PRESS RELEASE
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LUKOIL HELD DIALOGUE WITH COMMUNITY AS PART OF EFFORT AIMED AT PREPARING SUSTAINABLE DEVELOPMENT REPORT FOR 2005-2006

Today in Kaliningrad OAO LUKOIL and OOO LUKOIL-Kaliningradmorneft senior management met local public organizations and representatives of legislative and executive authorities.

The meeting was part of the Company's second report on sustainable development for 2005-2006. Generally acknowledged approaches to preparation of such reports imply constant dialogue with the parties concerned for better consideration of their expectations and opinion.

The report is being prepared in conformity with the Global Reporting Initiative (GRI) 'Sustainability Reporting Guidelines' and the International Standard AA1000. The report will be published in September 2007. The Report auditor is Buro Veritas Rus.

'Our main goal behind preparing such a report is to provide the community with comprehensive and reliable information on the Company's economic, environmental and social performance', said Alexander Vasilenko, Head of OAO LUKOIL Public Relations Department.

As one of the largest Russian companies in the world market, OAO LUKOIL pays particular attention to responsible business conduct. Based on this philosophy, in 2005 OAO LUKOIL was the first Russian company to publish a report on sustainable development in accordance with the international standards. The report was highly praised by international experts and presented at the World Economic Forum held in Davos in January 2007, as part of the review of 100 largest European companies.

The concept of sustainable development emerged in the XX century and replaced the theory of continuous economic growth. Current trends suggest that sustainable development is a model of social and economic life of a community. When this model is in place, the needs of the contemporary generation are satisfied without depriving the future generations of such an opportunity. Thus, there is a balance between social/economic and natural/environmental development. Internationally, the term 'sustainability' was officially formalized by the decision of the United Nations conference on environment and development held in 1992 in Rio de

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Janeiro. At the conference, the main principles of natural resources use were elaborated for sustainable development of all countries in the centuries to come.