

Many LUKOIL Group subsidiaries are major enterprises in the regions where the Company operates, and thus have a significant impact on local communities. By investing in production capacities, creating decent working conditions, and implementing charity programs, LUKOIL contributes to the social and economic stability of these areas, as well as the development of human capital.



**Target 17.17.**

**Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.**

We recognize the importance of regular interaction with local communities, focusing on objective 17.17 of the Sustainable Development Goals to stimulate effective partnerships among

stakeholders. The Company’s external social policy is structured in accordance with the principles of constructive cooperation and responsible behavior, and priority is given to charity and

sponsorship activity. Thanks to LUKOIL’s support, hundreds of such projects are implemented annually in Russia and abroad.

**External social policy priorities**



**Target 11.4.**

**Strengthen efforts to protect and safeguard the world’s cultural and natural heritage.**

The Company’s external social policy focuses on key stakeholder groups and is performed using various mechanisms:

- partnerships with local authorities as part of cooperation agreements with the constituent subjects of the Russian Federation
- interactions with indigenous peoples of the North in Russia
- holding the annual Social and Cultural Projects Contest in Russia for a wide range of public and municipal organizations
- supporting charity and sponsorship, with the ultimate beneficiaries both specific target groups (for example, children deprived of parental care or with special needs) and the residents of population centers in general

The priorities of LUKOIL Group’s external social activity are the same for all the regions and countries where our subsidiaries operate, and include assisting with economic development; supporting culture, sports, science and education; improving the environment in the regions where the Group operates; promoting healthy lifestyles; and assistance to childcare institutions.

An important principle of external social activity is partners and initiators making a financial contribution to social projects. For example, a mandatory condition for taking part in the Social and Cultural Projects Contest is that the applicant organization must make a contribution from its own funds or borrowings equivalent to at least 30% of the requested amount.



~9

RUB bln

External social support costs amounted in 2017



You can read in social networks about the social projects that have received support from LUKOIL, for example on Facebook





27

cooperation agreements

were in place in 2017, with total financing exceeding RUB 6 billion

### Cooperation agreements with constituent subjects of the Russian Federation

As a result of social investments in Russian regions, educational, cultural, healthcare, sports, and religious facilities have been upgraded or

built, infrastructure developed, and landscaping performed. Joint projects with local authorities help increase the quality of life of the residents of the

regions, boost personal development opportunities, and improve health.



### MALY THEATRE IN KOGALYM

A branch of the Maly Theatre will soon open in Kogalym, LUKOIL's "Family Seat". Its façade will be similar to that of the Moscow branch of the Maly Theatre on ulitsa Bolshaya Ordynka. Large-scale productions are being planned for the theatre. The troupe of the theatre in Kogalym will be formed from graduates of Schepkin College, who will work with professional directors from Moscow. The completion of the renovation work is scheduled for 2018.

### Social and Cultural Projects Contest

The Social and Cultural Projects Contest of LUKOIL has been held since 2002. Its main goals are to support projects and initiatives from local communities to resolve existing problems and to create the conditions necessary to increase the number of active citizens and organizations capable of implementing outstanding social ideas in their region. LUKOIL Group subsidiaries and the LUKOIL Charity Foundation are the contest's organizers.

The contest is open to private non-profit organizations, state municipal budgetary

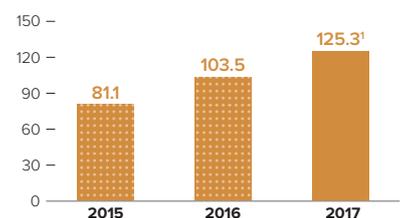
organizations, and local government authorities. Applications are considered in three key areas: the Environment, Spirituality and Culture, and Sport. Furthermore, an additional subject is approved each year.



Detailed information is published on the LUKOIL Charity Foundation website



### TOTAL CONTEST BUDGET, RUB million



<sup>1</sup> Taking into account the contribution by the LUKOIL Charity Foundation.