

**Corporate Human Rights Benchmark
2023 Company Scorecard**

Company name Lukoil
Sector Extractives
Overall score 13.1 out of 100

Theme score	Out of	For theme
2.5	10	A. Governance and Policy Commitments
0.7	25	B. Embedding Respect and Human Rights Due Diligence
4.5	20	C. Remedies and Grievance Mechanisms
2.8	25	D. Performance: Company Human Rights Practices
2.6	20	E. Performance: Responses to Serious Allegations

Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also 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 2022 Methodology document for the sector concerned. 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

A. Governance and Policy Commitments (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	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 Human Rights policy states that the Company 'respects and observes human rights stipulated in international standards, requirements and legal norms of the Russian legislation, and local laws of countries of presence'. [Human Rights Policy, 28/10/2022: lukoil.com] Score 2 <ul style="list-style-type: none"> Met: Commitment to UNGPs: The policy also states that 'The Group operates in accordance with the following fundamental documents: [...] UN Guiding Principles on Business and Human Rights' [Human Rights Policy, 28/10/2022: lukoil.com] Met: Commitment to OECD MNE Guidelines: The policy also states that 'The Group operates in accordance with the following fundamental documents: [...] OECD Guidelines for Multinational Enterprises' [Human Rights Policy, 28/10/2022: lukoil.com]
A.1.2.a	Commitment to respect the human rights of workers: ILO Declaration on Fundamental Principles and Rights at Work	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Commitment to ILO core principles: The Human Rights policy states that 'The Group operates in accordance with the following fundamental documents: [...] International Labor Organization Declaration on Fundamental Principles and Rights at Work and its Follow-up'. [Human Rights Policy, 28/10/2022: lukoil.com] Met: Explicitly lists all four ILO core principles: The policy indicates the following: 'The Group precludes the use of forced or coerced labor. The Company forbids any form of physical, sexual, or other abuse, including any form of humiliation of human dignity [...]The Group has zero tolerance for child labor [...] Prohibits any

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>form of discrimination against employees, job candidates, and other stakeholders [...]'. Finally in relation in to freedom of association and collective bargaining, it states: 'The Group respects and ensures the employees' right to create trade unions and other associations, engage with non-governmental organizations at their own discretion, be involved in collective bargaining and conclude collective bargaining agreements'. [Human Rights Policy, 28/10/2022: lukoil.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Expects BPs/JVs to commit to ILO core principles: See below. Although human rights criteria are included in business partners' selection and they are encouraged to respect them, it is not clear that there's a strict expectation of commitment to these rights. [Human Rights Policy, 28/10/2022: lukoil.com] & [Social Code, 24/10/2017: lukoil.com] • Not Met: Explicitly lists all four ILO core principles for BPs/JVs: The obligations assumed under the General Agreement [...] also require the notification of the organizations with which it interacts (contractors, license holders and major suppliers)." This covers UNGC principles 3 - 6: 'The Company respects the rights of trade unions, including the rights enshrined in the core ILO conventions: the right of every employee to be represented by a trade union of their choice and the basic trade union rights concerning freedom of association and the right to organize employees in trade unions, as well as the right to collective bargaining; ruling out any forms of forced or compulsory labor; actual ruling out of child labor; encouraging and ensuring equal opportunities and treatment of employees in the employment sector including equal remuneration for men and women for work of equal value as well as non-discrimination in the labor and employment sector'. However, although notification is required, it is not clear if respecting each ILO core area is a formal requirement for all extractive business partners, since this code indicates that these are some of the main criteria for selection supplier, not a strict requirement. The human Rights policy also indicates that 'encourages its suppliers and contractors [...] to respect the internationally acknowledged human rights [...] provisions of this policy'. However, 'encouraging' to respect is not considered a formal expectation of commitment according to CHRB wording criteria. [Human Rights Policy, 28/10/2022: lukoil.com] & [Social Code, 24/10/2017: lukoil.com]
A.1.2.b	Commitment to respect the human rights of workers: Health and safety and working hours	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commitment to respect H&S of workers: The Health, safety and environment (HSE) policy states that 'LUKOIL Group's social responsibility implies creating decent working conditions and salary, ensuring environmental safety and preserving cultural heritage. Lukoil sets the following priority goals: ensuring a safe working conditions for employees; health protection of LUKOIL Group employees as well as of the local population in the regions of its presence; preservation of environment and climate change mitigation based on application of the best available technologies'. [Policy for Health, Safety, and Environmental protection, 25/05/2020: lukoil.com] • Not Met: Commitment to ILO working hours standards or 48 hour regular work week: The Human Rights policy states that 'the Company respects employees' right to rest, limits working hours, provides business day breaks, weekends, and public holidays, and paid annual leaves'. The Code of conduct states that 'standard labor hours are set in strict compliance with applicable legislation in the countries of the Company's presence and as prescribed by collective bargaining agreements. Any overtime hours are always subject to the employees' consent'. However, no specific commitment was found to international standards or limiting maximum working hours for a regular week to 48 hours (when local laws are not stricter). [Human Rights Policy, 28/10/2022: lukoil.com] & [Code of business conduct and ethics, 11/12/2018: lukoil.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Expects BPs/JVs to commit to H&S of workers: See above. The HSE policy states that to achieve the set targets, 'LUKOIL Group assumes the following obligations: [...] ensure that all the organizations operating in the territory of and/or on behalf of LUKOIL Group organizations, at all stages of a facility life cycle, conduct their work in compliance with HSE, fire and emergency response rules and standards applicable across LUKOIL Group organizations'. [Policy for Health, Safety, and Environmental protection, 25/05/2020: lukoil.com] • Not Met: Expects BPs/JVs to commit to ILO working hours standards or 48 hour regular work week

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.3.a.EX	Commitment to respect human rights particularly relevant to the sector – land, natural resources and indigenous peoples’ rights (EX)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commitment to respect land ownership/natural resources as in IFC Performance Standards: The HR policy states that 'the Group operates in accordance with the following fundamental documents: [...] IFC's Performance Standards on Environmental and Social Sustainability'. [Human Rights Policy, 28/10/2022: lukoil.com] • Met: Commitment to respect indigenous rights or ILO No.169 or UN Declaration: The HR policy states that 'the Group operates in accordance with the following fundamental documents: [...] UN Declaration on the Rights of Indigenous Peoples'. [Human Rights Policy, 28/10/2022: lukoil.com] • Not Met: Expects EX BPs to make these commitments: The policy states that 'The Group encourages its suppliers and contractors along the extended supply chain, as well as other stakeholders, to respect the [...] provisions of this Policy and the Code of Business Conduct and ethics of PJSC LUKOIL'. However, it is not clear if this is a formal requirement for business partners, since the policy indicates that the groups 'encourages' to respect the policy. [Human Rights Policy, 28/10/2022: lukoil.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Commitment to obtain FPIC or zero tolerance to land grabbing: The HR policy states that 'the Group has zero tolerance for land grabbing'. It also adds that 'When planning new projects and operations, the Group strives to avoid involuntary resettlement of local communities and indigenous peoples. If the relocation of families and communities appears unavoidable, the Company undertakes to comply with the requirements of applicable laws and holds consultations with the representatives of affected parties and carries out such relocation only with the Free, Prior and Informed Consent (FPIC) of the relocated population'. [Human Rights Policy, 28/10/2022: lukoil.com] • Met: Commitment to respect the right to water: The HR policy indicates that 'The Group acknowledges and respects everyone’s right to an adequate standard of living for themselves and their families, including the right to access clean drinking water and sanitation, the right to continuous improvement of living conditions, and the right to a healthy environment'. [Human Rights Policy, 28/10/2022: lukoil.com] • Not Met: Expects EX BPs to make these commitments: As indicated above, the policy only 'encourages' business partners to respect the policy. [Human Rights Policy, 28/10/2022: lukoil.com]
A.1.3.b.EX	Commitment to respect human rights particularly relevant to the sector – security (EX)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Commitment to Voluntary Principles on Security and HRs: The HR policy states that 'The Group engages public and private security services to ensure employee safety and safeguard the Company’s assets. Individuals implicated in abusing human rights must not be engaged in security activity. Security officers do not use physical force unless necessary. The use of physical force is only possible to the extent required to avert the threat to life or health of employees and security officers. In case any human rights violation by security officers is identified, the Company shall investigate and follow-up the incident'. However, no policy statement was found to commit to the Voluntary Principles on Security and Human rights. [Human Rights Policy, 28/10/2022: lukoil.com] • Not Met: Uses only ICoCA members as security providers • Not Met: Commits to International Humanitarian Law: The HR policy indicates that 'The Group respects the respects the right to security, including as part of international humanitarian law'. However, no evidence found of a formal statement of commitment to respect International Humanitarian Law. [Human Rights Policy, 28/10/2022: lukoil.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Expects EX BPs to commit to these rights: No. The [Human Rights Policy, 28/10/2022: lukoil.com]
A.1.4	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Commitment to remedy adverse HRs impacts: The Company indicates that 'the Group carries out regular assessments of the key risks related to human rights observance and protection. Based on the results of assessments, priority response measures are developed, aimed to prevent and mitigate risks and to remediate adverse impacts where appropriate'. However, this subindicator looks for a clear commitment to remediate any adverse impacts caused or contributed to, current statement indicates that based on risk assessments outcomes, response measures are developed 'aimed to [...] remediate adverse impacts'. [Human Rights Policy, 28/10/2022: lukoil.com] • Not Met: Expects EX BPs to make this commitments

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> • Not Met: Commitment to collaborate with judicial or non-judicial mechanisms • Not Met: Commitment to work with EX BPs on remedy
A.1.5	Commitment to respect the rights of human rights defenders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Zero tolerance of threats/attacks on HRDs: The Human Rights policy states that 'The Group acknowledges its human rights obligations to persons affected by the Group's activity or products, including to employees, local communities, indigenous peoples, human rights defenders, and other stakeholder groups, and enforces the fulfilment of obligations assumed in all regions of operation and at all stages of production'. However, this subindicator looks for an explicit statement to not tolerate threats, attacks or intimidation against human rights defenders. [Human Rights Policy, 28/10/2022: lukoil.com] • Not Met: Expects BPs to make this commitment Score 2 <ul style="list-style-type: none"> • Not Met: Commitment to working with HRDs to create safe and enabling environment: Although the HR policy states that 'in case of disagreement or a conflict situation between the Group and local communities, their representatives or human rights defenders, the Group seeks to resolve disputes through productive dialogue', this subindicator looks for a general commitment to 'working with HRDs to create safe and enabling environments for civic engagement and human rights'. [Human Rights Policy, 28/10/2022: lukoil.com]

A.2 Board Level Accountability (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Board level responsibility for HRs • Not Met: Describes HRs expertise of Board member Score 2 <ul style="list-style-type: none"> • Not Met: Board member/CEO signal importance of HRs in their communications
A.2.2	Board responsibility	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Process to review HRs strategy at board level: The Company states that its Human Rights Policy has been approved by the Board of Directors and will be reviewed as necessary. However, no further details found about the process to discuss and review its human rights policies of strategy. [Human Rights Policy, 28/10/2022: lukoil.com] • Met: Example of HRs issues/trends discussed in last reporting period: The Company indicates that its Board of Directors discussed measures to prevent violations of the rights and interests of employees in meetings. [2021 Sustainability report, 2022: lukoil.com] Score 2 <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Describes how affected stakeholders / HRs experts inform board discussions
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: At least one board member incentive linked to HRs commitments • Not Met: Incentive scheme linked to key HRs risks beyond employee H&S Score 2 <ul style="list-style-type: none"> • Not Met: Performance criteria linked to HRs made public • Not Met: Review of other board incentives for coherence with HRs policies
A.2.4	Business model strategy and risks	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Board process to review business model and strategy for HRs risks • Not Met: Describes frequency and triggers for reviewing business model Score 2 <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Example of actions resulting from reviews

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

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"> Met: Score of 1 on A.1.2.a Not Met: Senior responsibility for HRs implementation and decision making Score 2 <ul style="list-style-type: none"> Not Met: Describes day-to-day responsibility for implementing HRs commitments Not Met: Day-to-day resources and expertise allocation in own operations Not Met: Resources and expertise allocation with EX BPs
B.1.2	Incentives and performance management	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Senior manager incentives linked to HRs commitments: The Company indicates in its 2021 Annual Report that to secure the greatest involvement of executive body members and senior management in strategic tasks, a remuneration system is used that considers sustainability and ESG factors, and among the motivating KPIs there are indicators concerning industrial safety and occupational health. On its website, it discloses the indicators' metrics, which were: no fatal accidents resulting from the fault of the employer, including accidents involving contractor personnel; lost time accident frequency rate (LTAFR); polluting emissions per unit of production; discharge of polluted waste water per unit of production; ratio of waste recycled to waste generated during the year; compliance of the HSE management system with the requirements of international standards. [Sustainability Report 2021, 2021: lukoil.com] & [Key Performance Indicator's webpage: lukoil.com] Not Met: Incentive scheme linked to key HRs risks beyond employee H&S Score 2 <ul style="list-style-type: none"> Not Met: Performance criteria linked to HRs made public Not Met: Review of other senior management incentives for coherence with HRs policies
B.1.3	Integration with enterprise risk management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not Met: HRs risks integrated as part of enterprise risk system: The Company states that human rights risk assessment is included in the overall risk management system. However, there is no further details about how human rights risks is integrated into its overall risk management system. [2021 Sustainability report, 2022: lukoil.com] Not Met: Provides an example Score 2 <ul style="list-style-type: none"> Not Met: Risk assesment by Audit Committee or independent third party
B.1.4.a	Communication /dissemination of policy commitment(s) to workers and external stakeholders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Score of 1 on A.1.2.a Not Met: Communicates HRs policies to all workers in own operations: The Company states that its 'entities are advised to ensure that all personnel are made familiar with the Code as well as the main LRAs. This recommendation is communicated to the entities' directors, as well as to HR managers during annual meetings. All new hires at LUKOIL Group entities are required to sign a policy affirming that they are familiar with the Code of Business Conduct and Ethics and key LRAs'. It also indicates that the 'Code of Conduct is available in the Russian and English languages and can be freely accessed through the Company's websites'. And the Code comprises human rights, however, it is not clear how the communication occurs for all workers. [2021 Sustainability report, 2022: lukoil.com] Score 2 <ul style="list-style-type: none"> Not Met: Communicates HRs policies to stakeholders Not Met: Example of how HRs policies are accessible for intended audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not Met: Meets ILO requirement for suppliers on A.1.2.a Met: Describes steps to communicate HRs policies to EX BPs: The Company states: 'Ethical behavior applies to relationships with business partners, suppliers and contractors. We inform them of our policies, and require them to be familiar with the Code of Business Conduct and Ethics.' [2021 Sustainability report, 2022: lukoil.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes how HRs policies are contractual/binding for suppliers • Not Met: Requires EX BPs to cascade contractual/binding HRs policies to their BPs
B.1.5	Training on Human Rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Score of at least 1 on A.1.2.a • Not Met: Describes how workers are trained on HRs policy commitments: The Company states in the Human Rights section in Sustainability Report that once a year, Professional Training Days for managers of Group entities are organized, where the most pressing issues are discussed. There was also a video lecture for heads of departments on overcoming resistance to changes in the Company. However, no evidence found about how its workers are trained on its human rights policy. [2021 Sustainability report, 2022: lukoil.com] • Not Met: Trains relevant managers including security on HRs <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Score of 2 on A.1.2.a • Not Met: Meets both requirements under score 1 • Not Met: Trains BPs to meet HRs commitments • Not Met: Discloses % suppliers trained
B.1.6	Monitoring and corrective actions	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Score of at least 1 on A.1.2.a • Not Met: Monitors implementation of HRs policy commitments across global ops and EX BPs: The Company states that its management monitors the Company's performance in respect of human rights, including compliance with the obligations set forth in the Company's public documents, and regularly reports the results of such monitoring to the Board of Directors. However, no further details found, including how monitoring is carried out across both its own operations and supply chain. [Human Rights Policy, 28/10/2022: lukoil.com] • Not Met: Discloses % of EX BP's monitored • Not Met: Describes how workers are involved in monitoring <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Score of 2 on A.1.2.a • Not Met: Describes corrective actions process: The Company states that if a violation of human rights is committed as a result of the activities of the Company or its representatives, LUKOIL takes the necessary measures to eliminate the consequences of such violations. However, there is no further details about corrective action process available. [2021 Sustainability report, 2022: lukoil.com] • Met: Discloses findings and number of correction action processes: The Company reports that it continuously monitors the observance of human rights. In 2021, there were no reports of human rights violations including child, forced, or slave labor, and involuntary resettlement of indigenous people, by its entities. [2021 Sustainability report, 2022: lukoil.com]
B.1.7	Engaging and terminating business relationships	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: HRs performance affects selection EX BPs: The Company states that when concluding contracts with partners, the Company always informs them of the high corporate requirements to the ethical business conduct and respect for human rights and urges them to follow such requirements making it a condition of the long-term cooperation. Contractors are strongly suggested to familiarize themselves with the Company's Code of Business Conduct and Ethics which describes the Company's position on respect for human rights. However, it is not clear how potential supply chain's human rights performance will influence the Company's decision on contracting or selection of the business relationship. [Sustainability policy, 11/01/2022: lukoil.com] • Not Met: HRs performance affects ongoing BPs relationships <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes positive HRs incentives for business relationships • Not Met: Works with EX BPs to meet HRs requirements
B.1.8	Approach to engagement with affected stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes how workers and communities identified and engaged in the last two years • Not Met: Discloses stakeholders whose HRs may be affected • Not Met: Provides two examples of engagement with stakeholders <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Analysis of stakeholder views on company's HRs issues • Not Met: Describes how stakeholders views influenced company's HRs approach

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes process of identifying risks in own operations • Not Met: Describes process for identifying risks in EX BPs <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes global risk identification system incl. stakeholder consultation • Not Met: Describes how risk identification system is triggered by new circumstances • Not Met: Describes risks identified in relation to new circumstances
B.2.2	Assessing human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes assessment process and discloses salient HRs risks: The Company states that it carries out regular assessments of the key risks related to human rights observance and protection. Based on the results of assessments, priority response measures are developed, aimed to prevent and mitigate risks and to remediate adverse impacts when appropriate. However, no details were found of the process for assessing human rights risks and it is not clear what is considered to be the Company's salient human rights risks. [Human Rights Policy, 28/10/2022: lukoil.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes how process applies to EX BPs • Not Met: Public disclosure of results of HRs risk assessment <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Describes how assessment involved affected stakeholders
B.2.3	Integrating and acting on human rights risks and impact assessments	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes system to prevent, mitigate and remediate HRs issues: It is stated that 'The Group carries out regular assessments of the key risks related to human rights observance and protection. Based on the results of assessments, priority response measures are developed, aimed to prevent and mitigate risks and to remediate adverse impacts when appropriate'. However, no description of the system was found. [Human Rights Policy, 28/10/2022: lukoil.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes how global system applies to EX BPs • Not Met: Example of actions decided on at least 1 salient HRs issue <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Describes how stakeholders involved in decisions about actions taken
B.2.4	Tracking the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes system for evaluation effectiveness of actions • Not Met: Example of lessons learned from evaluation effectiveness of actions <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Involves stakeholders in evaluation effectiveness of actions
B.2.5	Communicating on human rights impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Provides two examples of comms with stakeholders <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes challenges to effective comms and how it is working to address them

C. Remedies and Grievance Mechanisms (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance mechanism(s) for workers	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Grievance mechanism accessible to all workers: The Company states in its Human Rights Policy that it arranges for the receipt and processing of requests regarding observance and protection of human rights, including those submitted by employees, customers, partners, shareholders, and local communities, in all local languages in the regions of the Group's operation. Messages may be conveyed using telephone lines, email, and public relations centers of the LUKOIL Group entities. The Company also states in its Code of Business Conduct and Ethics that the Business Ethics Commission (the Commission) was established to review the issues associated with business ethics and the Code infringements. Any Company's employee may apply to the Business Ethics Commission. [Code of business conduct and ethics, 11/12/2018: lukoil.com] & [Human Rights Policy, 28/10/2022: lukoil.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Grievance mechanism available in appropriate languages and workers made aware: The Company states that the reports can be made in all local languages in the regions of its operations. However, it is not clear whether the Company made effort to keep its workers aware of the reporting system. [Human Rights Policy, 28/10/2022: lukoil.com] • Met: Describes how workers in EX BPs access grievance mechanism: The Company states that it also expects its supply chain members to establish their own channels for receiving feedback and to provide opportunities for their stakeholders to submit complaints and suggestions. [Human Rights Policy, 28/10/2022: lukoil.com] • Not Met: Expects EX BPs to convey expectation to their BPs
C.2	Grievance mechanism(s) for external individuals and communities	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Grievance mechanism accessible to all external individuals and communities: The Company states that the receipt and processing of requests apply to its employees, customers, partners, shareholders, and local communities. In its Code of business Conduct and Ethics, the Company lists the contact phone and email address for its employees, for customers, for partners, shareholders, and local communities separately. [Human Rights Policy, 28/10/2022: lukoil.com] & [2021 Sustainability report, 2022: lukoil.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Grievance mechanism available in appropriate languages and affected stakeholders made aware • Met: Describes how external individuals/communities access grievance mechanism: The Company states that it also expects its supply chain members to establish their own channels for receiving feedback and to provide opportunities for their stakeholders to submit complaints and suggestions. [Human Rights Policy, 28/10/2022: lukoil.com] • Not Met: Expects EX BPs to convey expectation to their BPs
C.3	Users are involved in the design and performance of the mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes how users engaged on design and performance • Not Met: Provides user engagement examples (at least two) on design and performance <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes how users engaged on improvement of mechanism • Not Met: Provides user engagement examples (at least two) on improvement
C.4	Procedures related to the mechanism(s) are equitable, publicly available and explained	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes procedure and timescales for managing complaints or concerns: The Company states that all messages on human rights violations shall be investigated in order to check facts, determine response measures, and prevent future occurrence of violations. However, no further details found on the procedures or timescale to managing the complaints or concerns received. [Human Rights Policy, 28/10/2022: lukoil.com] • Not Met: Describes technical, financial, advisory support to enable equal access <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describe types of outcome to complainant through use of mechanism • Not Met: Describes escalation to senior levels / independent adjudicators

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.5	Prohibition of retaliation for raising complaints or concerns	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public statement prohibiting retaliation against workers/stakeholders: The Company states that where complaints and concerns are filed in court or via any of the aforementioned channels, the affected party, its representatives and human rights defenders may report violations or suspected violations of human rights either anonymously or by providing their contact information. The Group guarantees confidentiality in the course of verifying complains and concerns, fairness and objectivity in taking measures to respond to such complains and concerns, and no punishment, disciplinary actions, retaliation, and threats at all stages of considering such complains and concerns. [Human Rights Policy, 28/10/2022: lukoil.com] • Met: Describes practical measures to prevent retaliation: See above. Reporters can choose to remain anonymous. [Human Rights Policy, 28/10/2022: lukoil.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Specifies no legal action, firing or violence • Not Met: Expects EX BPs to prohibit retaliation against workers/stakeholders
C.6	Company involvement with state-based judicial and non-judicial grievance mechanisms	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Complainants not asked to waive legal rights: The Company states that it commits not to prevent stakeholders from getting access to judicial, non-judicial, or other grievance mechanisms or require of the affected parties to waive their statutory right to bring claims to court or have them addressed out of court. [Human Rights Policy, 28/10/2022: lukoil.com] • Not Met: Does not require confidentiality provisions <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Cooperates with state based non judicial mechanisms • Not Met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes approach taken to remedy adverse HRs impacts • Not Met: Describes how remedy would be provided if no adverse impact identified <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes changes to systems, processes and practices to prevent future impacts • Not Met: Describes approach to monitoring/implementing agreed remedy • Not Met: Describes approach to learning from incidents if no adverse impacts identified
C.8	Communication on the effectiveness of grievance mechanism(s) and incorporating lessons learned	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Discloses number of grievances filed, addressed or resolved and outcomes achieved • Not Met: Example of how lessons from mechanism improved HRs management system <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes process to evaluate mechanism and changes made as a result • Not Met: Describes procedures to address delays of outcomes agreed with stakeholders

D. Performance: Company Human Rights Practices (25% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.1	Living wage (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Pays living wage or sets time-bound target: The Company states in its Human Rights Policy that the remuneration received by all our employees is at least equal to the statutory minimum wage in the region of operation. On its website, the Company states that Russian companies of LUKOIL Group have introduced a minimum rate of wage in the amount no less than the minimum subsistence level of working-age population. In 2021, the minimum wage rate at Group companies in significant regions of operation in Russia met or exceeded the established regional minimum wage. However, paying over a minimum wage does not imply paying a living wage. No evidence found of time-bound target to pay all workers a living wage. [Human Rights Policy, 28/10/2022: lukoil.com] & [2021 Sustainability report, 2022: lukoil.com] • Not Met: Describes how living wage determined <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Achieved paying living wage

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not Met: Reviews definition living wage with unions
D.3.2	Transparency and accountability (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Member of EITI: The Company states that it operates in accordance with Extractive Industries Transparency Initiative (EITI) voluntary principles. However, it is not a member of EITI. [Human Rights Policy, 28/10/2022: lukoil.com] • Not Met: Reports of taxes and revenues beyond legal minimums <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Reports taxes and revenue by country • Not Met: Steps taken to promote transparency in non EITI countries • Not Met: Provides example of contracts for terms of exploitation for countries without disclosure requirements
D.3.3	Freedom of association and collective bargaining (in own extractive operations, which includes JVs)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Measures to prohibit violence/retaliation against workers for joining trade union • Met: Discloses % of total direct operations covered by CB agreements: The Company reports that 93% of employees in Lukoil Group are covered by collective agreements and 99.5% of employees in Russian entities are covered by collective agreement in 2021. [2021 Sustainability report, 2022: lukoil.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1
D.3.4	Health and safety: Fatalities, lost days, injury, occupational disease rates (in own extractive operations, which includes JVs)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes process to identify H&S risks and impacts: The Company states that to prevent injuries, it regularly identifies risks (including critical risks) in accordance with the corporate standard and takes action to mitigate them. It also states that its risk management system identifies typical hazards, such as increased noise, vibration, chemical exposure, labor intensity, etc. If the risks identified at the LUKOIL Group entity level are assessed as significant, measures are developed to control and reduce their impact. However, no description found of the actual processes it has to identify its health and safety risks. [2021 Sustainability report, 2022: lukoil.com] • Met: Discloses injury rate or lost days for last reporting period: The Company states that lost time injury frequency rate related to occupational injuries at Lukoil Group was 0.01 in 2021. [2021 Sustainability report, 2022: lukoil.com] • Met: Discloses fatalities for last reporting period: The Company states that rate of fatalities related to occupational injuries at Lukoil Group was 0 in 2021. [2021 Sustainability report, 2022: lukoil.com] • Met: Discloses occupational disease rate for last reporting period: The Company states that occupational disease rate per 1,000 workers at the Russian Entities of the Group was 0.092 in 2021. The Number of workers with newly diagnosed occupational diseases was 8 in 2021. [2021 Sustainability report, 2022: lukoil.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Set targets for H&S performance • Not Met: Met targets or explains why not or actions to improve H&S management systems
D.3.5	Indigenous peoples' rights and free prior and informed consent (FPIC) (in own extractive operations, which includes JVs)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Process to identify/recognise indigenous rights holders: The Company states that at all project stages, it holds regular consultations with local communities and indigenous peoples, keeps minutes of meetings to consider opinions of such stakeholder groups and make sure they participate in making decisions that affect their lives and activities. The Company also states that cooperation with the indigenous minority peoples of the North (hereinafter referred to as indigenous peoples) is based on the multilateral and inclusive dialogue with authorities, relevant agencies, NGOs and other stakeholders. Given the diversity of stakeholders and regional specificities, the Company develops various forms of engagement with the indigenous people. However, this subindicator looks for evidence of the process to identify and recognize its affected indigenous people. [Human Rights Policy, 28/10/2022: lukoil.com] & [Preserving Traditions of the North, N/A: https://lukoil.com 2020\2020 Lukoil\2020 Lukoil\2020_Lukoil_fase_2\2020_Lukoil_2_fase.docx#_Hlk47074894 1,344,518,0,, HYPERLINK "lukoil] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes how indigenous communities are engaged during assessment

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: Commitment to FPIC: The Company states in its Human Rights Policy that when planning new projects and operations, it strives to avoid involuntary resettlement of local communities and indigenous peoples. If the relocation of families and communities appears unavoidable, the Company undertakes to comply with the requirements of applicable laws and holds consultations with the representatives of affected parties and carries out such relocation only with the Free, Prior and Informed Consent (FPIC) of the relocated population. The Company also states on its website that it strives to avoid involuntary resettlement of subjects of the right of traditional resource use from the territories occupied by them and applies the principle of Free Prior Informed Consent. [Human Rights Policy, 28/10/2022: lukoil.com] & [Human Rights Website, N/A: lukoil.com] • Not Met: Recent example of obtaining FPIC or not pursuing indigenous people's land/resources
D.3.6	Land rights: Land acquisition (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes approach to indentifying lang tenure rights holders and negotiating compensation: The Company states that it recognizes the right of affected parties to compensation for damages or losses that have arisen from the resettlement, as well as the right of indigenous peoples to return to their traditional lands, should the cause of their relocation cease to exist. The Company also states that it develops various forms of engagement with indigenous people. One of the form is to make agreements with the leaders of the territories of traditional management of the natural environment. The agreements may include compensatory payments. However, no details found on how the Company identifies the tenure rights holders and negotiates with them an adequate compensation. [Human Rights Policy, 28/10/2022: lukoil.com] & [Preserving Traditions of the North, N/A: https://lukoil.com 2020\2020 Lukoil\2020 Lukoil\2020_Lukoil_fase_2\2020_Lukoil_2_fase.docx#_Hlk47074894 1,344,518,0,, HYPERLINK "lukoil] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes approach to compensation including valuation • Not Met: Describes steps to meet IFC PS 5 in state deals
D.3.7	Security (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes security implementation (incl. VPs or ICOC) and provides an example: The Company states that it engages public and private security services to ensure employee safety and safeguard the Company's assets. Individuals implicated in abusing human rights must not be engaged in security activity. Security officers do not use physical force unless necessary. The use of physical force is only possible to the extent required to avert the threat to life or health of employees and security officers. In case any human rights violation by security officers is identified, the Company shall investigate and follow-up the incident. However, there no details found on how the Company implements its security commitments. [Human Rights Policy, 28/10/2022: lukoil.com] • Not Met: Ensures Business Partners/JVs follow security approach <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Security and HRs assessment includes input from local communities • Not Met: Two examples of working with local communities to improve security
D.3.8	Water and sanitation (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes preventative/corrective action plans for water and sanitation risks: The Group acknowledges and respects everyone's right to an adequate standard of living for themselves and their families, including the right to access clean drinking water and sanitation. However, no description found on how the Company implements corrective actions plans for risks to the right to water and sanitation. [Human Rights Policy, 28/10/2022: lukoil.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Sets targets on water stewardship that consider water use by local communities • Not Met: Reports progress in meeting targets and trends demonstrating progress
D.3.9	Women's rights (in own extractive operations, which include JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes processes to stop harassment and violence against women • Not Met: Working conditions take into account gender issues • Not Met: Measures and steps to address gender pay gap at all levels of employment

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Provides analysis of trends demonstrating closing gender pay gap

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found, and so the score of 10.46 out of 80 points scored in themes A-D has been applied to produce a score of 2.61 out of 20 points for theme E.

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