

Meeting with the Public of the Nogliki District

03 June 2019

Village Culture Centre

(9 Molodezhnaya Str., Val village)

10:00–11:50

Representatives of Sakhalin Energy

1. Timur Nailiyevich Gafarov, Onshore Processing Facility (OPF) Compression Project Development Manager
2. Galina Vladimirovna Fedorinova, Head of the Industrial Environmental Control Subdivision
3. Natalya Vladimirovna Gonchar, Head of the Information Support and Media Liaison Subdivision
4. Yulia Aleksandrovna Zavyalova, Lead Specialist of the Social Performance Subdivision
5. Leena Vladimirovna Zhamyanova, Specialist of the Social Performance Subdivision
6. Elena Olegovna Glavanova, Communications and Community Liaison Specialist of the Information Support and Media Liaison Subdivision

Public: 24 persons

The Agenda:

- 2018 Sustainable Development Report
- Sakhalin-2 project: northern facilities of the company
- Compression Project/Beach Landing Facility in Lunsky Bay area
- Environmental Impact Management, 2018 (the Nogliki District)
- Social programmes of Sakhalin Energy
- Questions and answers

At the beginning of the meeting, N. V. Gonchar warned those present that the meeting would be audio recorded for the subsequent drawing up of the minutes (the minutes of the previous meetings are available at the company's website).

N. V. Gonchar spoke on the process of identifying the contents of the Sustainable Development Report and its essential topics. The presentation focused on the benefits from implementation of the Sakhalin-2 project for the Russian Federation and the Sakhalin Oblast.

T. N. Gafarov spoke on northern production facilities of Sakhalin Energy (three offshore platforms, OPF, trans-Sakhalin pipeline system, and Pipeline Maintenance Depots (PMD)). More details were provided on the Compression Project and Beach Landing Facility in Lunsky Bay area.

G. V. Fedorinova made the public familiar with the results of the Industrial Environmental Control, the Environmental Monitoring Programme and 2018 Plans for the Conservation of Biodiversity in the Nogliki District.

Yu. A. Zavyalova spoke on social programmes of Sakhalin Energy and paid special attention to the events which were held in 2019 under the auspices of the UNO International Year of Indigenous Languages.

N. V. Gonchar reminded of the Grievance Procedure.

The company representatives recorded all questions asked during the meeting. Answers to the questions not answered at this meeting will be provided by the company at the public meeting to be held in Val village in Q4 2019, as well as at subsequent meetings as soon as the relevant information is available.

Question <i>(in the wording used by the speakers)</i>	Answer
<p>Upon the start of offshore drilling, fish population declined. Even salpas have disappeared and we used to catch them with nets. Our friends from the south say that they got flooded with smelt this year and we had practically no smelts. There was no chum salmon either. All salmon fish passed by our bay (Chaivo Bay) to Magadan. This offshore drilling does have an impact. <i>(A. N. Goleneva)</i></p>	<p>N. V. Gonchar: The company has recorded the question. At the subsequent meeting, the company employees will present a detailed report on the fishery resources influence.</p>
<p>You say that a lot of money is allocated to the budget of the Sakhalin Oblast. Where is this money? There is no help. <i>(L. I. Ekimova)</i></p>	<p>N. V. Gonchar: The issues of budget allocation are beyond the company's competence.</p>
<p>They bring drilling waste here, MMDD brings waste from somewhere and burns it. Black smoke rises here, in the settlement. All Gazprom waste comes to the branch, then to the</p>	<p>N. V. Gonchar: Sakhalin Energy cannot comment on activities of other companies. Regulatory authorities must control waste disposal.</p> <p>G. V. Fedorinova: Drilling waste generated at the Sakhalin Energy platforms is injected into deep</p>

<p>river and further. Who must control this? (<i>L. I. Evdokimova</i>)</p>	<p>subsurface horizons. This technology is included into the manual of the best available technologies for waste placement.</p>
<p>You showed our beautiful nature. Soon, there will be neither nature, nor berries nor anything. (<i>L. I. Evdokimova</i>)</p>	<p>N. V. Gonchar: This year, as part of the Treasures of the North Exhibition, Sakhalin residents initiated the first in Russia festival of wild-growing plants and T. A. Shkalygina took a medal place at this festival. Moreover, the Regional Council and the Government of the Sakhalin Oblast have ideas about wild plants processing as another line of support to indigenous community.</p>
<p>Ornithologists have stopped visiting us. They used to come here every spring. (<i>A. S. Nikitin</i>)</p>	<p>N. V. Gonchar: We have presented today the results of protected bird species monitoring for 2018. A separate section of the Sustainable Development Report is devoted to this issue.</p>
<p>The most sensitive issue for us is employment of SIM. (<i>G. B. Makarova</i>)</p>	<p>T. N. Gafarov: The Compression Project is currently underway. We have signed a contract with Petrofac contractor that has been publishing information on job vacancies on an ongoing basis in three outlets in accordance with the company's requirements (Sakhkom, hh.ru, and Nogliki Information Centre). Currently, we need five persons. According to the requirements imposed by the company on the contractors, priority should be given to employment of local communities representatives under otherwise equal conditions.</p>
<p>What occupation should these five persons have? (<i>G. B. Makarova</i>)</p>	<p>T. N. Gafarov: Currently, we need a Safety Subdivision Administrator, Incident Investigation Specialist, Quality Control Inspector, and Quality Control Subdivision Administrator. All these job vacancies are published in the outlets mentioned earlier. Job vacancies are updated at least once every month.</p>
<p>There is Vitaly Egorov who cannot get a job in his field. I think the jobs you have listed will suit him. (<i>A. N. Goleneva</i>)</p>	<p>N. V. Gonchar: You can submit the CV to L. V. Zhamyanova, the Community Liaison Officer.</p>
<p>Do you arrange any tours to the OPF? We would like to bring our senior pupils so that they know where they can find jobs. The community would also be interested. (<i>G. B. Makarova</i>)</p>	<p>T. N. Gafarov: The same appeal was made to the company at the recent meeting of the Board of the Sakhalin Indigenous Minorities Development Plan. The company has recorded your question and will consider it.</p>
<p>Where do your workers come from? From all regions of Russia. Why do Sakhalin residents not work?</p>	<p>T. N. Gafarov: Under otherwise equal conditions, the locals have priority in employment to the company and contractors.</p>

<p>(S. S. Ekimov)</p>	<p>N. V. Gonchar: 2018 Sustainable Development Report contains the statistics on the company's headcount and on the residents of the Sakhalin Oblast. Page 116 of the Report contains information on the company's staff composition in 2018: as of 31 December, Sakhalin Energy employed 2,298 persons in total: 2,134 Russians, including 1,243 residents of the Sakhalin Oblast (58% of Russian employees).</p>
<p>Our drillers from the Nogliki District go to the mainland to get jobs. And people from the mainland come to us. What does it mean? (S. S. Ekimov)</p>	<p>T. N. Gafarov: Historically, Sakhalin residents went for onshore drilling. Sakhalin Energy performs offshore drilling which requires additional qualifications. That is why, Sakhalin drillers are in demand at the mainland because they are qualified in onshore drilling. Very many Sakhalin residents work at the company's platforms. There are contractors who also hire personnel from other regions of Russia.</p>

The community has informed the company specialists about the problem related to blocking of Chayvo Bay entry by Nogliki Fish fishing base and about the fact that outsiders from Yuzhno-Sakhalinsk cut all cedar elfin wood. A. S. Nikitin expressed concern about the fact that many graduates from Gubkin University fail to work in their degree field.

At the end of the meeting, Natalya Vladimirovna Gonchar reminded those present of the opportunity to submit Development Plan requests by 10 June 2019, thanked them for participating in the meeting, and invited them to give feedback on the meeting in the feedback questionnaire.