PRESS RELEASE
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LUKOIL HELD ROUND-TABLE MEETING CALLED "DECENT WORK IS SAFE WORK"

OAO LUKOIL and OAO LUKOIL International United Trade Union Association held a round-table meeting titled "Decent Work is Safe Work" in OOO LUKOIL-Zapadnaya Sibir in Kogalym.

Representatives of the federal, regional and local authorities, business, leading scientific centers, heads of largest trade unions, international experts and trade union members took part in the round-table activities.

The aim of the round-table meeting was to share Russian and international experience, as well as its practical application in the fuel and energy complex enterprises, including OAO LUKOIL subsidiaries. Speaking at the round-table meeting Ravil Maganov, First Executive Vice-President of OAO LUKOIL, particularly emphasized, "Our Company is aware of its responsibility to the society and is endeavoring to position itself among leading global energy and oil and gas companies. We do understand that one of the most important principles underlying the goal is to ensure health and labor protection at the level of global leaders. LUKOIL is considering labor protection as a competitiveness factor and a necessary condition for the Company's stable growth. LUKOIL was the first company in Russia to create an up-to-date safety and labor protection management system and receive an internationally recognized certificate of its conformity with the world's best practice. For the past five years, the Company succeeded in reducing job-related injury rates by over 2.5 times. The Company was the first one in the industry to develop and introduce corporate uniform fit for the actual working conditions".

Georgy Kiradiev, Chairman of OAO LUKOIL International United Trade Union Association, in his speech at the round-table meeting said that LUKOIL was consistent with the standards of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, approved by the Administrative Union of the International Labor Office, which inter alia states that "multinational corporations are to set maximum highest labor protection and occupational hygiene standards". It was the reason for including a section on developing labor protection culture with the employees into the Program of Occupational Safety, Better Working Conditions and Labor Protection with OAO LUKOIL for 2006 - 2010.

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Around RUR 370 mln are to be spent on creating labor protection culture, teaching, training and advanced training of employees in 2006 - 2010.

Following the results of the round-table meeting, Recommendations for better production management and establishment of decent and safe working conditions for real economy sector based on cutting-edge experience in the field of trade union control within an industrial enterprise were adopted.

In 2004 LUKOIL, International Federation of Chemical, Energy Mine & General Workers' Unions (ICEM) and the Russian oil, gas and construction workers' union signed a cooperation agreement.

The parties confirmed their adherence to the Global Initiative principles by UN as well as to the basic principles in the field of labor and environment, stated in UN and International Labor Organization conventions. LUKOIL and ICEM stated their adherence to respect human rights at the workplace and people's interests in the regions of the Company’s presence. LUKOIL undertook obligations for socially responsible approach to restructuring its subdivisions, and assumed a responsibility to fix fair wages and allowances, at the least in compliance with the industry standards for the relevant country. LUKOIL and ICEM also agreed upon priority of employee health and safety to their productive activity results.

Interests of LUKOIL employees in the field of labor, professional and social/economic relations are represented by OAO LUKOIL International United Trade Union Association, which includes 272 primary and 29 joint trade union organizations operating in 37 Russian regions and abroad (Azerbaijan, the Ukraine, Bulgaria, Romania and Moldavia). Activities of OAO LUKOIL International United Trade Union Association in the field of labor protection are aimed at protecting employee rights for healthy and safe working conditions. Employer/employee relations are based on a triple-stage legal foundation – OAO LUKOIL Social Code, Agreement between the Management and the Trade Union Association for 2003 – 2008 and collective agreements of the LUKOIL Group companies. The Company also has an institution of trade union representatives for labor protection (over 2.5 ths trade union active members) and a multistage Social and Administrative Labor Protection Control System.