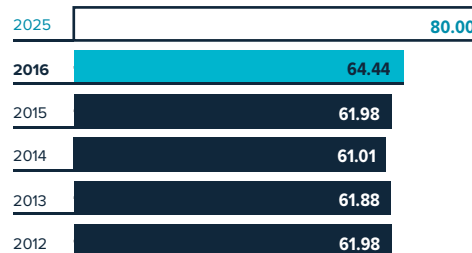
OIL REFINING VOLUME AT RUSSIAN OIL REFINERIES (mn t)



REFINING DEPTH AT RUSSIAN OIL REFINERIES (%)



YIELD OF LIGHT PETROLEUM PRODUCTS AT RUSSIAN OIL REFINERIES (%)



> For more, see the 'Sale of oil and petroleum product' section, p. 43