

**Company Name** Lukoil  
**Industry** Extractives  
**Overall Score (\*)** 28.2 out of 100

Theme Score	Out of	For Theme
4.4	10	A. Governance and Policies
2.7	25	B. Embedding Respect and Human Rights Due Diligence
2.1	15	C. Remedies and Grievance Mechanisms
9.4	20	D. Performance: Company Human Rights Practices
5.6	20	E. Performance: Responses to Serious Allegations
4.0	10	F. Transparency

(\*) 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 2019 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

### A. Governance and Policies (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	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"> <li>Met: UNGC principles 1 &amp; 2: In the Company Social Code of PJSC Lukoil states that the Company is 'a party to the UN Global Compact'. [Social Code, 24/10/2017: <a href="http://lukoil.com">lukoil.com</a>]</li> <li>Met: UDHR: The Company states that 'we fully support the fundamental principles of the Universal Declaration of Human Rights'. [Code of business conduct and ethics, 11/12/2018]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: UNGPs: Although the Company states that it fully supports some human rights conventions and 'other international documents on human rights', no evidence found of explicit commitment to the UN Guiding Principles. [Code of business conduct and ethics, 11/12/2018]</li> <li>Not met: OECD: Although the Company states that it fully supports some human rights conventions and initiatives and 'other international documents on human rights', no evidence found of explicit commitment to the OECD Guidelines for MNEs. [Code of business conduct and ethics, 11/12/2018]</li> </ul>
A.1.2	Commitment to respect the human rights of workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: ILO Core: The Company states "as a party to the UN Global Compact, the Company seeks to be unwaveringly committed to the basic principles of labor relations and environmental protection stipulated in the UN and International Labour Organization (ILO) conventions." [Social Code, 24/10/2017: <a href="http://lukoil.com">lukoil.com</a> &amp; Code of business conduct and ethics, 11/12/2018]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: UNGC principles 3-6: The Company highlights under the 'UN Global Compact Principles' section of the social code: "As a party to the UN Global Compact, the Company seeks to be unwaveringly committed to the basic principles of labour relations and environmental protection stipulated in the UN and International Labour Organization (ILO) conventions." [Social Code, 24/10/2017: <a href="http://lukoil.com">lukoil.com</a>]</li> <li>• Met: Explicitly list All four ILO apply to EX BPs: The obligations assumed under the General Agreement extend to all areas of activity and subsidiaries directly controlled by the Company, and 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'. [Social Code, 24/10/2017: <a href="http://lukoil.com">lukoil.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Explicit commitment to All four ILO Core: In its website the Company states: '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.' [Social Code, 24/10/2017: <a href="http://lukoil.com">lukoil.com</a>]</li> <li>• Met: Respect H&amp;S of workers: The Social Code covers health, safety and environment requirements covering employees. [Social Code, 24/10/2017: <a href="http://lukoil.com">lukoil.com</a>]</li> <li>• Met: H&amp;S applies to EX BPs: The Company also states that it 'ensures the adherence of all contractors to HSE standards and regulations that are on a par with those of the Company', however it is not clear whether it applies to joint ventures. The Company HSE Policy states " To achieve the set goals, 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 and emergency response rules and standards applicable across LUKOIL Group organizations" The Company has clarified that this includes workers at joint venture operations. [Social Code, 24/10/2017: <a href="http://lukoil.com">lukoil.com</a> &amp; HSE Policy, 21/06/2018: <a href="http://lukoil.com">lukoil.com</a>]</li> </ul>
A.1.3.EX	Commitment to respect human rights particularly relevant to the industry (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"> <li>• Not met: Based on UN Instruments: No evidence found</li> <li>• Not met: Voluntary Principles (VPs) participant: No evidence found</li> <li>• Not met: Uses only ICoCA members: No evidence found</li> <li>• Met: Respecting indigenous rights: The Company indicates that it operates in regions that are home to indigenous minorities: 'LUKOIL acknowledges and safeguards the rights of the indigenous minorities of the North set out in international laws, including the United Nations Declaration on the Rights of Indigenous Peoples [...]. We respect the right that indigenous peoples have to their land, traditions and cultural heritage, and do not displace indigenous peoples from their lands or territories without their free, prior, and informed consent'. [Annual report 2018, 2019]</li> <li>• Not met: ILO 169</li> <li>• Not met: UN Declaration on the Rights of Indigenous People (UNDRIP)</li> <li>• Not met: Expects BPs to respect these rights</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: FPIC commitment: The Company explains the places where its operations are located in indigenous lands. In this context, it states the following: 'We respect the right that indigenous peoples have to their land, traditions and cultural heritage, and do not displace indigenous peoples from their lands or territories without their free, prior, and informed consent'. [Annual report 2018, 2019]</li> <li>• Not met: Voluntary Guidelines on Tenure Rights</li> <li>• Not met: IFC performance standards</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not met: Zero tolerance for land grabs</li> <li>• Not met: Respecting the right to water</li> <li>• Not met: Expects BPs to commit to all these rights</li> </ul>
A.1.4	Commitment to engage with stakeholders	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"> <li>• Met: Commits to stakeholder engagement: The Company states 'LUKOIL considers stakeholder engagement to be an aspect of responsible business practice and develops a systematic approach to interaction and joint activities to resolve issues of mutual interest.' In the 2017 report it also indicates that through stakeholder engagement 'The Company strives to establish successful long-term relationships, taking into account their expectations and positions on various issues'. The Company also lists their key stakeholder groups, one of them being local communities. [Sustainability Report, 2016: <a href="http://csr2015-2016.lukoil.com">csr2015-2016.lukoil.com</a> &amp; Sustainability Report, 2017: <a href="http://lukoil.com">lukoil.com</a>]</li> <li>• Met: Regular stakeholder engagement: In the Sustainability Report the Company discloses the Company's stakeholder engagement with communities in 2017. This includes state and municipal legislative and executive authorities, shareholders and investors, employees and trade unions and local communities. With regards to the local communities the Company discloses all of the events in 2017 that resulted from this stakeholder engagement. [Sustainability Report, 2017: <a href="http://lukoil.com">lukoil.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Commits to engage stakeholders in design</li> <li>• Not met: Regular stakeholder design engagement</li> </ul>
A.1.5	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"> <li>• Not met: Commits to remedy: Although the Company provided evidence in relation to number of complaints, no evidence found in relation to statement of commitment to remedy adverse impacts which it has caused or contributed to. [Annual report 2018, 2019]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Not obstructing access to other remedies</li> <li>• Not met: Collaborating with other remedy initiatives</li> <li>• Not met: Work with EX BPs to remedy impacts</li> </ul>
A.1.6	Commitment to respect the rights of human rights defenders	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"> <li>• Not met: Zero tolerance attacks on HRs Defenders (HRDs)</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Expects EX BPs to reflect company HRD commitments</li> </ul>

## A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: CEO or Board approves policy: The Code of Business Conduct is signed by the Company President. The Code of Business Conduct covers the support for human rights. [Code of business conduct and ethics, 11/12/2018]</li> <li>• Met: Board level responsibility for HRs: The Company states in the 2016 Sustainability Report 'To implement the Code of Business Conduct, identify violations and take necessary measures, the Company has established the Business Conduct and Ethics Commission, chaired by PJSC LUKOIL President and CEO Vagit Yusofovich Alekperov.' [Social Code, 24/10/2017: <a href="http://lukoil.com">lukoil.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Speeches/letters by Board members or CEO: When the Company signed a Global Framework Agreement with IndustriALL, the President of LUKOIL Vagit Alekperov made a speech. Alekperov is quoted as stating 'Being a private company, LUKOIL is nevertheless socially responsible, and the agreement is yet another proof of our commitments under collective contracts.' [Lukoil and Industriall Global Union Renew Agreement, 04/06/2018: <a href="http://lukoil.com">lukoil.com</a>]</li> </ul>
A.2.2	Board discussions	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"> <li>• Not met: Board/Committee review of salient HRs: The Annual Report 2018 states: 'To ensure compliance with the corporate business ethics standards, including respect for human rights, a Business Ethics Commission was set up, chaired by the Company's President. Should any alleged human right violation occur, employees can address their employer directly or with the help of independent trade union organisations'. However, it is not clear that the business ethics commission is a Board level committee despite the President is in it (it</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>doesn't appear in the list of board committees) and is not clear that it proactively oversees human rights, as it refers to alleged violations, and it clarifies that in 2018 there weren't any human rights complaint. [Annual report 2018, 2019]</p> <ul style="list-style-type: none"> <li>• Met: Examples or trends re HR discussion: The Company indicates that it discussed 'health and safety performance and efforts to improve occupational safety' in board meetings. [Annual report 2018, 2019]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both examples and process</li> </ul>
A.2.3	Incentives and performance management	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"> <li>• Not met: Incentives for at least one board member: The Company states in the 2017 sustainability report "the list of KPIs for incentives includes the integrated indicator "insuring the required level of support for health, safety and the environment at Lukoil Subsidiaries". However, it is not clear whether incentives are for Board members or for other managers. The company states in the Annual report 2018 that to strengthen accountability, HSE Compliance was added to LUKOIL Group's set of key performance indicators (KPIs) followed by the metrics for assessing this KPI. However, it also indicates that 'HSE compliance assessments at LUKOIL are used to inform the incentive system for managers at all levels as well as workers and specialists'. It is not clear if this also applies to Board members. Although the President is mentioned in the report, is not clear about the context of HSE indicators, as the actual text says 'key executives'. [Sustainability Report, 2017: <a href="http://lukoil.com">lukoil.com</a> &amp; Annual report 2018, 2019]</li> <li>• Not met: At least one key EX RH risk, beyond employee H&amp;S: The Company states in the 2017 sustainability report "the list of KPIs for incentives includes the integrated indicator "insuring the required level of support for health, safety and the environment at Lukoil Subsidiaries". However, it is not clear whether indicators cover local communities and workers of extractive business partners and the target of these incentives are board members. The same kind of evidence can be found in 2018 Annual report, in relation to HSE Compliance performance indicators. [Sustainability Report, 2017: <a href="http://lukoil.com">lukoil.com</a> &amp; Annual report 2018, 2019]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Performance criteria made public</li> </ul>

## 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	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"> <li>• Met: Commits to ILO core conventions</li> <li>• Met: Senior responsibility for HR: To ensure compliance with the corporate business ethics standards and the respect of human rights, the Company set up a Business Ethics Commission, which is chaired by its President. The Commission has nine persons, seven of which are also members of the Management Committee. No more recent evidence found in relation to the composition of the Business Ethics Commission, only that is chaired by the Company's President (it seems a commission composed of board members and management committee members). [Annual report, 2017: <a href="http://lukoil.com">lukoil.com</a> &amp; Annual report 2018, 2019]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Day-to-day responsibility</li> <li>• Not met: Day-to-day responsibility for EX BRs</li> </ul>
B.1.2	Incentives and performance management	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"> <li>• Met: Senior manager incentives for human rights: The Company indicates that performance indicators used for annual bonus payments to key executives include 'ensuring HSE compliance across LUKOIL Group entities'. [Annual report 2018, 2019]</li> <li>• Not met: At least one key EX HR risk, beyond employee H&amp;S: The Annual report also indicates that HSE compliance key performance indicators include 'zero fatalities caused by employer action', 'accident frequency rate'. However, no evidence found on this indicators covering health and safety of local communities and workers of extractive business partners. [Annual report 2018, 2019]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Performance criteria made public</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.3	Integration with enterprise risk management	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"> <li>• Not met: HR risks is integrated as part of enterprise risk system: The Company discloses "Given the differences between labor law provisions in various countries, we seek to mitigate the risks of any potential human rights violations, including by establishing unified operating policies and standards. In particular, the principles and norms enshrined in the Social Code of PJSC LUKOIL, and also in the Personnel Management Policy, are binding on all Group subsidiaries." However, it is not clear whether Human Rights is part of the Company's broader enterprise risk system. [Sustainability Report, 2017: <a href="http://lukoil.com">lukoil.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Audit Ctte or independent risk assessment</li> </ul>
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	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"> <li>• Not met: Commits to ILO core conventions: See indicator A.1.2</li> <li>• Not met: Communicates its policy to all workers in own operations: The Company's code indicates that it 'targets each and every member of LUKOIL's team: all the employees irrespective of the position they hold. However, no evidence found in relation to the specific steps taken to communicate policies to all of them, including local languages where needed. [Code of business conduct and ethics, 11/12/2018]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Commits to all 4 ILO core conventions: See indicator A.1.2</li> <li>• Not met: Communication of policy commitments to stakeholder [Code of business conduct and ethics, 11/12/2018]</li> <li>• Not met: How policy commitments are made accessible to audience</li> </ul>
B.1.4.b	Communication /dissemination of policy commitment(s) to 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"> <li>• Met: Commits to all 4 ILO core conventions for suppliers: See indicator A.1.2 [Annual report 2018, 2019]</li> <li>• Not met: Communicating policy to EX contractors and joint ventures: The Company states: 'We also encourage all organizations we work with to respect and observe human rights. When signing agreements with contractors and during their performance of contracted work or services, the relevant functions of the Company audit the counterparty's compliance with human rights laws and regulations.' However, 'when signing agreements with contractors and during their performance of contracted work' does not clarify whether policies are communicated to extractive business partners, as evidence focuses in the audit work. It seems to imply that when signing contracts they are audited, not that policies are communicated as part of the contract. [Social Code, 24/10/2017: <a href="http://lukoil.com">lukoil.com</a> &amp; Annual report 2018, 2019]</li> <li>• Not met: Including to EX BPs (removed)</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: How HR commitments made binding/contractual: As indicated above, although the Company monitors contractors' compliance with human rights through audits when signing agreements and during their performance of contracted work, it is not clear whether policies are communicated to extractive business partners as part of contractual arrangements. [Annual report 2018, 2019]</li> <li>• Not met: Including on EX BPs</li> </ul>
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"> <li>• Met: Scores at least 1 on A.1.2</li> <li>• Not met: Trains all workers on HR policy commitments: The Company provides information regarding health and safety training, but not broader human rights specific training. [Sustainability Report, 2017: <a href="http://lukoil.com">lukoil.com</a>]</li> <li>• Not met: Trains relevant EX managers including security personnel</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Score of 2 on A.1.2</li> <li>• Not met: Both requirements under score 1 met</li> </ul>
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"> <li>• Met: Scores at least 1 on A.1.2</li> <li>• Not met: Monitoring implementation of HR policy commitments: The Company indicates that: 'To ensure compliance with the corporate business ethics standards, including respect for human rights, a Business Ethics Commission was set up, chaired by the Company's President. Should any alleged human right violation occur, employees can address their employer directly or with the help of independent trade union organizations.' However, it is not clear how the Company</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>monitors policy implementation, as that mechanism refers to allegations of human rights violations. [Annual report 2018, 2019]</p> <ul style="list-style-type: none"> <li>• Met: Monitoring EX BP's: The Company indicates that 'we also encourage all the organizations we work with to respect and observe human rights. When signing agreements with contractors and during their performance of contracted work or services, the relevant functions of the Company audit the counterparty's compliance with human rights laws and regulations'. [Annual report 2018, 2019]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Score of 2 on A.1.2</li> <li>• Not met: Describes corrective action process: The Company indicates, in the context of contractors audits, that 'if any breaches are identified, we suspend all engagements with the counterparty until these breaches are remedied, or terminate engagement if they are not'. However, no details found on the actual corrective action process carried out in case of non-compliances are found (including the number of non-compliances). [Annual report 2018, 2019]</li> <li>• Not met: Example of corrective action</li> <li>• Not met: Discloses % of EX supply chain monitored</li> </ul>
B.1.7	Engaging business relationships	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"> <li>• Met: HR affects selection EXs business partners: In the Social Code the Company states 'While realizing that modern standards of society-business relations induce the Company to take responsibility for actions of its contractors and suppliers, the Company makes relevant choices responsibly and respects human rights as it does so. The present-day scope and intricacy of economic interrelations require the Company to have a special record-keeping, selection and monitoring system, which it has set up and is committed to promote. The main criteria for the selection of suppliers and contractors' include: 'observance of the fundamental labor principles and rights, adopted by the International Labour Organization, and of current international standards' and 'efficient HSE policy' [Social Code, 24/10/2017: <a href="http://lukoil.com">lukoil.com</a>]</li> <li>• Met: HR affects on-going EX business partner relationships: The Annual report 2018 states: 'When signing agreements with contractors and during their performance of contracted work or services, the relevant functions of the Company audit the counterparty's compliance with human rights laws and regulations. If any breaches are identified, we suspend all engagements with the counterparty until these breaches are remedied, or terminate engagement if they are not'. [Annual report 2018, 2019]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirement under score 1 met: See above [Annual report 2018, 2019]</li> <li>• Not met: Working with EX business partners to improve performance: The actions of LUKOIL Group's Program of Health and Safety, Better Working Environment, Emergency Prevention, and Response for 2017-2019 aim to prevent accidents and injuries, implement a culture of work safety, provide employees with protective equipment, deliver training and instruction, and prevent work-related illnesses. However, the Company has not specifically described how they work with business partners to improve human rights performance. [Company Response To Assessment, 2018]</li> </ul>
B.1.8	Approach to engagement with potentially affected stakeholders	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"> <li>• Met: Stakeholder process or systems: In the Sustainability Report (2016) the Company highlights the process that they go through to identify and select stakeholders. The Company states 'With some stakeholder groups (regional and federal authorities, trade unions, public and international organizations, families and communities of indigenous peoples, business partners), the Company builds relationships on the basis of cooperation or partnership agreements. Agreements are preceded by negotiations in which each party can state its position so that a mutually satisfying solution can be found. Fulfilment of obligations is monitored to give each party an opportunity to assess the results of engagement. The success of an agreement is, as a rule, discussed with stakeholders, both privately and at public events.' The Company identifies that local communities are a stakeholder. The Company states that LUKOIL is broadening its channels for stakeholder engagement. On its website, reports activities carried out in the context of these agreements. [Sustainability Report, 2016: <a href="http://csr2015-2016.lukoil.com">csr2015-2016.lukoil.com</a> &amp; Yammalo-Nenets Autonomous Area, 28/06/2019: <a href="http://lukoil.com">lukoil.com</a>]</li> <li>• Not met: Frequency and triggers for engagement: Although the Company describes on its website how it reached social and economic agreements, and describes how it finances social and economic activities, no details found on frequency and triggers to engage on human rights issues. [Yammalo-Nenets</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Autonomous Area, 28/06/2019: <a href="http://lukoil.com">lukoil.com</a> &amp; Nenets autonomous Area, 28/06/2019: <a href="http://lukoil.com">lukoil.com</a>]</p> <ul style="list-style-type: none"> <li>• Not met: Engagement includes EX business partners workers</li> <li>• Met: Engagement includes EX business partners communities: As indicated above, the Company explains how it identified and engaged with local communities. [Yammalo-Nenets Autonomous Area, 28/06/2019: <a href="http://lukoil.com">lukoil.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Analysis of stakeholder views and company's actions on them</li> </ul>

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

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

## C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from 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"> <li>• Met: Channel accessible to all workers: The code of conduct contains a section explaining how to report code infringements for employees. 'Any Company's employee may apply to the business Ethics Commission', and provides a telephone number and an email address. It also indicates that 'apart from the Commission, employees may also apply to respective trade union branches regarding infringements of the Code and their rights'. [Annual report 2018, 2019]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Number grievances filed, addressed or resolved: The Company indicates that, during 2018, 'LUKOIL did not receive any complaints on violation of human rights, including with regard to its contractors working at the Company's facilities.' [Annual report 2018, 2019]</li> <li>• Not met: Channel is available in all appropriate languages: No evidence found that the channel(s)/mechanism(s) is available in all appropriate languages.</li> <li>• Not met: Expect EX BPs to have equivalent grievance system</li> <li>• Not met: Opens own system to EX BPs workers: The Company has a 'support desk for bidders' including a telephone number and email address. However, it seems deemed for bids and not reporting human rights violations (among other topics). [Code of business conduct and ethics, 11/12/2018]</li> </ul>
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	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"> <li>• Not met: Grievance mechanism for community: Although the Company indicates that 'representatives of local communities may apply to public relations centers of the Company's subsidiaries present in the region' to report infringements of the code, it is not clear if anyone, including individuals without representative, or business partners employees, or any other external stakeholder can use this (or other channel) to report non-compliances of the code. [Code of business conduct and ethics, 11/12/2018]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Describes accessibility and local languages</li> <li>• Not met: Expects EX BPs to have community grievance systems</li> <li>• Not met: EX BPs communities use global system</li> </ul>
C.3	Users are involved in the design and performance of the channel(s)/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"> <li>• Not met: Engages users to create or assess system</li> <li>• Not met: Description of how they do this</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Engages with users on system performance</li> <li>• Not met: Provides user engagement example on performance</li> <li>• Not met: EX BPs consult users in creation or assessment</li> </ul>
C.4	Procedures related to the mechanism(s)/channel(s) are 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"> <li>• Not met: Response timescales: The Company provided a comment to CHRB in relation to the relevance of this indicator. It also clarifies that didn't receive any complaint related to human rights. However, no details found on response timescales for people to be aware of them in case they decide to file a complaint. [Code of business conduct and ethics, 11/12/2018 &amp; Annual report 2018, 2019]</li> <li>• Not met: How complainants will be informed</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Escalation to senior/independent level</li> </ul>
C.5	Commitment to non-retaliation over complaints or concerns made	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"> <li>• Met: Public statement prohibiting retaliation: The code states that 'The Company guarantees that LUKOIL team members or representatives of external stakeholders who reported or are seeking to prevent any infringement of this Code in good faith, will not face any adverse consequences (including dismissal, any forms of discrimination or other persecution by anyone). The applicant is entitled to anonymity of his/her verbal or written report. The Company guarantees confidentiality in the course of inspections and those persons will only be held responsible following an impartial investigation into the infringement.' [Code of business conduct and ethics, 11/12/2018]</li> <li>• Met: Practical measures to prevent retaliation: As indicated above, 'the applicant is entitled to anonymity of his/her verbal or written report'. [Code of business conduct and ethics, 11/12/2018]</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> <li>• Not met: Has not retaliated in practice</li> <li>• Not met: Expects EX BPs to prohibit retaliation</li> </ul>
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Won't impede state based mechanisms</li> <li>• Not met: Complainants not asked to waive rights</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Will work with state based or non judicial mechanisms</li> <li>• Not met: Example of issue resolved (if applicable)</li> </ul>
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"> <li>• Not met: Describes how remedy has been provided: The Company indicates that it didn't receive any human rights complaint during 2018. However, the Company could be awarded if it describes the approach it would take to provide remedy for adverse impacts. [Annual report 2018, 2019]</li> <li>• Not met: Says how it would remedy key sector risks</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Changes introduced to stop repetition</li> <li>• Not met: Approach to learning from incident to prevent future impacts</li> <li>• Not met: Evaluation of the channel/mechanism</li> </ul>

#### D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.1	Living wage (in own extractive operations, which includes JVs)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Living wage target timeframe or achieved: In its Code of Business Conduct the company declares 'LUKOIL supports efficient remuneration plans for its employees offering equal payment for the labor of equal value, and providing extra incentives for the employees whose qualifications and performance drive the Company's success in accomplishment of its mission and achievement of business goals'. In addition, it states that 'the Company's minimum pay rate is set at the level of at least the minimum living wage of the economically active population or higher in the countries of its presence.' However, it is not clear what does this entail, what is included in 'minimum living wage', which should cover basic needs plus discretionary income for both employee and family/dependents. [Code of business conduct and ethics, 11/12/2018]</li> <li>• Not met: Describes how living wage determined: The Company states "The base salary depends on the employee's set duties, challenges inherent in their work, and level of responsibility. It is set individually for each employee and takes into account the level of training and practical experience" However, this does not cover all workers, but rather Russian workers, and does not detail how actually is determined (although the amount varies depending on the number of factors, the process to determine which wage is the minimum acceptable). [Sustainability Report, 2017: <a href="http://lukoil.com">lukoil.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Pays living wages</li> <li>• Not met: Reviews living wages definition with unions</li> </ul>
D.3.2	Transparency and accountability (in own extractive operations, which includes JVs)	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Member of EITI</li> <li>• Met: Reports of taxes and revenues beyond legal minimums: The Company reports on Payments to Government for the year 2016. The Company discloses taxes and royalties paid for Russia, Uzbekistan, Kazakhstan, Egypt, Mexico and Iraq. [Report on Payments to Governments for the year 2016, 2016: <a href="http://lukoil.com">lukoil.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Met: Reports taxes and revenue by country: The Company discloses taxes and royalties paid for Russia, Uzbekistan, Kazakhstan, Egypt, Mexico and Iraq. The Company discloses that these are the only companies where the company conducts extractive activities. [Report on Payments to Governments for the year 2016, 2016: <a href="http://lukoil.com">lukoil.com</a>]</li> <li>• Not met: Steps taken re non EITI countries</li> <li>• Not met: Disclosures contract terms where not a requirement</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.3	Freedom of association and collective bargaining (in own extractive operations, which includes JVs)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commits not to interfere with union rights and collective bargaining and prohibits intimidation and retaliation: The Company has a Global Agreement that the Company has an obligation to respect the rights of trade unions. This includes: "3.1.1. The right of every employee to be represented by a trade union of their choice and the basic trade union rights enshrined in ILO Conventions Nos. 87 and 98 concerning freedom of association and the right to organize workers in trade unions, as well as the right to collective bargaining. Thus, LUKOIL agrees not to oppose efforts aimed at involving the employees of LUKOIL Group entities in trade unions." Although the Company shows more recent evidence of commitment to respect the right to collective bargaining, evidence from the 2016 report is the most comprehensive. [Sustainability Report, 2016: <a href="http://csr2015-2016.lukoil.com">csr2015-2016.lukoil.com</a>]</li> <li>• Met: Discloses % covered by collective bargaining: The Company indicates in the annual report that 'collective bargaining agreements cover 97.7% of the employees at our Russian entities and 62% of employees at our international entities'. [Annual report 2018, 2019]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirement under score 1 met</li> </ul>
D.3.4	Health and safety: Fatalities, lost days, injury rates (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"> <li>• Met: Injury Rate disclosures: The Company publishes the injury statistics for the Company's Russia and Foreign operations. This includes the lost time injuries and the occupational disease rate. [Sustainability Report, 2017: <a href="http://lukoil.com">lukoil.com</a>]</li> <li>• Met: Lost days or near miss disclosures: The Company discloses the lost time accident frequency rate for the past three years at Russian subsidiaries, foreign subsidiaries, and contractor organisations. [Sustainability Report, 2017: <a href="http://lukoil.com">lukoil.com</a>]</li> <li>• Met: Fatalities disclosures: The Company publishes the fatalities for the Company's Russia and Foreign operations, separated by employees and contractors. [Sustainability Report, 2017: <a href="http://lukoil.com">lukoil.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Set targets for H&amp;S performance: The Company links to SDG target 8.8 "Protect labour rights and promote safe and secure working environments for all workers, including migrant workers. In particular women migrants and those in precarious employment". The Company also sets the broad goal "to reduce the number of on-the-job injuries through planned and systematic actions aimed at improving health and safety conditions." However, the Company has not set more specific targets to H&amp;S performance in their public disclosures. [Sustainability Report, 2017: <a href="http://lukoil.com">lukoil.com</a>]</li> <li>• Not met: Met targets or explains why not</li> </ul>
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"> <li>• Met: Process to identify indigenous rights holders: The Company discloses "Mechanisms for hearing the appeals of representatives from the Indigenous Peoples and non-governmental organizations have been created, and work is successfully carried out at LUKOIL Group subsidiaries on issues related to providing assistance to or safeguarding the rights of the Indigenous Peoples. In 2017 there were 62 appeals, which related to different areas of cooperation with the Company, assistance on compensation for tuition and the treatment of the representatives of the Indigenous Peoples, the purchase of specialized equipment, and providing information on the activities and plans of the Company to support the Indigenous Peoples. No appeals were submitted that related to violations of the rights of the Indigenous Peoples."</li> </ul> <p>The Company also discloses "In 2017 a cooperation agreement was signed between LUKOIL and the Federal Agency for Ethnic Affairs. A representative of the Company is a member of the working group responsible for suggesting amendments to the procedure for conducting ethnological expert reviews of geological exploration and production projects on the territories where the Indigenous Peoples traditionally live. Mechanisms for hearing the appeals of representatives from the Indigenous Peoples and non-governmental organizations have been created, and work is successfully carried out at LUKOIL Group subsidiaries on issues related to providing assistance to or safeguarding the rights of the Indigenous Peoples. " [Sustainability Report, 2017: <a href="http://lukoil.com">lukoil.com</a>]</p> <ul style="list-style-type: none"> <li>• Not met: How engages with communities in assessment: The Company has not clarified the mechanisms that have been created to engage with communities in the assessment.</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Commits to FPIC (or ICMM)</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not met: Gives recent example FPIC or dropping deal</li> </ul>
D.3.6	Land rights (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"> <li>• Not met: Approach to identification of land tenure rights holders</li> <li>• Not met: Describes approach to doing so if no recent deals</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: How valuation and compensation works: The Company 2016 sustainability report discusses how management approaches compensation with the Indigenous Minorities of the North for damages to the traditional natural resources utilised by indigenous minorities.</li> </ul> <p>The Company 2017 Sustainability Report details "Compensation payments are made annually to indigenous residents: on the territory of the Khanty-Mansi Autonomous Area-Yugra (LUKOIL-West Siberia, RITEK, LUKOIL-AIK), as part of licensing obligations; and on the territory of the Nenets Autonomous Area (LUKOIL-Komi) within the framework of contracts with deer farms." [Sustainability Report, 2016: <a href="https://www.lukoil.com/csr2015-2016">csr2015-2016.lukoil.com</a> &amp; Sustainability Report, 2017: <a href="https://www.lukoil.com">lukoil.com</a>]</p> <ul style="list-style-type: none"> <li>• Not met: Steps to meet IFC PS 5 in state deals</li> <li>• Not met: Describes approach if no recent deals</li> </ul>
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"> <li>• Not met: How implements security (inc VPs or ICOC): The Company has provided evidence to CHRB related to data security and providing personnel with all required protection against emerging threats associated with performance of their duties. However, no evidence found on details material to this indicator, which is about guaranteeing security through security through own or contracted security providers. [Code of business conduct and ethics, 11/12/2018 &amp; Personal data protection policy, 23/07/2019: <a href="https://www.lukoil.com">lukoil.com</a>]</li> <li>• Not met: Example of respecting HRs in security</li> <li>• Not met: Ensures Business Partners follow security approach</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Assesses and involves communities</li> <li>• Not met: Working with local community</li> </ul>
D.3.8	Water and sanitation (in own extractive operations, which includes JVs)	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"> <li>• Met: Action to prevent water and sanitation risks: The Company states 'The Company's entities also operate in arid regions, where fresh water is scarce (Stavropol and Krasnodar Territories, Saratov, and Volgograd Regions). The issue is primarily addressed by putting water supply and recycling systems into service and ensuring the most beneficial use of the water withdrawn, including striatal water. As part of its social partnership with different Russian regions, the Company has ongoing projects to supply their residents with drinking water.' [Sustainability Report, 2016: <a href="https://www.lukoil.com/csr2015-2016">csr2015-2016.lukoil.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Water targets considering local factors</li> <li>• Met: Reports progress in meeting targets and shows trends in progress made: The Company reports that "through the implementation of the LUKOIL Environmental Safety Program we managed to significantly reduce water consumption from natural sources: this indicator fell by 7.5% from 2015 to 2017". The Company also describes "Low levels of fresh water consumption are maintained by subsidiaries in all main production lines of business. In these conditions, general indicators of water withdrawal and water consumption are significantly influenced by electric power engineering subsidiaries, which are large consumers of water (used for steam generation and cooling equipment in central heating and power plants)". The Company also describes this and the volumes of reverse water supply and reused water for the past three years. The Company also describes their projects to provide local communities with drinking water as part of their social partnerships with the southern regions of Russia and in foreign countries with a hot climate. [Sustainability Report, 2017: <a href="https://www.lukoil.com">lukoil.com</a>]</li> </ul>

## 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 22.56 out of 80 points scored in themes A-D & F has been applied to produce a score of 5.64 out of 20 points for theme E.

## F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	2 out of 4	Out of a total of 38 indicators assessed under sections A-D of the benchmark, Lukoil made data public that met one or more elements of the methodology in 19 cases, leading to a disclosure score of 2 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> <li>• Met: Company reports on GRI: The Company reports under the GRI reporting standard in their sustainability report. [Sustainability Report, 2017: <a href="http://lukoil.com">lukoil.com</a>]</li> </ul>
F.3	Key, High Quality Disclosures	0 out of 4	Lukoil met 0 of the 10 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.2 : Board discussions</li> <li>• Not met: Score 2 for B.1.6 : Monitoring and corrective actions</li> <li>• Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers</li> <li>• Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) Discussing challenges openly</li> <li>• Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts</li> <li>• Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned Demonstrating a forward focus</li> <li>• Not met: Score 2 for A.2.3 : Incentives and performance management</li> <li>• Not met: Score 2 for B.1.2 : Incentives and performance management</li> <li>• Not met: Score 1 for D.3.1 : Living wage (in own extractive operations, which includes JVs)</li> <li>• Not met: Score 2 for D.3.4 : Health and safety: Fatalities, lost days, injury rates (in own extractive operations, which includes JVs)</li> </ul>

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

The Benchmark is made available on the express understanding that it will be used solely for general information purposes. The material contained in the Benchmark should not be construed as relating to accounting, legal, regulatory, tax, research or investment advice and it is not intended to take into account any specific or general investment objectives. The material contained in the Benchmark does not constitute a recommendation to take any action or to buy or sell or otherwise deal with anything or anyone identified or contemplated in the Benchmark. Before acting on anything contained in this material, you should consider whether it is suitable to your particular circumstances and, if necessary, seek professional advice. The material in the Benchmark has been put together solely according to the CHRB methodology and not any other assessment models in operation within any of the project partners or EIRIS Foundation as provider of the analyst team.

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and Wales.

As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.