

# WORKFORCE PRODUCTIVITY

The Workforce Productivity indicator (WPI) is included in the system of key performance indicators (KPI) of the Group's activity.

The Passport of the Workforce Productivity Indicator has been approved by the resolution of Zarubezhneft JSC Board of Directors (Minutes No. 131 dated November 25, 2016) and is based on the calculation procedure defined by Order of the Federal State Statistics Service No. 576 On Approving Statistical Tools for Organization of Federal Statistical Monitoring of Workforce Productivity by the Federal Agency for State Property

Management in the Sector of Non-Financial Corporations with Public Ownership, dated September 23, 2014. In accordance with this order, the revenue used to evaluate the achievement of this indicator is calculated based on the income accounted for under the Russian Accounting Standards (RAS). To calculate the workforce productivity change index, the revenue is given in the prices of the previous year.

The WPI target for 2019 within the KPI was 67,7 thous. RUB/man-hour. The actual value of the indicator estimated as the revenue of Zarubezhneft JSC

as per RAS, calculated in conditions comparable to 2018 and correlated with the number of man-hours worked by the Company's employees, was 81,8 thous. RUB/man-hour.

The workforce productivity in Zarubezhneft JSC is monitored monthly for the purpose of timely identifying and eliminating risks to fail to achieve this indicator. The Company efficiently uses the count management system, regularly conducts re-engineering of business processes and respective analyses, which identify areas that require optimization and improvement.

Indicators	2019	
	Actual	In prices of 2018
Revenue (mln RUB)	40 405	42 254
Number of manhours workwd (thsd)	516 524	516 524
Workforce productivity (thsd RUB/manhour)	78.23	81.80