

Company Name Surgutneftegaz
Industry Extractives
UNGP Core Score (*) 1.0 out of 26

Score	Out of	For indicators
Governance and Policy Commitments		
1	2	A.1.1 Commitment to respect human rights
0	2	A.1.2 Commitment to respect the human rights of workers
0	2	A.1.4 Commitment to engage with stakeholders
0	2	A.1.5 Commitment to remedy
Embedding respect and Human Rights Due Diligence		
Embedding respect		
0	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
0	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
0	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
0	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
0	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
Remedies and Grievance Mechanisms		
0	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
0	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
0	2	C.7 Remedying adverse impacts and incorporating lessons learned
1.0	26	

(*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: General HRs commitment: The Company states that 'the priority of the Company throughout its business history has always been a respectful attitude to each employee, adherence to the human rights'. This statement is contained in the Environmental Policy in a report prefaced and signed by top management. [Environmental Report 2019, 2020: surgutneftegas.ru] Score 2 <ul style="list-style-type: none"> • Not met: UNGPs • Not met: OECD
A.1.2	Commitment to respect the human rights of workers	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: ILO Core • Not met: UNGC principles 3-6 • Not met: Explicitly list All four ILO apply to EX BPs Score 2 <ul style="list-style-type: none"> • Not met: Explicit commitment to All four ILO Core: On its website, section 'Manpower Policy-Human Resources', the Company states: 'In order to follow its personnel policy, the Company applies corporate statutes, regulations and rules which are developed and implemented in strict compliance with the Russian law and the principles of equal opportunities and inadmissibility of any possible discrimination.', however there is no reference to the other ILO core. [Human Resources: surgutneftegas.ru] • Not met: Respect H&S of workers • Not met: H&S applies to EX BPs
A.1.4	Commitment to engage with stakeholders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits to stakeholder engagement • Not met: Regular stakeholder engagement Score 2 <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits to remedy Score 2 <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with EX BPs to remedy impacts

Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits to ILO core conventions • Not met: Senior responsibility for HR Score 2 <ul style="list-style-type: none"> • Not met: Day-to-day responsibility • Not met: Day-to-day responsibility for EX BRs

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Identifying risks in own operations • Not met: identifying risks in EX business partners Score 2 <ul style="list-style-type: none"> • Not met: Ongoing global risk identification • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances • Not met: Explains use of HRIAs or ESIA (inc HR)
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Salient risk assessment (and context) • Not met: Public disclosure of salient risks Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks • Not met: Including amongst EX BPs • Not met: Example of Actions decided Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans • Not met: Including EX business partners Score 2 <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Channel accessible to all workers: In its 'Corporate Ethics Regulation' document, the Company indicates: 'The Company Employees must report any situations connected with corruption to their direct supervisors. Should any individual report about any corruption activity connected with operations of the Company, the Company for its part shall indemnify such individual from any sanctions'. No evidence found of channel accessible to all workers to report human rights issues. [Corporate Ethics Regulation, 2013] Score 2 <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved • Not met: Channel is available in all appropriate languages • Not met: Expect EX BPs to have equivalent grievance system • Not met: Opens own system to EX BPs workers

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Grievance mechanism for community Score 2 <ul style="list-style-type: none"> Not met: Describes accessibility and local languages Not met: Expects EX BPs to have community grievance systems Not met: EX BPs communities use global system
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Describes how remedy has been provided Not met: Says how it would remedy key sector risks Score 2 <ul style="list-style-type: none"> Not met: Changes introduced to stop repetition Not met: Approach to learning from incident to prevent future impacts Not met: Evaluation of the channel/mechanism

Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> Headline: Indigenous communities oppose plans to develop oil fields in National Park in Yugra Region as it will destroy holy Lake Numto. Indigenous protesters have been harassed and threatened, passports of activists confiscated, many have left country for fear Area: land rights Story: 17 March 2017, An article in the Guardian alleges that development of oil reserves in the Khanty-Mansi autonomous region, has severely damaged the local ecosystems and affected the livelihoods of the local indigenous population. A major complaint from the indigenous groups is that Surgutneftegas access roads have severed rivers and streams, ruining fish stocks, killing off trees, constricting reindeers' movements and contaminating their food. The also allege the company has also let overindulgent hunters and fishermen use the land, who overtax the resources the natives depend on. Local reindeer herder Sergei Kechimov claims there have been at least four spills over the past year and a large leak in 2013 just north of the lake that was covered with sand rather than cleaned up. According to state environmental monitoring service data, the Khanty-Mansi region suffered 2,538 oil pipeline accidents in 2014, and 4,668 hectares of land were contaminated. The article claims that Surgutneftegas offers money and items such as snowmobiles and mobile generators to try to persuade the Khanty residents to agree to new oil projects. For the latest oil well being built near his home, Kechimov said, each of the 10 families in the area would receive about £2,200. National legislation passed in December 2013 also removed the protected status from lands where indigenous people hunt, fish and herd, meaning oil companies no longer need to get a state environmental impact assessment, which includes public feedback, before drilling there. Sources: [URA Russia, 06/10/2017: ura.news][The Guardian, 17/03/2017: theguardian.com]
E(1).1	The Company has responded publicly to the allegation	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Public response available: As far as CHRB was able to ascertain, the Company has not responded publicly to the allegation. Score 2 <ul style="list-style-type: none"> Not met: Response goes into detail
E(1).2	The Company has appropriate policies in place	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Company policies address the general issues raised: As far as CHRB was able to ascertain, the Company does not have a public policy related to land. Not met: Policies apply to the type of business relationships involved Score 2 <ul style="list-style-type: none"> Not met: Policies address the specific rights in question
E(1).3	The Company has taken appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Engages with affected stakeholders Not met: Encourages linked business to engage affected stakeholders Not met: Provides remedies to affected stakeholders Score 2 <ul style="list-style-type: none"> Not met: Has reviewed management systems to prevent recurrence

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Denies allegations, but has engaged affected stakeholders Score 2 <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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