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Gazprom Board Member Compensation Grows 67 Percent

By The Moscow Times

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Board members at state gas giant Gazprom saw their incomes rise 67 percent last year to a total of 1.78 billion rubles total ($50.5 million), the company said.

Each of the 17 members of the board of directors received just under 105 million rubles ($3 million) on average, Vedomosti reported Friday.

The payouts may seem modest for the world's top gas producer — which reported net profit of 876 billion rubles in the first nine months of last year — especially as Gazprom board chairman Alexei Miller's compensation package for 2013 was estimated at $25 million by Forbes magazine. The figure placed him as the third highest-paid executive last year behind Rosneft president Igor Sechin, who earned $50 million, and VTB bank's Andrei Kostin with $35 million.

Gazprom's 1.78 billion total remuneration includes 814 million rubles in salary, up from 474

million rubles in 2012; 716 million rubles in bonuses, up from 423 million rubles in 2012; and 154 rubles in benefits, up from 96 million rubles in 2012, Prime news agency reported.

Added to their earnings at Gazprom proper, many board members also receive payouts from their positions on the boards of the company's subsidiaries and affiliates.

While the payouts to executives soared, Gazprom saw a 9 percent drop in net profit last year, as calculated under Russian accounting standards, Vedomosti reported.

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