



Public Consultation and Information Disclosure Specification

Purpose

To engage with local communities and other Stakeholders on issues of common interest.

Who is this for?

- *Business Head*
- *Managers*¹.
- *SP Professionals.*
- *SP focal points*

What situations are covered?

This document applies to all *Sakhalin Energy assets, facilities, operations, projects* and activities, including activities undertaken by contractors on behalf of the company.

Requirements

Business Head and Managers are *Accountable* for requirements 1 to 24:

1. Sakhalin Energy shall develop and maintain the Public Consultation and Disclosure Plan (PCDP)², review it on an annual basis, and make amendments as necessary (and agreed with the *Phase 2 Lenders*).
2. PCDP shall be developed in accordance with IFC PS 1 (2012) and Guidance Note 1 to 2012 IFC PS1 (Annex B), international conventions (specifically, Sakhalin Energy shall comply in all material respects with the PCDP, and with Russian law and regulatory requirements for public consultation and relevant international conventions, and seek to act in the spirit of the Aarhus and ESPOO conventions) where appropriate, as set out in the PCDP.
3. Sakhalin Energy shall develop and maintain a *Community Liaison* organisation (CLO) to maintain community relations. CLO roles and responsibilities are as set out in the CLO Overview, which is appended to the PCDP and shall be updated as necessary.
4. Updates on public consultation and disclosure undertaken in the previous year shall be provided annually in Public Consultation and Disclosure Report (PCDR).
5. Sakhalin Energy shall take into account feedback from stakeholders and any material grievances received.
6. Sakhalin Energy shall maintain a publicly available up-to-date calendar/timetable of planned consultation activities that is updated on a monthly basis and posted on the company's website.
7. Sakhalin Energy endeavours to ensure that people and groups it consults with are representative and inclusive of vulnerable groups as specified in the company's Human Rights Policy; local traditions are respected in discussions and decision-making; and that types of face-to-face meetings arranged are varied and create conditions that encourage the widest possible range of people to participate.
8. Public meetings shall be held in the affected communities when required for transfer of important information. Announcements shall be made three weeks prior to any public meeting.
9. Sakhalin Energy shall conduct informed consultation and participation (ICP) process with potentially project-affected communities in case any expansion, upgrade or retrofitting with potentially significant adverse impacts on affected communities as part of Impact Assessment as per IFC P1. If Project involves any further expansions or new developments that may result in adverse impacts to indigenous communities, Sakhalin Energy will follow the principle of Free, Prior and Informed Consent (FPIC) as per the IFC PS1 and PS7. Advance notifications of such meetings shall be provided to key

¹ Underlined items in this document refer to Sakhalin Energy Controlled Documents.

² Underlined items in this document refer to Sakhalin Energy Controlled Documents.



stakeholders, including Japanese stakeholders, as appropriate. Sakhalin Energy shall provide transport to and from the meeting locations to facilitate public attendance at these meetings as required.

10. The following documents shall be made available³ in Russian and English on the Sakhalin Energy website for the duration of the Sakhalin-2 project, and placed in local libraries on Sakhalin Island as appropriate, as soon as reasonably practicable following the finalisation/approval of each document, also taking into account any activities related to the project expansion and modification as appropriate:

- Health, Safety, Environment and Social Action Plan (HSESAP);
- ESHIA, ESHIA addenda, and Executive Summary of ESHIA;
- Public Grievance Leaflet;
- Resettlement Action Plan (RAP);
- Sakhalin's Indigenous Minority Development Plan (SIMDP);
- Marine Mammal Protection Plan;
- Biodiversity Action Plan;
- Summary of the Corporate Emergency Response Standard in relation to oil spill preparedness and response;
- Summary of each asset Oil Spill Response plan;
- Wildlife Rehabilitation Site Implementation Manual;
- Any significant scientific study or significant monitoring report the subject of which is (i) the Steller's sea eagle (ii) the western gray whale (iii) any other protected, rare or endangered species of flora or fauna (iv) the effect of the project or any project expansion on aquatic fauna of commercial value or (v) any other Environmental Matter or Social Matter in relation to which it is reasonably likely that there will be an actual impact scoring 5 in any of the environment, social or people categories under the Methodology; and
- Each report on the company's compliance with its obligations under the HSESAP, the Pre-Signing Remedial Action Plan and CTA Schedule 8 that is prepared by the Independent Environmental Consultant for the Phase 2 Senior Lenders (as specified in the CTA).

10a. The following annually updated documents shall be made available on the Sakhalin Energy website for the duration of the project. Access to the documents shall be provided through the company's information centres in order to reduce burden on local libraries with limited storage capacity and provide a friendly approach.

- PCDP;
- PCDR; and
- Annual report on company's environmental, social, health and safety performance.

11. The following documents shall be made available in Japanese in the dedicated Japanese area of the Sakhalin Energy website for the duration of the project, and hard copies placed in the Hokkaido public libraries and provided to the relevant Japanese authorities:

- Executive summary of the ESHIA;
- Sections of the ESHIA Addendum that have relevance in the transboundary context;
- Section of the PCDP relating to principles, approach to Japanese stakeholders engagement, communication, transboundary impacts and grievance procedure;
- HSESAP (0000-S-90-04-P-7070-01-E and Appendix 1) and parts thereof pertaining to the transboundary aspects, including Steller's sea eagles and other protected, rare or endangered migratory birds, oil spill response, marine mammals, sea bed disturbance and the International Requirements relevant to each such matter;
- A summary of the material information in the comparative environmental assessment report of the western gray whale; and the executive summary of the International Union for Conservation of Nature (IUCN) report of February 2005 on the western gray whale;

³ Under the CTA, the company is not required to disclose any (a) proprietary technical information, demonstrably commercially sensitive or personal information, or information generated or received for the purposes of actual or contemplated legal proceedings, in which case the document shall be redacted to remove such information, or (b) information deemed confidential under the terms of the PSA unless disclosure has been approved in advance by the Russian Party, or (c) any information commissioned jointly with a third party if the third party does not consent or consents to only partial disclosure (refer CTA for full text).



- Full extracts of the ESHIA on (i) Steller's sea eagles and other protected, rare or endangered species of migratory birds (ii) migratory marine mammals excluding the western gray whale (iii) oil spill response planning including transboundary impacts (iv) commercial fisheries (including aquatic fauna of commercial value) and (v) dredging at Aniva Bay;
 - Summary of the Corporate Emergency Response (ER) Standard in relation to oil spill preparedness and response;
 - Summary of the Oil Spills Prevention and Response Plan for Prigorodnoye asset offshore operations;
 - Subject to a written request to the company by the Intercreditor Agent, a summary of the material information in any report (or if specified the full report) which is disclosable provided the subject matter of such report has a transboundary impact and, in the reasonable opinion of the Intercreditor Agent is likely to be of concern to Japanese stakeholders;
 - Executive summary of each report on the company's compliance with its obligations under the HSESAP and CTA Schedule 8 that is prepared by the Independent Environmental Consultant for the Phase 2 Senior Lenders (as specified in CTA); and
 - Executive summaries of the Lenders' independent environmental consultant (IEC) site visits.
12. Sakhalin Energy shall make publicly available any additional environmental and social position papers and selected key environmental or social monitoring reports, or minutes of public meetings, as appropriate.
 13. Public information shall be released by means of: an annual corporate report in Russian and English and the accompanying public dialogues; the project updates (regularly updated website, or information centres or in the media as listed in the PCDDP); community meetings as per PCDDP; description of the grievance procedure and the associated public grievance leaflet (e.g. via information centres and website); CLO contact information and as appropriate other project-related information if it's important for community (e.g. via information centres and website and accordingly will be listed in PCDDP); employment information; news announcements (by fax, email, press conference, press release, other means as appropriate and requested); and notices of major project changes as well as other public notifications concerning any project activities that may have an impact on the communities. In case of activities associated with expansion, reconstruction, retrofit, upgrade, and maintenance Sakhalin Energy shall also provide information about progress via advertisements, public consultation events, question and answer sessions and letter pages in the local media.
 14. Sakhalin Energy shall develop a community meetings plan, to outline when and where community meetings will take place and to be updated as required. Sakhalin Energy shall disseminate in every community the information from this plan about planned community meetings in the corresponding community in appropriate manner.
 15. Sakhalin Energy shall reschedule meetings following cancellation and, if relevant, shall alert local media / government to confirm that the meeting has been cancelled and the alternative arrangements are in place. If it is not possible to reschedule, copies of relevant documents will be provided to Administration and library as appropriate.
 16. Sakhalin Energy shall endeavour to respond to correspondence received from stakeholders regarding project activities in accordance with the PCDDP and Grievance Procedure as applicable.
 17. Construction contractors of projects with significant potential social impacts are required to appoint CLOs or social focal point fulfilling obligations of CLO. Operation contractors of the key project assets are required to nominate a focal point responsible for management of social issues.
 18. Sakhalin Energy shall endeavour to make available its technical experts for discussions with key stakeholders on issues pertinent to the works being implemented (including on key transboundary issues), and to arrange occasional site tours visits as requested and where possible.
 19. Sakhalin Energy shall maintain regular communication with mass media.
 20. Sakhalin Energy shall meet with key NGOs on a basis that is convenient for both parties and upon reasonable request.
 21. In case major expansion, upgrade or maintenance that entail construction or reconstruction works and may impact stakeholders in Japan are taking place at the operations stage, Sakhalin Energy shall



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organise meetings with Japanese stakeholders, as appropriate. Public meetings shall be announced on the Sakhalin Energy website 21 days in advance of the meeting. The company shall also write to key Japanese stakeholders to advise them of the meeting.

22. Regular engagement with indigenous peoples (IPs) shall take place in accordance with the Sakhalin Indigenous Minorities Development Plan (SIMDP).
23. Sakhalin Energy engages with fishing communities / fishermen in case of, major expansion, upgrade or maintenance that entail construction or reconstruction works and as well as the ongoing offshore activities This shall include key professional organisations of fishermen, affected enterprises of commercial fishing and associated ancillary industries, as well as IP fisheries collectives, as appropriate.
24. Sakhalin Energy shall provide support to Lenders public engagement activities associated with the project as agreed and appropriate.