Respecting the rights of indigenous people

Our operations are historically associated with the territory of the Khanty-Mansi Autonomous District – Yugra\(^1\), inhabited by the Khanty and Mansi, the indigenous people of Siberia. Thus the system of relations with the indigenous minorities of the North began to take shape from the very outset of the Company’s activity. Since that time, we have developed effective mechanisms for combining the interests of indigenous communities and those of LUKOIL. (See the section “Local Communities.”)

In Russia, subsoil use, including the allocation of land plots in traditional settlement areas and/or the economic management of indigenous minorities of the North, is regulated by the state authorities (under license agreements or other documents that entitle companies to use such subsoil sites). The terms and conditions of the use of licensed areas, including compensation to indigenous communities, are established by federal and regional authorities. Hence issues related to respecting the rights of indigenous peoples, including migration issues, are governed by Russian federal and regional legislation. We fully comply with the conditions set forth in legislation, regularly interact with representatives of indigenous communities, and take their opinion into account when planning and implementing exploration and production projects.

In the reporting year, during LUKOIL Group’s production activities in areas of traditional settlement and/or the economic management of indigenous minorities in the North, no forced resettlement of indigenous peoples took place.

\(^1\) In 1991 the region was known as the Khanty-Mansi Autonomous District.