

Meeting with the Public of the Korsakov District

27 May 2021

Art School for Children and Youth
(Korsakov, 14 Sovetskaya Str.)

16:00–18:00

Representatives of Sakhalin Energy

1. Tatyana Derivedmid – Head of the Public Relations Division.
2. Oleg Tkachenko – Head of the Corporate Events and Government Relations Subdivision.
3. Timofey Zvezdov – Head of the Environmental Monitoring and Biodiversity Conservation Subdivision.
4. Marina Moruga – Head of the Information Support and Media Liaison Subdivision.
5. Taras Letyushev – Head of the South Assets Security Subdivision.
6. Maksim Shubin – Chief Specialist of the Analytical Subdivision.
7. Viktor Zorin – Chief Specialist of the Corporate Health Section.
8. Marina Ivanchikova – Category 1 Environmental Safety Engineer, HSE and Quality Assurance Subdivision, Prigorodnoye asset.
9. Maria Skokova – Specialist of the Social Performance Subdivision.
10. Andrey Zykov – Lead Rig Project Manager for the LNG Production, Storage and Export Shop, Prigorodnoye asset.
11. Sergey Manchilin – Specialist of the Corporate Events and Government Relations Subdivision.
12. Nikolay Nikolayenko – Specialist of the Staffing Subdivision.
13. Elena Glavanova – Communications and Community Liaison Specialist of the Information Support and Media Liaison Subdivision.

Public: 16 persons

Agenda:

- Sakhalin-2 project / Prigorodnoye asset.
- Company's activities during the COVID-19 pandemic.
- State of environment in the Prigorodnoye asset area in 2020.
- Social performance
- Questions and answers

At the beginning of the meeting, T. P. Derivedmid informed those present about actions in case of fire alarm and warned that the meeting would be audio recorded for the subsequent drawing up of the minutes (the minutes of the previous meetings are available on the company's website and the Korsakov Administration website).

T. P. Derivedmid started the presentation with the information about the awards and recognition the company received in 2020.

M. B. Shubin spoke about Sakhalin Energy’s production facilities, focusing on the Prigorodnoye asset, performance in 2020, plans for 2021, benefits for the Sakhalin Oblast from the Sakhalin-2 project, and the company’s personnel structure.

V. G. Zorin reported on the company’s activities during the COVID-19 pandemic, spoke about setting up the General Coordinating Committee, temporary accommodation facilities, logistics support, and personnel health precautions.

M. G. Ivanchikova spoke about the industrial environmental control at the Prigorodnoye asset in 2020, expanding on the topic of waste management at the Prigorodnoye asset and sharing the company's experience of waste sorting, separate collection, and minimisation at the production facilities.

T. V. Zvezdov presented the environmental monitoring and biodiversity conservation programmes and spoke about the company’s preparedness for emergency situations.

M. S. Skokova presented information about the company’s social performance, focusing on the social investment programme in the context of COVID-19 and the project launched together with the Sakhalin Oblast Ministry of Health to supply healthcare institutions with equipment and consumables for anti-COVID measures.

Moreover, M. S. Skokova reminded about the community grievance procedure and finished the presentation by referring to the company’s 2020 sustainable development report for more detailed information.

Answers to the questions not answered at the meeting will be provided by the company at the public meeting to be held in Korsakov in Q4 of 2021.

The company representatives recorded all the questions asked during the meeting.

Question <i>(in the wording used by the speakers)</i>	Answer
<p>How is the company involved in supplying gas to the Korsakov District? <i>(question submitted before the meeting with the public)</i></p>	<p>O. L. Tkachenko: The Sakhalin Oblast Government and Gazprom are responsible for gasification of the Oblast under the gas supply and gasification agreement signed between them. The company has two objectives: 1) to reserve gas in sufficient quantity to ensure the gasification of the Oblast and, in particular, the Korsakov District – it was done; 2) to set up gas transfer terminals. The company has been doing it for a while. For now, three gas transfer terminals have been set up (the Northern Terminal, near the village of Boatasino, to supply gas to consumers in Primorsky Krai and Khabarovsk Krai via the Sakhalin–Khabarovsk–Vladivostok pipeline; the Southern Terminal, in Dalneye village, to supply</p>

	gas to Yuzhno-Sakhalinsk TPP and to consumers in Yuzhno-Sakhalinsk; and a terminal in Tymovsky District, which was opened in December 2019). In 2021–2022, the company plans to set up five gas transfer terminals, including one in Korsakov District. The company will ensure that all conditions for the gasification of the Korsakov District are met. The company is not responsible for setting up networks and connecting consumers to them
They said, there was no well to supply us with gas. So, is there gas in the pipeline? <i>(B. A. Osadets)</i>	O. L. Tkachenko: There is sufficient gas in the pipeline to supply the Korsakov District. The company has to build a terminal to take off gas for the Korsakov District
Where will the Korsakov District get gas from? Is a tie-in point available only in Dalneye or will there be one in the Korsakov District as well? <i>(question submitted before the meeting with the public)</i>	O. L. Tkachenko: A take-off point will be set up near the Korsakov District. I cannot share the exact location for now
The gas boiler plant is ready, but it cannot be commissioned due to lack of gas. <i>(B. A. Osadets)</i>	O. L. Tkachenko: The company is not responsible for gasification. The company’s operations are fully synchronised with the gasification stages under the agreement between the Sakhalin Oblast Government and Gazprom. The company has been fulfilling its obligations and will keep doing it
Are the volumes of LNG exported constant or always different? What do they depend on? <i>(question submitted before the meeting with the public)</i>	M. B. Shubin: The annual production volumes are about the same every year and depend mainly on weather conditions, as the LNG production process depends on the ambient temperature and the duration of scheduled maintenance when the equipment is shut down. The duration of maintenance depends on the scope of work
Due to changes in the application review and assessment procedures under the Korsakov Sustainable Development Partnership Council (KSDPC), experts are required to put up their comments. However, some of them give high rating without any comment, which causes mistrust in such experts and their assessment. Perhaps, the KSDPC Regulation should be updated to require that all experts put up at least 80% of their comments on the assessment sheet. Then	M. S. Skokova: Experts follow some criteria and guidelines for project assessment. They may not comment on their assessment for each criterion separately, but they have to share their overall view of the project and an opinion, including recommendations for improvement

<p>members of the expert panel can be sure that expert's assessments are impartial. <i>(question submitted before the meeting with the public)</i></p>	
<p>You have a lot of occasional projects. I want to suggest something. The company can make some kind of attraction spots in the city: a memorial sign, a monument, or a mini park. Something that makes people remember that you did it. <i>(B. A. Osadets)</i></p>	<p>T. P. Derivedmid: There is the Korsakov Sustainable Development Partnership Council in the Korsakov District, which can consider your ideas. You can talk to M. S. Skokova, who is present at the meeting, or visit the Korsakov office and speak to E. O. Glavanova, Community Liaison Specialist</p>
<p>Let's team up with the administration to clean up the coast. <i>(B. A. Osadets)</i></p>	<p>T. P. Derivedmid: To our knowledge, the Korsakov District City Administration is committed to this work and plans to do it in the near future. However, company employees and residents of Korsakov often join such events</p>
<p>Have the employees been vaccinated so far? <i>(Yu. G. Yanitsky)</i></p>	<p>T. P. Derivedmid: Vaccination is not mandatory in the company. However, the company works with the Korsakov Central District Hospital; its healthcare professionals come to the Prigorodnoye Asset to vaccinate all employees who wish</p>
<p>Question about the Korsakov Sustainable Development Partnership Council. 98% of grant applications come from kindergartens and schools. Indeed, we have a lot of social problems that could be solved. It is difficult for novices to fill out applications. Maybe some training will help? <i>(Yu. G. Yanitsky)</i></p>	<p>M. S. Skokova: Educational institutions are more likely to participate in the grant competition, but Korsakov non-profit organisations also participate. Anyone, who is interested in participating in grant competitions, but have some difficulty with filling out applications, can come to the office and speak to the Community Liaison Officer, or contact me for advice. The company provides regular training in social design. Such training took place in Korsakov in 2020. The School for Social Project Managers team developed several guidelines, which are available both in electronic form (on the website of the Energy Social Initiatives Fund) and in hard copy, which was presented at the meeting today. The company is always willing to give advice, both on the conditions for participation in the competition and on how to fill out a grant application</p>
<p>Can you hand out the slides on waste management that you showed today? I would like to share your experience at a round table to show a company that not</p>	<p>T. P. Derivedmid: You can find all the information presented today in the Sustainability Development Report. We will give it you after the meeting</p>

<p>just speaks about waste sorting, but actually does it. (<i>Yu. G. Yanitsky</i>)</p>	
<p>There was a lot of information presented today. Some of the slides are interesting, but I just cannot follow them; for other slides I have questions, but I will not have time to ask them. Where can I get information from the slides? Maybe on the company website, so that I can write questions to you afterwards? (<i>E. V. Rashchupkina-Lopukhina</i>)</p>	<p>T. P. Derivedmid: The presentation is based on the Sustainable Development Report, which is available on the company website. You can get a hard copy after the meeting. If you have any further questions, you can contact the Korsakov office and ask them to the Community Liaison Officer</p>
<p>How much did it cost to keep people under the 14-day observation? (<i>E. V. Rashchupkina-Lopukhina</i>)</p>	<p>T. P. Derivedmid: This information is confidential</p>
<p>You should change the manner in which you inform about your meetings. You spent so many resources; you publish a notice in the newspaper. But people who read the newspaper do not even look through this information. I have a suggestion to change people's attitude to attending these meetings. (<i>Yu. G. Yanitsky</i>)</p>	<p>T. P. Derivedmid: Thank you for your suggestion. The company posts information about the upcoming meetings not only in Voskhod newspaper, but also on the website of the Korsakov District City Administration and on TV-IS. We even send individual invitations. You can give your suggestion to the Community Liaison Officer by phone or during the opening hours of the Korsakov office</p>
<p>Will you fence off the territory of the Prigorodnoye port, which is unjustly called a beach and where you cannot swim? What if there is a spill and the local people will go swimming or fishing? The old dirt road should be fenced off. (<i>M. V. Petrenko</i>)</p>	<p>M. G. Ivanchikova: The company has recorded your question to answer it at the next meeting</p>
<p>It is possible to organise a beach near the Novikovo or Utesnoye villages, but people do not go there, as there is no asphalted road. Will the company finance construction of the road to Ozersk? (<i>M. V. Petrenko</i>)</p>	<p>O. L. Tkachenko: The company has no plans to finance the construction of the road to the Ozerskoye village</p>
<p>Yury Yanitsky is a member of the Council of Veterans, which brings together many deaf and visually</p>	<p>T. P. Derivedmid: The Korsakov Sustainable Development Partnership Council is subject to certain restrictions. In particular, it cannot provide</p>

impaired people. It is possible to get a grant to purchase glasses and hearing aids for some of them. We need to fill out the application correctly. <i>(M. V. Petrenko)</i>	funding to support individuals. But they can review projects suggested by the Council of Veterans
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At the end of the meeting, Tatyana Derivedmid thanked all the participants for attending the meeting, and offered to take handouts and fill out a feedback questionnaire.