



# Sakhalin Energy Investment Company Ltd. Controlled Document

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PROJECT OPERATIONS**

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## PLAN FOR PROTECTION OF CULTURAL HERITAGE SAKHALIN-2 PROJECT OPERATIONS

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### 1. INTRODUCTION

This Plan for Protection of Cultural Heritage during Sakhalin-2 project Operations (hereinafter Plan) sets out procedures for Sakhalin Energy Investment Company Ltd. (hereinafter Sakhalin Energy) to meet its commitments for protection of cultural heritage that may be exposed to impacts from any project activities, new project developments (including project expansions) or emergencies during the operation phase of Sakhalin-2 project. For the purpose of this Plan, Objects of Cultural Heritage (hereinafter OCH) means any archaeological and paleontological site, object/structure/artefact of a historical and/or cultural value or any religious/spiritual object or location, including cultural heritage of the Indigenous Peoples.

The present Plan is structured to ensure compliance with Sakhalin Energy obligations under the Russian Federation's laws and international regulations related to the protection of cultural heritage. The Department of Culture of the Sakhalin Regional Administration is responsible for implementation of RF legislation with regard to the protection of Objects of Cultural Heritage (OCH); it is with the designated representative of this body that Sakhalin Energy will coordinate actions determined by this Plan.

The Plan is designed to ensure the OCH protection during the operation phase of Sakhalin-2 project and for any project expansion. It sets forth procedures for all impacts on OCHs from the existing pipelines and associated activities or any new Project developments to be avoided or minimised as much as reasonably possible. These procedures describe how to protect the above-mentioned sites in an induced emergency (oil spill, fire, explosion, etc., caused by a natural disaster) and how to treat the OCHs located in close proximity to the pipelines and other Project facilities, as well as how to handle any chance finds of OCHs during routine operations.

This Plan describes the following activities with respect to the archaeological sites and historical monuments:

- responsibilities of the Sakhalin Energy and contractors' personnel,
- mandatory reporting procedures and data transfer protocols,
- OCH treatment procedures to be used in emergency,
- OCH monitoring during the Project operations,
- Memorandum of Understanding and Liability for Protection of Cultural Heritage Resources.

A representative of Sakhalin Energy, hereinafter referred to as Coordinator, will be responsible for coordinating activities under the Plan during the life of the Sakhalin-2 project.



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## 2. APPLICABLE PROJECT AGREEMENTS AND REGULATIONS

### 2.1 RUSSIAN REGULATIONS FOR OCH PROTECTION

All work with respect to OCH will be completed in accordance with the laws and regulations of the Russian Federation. These include:

- Federal Law No 73-FZ “On Cultural heritage resources (Historical and Cultural Monuments) of the Peoples of the Russian Federation”, Rev. 25 June 2002;
- Fundamental Principles of RF Legislation on Culture (No 3612-1), Rev. 9 October 1992;
- Sakhalin Law “On Culture”, No 222, Rev. 16 October 2000 (approved by the Sakhalin Duma);
- Instruction on Registration, Safety Provision, Usage and Restoration of Unmoveable Memorials of History and Culture, dated 13 May 1986.

Sakhalin Energy personnel and contractors are familiar that Sakhalin Energy has undertaken obligations into agreements with Russian Authorities concerning management and protection of cultural resources. Sakhalin Energy personnel and contractors will be required to comply with laws, regulations and instructions related to cultural heritage protection, and to inform their employees of these laws and ensure compliance.

According to the Federal Law N 73-FZ, all cultural resources/objects of cultural heritage are considered to be an exclusive property of the state, and protected by the state. All archaeological sites found within Sakhalin-2 project impact area and covered by the monitoring belong to the category of cultural heritage objects of a federal value and are included in the corresponding State register. Objects of regional/municipal value were not identified within the project area of direct influence, necessary research activities and checks with the corresponding State authorities were implemented in due course.

According to Article 46 of the Law, individuals and legal entities, engaged in business and other activities in the territory of the Cultural Heritage objects, are obliged to observe the procedure of use of this territory as established in the Federal Law and Land Laws of Russian Federation. General idea of these regulations is no harm to cultural objects. According to Article 61, in case of violation of the Law, officers, individuals and legal entities shall bear criminal, administrative and other legal liability in accordance with applicable laws of Russian Federation. Persons, who have inflicted damage to the object of cultural heritage, shall reimburse the cost of works required for its conservation. However, such reimbursement shall not release these persons from administrative or criminal liability as provided for causing such damage.

### 2.2 INTERNATIONAL REGULATIONS

This Plan and the activities of Sakhalin Energy are in accordance with the following international guidance which is summarised below:

- Charter for the Protection and Management of the Archaeological Heritage (1990) developed by International Committee on Archaeological Heritage Management (ICAHM);
- World Bank Operational Policy 4.11: Physical Cultural Resources (PCR) (2006);
- International Finance Corporation (IFC) Performance Standard 8: Cultural Heritage (2012).

#### 2.2.1 Key Principles of the Charter for the Protection and Management of the Archaeological Heritage (1990)

A number of ‘key principles’ of relevance to this Plan are elaborated in various Articles of the Charter:

- The archaeological heritage is a fragile and non-renewable cultural heritage resource. Land use must therefore be controlled and developed in order to minimise the destruction of the archaeological heritage;



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- Active participation by the general public must form part of policies for the protection of the archaeological heritage. Participation must be based upon access to the knowledge necessary for decision-making. The provision of information to the general public is therefore an important element in integrated protection.

### 2.2.2 World Bank Operational Policy 4.11: Physical Cultural Resources (PCR)

World Bank Operational Policy Note 11.03 (1986) Management of Cultural Property in Bank-financed Projects was converted in 2006 to Operational Policy (OP)/Bank Procedure (BP) 4.11, Physical Cultural Resources (PCR)

The World Bank's general policy regarding cultural properties is to assist in their protection, and to seek to avoid or mitigate adverse impact on physical cultural resources. Before proceeding with a project, which entails the risk of damaging cultural property, the following steps should be taken:

- Determine what is known about the physical cultural resources (PCR) aspects of the proposed project site. PCR includes resources of archaeological, paleontological, historical, architectural, religious (including graveyards and burial sites), aesthetic, or other cultural significance.
- Ensure PCR is an integral part of the environmental assessment (EA) process, in accordance with national legislation in most countries and established global good practice for environmental impact assessment (EIA).
- Incorporate provisions to handle "chance finds".
- Assist in preserving physical cultural resources and avoiding their destruction or damage.
- The government's attention should be drawn specifically to that aspect and appropriate agencies, NGOs or university departments should be consulted.

### 2.2.3 The IFC Performance Standard 8: Cultural Heritage

PS 8 was developed by International Finance Corporation (IFC) which coordinates its activities with the other institutions of the World Bank Group.

- Standard defines cultural heritage as (i) tangible forms of cultural heritage, such as tangible moveable or movable objects, property, sites, structures, or groups of structures, having archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values; (ii) unique natural features or tangible objects that embody cultural values, such as sacred groves, rocks, lakes, and waterfalls; and (iii) certain instances of intangible forms of culture that are proposed to be used for commercial purposes, such as cultural knowledge, innovations, and practices of communities embodying traditional lifestyle.
- Standard sets responsibilities for siting and designing a project to avoid significant adverse impacts to cultural heritage. The environmental and social risks and impacts identification process should determine whether the proposed location of a project is in areas where cultural heritage is expected to be found, either during construction or operations.
- Standard prescribes the following requirements: Comply with defined national or local cultural heritage regulations or the protected area management plans; Consult the protected area sponsors and managers, local communities and other key stakeholders on the proposed project; and Implement additional programs, as appropriate, to promote and enhance the conservation aims of the protected area.

## 3. PREVIOUS SURVEYS OF CULTURAL HERITAGE

The Phase 2 of the Sakhalin-2 project has brought to light a wealth of Sakhalin Island's cultural heritage.



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The purpose of the “Treatment Plan for Objects of Cultural Heritage” (document No. 1000-S-90-04-P-7069-00), agreed and approved by the Department for Culture of the Sakhalin Oblast Administration on 9 September 2003, was to protect cultural heritage resources during the Sakhalin-2 construction phase. The Treatment Plan includes procedures describing actions applicable to newly discovered cultural heritage resources, so as to minimize or prevent possible damage to the historical and/or cultural monuments during construction.

Pre-construction field surveys were undertaken along the pipeline route and other Project assets. As at year-end 2008, all of the fixed-site facilities, access roads and the pipeline route areas had been put to intensive surface surveys. A total of 186 cultural heritage resources, mainly archaeological sites dating back to the Early Palaeolithic, were discovered within the borders of and in close proximity to the pipeline right-of-way (hereinafter ROW). These include various archaeological sites and ethnographic and historical resources (military camps, battlefields and memorials of the mid-20th century), as well as artefacts of the material and nonmaterial culture of the Sakhalin Indigenous People.

The Company took appropriate steps to protect the OCH that were discovered during the Project construction phase, including the following:

- ROW width was reduced and Horizontal Direction Drilling (HDD) was used for pipeline construction;
- pipelines were re-routed to go around 30 OCH;
- protection zones were established around the sites of OCH;
- locations of the known or newly-found archaeological sites and historical monuments were entered into the Geographical Information System (GIS), uploaded to the Sakhalin Energy database and marked on the maps and alignment sheets;
- temporary banding with a warning tape attached were put around the archaeological sites that may be exposed to direct or indirect impacts from the “Sakhalin-2” Project;
- borders of the archaeological sites’ protection zones were fitted with the warning signs “This is the boundary of the protection zone around an archaeological site. The site is protected by Russian law. No earthwork or vehicles are allowed in the protection zone!”
- year-round archaeological monitoring were maintained in the pipeline areas of high cultural sensitivity, i.e. areas with known or potential OCH;
- preliminary surveys were conducted within a total area of >300 km for planned re-routings, access roads, storage grounds or other construction projects, with a view to discovering new OCHs;
- protective (salvage) archaeological excavations were undertaken on nine archaeological sites, with the total area of excavations covering 3,500 sq.m, resulting in about 30,000 artefacts collected, processed and transferred to the custodial care of state institutions;
- movable historical and archaeological resources were transferred from the construction areas to safe locations, in particular, to the permanent custodial care of the Sakhalin State Regional Museum and Archaeology and Ethnography Museum of the Sakhalin State University, together with the associated scientific documentation;
- training sessions on OCH protective behaviour during construction have been held for the construction contractor’s personnel;
- ‘Treatment of Cultural Heritage Resources – Historic Monuments, Archaeological, Ethnographic and Paleontological Sites’ handbooks and ‘Assessment and Protecting Archaeological Resources’ leaflets were published in Russian and English and distributed to the Company and contractor personnel to provide a summary of the requirements for protection of cultural heritage resources in the Sakhalin-2 construction phase;
- information on Sakhalin Energy’s efforts to protect OCHs during the Sakhalin-2 project activities were widely publicised in mass media (newspapers, TV, radio, websites), scientific conferences and



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publications; one permanent and four mobile exhibitions for presenting the results of archaeological excavations, surveys and monitoring were organised for Sakhalin Energy / contractor personnel and general public.

**4. RESPONSIBILITIES OF PERSONNEL**

The following table summarises roles and responsibilities of the Company personnel involved in the Project activities and the contractor personnel involved in the activities with respect to the OCH of Sakhalin.

Sakhalin Energy Specialist, in addition to his/her normal responsibilities, will act as the Company's representative to coordinate the management of OCH protection (hereinafter – Sakhalin Energy Program Coordinator).

A call-off contract will be signed for provision of services of a Cultural Resource Contractor (CRC), as may become necessary (in case of an emergency or a chance find).

<b>PERSONNEL</b>	<b>RESPONSIBILITIES</b>
Pipeline operation personnel of Company/Contractors	<ul style="list-style-type: none"> <li>• receive induction / awareness training for protection of OCH and maintain awareness of the geographical location of the OCH listed as protected sites;</li> <li>• follow instructions and procedures for protection of OCH</li> <li>• report to Coordinator of any damage or potential threat to OCH, if such damage/threat is detected during normal operations/monitoring (as per Chance Finds Procedure, Section 6.3);</li> <li>• assist the Coordinator in the execution of monitoring of the OCH in the pipeline area and in the area of influence of any other Project facilities.</li> </ul>
Sakhalin Energy Program Coordinator	<ul style="list-style-type: none"> <li>• provides induction / awareness training to Project personnel for protection of OCH;</li> <li>• executes periodical monitoring of OCH to check their condition and presence of warning signs;</li> <li>• advises CRC (at the time of signing the call-off agreement) about all instances of damage caused to OCHs or potential threats to OCH integrity;</li> <li>• coordinates activities of Sakhalin Energy and CRC, as may be necessary;</li> <li>• reviews budgets, timelines, cost estimates, work scopes, as well as OCH Protection Reports submitted by CRC as requested by the Company;</li> <li>• works with local authorities for obtaining all required approvals and co-ordination of activities;</li> <li>• prepares and submits annual reports on the condition of the protected OCH to the senior management of Sakhalin Energy and local authorities upon request;</li> <li>• participates together with CRC (upon signing the call-off agreement) in the development and execution of the agreed protective activities under the appropriate Emergency Response Plan (ERP) or Objects of Cultural heritage Recovery Plan, as may be necessary;</li> <li>• provides advice and assistance to External Affairs and other departments of the Company, if expert opinion is required on matters related to OCH;</li> <li>• maintain internal database of OCH locations;</li> <li>• supervises over compliance with the Chance Finds Procedure where the</li> </ul>



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	Company conducts earthwork in non-surveyed areas.
Cultural Resource Contractor (CRC)	<ul style="list-style-type: none"> <li>• maintains awareness of the geographical location of the OCH listed as protected sites and the required protective actions;</li> <li>• is mobilised for emergencies posing a threat to the OCH integrity or for resumed construction with high probability of new finds;</li> <li>• must be readily available in case of emergency;</li> <li>• develops and implements procedures for immediate launching of protective actions in case of potential threats to the integrity of OCH ;</li> <li>• prepares and submits reports on the results of monitoring and any other reports as may be requested by the Company;</li> <li>• maintains the discovered artefacts/objects and associated records in such condition and location as to be easily inspected, if required;</li> <li>• in case of emergency, works together with Coordinator and the Project operations personnel to develop measures for the protection of OCH;</li> <li>• develops and implements the Cultural heritage Recovery Plan, as may be necessary;</li> <li>• contributes to the rollout of the Chance Finds Procedure.</li> </ul>
Sakhalin Energy Environmental specialists	<ul style="list-style-type: none"> <li>• maintains awareness of the geographical location of the OCH listed as protected sites and the required protective actions;</li> <li>• reports to Coordinator any damage of or potential threat to OCH, if such damage/threat is detected during their normal work (environmental control/monitoring);</li> <li>• in case of emergency, works together with Coordinator, CRC representative and Project operations personnel to develop measures for protection of natural environment and OCH.</li> </ul>

## 5. PROCEDURES FOR PROTECTION OF OCH

### 5.1 OBJECTIVES

The operation or maintenance of the existing Project facilities can be potentially harmful to OCH. Any activity involving soil disturbance, such as clearing of vegetation, grading, excavation, trenching, levelling, etc., even the passage of heavy vehicles, may cause damage to archaeological resources. Any emergency occurring during the operation phase, as well as mitigation of and response to such emergency may cause damage to OCH located in close proximity to the Project pipelines or other facilities.

For appropriate protection of the OCH that are exposed to the Project influence, whether directly or indirectly, the following actions are proposed:

- exercise periodic monitoring of the OCH throughout the Project life, and
- apply the procedures described in this Plan throughout the Project life.

### 5.2 MONITORING OBJECTIVES

Sakhalin Energy Specialists will arrange monitoring of OCH.

The monitoring will be conducted for the known cultural and historical resources (sites) in close proximity of the ROW and Project assets to check that the boundaries of the cultural heritage resource protection zone are not violated and the warning signs are in place.

Annual monitoring will be conducted in summer/autumn.

Additional archaeological monitoring will be conducted in case of emergency in order to:

- inspect safety of OCH located in close proximity to the subjected site;



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- work out relevant measures for cultural heritage resource safety and integrity,
- make sure emergency response does not impact or damage any cultural heritage resource, and
- document the condition of OCH (warning signs, visible/invisible damage to OCH, any pollution or flooding, condition of the topsoil layer, pit-dwellings, surface artefacts, etc.).

### 5.3 PROCEDURES FOR POTENTIAL FINDS OF NEW OCH (CHANCE FINDS PROCEDURE)

Contractors operating in areas not covered by the Sakhalin-2 project surveys, but having a cultural heritage potential, are required to have knowledge and understanding of the applicable procedures before proceeding with work. The following is the list of key requirements for contractors operating in such areas:

- suspend all activities causing disturbance to topsoil, including surface clearing, trenching, etc., within 100 m of the discovery location and install perimeter fencing - 100 m radius from the finding. No vehicles, woodcutting, earthwork, storage of materials or other unauthorized operations are allowed in the OCH area
- report the discovery to Sakhalin Energy Program Coordinator within 24 hours;
- mark the discovery location to ensure its security and avoid any construction work in the discovery area until the Sakhalin Energy Program Coordinator (or CRC approved by Sakhalin Energy) arrives on site;
- register the discovery using the form presented in Appendix 1.

Earthwork can be resumed outside the 100 m zone after CRC approved by Sakhalin Energy has inspected the location and, after consultations with the appropriate State agency, makes decision that the potentially important OCHs would not be disturbed by the resumed work. Sakhalin Energy Program Coordinator (or CRC approved by Sakhalin Energy) will be responsible for continued monitoring of all earthwork performed on the site.

Sakhalin Energy will notify the Contractor that the construction/operation work can be resumed after all the required actions to protect, preserve or salvage the discovered OCH have been duly completed under the supervision of the Sakhalin Energy Program Coordinator (or CRC approved by Sakhalin Energy).

For major construction scopes under the Sakhalin-2 new or expansion projects, appropriate procedures for dealing with the chance finds or discoveries in any non-surveyed areas will be implemented during the construction phase in accordance with the Treatment Plan for Cultural Heritage Resources as previously developed by Sakhalin Energy. This includes treatment procedures for the protection of OCH of Indigenous People.

For implementation of the Chance Finds Procedure and Communication Protocol, the following emergency telephone number is provided: 662500.

### 5.4 PROCEDURES FOR OCH PROTECTION IN AN EMERGENCY

- HSE specialist of the Emergency Response Team shall as soon as possible inform Sakhalin Energy Program Coordinator and External Affairs Division representative on duty on the character and precise location of the accident and response actions taken or planned to be taken.
- Sakhalin Energy Program Coordinator advises on whether there are any OCH exposed to direct or indirect impact from the emergency.
- In case of presence of any OCHs in the area exposed to the emergency, Sakhalin Energy Program Coordinator proposes and discusses with the Response Coordination Team his/her recommendations on how to protect these OCHs. Measures agreed as a result of such discussion must be captured in the Emergency Response Plan (ERP).



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- in case of damage hazard or occasional damage of OCH, Sakhalin Energy Program Coordinator shall inform External Affairs Division representative and then approved and agreed information should be provided to Ministry of Cultural Affairs of Sakhalin Oblast and contact CRC.
- The Project and Contractor personnel must be aware that vehicles and especially heavy-lift equipment will have to avoid as much as possible the cultural heritage protection zone, since this can cause irreparable loss of the relic top layer.
- Any ground-disturbing activities within the cultural heritage protection zone will have to be avoided as much as possible, since they can cause irreparable loss of the OCH.
- Sakhalin Energy Program Coordinator and CRC will monitor the emergency response activities, following which CRC will inspect and document the current status of the OCHs and keep External Affairs Division informed of the situation development.
- Where a cultural OCH was damaged due to an emergency or emergency response activities, special mitigation measures will be developed and implemented (e.g. surface collection of artefacts, archaeological excavations, installation of warning signs, land reinstatement, etc., as may be needed) according to a special 'Cultural Heritage Recovery Plan'.
- CRC will be required to develop a Cultural Heritage Recovery Plan (CHR Plan) within five (5) working days after the date of the emergency occurrence. OCHR Plan will have to be reviewed and approved by the Company within five (5) days after the date of its submission by CRC. The Company will provide financial support (cover expenses) for the protective measures as described in the CHR Plan.
- In the event that an important archaeological monument is damaged, salvage archaeological excavations may be required. CRC will agree the scope of work and carry out excavations in accordance with the RF Academy of Sciences "Regulations on Archaeological Excavations and Surveys and on Open Lists"\*. The Company will provide financing for the excavations, processing of the received material and preparation of the final report. The information should be provided to External Affairs Division for developing Company's position in case of the external enquiry.
- If any individual involved in the emergency response makes any finds, he/she must keep such finds safe until they can be handed over to Sakhalin Energy Program Coordinator or CRC. CRC is responsible for careful collection of finds, collection and record-keeping of the required data, as well as preservation and safekeeping of the artefacts in a state depository (e.g. museum).

### 5.5 LIABILITY

Sakhalin Energy is responsible for protecting the integrity of all OCH in the areas directly or indirectly impacted by the Project. If a cultural heritage resource is damaged through the fault of Sakhalin Energy, its employees or contractors, or through other Project-related causes, the Company will be responsible for performing of financing the required salvage activities.

Sakhalin Energy is not liable for any damage caused to the OCH within the Project's direct or indirect area of influence by a third party (for example, local residents), but may volunteer to assist in providing the required salvage work in case of such third-party damage.

## 6. PROPOSALS FOR PROTECTION OF OBJECTS OF CULTURAL HERITAGE DURING SAKHALIN-2 PROJECT OPERATIONS

### 6.1 INFORMATION ON OCH TO BE PROTECTED DURING SAKHALIN-2 PROJECT OPERATIONS

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\* „Open List,, is a governmental license, issued by Moscow Institute of Archaeology to a person (qualified specialist) for a certain type of archaeological works, such as field surveys, surface collection, salvage excavations, etc.



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Section 7 of this Plan for Protection of OCH contains the table “Proposals for the Protection of OCH during Sakhalin-2 project Operations”. The table lists 54 OCH, which are located in the areas exposed to direct or indirect impacts from the Project and which require protection measures. The table contains:

- OCH name and description;
- recommendations of experts for further monitoring.

### 6.2 PROTECTIVE MEASURES DURING PROJECT OPERATIONS

OCH listed in the Table in Section 7 are subject to periodic monitoring. Notwithstanding no negative impact on OCHs from the Project revealed by previous monitoring, the Company decided to continue the monitoring.

The main protective measure for the archaeological monuments will be to mark the protection zone borders adjoining the ROW or other Project assets by means of solid posts with the following information / warning signs: “Protection zone! No vehicles or earthwork allowed!”

The order of priority for protecting OCH (archaeological monuments) during the Project operation phase is established based on the following criteria:

- monument's location with respect to the Project assets,
- monument's size, and
- monument's historical significance.

In case the information/warning signs get damaged, battered or stolen, or in case of other circumstances resulting in that the information/warning signs become unusable or missing, the Company will take a decision on the reconstruction of the signs or other appropriate actions.

These protective measures will be effective through the Sakhalin-2 project operations phase, but may be reviewed by the Company as required. The Table will be updated to accommodate new cultural heritage resource.

### 6.3 DATABASE

Information on all OCH discovered within the area of the Project's direct or indirect impact and in the vicinity of the Project assets have being uploaded to the Company's Database. This data will be checked and updated as required. Also, this data will be provided as working information to the respective operational personnel, as may be necessary.

## 7. TABLE: PROPOSALS FOR PROTECTION OF OCH DURING THE “SAKHALIN-2” OPERATIONS

No	Site Name and Short Description	Expert Recommendations for Further Monitoring
1	Chaivo 26, point 2	Continue the monitoring scope according to the Plan. Archaeological salvage excavations were performed on a portion of the archaeological site, which overlaps with the Pig Trap construction site.
2	Chaivo 25, points 1-2. Settlement, 4 pit-houses.	To be eliminated from the future monitoring scope, since Chaivo 25 Point 1 is more than 300 m away from the pipeline route and Chaivo 25 Point 2 is also outside the protection zone of the main onshore pipelines (Main Pipeline Protection Guidance). Project impact risks are zero.



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3	Chaivo 24, points 2, 3. Archaeological site without terrain features.	Discontinue this monitoring scope according to the Plan due to remoteness (>50 m) of the Chaivo 24 sites from the pipeline route.
4	Chaivo 24, points 1, 4. Point 1 – 4 pit-houses. Point 4 – 2 pit-houses.	Discontinue this monitoring scope according to the Plan due to remoteness (>50 m) of the Chaivo 24 sites from the pipeline route.
5	Chaivo 23. Archaeological site without terrain features.	Discontinue this monitoring scope according to the Plan due to remoteness of the Chaivo 23 site from the pipeline route.
6	Chaivo 22, points 1- 4. Settlement, 8 pit-houses.	Delete this site from the list of OCHs that are being monitored according to the Plan, due to its remoteness from the pipeline route.
7	Chaivo 11, Settlement 1 pit-house.	Discontinue this monitoring scope according to the Plan due to remoteness of the site from the pipeline route and access roads of Sakhalin-2 project. Minimal impact risk levels.
8	Chaivo 12. Settlement, 7 pit-houses.	Discontinue this monitoring scope according to the Plan due to minimal impact risk levels (~70 m from the pipeline route).
9	Chaivo 1 Ngayan, point 1. Settlement, over 220 pit-houses.	Continue the monitoring of Ngayan Point 1 according to the Plan. Delete Chaivo 1 Point 2 from the Plan due to remoteness of the site from the Sakhalin-2 pipeline route and ENL access road crossing.
10	Chaivo 31, point 1 Settlement, 9 pit-houses.	Continue the monitoring of Chaivo 31 Point 1 according to the . Delete Chaivo 31 Point 2 from the Plan due to its remoteness from the Sakhalin-2 pipeline route (> 200 m), the closest production facility of Sakhalin Energy.
11	Askasai 6, point 1. Settlement, 1 pit-house.	Continue the monitoring of Askasai 6 according to the Plan.
12	Askasai 6, point 2. Settlement, 9 pit-houses.	Continue the monitoring of Askasai 6 according to the Plan.
13	Tapauna 3, Point 1. Settlement, 35 pit-houses.	Continue the monitoring of Tapauna 3.1 according to the Plan.
14	Dagi 7, point 1. Archaeological site without terrain features.	Continue the monitoring scope according to the Plan.



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15	Dagi 7, point 2. Archaeological site without terrain features.	Continue the monitoring scope according to the Plan.
16	Dagi 6. Settlement, 2 pit-houses.	Continue the monitoring scope according to the Plan.
17	Dagi 9. Settlement, 1 pit-house.	Continue the monitoring scope according to the Plan.
18	Venskoye 5, point 1. Settlement, 1 pit-house.	Continue the monitoring scope according to the Plan.
19	Venskoye 5, point 2. Settlement, 19 pit-houses.	Continue the monitoring scope according to the Plan.
20	Venskoye 4, point 1. Settlement, 2 pit-houses.	Continue the monitoring of the site.
21	Venskoye 4, point 2. Settlement, 9 pit-houses.	Continue the monitoring of the site.
22	Venskoye 4, point 3. Settlement, 5 pit-houses.	Discontinue the monitoring scope according to the Plan, since this site is outside the ROW protection zone.
23	Djimdan 5. Settlement, 25 pit-houses.	Continue the monitoring scope according to the Plan.
24	Djimdan 7, point 1. Settlement, 17 pit-houses.	Continue the monitoring scope according to the Plan.
25	Djimdan 7, point 2. Settlement, 13 pit-houses.	Delete Djimdan 7 Point 2 from the Plan due to its remoteness from the pipeline route.
26	Chachma 1, point 1. Settlement, 5 pit-houses.	Continue the monitoring scope according to the Plan.
27	Chachma 1, point 2. Settlement, 21 pit-houses.	Continue the monitoring scope according to the Plan.
28	Vazi 1. Settlement, 5 pit-houses.	Continue the monitoring of Vazi 1 Point 1 according to the Plan. Vazi 1 Point 1 – no need to continue the monitoring, since there is not potential risk of impact on this area (very far from the pipeline route).



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29	Nabil 1, point 2. Settlement, 34 pit-houses.	Continue the monitoring scope according to the Plan. There is a potential threat of land subsidence in this area. The pipeline was built by HDD method under this site.
30	Vos'i 2. Archaeological site without terrain features.	Discontinue the monitoring scope according to the Plan, since this archaeological site is in close proximity to a public-access road.
31	Vos'i 5. Archaeological site without terrain features.	Discontinue the monitoring scope according to the Plan, since this archaeological site is in close proximity to a public-access road. Distance between the site and the pipeline is more than 1 km.
32	Beloe 9. Archaeological site without terrain features.	Continue the monitoring scope according to the Plan.
33	Beloe 7, point 4. Settlement, 7 pit-houses.	Delete this site from the Plan due to its remoteness from the pipeline route.
34	Beloe 8 (old Beloe-Tym 2). Settlement, 24 pit-houses.	Continue the monitoring scope according to the Plan.
35	Kirpichny 10. Settlement, 137 pit-houses.	Continue the monitoring scope according to the Plan.
36	Kirpichny 21. Settlement, 1 pit-house.	Discontinue the monitoring of this site according to the Plan due to a sufficient distance to the Project facilities. The distance between the site and the pipeline route is 70 m.
37	Yasnoe 7 (old Yasnoe 2). Settlement, 8 pit-houses.	Continue the monitoring scope according to the Plan.
38	Pugachevo 20. Settlement, 9 pit-houses.	Continue the monitoring scope according to the Plan.
39	Pugachevo 1, point 3. Archaeological site without terrain features.	Continue the monitoring scope according to the Plan.
40	Pugachevo 1, point 2. Archaeological site without terrain features.	Continue the monitoring scope according to the Plan. Transferred to state custody as per Resolution of the Sakhalin Oblast Executive Committee of 28 March 1990, Ref. No. 106.
41	Pugachevo 1, point 1, Archaeological site without terrain features.	Delete Pugachevo 1 Point 1 from the list of the protected OCHs due to its remoteness from the pipeline route.
42	Pugachevo 38. Settlement, 5 pit-houses.	Continue the monitoring scope according to the Plan.



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43	Pugachevo 41. Archaeological site without terrain features.	Discontinue the monitoring of this site according to the Plan due to it being close to a public road and the distance from the pipeline route being more than 1 km.
44	Dudino 2. Settlement, 9 pit-houses.	Continue the monitoring scope according to the Plan.
45	Slavnaya 5. Archaeological site without terrain features.	Continue the monitoring scope according to the Plan. Salvage excavations were carried out in the section of the archaeological monument overlapping with the pipeline construction site.
46	Slavnaya 4. Archaeological site without terrain features.	Continue the monitoring scope according to the Plan. Salvage excavations were carried out in the section of the archaeological monument overlapping with the pipeline construction site.
47	Slavnaya 6. Depression (pit-house?) of XX century.	Continue the monitoring scope according to the Plan.
48	Chernaya 2. Settlement. Point 2: 8 pit-houses. Point 3: 5 pit- houses.	Continue the monitoring of Chernaya 2 Points 2 and 3 according to the Plan.
49	Firsovo 2. Settlement, 11 pit-houses.	Continue the monitoring scope according to the Plan.
50	Firsovo 4. Settlement, 1 pit-house.	Continue the monitoring scope according to the Plan.
51	Firsovo 5. Settlement, 1 pit-house.	Continue the monitoring scope according to the Plan.
52	Listvennitsa 1. Settlement, 1 pit-house.	Discontinue the monitoring of this site according to the Plan. The site is near the access road which existed only during the construction phase. To date, the railway crossing has been removed and no potential impact on the site is expected. Significant distance between the site and the pipeline route.
53	Tikhaya Rechka (Prigorodnoye) Isolated pit-house; Remains of the military camp	This is a historical site located at >100 m distance from the nearest pipeline route. Discontinue the monitoring of this site due to remoteness from the Project facilities.
54	Kharami-togi fortified area. Historical object – place of the severe battles in August 1945	This is a historical site. Discontinue the monitoring of this site according to the Plan due to remoteness from the Project facilities.



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**APPENDIX 1 MEMORANDUM OF UNDERSTANDING AND LIABILITY  
FOR PROTECTION OF POTENTIAL OBJECT OF CULTURAL HERITAGE**

**Name of Contractor**

**Name of cultural heritage resource**

**Date of signing:** dd/month/year

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**Time of signing:** (24h)

**Geographical location of the discovered cultural heritage resource**

*(including the GPS coordinates and/or kilometre posts or other topographic information, as well as the name of the nearest village/ town or geographic region)*

We, the undersigned, hereby acknowledge and confirm the following:

- We have been informed about the cultural heritage resource existence.
- The boundaries and protection zone of the cultural heritage resource have been designated and marked with warning signs.
- In compliance with the RF legislation, all construction work (including deforestation) is prohibited within the boundaries of the discovered site, until the cultural heritage resource (archaeological site) has been removed (relocated).
- If the above cultural heritage resource is destroyed and /or damaged by the contractor equipment/personnel due to breach of the cultural heritage resource protection procedures and/or due to other reasons, the organization performing the construction work for Sakhalin 2 and responsible for the area of the incident will be held liable for such destruction/damage.
- The applicable laws of the Russian Federation provide that all newly discovered archaeological or paleontological resources shall be regarded as the exclusive property of the Russian Federation. Illegal collection of artefacts is strictly prohibited. Violation of this prohibition will result in disciplinary action, which may include criminal proceedings.

**AUTHORIZED REPRESENTATIVE of Contractor:**

\_\_\_\_\_  
(full name, signature )

**CONTRACTOR HSE MANAGER:**

(or any other authorized specialist for cultural heritage resource protection with appropriate training)

\_\_\_\_\_  
(full name, signature)

**Work permit OBTAINED**

Work permit valid from \_\_\_\_\_  
(dd/mm/year)

\_\_\_\_\_  
(full name & signature) On behalf of Sakhalin Energy Investment Company Ltd