PRESS RELEASE
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LUKOIL SIGNS COOPERATION AGREEMENT WITH INTERNATIONAL AND RUSSIAN TRADE UNIONS

Vagit Alekperov, President of OAO LUKOIL, Fred Higgs, Secretary General of the International Federation of Chemical, Energy, Mine and General Workers' Unions (ICEM) and Lev Mironov, Chairman of Russian Oil, Gas and Construction Workers Union signed a cooperation agreement in Moscow today.

The aim of the Agreement is to continuously improve industrial relations and develop good work practices in the LUKOIL Group worldwide operations.

Concluding this agreement, the Parties confirm their full commitment to the principles contained in the UN Global Compact initiative, as well as the principles concerning labour and environmental issues defined in the UN and International Labor Organization (ILO) core documents and conventions. The purpose of the Agreement is to create an open channel of information and dialogue between ICEM and LUKOIL. This dialogue will be between LUKOIL and the ICEM at international level, and management of the LUKOIL Group companies and trade unions at the local and national levels.

LUKOIL and ICEM affirm their support for fundamental human rights in the communities affected by LUKOIL Group activities and in the workplace. Furthermore, the parties recognise the importance of protecting the health, safety and well being of those at work, and share a sense of joint responsibility for the impact that work and company practices may have upon the natural and human environment.

LUKOIL will take a socially responsible approach to restructuring its subsidiaries an affiliates and pay fair wages and benefits, as a minimum in accordance with industry standards in the country concerned.

Also LUKOIL and ICEM agreed to the core principle, that protection of employees' life and health has topmost priority.

LUKOIL, being a major user of natural resources and recognizing its responsibility to society for preserving good environment and efficient use of natural resources, will publish regular reports on its activities in industrial and environmental safety sectors.

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“Today’s document is the first global agreement that ICEM signed with a company from Estern Europe. I am especially pleased that this company is LUKOIL. The fact that one of the world’s most powerful trade unions is ready to cooperate with us means that LUKOIL does not only stricltly abide by the labor legislation of Russia but also complies with the international labor relations standards,” said LUKOIL President Vagit Alekperov.

“LUKOIL is a leading Russian oil company operating on the world’s market. I regard this agreement as LUKOIL’s transition from partnerships with Russian trade unions to recognition by the company of the trade unions’ and workers’ rights globally,” said Fred Higgs, Secretary General of ICEM.

“I view signing of a global agreement between LUKOIL oil company, ICEM and our trade union as a symbolic event for Russia and international community. First of all, it would be very good if other Russian companies follow LUKOIL’s example and and get actively involved in a practical constrcution of a social responsible state which is so widely discussed. Second, it is pleasant that being actually the first Russian transnational company going global LUKOIL declares its commitment to our traditional values – care for working people,” said Lev Mironov, Chairman of Russian Oil, Gas and Construction Workers Union.

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LUKOIL’s trade union association includes 36 primary and 23 united trade unions operating in 25 regions of the Russian Federation and abroad (in Azerbaijan, Ukraine, Bulgaria, Romania, Moldova) and comprises almost 160 thousand people.

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The International Federation of Chemical, Energy, Mine and General Workers’ Unions (ICEM) – is one of the oldest international organizations. It embraces 390 industrial trade unions from 120 countries and currently numbers over 20 million people.

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Russia’s Oil, Gas and Construction Workers Union was set up in 1990 and presently unites almost 1.4 million people. It operates in 63 constituents of the Russian Federation and contains more than 3,200 primary, 32 territorial and 4 interregional trade unions including those of LUKOIL.