

Identification and support of leaders / soft skills

Nestro Lead

Professional retraining in the EMBA (Executive Master of Business Administration) program on 'Energy Business Management' is provided at the International Business School of Gubkin Russian State University of Oil and Gas to continue the training and development program for winners of the Nestro Lead competition.

The goal of the program is to improve the professional, managerial, and personal business skills needed to ensure the proper performance of professional activities and develop flexible skills (soft skills), such as communication, self-management, efficient thinking, time management, leadership qualities, personal growth, and creativity in solving tasks, and to use professional experience (hard skills).

The program extends the range of skills that have already been accumulated, helps to create a global vision of advanced trends in the world energy sector, and ensure the Company can function in a turbulent business environment. Such training will serve as a kind of bridge between the educational process as well as the career and further professional development of students.

Starting from the first module, project teams actively work with moderators; they are expected to defend the graduating group's projects and obtain a professional EMBA retraining diploma during the final module in February 2021.

The course lecturers include leading Russian lecturers and honored teachers of Gubkin University as well as foreign speakers.

During their remote work, the contest winners were also assigned online training using the Eduson platform, which provides access to 1,000 e-courses and business cases for the development of professional and leadership skills.

Since the Company is actively developing, expanding its geography by joining new projects, and diversifying its business in accordance with current global trends, it faces new challenges and tasks that require highly qualified personnel with high potential. In order to recruit new teams to solve the Company's tasks, the second NESTRO LEAD contest is scheduled to be launched in 2021.



Training structure for the 26 winners in the EMBA program:

- ▶ Three five-day modules at Gubkin Russian State University of Oil and Gas
- ▶ Online training format, including lectures, business games, training sessions, master classes, and case studies
- ▶ Total program duration: from November 16, 2020 to February 19, 2021



The following development programs are available to NESTRO LEAD winners and finalists:

- ▶ Professional training — referral on a priority basis to individual training in order to develop professional skills
- ▶ Access to the BBI Lecture Hall — lectures by experts from the world's leading business schools
- ▶ Distance learning courses on the basis of Web Tutor: online training ranging from digital skills to soft skills
- ▶ Nestro Read corporate digital library based on Alpina Digital
- ▶ Corporate English training (individual remote training)

Leadership school

The School of Leadership and Potential Development plans to offer 35 courses on a 10-module program in 2020–2021. Twelve courses were held in 2020, with 122 people receiving training per course.

The program includes the following modules:

- ▶ Fundamentals of digital transformation in the oil and gas industry
- ▶ Building relations and influence
- ▶ Team and personal leadership
- ▶ Openness to new ideas and innovations
- ▶ Planning and organization. Decision making. Results orientation
- ▶ WBS: work with a succession pool candidate. Effective feedback/meeting on performance and development. Effective delegation
- ▶ Strategic thinking
- ▶ Managing change at a company
- ▶ Negotiations in an international setting
- ▶ International project management practice

Remote education

The Company pays special attention to the training and advancement of its employees, and thus provides continuous training using various tools. In light of the current epidemiological situation with coronavirus in 2020, starting in April, all training courses have

been switched to online distance learning format, and the use of various online platforms has been significantly expanded:

- ▶ Training on the Eduson online platform (120 employees) was conducted during the period when people were working from home
- ▶ On the educational portal Web Tutor (203 employees)
- ▶ An additional 27 video and electronic courses were purchased and placed on the educational portal Web Tutor
- ▶ Access to online conferences was purchased
- ▶ Conversion of corporate and individual face-to-face training to online format

Personnel training for international projects

The key task in such training is to form cross-functional teams that can work effectively in different regions taking into account cultural and national specifics at the Company:

- ▶ English: more than 150 employees are undergoing individual online training, and positive feedback and training attendance is 76%
- ▶ Since the start of 2020, there have been 47 rotations between ZARUBEZHNEFT GROUP's entities, including the formation of teams for international projects
- ▶ The talent pool for executive positions has 114 employees, including 52 employees in the talent pool for international projects



12 courses

*of the 35 planned in 2020
as part of the leadership school*

■ TRAINING STAFF FOR INTERNATIONAL PROJECTS

Project

Goal

Form cross-functional teams that can work effectively in different regions taking into account cultural and national specifics

Talent management

Rotations within the group

47 rotations

in 2020

Project motivation

- ▶ An incentive system has been formed and approved for project teams when joining new assets
- ▶ Increased efficiency of the project team due to the focus on searching for upsides
- ▶ An incentive fund for projects was calculated and approved according to new methodology

Career advancement

Finalists of NL

throughout the Contest Period

49 employees

66% of the finalists promotion/professional status/rotation since the start of the project

Talent pool






2019-2020

49 employees






43% of appointments to management positions

Participation of Nestro Lead winners and finalists in new projects at the evaluation stage

Winners

	Uzbekistan 3 persons
	Republic of South Africa 3 persons
	Egypt 7 persons
	Vietnam 09-2/09 1 person
	Iraq 1 person

Participants

	Uzbekistan 15 persons
	Republic of South Africa 6 persons
	Kazakhstan 10 persons
	Indonesia 6 persons
	Iraq 6 persons

In June 2020, a new Regulation on Incentives for Project Teams when Joining New Assets were approved.

The main purpose of the regulation is to ensure greater efficiency when searching for and evaluating new assets and preparing and signing documents that establish the conditions for Zarubezhneft to join a new asset.

The regulation aims to increase incentives for members of project teams for:

- ▶ Quickly and proficiently examining documents
- ▶ Searching for and proposing upsides
- ▶ Identifying and minimizing risks
- ▶ Increasing the efficiency of negotiations in terms of protecting the interests of Zarubezhneft
- ▶ Ensuring the successful signing of documents on joining a new asset

Project teams have already been formed in accordance with the new internal regulation, and an incentive fund for four projects in Russia and abroad has been calculated and approved.

Youth policy

In 2020, the Company continued to work on achieving its youth policy goals. The Board of Directors considered issues related to work with young people (Minutes No. 178 dated March 25, 2020).

Based on the results of the meeting, the decision was made to establish a Youth Council of ZARUBEZHNEFT GROUP. Regulation No. 241 on the Youth Council were approved on October 13, 2020.

A distinctive feature of the new structure of ZARUBEZHNEFT GROUP's Youth Council is that all representatives of the youth councils of subsidiaries have a presence in the governing structure of the Youth Council, which will extend the general focus of the Youth Policy's development from the corporate center to all young people at subsidiaries. The terms 'young specialist' and 'young person' were separated to allow for more targeted and focused work with each group of employees under the age of 35. Thus, 'young person' refers to a Company employee under 35, while a 'young specialist' refers to a Company employee under 27 years of age who has joined the Company for the first time and within one year after graduating from a higher educational institution.

■ YOUTH POLICY-MAKING BODIES

