



**Sakhalin Energy Investment Company Ltd.
Public Consultation and Disclosure Plan, 2014**

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INTRODUCTION

Sakhalin Energy Investment Company Ltd. (Sakhalin Energy) considers regular and meaningful engagement with the public and other key stakeholders, as well as the public disclosure of relevant project information, to be important elements for the successful development of the Sakhalin-2 project (the project). To this end, since the very beginning Sakhalin Energy has actively sought to engage with stakeholders and provide information about its activities. This will continue throughout the life of the project.

Sakhalin Energy's general business principles state a clear commitment to transparent and open stakeholder engagement and the company takes this into consideration in the following objectives and approaches towards this engagement:

- it should be meaningful, purposeful and open, as inclusive as possible and practicable, and should incorporate as diverse range of views and interests as possible;
- it should aim to build strong, positive relationships with community and other stakeholders, to provide effective mechanisms for the exchange of views about previously identified issues and the ways in which Sakhalin Energy manages them, and to create conditions where emerging issues of concern are brought to its attention and addressed in a timely manner; and
- it should be documented and the records or summary of the records made public where possible, with the exception of those issues relating to personal information and privacy of individuals.

The company's strategy for public consultation and disclosure of information has evolved over 20 years of engagement with Sakhalin communities and other interested parties. It has been shaped by their feedback to provide what we intend to be a meaningful approach to ensure they are suitably informed of project activities and that the company has an effective means for hearing their concerns. Further to this direct feedback, Sakhalin Energy fulfils the legal requirements of the Russian Federation for public consultation as well as International Finance Corporation (IFC PS 1, 2012 revision) on the preparation of a public consultation and disclosure plan (PCDP).

This PCDP describes Sakhalin Energy's plans and programmes for public consultation and the disclosure of information for the project. Given the size of the project, Sakhalin Energy is committed to regularly engaging with the public and other stakeholders at the local level where the project is occurring and also at national and international levels. The PCDP describes Sakhalin Energy's plans for consultation at all three levels and includes:

- brief description of the project;
- summary of legal requirements and applicable international guidelines and conventions on consultation and disclosure;
- details of stakeholders grouping and how they are identified;
- feedback from consultation;
- description of routine engagement on ongoing project activities;
- consultation under development projects;
- description of the role of the community liaison organisation;
- description of Sakhalin Energy's grievance procedure;

- key contact details.

There are seven appendices to this document:

- Appendix 1 sets out the company's statement of general business principles, determining the main areas of responsibility and principles followed by the company in its activities.
- Appendix 2 provides contact details of CLO and locations of bulletin boards.
- Appendix 3 provides contact information for distribution of SIMDP information materials.
- Appendix 4 provides a summary of non-governmental and community organisations which have been involved to date.
- Appendix 5 lists the existing stakeholders in Japan, in particular, on the island of Hokkaido.
- Appendix 6 provides a more detailed overview of the community liaison organisation.
- Appendix 7 provides the list of abbreviations used in this document.

Sakhalin Energy will update this plan on an annual basis or as required to take into account feedback from stakeholders consulted. This is the 11th edition of the PCDP, which has been updated to include more recent consultation strategies and activities.

1 PROJECT DESCRIPTION

1.1 Introduction

Sakhalin Energy is developing the project under a Production Sharing Agreement (PSA) concluded in 1994 between the Russian Federation Government, the Sakhalin Oblast Administration and Sakhalin Energy. The contract was the first agreement of its kind to be signed in Russia. The project has two licence areas offshore of the northeast coast of Sakhalin Island: Piltun-Astokhskoye (predominantly oil) and Lunskoye (predominantly gas).

Sakhalin-2, being one of the world's largest integrated oil and gas projects, comprises the following infrastructure:

- three offshore ice class platforms;
- some 300 km of the offshore pipelines;
- some 1600 km of the onshore pipelines;
- onshore processing facility (OPF);
- booster station 2;
- oil export terminal;
- LNG plant (first in Russia).

Due to the complexity of the project, Sakhalin Energy has taken a phased approach to its development. The seasonal oil production started in 1999, the year round oil production and offloading started in December 2008 and the first LNG was offloaded in March 2009.

As part of phase 2 of the project, Sakhalin Energy carried out extensive improvements to Sakhalin Island's infrastructure. Over forty bridges and about 150 kilometres of public roads were upgraded, repaired or replaced during the project and similar stretches of new roads were built. Ports and railways were also upgraded where required, and the project has provided funds to support the upgrade of the airport at Nogliki. In many cases, work was done on public or publicly used assets in partnership with the local authorities.

Currently, the high-technology oil and gas infrastructure created under the Sakhalin-2 project is operating at full capacity.

In 2014 the company intends to proceed with implementation of the OPF compression project.

This project covers construction of MP compressor at the area which is adjacent to OPF to maintain hydrocarbons production at current level. In accordance with the RF legislation, all required permits and approvals for this project and/or its components have been obtained prior to commencement of the works.

In 2014 Sakhalin Energy intends to continue active work to ensure increased gas supplies to consumers of the Sakhalin Oblast as per PSA requirements. At present improvement of GDP in Tymovsk is the priority project for gas supply to Sakhalin consumers. Improvement of GDP is realized through technical upgrade of existing BVSs on the Sakhalin-2 project main pipeline. Working documentation for GDP in Tymovsk will be developed in spring with further construction in summer. The first commissioning of gas export from GDP to GDS in Tymovsk is planned in autumn 2014.

In accordance with Sakhalin Energy's obligations on full development of reserves against the Russian Federation, the company investigates opportunities for future production of reserves of two licensed hydrocarbon fields.

Information about the Sakhalin-2 project can also be found at www.sakhalinenergy.ru and www.sakhalinenergy.com.

2 LEGAL REQUIREMENTS AND STANDARDS

Sakhalin Energy aims to ensure that the Sakhalin-2 project complies in all respects with the Russian law and the regulatory requirements for public consultation. Sakhalin Energy's objective is also to comply with the 2012 IFC Performance Standards (IFC PS) which serve as an international benchmark for good practice.

Although the Russian Federation has not ratified the Aarhus Convention on the access to environmental information and public participation in environmental decision making and the Convention on environmental impact assessment in a trans-boundary context (Espoo), the company recognizes the importance of these conventions, and has made efforts to meet the spirit of their intent insofar as it is applicable for a private sector company to do so.

This section outlines the key Russian Federation legislation and international guidelines and conventions concerning public consultation that apply to the project and how Sakhalin Energy has addressed them. It also sets out Sakhalin Energy's own principles concerning public consultation and the disclosure of information.

2.1 Russian regulatory context – the EIA process

Russian regulatory requirements for public consultation and the disclosure of information generally focus on consultation around environmental impact assessments (EIA).

Project sponsors are required by the Russian Federation executive order № 372 of March 16, 2000 to prepare a preliminary environmental assessment at an early stage in a project's development, which then form a component of the public information and consultation process. The key consultation element in the Russian law is the public hearings process, which allows the public to comment both orally and in writing on an EIA. The project sponsors must then amend the EIA to incorporate comments received from the public. This EIA must be approved by the Russian authorities as part of the project documentation in order for project execution to proceed. Similar approach is undertaken in case of significant changes to an existing project that may have environmental impacts.

Project documentation for certain projects together with the EIA section are subject to the State Environmental Expert Review (SEER). The Federal law on environmental expert review (No. 174-FL, 23 November 1995) states that the review is a process of establishing the compliance of a proposed project with environmental requirements in order to determine whether or not the project may be implemented. It is a governmental decision-making tool to ensure that businesses embarking on new projects minimise any resulting damage to the environment. The examination is complex and comprehensive and involves the review of technical and legal documents, comprehensive economic draft programmes, environmental safety compliance reports and land conservation plans to consider the potential impact on subsoil resources, water resources, forests, land, air, flora and fauna.

State Environmental Expert Review is an important element of the Russian EIA review process, and public involvement in the process is determined under the federal law "On Environmental Expert Review", No. 174-FL (November 1995). The environmental expert review process is divided into two sections: state environmental expert review and public environmental expert review (public ecological expertise). The latter is an opportunity for interested parties to comment on the quality of the developer's EIA and to submit any objections. Article 22 of the abovementioned federal law states that, "public ecological expertise initiated by citizens or non-governmental organisations will be performed either prior to government ecological

expertise or in parallel with it."

2.2 International guidelines

Sakhalin Energy aims to comply with international best practice on public consultation and disclosure in developing the Sakhalin-2 project. It has developed this PCDP in accordance with the IFC PS 1 requirements relevant to stakeholder engagement as a reference for best practice (Section 2.2.1) and takes into account relevant international conventions on public participation where appropriate (Section 2.2.2).

2.2.1 IFC Performance Standards

Before 2012 the company followed the World Bank (WB) Guidance Note F on public consultation and disclosure; the compliance with its implementation was demonstrated through the frequent and meaningful engagement that was undertaken with key stakeholders during the environmental, social and health impact assessment (ESHIA) process and the public disclosure of the ESHIA materials in 2003 and its addenda in 2005 as well as other documentation deemed to be of interest to the general public.

In 2012 the company undertook a commitment to follow the 2012 IFC PSs, including those requirements that are related to stakeholder engagement. In particular IFC PS 1 Assessment and Management of Environmental and Social Risks and Impacts replaced the WB Guidance Note F.

The company adheres to the IFC PS 1 requirements during the preparation of this annual revision of the public consultation and disclosure plan (PCDP).

PS 1 advises that "Stakeholder engagement is the basis for building strong, constructive, and responsive relationships that are essential for the successful management of a project's environmental and social impacts". It also underscores that "Stakeholder engagement is an ongoing process that may involve, in varying degrees, the following elements: stakeholder analysis and planning, disclosure and dissemination of information, consultation and participation, grievance mechanism, and ongoing reporting to affected communities". The nature, frequency, and level of effort of stakeholder engagement may vary considerably and will be commensurate with the project's risks and adverse impacts, and the project's phase of development.

As per PS 1, the company also remains committed to ongoing engagement with key stakeholders during the construction and operational phases of the project. In compliance with Guidance Note to 2012 IFC PS1 (Annex B), the PCDP:

- (i) Describes regulatory, lender, company, and/or other requirements for consultation and disclosure.
- (ii) Identifies and prioritizes key stakeholder groups.
- (iii) Provides a strategy and timetable for sharing information and consulting with each of these groups.
- (iv) Describes resources and responsibilities for implementing stakeholder engagement activities.
- (v) Describes communication methods and how stakeholder engagement activities are incorporated into a company's management system/process.

Guidance Note to 2012 IFC PS1 (Annex B) can be viewed at the IFC website at www.ifc.org.

2.2.2 International conventions

The two international conventions that are relevant to public consultation and disclosure are the UNECE Convention on the access to environmental information, public participation in environmental decision making and access to environmental justice “Aarhus Convention” (1998) and the UNECE Convention on environmental impact assessment in a trans-boundary context (Espoo) (1991). Both conventions oblige public authorities to undertake activities in relation to consultation and the disclosure of information. Whilst the Russian Federation has to ratify either convention, Sakhalin Energy nevertheless recognizes the purpose of the conventions and endeavours to embrace the spirit of their intent insofar as it is reasonable for a private sector company to do so.

2.2.2.1 Espoo Convention

Espoo aims to promote consultation between signatory states where operations in one state have the potential to affect the environment in another. In the countries that ratified the Espoo Convention, the party suggesting a project must notify the “competent authorities” if the project is considered to have potential trans-boundary impacts. The authorities would then invite the potentially affected neighbouring state to participate in the EIA process. Should the invitation be accepted, an equivalent degree of public consultation should take place in both states. Espoo does not provide for private companies or individuals to initiate the process, instead leaving this as a responsibility of the governments that have ratified the Convention. The Convention does however provide for notification to be done through a third party, and in this situation, a private company may play a strong role.

It is clear from the geography of Sakhalin Island and the project that trans-boundary consultation efforts should involve Japan, specifically Hokkaido Island. Although the Russian Federation has not ratified Espoo, Sakhalin Energy acknowledges the benefits of seeking to fulfil the spirit of the Convention in its development of the project.

In addressing the spirit of Espoo, the company has undertaken a number of multi-stakeholder forums and technical meetings in Japan since 2002, and has established positive links with organizations such as the Marine Disaster Prevention Centre. More details on the company’s strategy for engagement with the Japanese public and other key stakeholders is provided in Section 7.8 (this Section is available in Japanese as well as in Russian and English).

2.2.2.2 Aarhus convention

The objective of the Aarhus Convention is to guarantee the rights of public access to information and to promote public participation in decision-making, as well as access to justice in environmental matters.

Aarhus establishes two main principles in relation to disclosure of environmental information:

- it obliges public authorities to make sure that information relating to the environment is available on request without discrimination;
- it also establishes the principle that environmental information should be provided pro-actively to any affected party.

Despite the responsibilities that the Aarhus Convention places on governments rather than private companies, as with the Espoo Convention, Sakhalin Energy acknowledges the benefits of seeking to act in the spirit of Aarhus, as demonstrated by its own requirements for public consultation and disclosure (see Section 2.3 below).

2.3 Company requirements

Sakhalin Energy has taken into account the guidelines and recommendations for public consultation and disclosure published by the IFC (Section 2.2.1) as well as relevant international conventions (Section 2.2.2) in developing its own standards for public consultation and disclosure. It also takes into account the consultation and disclosure commitments made publicly in the company's statement of general business principles, Sustainable Development Policy, Human Rights Policy, Commitments and Policy on Health, Safety, Environment and Social Performance (the HSE and SP Policy).

Sakhalin Energy's statement of general business principles (Appendix 1) includes the following:

“Sakhalin Energy recognizes regular dialogue and engagement with our stakeholders is essential. We are committed to reporting of our performance by providing full relevant information to legitimately interested parties, subject to any overriding considerations of business confidentiality.”

In addition, Sakhalin Energy takes into consideration the following objectives and approaches for consultations:

- public consultation should be meaningful, purposeful and open, as inclusive as possible and practicable, and should incorporate as diverse a range of views and interests as possible;
- consultation should aim to build strong, positive relations with the community and other stakeholders, to provide effective mechanisms for the exchange of views about previously identified issues and the ways in which Sakhalin Energy manages them, and to create conditions where emerging issues of concern are brought to its attention and addressed in a timely manner;
- consultation should be documented and the records of consultation made public where appropriate and possible.

Where relevant World Bank group guidelines or policies (e.g. IFC Performance Standards) exist for the specific issues, such as on involuntary resettlement, cultural heritage and indigenous people, Sakhalin Energy aims to comply with international best practice as well. There are certain discrepancies between the RF requirements and IFC Performance Standards regarding some specific issues such as the requirement for Free, Prior, and Informed Consent of the Indigenous Peoples (FPIC), community grievance procedure requirements etc. The company intends to meeting IFC requirements related to stakeholder engagement (see International Requirements Specification of Social Performance Standard available on company's website). In addition, the company intends to meet the spirit of key conventions and treaties that have not yet been ratified by the Russian Federation but which are nevertheless deemed to have relevance to the project as set out in the HSESAP. The first edition of the HSESAP was posted on the company's websites in Russian and English in January 2006.

The HSESAP is a “living document” and as such it is subject for periodic review. Good practice requires that the effectiveness of HSESAP commitments be monitored to determine whether mitigation measures are effective. Through this process the company determines whether any commitment needs amending, either to be made more explicit or altered, to remove the commitment if the action to which it refers has ceased, as stipulated in Section 3.4 of HSESAP¹. As a result of this monitoring activity, the HSESAP was revised in 2007, and published on the company website

¹ Section 3.4 “Changes in Commitments” of HSESAP specifies the process relating to amendments to the HSESAP obligations.

along with a rationale for each change made. In 2011 the company in agreements with lenders and their independent environmental consultant (IEC) has finalised the third revision with its posting on the company's website. In 2012 the company in agreements with lenders and their independent environmental consultant (IEC) has finalised revision of the international requirements applied by the company, primarily IFC PS 2012 edition, with posting of the revised HSESAP's updated standard specifications on the company's website². The company's environmental and social performance is monitored against its commitments stipulated in the HSESAP.

² www.sakhalinenergy.com/en/library.asp?p=lib_actions_shelf&l=lib_social_USS

3 CONSULTATION AND INFORMATION DISCLOSURE

3.1 Stakeholder engagement

Stakeholders are persons or groups who have an interest in, are directly affected by, or are in a position to influence Sakhalin Energy's activities.

Sakhalin Energy has been informing and consulting a range of stakeholders about the Sakhalin-2 project since 1994. Stakeholders addressed in this document include:

- directly affected communities³;
- vulnerable community groups⁴;
- stakeholders in Japan, particularly on Hokkaido Island;
- community initiative groups/associations and other non-governmental organisations (local, regional, international);
- media (local, regional, national, international) and other interest groups such as academic institutions and research foundations;
- wide public of Sakhalin.

Sakhalin Energy has programmes of engagement with all of these stakeholder groups, and these are discussed in Section 7.

There are many other stakeholder groups with whom Sakhalin Energy engages in the course of its business. For example, it works closely with representatives of the Russian federal, regional and local authorities at various levels. Mechanisms for engagement with government authorities, customers, employees, contractors, shareholders and lenders, with which Sakhalin Energy has regular contact in the course of its business, are not addressed in this document. This document focuses on stakeholders who do not have formal relationships with Sakhalin Energy and who, as a result, may wish to use this document for information and guidance. Key stakeholders are listed in Appendix 4.

Sakhalin Energy will provide support to lenders public engagement activities associated with the Sakhalin-2 project as agreed and appropriate.

3.2 Communication methods

The table below describes stakeholders and relevant communication methods.

³ An affected community is one in the vicinity of a permanent project facility, their SPZ and RoW, as well as temporary installations erected for construction purposes and/or used for project's operation. In event of an oil spill or other event this definition is expanded to include additional communities, including those in neighboring countries.

⁴ Vulnerable groups and individuals include the following audiences that have greater susceptibility to impact:

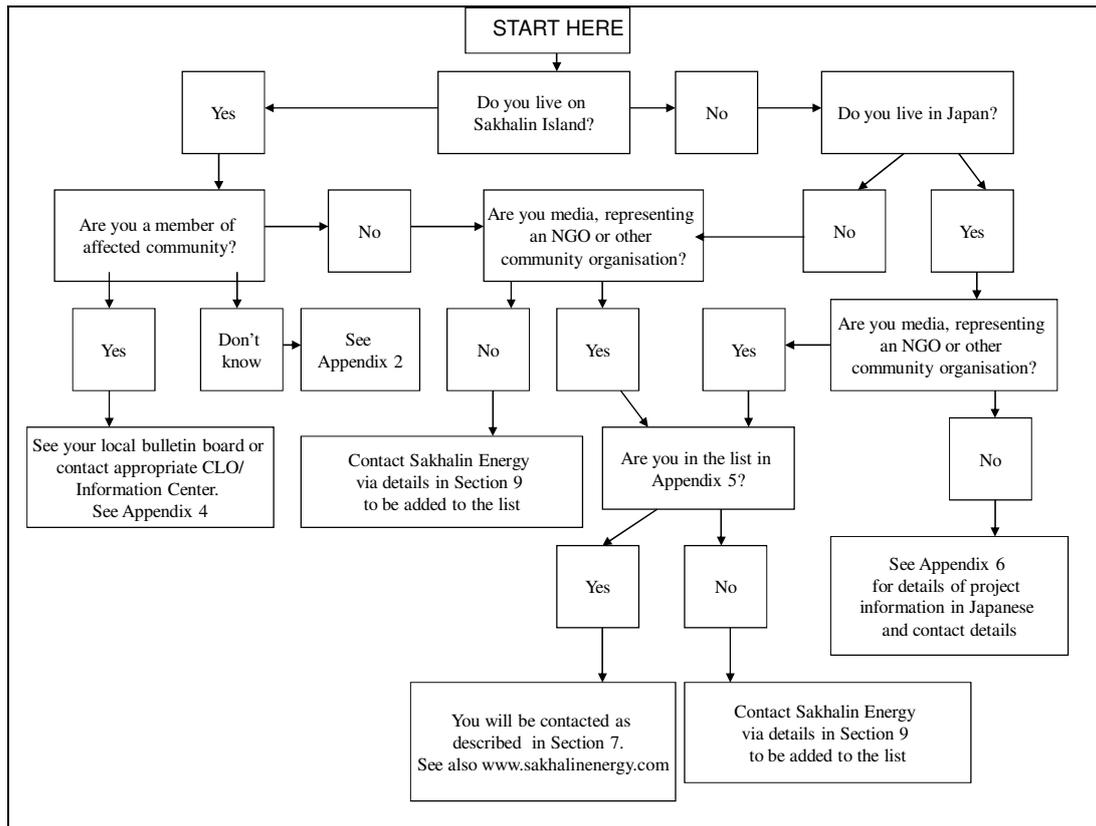
- persons with disabilities and their carers;
- low-income families with average income less than subsistence level or those dependent on state support;
- non-registered land users;
- reindeer herders and their families;
- indigenous peoples;
- children;
- migrants, migrant workers;
- elderly people and veterans of war; and
- women-headed households with children under the age of 18.

Table 1: Communication methods

STAKEHOLDER GROUP	COMMUNICATIONS METHOD
Affected communities (Section 7.2)	<ul style="list-style-type: none"> • Regional and district papers • Television and radio • Meetings with key community members (authorities, social, etc.) • Activities of company's community liaison organisation, including CLO's open hours • Information centers with bulletin boards, internet access and printed information on the project and ongoing activity in the company • Location of information materials and documents in communities (e.g. in the company's information centers and some additional district and settlement libraries on the Island) • Active dissemination of relevant information (leaflets, brochures) • Public consultations and meetings, including dedicated information sessions on issues that may be of particular interest/concern to the affected communities, with participation of company's technical experts and the management (as required) • Consultations and ongoing engagement under social impact assessment (SIA)/monitoring activity (during operation and construction in case of project expansions as appropriate) • Website • Site visits to project assets (except offshore due to operational and safety restrictions)
Wide public of the Sakhalin (Section 7.5)	<ul style="list-style-type: none"> • Regional and district papers • Television and radio • Website
Indigenous people (Section 7.4)	<ul style="list-style-type: none"> • IP CLO meetings with IP communities and organisations under the scope of Sakhalin Indigenous Minorities Development Plan (SIMDP), as well as other potential out-of scope activities, such as occasional presentations and meetings implemented by the company • Consultations with IP communities and organisations under the scope of SIMDP • IP CLO open hours • SIMDP website (www.simdp.ru) • Information bulletins (quarterly) distributed through distribution list given in Appendix 3 and posted on SIMDP website

STAKEHOLDER GROUP	COMMUNICATIONS METHOD
	<ul style="list-style-type: none"> • Press-releases, news reports about events implemented by the company under IP projects and interests • Company's participation in IP events by invitation of stakeholders • Distribution of the SIMDP information materials and documents in places of traditional residence and traditional economic activities of the Island's indigenous people (for example, in the company's information centers and rural libraries on the Island)
Stakeholders in Japan (Section 7.8)	<ul style="list-style-type: none"> • Meetings • Presentations • Distribution of the information materials and documents in libraries • Website • Expert panels, working groups
Community and other non-governmental organisations (local, regional, national and international) (Section 7.7, Appendix 2)	<ul style="list-style-type: none"> • Website • Face-to-face meetings (as required) • Correspondence (letter and email) • Site tours to project assets (except offshore due to the operational and safety restrictions)
Media (Section 7.9)	<ul style="list-style-type: none"> • Press releases • Good news stories • Website • Face-to-face meetings (as required) • Media briefings, interviews and site visits for mass media representative travelling to Sakhalin (as required) - except tours to the offshore assets due to the operational and safety restrictions • Media visits and briefings

The chart below shows how stakeholders can be grouped; how new stakeholders can identify themselves; how they can be identified by Sakhalin Energy or how they can contact Sakhalin Energy. New stakeholders are regularly identified and included in consultation.



3.3 Stakeholders engagement within the frames of sustainable development report preparation

In 2009 Sakhalin Energy joined the UN Global Compact (www.unglobalcompact.org) and decided to follow the public non-financial reporting standard of the global reporting initiative, GRI (www.globalreporting.org).

Sustainable development reports cover the results of Sakhalin Energy activities, including environmental protection, personnel development, stakeholder engagement, social projects and other aspects.

As part of the reports' preparation the company commits to hold regular consultations with stakeholders so they can share their opinions on the company's activity and make recommendations on further development of the company's responsibility in production, environment and social areas.

Consultations are conducted in a form of dialogue twice a year. During the first round of a dialogue the company presents information on company's activity for the reporting period to stakeholders. Participants of the dialogue comment and discuss what additional information of wide audience interest might be included into the report, ask questions. During the second round of a dialogue the company responds to stakeholders' comments and questions received during the first round of a dialogue. Results of consultations, along with stakeholders' specific questions and the company's feedback, are included into sustainable development report of the corresponding reporting period.

Sakhalin Energy's annual sustainable development reports are available at the company's website and are also disseminated to key stakeholders listed in Section 3.1 and other participants of the dialogues; placed in the information centres of the company, and are also distributed during different events that the company participates in.

4 CONSULTATION PROCESS

Sakhalin Energy has carried out extensive and island-wide consultation in relation to the project for more than a decade, and as a consequence has built many strong relationships on the Island. Consultation has also allowed Sakhalin Energy to identify and develop relations with a large number of different groups of stakeholders (see Section 3 and Appendix 4) as well as to develop appropriate mechanisms for engagement.

Throughout its consultation, Sakhalin Energy has endeavoured to ensure that:

- the people and groups it consults with are representative and inclusive of the vulnerable groups identified (as listed in Section 3.1 and Appendix 4);
- local traditions and cultural norms are respected in discussions and decision-making;
- the types of face-to-face meetings arranged and engagement methods used are varied to create conditions that encourage the widest possible range of people to participate.

The consultation process and the outcomes are described in detail in the social impact assessment (SIA) (2003)⁵, its addendum and in the previous Public Consultation and Disclosure Plans and Public Consultation and Disclosure Reports (starting from 2009) which are available on the company's website. These documents can be viewed at www.sakhalinenergy.ru (Russian) and www.sakhalinenergy.com (English). They are also available in the Sakhalin public libraries listed in Appendix 2 and from Sakhalin Energy on request (Section 10). Sakhalin Energy has an additional engagement programme with the Island's indigenous people, which is described in the Sakhalin Indigenous Minorities Development Plan (SIMDP). The first phase of the Plan was launched and made available on the website in 2006 and the second five-year SIMDP (2011-2015) was published at the end of 2010 (also available at www.simdp.ru).

⁵ www.sakhalinenergy.ru/ru/library/folder.wbp?id=ff861609-c166-4673-a310-1ece9c440139
www.sakhalinenergy.com/en/library/folder.wbp?id=e15e01ea-ec75-4821-87d3-e1aa3a0d736c

5 FEEDBACK FROM CONSULTATION

Sakhalin Energy keeps records of public meetings in a database, and can make minutes of relevant meetings available for public access upon request (on its website and in libraries throughout Sakhalin Island). The External Affairs team is responsible for ensuring that any actions arising from meetings are addressed and are subsequently reported back to the stakeholders as part of company's regular engagement activities. Feedback from stakeholders in relation to the issues and project-related concerns are taken into consideration when developing policies and work programmes.

The company welcomes feedback on public consultation and suggestions for improving disclosure and communication. The detailed information on the engagement activities undertaken throughout a year and on how Sakhalin Energy addressed the consultations feedback is described in the annual public consultation and disclosure reports. This PCDP will be updated to reflect these suggestions as appropriate.

6 CONSULTATIONS UNDER THE DEVELOPMENT PROJECTS

6.1 Consultations and information disclosure with regards to the OPF compression project

Consultations with the stakeholders within the OPF compression project will be held under the Environmental, Social and Health Impact Assessment (ESHIA) in 2014. The impact assessment will be continued in 2014 by a specialised contractor according to the project schedule.

Sakhalin Energy held the first round of public consultations in 2012 under the integrated impact assessment – more detail is given in the PCDR 2012.

As part of the OPF compression project consultation process, the ESHIA contractor's representatives, with the company support, will provide the information on the project to the public in a form of public meetings. Feedback received from the community, potential concerns/impacts and the suggested measures for mitigation of these impacts will be taken into consideration in the decision-making process. The ESHIA report will be available to the public prior to the start of construction works.

The consultations will be held in Nysh, Nogliki, and Yuzhno-Sakhalinsk in compliance with the applicable company's requirements.

The PCDP 2014 and the corresponding documents (Community meeting plan at a minimum) will be updated when timeframes of the consultations on the OPF Compression Project will be available.

6.2 Consultations and information disclosure with regards to the construction of Tymovsk gas delivery point

Consultations with the stakeholders within the Tymovsk gas delivery point (GDP) construction project will be held under the Environmental, Social and Health Impact Assessment in 2014. The company will provide project information and receive feedback from the community regarding potential concerns/impacts, in order to take these aspects into consideration in the decision-making process.

The social impact assessment report will be available to the public prior the start of construction works. The consultations will be held in the Tymovsk district in compliance with the applicable company's requirements.

The PCDP 2014 and the corresponding documents (Community meeting plan at a minimum) will be updated when timeframes of the consultations on the GDP construction project will be available.

7 CONSULTATION DURING OPERATION

Sakhalin Energy has developed programmes for engaging with each of the stakeholder groups identified in Section 3. These include a number of commitments to release information in printed or electronic form into the public domain. For convenience, these are summarised below.

The date, time and venue for all key consultation meetings will be posted in a calendar on the company website and updated on a monthly basis (www.sakhalinenergy.ru/media/e780de3f-0f03-4783-a191-ce7afcb9f9c9.pdf) as well as advised to the stakeholders via other methods of communication such as notices in the communities, announcements in the media, invitation letters, etc. This information will include activities related to consultations with the Island's indigenous communities, which will also be made available in culturally appropriate ways as a rule.

7.1 Public domain information

Sakhalin Energy intends to release information into the public domain regularly and systematically during implementation of the Sakhalin-2 project. It will announce the release of information into the public domain on its public website www.sakhalinenergy.ru (Russian) and www.sakhalinenergy.com (English). As a minimum, it will:

- publish an annual public consultation and disclosure report (PCDR), public consultation and disclosure plan (PCDP) and report on company's environmental, social, health and safety performance in Russian and English, on company website, place in companies' information centres in those communities listed in Appendix 2;
- make publicly available in Russian and English the Health, Safety, Environment and Social Action Plan (HSESAP), ESHIA, ESHIA addenda and key documents such as Public Grievance Leaflet; Resettlement Action Plan (RAP), Sakhalin Indigenous Minorities Development Plan (SIMDP), Marine Mammal Protection Plan, Biodiversity Action Plan and Oil Spill Response Documentation, for the life of the project, and as appropriate, for project expansion and modification;
- make publicly available additional environmental and social position papers and selected key environmental and social monitoring reports, as appropriate;
- produce monthly community project updates, which will be published in 11 district newspapers. The company will include within this community project update information on the project implementation;
- produce a weekly "Energy" TV programme providing information about the project's development;
- update the public website with project information and planned/ongoing engagement activities, as necessary. The website has a feedback feature to encourage questions and comments;
- update the community about the resolution of major issues through the media or other mechanisms, as appropriate;
- post additional company information via public media;

- make news announcements by email and at times in press conferences to local, regional, Russian media. Copies of media announcements will also be placed on the public website. Staff will be available to answer queries related to media announcements by telephone.

7.2 Consultation and information disclosure in project affected communities

- Sakhalin Energy's general aims and approaches for all consultation are discussed in Section 2.3.
- Sakhalin Energy endeavours to ensure that the people and groups it consults with are representative and inclusive of vulnerable groups identified in Section 3.1; local traditions and cultural norms are respected in discussions and decision-making; and that face-to-face meetings arranged are varied and create conditions that encourage diverse participation.

Sakhalin Energy implements a Community Meeting Plan in key project affected communities during the operations period and in case of project expansion or modification which involves construction activities. If appropriate the company shall provide transport to and from the meeting locations to facilitate public attendance at these meetings as required. During operational phase public meetings will be held in the affected communities when required for transfer of important information, as well as to consult on the planned expansion works.

Planned schedule of public meetings is available on the company's website⁶.

The date, time and venue for the public meetings shall be announced in key Sakhalin newspapers (as listed in Table 2) three weeks prior to any public meeting as well as placed in the company's information centres. Notices of the forthcoming meetings will also be available in public places in the communities. Key stakeholders with whom the company has frequently engaged shall be informed of the meetings by e-mail or in writing.

7.3 The company information centres activity in communities

The network of Sakhalin Energy information centres established on the basis of district and settlement libraries in 23 communities ensures an effective tool of communication and system of receiving feedback from communities residing in close vicinity to Sakhalin-2 project assets.

Sakhalin Energy will continue to provide regular information to affected communities. Consultants of information centres, in turn, work closely with CLO who carry out general control. Details on role and responsibilities of the company information centres are described in Section 8 and Appendix 6.

Residents of the Island can lodge grievances concerning the company activities in the information centres. Sakhalin Energy has developed a Public Grievance Procedure to ensure that grievances are resolved as efficiently as possible (Section 9). The guidance on steps that should be undertaken to lodge a grievance is available in the libraries listed in Appendix 2, on the Sakhalin Energy website as well as in the Public Grievance Leaflet that is available for public distribution and explains the Procedure to potential complainants. Consultants of the company information centres have also been trained to record grievances and to pass them to the company's authorised staff.

Municipal Liaison Coordinator, Community Liaison Officer and IP CLO will also make

⁶ www.sakhalinenergy.ru/ru/social_responsibility/pr.wbp
www.sakhalinenergy.ru/en/social_responsibility/pr.wbp

visits to the project-affected communities on Sakhalin Island at least twice a year as well as upon request to ensure that communities have regular access to a representative of the company to discuss any project-related issues and to receive updates on project activities and initiatives. Information on these visits will be announced in advance on bulletin boards. Details on role and responsibilities of the municipal liaison coordinator, community liaison officer and IP CLO are described in Section 8 and Appendix 6.

In addition to the network of company information centres, Sakhalin Energy also provides printed information about the project as well as means for people to provide feedback in written form. Sakhalin Energy encourages people with grievances to complete a public grievance form, which is appended to the public grievance leaflet given in Section 9, as these are processed as a high priority.

7.3.1 Other methods of communication with affected communities

Sakhalin Energy provides regular information about project implementation in advertisements, and in local media (newspapers are listed in Section 7.5 and Appendix 2) and on its public website in Russian and English: www.sakhalinenergy.ru (Russian) and www.sakhalinenergy.com (English).

Sakhalin Energy operates a special free hotline for telephone queries and complaints from communities within Sakhalin Island. The number is +7 4242 662400 (when dialling from Sakhalin Island). For people who would like to speak to someone in Russian, English or through an interpreter from Japanese, Sakhalin Energy operates a number of special telephone lines, which are listed in Section 10. See Appendix 5 for the stakeholder engagement arrangements in Japan.

Sakhalin Energy's External Affairs team monitors the project's impacts related to operations and expansion/modification activities, relations between contractors/subcontractors and local communities and conducts public opinion surveys annually in project affected communities that will be continued in 2014. Information on the social performance monitoring programme that is currently being revised is available at the company's website⁷.

7.3.2 Consultations and information disclosure with residents in the vicinity of the Prigorodnoye complex accommodation facility

Under the social impact monitoring programme, the company specialists have regular engagement with residents of Korsakov which is the closest community to the Prigorodnoye complex. Objectives of this engagement are to identify potential concerns and impacts, to monitor the resolution of grievances and to inform the community on project implementation status.

7.3.3 Consultations and information disclosure with dachas owners at Prigorodnoye

The size of the sanitary protection zone (SPZ) around the Prigorodnoye complex has been established as a radius of 1 km from the emission sources and 700 m from the border of industrial site (the Chief Sanitary Doctor's resolution of 10/04/2012).

There are no communities within the actual boundaries of the production complex;

⁷ <http://www.sakhalinenergy.ru/media/7594251b-4c44-4979-91e4-8dbf8fa73b52.pdf>
<http://www.sakhalinenergy.ru/media/e5a82dff-f68f-44bc-90d8-5c75b50cd8f4.pdf>

however, approximately 40 dachas lie in close proximity to the edge of the SPZ⁸. Dacha season in this part of the island is from May to October inclusively. The Prigorodnoye dacha residents, closest to the SPZ edge, belong to the dacha community “Stroitel”.

As part of further engagement with the “Stroitel” dacha community the company will implement the following key activities in 2014:

- ongoing monitoring of the quality of life indicators (in the presence of dacha community representative when monitoring the air quality and noise levels);
- conduct air quality and noise monitoring at the dacha plots during routine maintenance shut down associated with flaring activities at the Prigorodnoye complex (lenders’ recommendation);
- meetings with Sakhalin Energy specialists (when required);
- inviting dacha community “Stroitel” representatives to participate in stakeholders’ consultation as part of 2013 and 2014 sustainable development report preparation (see Section 3.3 for details).

Members of dacha community “Stroitel” can also apply to the company information centre in Korsakov with questions and complaints related to the Sakhalin-2 project activity.

7.3.4 Cancellation of meetings due to unforeseen circumstances

If the company needs to cancel a meeting due to weather, illness or another unforeseen event then the event will be rescheduled as soon as practicable following the cancellation and the company will alert the local community, the media and/or government etc as appropriate to confirm that the meeting has been cancelled and what alternative arrangements have been made.

If it is not possible to reschedule, then the company will provide a copy of the presentation materials and other relevant documents to the local administration and the company’s information centres / libraries, as appropriate.

7.4 Indigenous people consultations

The company regularly engages with representatives of indigenous people (IP) living in all districts of traditional residence and districts of traditional economic activities of Sakhalin IP irrespective of their place of residence and level of the project impact.

All activities related to consultations with IP representatives are included in the Sakhalin Indigenous Minorities Development Plan (SIMDP) for 2011-2015. The second SIMDP as well as the first one are based on international standards related to IP and is executed in accordance with these standards. The requirements of the international standards that appeared following the approval of the first SIMDP in 2006 were included into the second SIMDP execution procedures and management structure. These new standards developed by International Financial Corporation (2006)⁹, European Bank of Reconstruction and Development (2008) and Asian Bank of Development (2010) have strengthened the requirements towards participation, consultations, and profits distribution. Although the SIMDP 2 went even further and

⁸ An SPZ is a designated area around an industrial facility. The territory of the SPZ is aimed for:

- reduction of the level of all impacting factors to the required hygienic norms by the edge of the SPZ;
- provision of a sanitary barrier between the territory of an industrial facility and residential area.

⁹ As the second SIMDP was developed in 2010, the 2006 IFC Performance Standards were applied at the time.

was also developed based on the “free prior and informed consent” (FPIC) of the indigenous people, as this principle was set forth in the United Nations Declaration on the Rights of Indigenous Peoples (2007). Later on this requirement was endorsed by the IFC in the 2012 revision of the Performance Standards.

Consultations with reindeer herders during the operations phase and in case of project expansion or modification will be also done within the frames of the SIMDP execution.

Consultations with IP in 2014 will be done within the frames of SIMDP execution in all places of traditional residence and traditional economic activities of the Island’s indigenous communities:

- 1) The main purpose of consultations – providing information about the status of SIMDP execution, the SIMDP specific grievance procedure and the way it works, programme committees, receiving of concerns and ideas for potential projects, as well as discussion of any other issues related to management and execution of the Plan and its programmes.
- 2) Continuous support of SIMDP website – www.simdp.ru (preparation and distribution of news, documents, etc.).
- 3) Regular issue and distribution of information bulletins.
- 4) Regular update of information materials and documents and their distribution to stakeholders (IP specialists of administrations of municipalities, municipal institutions dealing with IP issues, NGOs and communities and other stakeholders) and placement on the information boards in 13 communities: Okha, Nekrasovka settlement, Val settlement, Nogliki, Tymovskoye, Chir-Unvd, Alexandrovsk-Sakhalinskiy, Viakhtu, Trambaus, Smirnykh, Buyukly, Poronaisk and Yuzhno-Sakhalinsk.
- 5) Face-to-face and group meetings and consultations with representatives of SIMDP partners in places of traditional residence of the indigenous communities.
- 6) Individual consultations regarding applications for grant funds within the frames of SIMDP programmes.
- 7) IP CLO open hours in the places of traditional indigenous residence.

7.5 Consultations and disclosure in other Sakhalin communities

Sakhalin Energy’s consultation extends to the main district centres as well as other towns, villages and rural settlements. For a full list of company information boards where project information is placed regularly, please see Appendix 2.

Sakhalin residents can consult the two main Sakhalin Island newspapers for details of project news. These are: Gubernskiye Vedomosti and Sovetsky Sakhalin.

In addition, project news and information relevant to specific communities are published as required in the following district newspapers:

Table 2: District newspapers used for project news and information distribution

DISTRICT	NEWSPAPER(S)
Aniva	Utro Rodiny
Dolinsk	Dolinskaya Pravda
Kholmsk	Kholmskaya Panorama
Korsakov	Voskhod
Makarov	Novaya Gazeta
Nogliki	Znamya Truda
Tymovsk	Tymovsky Vestnik
Poronaisk	Express, Zvezda
Smirnykh	Novaya Zhizn'
Okha	Sakhalinskiy Neftyanik

7.6 Community awareness programme

In 2014 Sakhalin Energy will continue consultations under the community awareness programme to increase public awareness and knowledge of pipeline safety during the company's operations through:

- anti-vandalism posters;
- notification letters to various relevant stakeholders (land users, forestry, fisheries);
- deliver specific information articles in district newspapers (Table 2);
- public meetings; and direct contacts with nearby land users and heads of municipal administrations (when needed).

7.7 Community and other non-governmental organisations

7.7.1 General

All important information about the company activity is made publicly available either through the company website or through local media (Table 2). When key documents are made publicly available, they are placed in the company's information centres and on the company's website. Copies are also available upon request. The annual report and other publications that may be of interest will be provided during the course of the year.

Meetings with community-based and NGO organisations are organised via phone, fax or email. For public events, information about meeting dates, times and venues is published in the newspapers listed in the Table 2. There is not a rigid timetable of NGO consultation. The company endeavours to meet with key NGOs on an "as needed" basis that is convenient for all parties. The company is open and available for such meetings. The company endeavours to continue to make available technical experts for discussions on pertinent issues with key organisations and communities on request, and to organise occasional site tours where possible and as allowed by the operational facilities regime. For meetings of a technical or substantive nature either party should provide the other with a minimum of 30 days notice of the request

to meet, to ensure the availability of relevant experts for the discussion and to enable other necessary preparations.

In addition to discussing concerns or issues the company has been actively engaged in discussions with international organisations regarding possible sustainable development and social investment projects and initiatives in partnership with Sakhalin Energy.

7.7.2 Local

Sakhalin Energy will meet with key NGOs on a basis that is convenient for both parties or upon reasonable request that specifies the purpose of and timeline for a meeting/visit. IP CLO and company's specialists also meet with groups and concerned individuals in communities on an "as needed" basis that is convenient for all parties.

7.7.3 Regional and national

Sakhalin Energy representatives where possible meet with representatives of the national and Russian Far East NGO community when these groups visit Sakhalin, or alternatively when company representatives visit the Far East or Moscow. Where practicable, meetings are arranged with the company's technical staff. The company plans to continue this practice in the future.

The company has also regularly engaged with Japanese NGOs. Details on the engagement in Japan are provided in Section 7.8.

7.7.4 International

Recognising the importance of a reasonably justified approach to environmental issues, the company continued cooperation with the International Union for conservation of nature and natural resources (IUCN) and proposed to establish a specialists group to provide consulting that will enable the company to adopt optimal solutions during construction and operations of offshore facilities that do not impact gray whales. In November 2006 the first meeting with the Western Gray Whale Advisory Panel (WGWAP) was held, convened by the IUCN at Sakhalin Energy's request. The general meetings of the Panel are held in accordance with the WGWAP Terms of Reference (ToR)¹⁰, they are accompanied by a number of focus group meetings on certain issues. The experts are drawing up recommendations for improvements in offshore construction, operation and research related to gray whales, which are carefully considered by Sakhalin Energy for their applicability the company's research and mitigation programmes.

Sakhalin Energy representatives where possible meet with representatives of the international NGO and governmental organisations or interest groups when these groups visit Sakhalin, or alternatively when company's representatives visit other countries.

International NGOs are also updated on the project progress and have a forum to discuss their concerns/issues when meeting with representatives of Sakhalin Energy's shareholder companies at international events, such as Sakhalin oil and gas conference.

¹⁰ https://cmsdata.iucn.org/downloads/tor_wgwap_2012.pdf

7.8 Japanese stakeholders engagement

7.8.1 Introduction

Due to the proximity of Sakhalin Island to Hokkaido Island the company recognises the importance of engagement with stakeholders in Japan, particularly with those who may be affected by the project. These include Japanese businesses that may benefit from the economic development in the region (e.g. those in the travel, tourism and other service sectors) as well as those who could be adversely affected in a non-routine event, e.g. an oil spill, such as fishing communities. Sakhalin Energy has established relationships with the Hokkaido authorities and other stakeholder groups on Hokkaido, including the Marine Disaster Prevention Centre (MDPC) and fisheries cooperatives.

As it was agreed with the lenders, in 2010 the company started establishment of sustainable, flexible engagement scheme with Japanese stakeholders through involvement of Russian External Affairs (EA) staff and Japanese translator. Responsibilities of the EA person include engagement with Japanese-speaking stakeholders such as government and community representatives, media and non-governmental organisations, during implementation of the Sakhalin-2 project. Lenders' representatives participate in each meeting and provide their feedback to the Sakhalin Energy representatives. Such engagement process is sustained from 2011 onwards. Stakeholders in Japan with whom the company has been in contact to date are listed in Appendix 5 below.

Representatives of Sakhalin Energy's External Affairs department visit Japan at least twice each year to meet with stakeholders who wish to discuss project-related issues. Technical experts are made available to provide presentations at these meetings, and to answer questions. In 2014 the technical specialist discussions will continue to be held so that detailed discussion regarding trans-boundary issues, including oil spill response, can take place (e.g. annual Hokkaido Fisheries Forum, international symposium on Okhotsk Sea and Sea Ice).

The company also meets with representatives of Japanese community and non-governmental organisations who visit Sakhalin Island and wish to discuss project-related issues with Sakhalin Energy.

Japanese stakeholders are identified through a variety of mechanisms including meetings with organisations, correspondence and with assistance from organisations in Japan with which Sakhalin Energy collaborates. Meetings are organised via email, letter and phone.

7.8.2 Materials available in Japanese

On topics that are of a relevant trans-boundary nature, Sakhalin Energy translates key public domain information into Japanese. Principally this includes information about trans-boundary environmental and social issues. The list of materials that have already been made available in Japanese could be found in the public consultation and disclosure report for 2013.

Other relevant materials will be available in Japanese as they become available. Company media releases will be translated on an ad hoc basis.

Hard copies of documents in Japanese are available for review at the following libraries in Japan:

- Wakkanai Library, 4-1-1, Daikoku, Wakkanai-shi, Hokkaido Tel: 81-162-23-3874;

- Mombetsu Library, 3-1-8, Saiwaicho, Mombetsu-shi, Hokkaido Tel: 81-1582-4-2111;
- Abashiri Library, 3 chome, Kita 2 jyo Nishi, Abashiri-shi, Hokkaido Tel: 81-152-43-2426;
- Hokkaido Library, 41, Higashi-machi, Bunkyo-dai, Ebetsu-shi, Hokkaido Tel: 81-11-386-8521.

For more information, please contact Sakhalin Energy at SEIC-ask-japan@sakhalinenergy.ru or telephone +7 4242 662866 (in English, an interpreter to/from Japanese will be arranged upon request).

7.8.3 Public consultation activities in Japan

Sakhalin Energy acknowledges the benefits of good communication with Japanese stakeholders and in seeking to fulfil the spirit of the Espoo Convention in the development of the project. During 2014 the company will undertake a number of consultation and engagement activities in Japan. This programme has been developed with feedback from stakeholders, including the participants at several meetings in Japan, which the company have attended and/or initiated.

Key stakeholder activities in 2014:

- Participation in the International Symposium on the Okhotsk Sea and Sea Ice in Mombetsu – Q1 2014.
- Participation in the general meetings of Hokkaido Fishery Association, Japan Coast Guard, Hokkaido Government – Q1, Q3 2014.
- Participation in the meetings with Okhotsk communities, mainly local fishermen, to be held during 2014.

The planned engagements for 2014 are listed in the consultations activities calendar on the company website.

A review of the engagement activities in Japan will be undertaken at the end of Q4 2014 to determine the 2015 programme in consultation with the Japan Bank for International Cooperation (JBIC) and the other senior lenders to the Sakhalin-2 project.

7.9 Media and other interest groups

Sakhalin Energy's External Affairs departments in both Moscow and Yuzhno-Sakhalinsk communicate regularly with representatives of the mass media as well as other interest groups such as educational and research institutions.

Formal meetings, such as media briefings and discussion are held when required. There is also informal interaction with representatives of these groups.

Media are informed in advance of media briefings and other meetings by telephone or email.

External Affairs team monitors the local, federal and international media on a daily basis.

Table 3: Mass media activity

Format	Frequency	Language
Media briefings for Sakhalin	When appropriate	Russian

journalists		
“Energy” TV programme	Weekly	Russian/ English subtitle
Project updates in 11 district newspapers (see also Table 2 above)	Monthly	Russian
“At a Glance” page in the internet site	Regularly, depending on newsworthy occurrence	Russian/English
“Vesti” newspaper	Monthly	Russian/ English

8 COMMUNITY LIAISON ORGANISATION

8.1 Sakhalin Energy community liaison organisation

In accordance with international best practice, e.g. IFC Guidance Note F on public consultation and disclosure, community liaison organisation is now an integral component of large oil and gas projects.

Community liaison organisation was established in Sakhalin Energy in 2003 and provided interface between the company and the community. It has evolved throughout the life of the project and starting from 2011 Sakhalin Energy community liaison organization consists of Sakhalin Energy information centres network, municipal liaison coordinator, CLO and indigenous people CLO. The CLO is based in Nogliki, IP CLO is based in Val, and municipal liaison coordinator is located in the company's headquarters in Yuzhno-Sakhalinsk. The most up-to-date contact details of the CLO can also be found on the Sakhalin Energy website and are provided in Appendix 2 to this Plan.

Sakhalin Energy information centres were established on basis of district and settlement libraries in period 2008-2011. Their role is to provide regular updates on project activities (e.g. help residents to find required information, etc.) and to help ensure that actual or potential grievances are dealt with in a timely and effective manner (e.g. support local resident to fill up grievance form and communicate it to company). The benefits of the Sakhalin Energy information centres network:

- Libraries network expands to all potentially project affected communities (near those project facilities are located).
- Communities' residents have easy access to the company information at convenient time.
- Opportunity to provide access to information on any type of data carriers.

Librarians - consultants of Sakhalin Energy information centres are capable to provide services during regular library business hours.

The overall purpose of the company information centers is providing assistance to the public with finding answers to questions concerning project activities.

Specifically, the information centers implement the following activities:

- provide the project and company related information in hard-copies and on multimedia data carries;
- provide access to the company website: www.sakhalinenergy.ru;
- assist local residents with job application processes and informing them about employment opportunities available (this information can also be found on company's website), as well as about the company's grant programmes;
- distribute information on local business development opportunities;
- assist in arranging meetings between the local stakeholders/community residents and company representatives;
- assist in filling the public grievance form; and
- passing community concerns and grievances related to the project activities to company's relevant staff.

It is important to note that it is not within the remit of the information centers to solve a grievance or other issues, but rather to assist in finding information of interest and,

if required, to send a query to the company via municipal liaison coordinator or the CLO.

Consultants of the company information centers receive adequate annual training and have an opportunity to visit the company assets as part of the training. Planned programme of training events for consultants in 2014 will include the following: Sakhalin-2 project overview, Grievance procedure, company's social programmes, and visits to some of the company's assets.

The company's materials are delivered to information centers at least once a month. Representatives of the company's community liaison organisation will also make visits to the information centers to provide advice to consultants at least twice a year and upon request.

Also Municipal Liaison Coordinator and CLO offer consultations to the employees of information centers by telephone.

The Table 4 shows the community liaison organisation as of December 2013.

Table 4: community liaison organisation

Organisation	No.	Details	Locations	Contact Details
Corporate	1	Sakhalin Energy Municipal Coordinator Liaison	Yuzhno-Sakhalinsk	662296
	1	Community Liaison Officer	Nogliki	294408
	1	Sakhalin Energy IP Community Liaison Officer addresses issues related to indigenous peoples	Val, Nogliki	294208
Information centres	23	Sakhalin Energy information consultants centres	23 communities (see Appendix 2 for details)	See Appendix 2 for contact details

8.2 Open hours

The company information centers are open in 23 communities of 9 districts and will remain functional during the project's operations phase. Community residents can contact the company information centre consultant at their convenience at any time during the regular library business hours. The up-to date list of company information centers is maintained at the Sakhalin Energy website: www.sakhalinenergy.ru and is also provided in Appendix 2

Municipal liaison coordinator's and CLO's open hours are arranged on an as-needed basis (i.e. when a necessity arises) in the company's information centres; community is informed on the open hours via announcements on community billboards and in the local printed media as required. The IP CLO has regular open hours: in Val settlement – every Thursday from 11:00 till 13:00, in Nogliki – every Friday from 11:00 till 13:00, and in other districts of the traditional indigenous residence – at least once a year, during visits to the settlements of the traditional indigenous residence and economic activities, upon request.

9 PUBLIC GRIEVANCE PROCEDURE

9.1 Reporting grievances

A grievance is an expression of dissatisfaction or concern in view of actual or potential problems. As a general policy, Sakhalin Energy will work pro-actively towards the prevention of grievances through the implementation of impact mitigation measures and community liaison activities that enable Sakhalin Energy to anticipate and address potential issues before they become grievances. Nevertheless, should grievances emerge, Sakhalin Energy is committed to addressing these in a timely and effective manner in accordance with the Russian Federation law, international best practice and the company's internal grievance procedure. Resolution of the grievances related to the activities of Sakhalin Energy's suppliers, contractors and sub-contractors is carried out through the respective asset managers. The company's asset managers are responsible for the implementation of the grievance procedure within individual asset teams including contractor and sub-contractor organisations.

Sakhalin Energy endeavours to investigate and resolve grievances within 20 working days from receipt of the grievance. The maximum resolution period should not normally exceed 45 working days and within this period a required actions are either completed or agreed with the complainant.

The company has developed and periodically updates a public grievance leaflet, which advises those with a grievance on how they can lodge a grievance related to Sakhalin-2 project activities. This also applies to individuals who have been part of an involuntary resettlement programme (for information on resettlement issues, please refer to the resettlement action plan provided on the Sakhalin Energy website).

The text of public grievance leaflet was revised in 2013. The revised public grievance leaflet is set out below, including the form that should be completed should anyone wish to lodge a grievance. The leaflet is distributed in the communities, including the company information centres as well as during public meetings regarding the project implementation. Also, the information centres consultants can advise on how to complete the grievance form. The leaflet is available in Japanese and is distributed as part of the PCDP in libraries and among stakeholders in Japan.

Public grievance leaflet is available at:

- Sakhalin Energy information centres (Appendix 2).
- District libraries.
- Company offices, located at: 35, Dzerzhinskogo Str., Yuzhno-Sakhalinsk.
- Sakhalin Energy website: www.sakhalinenergy.com.

9.2 Public grievance leaflet

Large and complex projects, such as the Sakhalin-2 project, can sometimes have a negative impact on those living within or adjacent to the project area.

The company wants to know about any potential problems and concerns that might have been caused by the company's activities under Sakhalin-2 project implementation to do the best to resolve them in a timely manner.

This leaflet tells you how you can inform Sakhalin Energy of grievances or express concerns due to the company's activity or Sakhalin-2 project implementation.

It also sets out the steps that will be taken to resolve your concerns.

WHAT KINDS OF GRIEVANCES CAN I RAISE?

You can raise a grievance with Sakhalin Energy if you believe the Sakhalin-2 project implementation has a detrimental impact on the community, the environment or on quality of your life.

Examples of this may include:

- negative impacts on yourself or community, e.g. financial loss, physical harm, nuisance from traffic;
- dangers to health and safety or the environment;
- failure to comply with standards or legal obligations;
- harassment of any nature;
- criminal activity;
- improper conduct or unethical behaviour;
- financial malpractice or fraud;
- attempts to conceal any of these.

Sakhalin Energy will look into all received grievances. Sometimes the company may find that a grievance does not relate to the company's activity under the Sakhalin-2 project. In these cases the company will explain it to you in writing. In all other cases the company will investigate the facts of adverse effect or noncompliance with standards. In case, if these facts will be confirmed, measures will be identified, which might be taken to resolve problem and avoid the incidents occurring again.

HOW DO I REPORT A GRIEVANCE?

There are several ways you can report a grievance:

- Send a completed grievance form (given at the end of the leaflet) to the postal address on the back of the form.
- Contact the information centre available at your community (the list of information centres of Sakhalin Energy is provided at the end of the leaflet).
- Send an email to the following address: Grievancereport@sakhalinenergy.ru.
- Call the telephone number of a Sakhalin Energy representative given at the end of this leaflet.
- Call Sakhalin Energy on "hot line" at 8 800 200 6624. For security reasons, there are no recorders or caller identification devices attached. If the phone is not answered, please call back.

Note: The stated procedure does not forfeit of your lawful right to seize the court or other non-judicial authorities for processing your claims.

CONFIDENTIALITY AND ANONYMITY

You may wish to raise a concern in confidence under this procedure. If you ask Sakhalin Energy to protect your identity, it will not be disclosed without your consent. Details of submissions and allegations will remain secure within the team responsible for investigating your concerns. However, the situation may arise where it will not be possible to resolve the matter without revealing your identity (for instance where you are required to give evidence in court). The investigative team will discuss with you

whether and how best to proceed.

You may also choose to raise a concern anonymously. However, remember that if you do not tell Sakhalin Energy who you are it may make it more difficult to look into the matter, to protect your position or to give you feedback. Accordingly, while Sakhalin Energy will consider anonymous reports, they are not encouraged. If you do insist on raising a concern anonymously, you will need to provide sufficient facts and data to enable the investigation team to look into the matter without your assistance.

GRIEVANCE EXAMINATION ACTIONS

Step 1: Receive complaint

You can send your grievance to the company in one of the ways described at the beginning of this leaflet.

Step 2: Grievance registration and appointment of a responsible person

After the company receives your grievance, a responsible person of grievance examination will be appointed and the grievance will be registered.

Step 3: Acknowledgement

The company will acknowledge receipt of your grievance by letter within 7 working days of having received the grievance. This acknowledgement will specify a contact person grievance reference indicator and tentative timeframe when resolution updates to be provided.

Step 4: Investigation, adjustment, engagement

The company will work to understand the cause of your grievance. At this time, the company representatives may contact you. After the grievance investigation, the company will inform you in writing about the results and the measures proposed for grievance resolution in case if these taking measures will be considered necessary. Besides the company representatives may contact you to find out what kind of actions to be taken to resolve your problem.

Step 5: Clouse-out of grievance

The company will make efforts to resolve your grievance within 45 working days from the date of its receiving.

If you consider the grievance to be satisfactorily resolved the company would ask you to sign a Statement of Satisfaction.

If your grievance is left unresolved, it will be re-reviewed, and the company will discuss possible further actions to settle it with you.

Step 6: Follow up

If you are happy for us to do so, Sakhalin Energy may contact you at a later stage to ensure that our activities continue to pose no further problems.

In 2014 under the awareness campaign on the grievance procedure, the company plans to issue cards with information on the grievance procedure.

Sakhalin Energy public grievance form

You can submit your grievance **anonymously** if you wish. However, the more information you can provide, including your contact details, the more efficiently we will be able to follow-up.

Sakhalin Energy reference No:	
Full name: <i>Note: You can remain anonymous if you prefer or request not to disclose your identity to the third parties without your consent</i>	<hr/> <hr/> <p style="text-align: center;">I request not to disclose my identity without my consent</p> <p style="text-align: center;">I wish to raise my grievance anonymously</p>
Contact information: <i>Please mark how you wish to be contacted (mail, telephone, e-mail).</i> Note: You do not have to give your details if you do not wish to provide them.	Address: _____ _____ Telephone: _____ E-mail: _____
Passport number: Note: You do not have to give your passport details if you do not wish to do so.	_____
Indigenous peoples-related?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Preferred language for communication: <i>Please mark how you wish to be contacted.</i>	<input type="checkbox"/> Russian <input type="checkbox"/> English <input type="checkbox"/> Other (please indicate) _____
Description of incident or grievance (What happened? When did it happen? Where did it happen? Who did it happen to? What is the result of the problem?):	
What would you like to see happen to resolve the problem?	

Signature: _____ Date: _____

Consent to disclose grievance-related information to the third parties

I am aware that this grievance of mine is submitted to Sakhalin Energy, but it may refer to actions of third parties, (for example, contractors of Sakhalin Energy). I understand that in order to efficiently resolve my grievance Sakhalin Energy will have to contact these third parties so as to check into the facts stated in the grievance and work out a solution. I hereby agree that Sakhalin Energy can disclose this grievance (as well as additional information related to this grievance) to third parties.

Signature: _____ Date: _____

Please return this form to: External Affairs, Community Grievance Procedure Focal Point, Sakhalin Energy Investment Company Ltd, 35 Dzerzhinskogo St., Yuzhno-Sakhalinsk 693020, Russian Federation

Phones of Sakhalin Energy representatives who deal with community grievances

District	Phone number*
Okha, Nogliki, Tymovsk, Aleksandrovsk-Sakhalinsky	29-44-08, 66-28-93 66-22-96, 29-42-08**
Poronaisk, Makarov, Smirnykh	66-28-93, 66-22-96, 29-44-08, 29-42-08**
Yuzhno-Sakhalinsk, Aniva, Dolinsk, Kholmsk	66-28-93, 66-22-96, 29-42-08**
Korsakov	66-28-93, 66-22-96

* *International code +7 4242, Russian and local code 8 4242.*

** *Telephone numbers to be used if your concerns relate to the Sakhalin Indigenous Minorities. You may also call the numbers stated in the leaflet Grievance Procedure of the Sakhalin Indigenous Minorities Development Plan (at www.simdp.ru or in the Sakhalin Energy's information centres).*

10 CONTACT INFORMATION

For more information about the Sakhalin-2 project, please visit www.sakhalinenergy.ru. (Russian) and www.sakhalinenergy.com (English).

Sakhalin Energy can also be contacted by:

- e-mail at ask-sakhalinenergy@sakhalinenergy.ru;
- fax to the External Affairs Manager at +7 4242 662808;
- letter to the External Affairs Manager, Sakhalin Energy Investment Company Ltd., 35, Dzerzhinskogo Str. 693020, Yuzhno-Sakhalinsk Russian Federation;
- toll free hotline telephone for grievances (any social related issues): 8 800 200 6624 and +7 4242 662400 (paid line). Available for Russian and English speakers, also, as preferred by applicant, the conversation can be supported in Russian or English as well as under the caller's he/she can be provided with the opportunity to talk to either male or female operators;
- telephone +7 4242 294208 (indigenous communities);
- telephone +7 4242 662866 (for Japanese stakeholders, in English; an interpreter to/from Japanese can be arranged upon request);
- telephone in Moscow +7 495 9561750.

The contact details of Sakhalin Energy's Community Liaison Organisation (CLO) are provided in Section 8.1 of PCDP.

APPENDIX 1 STATEMENT OF GENERAL BUSINESS PRINCIPLES

OUR VALUES

Sakhalin Energy employees share a set of core values - honesty, integrity and respect for people. We also firmly believe in the fundamental importance of trust, openness, teamwork and professionalism, and pride in what we do.

SUSTAINABLE DEVELOPMENT

As part of the Business Principles, we commit to contribute to sustainable development. This requires balancing short and long term interests, integrating economic, environmental and social considerations into business decision-making.

RESPONSIBILITIES

Sakhalin Energy recognises six areas of responsibility. It is the duty of management to continuously assess the priorities and discharge these inseparable responsibilities on the basis of that assessment.

a. To shareholders

To protect shareholders' investment, and provide a long-term return competitive with those of other leading companies in the industry.

b. To the Russian Party

To respect our obligations towards the Federation of Russia and the Sakhalin Oblast and to protect its rights under the Production Sharing Agreement entered into by Sakhalin Energy and those parties.

c. To customers

To win and maintain customers by developing and providing products and services which offer value in terms of price, quality, safety and environmental impact, which are supported by the requisite technological, environmental and commercial expertise.

d. To employees

To respect the human rights of our employees and to provide them with good and safe working conditions, competitive terms and conditions of employment. To promote the development and best use of the talents of our employees; to create an inclusive work environment where every employee has an equal opportunity to develop his or her skills and talents. To encourage the involvement of employees in the planning and direction of their work; to provide them with channels to report concerns. We recognise that commercial success depends on the full commitment of all employees.

e. To those with whom we do business

To seek mutually beneficial relationships with contractors and suppliers to promote the application of these Sakhalin Energy General Business Principles or equivalent principles in such relationships. The ability to promote these principles effectively will be an important factor in the decision to enter into or remain in such relationships.

f. To society

To conduct business as responsible corporate members of society, to observe the laws of the Russian Federation and the other countries in which Sakhalin Energy operates, to support fundamental human rights in line with the legitimate role of business, and to give proper regard to health, safety, security and the environment.

Principle 1: Economic

Long-term profitability is essential to achieving our business goals and to our continued growth. It is a measure both of efficiency and of the value that customers place on Sakhalin Energy's products and services. It supplies the necessary corporate resources for the continuing investment that is required to develop and produce future energy supplies to meet customer needs. Without profits and a strong financial foundation, it would not be possible to fulfil our responsibilities.

Criteria for investment and divestment decisions include sustainable development considerations (economic, social and environmental) and an appraisal of the risks of the investment.

Principle 2: Competition

Sakhalin Energy supports free enterprise. We seek to compete fairly and ethically and within the framework of applicable competition laws; we will not prevent others from competing freely with us.

Principle 3: Business integrity

Sakhalin Energy insists on honesty, integrity and fairness in all aspects of our business and expects the same in our relationships with all those with whom we do business. The direct or indirect offer, payment, soliciting or acceptance of bribes in any form is unacceptable. Facilitation payments are also bribes and should not be made.

Employees must avoid conflicts of interest between their private activities and their part in the conduct of company business. Employees must also declare to their employing company potential conflicts of interest. All business transactions on behalf of Sakhalin Energy must be reflected accurately and fairly in the accounts of the company in accordance with established procedures and are subject to audit and disclosure.

Principle 4: Political activities:

a. of companies

Sakhalin Energy act in a socially responsible manner within the laws of the Russian Federation and the other countries in which we operate in pursuit of our legitimate commercial objectives.

Sakhalin Energy does not make payments to political parties, organizations or their representatives or take part in party politics. However, when dealing with governments, Sakhalin Energy has the right and the responsibility to make our position known on any matters, which affect us, our employees, our customers, our shareholders or local communities in a manner that is in accordance with our values and the Business Principles.

b. of employees

Where individuals wish to engage in activities in the community, including standing for election to public office, they will be given the opportunity to do so where this is appropriate in the light of local circumstances.

Principle 5: Health, Safety, Security and the Environment

Sakhalin Energy has a systematic approach to health, safety, security and environmental management in order to achieve continuous performance improvement.

To this end, Sakhalin Energy manages these matters as critical business activities, set standards and targets for improvement, and measure, appraise and report performance externally. We continually look for ways to reduce the environmental impact of our operations, products and services.

Principle 6: Local Communities

Sakhalin Energy aims to be good neighbours by continuously improving the ways in which we contribute directly or indirectly to the general well-being of the communities within which we work.

We manage the social impacts of our business activities carefully and work with others to enhance the benefits to local communities, and to mitigate any negative impacts from our activities.

In addition, Sakhalin Energy takes a constructive interest in societal matters, directly or indirectly related to our business.

Principle 7: Communication and Engagement

Sakhalin Energy recognises that regular dialogue and engagement with our stakeholders is essential. We are committed to reporting of our performance by providing full relevant information to legitimately interested parties, subject to any overriding considerations of business confidentiality.

In our interactions with employees, business partners and local communities, we seek to listen and respond to them honestly and responsibly.

Principle 8: Compliance

We comply with all applicable laws and regulations of the countries in which we operate.

Living by our Principles

Our shared core values of honesty, integrity and respect for people, underpin all the work we do and are the foundation of our Business Principles.

The Business Principles apply to all transactions, large or small, and drive the behaviour expected of every employee in every Sakhalin Energy company in the conduct of its business at all times.

We are judged by how we act. Our reputation will be upheld if we act in accordance with the law and the Business Principles. We encourage our business partners to live by them or by equivalent principles.

We encourage our employees to demonstrate leadership, accountability and teamwork, and through these behaviours, to contribute to the overall success of Sakhalin Energy.

It is the responsibility of management to lead by example, to ensure that all employees are aware of these principles, and behave in accordance with the spirit as well as with the letter of this statement.

The application of these principles is underpinned by a comprehensive set of assurance procedures, which are designed to make sure that our employees understand the principles and confirm that they act in accordance with them.

As part of the assurance system, it is also the responsibility of management to provide employees with safe and confidential channels to raise concerns and report instances of non-compliance. In turn, it is the responsibility of Sakhalin Energy employees to report suspected breaches of the Business Principles to Sakhalin Energy.

The Business Principles have for many years been fundamental to how we conduct our business and living by them is crucial to our continued success.

APPENDIX 2 COMMUNITY LIAISON ORGANIZATION CONTACT INFORMATION AND BULLETIN BOARD LOCATIONS

DISTRICT	COMMUNITY	KEY PROJECT ASSET IN/NEAR COMMUNITY	SAKHALIN ENERGY DOCUMENTS/INFORMATION MATERIALS LOCATION	BULLETIN BOARD LOCATION	COMMUNITY LIAISON ORGANIZATION'S CONTACT	DISTRICT NEWS-PAPER	SAKHALIN ENERGY INFORMATION CENTERS LOCATION
Nogliki	Val	Gas transfer terminal Boatasino, pipeline	Nogliki, district library	Nogliki, district library	294208 294408 294185	Znamya Truda	Nogliki, district library, 5a Pogranichnaya St, Tel. +7 42444 91057
	Venskoye		Nogliki, district library	Nogliki, district library			
	Nogliki		District library	District library, 5a Pogranichnaya St, Tel. +7 42444 91057			
	Nysh	OPF (apart of 70 km from the community, camp is on construction site)	Nogliki, district library	Nogliki, district library			

DISTRICT	COMMUNITY	KEY PROJECT ASSET IN/NEAR COMMUNITY	SAKHALIN ENERGY DOCUMENTS/INFORMATION MATERIALS LOCATION	BULLETIN BOARD LOCATION	COMMUNITY LIAISON ORGANIZATION'S CONTACT	DISTRICT NEWS-PAPER	SAKHALIN ENERGY INFORMATION CENTERS LOCATION
Tymovsky	Chir-Unvd		Molodezhnoe, library	Molodezhnoe, library	294208 294408 294185	Tymovsky Vestnik	Tymovskoye, district library, 68a Kirovskaya St., Tel. +7 42447 22478 Molodezhnoye, library, 14 Sovetskaya St. Kirovskoye, library 70 Centralnaya St. Yasnoye, library, 2 Titova St.
	Voskresenovka		Tymovskoye, district library	Tymovskoye, district library			
	Molodezhnoye		Library	Library, 14 Sovetskaya St.			
	Tymovskoye		District library	District library, 68a Kirovskaya St., Tel. +7 42447 22478			

DISTRICT	COMMUNITY	KEY PROJECT ASSET IN/NEAR COMMUNITY	SAKHALIN ENERGY DOCUMENTS/INFORMATION MATERIALS LOCATION	BULLETIN BOARD LOCATION	COMMUNITY LIAISON ORGANIZATION'S CONTACT	DISTRICT NEWS-PAPER	SAKHALIN ENERGY INFORMATION CENTERS LOCATION
	Voskhod		Tymovskoye, district library	Tymovskoye, district library			
	Podgornoe		Tymovskoye/ Kirovskoye, library	Tymovskoye/Kirovskoye, library			
	Kirovskoye		Library	Library 70 Centralnaya St.			
	Yasnoye		Library	Library 2 Titova St.			
	Palevo		Yasnoye, library	Yasnoye, library			

DISTRICT	COMMUNITY	KEY PROJECT ASSET IN/NEAR COMMUNITY	SAKHALIN ENERGY DOCUMENTS/INFORMATION MATERIALS LOCATION	BULLETIN BOARD LOCATION	COMMUNITY LIAISON ORGANIZATION'S CONTACT	DISTRICT NEWS-PAPER	SAKHALIN ENERGY INFORMATION CENTERS LOCATION
Smirnykh	Onor		Library	Library, 5 Sovetskaya St.	294208 294408 294185	Novaya Zhizn	Smirnykh, district library, 12 Lenin St., Tel. +7 42452 22367 Onor, library, 5 Sovetskaya St. Roschino, library, 4 Komsomolskaya St. Pobedino, library, 60 Centralnaya St. Buyukly, library, 1 Kosmonavtov St.
	Roschino		Library	Library, 4 Komsomolskaya St.			
	Pobedino		Library	Library, 60 Centralnaya St.			
	Smirnykh		District library	District library, 12 Lenin St., Tel. +7 42452 22367			

DISTRICT	COMMUNITY	KEY PROJECT ASSET IN/NEAR COMMUNITY	SAKHALIN ENERGY DOCUMENTS/INFORMATION MATERIALS LOCATION	BULLETIN BOARD LOCATION	COMMUNITY LIAISON ORGANIZATION'S CONTACT	DISTRICT NEWS-PAPER	SAKHALIN ENERGY INFORMATION CENTERS LOCATION
	Elniki		Smirnykh, district library	Smirnykh, district library			
	Buyukly		Library	Library, 1 Kosmonavtov St.			
Poronaisk	Leonidovo		Poronaisk, district library	Poronaisk, district library	294208 294408 294185	Express Zvezda	Poronaisk, district library, 45 Gagarina St., Tel. +7 42431 42713 Gastello, library, 42-2, Centralnaya St. Vostok, library, 10a, Gagarina St.
	Poronaisk		District library	District Library, 45 Gagarina St., Tel. +7 42431 42713			
	Tikhmenevo		Gastello, library	Gastello, library			

DISTRICT	COMMUNITY	KEY PROJECT ASSET IN/NEAR COMMUNITY	SAKHALIN ENERGY DOCUMENTS/INFORMATION MATERIALS LOCATION	BULLETIN BOARD LOCATION	COMMUNITY LIAISON ORGANIZATION'S CONTACT	DISTRICT NEWS-PAPER	SAKHALIN ENERGY INFORMATION CENTERS LOCATION
	Gastello	Booster station	Library	Library, 42-2, Centralnaya St.			
	Vostok		Library	Library, 10a, Gagarina St.			
Makarov	Novoye		Novoye, library	Novoye, library, 11-7, Centralnaya St.	294408 294185 294408	Novaya Gazeta	Makarov, district library, 9-a 50 Let Oktyabrya St., Tel. +7 42443 53378 Novoye, library, 11-7, Centralnaya St. Vostochny, library, 8, Privokzalnaya St.
	Gornoye		Novoye, library	Novoye, library			
	Tumanovo		Novoye, library	Novoye, library			

DISTRICT	COMMUNITY	KEY PROJECT ASSET IN/NEAR COMMUNITY	SAKHALIN ENERGY DOCUMENTS/INFORMATION MATERIALS LOCATION	BULLETIN BOARD LOCATION	COMMUNITY LIAISON ORGANIZATION'S CONTACT	DISTRICT NEWS-PAPER	SAKHALIN ENERGY INFORMATION CENTERS LOCATION
	Makarov		District library	District library, 9-a 50 Let Oktyabrya St., Tel. +7 42443 53378			
	Vostochny		Library	Library, 8, Privokzalnaya St.			
	Pugachevo		Vostochnoe, library	Vostochnoe, library			

DISTRICT	COMMUNITY	KEY PROJECT ASSET IN/NEAR COMMUNITY	SAKHALIN ENERGY DOCUMENTS/INFORMATION MATERIALS LOCATION	BULLETIN BOARD LOCATION	COMMUNITY LIAISON ORGANIZATION'S CONTACT	DISTRICT NEWS-PAPER	SAKHALIN ENERGY INFORMATION CENTERS LOCATION
Dolinsk	Vzmorye		Library	Library, 22, Pionerskaya St.	294185 294408	Dolinskaya Pravda	Dolinsk, district library, 31 Lenin St., Tel. +7 42442 25284
	Sovetskoye		Library	Library, 122, Centralnaya St.			Vzmorye, library, 22, Pionerskaya St.
	Dolinsk		District library	District library, 31 Lenin St., Tel. +7 42442 25284			Sovetskoye, library, 122, Centralnaya St.
	Pokrovka/ Oktyabrskoye/ Sosnovka/ Ruchyi		Dolinsk, district library	Dolinsk, district library			Sokol, library, 26, Sovkhoznyaya St.

DISTRICT	COMMUNITY	KEY PROJECT ASSET IN/NEAR COMMUNITY	SAKHALIN ENERGY DOCUMENTS/INFORMATION MATERIALS LOCATION	BULLETIN BOARD LOCATION	COMMUNITY LIAISON ORGANIZATION'S CONTACT	DISTRICT NEWS-PAPER	SAKHALIN ENERGY INFORMATION CENTERS LOCATION
	Sokol		Library	Library, 26, Sovkhoznaya St.			
Yuzhno Area	Novaya Derevnya/ Yelochki/Dalneye		Yuzhno-Sakhalinsk, library	Yuzhno-Sakhalinsk office	294185 294208	Sovetsky Sakhalin/ Gubernskie Vedomosti (regional papers available in all other districts)	
	Yuzhno-Sakhalinsk	Sakhalin Energy office	City library, City administration 173 Lenin St.	Yuzhno-Sakhalinsk office			
Aniva	Troitskoye		Library	Library, 13, Sovetskaya St.	294185 294408	Utro Rodiny	Troitskoye, library, 13, Sovetskaya St.
	Novo-Troitskoye		Troitskoye, library	Troitskoye, library			
	Aniva		District library	Troitskoye, library			
	Mitsulevka		Troitskoye, library	Troitskoye, library			
Korsakov	Solovyevka		Korsakov, city youth library	Korsakov, city youth library	294185 294408	Voskhod	Korsakov, city youth library, 7 Molodyezhnyi Per.

DISTRICT	COMMUNITY	KEY PROJECT ASSET IN/NEAR COMMUNITY	SAKHALIN ENERGY DOCUMENTS/INFORMATION MATERIALS LOCATION	BULLETIN BOARD LOCATION	COMMUNITY LIAISON ORGANIZATION'S CONTACT	DISTRICT NEWS-PAPER	SAKHALIN ENERGY INFORMATION CENTERS LOCATION
	Ozersky	LNG/OET	Korsakov, city youth library	Korsakov, city youth library			
	Chapaevo	LNG/OET	-	Korsakov, city youth library			
	Korsakov	LNG/OET	City youth library	City youth library, 7 Molodyezhnyi Per.			
Kholmsk	Kholmsk	Port	District library	District library, 124 Sovetskaya St., Tel. +7 42433 50862	294185 294408	Kholmskaya Panorama	Kholmsk, district library, 124 Sovetskaya St., Tel. +7 42433 50862

APPENDIX 3 CONTACT INFORMATION FOR DISTRIBUTION OF SIMDP INFORMATION MATERIALS

DISTRICT	COMMUNITY	SIMDP DOCUMENTATIO AND INFORMATION MATERIALS	BULLETIN BOARD LOCATION	CONTACT OF COMMUNITY LIASION OFFICER
Okha	Okha	Library, Administration, Local non-government organization of IP of Okha district	Library, 17 Lenina St	294208 662009
	Nekrasovka	Library, Okha local non-government organization "Center on saving and development of the traditional IP culture "Kykhykh" ("Swan")	Library, 4 Klubnaya St, ap. 2	
Nogliki	Nogliki	Nogliki municipal regional museum, central district library Administration	Nogliki municipal regional museum, 60 Sovetskaya St.	294208 662009
	Val	Library, Administration	Library, 23 Shkolnaya St.	
Tymovsk	Tymovskoye	Regional library, Administration	Regional library, 68a Kirovskaya St.	294208 662009
	Chir-Unvd	Library, Administration	Library, 6 Sovetskaya St.	
Aleksandrovsk- Sakhalinskiy	Aleksandrovsk- Sakhalinskiy	Administration		294208 662009
	Viakhtu	Library, Administration	Library, 4 Pochtovaya St	
	Trambaus	Library	2 Morskaya St.	

DISTRICT	COMMUNITY	SIMDP DOCUMENTATIO AND INFORMATION MATERIALS	BULLETIN BOARD LOCATION	CONTACT OF COMMUNITY LIASION OFFICER
Smirnykh	Smirnykh	Regional library, Administration	Regional library, 12 Lenina St	294208
	Buyukly	Library	1 Kosmonavtov St.	662009
Poronaisk	Poronaisk	Regional libraries, Administration, Local non-government organization of IP of Poronaisk district	Regional libraries, 45 Gagarina St.	294208 662009
Yuzhno-Sakhalinsk	Yuzhno-Sakhalinsk	Sakhalin Regional IP Council, Administration, IP administration of Sakhalin Government		294208 662009

APPENDIX 4 COMMUNITIES, NGOS AND OTHER STAKEHOLDERS

Organisations on this list receive news updates from Sakhalin Energy. To be added to the list, please contact Sakhalin Energy (see Section 10 of the public consultation and disclosure plan for details).

Local & RFE	National	Regional	International
Sakhalin Environment Watch	WWF – Russia	Consulate General of Japan	WWF International
Sakhalin Fishing Associations and co-operatives	IFAW-Russia	Hokkaido Government	WWF Switzerland
Russian Geographical Society	Greenpeace – Russia	Souya General Subprefectural Bureau of Hokkaido Government	WWF USA
Marine Rescue Centre	IUCN - Russia	Okhotsk General Subprefectural Bureau of Hokkaido Government	IFAW
Rodnik Environmental Centre	EcoJuris	Mombetsu City	IUCN
Russian-American Business Training Centre	Association of Indigenous Minorities People of the North, Siberia and the Far East	Rumoi Subprefectural Bureau of Hokkaido Government	Pacific Environment
Sakhalin State University	Rodnik	Fisheries Agency of Japan	Wild Salmon Centre
Institute of Development of Education	National Forum on Corporate Social Responsibility	Hokkaido Bureau of Economy, Trade and Industry	International Bird Rescue Research Centre
AntiAIDS Foundation	Non-commercial partnership “CSR – Russian Centre”	Hokkaido Legislative Assembly	Kidsave International
Sakhalin Regional Anti-AIDS Centre	Association of Managers	Bureau of Tourism, Department of Economic Affairs, Hokkaido Government	International Bird Rescue Research Centre
Sakhalin Branch of Russian Journalists Association	CSR Centre of PriceWaterHouse Cooper	Japan Coast Guard – Headquarters (Tokyo) and Regional Headquarters	FRAEC
WWF – RFE	Donors’ Forum	Hokkaido Fisheries Environmental Centre	UNDP
Boomerang	Sustainable Development Foundation	Hokkaido fisheries cooperative associations (Wakkanai, Sarufutu, Esashi, Abashiri, Kitarumoi,	UN Global Compact
Club Romantic	United Way of Russia		UN LEAD
Sakhalin Salmon Initiative			International Forum of Business Leaders
Sakhalin Regional Centre for Additional Education			
Centre of National Culture			
Sakhalin Art Museum			
Sakhalin Oblast Library			
Yuzhno-Sakhalinsk City Library			

Local & RFE	National	Regional	International
<p>Centre for rehabilitation of disabled children "Preodolenie"</p> <p>Sakhalin NGO "KidSave"</p> <p>NGO "Children Ecological Camp "Magnolia"</p> <p>NGO 'Healthy Generation"</p> <p>Sakhalin Community</p> <p>Association of Indigenous People</p> <p>Poronaisk Lyceum of Traditional Industries of the People of the North</p> <p>Veterans Societies</p> <p>Knowledge is Power (Initiative group)</p> <p>Korsakov Rotary Club</p> <p>Yuzhno-Sakhalinsk City Park named after Yuri Gagarin</p> <p>Sakhalin Oblast Lore Museum</p> <p>Sakhalin Regional NGO for kids with speech disability "Hope"</p> <p>Regional Social Movement (RSM) "Union of Indigenous Peoples of Sakhalin</p> <p>Regional council of Sakhalin IP authorized representatives</p> <p>Tribal enterprises, family farms, communes or other Sakhalin IP communities</p> <p>Municipal and social museums in Nogliki, Poronaisk, Yuzhno-Sakhalinsk museums</p> <p>Sakhalin regional centre of folk art</p> <p>Sakhalin regional public organization "Youth Council</p>	<p>Social information agency (ASI)</p> <p>RF Far Eastern International Fund "Batani"</p> <p>Union of IP communities of the North, Siberia and the Far East</p> <p>Institute of Indigenous People of North named after A.I. Gertsen (Saint-Petersburg)</p> <p>Federal State Institution of Science of the Order of Friendship of Peoples Ethnology and Anthropology Institute named NN Miklukho-Maclay</p>	<p>Otarushi, Tokoro, Yuubetsu, Oumu, Ishikariwan, etc.)</p> <p>Japan Environment Disaster Information Centre</p> <p>Hokkaido University</p> <p>Ship and Ocean Foundation</p> <p>Friends of Earth Japan</p> <p>IFAW – Japan</p> <p>WWF Japan</p> <p>Wildlife Preservation Bureau of Hokkaido</p> <p>Etopilika</p> <p>Hokkaido Raptores Research</p> <p>Wild Bird Society of Japan</p> <p>Yamashina Institute for Ornithology</p> <p>Okhotsk Environmental Protection Network</p>	

Local & RFE	National	Regional	International
<p>of IP of the North”</p> <p>NGO “Centre of preservation and development of traditional culture “KykhKykh” (“Swan”)</p> <p>Khabarovsk IP Association</p> <p>Information centre “Latch” (Petropavlovsk-Kamchatskiy)</p> <p>Local non-government Okha IP organization</p> <p>Local non-government Poronaisk IP organization</p> <p>Ethnic and cultural centre " Ykh Myth People”</p> <p>Municipal administrations in the areas of traditional residence of Sakhalin indigenous peoples</p> <p>Sakhalin regional museum</p>			

APPENDIX 5 LIST OF EXISTING JAPANESE STAKEHOLDERS ON SAKHALIN ENERGY DATABASE

Detailed description of the engagement principles and activities with Japanese stakeholders is provided in Section 7.8 of this Plan.

Japanese stakeholders	
Consulate General of Japan	Japan Coast Guard – Headquarters (Tokyo) and Regional Headquarters
Hokkaido Government	Japan Environment Disaster Information Centre
Souya General Subprefectural Bureau of Hokkaido Government	Hokkaido University
Okhotsk General Subprefectural Bureau of Hokkaido Government	Ship and Ocean Foundation
Mombetsu City	Friends of Earth Japan
Rumoi Subprefectural Bureau of Hokkaido Government	IFAW – Japan
Fisheries Agency of Japan	WWF Japan
Hokkaido Bureau of Economy, Trade and Industry	Wildlife Preservation Bureau of Hokkaido
Hokkaido Legislative Assembly	Etopilika
Bureau of Tourism, Department of Economic Affairs, Hokkaido Government	Hokkaido Raptors Research
Hokkaido Fisheries Environmental Center	Wild Bird Society of Japan
Hokkaido fisheries cooperative associations (Wakkanai, Sarufutu, Esashi, Abashiri, Kitarumoi, Otarushi, Tokoro, Yuubetsu, Oumu, Ishikariwan, etc.)	Yamashina Institute for Ornithology
	Okhotsk Environmental Protection Network
	Hokkaido University

If an organisation or individual would like to be added to the list of interested stakeholders they should contact Sakhalin Energy:

- Via email: SEIC-ask-japan@sakhalinenergy.ru.
- Via telephone: +7 4242 662866 (English speaking, an interpreter to/from Japanese will be arranged upon request).
- Via fax: +7 4242 662808.

List of libraries in Japan where Sakhalin Energy materials are available for review:

- Wakkanai Library, 4-1-1, Daikoku, Wakkanai-shi, Hokkaido, tel: 81-162-23-3874;
- Mombetsu Library, 3-1-8, Saiwaicho, Mombetsu-shi, Hokkaido, tel: 81-1582-4-2111;
- Abashiri Library, 3 chome, Kita 2 jyo Nishi, Abashiri-shi, Hokkaido, tel: 81-152-43-2426;
- Hokkaido Library, 41, Higashi-machi, Bunkyo-dai, Ebetsu-shi, Hokkaido, tel: 81-11-386-8521.

APPENDIX 6 COMMUNITY LIAISON ORGANIZATION OVERVIEW

Sakhalin Energy information centres (IC) key responsibilities

Key Sakhalin Energy information centres activities include the following:

- update billboards with information provided by the company;
- provide visitors with the company's materials in hard and soft copies;
- assist local residents with information search at the company's website;
- make the public aware of the grievance procedure, including the public grievance leaflet, the public grievance form, and with whom grievances should be lodged, as well as passing the grievances on to the company's authorised staff;
- make the public aware of the social programmes available from the company;
- in places of traditional indigenous residence – provide information on the SIMDP activities assistance in organization and carrying out meetings between the company and community and other stakeholders.

Information centre consultants keep the Municipal Liaison Coordinator (MLC) and CLO updated regularly on all issues and applications received from residents. Depending on the issue, if required, community residents can approach the MLC or CLO directly.

Information centre consultants receive annual training. Exemplary training agenda is as follows:

- public grievance procedure;
- information on Sakhalin-2 project;
- company's Internet site: where and how to find the required information;
- rules of safe behaviour of community in the pipeline right-of-way;
- Sakhalin Energy social and grant projects, requirements to registration of applications;
- visits to company's facilities.

Key responsibilities of the Community Liaison Officer

CLO has the following responsibilities:

- organisation and coordination of activities of the company's information centres;
- provision of company's printed materials to information centres;
- liaison with IC consultants, advice and logistic support for issues related to conflict and grievance settlement;
- liaison with IC consultants, advice and logistic support for issues related to implementation of social and sustainable development programs;
- support information centres in getting additional information on the project activities in accordance with community requests;
- organisation and holding meetings with local residents and other stakeholders;
- obtain regular feedback from community residents, through the community visits, open hours, company information centres, and other pro- active means such as public meetings;
- update of contact lists;

- inform key Sakhalin Energy audiences of community background information and current issues through regular reporting to interested corporate parties;
- monitor relations between contractors and local communities;
- track project impacts on communities and attitudes/expectations associated with project implementation, and provide regular feedback to the company.

Key responsibilities of the Municipal Liaison Coordinator

In addition to general CLO responsibilities, the Municipal Liaison Coordinator has the following specific responsibilities:

- implementation of community awareness programme;
- coordinate activities and regularly communicate with CLO;
- provide technical support in grievance process.

Municipal liaison coordinator regularly communicates with information centres consultants, overviews and coordinates information centres general activity, provides technical support and organises and facilitates meetings as required.

Key responsibilities of the IP CLO

IP CLO has the following responsibilities:

- assistance with implementation of the SIMDP in the seven districts of compact living of IP;
- liaison with indigenous and non-indigenous residents of Val;
- liaison with indigenous people of the areas of their traditional residence and assistance in resolution of issues related to the Sakhalin-2 project:
- provide technical support in grievance process for IP residents;
- advice and logistic support for issues related to implementation of social and sustainable development programs, including in relation to the indigenous communities;
- provide advice to the indigenous communities on the development/support programmes available under the SIMDP.

The IP CLO conducts open hours in accordance with approved schedule and meets with key IP representatives and stakeholders in Sakhalin districts on a regular basis. The IP CLO participates in other IP/SIMDP-related consultation activities carried out by the company in Nogliki district and other districts as required.

Also IP CLO participates in the organization and holding of the public meetings with community, representatives of administrations and municipalities, holding of external and internal monitoring of SIMDP programmes in the traditional districts of compact living of Sakhalin IP including workshops with the IP representatives

Community information boards

Information boards have been placed in 23 communities along the pipeline right-of-way. They are located in libraries, which are regularly used by community residents. The boards are used to post relevant information, including:

- corporate newspaper "Vesti";
- job recruitment and contact information;
- notices of any meetings; and

- notices of planned visits of the company representatives and others, including where people can visit them to ask questions.

Information on the location of community information boards is provided in Appendix 2 of the PCDP.

APPENDIX 7 LIST OF ABBREVIATIONS

ASI	Agency of Social Information
BVS	Block Valve Station
CLO	Community Liaison Officer
CSR	Corporate social responsibility
EA	External Affairs
EIA	Environmental impact assessment
ESHIA	Environmental, social and health impact assessment
FRAEC	Foundation for Russian American Economic Cooperation
GDP	Gas delivery point
GDS	Gas distribution station
GRI	Global Reporting Initiative
GTT	Gas transfer terminal
HSE	Health, safety, environment
HSESAP	Health, Safety, Environment and Social Action Plan
IC	Information centres
IEC	Independent environmental consultant
IFAW	International Fund for Animal Welfare
IFC	International Finance Corporation
IP	Indigenous people
IUCN	International Union for Conservation of Nature
JCG	Japan Coast Guards
MDPC	Marine Disaster Prevention Centre
NGO	Non-governmental organizations
OEPN	Okhotsk environment protection net
OPF	Onshore production facility
OSR	Oil spill response
PCDP	Public Consultation and Disclosure Plan
PCDR	Public Consultation and Disclosure Report
PSA	Production Sharing Agreement
RAIPON	Russian Association of Indigenous Peoples of the North
RAP	Resettlement Action Plan
RF	Russian Federation
RFE	Russian Far East
RGS	Russian Geographical Society
RSPP	Russian Union of Industrialists and Entrepreneurs
SD	Sustainable development
SEW	Sakhalin Environmental Watch
SI	Social investments
SIA	Social impact assessment
SIMDP	Sakhalin Indigenous Minorities Development Plan
SPZ	Sanitary protection zone
TEOC	Technical and Economic Substantiation of Construction
UN	United Nations
UNDP	United Nations Development Programme
UNECE	United Nations Economic Commission for Europe
WGW	Western gray whales
WGWAP	Western Gray Whales Advisory Panel
WWF	World Wildlife Fund

