

Gazprom Toes the Line on Bonuses

By [The Moscow Times](#)

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Gazprom's board of directors has changed the company's management bonus policy to conform to an order made by President Dmitry Medvedev last year that demanded state companies reduce expenses by 10 percent annually over three years.

The decision was made by the board earlier this month, and Vedomosti has obtained a copy.

Previously, managers were awarded bonuses based on four efficiency measures: sales of gas, expenses for extraction, transportation costs and bringing priority production projects online. A fifth criterion, in line with Medvedev's demand, has now been added.

As a result, the total size of the bonus fund could be a maximum of 1.8 billion rubles (\$61 million). The division of the fund among managers has not changed since 2006. Chief executive Alexei Miller is eligible for up to one additional annual salary if all criteria are completely met. Board members can get 75 percent of their annual salary as a bonus. Division heads, their deputies, department heads and their immediate subordinates, as well as heads of subsidiaries, can get up to 50 percent of an annual salary as a bonus.

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