



Arctic LNG 2 Project

ENVIRONMENTAL, SOCIAL AND HEALTH IMPACT ASSESSMENT

STAKEHOLDER ENGAGEMENT PLAN

Prepared by:

Ramboll CIS/LLC Arctic LNG 2

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TABLE OF CONTENTS

ACRONYMS AND ABBREVIATIONS	I
TERMS AND DEFINITIONS	II
1. INTRODUCTION	1
2. PROJECT DESCRIPTION	2
2.1 Project prerequisites. Prospecting and planning of the Salmanovskoye (Utrenneye) OGCF facilities setup	2
2.2 Construction and operation of berth facilities	2
2.3 Maintenance dredging in the water area of berth facilities	3
2.4 Salmanovskoye (Utrenneye) OGCF	3
2.4.1 Early development facilities	3
2.4.2 Gas supply of power supply facilities to support construction, soil jetting and drilling operations	3
2.4.3 Basic Field facilities	3
2.4.4 Soil construction material quarrying	4
2.5 Utrenniy Terminal	4
2.6 GBS LNG & SGC Complex	5
2.7 Utrenniy airport	5
2.8 Associated facilities and activities	6
3. LEGAL FRAMEWORK	7
3.1 Requirements of international institutions	7
3.2 National legislation	8
4. SOCIAL AREA OF INFLUENCE OF THE PROJECT	10
5. IDENTIFICATION OF STAKEHOLDERS	11
5.1 Affected parties	11
5.2 Interested organizations and individuals	12
5.3 Vulnerable groups	12
6. CONSULTATIONS CONDUCTED TO DATE	14
6.1 Statutory consultations (2013-2019)	14
6.2 Ethnographic survey (2015)	16
6.3 Consultations as part of the international ESHIA (2018)	16
6.3.1 Stage 1. Disclosure and consultations on the ESHIA Scoping Report	16
6.3.2 Stage 2. Disclosure and consultations on the ESHIA materials for the Complex (2018)	27
6.4 Consultations as part of the international ESHIA process (2020–2021)	32
6.4.1 Stage 1. Disclosure and Discussion of ESHIA Scoping Report	32
6.4.2 Stage 2. Disclosure and Discussion of the ESHIA Report	32
6.5 Social and Economic Study (December 2020 — March 2021)	34
7. STAKEHOLDER ENGAGEMENT ACTIVITIES, THE CONSULTATIONS AND DISCLOSURE PLAN	35
7.1 Stakeholder engagement methods	35

7.1.1	Meetings with broader community	35
7.1.2	Face-to-face meetings with local communities	35
7.1.3	Opinion polls	35
7.1.4	Direct engagement with mass media	35
7.1.5	Information Centre and community liaison offices	36
7.1.6	Main contact point	36
7.1.7	Dissemination of printed materials including the brochure	36
7.1.8	Project website/page	36
7.1.9	Collection of Project-related queries and grievances	36
7.1.10	Onsite visits	36
7.1.11	Roundtable consultations	37
7.2	Implementation of IPSDP and Obtaining FPIC	37
7.3	Stakeholder engagement as part of the development of Biodiversity Conservation and Monitoring Programs and Plans.	38
7.4	Stakeholder Engagement throughout the Project Lifecycle (the Consultations and Disclosure Plan)	38
8.	RESOURCES AND RESPONSIBILITY	44
9.	REPORTING AND MONITORING OF THE ENGAGEMENT PROCESS	45
10.	GRIEVANCE MECHANISM	46
10.1	Key principles	46
10.2	Structure of Mechanism functioning	46
10.3	Submission and registration of stakeholder grievances	48
10.4	Submission for review and decision making	48
10.5	Review, decision making and feedback	49
10.6	Appeal	49
10.7	Grievance closing-out	49
10.8	Grievance reporting and monitoring	49

APPENDICES

Appendix 1. Grievance Form

Appendix 2. Stakeholder Meeting Schedule for 2021

ACRONYMS AND ABBREVIATIONS

ECA	Export Credit Agency
EIA	Environmental Impact Assessment
EP IV	Equator Principles IV
ESAP	Environmental and Social Action Plan
ESHIA	Environmental, socio-economic and human health impact assessment
FSUE	Federal State Unitary Enterprise
TS	Topside
GBS	Gravity based structure
IFC	International Finance Corporation
NGO	Non-Governmental Organization
ISPN	Indigenous small-numbered peoples of the North
LA	License area
LLC	Limited liability company
LNG	Liquefied Natural Gas
MBFI	Municipal budget funded institution
MUE	Municipal unitary enterprise
NTS	Nontechnical Summary
OECD	Organisation for Economic Cooperation and Development
OGCF	Oil, gas, and condensate field
PFHI	Publicly funded health institution
PFI	Publicly funded institution
PJSC	Public Joint Stock Company
PS	Performance Standards
RF	Russian Federation
SEP	Stakeholder Engagement Plan
IPSDN	Indigenous Peoples Sustainable Development Plan
SGC	Stabilised gas condensate
SPNA	Specially Protected Natural Areas
Tazovskiy branch of Association "Yamal for descendants!"	Tazovskiy branch of the regional group "Association of Association of Indigenous Small-numbered Peoples of the North of Yamal-Nenets Autonomous Okrug "Yamal for descendants!"
ToR	Terms of Reference
FPIC	Free Prior Informed Consent
YNAO	Yamal-Nenets Autonomous Okrug

TERMS AND DEFINITIONS

Customer, Company	Arctic LNG 2, LLC
Consultant	Ramboll CIS LLC, an independent environmental and social consultant
Project Operator	The organization responsible for managing the project at the construction, commissioning, operation and decommissioning phases (Arctic LNG 2, LLC)
Stakeholders	Persons or groups directly or indirectly affected by the Planned activity, as well as those who may be interested in its implementation and / or are able to influence it in a favorable or unfavorable way
GBS LNG & SGC Plant (Complex)	The gravity-based structure Complex for production, storage and offloading of liquefied natural gas and stabilised gas condensate, which includes three process trains and onshore infrastructure
Process Train	The gravity-based structure Complex will include three process trains for the production, storage and offloading of liquefied natural gas (LNG) and stabilised gas condensate (SGC) with a stated annual capacity of about 6.6 million tons of LNG each. The total peak capacity of SGC production can be as much as 1.6 million tons per year
Associated facilities	Facilities that meet the following conditions: 1) they are not funded by the Project (by the planned activity); 2) they would not be built or expanded without the Project (the Planned activity fails to be implemented); 3) they ensure the viability of the Project (Planned activity)
Arctic LNG 2 Project (Project)	The Project, including, along with the GBS LNG & SGC Plant construction of the Utrenniy Terminal (Port) and development of the Salmanovskoye (Utrenneye) oil and gas condensate field (OGCF) (Project Operator – 'Arctic LNG 2' LLC)
Utrenniy Terminal (Port)	A section of the Sabetta seaport, the purpose of which is to provide offshore logistics for gas carriers and tankers for LNG and SGC offloading, reception and storage of processing and construction cargo
Salmanovskiy (Utrenniy) license area	A subsoil plot of federal importance, including the Salmanovskoye (Utrenneye) oil and gas condensate field, within which Arctic LNG 2 LLC was licensed to use the subsoil resources – License No. CFL 15745 NE dated 06.20.2014 for the exploration and production of hydrocarbons
Field	Facilities and activities involved in setting up the Salmanovskoye (Utrenneye) OGCF to ensure production and preparation of raw materials for production of LNG and SGC, and providing engineering resources to all the facilities of the Arctic LNG 2 Project
Principles of the Equator	The internationally accepted environmental and social risk management system for financial organizations, including 10 key provisions (principles) ¹
IFC Performance Standards	A set of environmental and social sustainability requirements of the International Finance Corporation which the organizations to be funded must follow throughout the lifecycle of an investment project. Available at: http://www.ifc.org/performancestandards
Environmental, social and health impact assessment (ESHIA)	In the IFC terminology, the process of identifying, predicting and assessing the significance of favorable (positive) and adverse (negative) environmental and social project impacts, including a description of the project implementation conditions, analysis of alternative options for the Planned activity, consideration of global, transboundary and cumulative impacts including their possible quantitative representation, an impact management programme. In the terminology of the International

¹ The Equator Principles. A financial industry benchmark for determining, assessing and managing environmental and social risk in projects. The Equator Principles Association

<p>Planned activity's (Project's) area of influence⁴</p>	<p>Association for Impact Assessment (IAIA²) - the process of identifying, predicting, assessing and mitigating environmental and social impacts, as well as other adverse effects of the Planned activity, before making a decision on its implementation</p> <p>The land and water area, including: 1) land plots and water area sections, within which the Planned activities are directly implemented; 2) other land and water areas used or controlled by the Project's operator and its subcontractors (contractors); 3) land and water areas where the associated facilities are sited (see the corresponding definition); 4) land and water areas that may be subjected to cumulative impacts from the Planned activity; 5) land and water areas potentially affected by impacts from unplanned but predictable developments caused by project-related activities that may occur later or at a different location. The Project's area of influence does not include the area of dispersion of impacts which can be observed with a no-project version (abandonment of the Planned activity) or without the Project</p>
<p>The area of influence of air pollutant emission sources⁵</p>	<p>For a sole air pollutant emission source it is the circumference of the largest of the two radii, the first of which is equal to ten times the distance from the source to the point of the ground level concentration of the pollutant having the greatest prevalence (among the pollutants emitted by this source), and the second one is equal to the distance from the emission source to the most distant contour line of the ground level concentration of the pollutant, equal to 0.05 one time MPC. For the totality of air pollutant emission sources it is land or water areas that include all single source influence areas within this totality, as well as the 0.05 one time MPC contour for the estimated total concentration of each pollutant emitted by the totality of sources</p>
<p>Areas with controlled habitat quality indicators</p>	<p>Areas, where the existing hygienic air standards for chemical, biological and physical factors must be strictly followed. These include areas such as residential development, cottage development, sports and children's playgrounds, landscape and recreational areas, recreation areas, resorts, sanatoriums, rest homes; horticultural partnerships, collective or individual dachas and garden plots; sports facilities; educational and childcare facilities; general medical treatment and rehabilitation facilities</p>
<p>Social impact area</p>	<p>Areas and communities that may experience positive and negative impacts of the planned (project related) and associated activities</p>

² Global leader among best practice networks as regards impact assessment for informed decisions concerning policies, programs, plans, and projects (<http://www.iaia.org/>).

⁴ The definition is consistent with the IFC terminology (IFC Policy & Performance Standards and Guidance Notes. Glossary and Terms - <http://www.ifc.org/>). In this and all other common cases, the term "project" is a traditional synonym of the phrase "planned activity". As applicable to the ESHIA subject, the term **Project** (capitalized in the text) covers the activity under assessment designated as "Arctic LNG 2" to include Salmanovskoye (Utrenneye) OGCF **Facilities Setup**, construction and operation of the GBS LNG & SGC Plant (LNG **Complex**), and construction and operation of the **Port** (Utrenniy Terminal).

⁵ In the terminology of MRR-2017 (Dispersion Modeling of Harmful Air Pollutants. Approved by the Russian Ministry of Nature Order 273 dated June 006, 2017).

1. INTRODUCTION

The subject of the environmental, social and health impact assessment (hereinafter ESHIA) is the Arctic LNG 2 Project (hereinafter the Project) operated by Arctic LNG 2 LLC. The Arctic LNG 2 Project is comprised of:

- GBS LNG & SGC Complex including three process trains and onshore infrastructure;
- Utrenniy Terminal (The Utrenniy liquefied natural gas and stabilised gas condensate terminal (also the Port) intended to provide marine logistics support in terms of gas carriers and tankers for offloading of LNG and SGC, and reception and storage of operational and construction cargoes);
- Salmanovskoye (Utrenneye) oil and gas condensate field infrastructure (hereinafter the Field) to support LNG and SGC feedstock production and preparation, and provision of necessary utilities for all facilities of the Arctic LNG 2 Project; and
- Other point, areal and linear infrastructure within the license area.

This Stakeholder Engagement Plan (SEP) is designed to identify a process of engagement with communities, individuals, organizations and other parties which may be potentially affected by the Project. The ESHIA package, including this SEP, is specifically developed to achieve the Project compliance with international requirements, in particular the Equator Principles, Performance Standards (PS) of the International Finance Corporation (IFC), and Common Approaches of the Organisation for Economic Cooperation and Development (OECD).

The Plan is structured as follows:

- Section 1 provides introductory information;
- Section 2 includes a brief description of the Project;
- Section 3 defines regulatory requirements applicable to the Project;
- Section 4 defines the preliminary social area of influence of the Project;
- Section 5 identifies key stakeholders of the Project;
- Section 6 discusses engagement activities implemented by the Project to-date;
- Section 7 describes proposed engagement activities and a respective consultations and disclosure plan;
- Section 8 describes the resource allocated to stakeholder engagement activities under the Project;
- Section 9 briefly defines SEP reporting and monitoring procedures; and
- Section 10 describes the suggested grievance mechanism.

The SEP is a living document to be updated as required (but at least once a year) following consultations with stakeholders in accordance with Section 9 herein.

2. PROJECT DESCRIPTION

2.1 Project prerequisites. Prospecting and planning of the Salmanovskoye (Utrenneye) OGCF facilities setup

Arctic LNG 2 is a project for production of hydrocarbons, production and shipment of liquefied natural gas and stable gas condensate. The Salmanovskoye (Utrenneye) oil and gas condensate field (OGCF)³, which is the Project's resource base, was discovered in 1979 by the pioneer exploration well of the geological prospecting trust Glavtyumengeologia and was pre-investigated in 1980-85.

Since 2011, the field subsoil use license holders have been daughter associations or joint ventures with NOVATEK PJSC participation, including Arctic LNG 2 LLC since 2014⁴. A successful detailed field appraisal in 2012-2014 specified its reserves and geological model. Totally, 34 deposits of hydrocarbons characterised by high quality indicators were discovered in the field, among those are 16 gas, 15 gas condensate and 2 oil and gas condensate reservoirs, and 1 oil deposit. Reservoir beds are confined to Mesozoic deposits of the Peksed dome elevation and occur at around 2 km depths, mainly in a range from 1 to 1.5 km.

Below are given the key characteristics of the Salmanovskoye (Utrenneye) OGCF, which is one of the largest in two adjoining oil and gas bearing regions – Gydan and Yamal⁵:

- Initial geological reserves of dry gas – 1,582 bcm, including 681 bcm of category C1 and 901 bcm of category C2; and
- Initial condensate reserves – 76.2 Mt, including 59.3 Mt of recoverable reserves.

The field is drilled by 213 wells with subhorizontal completion and horizontal sections up to 1,500 m long.

The license area is characterised by the presence of three distinct zones or "domes": Northern, Central, and Southern.

2.2 Construction and operation of berth facilities

Berth facilities are among the pioneering capital construction sites within the boundaries of the Salmanovskoye (Utrenneye) license area. They are located at a distance of 540 km from Salekhard, the administrative centre of YNAO. A distance to the seaport Sabetta, near which NOVATEK PJSC is implementing other projects, i.e. Yamal LNG and Obsky LNG, is 72 km and to the nearest rural settlements of YNAO Tazovskiy District – 440 km (s. Tazovskiy), 240 km (s. Antipayuta) and 170 km (s. Gyda).

The berth is pivotal for development of this onshore and offshore area, performing the function of receiving and offloading cargoes such as construction materials and fuel and lubricants. The design cargo turnover of the berth is 140 thousand tons for the navigation period, beyond which (about 300 days a year) the facilities are not operated.

The water basin of the berth facilities with a total area of 2.24 ha was included by the FSUE Rosmorport and Rosmorrechflot into the boundaries of the seaport of Sabetta in 2014. It has an operating zone, a turnaround area and navigation setting sufficient to maneuver vessels of the design type ("Pioner Moskvyy" (Pioneer of Moscow) with a draft of up to 6.79 m).

Design documentation for the berth facilities was developed by Morstroytehnologiya LLC by order of NOVATEK-YURKHAROVNEFTEGAZ LLC. In 2014, it was discussed, alongside with the engineering survey materials, at public consultations in Tazovskiy District of YNAO and subsequently received a positive state review conclusion⁶.

The berth facilities have been in operation since 2015 and will be further on integrated into the structure of the Utrenniy Terminal.

³ In 2008, the field was renamed in honor of Farman Salmanov, an oil geologist, one of the leaders of Glavtyumengeologiya and the USSR Ministry of Geology.

⁴ License CJX 15745 HЭ of 20.06.2014 revised on 29.03.2018 / Consolidated National Register of Subsoil Plots and Licenses. – Russian Federal Geological Fund FA for Subsoil Use.

⁵ Initially, the Utrenneye OGCF was assigned to the Gydan oil and gas region (OGR) due to its territorial confinement to the Gydan Peninsula. According to the latest oil and gas geological zoning of the West Siberian oil and gas province (OGP) (FSUE VNIGNI, 2012), the Salmanovskoye (Utrenneye) field, alongside with the Shtormovoye field located northward, has been assigned to the Yamal OGR.

⁶ The umbrella title for design documentation, survey materials and EIA is "Construction of the berth facilities of the Salmanovskoye (Utrenneye) oil and gas condensate field" (NOVATEK-YURKHAROVNEFTEGAZ LLC, 2014).

2.3 Maintenance dredging in the water area of berth facilities

Dredging is necessary to ensure sufficient depths in the contour of the water area of the berth facilities. Scoping and timing of such works are given in a separate project⁷ that provides for maintenance dredging performance in the period from 2017 to 2022 with a frequency once in two years. In October 2016 – February 2017, the EIA materials included in design documentation were discussed at a meeting of the Community Council at the Department for Natural Resource Regulation, Forestry Affairs and Development of Oil and Gas Industry of YNAO and, later in 2017, the dredging project received a positive conclusion from the state expert review board⁸ and is currently being implemented as scheduled. When the berth facilities are integrated to the Utrenniy Terminal structure, the corresponding water area will become part of the port water basin and maintenance will be carried out in accordance with the design solutions for the Terminal.

2.4 Salmanovskoye (Utrenneye) OGCF

2.4.1 Early development facilities

The key objective of the initial field development stage that comprises construction of early development facilities necessary for launching the main Project phase is to create the core transport and engineering infrastructure of the license area, camp for rotational personnel, and systems of power and water supply, water discharge, fuel supply, storage facilities and waste management.

A larger part of the early development facilities was designed by EnergoGazEngineering JSC and RusGazEngineering Group of Companies JSC by order of Arctic LNG 2 LLC under the umbrella title⁹. Corresponding environmental impact assessment materials were reviewed and discussed in Tazovskiy in July 2017¹⁰ and later received a positive state review conclusion.

Construction of the early development facilities started in 2018 and is carried out in 13 steps with a total duration 4 years and by a maximum number of construction personnel 378 (second year).

All early development facilities, to the exclusion of temporary, will be integrated to a common system of the Salmanovskoye (Utrenneye) OGCF Facilities Setup. Temporary buildings and structures will be demolished, and land plots occupied by them will be remediated and returned to the lessors.

2.4.2 Gas supply of power supply facilities to support construction, soil jetting and drilling operations

Construction and commissioning of the main part of the Field facilities are scheduled in 5 phases (start-up complexes). The first phase is to provide gas supply of the power supply facilities for the needs of construction, soil jetting and drilling operations (Design and Survey-1). This activity was designed by Institute YUZHNIIGIPROGAZ LLC and received a positive state expert review conclusion in 2018. Construction and commissioning of the facilities are carried out in 2019-2020 stepwise. The scope of Design and Survey -1 design and construction also includes a thermal wastewater treatment facility (complex), a temporary Energy Centre No. 2, several motor roads, and other linear facilities such as power transmission lines.

2.4.3 Basic Field facilities

The Field facilities were largely designed by NIPIGAZ JSC as part of Design and Survey R-2...5 (positive conclusion of the state review was obtained). A total need for land resources for this group of facilities is estimated at 1128 ha without account for temporary sites and communication corridors. The basic Field facilities include:

- Wells: according to the technical design of field development it is planned to drill 191 wells grouped in 19 pads within the boundaries of the license area;
- Gas gathering network: the gas gathering network of the field is characterized by lengthy gas flow-lines – a distance from individual well pads to receiving facilities along the pipeline route in some cases exceeds 20 km;

⁷ The umbrella title of design documentation, survey materials and EIA is "Maintenance dredging in the water area of the berth facilities of the Salmanovskoye (Utrenneye) oil and gas condensate field" (Eco-Express-Service LLC, 2016).

⁸ Hereinafter the state review generally means the state review of engineering survey materials and design documentation, as well as the state environmental review.

⁹ Early development facilities at the Salmanovskoye (Utrenneye) oil and gas condensate field. Engineering survey materials and design documentation. GK RusGazEngineering JSC, 2014. In the diagram of Figure 1.2, the facilities are grouped with the "Field".

¹⁰ Resolution of the Tazovskiy District Administration No. 727 on holding public hearings dated 06.01.2017.

- Gas treatment units (GTU 1 and 2) for treatment of the reservoir mixture coming from well pads to ensure the required quality of natural gas fed to the LNG Complex and to isolate gas condensate and water-methanol solution (WMS);
- Main pipelines: gas treatment units are connected to the GBS LNG & SGC Complex by a system of main pipelines;
- Areal facilities of the material and technical supply system: a number of auxiliary site facilities of the Field near the berth structures are intended for material and technical resource handling, rotational personnel accommodation and servicing, maintenance of vehicles, and construction and other special equipment;
- Power supply of the Field facilities will be arranged from the previously built Energy Centre No. 2 and an additional gas turbine power plant (GTPP) under construction in the vicinity of GTU 3 and other facilities, including for emergency power supply. In the future, it is planned to build a temporary Energy Centre No. 3;
- Water supply: to supply the Field users with utility and drinking water, several surface water intake structures are designed. The bulk of water will be abstracted from basins of non-freezing lakes; also, water intake will be performed quarries for soil construction materials production.
- Water sewage, wastewater treatment and discharge: the Field project makes provision for a few sewage systems: for sanitary, utility-storm, storm wastewater such as storm water and snow melt, utility wastewater, and water-methanol wastewater;
- Municipal solid, construction and industrial waste landfill: it is designed for centralized collection, thermal neutralisation (incineration) and disposal of industrial and municipal waste of hazard classes 3–5 generated in the period of construction and operation of the Field facilities at the Salmanovskoye (Utrenneye) OGCF, Utrenniy Terminal, and GBS LNG & SGC Complex.
- Emergency rescue centre (ERC): it is intended for the emergency prevention and response at the Field facilities, as well as for the protection of construction and operating companies' personnel and property from natural and man-caused emergencies. The ERC includes 2 main facilities, viz. a firehouse and a gas safety station;
- Three housing complexes:
 - - The accommodation camp (1500 camp) with the designed number of accommodation places of 1432. The complex will include 9 residential buildings for 150 people each, and one (1) residential hotel for 82 people, as well as the canteen for 400 seats, a laundry room, a first-aid station, a bath-house, a community center, a boiler house and the data center/communication center (backup);
 - - The temporary camp for 300 people (next to the 1500 camp);
 - - The temporary construction camp for GBS LNG & SGC Plant with the designed number of accommodation places of 3062. The complex will include two (2) residential buildings for 100 people each, 9 residential buildings for 268 people each and 3 residential buildings for 150 people each, as well as an administration and amenity building, three canteens for 250 seats each, a laundry room, a health station, a bath-house, a first-aid station, two grey wastewater treatment plants, two modular water treatment plants and a pump plant for drinking and household and fire prevention water supply.
- Helipads: helicopter landing pad (HLP) is a land plot or a specially prepared area with artificial surfacing designed for regular or occasional take-offs and landings of helicopters.

A more detailed characterization of each group of the facilities based on their functional purpose is given in ESHIA.

2.4.4 Soil construction material quarrying

Construction demand for sand and sand-and-gravel material will be mostly met by quarrying using a soil jetting method (crushed stone is delivered exclusively from remote deposits). Boundaries of such quarries, as a rule, coincide with contours of lakes, on the banks of which hydro-filled sites are arranged. Sand is delivered to the fills by seasonal roads (winter roads). Design documentation for the early development facilities provides for operation of three hydro-filled quarries with total reserves of about 16 Mm³ of sand.

For construction of the main part of the Field facilities, it is envisaged to operate a total of 14 hydro-fill quarries with sand reserves of more than 20 Mm³. The largest are located near the Complex and the Port.

Design documentation for each of the quarries, alongside with a technical project for field development, includes a remediation project.

2.5 Utrenniy Terminal

The Utrenniy liquefied natural gas and stabilised gas condensate Terminal (Port) is designed to provide marine logistics support for gas carriers and tankers, LNG and SGC offloading, reception and storage of

operational and construction cargoes. It is planned to site offshore facilities of the Terminal in the Ob Bay between outlets of the Khatlsyney-Yakha¹¹ and Nyaday-Pynche rivers. It is here that the berth facilities have been operating since 2015 (par. 2.2).

The Port hydraulic structures include the northern and southern icebreakers that form the boundary of its internal water basin with a total area of 24.1 ha. The volume of dredging in the Port water area is approximately estimated at 12.0 – 12.5 Mm³.

The Terminal facilities were designed by LENMORNIPROEKT JSC with participation of GT Morstroy CJSC in 2017-2019 by order of Arctic LNG 2 LLC. To date, positive state review conclusions have been obtained for engineering survey materials and design documentation of the Terminal.

A total duration of Port construction will be 67 months (until July 2024), including the preparatory period of 3 months. A maximum number of personnel to be employed by construction companies is tentatively estimated at 748 and 538. In terms of the institutional aspect, the Terminal was included in the boundaries of Section No. 2 of the Sabetta seaport by the RF Government Order No. 1948-r on modifying the boundaries of the seaport area dated 08.31.2019 and will be under management of FSUE Hydrographicheskoye Predpriyatiye (Hydrographic Enterprise, a subordinate organization of the State Atomic Energy Corporation Rosatom).

A more detailed description of the Terminal is given in the ESHIA.

2.6 GBS LNG & SGC Complex

The Complex will comprise three process trains with the declared annual capacity of around 6.6 Mt of LNG each. The total SGC capacity of the Complex during the peak period will be as high as 1.4 Mtpa of SGC. The adjacent coastal area will be used for construction and operation of auxiliary facilities and infrastructure (hereinafter the Onshore Facilities of the Complex) and the Utrenniy liquefied natural gas and stabilised gas condensate Terminal (hereinafter the Port or Utrenniy Terminal).

Complex construction phasing is as follows:

- Construction of gravity-based structures (GBS) at a remote specialised site;
- Manufacture of process modules at remote module-building yards;
- Transportation of the manufactured process modules to the GBS construction site followed by the assembly of topside structures (TS) from the modules;
- Towing of the GBS+TS system to the designed Complex site;
- Installation of the GBS+TS system on the seabed in the Ob Bay and its subsequent integration with onshore infrastructure; and
- Pre-commissioning operations and Complex commissioning.

The Complex construction timeline: Q1 2020 – Q3 2026. The first process train is planned for launch in 2023 with subsequent phased commissioning of additional capacities in 2024 and 2025. To date, pre-design engineering surveys have been fulfilled; designing and state expert review of the survey materials and design documentation have been completed (positive conclusions of the Federal Service for Supervision of Natural Resources and FAI Glavgosekspertiza of Russia are available).

A more detailed description of the Complex is given in the ESHIA.

2.7 Utrenniy airport

The Utrenniy airport is designed for year-round (business hours from 9 a.m. to 7 p.m.) air transportation of rotational personnel and industrial cargo to the Salmanovskoye (Utrenneye) OGCF. Throughput of the official passenger building of the airport is 100 passengers per hour; cargo turnover – category 4 and group “B” by the classification of “cargo warehouses in the northern version” / 15 tons/day. The airport has a flight strip of 1,550 m.

The airport is operated by Mezhdunarodniy Aeroport Sabetta (Sabetta International Airport) LLC (founder – Yamal LNG JSC). Nova LLC¹² was acting as the airport design customer; Arctic LNG 2 LLC is the land

¹¹ Hereinafter are used names of water bodies that correspond to the State Water Register, which may differ from those in commonly use and from hydronyms in general geographic maps.

¹² Till 2008 – Samarskoye Narodnoye Predpriyatiye (Samara People’s Enterprise) “Nova” JSC. Established in 1991 in Novokuybyshevsk on the basis of the Kuibyshevtruboprovodstroy trust. It specialises in construction of main pipelines and oil and gas field facilities (official website <http://www.snpnova.com/>).

lease holder¹³ and regulator in terms of technical conditions for the resource provision and connection to engineering networks.

The airport was designed by a group of design organizations under general supervision of Proektniy Institut (Design Institute) Krasaeroproekt LLC (principal design organization). In December 2019, the engineering survey materials and design documentation for the airport received a positive conclusion from FAI Glavgosekspertiza Rossii.

The airport has been put into operation. The first flight to Utrenniy airport was performed on June 17, 2021.

2.8 Associated facilities and activities

According to the IFC Performance Standard (PS 1) those facilities are regarded associated with the subject of assessment that are not funded by the project and which would not have been constructed or expanded if the project had not been implemented, and without which the project would not be viable. It is important to consider that impacts generated by associated facilities and activities should be assessed to the same extent as impact of the project itself.

A detailed description of the associated facilities and activities is given in the ESHIA.

¹³ Nova LLC acts as the sub-lease holder of land plots of Arctic LNG 2 LLC.

3. LEGAL FRAMEWORK

3.1 Requirements of international institutions

Company's stakeholder engagement activities throughout the Project lifecycle will rely on the principles and standards of international organizations, namely:

- Equator Principles (EP IV), fourth edition;
- International Finance Corporation (IFC) Performance Standards (PS); and
- Organisation for Economic Cooperation and Development (OECD) Common Approaches for integrated environmental and social assessment.

The above standards and principles are applicable to the international ESHIA process. Ramboll adopted an integrated approach to ESHIA development shown in Figure 1.

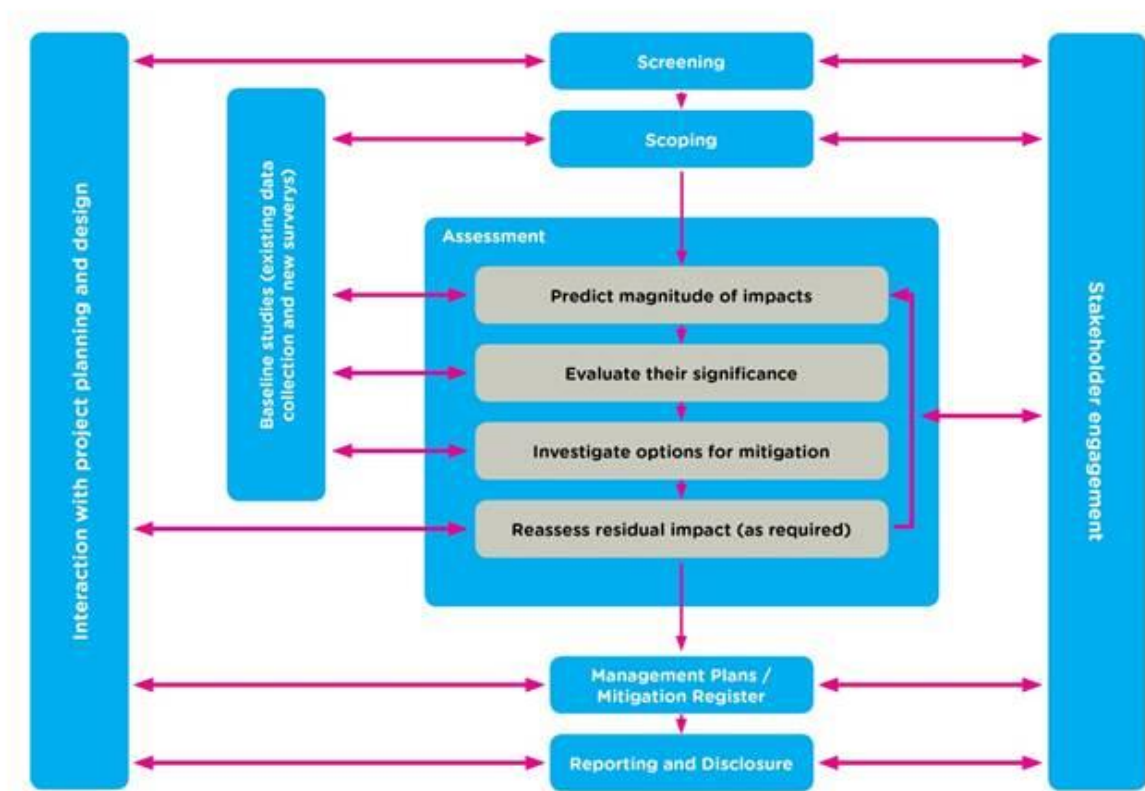


Figure 1: International ESHIA process

The international ESHIA process recognises a high value of continuous and integrated engagement with stakeholders at all stages of the assessment. Summary of the applicable international standards for stakeholder engagement and information disclosure is provided below.

Common Approaches of the Organisation for Economic Cooperation and Development (OECD)

In relation to stakeholder engagement, the Common Approaches recommend that:

- ESHIA Reports and related information are disclosed to stakeholders during at least 30 days, in plain language; *and*
- OECD members are committed to the principles of protecting and respecting human rights and strive for transparency, predictability and accountability in decision making by encouraging disclosure of ESHIA information.

Equator Principles

The Equator Principles establish requirements for specially structured and culturally appropriate consultations with stakeholders (including affected communities and indigenous peoples). Compliance with the EP requirements ensures awareness of stakeholders through Project information disclosure and their engagement in addressing affected communities' issues in the Project decision-making process. The EPs

prescribe to implement a process of free, prior and informed consent from representatives of indigenous peoples in case the Project impacts them.

The EPs provide for development of a grievance mechanism to receive and facilitate resolution of concerns and grievances about Project's environmental and social performance. Communities affected by the Project should be informed about the grievance mechanism in the course of the stakeholder engagement process.

IFC Performance Standards

IFC PS1 Assessment and Management of Environmental and Social Risks and Impacts provides guidance for stakeholder engagement activities at the project development phase. In particular, the standard prescribes that means are provided for effective and adequate engagement with affected communities on issues that are of their high concern. Also, it highlights a need for disclosure and dissemination of relevant environmental and social information. By IFC PS1, communication with affected individuals, groups, communities and other stakeholders is to be established (including collection of comments, proposals, grievances and queries in relation to the project), and information received from stakeholders should be adequately addressed.

IFC PS1 requires that a Stakeholder Engagement Plan is developed and implemented. It specifically highlights a need for scaling of the engagement process to be consistent with anticipated project risks and impacts and tailoring to the characteristics and interests of affected communities and other stakeholders. Also, special measures should be taken to ensure effective engagement of vulnerable groups.

In terms of disclosure, PS1 requires that the project initiator provides access for affected communities to appropriate and understandable information on the project and ESHIA procedure. Affected communities should have an opportunity to express their views on project risks and impacts, and proposed mitigation measures. The standard requires that the project initiator considers the views of stakeholders and promptly responds to them.

The grievance mechanism is discussed in detail in IFC PS1. The Standard prescribes that a grievance mechanism is established to receive and facilitate resolution of affected communities' concerns. In accordance with IFC PS1 periodic reports on the issues of their concerns, including those identified through the consultation process or grievance mechanism, should be made available with affected communities.

Aarhus Convention

Convention on Access to Information, Public Participation in Decision Making and Access to Justice in Environmental Matters (Aarhus Convention 1998) includes provisions applicable to stakeholder engagement activities. It establishes communities' rights to access to environmental information and is focused on promoting public engagement in decision making on environmental matters¹⁴.

3.2 National legislation

The process of stakeholder engagement, as applicable to the Project and associated facilities, is regulated, as a minimum, by the following legal acts of the Russian Federation:

- Constitution of the Russian Federation, in particular Article 42 that guarantees the right to reliable information about the state of the environment;
- Federal Law of 10.01.2002 No.7-FZ "On Environmental Protection" establishes the requirement for public engagement in the process of decision making in relation to economic and other activities related with environmental impact; more specifically, public opinion shall always be considered at making any decisions on selection of sites and running economic and other operations which may cause damage to the environment;
- Federal Law of 23.11.1995 No.174-FZ "On Environmental Review" requires that opinion of local communities is taken in account by environmental review of project documentation and defines the procedure for the state environmental expert review and public environmental expert review;
- Federal Law of 24.04.1995 No. 52-FZ "On Fauna" establishes the right of individuals and legal entities, including public associations and religious organizations, to conduct public environmental expert review, public control, activities for protection of wildlife and habitats and to support implementation of respective state programmes. On the other hand, public authorities shall consider proposals and recommendations of individuals and legal entities at execution of their powers in the sphere of protection and use of animal resources and habitats;

¹⁴ The Aarhus Convention has not been ratified by the Russian Federation.

- The RF Urban Development Code of 29.12.2004 No. 190-FZ establishes a requirement to conduct public consultations and hearings on draft versions of master plans, land management and development regulations, territorial development plans, area demarcation plans, landscaping and amenities rules, resolutions on issuing conditionally authorized use permits for land plots or permanent facilities, and resolutions on issuing permits for deviation from permissible limits for construction/reconstruction projects;
- Order of the RF Environment Protection Committee (*GosComEcologia*) of 16.05.2000 No.372 "On the Regulation on Environmental Impact Assessment (EIA) of Planned Economic and Other Activities in the Russian Federation" establishes principles and procedures for public engagement in the EIA process, including public consultations;
- Act No. 346 "On approval of the Regulation on the procedure for conducting public hearings on selection of land for construction and on the consideration of materials for assessing the impact of planned economic and other activities on the environment in the territory of the municipality Tazovskiy District"; and
- Federal Law of 06.10.2003 No. 131-FZ "On the General Principles of Local Self-Government in the Russian Federation".

The law requires local self-government authorities to hold public consultations within the national EIA process, in cooperation with the project initiator. The identified scope of stakeholder engagement activities required under the EIA process is shown in Figure 2.

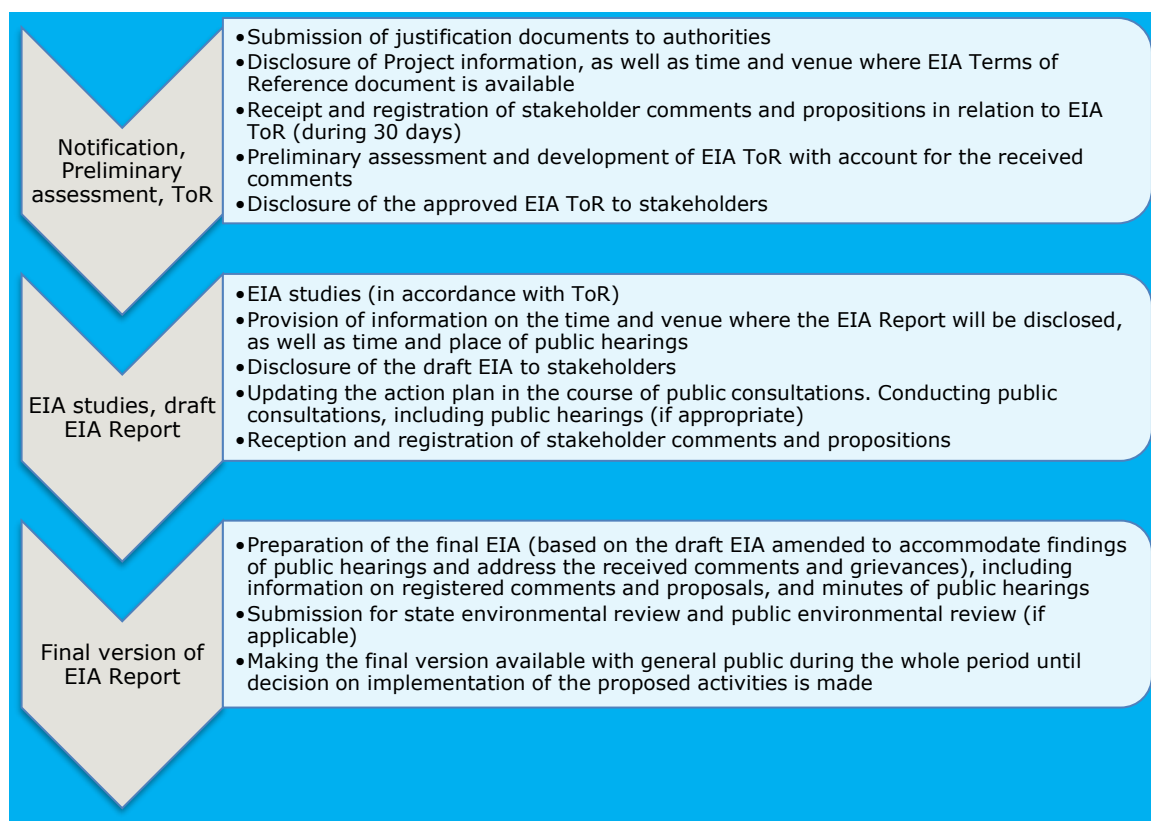


Figure 2: Stakeholder engagement activities under the EIA process in accordance with requirements of Russian Law

Of importance is that, according to the Act of the Tazovskiy District Administration No. 346, "public hearings are considered eligible with participation of more than half of the residents who have the right to vote, permanently or predominantly residing in places planned for acquisition of land where they practice customary economic activities". To observe this regulation in the context of hearings with tundra communities, a company initiating an activity, as a rule, conducts an opinion poll among representatives of indigenous small-numbered peoples of the North. Accordingly, Arctic LNG 2 LLC conducted a survey of the tundra population involved in traditional economic practices in the territories of the planned activity for all items subject to public consultations as required by national legislation. A more detailed description of public consultations held in accordance with the requirements of Russian Law is given in Section 6.1.

The above legal acts and EIA procedure are applicable to the Project in relation to securing the permits required by the law of the Russian Federation.

4. SOCIAL AREA OF INFLUENCE OF THE PROJECT

As part of the ESHIA, Project social area of influence has been defined to include the territories, social groups, organizations and communities which may experience beneficial and adverse impacts of the Project. In view of the specifics of the social impacts and of the fact that geographic boundaries of the social area of Project's influence may be different from the area of influence on the natural environment, the social area of influence is defined separately. The Project social area of influence includes:

- *Area of potential direct impact*
 - indigenous communities migrating and conducting traditional economic activities (reindeer herding, fishing, gathering, hunting, etc.) within the area of Project and associated facilities construction;
 - agricultural enterprise MUE State Farm Antipayutinskiy which may be a receptor of both beneficial and adverse impacts of the Project and associated facilities;
 - personnel of contractors employed for implementation of the planned activities;
- *Area of potential indirect impact*
 - Gyda and Antipayuta settlements. These are relatively large populated localities situated nearest to the Project area where the indigenous population migrating within the Salmanovskiy (Utrenniy) LA are often registered, use medical services, go shopping, etc.;
 - Yuribey and Adebayo-Yakha villages. These small villages are also rather close to the Project boundaries and may appear to be used for residence by the indigenous nomadic population of the Salmanovskiy (Utrenniy) LA. Also, the nomads may visit shops in the two villages and use services of the health post in Yuribey;
 - indigenous communities in Gyda Tundra and Antipayuta Tundra in general, who practice traditional economic activities and hold on to customary lifestyle. Implementation of Project may involve a change in customary migration routes of reindeer herders in the territory of the Salmanovskiy (Utrenniy) LA. This may in turn affect economic activities of other indigenous communities in Gyda Tundra and, to a less extent, Antipayuta Tundra;
 - Agricultural Enterprise GydaAgro LLC. The Planned activities may affect operations of GydaAgro LLC in case personnel of the Project and associated facilities will practice unofficial purchase of products (fish) from personnel of GydaAgro; and
 - companies that run fishing operations in the Ob Bay which may be affected by the Planned activities.

As per the ESHIA findings, the Project social area of influence does not include:

- Yara-Vonga and Mangty-Yakha trading stations. Even though, according to the Territorial Planning Scheme of Tazovskiy District, the two trading stations are the nearest to the Salmanovskiy (Utrenniy) LA, information collected as part of the ESHIA process for the Complex (2018) indicates that they are non-functional; and
- Tanamo trading station. The trading station is occasionally used by indigenous nomadic communities migrating in the construction area of the Project and associated facilities. However, Tanamo was excluded from the social area of influence of the Project due to its remote location from the Project and associated facilities, while ISPN communities that use the trading station are considered jointly with other indigenous communities of Gyda Tundra and Antipayuta Tundra (see above).

5. IDENTIFICATION OF STAKEHOLDERS

Stakeholders¹⁵ are persons or groups who are directly or indirectly affected by the Project and associated facilities, as well as those who may have interest in its implementation and/or ability to influence their outcome, either positively or negatively. Stakeholders may include affected local communities or individuals, as well as their formal or informal representatives, authorities at the Federal level and level of the Constituent Entity; also, these may be local self-government authorities, politicians, religious leaders, NGOs and special interest groups, academic community, or companies/entrepreneurs. It should be noted that, for the purpose of this SEP, stakeholders are individuals and entities which have interests in construction of both the Project and associated facilities.

Stakeholders are categorised in line with common stakeholder identification practice as follows:

- Affected parties, including those exposed both to direct and to indirect impact;
- Interested organizations and individuals; and
- Vulnerable groups.

Description of the Project stakeholders is provided below.

At the scoping stage, the SEP provides a brief list of stakeholders that may be further expanded following the final ESHIA. In particular, the stakeholder list provided as part of the SEP of 2018 for the ESHIA of the GBS LNG & SGC Complex will be clarified.

5.1 Affected parties

Affected parties are individuals, groups and organizations within the social area of influence of the Project which are directly exposed to its influence (actual or potential). The affected parties can be regarded as the most vulnerable to the changes caused by the Planned activity. These stakeholders require extensive engagement both at the stage of identification and assessment of impact significance and during decision making regarding impact mitigation and management system arrangements.

The stakeholder list¹⁶ includes groups, individuals, communities, organizations and other social institutions given below:

Exposed to direct impacts

- indigenous communities migrating and conducting traditional activities (reindeer herding, fishing, harvesting, hunting, etc.) within the Salmanovskiy (Utrenniy) LA which may be directly impacted by construction and operation of the Project;
- personnel of companies employed by the Project and associated facilities;
- Agricultural enterprise MUE State Farm Antipayutinskiy that may be a receptor of both favourable and unfavourable impacts of the Project and associated facilities.

Potentially exposed to indirect impacts

- indigenous communities migrating and conducting traditional activities (reindeer herding, fishing, harvesting, hunting, etc.) within the Salmanovskiy (Utrenniy) LA which will not be directly exposed to construction and operation of the Project though may become affected by its mediated (indirect) impact;
- indigenous communities in Gyda Tundra and Antipayuta Tundra in general, which lead a customary lifestyle outside the Salmanovskiy (Utrenniy) LA. The Project may involve changes in customary migration routes of reindeer herders migrating within the Salmanovskiy (Utrenniy) LA and may affect economic activities of other indigenous communities outside the LA in the mediated (indirect) manner.
- Gyda and Antipayuta settlements (170 km and 240 km from the designed GBS LNG & SCG Complex, respectively) which are relatively large settlements located nearest to the Salmanovskiy (Utrenniy) LA and where indigenous population migrating within the Salmanovskiy (Utrenniy) LA are often registered, use medical services, go shopping, etc.;
- Yuribey and Tadebya-Yakha villages/trading stations (115 km and 70 km from the designed GBS LNG & SCG Complex, respectively). Location of these small villages is also relatively close to the

¹⁵ IFC, Stakeholder Engagement Handbook, 2007

¹⁶ These are results of the preliminary identification and categorisation of stakeholders to be clarified during ongoing consultations and ESHIA preparation.

boundaries of the Salmanovskiy (Utrenniy) LA. These may be also used for residence by the indigenous nomadic population within the the Salmanovskiy (Utrenniy) LA. The nomads also visit shops in the two villages and use services of the health post in Yuribey;

- Agricultural Enterprise GydaAgro LLC engaged in fishing and reindeer husbandry may be affected by the Planned activities;
- companies engaged in fishing in the Ob Bay water area whose business may be affected by the Project; and
- health care institutions, in particular publicly funded health institution (PFHI) Tazovskiy District Central Hospital.

The above stakeholder groups may interrelate or overlap. For instance, it is supposed that residents of Gyda may be involved in activities of agricultural companies such as GydaAgro LLC or MUE State Farm Antipayutinskiy and residents of Yuribey may be at the same time individual fishers and reindeer farmers.

As the Project implementation progresses, the list of affected parties may be revised, amended and extended. A transition of stakeholder groups to other categories is admissible if an adequate rationale is provided.

5.2 Interested organizations and individuals

This category groups individuals/groups/organizations which may be not exposed to direct impacts of the Project and associated facilities, but whose interests may be affected, and those able to influence implementation of the planned activity.

The anticipatory composition of this category is:

- Public authorities of YNAO (YNAO Government), in particular the Department for Natural Resource Regulation, Forestry Affairs and Development of Oil and Gas Industry of Yamal-Nenets Autonomous Okrug, Department for Indigenous Small-numbered Peoples of the North of Yamal-Nenets Autonomous Okrug, and others;
- Local branches of the Federal authorities functioning at the YNAO level, in particular the Department of the Federal Service for Nature Management Supervision (Rosprirodnadzor) for Yamal-Nenets Autonomous Okrug (YNAO Rosprirodnadzor Department), and others;
- Agricultural enterprises of Tazovskiy District that may potentially perceive mediated impact of construction and operation activities of the Project and associated facilities (e.g. Tazovskoye Agro-industrial Fish-Farming Enterprise LLC or Agrocomplex Tazovskiy LLC);
- Tazovskoye Consumer Association (in s. Tazovskiy) and trading stations located, by preliminary estimates, outside the Project social area of influence;
- Tazovskiy branch of the regional group "Association of Indigenous Small-numbered Peoples of the North of Yamal-Nenets Autonomous Okrug "Yamal for Descendants!" (regional group "Yamal for Descendants!");
- Charity Foundation for Development of Indigenous Small-numbered Peoples of the North (Tazovskiy District YNAO) (ISPN Development Foundation).
- Other public organizations: World Wildlife Fund (WWF), Green Arctic Interregional Public Ecosociological Organization, charity foundation Wildlife Conservation Centre (WLCC), community organization of women "Zhenschiny Tasu'Yava", associations of veterans living in Tazovskiy District, etc.;
- Media at the federal, regional and local levels;
- Professional associations and trade unions (e.g. a branch of the Russian Union of Industrialists and Entrepreneurs in YNAO); and
- Academic institutions.

Categories of other stakeholder groups may be revised, updated and amended in the course of construction and operation of the Project. A transition of stakeholder groups to other categories is admissible if an adequate rationale is provided.

5.3 Vulnerable groups

Vulnerable groups are those who could experience disproportionate impact of construction and operation of the Planned activity or may be affected more severely than others given their vulnerable status. This status may originate from the ethnicity, property status, income, economic situation, gender, language, religion, social background, material position. ancestry, age, culture, literacy, physical or mental disability, and dependence on the unique natural environment and natural resource.

Ensuring equal representativeness and engagement of vulnerable groups in the Project's process of the interaction and decision-making may require additional efforts. The following tentative list of such groups has been prepared stemming from the definition of this stakeholder category:

- ISPN individuals and their families who reside and conduct a traditional economic activity within the Project social area of influence and whose wellbeing relies on public subsidies and on the status of components of ecosystem services;
- Low-income individuals and families who reside and/or conduct a traditional economic activity within the Project social area of influence and whose wellbeing depends on public social support;
- Junior and senior individuals who reside within the Project social area of influence;
- Individuals with ill health, disabilities and/or diagnosed socially sensitive diseases (tuberculosis, HIV/AIDS, etc.) who reside and/or conduct an economic activity within the Project social area of influence; and
- Female-headed households located within the Project social area of influence.

The description of vulnerable groups will be supplemented during the development of the IPSDP and provided in the updated SEP version.

6. CONSULTATIONS CONDUCTED TO DATE

6.1 Statutory consultations (2013-2019)

By present, the key method of engagement with communities residing in the areas of potential exposure to the Project is public consultations in the form of public hearings conducted in compliance with the Russian law, alongside with other forms of interaction.

The activities contribute to maintaining a regular dialogue with the communities and their awareness about the Project and its potential impacts. Also, public consultations create opportunities for participation in the development of relevant impact mitigation activities. It should be noted that the Company's approach to stakeholder engagement includes the interaction with nomadic communities through opinion polls conducted by the ISPN Development Foundation and the Tazovskiy branch of the Association "Yamal for descendants!".

Public hearings and meetings with stakeholders on the following documents and topics were held in the framework of consultations on how to develop the Project in the period from 2013 to 2019:

2013

- LNG Complex (discussion of alternatives): Discussion of the environmental impact assessment (EIA) for "Construction of exploration of well No. 289 at the Salmanovskoye (Utrenneye) oil and gas condensate field, jointly with the Declaration of Intent (DOI) "Salmanovskoye (Utrenneye) Oil, Gas, and Condensate Field Facilities Setup" (public hearings were held on 10.07.2013).

2014

- LNG Complex: design survey programme for the LNG-2 Complex on the RC gravity-based structure (RCGBS) in the area of the Salmanovskoye (Utrenneye) OGCF in the Ob Bay, including EIA materials (public hearings were held on July 1, 2014);
- Development of berth facilities at the Salmanovskoye (Utrenneye) oil, gas, and condensate field, including the EIA materials (public hearings were held on March 11, 2014);
- Review of the EIA materials during implementation of the "Salmanovskoye (Utrenneye) Oil, Gas, and Condensate Field Facilities Setup" project. Amendment of the dredging design for Arctic LNG 2 LLC (public hearings were held on October 7, 2014).

2015

- Review of documentation for construction of exploration of well No. R-281 at the Salmanovskoye (Utrenneye) oil, gas, and condensate field, including the environmental impact assessment (EIA) materials for Arctic LNG 2 LLC (public hearings were held on November 11, 2014).

2016

- Establishing temporary public easement at the land plots with the total area of 153.156,4 ha for geocryological studies at the Salmanovskoye OGCF during the period from January 09, 2017 to December 08, 2019, for Arctic LNG 2 LLC (public hearings were held on November 29, 2016).

2017

- LNG Complex: comprehensive design survey for the project "LNG and SGC production, storage and offloading facilities at the Salmanovskoye (Utrenneye) OGCF. Complex for production, storage and offloading of LNG and SGC on gravity-based structures" (public hearings were held on September 5, 2017);
- LNG Complex: comprehensive design survey programme in the water area for development of design documentation for the projects "Complex for production, storage and offloading of LNG and SGC on gravity-based structures", "LNG and SGC Terminal "Utrenniy", "General purpose terminal", including the EIA materials for the Company (public hearings and meetings/presentations were held on July 18 and July 20, 2017, respectively);
- Review of design documentation: "Early development facilities at the Salmanovskoye (Utrenneye) OGCF", including the EIA materials for Arctic LNG 2 LLC (public hearings were held on July 18, 2017);
- Establishing temporary public easement at the land plots with the total area of 5.272.985,3 ha for the period from July 01, 2017 to September 30, 2018, for the design survey for the project "Salmanovskoye (Utrenneye) OGCF Facilities Setup in Tazovskiy District of YNAO" for Arctic LNG 2 LLC (public hearings were held on June 6, 2017);

- Review of documentation for the project "Maintenance dredging at the berth facilities of the Salmanovskoye (Utrenneye) OGCF", including EIA for future operations of Arctic LNG 2 LLC (public hearings were held on February 14, 2017);
- Review of documentation for the project "Construction and exploration of well No.294 at the Salmanovskoye (Utrenneye) OGCF", including EIA for future operations of Arctic LNG 2 LLC (public hearings were held on February 21, 2017);
- Review of design documentation: "Early development facilities at the Salmanovskoye (Utrenneye) OGCF", including the EIA materials for future operations of Arctic LNG 2 LLC (public hearings were held on July 1, 2017).

2018

- Primary disclosure of information on the Arctic LNG 2 Project to community of Gyda village and the Tazovskiy District Administration (the presentation was made at the community meeting on February 27, 2018);
- Construction of the prospecting and appraisal well No. 297 at the Salmanovskoye (Utrenneye) oil and gas condensate field, including the EIA materials;
- Construction of well pads Nos. 2 and 16 at the Salmanovskoye (Utrenneye) oil and gas condensate field for the period of drilling and testing, including the EIA materials;
- Review of design documentation for:
 - Salmanovskoye (Utrenneye) OGCF Facilities Setup. MSW, Development and Construction of the Waste Landfill,
 - Gas Supply Design for the Power Supply Facilities to Support Construction, Soil Jetting and Drilling Operations, including the environmental impact assessment (EIA) materials, for Arctic LNG 2 LLC" (public hearings were held on May 11, 2018);
- Review of design documentation "LNG and SGC Terminal "Utrenniy", including the EIA materials for future operations of Arctic LNG 2 LLC (public hearings were held on July 18, 2018).

2019

- Discussion of documentation giving grounds for implementation of the engineering survey programme for the "Sea channel", including the EIA for Arctic LNG 2 LLC;
- Discussion on the topic "Terminal Utrenniy for liquefied natural gas and stabilised gas condensate. Changes and amendments";
- Construction of 18 well pads at the Salmanovskoye (Utrenneye) oil and gas condensate field for the period of drilling and testing, including the EIA;
- Complex for production, storage, and offloading of liquefied gas and stabilised gas condensate on gravity-type bases, including under the Environmental Protective Measures Plan (EPMP) section, including the EIA;
- Development of the Salmanovskoye (Utrenneye) field in Western Siberia. MSIW landfill, including the EIA materials.

The public consultations included meetings with stakeholders in the form of public hearings. Totally, 25 public hearings/discussions were held on the topics outlined above. Representatives of a variety of stakeholders participated in the discussions, including:

- local settlements (Tazovskiy, Gyda, Antipayuta, Gaz-Sale, and Nakhodka);
- Tazovskiy branch of the regional group "Association of Indigenous Small-numbered Peoples of the North of Yamal-Nenets Autonomous Okrug "Yamal for descendants!";
- Tazovskiy District Administration (the Land and Environmental Protection Board of the Department for Property and Land Relations, Inter-settlement Territory Communities and Customary Activities Board, administrations of rural municipalities);
- State Public Institution (SPI) "Arctic Research Centre";
- YNAO Government (DPRR YNAO, SPI "Nedra Yamala", Department for ISPN);
- YNAO Legislative Assembly (Committee for Industry, Nature Management and Environment).

All public consultations were advertised in media, and appropriate information was disclosed in advance through community liaison offices, including field liaison offices arranged for residents of inter-settlement territories.

Residents of inter-settlement territories, so called Gyda Tundra, Antipayuta Tundra, Tazovskiy Tundra and Nakhodka Tundra, participated in the consultations. Their engagement was facilitated by the Association "Yamal for descendants!" and/or ISPN Development Foundation which arranged opinion polls for these

communities. Reports and results of the polls were presented at the hearings. The consultation participants expressed the following key wishes, concerns and comments:

- Need for disclosure of detailed information on the Salmanovskoye (Utrenneye) OGCF development project and construction of the Complex for LNG and SGC production, storage and offloading of (workforce numbers, geographic coverage, etc.);
- Employment opportunities for local residents (including young professionals);
- Responsible attitude towards the environment and potential impact on ecosystem services which are significant for local land users (pollution of water bodies, emissions, impacts on landscape, animals' migration routes, etc.);
- Responsible attitude towards customs, cultural values and sacred sites of ISPN;
- Provision of aid to local indigenous communities (including targeted support);
- Adequate management of contractors' activities;
- Jobs for ISPN representatives;
- Adequate environmental protection and potential damage compensation measures; *and*
- Construction of the berth facilities and conducting dredging operations taking in account migration patterns of aquatic species.

As Project is being implemented, the Company will continue the practice of public consultations and meetings with local communities for due consideration of views of a broad range of stakeholders.

6.2 Ethnographic survey (2015)

Opinions of ISPN communities representing customary occupations were also studied in detail in 2015 in the course of the ethnographic survey conducted by the non-profit partnership Ethno-ecological and Technological Studies Centre of Siberia for PURGEOCOM LLC. The survey was carried out for the Field facilities. The survey report contains information on reindeer herders (170-200 people in total) migrating in the Salmanovskiy (Utrenniy) LA and identifies the following points of concern expressed by the reindeer herders with respect to the interaction between ISPN traditional economic activities and development of the oil and gas field:

- Potential adverse impact of OGCF development on reindeer health;
- Concerns about potential reduction of livestock caused by the field development;
- Depletion of pasture resources as a result of their fragmentation by pipelines, overgrazing, and soil contamination (e.g. due transportation of sand used for onsite roads filling);
- Mixing of herds and consequential conflicts with other reindeer herders;
- Negative impact on lakes and rivers which are an important livelihood asset; and
- Use of lakes and rivers, which are an important livelihood asset, for fishing by migrant workforce.

Also, the ethnographic survey contains a number of proposals for potential impact mitigation prepared with account for opinion polls of the indigenous population of Tazovskiy District.

6.3 Consultations as part of the international ESHIA (2018)

As part of the international ESHIA procedure for the Complex in 2018, the Company and Ramboll carried out two stages of stakeholder engagement activities described below.

6.3.1 Stage 1. Disclosure and consultations on the ESHIA Scoping Report

Activities carried out in Stage 1 of the consultations were focused on:

- Provision of primary information to stakeholders on the GBS LNG & SCC Complex construction project and the international ESHIA process;
- Disclosure of the Scoping Report and SEP and collection of comments on the two documents; and
- Collection of additional data on the background socio-economic conditions in Tazovskiy District.

The stakeholder engagement activities included:

- Meetings with the Tazovskiy District Administration, Tazovskiy branch of the Association "Yamal for descendants!", and Charity Foundation for Development of Indigenous Peoples of the North in Tazovskiy District;
- Meetings with Gyda and Antipayuta Administrations;
- Meetings with representatives of healthcare institutions of Tazovskiy District;
- Consultations with residents of Tazovskiy, Gyda, Antipayuta, Tazovskiy Tundra, Nakhodka Tundra, Antipayuta Tundra and Gyda Tundra during the events associated with the Reindeer Herder's Day festivities in Tazovskiy, Gyda, and Antipayuta;
- Meetings with representatives of educational institutions of Tazovskiy District; and

- Meetings with representatives of enterprises of Tazovskiy District.

Ramboll, together with the Company, used various formats of consultations, including:

- Roundtable consultations for the presentation of the Complex and international ESHIA process (the format was used for the interaction with Tazovskiy District Administration and ISPN organizations);
- Information desks¹⁷, arranged on the Reindeer Herder's Day in lobbies of local cultural centres in settlements in Tazovskiy District, for dissemination of information on the GBS LNG & SCC Complex Project and explanation of the international ESHIA procedure;
- Meetings with Tazovskiy District communities for the presentation of the GBS LNG & SCC Complex Project and the ESHIA procedure;
- Expert interviewing of representatives of the Tazovskiy District Administration, enterprises, and other stakeholders; and
- Interviews with representatives of ISPN migrating within the Salmanovskiy (Utrenniy) LA.

The activities are detailed in Table 2.

In the scope of the international ESHIA procedure for the Complex in 2018, community liaison offices were arranged in cultural centres of Gyda and Antipayuta and in the Information Centre in the office of Arctic LNG 2 LLC in Tazovskiy for adequate disclosure of the international ESHIA Scoping Report and SEP to local communities. More details on the Information Centre are provided in Section 7.1.5.

Disclosure of the SEP, ESHIA Scoping Report and the Project information brochure was carried out through the liaison offices in the period from April 5 to May 5, 2018. Communities were encouraged to file their comments and suggestions on the above documents in a special log at the disclosure venues.

The stakeholder engagement activities were announced to all interested parties well in advance using the following methods:

- Announcement of meetings through official requests by e-mail (Tazovskiy District Administration, Medical Director of the Tazovskiy District Central Hospital);
- Advertising of the scheduled consultations and disclosure activities for all stakeholders through mass media:
 - Rossiyskaya Gazeta ("Russian Newspaper") (05.04.2018);
 - Sovetskoye Zapolyarye ("Soviet Polar Region" newspaper) (05.04.2018);
 - Krasny Sever ("Red North") newspaper (04.04.2018);
 - TV channel "Fact TV" (a news ticker was demonstrated on 05.04.2018).
- Display of notices of the planned consultations and disclosure activities in public places in settlements.

Moreover, some stakeholders were directly notified about the planned disclosure activities by e-mail, namely:

- YNAO Government;
- Tazovskiy District Administration, including individual notification of its relevant departments;
- Gyda and Antipayuta Administrations;
- PFHI Tazovskiy District Central Hospital;
- Agricultural enterprises of Tazovskiy District;
- Fish producing/processing enterprise of Tazovskiy District (Tazovskiy Agroindustrial Fish-farming Enterprise LLC);
- Public organizations:
 - Local women organization LPO "Zhenschiny Tasu'Yava" of Tazovskiy District;
 - Regional group "Association of Indigenous Small-numbered Peoples of the North of Yamal-Nenets Autonomous Okrug "Yamal for descendants!";
 - Tazovskiy branch of the regional group "Association of Indigenous Small-numbered Peoples of the North of Yamal-Nenets Autonomous Okrug "Yamal for descendants!";
 - Charity Foundation for Development of Indigenous Small-numbered Peoples of the North (Tazovskiy settlement);
 - Association of Indigenous Small-numbered Peoples of the North, Siberia, and Far East of the Russian Federation (Moscow);

¹⁷ The disclosure package, information brochures and other materials were made available at the information desks. Stakeholders or their representatives could read the materials and discuss the matters of concern with representatives of the Company or Consultant.

- Scientific research organizations of YNAO and Tyumen Region, including:
 - State Public Institution of YNAO "Arctic Research Centre";
 - Tyumen Research Centre of the Russian Academy of Sciences;
 - Geoscience Institute of the Tyumen State University;
- Local branches of the Federal authorities operating in YNAO:
 - Rosprirodnadzor Department for Yamal-Nenets Autonomous Okrug;
 - Department for State Monitoring, Supervision, Protection of Aquatic Biological Resource and Habitats in Yamal-Nenets Autonomous Okrug;
 - Local branch of the Rosprirodnadzor Department for Yamal-Nenets Autonomous Okrug in Novy Urengoy city and Tazovskiy District.

No comments were received on the documents disclosed at the first stage of consultations (Scoping Report and SEP).

Summary of the stakeholder engagement activities, including an overview of their content and disclosed materials, is given below.

Table 1: Stakeholder engagement activities conducted at Stage 1 consultations under the international ESHIA process

Date	Place	Activity	Disclosed documents	Brief description and key issues	Approximate number of participants
13.03.2018	Tazovskiy	Kick-off meeting with the Tazovskiy District Administration, Tazovskiy branch of the Association "Yamal for descendants!", Charity Foundation for Development of Indigenous Small-numbered Peoples of the North	Presentation brochure	<p>The meeting with the Tazovskiy District Administration was held in the roundtable form. The agenda included:</p> <ul style="list-style-type: none"> • Overview of the GBS LNG & SCC Complex project; • International ESHIA approach; • Consultations on ESHIA materials; • Arrangement of information centres / community liaison offices in populated localities and inter-settlement territories of Tazovskiy District; • Consultations on the socio-economic situation and administrative division of Tazovskiy District. <p>Issues and topics discussed at the meeting:</p> <ul style="list-style-type: none"> • Summary of the Complex construction process; • Identification of associated facilities of the Complex (the Port and the FIELD); • Requirements of international standards, in particular IFC PS 1-8; • International ESHIA process; • Key methods of stakeholder engagement, including potential participation of Ramboll in the activities related to Reindeer Herder's Day in Tazovskiy, Gyda and Antipayuta; • Customary types of land use (fishery, reindeer herding) and potential impacts on them caused by the Company's construction activities for the Complex; • Issues of transformation of the Ob Bay thermohaline structure as a result of dredging activities and operation of sea channels crossing the Ob Bar. <p>Four representatives of the Tazovskiy District Administration (including experts from the Department for liaison with communities in the inter-settlement territories and customary economic activities, and Department for Property and Land Relations) and three representatives of community organizations (Tazovskiy branch of the regional Association of ISPN of Yamal-Nenets Autonomous Okrug "Yamal for descendants!" and Charity Foundation for Development of ISPN) participated in the consultations.</p>	<p>Administration - 4 persons</p> <p>Tazovskiy branch of the Association "Yamal for descendants!" - 1 person</p> <p>Charity Foundation for Development of ISPN - 1 person</p> <p>Company - 2 persons</p> <p>Ramboll - 3 persons</p>

Date	Place	Activity	Disclosed documents	Brief description and key issues	Approximate number of participants
31.03.2018	Tazovskiy	Consultations with residents of Tazovskiy settlement, Tazovskiy tundra and Nakhodka tundra on the Reindeer Herder's Day	Presentation brochure Scoping Report SEP	<p>The consultations were held in the format of information desk in the National Cultures Centre established by the Company and Ramboll supported by the Tazovskiy District Administration. The announced agenda included consultations on the ESHIA materials disclosed at Stage 1 consultations (Scoping Report and SEP).</p> <p>The following matters were discussed with representatives of Tazovskiy District communities:</p> <ul style="list-style-type: none"> • Buildup of conditions contributing to degradation of permafrost soil, activation of exogenous geological processes with resulting disturbance of soil and vegetation cover, and increased risk of an epizootic outbreak of anthrax; • Chemical pollution of surface water bodies resulting from spills of process fluids; • Transformation of the aquatic species composition and population numbers (primarily fish fauna) in the traditional fishing areas of Nenets people; • Degradation of reindeer pasture productivity (primarily of reindeer moss resource); • Transformation of aquatic species composition and population numbers (primarily fish fauna) in the traditional fishing areas of Nenets people; • Fragmentation of terrestrial vertebrate habitats and agricultural lands (pastures); • Sale of reindeer herding and fishing products to personnel of the fuel & energy sector. <p>Eight representatives of local communities from Nakhodka Tundra, Gydan Tundra and Tazovskiy settlement took part in the consultations on the Complex project and disclosure package (Scoping Report and SEP).</p>	8 persons (as registered in the log)
02.04.2018	Tazovskiy	Data collection meeting with the Tazovskiy District Administration	Presentation brochure Scoping Report SEP	<p>The Company and Ramboll presented the GBS LNG & SCC Complex project and international ESHIA process to the Tazovskiy District Administration. Ten representatives of the Administration took part in the meeting, including the following divisions:</p> <ul style="list-style-type: none"> • Department for Liaison with Communities in the Inter-settlement Territories and Customary Economic Activities and Department for Property and Land Relations; • Socio-economic Development Department; • Cashflow Planning and Budget Implementation Division of the Financial Department; 	10 persons

Date	Place	Activity	Disclosed documents	Brief description and key issues	Approximate number of participants
				<ul style="list-style-type: none"> • Communications, Construction and Housing Policy Department; • Department for Culture, Physical Training and Sports, Youth Policy and Tourism; • Minors Guardianship Division of the Education Department; • Architecture and Urban Development Division. <p>After the presentation, a group interview of the Administration representatives was conducted with a view to collect information on the socio-economic status of Tazovskiy District, its selected settlements and inter-settlement territories. The following topics were discussed at the meeting:</p> <ul style="list-style-type: none"> • District budget basis and key budgeting features (availability of subventions and subsidies); • Status and specific features of educational facilities in the district; • Status and specific features of district transport infrastructure; • Socio-economic conditions in the inter-settlement territories; • Customary economic activities of indigenous people in Tazovskiy district, including nomadic activities in the territory of the Salmanovskoye (Utrenneye) OGCF; • The issue of overgrazing; • Administrative status and general state of the trading stations, including Mangty-Yakha, Yuribey, and Tadebya-Yakha; • Employment of Tazovskiy District residents in general and of the nomadic population in particular; • Satellite and mobile communication with the nomadic population. <p>The Company and Ramboll also collected documentary information on the above issues. Some documents were provided electronically before and after the meeting. The collected information was reviewed, summarised and included in the respective sections of the ESHIA Report.</p>	

Date	Place	Activity	Disclosed documents	Brief description and key issues	Approximate number of participants
02.04.2018	Tazovskiy	Meeting with the Medical Director of PFHI Tazovskiy District Central Hospital	Presentation brochure	<p>The Company and Ramboll interviewed the Medical Director of PFHI Tazovskiy District Central Hospital and discussed the following topics:</p> <ul style="list-style-type: none"> • Anthrax outbreak in Yamal District in 2016 and risk of its recurrence in Tazovskiy District; • Birth and death rates in Gyda and Antipayuta; • Tuberculosis morbidity and its causes; • Availability of the resource at the Tazovskiy District Hospital needed to serve the patients with residence and/or economic activities in the inter-settlement territories of Tazovskiy District. <p>The collected information was considered in the respective section of the ESHIA Report.</p>	1 person
01.04.2018	Area of the Salmanovskoye (Utrenneye) field	Meetings with representatives of indigenous nomadic people migrating in the area of the Salmanovskoye (Utrenneye) Field	Presentation brochure	<p>Representatives of Arctic LNG 2 LLC and Ramboll interviewed members of an ISPN family migrating within the Salmanovskiy (Utrenniy) LA. The interview was intended to collect information on the socio-economic situation in nomadic communities, composition of their families, income sources, and other characteristics.</p> <p>Members of three other ISPN families migrating within the LA were also present at the interview. The meetings had the following outcomes:</p> <ul style="list-style-type: none"> • Information was collected about nomadic indigenous families continuously migrating within the boundaries of the Salmanovskiy (Utrenniy) LA; • Information on the composition of one family and its customary business activities was collected; • Tentative list of reindeer herders (prepared as part of the ethnographic survey in 2015) migrating within the Salmanovskiy (Utrenniy) LA was confirmed; • Potential locations of crossing points over the linear facilities of the Arctic LNG 2 Project during migration of reindeer herds were discussed. Representatives of indigenous communities got familiar with the proposed crossing points and suggested their ideas about such arrangement. In particular, they marked a few additional locations for crossing points in the map. <p>Data collected through the polls were taken in account while preparing the respective section of the ESHIA Report.</p>	4 persons

Date	Place	Activity	Disclosed documents	Brief description and key issues	Approximate number of participants
12.04.2018	Antipayuta	Meeting with teaching staff of the Antipayuta boarding school	Presentation brochure	<p>The Company and Ramboll presented the project of GBS LNG & SCC Complex construction and the international ESHIA process to the faculty of the boarding school and answered questions on the following issues:</p> <ul style="list-style-type: none"> • Potential impact of the Project on water bodies and biological resource; • Potential benefits for local communities from the Project; • Increased community morbidity rates as an integral consequence of adverse impacts of the Project. <p>The participants also expressed doubts about the expediency of the meeting when "the deal is done" and decision to build the Complex has been made. It was further noted that a high-quality assessment of potential impacts of the Project is desirable.</p>	30 persons
12.04.2018	Antipayuta	Consultations with representatives of Antipayuta and Antipayuta tundra on the Reindeer Herder's Day	Presentation brochure Scoping Report SEP	<p>The Company and Ramboll presented the Project and the international ESHIA process to the local residents who arrived for a concert on the Reindeer Herder's Day. Questions on the following topics were asked after the presentation:</p> <ul style="list-style-type: none"> • Adverse environmental changes resulting from industrial and municipal waste management practice (temporary storage, transportation, disposal); • Adverse impact of the flare units (and pollutants emissions to air in general) on the air quality in Gydan tundra; • Potential impact of the Project on nomadic indigenous communities. <p>The concerns expressed by local communities on the above matters have been considered in the respective sections of the ESHIA Report.</p>	80 persons
12.04.2018	Antipayuta	Consultations with Antipayuta Administration	Presentation brochure Scoping Report SEP	<p>The meeting was held to collect socio-economic information on Antipayuta. The key socio-economic parameters of s. Antipayuta were discussed, including:</p> <ul style="list-style-type: none"> • Demography; • Main employers for the villagers; • Operation of Yara-Vonga trading station, etc. <p>Information collected at the meeting was considered in the respective section of the ESHIA Report.</p>	1 person

Date	Place	Activity	Disclosed documents	Brief description and key issues	Approximate number of participants
12.04.2018	Antipayuta	Consultations with State Farm Antipayutinskiy	Presentation brochure	<p>The meeting was held for collection of information on the Company's operations in order to make sure that all economic practices are considered by the ESHIA. The following topics were discussed:</p> <ul style="list-style-type: none"> Key characteristics of the entity; Land use issues related to the state farm operations; Information on reindeer herding and fishing activities; Plans for processing of reindeer herding products; Issues relating to business operations in the territory of the Salmanovskiy (Utrenniy) LA. <p>Information collected at the meeting was considered in the respective section of the ESHIA Report.</p>	1 person
12.04.2018	Antipayuta	Consultations with the Antipayuta rural district hospital	Presentation brochure	<p>The meeting was intended for collection of information on the hospital operations and morbidity rates. The following topics were discussed:</p> <ul style="list-style-type: none"> Status of healthcare infrastructure in Antipayuta. Morbidity rates in Antipayuta; Specific arrangements for provision of medical services for nomadic indigenous communities migrating in the area of Antipayuta tundra; Morbidity rates among indigenous communities. <p>Information collected at the meeting was considered in the respective section of the ESHIA Report.</p>	1 person
18.04.2018	Gyda	Consultations with representatives of Gyda and Gyda Tundra on the Reindeer Herder's Day	Presentation brochure Scoping Report SEP	<p>The consultations were held in the information desk format in the lobby of the Gyda Administration building. The desk was arranged by the Company and Ramboll with support of the village Administration. Topics discussed with local residents:</p> <ul style="list-style-type: none"> Adverse changes in the geological environment due to extraction of hydrocarbons (natural gas, and gas condensate); Transformation of the aquatic species composition and population numbers (primarily fish fauna) in traditional fishing areas of Nenets people; Degradation of reindeer pasture productivity (primarily of reindeer moss resource); Potential adverse impacts of vibrations and noise from construction and operation of the designed facilities which may induce changes in fish migration routes and transformation of the aquatic species composition; 	30 persons

Date	Place	Activity	Disclosed documents	Brief description and key issues	Approximate number of participants
				<ul style="list-style-type: none"> Reindeer herding and fishing products sales to personnel of the fuel & energy sector. 	
17.04.2018	Gyda	Consultations with Gyda Administration	Presentation brochure Scoping Report SEP	<p>Apart from the key socio-economic parameters of Gyda village, a few other issues were discussed:</p> <ul style="list-style-type: none"> Gyda village demography; Information on Yuribey, Tadebya-Yakha and Mangty-Yakha; Key employment providers for Gyda village residents; Information on nomadic people migrating within the Salmanovskiy (Utrenniy) LA. <p>Information collected at the meeting was considered in the respective section of the ESHIA Report.</p>	1 person
17.04.2018	Gyda	Consultations with representatives of the Gydan boarding school	Presentation brochure	<p>The meeting was conducted to collect information on the school activities. The following topics were discussed:</p> <ul style="list-style-type: none"> Special features of education services for indigenous communities; Information on nomadic people migrating within the Salmanovskiy (Utrenniy) LA. <p>Information collected at the meeting was considered in the respective section of the ESHIA Report.</p>	1 person
18.04.2018	Gyda	Consultations with GydaAgro LLC and the Gydan Consumers Association	Presentation brochure	<p>During the meeting, key information on activities of GydaAgro LLC and the Gydan Consumers Association was collected and the following issues discussed:</p> <ul style="list-style-type: none"> Information on fishing activities, including locations of commercial fishing areas of GydaAgro LLC; Information on personnel employed by GydaAgro LLC, including indigenous population; Activities of the Gydan Consumers Association; Operations of Yuribey, Mangty-Yakha, Tadebya-Yakha, and Tanamo trading stations. <p>Information collected at the meeting was considered in the respective section of the ESHIA Report.</p>	2 persons
18.04.2018	Gyda	Consultations with representatives of the Gyda Village Kindergarten	Presentation brochure	<p>The meeting was conducted to collect information on the specifics of the institution activities. The following topics were discussed:</p> <ul style="list-style-type: none"> Main characteristics of pre-school education in Gyda and Yuribey; Special features of pre-school education services for indigenous communities; 	1 person

Date	Place	Activity	Disclosed documents	Brief description and key issues	Approximate number of participants
				<ul style="list-style-type: none"> Details on the nomadic group in the Yuribey kindergarten. <p>Information collected at the meeting was considered in the respective section of the ESHIA Report.</p>	
18.04.2018	Gyda	Consultations with the Gyda rural district hospital	Presentation brochure	<p>The meeting was intended for collection of information on the hospital operations and morbidity rates. The following topics were discussed at the meeting:</p> <ul style="list-style-type: none"> Condition of healthcare infrastructure in Gyda. Community morbidity rates; Specific arrangements for provision of medical services for nomadic indigenous communities migrating in the area of Gydan tundra; Morbidity rates among indigenous communities. <p>Information collected at the meeting was considered in the respective section of the ESHIA Report.</p>	1 person

During the above engagement activities, stakeholders expressed specific concerns to be addressed by the ESHIA process such as:

- Transformation of the aquatic species composition and population numbers (primarily fish fauna) in traditional fishing areas of Nenets people;
- Transformation of the Ob Bay thermohaline structure as a result of dredging activities and operation of the sea channels crossing the Ob Bar (i.e. change of water salinity and temperature; community representatives suggest that this transformation may be the cause of the previous problem);
- Adverse changes in the geological environment due to extraction of hydrocarbons (natural gas and gas condensate);
- Adverse environmental changes resulting from management practice in relation to industrial and municipal waste (temporary storage, transportation, disposal);
- Chemical pollution of surface water bodies resulting from spills of process fluids;
- Degradation of reindeer pasture productivity (primarily of reindeer moss resource);
- Adverse impacts of the flare units (and emissions to air in general) on the air quality in Gydan tundra;
- Adverse impacts of vibrations and noise from construction and operation of the designed facilities;
- Fragmentation of terrestrial vertebrate habitats and agricultural lands (pastures);
- Build-up of conditions contributing to degradation of permafrost soil (also known as "everfrost"), activation of exogenous geological processes with resulting disturbance of soil and vegetation cover and increased risk of an epizootic outbreak of anthrax; and
- Increased community morbidity rates as an integral consequence of the adverse impacts listed above.

The above issues have been considered by the Consultant in preparation of the ESHIA Report for the Complex. The Company has also initiated the implementation of the Program of comprehensive studies into the environmental condition of the Ob Bay in the area of potential impact of the Arctic LNG 2 project and adjacent water area starting in 2019.

6.3.2 Stage 2. Disclosure and consultations on the ESHIA materials for the Complex (2018)

Activities at Stage 2 consultations were focused on:

- Disclosure of preliminary results of the international ESHIA process to stakeholders;
- Disclosure of the ESHIA Report, Non-Technical Summary, Stakeholder Engagement Plan (updated to incorporate the findings of Stage 1 consultations), and collection of comments on the documents;
- Stakeholder consultations; and
- Collection of further information on the nomadic ISPN communities within the Salmanovskiy (Utrenniy) LA.

Community liaison offices were set up in cultural centres in Gyda and Antipayuta for adequate ESHIA disclosure to local communities at Stage 2 consultations. These were also arranged in the Project Information Centre in the office of Arctic LNG 2 LLC and in the office of the Tazovskiy branch of the regional group "Association of Indigenous Small-numbered Peoples of the North of Yamal-Nenets Autonomous Okrug "Yamal for descendants!" in Tazovskiy, as well as in the office of the Company in Moscow. The ESHIA (including SEP), ESHIA Scoping Report and the Project brochure were disclosed through the liaison offices and the Project Information Centres during the period from 21 July to 21 August 2018. Communities were encouraged to submit their comments and suggestions on the above documents at the disclosure venues.

The stakeholder consultations were preceded by information disclosure activities such as:

- Advertising of meetings through official invitations by e-mail sent to the Tazovskiy District Administration;
- Advertising of the information disclosure and planned consultations for all stakeholders through mass media:
 - Rossiyskaya Gazeta ("Russian Newspaper") (20.07.2018);
 - Sovetskoye Zapolyarye ("Soviet Polar Region" newspaper) (21.07.2018);
 - Krasny Sever ("Red North") newspaper (21.07.2018);
- Targeted notification of stakeholders by e-mail. Such stakeholders are listed below.

Stakeholders notified through information letters sent by e-mail:

- Acting Governor of YNAO;
- Tazovskiy District Administration, including relevant departments of the Administration;
- Gyda and Antipayuta Administrations;

- PFHI Tazovskiy District Central Hospital;
- Agricultural enterprises of Tazovskiy District;
- Fish producing/processing enterprise of Tazovskiy District (Tazovskiy Agroindustrial Fish-Farming Enterprise LLC);
- Public organizations:
 - Local women organization LPO "Zhenschiny Tasu`Yava" of Tazovskiy District;
 - Regional group "Association of Indigenous Small-numbered Peoples of the North of Yamal-Nenets Autonomous Okrug "Yamal for descendants!";
 - Tazovskiy branch of the regional group "Association of Indigenous Small-numbered Peoples of the North of Yamal-Nenets Autonomous Okrug "Yamal for descendants!";
 - Charity Foundation for Development of Indigenous Small-numbered Peoples of the North (Tazovskiy settlement);
 - Association of Indigenous Small-numbered Peoples of the North, Siberia, and Far East of the Russian Federation (Moscow);
 - Yamal-Nenets branch of the All-Russia public organization "Russian Birds Conservation Union";
 - Yamal-Nenets branch of the Russian Geographical Society;
 - The World Wildlife Fund;
 - Charity Foundation "Biodiversity Conservation Centre";
- Scientific research organizations of YNAO and Tyumen Region, including:
 - State Public Institution of YNAO "Arctic Research Centre";
 - Tyumen Research Centre of the Russian Academy of Sciences;
 - Geoscience Institute of the Tyumen State University;
- Local branches of the Federal authorities operating in YNAO:
 - Rosprirodnadzor Department for Yamal-Nenets Autonomous Okrug;
 - Department for State Monitoring, Supervision, Protection of Aquatic Biological Resource and Habitats in Yamal-Nenets Autonomous Okrug;
 - Local branch of the Rosprirodnadzor Department for Yamal-Nenets Autonomous Okrug in Novy Urengoy city and Tazovskiy District.

In addition, residents of Yuribey and Gyda were informed on the date and venue of the Fisherman's Day celebration by the local administration.

Since Stage 1 consultations covered broader communities potentially exposed to indirect impacts of the Planned activity (refer to Table 2), engagement activities at the ESHIA stage were focused on the stakeholders potentially affected by direct impacts, particularly on consultations with the indigenous communities migrating within the Salmanovskiy (Utrenniy) LA. To this end, meetings with ISPN communities in Gyda and Yuribey took place during the Fisherman's Day festivities which were expected to attract such ISPN representatives.

Therefore, Stage 2 consultations included:

- Meeting with the Deputy Head of the Tazovskiy District Administration;
- Consultations with indigenous communities through information desks in Yuribey and Gyda on the Fisherman's Day; and
- Interviews with ISPN families migrating within the Salmanovskiy (Utrenniy) LA.

Consultations with other stakeholder groups were held through the collection of comments and queries on the disclosed materials by e-mail or through the community liaison offices.

In addition, the Company and Ramboll held a meeting with the Department for Natural Resource Regulation, Forestry Affairs and Development of Oil and Gas Industry of Yamal-Nenets Autonomous Okrug (DPRR YNAO) on 30.08.2018 in Salekhard. Another meeting with the Tazovskiy District Administration, ISPN and other stakeholders was held in Tazovskiy on October 24, 2018.

Details of the Stage 2 consultations and the meeting with DPRR are summarised in Table 2 below.

One comment was received through the liaison offices during the disclosure period from 21 July to 21 August. The comment was left in the Comments and Queries Log in Gyda on 27.07.2018. The author of the comment asks to abolish restriction of fishery activities of local population and to increase financial support for people involved into nomadic activities (so called 'nomadic payments').

Table Ошибка! Используйте вкладку "Главная" для применения 0 к тексту, который должен здесь отображаться. **2: Stakeholder engagement activities conducted at Stage 2 consultations under the international ESHIA process**

Date	Place	Activity	Disclosed documents	Brief description and key issues	Approximate number of participants
25.07.2018	Tazovskiy	Meeting with the Deputy Head of the Tazovskiy District Administration	Presentation materials Information brochure	<p>The meeting included the presentation of preliminary ESHIA findings and consultations on the following:</p> <ul style="list-style-type: none"> • Period of waste storage at the temporary storage site; • Utilisation of gas recovered from the mercury adsorbent vessel; • Geodynamic polygon and its functioning; • Development of a vertical structure of biodiversity monitoring measures; • Potential impact on GydaAgro LLC; • Ban on hunting and fishing by personnel. <p>The Administration representative suggested to:</p> <ul style="list-style-type: none"> • set up cell communication towers with a broader coverage beyond the OGCF area, so that ISPN would not need to come near the field boundaries; • establish a service centre in the field periphery for servicing ISPN; • engage with an ISPN representative who would work at the field, for liaison with indigenous communities. 	<p>Administration - 1 person</p> <p>Company - 2 persons</p> <p>Ramboll CIS - 2 persons</p>
26.07.2018	Yuribey	Consultations with the Yuribey community and nomadic families migrating within the Salmanovskiy (Utrenniy) LA	Information poster Information brochure NTS SEP	<p>The consultations were held through the information desk arranged near the kindergarten for children from nomadic families in Yuribey (near the main festivity venue). Topics discussed:</p> <ul style="list-style-type: none"> • Informing community on the Planned activities and ESHIA findings; • Complaints about drilling rig operation near the Yuribey River, about 40-50 km from the village (assumingly, the geological prospecting rig No.136 of the Arctic LNG 1 Project; noise and garbage ("operators discarded the hut straight into the river"); • Reduction of aquatic bioresource in the Yuribey area (over some 5 past years). Concerns that bioresource will decline even further due to drilling operations; • Reduction of aquatic bioresource in the Ob Bay and its inflowing rivers (over past 8-10 years). Concern that dredging will cause a further decline; • Potential positive effect of the Project on tundra communities. 	20 persons

Date	Place	Activity	Disclosed documents	Brief description and key issues	Approximate number of participants
				In addition, 2 interviews were conducted with members of nomadic families migrating in the Salmanovskiy (Utrenniy) LA.	
25.07.2018	Gyda	Consultations with the Gyda community and nomadic families migrating within the Salmanovskiy (Utrenniy) LA	Information poster Information brochure NTS SEP	<p>The consultations were held through the information desk arranged near the cultural centre in Gyda (near the venue of the main festivities). Topics discussed:</p> <ul style="list-style-type: none"> • Informing community on the Planned activities and ESHIA findings; • Complaints about failure to consider the views of local communities in the decision-making process regarding implementation of the Planned activities; • Reduction of aquatic bioresource in the Ob Bay. Concern that the bioresource will decline even further due to implementation of the Planned activities; • Waste management at the GBS LNG & SGC Complex: a question was raised about possible waste discharge to the Ob Bay; • Potential benefits from the Project for local communities. <p>Additionally, one member of a nomadic family migrating in the Salmanovskiy (Utrenniy) LA was interviewed.</p>	15 persons
30.08.2018	Salekhard	Meeting at the DPRR	Presentation materials ESHIA Scoping Report NTS SEP	<p>The meeting included the presentation of the preliminary ESHIA findings and consultations on the following issues:</p> <ul style="list-style-type: none"> • Rationale for using gravity-based structures; • Rationale for the Complex construction in the Ob Bay and associated risks; • Rationale for selecting the underwater dumping solution for soil disposal; • Mutual influence of the Planned activities and the Yamal LNG Project; • Approval procedure at the Federal Fishery Agency; compensation amount for the damage caused to aquatic life; • Transformation of the Ob Bay thermohaline structure; • Risks of accidents at storage of condensate and process fluids; • Support provided by the Company to local communities. <p>In addition, suggestions on monitoring of the Planned activities were voiced.</p> <p>The minutes of the meeting are included in the SEP.</p>	23 persons
24.10.2018	Tazovskiy	Consultations with stakeholders for provision	Presentation materials	The final ESHIA findings were presented at the meeting. The issues discussed:	Administration – 8 persons

Date	Place	Activity	Disclosed documents	Brief description and key issues	Approximate number of participants
		of information on the final ESHIA findings	Information brochure NTS SEP	<ul style="list-style-type: none"> Plans for expanding the resource base of the Complex due to depletion of the Salmanovskoye (Utrenneye) field reserves. The associated problems for customary land use will relate to the additional fragmentation of reindeer pastures due to linear infrastructure construction while developing other fields; Concerns regarding reduction of aquatic bioresource, primarily fish (omul and other commercial species) in the Ob Bay and affluent rivers; Question regarding a growing frequency of saline seawater invasion into the central part of the Ob Bay and its potential relation to implementation of Yamal LNG and Arctic LNG 2 projects; Comment on the destruction of bottom habitats in the Ob Bay near Cape Kamenniy (Yamal District of YNAO) in the dumping area as an example of adverse impact on marine ecosystems caused by underwater engineering works. Concern that this might happen while performing works as part of the Planned activity; Question about potential use of bottom soil (extracted by dredging) during onshore construction works (in order to avoid dumping and associated impacts on the water environment of the Ob Bay). <p>The following proposals were made during the meeting:</p> <ul style="list-style-type: none"> To set up servicing and storage centres at the Complex, Port and other facilities in the Salmanovskiy (Utrenniy) LA for supply of indigenous peoples with consumables (fuel, firewood, drinking water, etc.) in case of emergency (the list of the consumables might be prepared by the Company in collaboration with NGOs and the Tazovskiy District Administration given the Company's positive experience of interacting with herders at the other areas). Also, indigenous people might use the specially equipped centres for protection in case of adverse weather conditions or emergency, for repair works, etc.; To establish a search-and-secure service within the Arctic LNG 2 Project to be permanently based in the Salmanovskiy (Utrenniy) LA. The service will be used for search and evacuation of people in emergency; To set up a permanent medical centre in the territory of the Complex or other facility within the Salmanovskiy (Utrenniy) LA. Indigenous people should also have access to the medical services of the centre. 	<p>Tazovskiy District Parliament– 1 person</p> <p>Tazovskiy branch of the Association "Yamal for descendants!" - 1 person</p> <p>Charity Foundation for Development of ISPN - 1 person</p> <p>Tazovskiy Department of Service for Protection, Control and Regulation of Bioresource Use – 1 person</p> <p>Tazovskiy Division of the DPRR – 1 person</p> <p>Arctic LNG 2 – 2 persons</p> <p>NIPIGAZ – 2 persons</p> <p>Ramboll CIS– 1 person</p>

Date	Place	Activity	Disclosed documents	Brief description and key issues	Approximate number of participants

6.4 Consultations as part of the international ESHIA process (2020–2021)

In 2020, as part of the international ESHIA process, Ramboll completed two stages of stakeholder engagement activities.

6.4.1 Stage 1. Disclosure and Discussion of ESHIA Scoping Report

In May 2020, the Company together with Ramboll conducted a conference call kick-off meeting with the following stakeholders:

- Tazovskiy Municipal District Administration;
- Tazovskiy branch of Association "Yamal for descendants!".

At the conference call, the Company and Ramboll disclosed information to the stakeholders and discussed the following topics:

- Project scope and timeframes;
- Scope of the ESHIA studies and overview of the international standards;
- Period of the ESHIA studies;
- Planned two stages of the ESHIA consultations;
- Available methods of consultation considering the restrictions due to COVID-19.

At the same conference call, the experts of Ramboll indicated the topics of the information request that was later on communicated to the Tazovskiy Municipal District Administration, including socio-economic development of the Tazovskiy Municipal District, cultural heritage sites, ISPN migrating within the Salmanovskiy (Utrenniy) LA, etc.

Activities during Stage 1 included disclosure of the ESHIA Scoping Report and the Stakeholder Engagement Plan. Stakeholders were notified of the disclosure by the following methods:

- Publications in media (newspapers Rossiyskaya Gazeta ("Russian Newspaper", 15.05.2020), Krasny Sever ("Red North", 16.05.2020) and Sovetskoye Zapolarye ("Soviet Polar Region", 16.05.2020);
- Targeted notification of stakeholders by e-mail (for the Tazovskiy Municipal District Administration, non-governmental organizations including Association "Yamal for descendants!", WWF, "Green Arctic", academic institutions, YNAO Department of Natural Resources Regulation, etc.

The disclosed documents were provided individually to the stakeholders and published at the website <http://arcticspg.ru/>. No hard copies were provided in public premises due to the restrictions imposed in relation to COVID-19.

During Stage 1, one request was received from a public organization asking to clarify the purpose and time of the documents' preparation. No other comments were received from the stakeholders as to the documents and the process of disclosure.

6.4.2 Stage 2. Disclosure and Discussion of the ESHIA Report

Stage 2 stakeholder engagement activities included information disclosure and consultations related to the ESHIA. Specifically, the following activities were performed between September 12, 2020 and November 12, 2020:

- Disclosure of the ESHIA report, the updated SEP and the Non-Technical Summary (NTS) online at <http://arcticspg.ru/>, via a targeted mailing list, and at the Project Information Center in Tazovsky. Stakeholders were notified of the information disclosure and consultation through media publications (newspapers Rossiyskaya Gazeta ("Russian Newspaper", 11.09.2020), Krasny Sever ("Red North", 12.09.2020) and Sovetskoye Zapolarye ("Soviet Polar Region", 12.09.2020) and targeted mailings. In particular, disclosure notifications were sent directly to a number of non-profit and non-governmental organizations;
- Disclosure of the SEP and NTS in the administration buildings of Gyda and Antipayuta villages;
- Disclosure of ESHIA results in Gyda village to the IP families permanently or periodically conducting traditional activities at Salmanovskoye (Utrenneye) LA while such families were present in Gyda for a visit;
- Collection of comments and suggestions to the disclosed documents within 60 days.

No comments were submitted to the ESHIA during the indicated period.

Two meetings with regional and local stakeholders were held in November-December 2020:

1. December 2nd, 2020: an online meeting with representatives of the Department of Natural Resources Regulation (DPRR) and other structural subdivisions of the YNAO Government; regional public, non-profit and scientific organizations; and others.

The meeting was held in the form of a Zoom-conference, which was attended by representatives of the DPRR of YNAO, the Department of Indigenous Peoples of the North of YNAO, the division of the organization and regulation of fishing of the Department of Agriculture, Trade and Food of the YaNAO, managing board of the Tazovsky branch of the regional Association "Yamal for Descendants!", and the Legislative Assembly of the YNAO, as well as Company specialists and Ramboll consultants (in total 29 participants).

During the meeting, Project specialists and ESHIA developers reported upon the assessment conducted. Particular attention was given to the issues of biodiversity conservation, waste management, impacts on water bodies of the Gydan Peninsula, and impacts on traditional economic activities of indigenous people (reindeer herding and fishing). During the meeting, the participants raised the following comments and questions:

- Clarification of the total Project cost;
- Potential for use of drilling solid waste for Project construction purposes;
- Project's approach to disposal of all types of waste during construction;
- Total calculated damage to be caused to aquatic biological resources;
- Recommendation to consider release of juvenile muksun and/or chirp as a priority compensation measure.

In response to the comment and questions raised, Company and Ramboll provided the following information:

- Capital investment for the full-capacity Project launch are estimated to \$21.3 b;
- Drilling wastes undergo a series of neutralization and treatment as a result of which building materials are derived that can be used for construction. Currently such materials are used for remediation of building materials accumulation area;
- Before commissioning of own waste landfill, the Project envisages removal of wastes to other licensed facilities. After the landfill is commissioned, its operator will dispose 3-5 class wastes;
- In the ESHIA, total fish damage approved by Rosrybolovstvo is provided. The total fish damage is estimated at 1364.8 ton of ichthyomass. A range of species are planned for release including Siberian sturgeon, muksun, peled, nelma, broad whitefish, sterlet, humpback whitefish.

2. December 18th, 2020: an online meeting with Administration of Tazovsky district and Association "Yamal for Descendants!":

The meeting was held in the form of a Zoom-conference, which was attended by representatives of the Department of property relations of Administration of Tazovskiy district, Chairperson of the Tazovsky branch of the regional Association "Yamal for Descendants!", Company specialists and Ramboll consultants (in total 9 participants). During the meeting, Project specialists and ESHIA developers reported upon the assessment conducted. Particular attention was given to the issues of biodiversity conservation, waste management, impacts on water bodies of the Gydan Peninsula, and impacts on traditional economic activities of indigenous people (reindeer herding and fishing). During the meeting, representatives of Administration of Tazovsky district and Association "Yamal for Descendants!" raised the following comments and questions:

- Stricter control over activities of Project contractors is necessary, particularly, over their waste management practices. Participants emphasized that storage of waste outside designated areas is unacceptable;
- Participants emphasized importance of collaboration with local enterprises during release of fish juvenile (e.g. with Tazovskit branch of Sobskiy fish hatchery);
- It is recommended to support IP practicing traditional lifestyle, e.g. via provision of technical maintenance of their equipment, locating a shop/ resting areas within Salmanovskiy (Utrenniy) license area);
- Participants recommended that water bodies used by IP for fishing are included into biodiversity monitoring program.

Company and Ramboll provided responses to the questions raised. Particularly, the participants were informed about strict fines imposed by the Project upon contractors breaching environmental legislation. Besides, the Project and Ramboll highlighted that the grievance mechanism is implemented and that any

grievance can be made in relation to contractors breaching legislation. The Project, in turn, will ensure necessary control over contractors via Company's EHS personnel onsite.

The Company representatives noted that selection of fish hatcheries for compensatory measures is limited by requirements of Rosrybolovstvo. At the same time, the Company understands importance of the issue raised by participants and will elaborate on it with relevant authorities in order to promote stocking activities in Tazovskit district.

The Company and Ramboll informed meeting's participants that the Project implements a monitoring programme, which also includes the topic of biodiversity. While engaging with the stakeholders (particularly, with Association "Yamal for Descendants!") the Company may include additional water bodies into the monitoring programme in order to identify whether Project's impacts are present.

Company representatives confirmed their intention to facilitate development of indigenous communities affected by the Project. Specific suggestions provided by the meeting's participants (e.g. provision of a maintenance station for equipment of IP) are under discussion by relevant divisions of the Project and may be implemented in future.

6.5 Social and Economic Study (December 2020 – March 2021)

LLC Ramboll CIS carried a social and economic study of IP families of Tazovsky District traversing Salmanovskiy (Utrenniy) license area from December 2020 to March 2021 under a contract with the Company.

During the survey the Company aimed at ensuring:

- Dissemination of general information on the Project;
- Dissemination of information on Grievance mechanism of the Project;
- Data collection on traditional economic activities and cultures practices by IP;
- Collection of opinions of IP on Project activities, as well as their suggestions to the Company.

Besides, the list of families traversing Salmanovskiy (Utrenniy) license area was clarified. The study has shown that the total number of families traversing Salmanovskiy (Utrenniy) license area is 30, of which: 17 families reside and perform their economic activities within the license area, 13 families reside and perform their economic activities in close proximity to the license area. Other 35 families that were initially included into the list of families migrating within the license area under ESHIA were found to be residing and performing their traditional activities at a significant distance from the license area. This information will be clarified at the later stages of stakeholder engagement.

7. STAKEHOLDER ENGAGEMENT ACTIVITIES, THE CONSULTATIONS AND DISCLOSURE PLAN

This section provides information on the planned methods for further stakeholder engagement and on the engagement activities throughout the lifecycle of the Project and, as appropriate, of associated facilities, i.e. at design, construction, commissioning, operation, and decommissioning phases. Measures of this category are presented in the form of the Consultations and Disclosure Plan. The Consultations and Disclosure Plan may be subject to revision depending on distribution of stakeholder engagement responsibilities (Table 5).

The proposed engagement approach will follow the principles of informed consultations and participation of affected parties and other stakeholders. In particular, the approach is to ensure:

- Regular and iterative stakeholder engagement;
- Consideration of views of local communities and stakeholder groups and exchange of opinions, including in the process of decision making on matters of stakeholder's concern;
- Tailored approach to various stakeholders, including vulnerable groups; and
- Conducting stakeholder consultations in an open and culturally appropriate manner.

The above engagement categories are discussed in more detail in Section 7.4. The planned methods of engagement are described in Section 7.1.

7.1 Stakeholder engagement methods

This section describes basic engagement methods that are internationally recognised for their efficiency¹⁸ and may be potentially used for engagement of stakeholders in the context of the Project. The CDP presented in Section 7.3 sets out methods to be used in practice that have been so far planned.

A list of methods in this Section may be subject to revision and updating to accommodate for the changing context. The CDP may be expanded to include more activities using the described methodology.

7.1.1 Meetings with broader community

Meetings at the level of local communities imply that various local stakeholders gather for formal consultations (e.g. public hearings). Using this form of engagement, information can be disclosed in a transparent manner and to a larger number of people.

This method is used in the design development, construction and commissioning phases. It may be also applied in the operation phase, if needed.

7.1.2 Face-to-face meetings with local communities

Face-to-face meetings are a good method of direct contact. These are used for interacting with local administrations, land users (reindeer herders, fishermen), and local informal and community leaders. The method can be combined with polls (refer to Section 7.1.3) and is planned for use mainly in the design development and construction phases.

7.1.3 Opinion polls

Opinion polls in the form of interviews or questionnaires are a convenient method of collecting information on affected parties: their composition, interests, economic activities, views on the Project in general, etc. The method is suitable for the opinion exchange and collection of more details on stakeholders such as local self-government bodies, public organizations, and affected land users. Polls are also held in the process of public hearings. It is expected that this method will be chiefly used during construction phases.

7.1.4 Direct engagement with mass media

Direct contacts with national, regional and local media are used for information disclosure, e.g. through press releases, to keep media updated on key issues of the Planned activities under the Project. It is planned that the method will be used throughout the Project lifecycle.

¹⁸ International Association for Public Participation "The IAP2 Public Participation Toolbox", 2000-2004.

7.1.5 Information Centre and community liaison offices

Using the Information Centre is a good method to make sure that (i) the Company is always represented at a local level; (ii) stakeholder communities have access to relevant documentation; (iii) a venue is provided where local communities can share their views, leave comments or lodge grievances. There is a special box for collection of stakeholders' queries and grievances.

The Project Information Centre is established in Tazovskiy, at the office of Arctic LNG 2 LLC. Business hours of the Information Centre are given in Section 10.

Community liaison offices were arranged in Tazovskiy (at the Project Information Centre), and in Gyda and Antipayuta in the local public institutions as part of the international ESHIA process. The liaison offices will operate during the ESHIA Report preparation. Also, liaison offices will be used for the local EIA process.

7.1.6 Main contact point

As part of Information Centre and liaison offices operation (refer to Section 7.1.5), the Company will appoint an officer to act as the main contact point for stakeholders (refer to Section 10). Therefore, local communities will have access to the Project representatives for consultations on the planned operations.

7.1.7 Dissemination of printed materials including the brochure

Various presentation materials can be developed for the Project at large.

The presentation materials can be placed on the Project website and will be available in the Information Centre and community liaison offices. The brochure will be updated as appropriate.

This method may be used throughout the Project lifecycle.

7.1.8 Project website/page

For the purposes of Project information disclosure, LLC Arctic LNG 2 website (<http://arcticspg.ru/>) is developed; the website will be functioning throughout the Project lifecycle, its contents will be regularly updated. The website contains ESHIA materials and other information materials.

7.1.9 Collection of Project-related queries and grievances

A grievance mechanism has been introduced in order to continuously interact with stakeholders and provide them with an opportunity to express their opinions, comments and suggestions in connection with the planned activities as part of the ESHIA process. The stakeholders can lodge grievances or queries in person, by e-mail, by phone or by post to the address of the Information Centre using the following contact details:

By e-mail:

- Referring to vopros@arcticspg.ru

By contacting the Information Centre:

- Address:** 629350, YNAO, Tazovskiy District, Tazovskiy settlement, 44 Pristanskaya Street, 1st floor, room 1, office of Arctic LNG 2 LLC;
- Business hours:** weekdays from 10 am. to 12 pm. and from 3 pm. to 5 pm.; local time;
- Contact person:** Mikhail Lapsuy.

By post:

- Correspondence address:** 117393, Moscow, 22 Akademika Pilyugina St., Sustainable Development Department;
- Registered office address:** 629305, Russian Federation, Yamalo-Nenets Autonomous Okrug, Novy Urengoy, 5 Yubileinaya St., 2nd floor, office 162'.

By phone:

+7 495 488-62-85

More detailed information on the engagement with stakeholders in the scope of the grievance management procedure is given in Section 10.

7.1.10 Onsite visits

This method allows for organised visits to the Project sites and facilities by small groups of stakeholders (representatives of the Tazovskiy District Administration or rural municipalities, public organizations, and journalists). It may provide an efficient tool for sharing information on environmental and social impacts

and mitigation measures (e.g. demonstration of the remediated disturbed land upon construction completion). The method is most suitable for the operation phase.

7.1.11 Roundtable consultations

Roundtable consultations may be an efficient tool of engagement with public authorities and local governments, publicly funded institutions and public organizations, academic community. Roundtable consultations will facilitate sharing of information and views on the status of the Planned activities, alongside with data collection.

This method can be used throughout the Project lifecycle, as appropriate.

7.2 Implementation of IPSPD and Obtaining FPIC

The Company has initiated a Free Prior Informed Consent (FPIC) process with regard to ISPN as part of the stakeholder engagement process. The FPIC-obtaining process will be part of activities under IPSPD

Of special note are the consultations with ISPN representatives the Company conducted in 2013-2021:

- 1) **Public consultations** to include opinion polls among the indigenous communities of Antipayutinskaya, Gydanskaya, Nakhodkinskaya and Tazovskaya Tundra with proper recording (more than 25 events held);
- 2) **Ethnographic survey** to include collection of information on vital activities of the ISPN nomadic communities within the Salmanovskiy (Utrenniy) LA and their opinions on potential negative impact of gas production projects within the license area; and
- 3) **Engagement activities in the framework of the international ESHIA for the Complex (2018)**. Disclosure of information on potential impacts of the Complex on customary economic activities and collection of indigenous communities' opinions in the course of the Ramboll consultant's visit to the Salmanovskiy (Utrenniy) LA and public consultations in Tazovskiy, Gyda, and Antipayuta. Location of additional reindeer herds' crossings were approved in consultation with part of the ISPN representatives migrating within the license area¹⁹.
- 4) **Engagement as part of the international ESHIA for the Project (2020)**. Disclosure of information on potential impacts of the Project on traditional activities and collection of public opinions (including representatives of IPs) during consultation activities (see more details in Section 6.4).
- 5) **Social and economic survey (2020–2021)** to include disclosure of the information on the Project and collection of information on vital activities of the ISPN within the Salmanovskiy (Utrenniy) license area.

The above activities are viewed as a part of the Project's FPIC process and comprise important measures taken by the Company that lay the foundation for future stages of the FPIC process. In the course of these activities, the Company has ensured 1) early involvement of representatives of the ISPN in the process of consultations on various Project facilities; 2) dissemination of necessary information among tundra population (including events held jointly with the representatives of the "Yamal for Descendants!" Association); 3) meetings with and surveys of ISPN representatives with proper record-keeping; 4) documented voting of tundra indigenous people to determine the level of support for development of various Project facilities from ISPN of Tazovskiy district.

While ensuring FPIC from the Project-affected ISPN, the Company will base related activities on the following principles in accordance with IFC PS7:

- 1) FPIC comprises two key elements: a process and an outcome²⁰;
- 2) The process of FPIC will build upon the principles of informed consultations and participation (ICP), and, additionally, will ensure Good Faith Negotiation (GFN), which implies consultations with affected indigenous residents in reasonable timeframes and in a form mutually convenient and appropriate for all parties with provision of all information necessary and crucial for decision-making; FPIC consultations will be of iterative nature²¹;

¹⁹ Location of the crossings' sites was defined based on the information on migration routes discovered during the ethnographic survey conducted by Purgeokom LLC in 2015, as well as on the outcomes of engagement with administration of Gyda settlement. Locations of the crossings were approved by four representatives of ISPN during their communication with Arctic LNG 2 specialist in April 2018. In the course of this communication, ISPN representatives also suggested locations for additional crossings and provided their opinions on necessary features of these crossings.

²⁰ IFC Guidance Note 7 "Indigenous peoples" P25

²¹ Ibid.

- 3) The FPIC process' outcome will be an agreement with the affected indigenous peoples or their representatives; the agreement may take the form of a Memorandum of Understanding, Letter of Intent or another format acceptable to all parties²²;
- 4) The resulting document of FPIC (Memorandum of Understanding or other) will refer to measures to mitigate or enhance the impacts on affected indigenous peoples included in the specially developed IPSDP²³.

It is of note that the FPIC process as part and as result of the IPSDP preparation will ensure that affected indigenous communities are provided with sufficient information on both Project's negative impacts, as well as benefits that the Project may entail for the local residents. In addition, the following shall be determined as part of the Plan for Facilitation of Sustainable Development of the Indigenous Small-numbered Peoples of the North implementation:

The FPIC process shall be detailed in the IPSDP being currently developed by the Company.

The IPSDP development and FPIC obtaining process shall include five stages:

- 1) Input data review and pre-execution works;
- 2) Development of the IPSDP structure and initial stakeholder engagement;
- 3) Interaction with the indigenous small-numbered peoples of the North to develop the IPSDP measures and obtain FPIC;
- 4) Consideration of the IPSDP and approval of the FPIC documents;
- 5) The IPSDP disclosure and implementation.

The schedule of consultations as part of implementation of the IPSDP and obtaining FPIC is provided in **Appendix 2**.

7.3 Stakeholder engagement as part of the development of Biodiversity Conservation and Monitoring Programs and Plans.

The Company is currently developing a series of Biodiversity Conservation and Monitoring Programs and Plans (hereinafter referred to as the "Programs and Plans"). Stakeholder engagement, including interaction with academic community, shall be an integral part of the Programs and Plans development.

The schedule of consultations as part of the development of Programs and Plans is provided in **Appendix 2**.

7.4 Stakeholder Engagement throughout the Project Lifecycle (the Consultations and Disclosure Plan)

The general approach to stakeholder engagement and the list of measures to be implemented by the Company at various stages of the Project lifecycle are included in the draft Consultations and Disclosure Plan given in Table 3 below.

The schedule of meetings with stakeholders in 2021 is provided in Appendix 2 to SEP.

²² IFC Guidance Note 7 "Indigenous peoples" P38

²³ IFC Guidance Note 7 "Indigenous peoples" P41

Table 3: Consultations and Disclosure Plan

No.	Stakeholder	Consultations	Disclosure	Tentative timeframe	Responsibility
1	All stakeholders	Development of the website of the Project to be maintained throughout the Project lifecycle.	Information disclosure on the Project website	Q2 2020, operation - throughout the Project lifecycle	Company
2	All stakeholders	<p>Setting up temporary liaison offices as part of the ESHIA process in settlements of Tazovskiy District</p> <p>The liaison offices²⁴ will operate during the period of disclosure of the SEP, Scoping Report, and ESHIA (depending on the epidemiological situation in YNAO).</p> <p>The Project Information Centre operates in Tazovskiy throughout the Project implementation period. Additional information centres may be established, as necessary.</p> <p>Public hearings and temporary liaison offices as part of the statutory public consultations process in populated localities of Tazovskiy District approved by the local self-government bodies.</p>	<p>Information to be made available in the liaison offices and in the Information Centre.</p> <p>Making aware stakeholders, including indigenous communities, of liaison offices and Information Centre(s) operation through media and representatives of the Company, Tazovskiy District Administration, and ISPN.</p>	<p>The Project Information Centre has been in operation since Q1 2018.</p> <p>Liaison offices were opened up as part of public discussions of design documentation of the Project facilities in 2013 – 2020, as well as for the information disclosure under ESHIA in May and September-November 2020.</p>	Company
3	All stakeholders	Grievance Mechanism to function throughout the Project lifecycle.	<p>Informing on the grievance mechanism availability through:</p> <ul style="list-style-type: none"> • ESHIA materials disclosure, including on the Company's website; • Dissemination of the information materials to contain the grievance mechanism as part of public discussions and population surveys. <p>Information about the grievance format and procedures is communicated to general public as part of the disclosure and consultation process and is available at the Information Centre, at the publicly available locations of Tazovsky District and in the web (refer to item 1 above).</p>	<p>Implementation - Q1 2019</p> <p>Annual reporting on grievances (also refer to Section 9).</p> <p>Functioning - throughout the Project lifecycle</p>	Company

²⁴ The liaison offices will be arranged in local administration offices / libraries / cultural centres, for disclosure of Project information, collection of comments and grievances from local communities and other stakeholders, etc.

No.	Stakeholder	Consultations	Disclosure	Tentative timeframe	Responsibility
4	Indigenous communities / Affected land owners and users	<p>Identification of representatives of indigenous small-numbered peoples of the North (ISPN), customary economic activities, etc.</p> <p>Consultations on land use and potential impacts of the Project and associated facilities (as appropriate) at face-to-face meetings with land users and their representatives, in particular:</p> <ul style="list-style-type: none"> Indigenous communities, including ISPN migrating within the Salmanovskiy (Utrenniy) LA; Tazovskiy branch of the regional group "Association of ISPN of Yamal-Nenets Autonomous Okrug "Yamal for descendants!", Charity Foundation for Development of ISPN, etc. (e.g. hunters / fishermen / wildcrafters); MUE State Farm Antipayutinskiy. <p>Representatives of indigenous peoples are also being involved in the consultation process with local village communities depending on the epidemiological situation in YNAO (refer to item 5 below).</p> <p>Consultations as part of the IPSDP and the process of FPIC obtaining.</p>	<p>Disclosure of information on the Project and associated facilities (as appropriate) and its/their implementation programme, and about impact on use of natural resource (pastures, gaming and aquatic resources).</p>	<p>Consultations in the scope of design documentation, SEP, Scoping Report and ESHIA development - Q2-4 2020.</p> <p>As part of IPSDP development (July–November 2021) and implementation (throughout the Project implementation).</p> <p>Regular consultations - throughout the Project lifecycle (particularly during implementation of the Indigenous Peoples Development Plan) and the land plot lease process.</p>	Company
5	Residents of rural settlements in Tazovskiy District	<p>Consultations in the scope of design documentation, SEP, Scoping Report and ESHIA development (either in the face-to-face or distance format depending on the epidemiological situation in YNAO).</p> <p><u>Design phase:</u></p> <ul style="list-style-type: none"> Consultations in the scope of SEP, Scoping Report and ESHIA development; Statutory public meetings, including in the online format (conference calls, public consultations, public hearings, community gatherings, etc.). <p><u>Construction phase:</u></p> <ul style="list-style-type: none"> Public meetings for disclosure of information on the Project implementation status or progress; collection of stakeholder comments or grievances (if needed); 	<p>Disclosure of the design documentation materials. Project SEP, Scoping Report and ESHIA, information brochure and other relevant documents in the liaison offices and in the Project Information Centre in Tazovskiy.</p> <p>Disclosure of the SEP, Scoping Report and ESHIA, and the Project information brochure in the web.</p> <p>Information disclosure through publication in printed and electronic media.</p> <p>Direct provision of information to community representatives (as necessary).</p>	<p>Consultations in the scope of the design documentation, SEP, Scoping Report and ESHIA development - Q2-4 2020</p> <p>Regular consultations - throughout the Project lifecycle (construction and operation phases)</p>	Company

No.	Stakeholder	Consultations	Disclosure	Tentative timeframe	Responsibility
		<ul style="list-style-type: none"> Regular visits to settlements for face-to-face meetings with local administrations and community representatives. <p><u>Operation phase:</u></p> <ul style="list-style-type: none"> Meetings with the public, community administrations and representatives (as necessary). 			
6	Project contractors and subcontractors (existing and future)	Engagement with potential contractors and subcontractors regarding employment opportunities and recruitment procedures, grievance mechanism, and applicable policies of local regulations of the Project (or relevant policies of the Company / Project Operator)	<p>Information letters;</p> <p>Inclusion of the respective requirements into contracts;</p> <p>Interaction as part of the grievance mechanism, in particular informing the contractor's/subcontractor's employees via information posters and grievance boxes where workers can leave their comments and grievances for review.</p>	Throughout the Project lifecycle	Company
7	Project workforce (existing and future)	Engagement with the existing and future workers of the Project regarding employment opportunities and recruitment procedures, grievance mechanism, and applicable policies of the Project (or relevant policies of the Company / Project Operator)	<p>Informing Project personnel on operation of the grievance mechanism, as well as on the applicable policies of the Project or Company, via information centres, information posters and grievance boxes where workers can leave their comments and grievances for review by management.</p> <p>Disclosure of the Project brochure, job opportunities and recruitment procedures via the information centres / website of the Company / mass media.</p>	Starting from Q3 2020 and throughout the Project lifecycle	Company Contractors
8	Administrations of rural settlements in Tazovskiy District	<p>Engagement activities in the scope of the design documentation, SEP, Scoping Report and ESHIA development.</p> <p>Engagement during the statutory public consultations process.</p> <p>Interaction as part of the IPSPD development and implementation.</p> <p>Regular meetings (on request or as may be necessary) during the construction phase; at the operation phase - on request.</p>	<p>Presentation of the SEP, Scoping Report and ESHIA and supporting documentation within the scope of the ESHIA process.</p> <p>Presentation of outcomes of statutory public consultations.</p> <p>Provision of information on the Project to competent officers on request.</p>	<p>Consultations in the scope of SEP, Scoping Report and ESHIA development - Q2-4 2020</p> <p>Consultations as part of the IPSPD development (June-November 2021) and implementation (throughout the Project implementation).</p>	Company

No.	Stakeholder	Consultations	Disclosure	Tentative timeframe	Responsibility
		Face-to-face meetings with competent officers for consultations on specific matters, as needed.		Regular consultations - throughout the Project lifecycle	
9	Tazovskiy District Administration	<p>Engagement activities in the scope of SEP, Scoping Report and ESHIA development.</p> <p>Engagement during the statutory public consultations process.</p> <p>Interaction as part of the IPSPD development and implementation.</p> <p>Regular meetings (intervals to be defined jointly with the administrations) during the construction phase; at the operation phase - on request.</p> <p>Face-to-face meetings with competent officers for consultations on specific matters, as needed.</p>	<p>Presentation of the SEP, Scoping Report, ESHIA materials and supporting documentation within the scope of the ESHIA process.</p> <p>Presentation of outcomes of statutory public consultations.</p> <p>Provision of information on the Project to competent officers on request.</p>	<p>Consultations in the scope of SEP, Scoping Report and ESHIA development - Q2-4 2020</p> <p>Consultations as part of the IPSPD development (June-November 2021) and implementation (throughout the Project implementation) .</p> <p>Regular consultations - throughout the Project implementation period, including informing on the results of the SEP implementation and the project status as a whole (at least once a year).</p>	Company
10	Public authorities of the Constituent Entity of the Russian Federation (including DPRR YNAO)	<p>Engagement activities in the scope of SEP, Scoping Report and ESHIA development during the ESHIA process.</p> <p>Engagement during the statutory public consultations process.</p> <p>Face-to-face meetings with competent officers for consultations on specific matters, as needed.</p>	Disclosure of the Project information in accordance with the statutory procedures, and on request from competent officials.	<p>Consultations in the scope of SEP, Scoping Report and ESHIA development - Q2-4 2020</p> <p>Consultations as part of the IPSPD development (June-November 2021) and implementation (throughout the Project implementation).</p> <p>Throughout the Project lifecycle, including informing on the results of the SEP implementation and the project status as a</p>	Company

No.	Stakeholder	Consultations	Disclosure	Tentative timeframe	Responsibility
				whole (at least once a year).	
11	Federal authorities Local branches of the Federal authorities	Face-to-face meetings with competent officers for consultations on specific matters, as needed. Liaison associated with compliance with statutory requirements (e.g. in preparation of the documentation packages for the permitting procedure). The Federal Agency for Fishery will be consulted if needed, in order to clarify the impact on organizations engaged with commercial fishery activities in the southern section of the Ob Estuary.	Provision of documentation and information in accordance with the statutory procedures, and on request from competent officials.	Consultations in the scope of SEP, Scoping Report and ESHIA development - Q2-4 2020 Throughout the Project lifecycle	Company
12	Federal, regional and local mass media (printed and electronic)	Liaison with journalists (as needed).	Issuing press releases. Publications in media.	Throughout the Project lifecycle	Company
13	Non-governmental organizations, including academic community	Engagement activities in the scope of SEP, Scoping Report and ESHIA development during the ESHIA process. Engagement (where there is a need or interest) during statutory public consultations. Meetings with representatives of public organizations interested in the Project (as needed).	Disclosure of information on the Project and its implementation programme, as well as on the SEP, Scoping Report and ESHIA during the ESHIA process. Disclosure of information on the Project in accordance with the statutory procedure. Issuing press releases. Disclosure of information on the Project in the web (as needed).	Consultations in the scope of SEP, Scoping Report and ESHIA development - Q2-4 2020 Consultations as part of the IPSPD development (June-November 2021) and implementation (throughout the Project implementation). Consultations as part of the development of Biodiversity Conservation and Monitoring Plans and Programs (April-August 2021) Regular consultations - throughout the Project lifecycle	Company

8. RESOURCES AND RESPONSIBILITY

Implementation of the SEP will be coordinated by an officer or group of officers of the Project, in particular, specialists of the Sustainable Development Subdivision of the HSE Division, responsible for liaison with stakeholders, including discussions and consultations with affected communities, public organizations, public authorities at various levels, mass media, and other entities and/or individuals. Experts in other disciplines and contractors' representatives will be engaged in the activities, as appropriate.

The Sustainable Development Subdivision of the HSE Division shall be responsible for updating this SEP.

At present, the key officer for engagement with stakeholders including ISPN conducting activities within the Salmanovskiy (Utrenniy) LA is Mikhail Lapsuy. His basic functions include supporting the implementation of the Grievance Mechanism in Tazovsky District of YNAO, informing the indigenous small-numbered peoples of the North on the Project implementation progress, arrangement of meetings with representatives of the indigenous small-numbered peoples of the North and public organizations, etc.

Contact details of the officer are provided below:

Address: 629350, YNAO, Tazovskiy Municipal District (Rayon), Tazovskiy Settlement (Poselok), Pristanskaya street, 44, 1st floor, room 1, office of LLC "Arctic LNG 2"

Opening hours: weekdays from 10:00 to 12:00 and from 15:00 to 17:00

Company's website (<http://arcticspg.ru/kontakty/>) contains the contact details for grievances regarding:

- Violation of the standards and rules of occupational health and safety, occupational sanitation and fire safety at the workplace;
- CV submission;
- Safety;
- Violation of business ethics and rules of ethics and moral.

9. REPORTING AND MONITORING OF THE ENGAGEMENT PROCESS

The Company establishes indicators for monitoring and assessment of stakeholder engagement performance. The indicator list includes:

- Statistics of received appeals, including grievances, from all stakeholders such as:
 - distribution of grievances by categories;
 - key methods of grievance reception;
 - information on resolved/unresolved grievances;
 - average term for grievance reviewing;
 - description of actions undertaken (as long as they are non-confidential);
 - other applicable information (refer to Section 10.8);
- Results of stakeholder engagement activities:
 - list of the activities and their categorising by type and format;
 - list of stakeholders with the category assigned (public organizations, affected communities, mass media, etc.);
 - review of major concerns, suggestions, queries and anxieties raised by stakeholders;
 - Company's response (feedback) to concerns, suggestions, queries, etc. raised by stakeholders, including actions undertaken;
- Information disclosure:
 - list of the disclosed documents and their categorising;
 - generalised analysis of comments on the disclosed documents;
 - presentation of the Company's feedback to the comments received.

The indicator list may be revised during the Project lifecycle.

Reports against these indicators will be prepared at least on the annual basis and will be disclosed to the affected communities and stakeholders by the following methods:

- Report publication at the NOVATEK JSC's website;
- Report disclosure in the Project Information Centre in Tazovskiy;
- Distribution of the Report to stakeholders by e-mail;
- Conclusions of the Report will be disclosed in a simple and intelligible form to the ISPN families engaged with customary activities within the Salmanovskiy (Utrenniy) LA. The results will be presented by the Company's stakeholder engagement officer during the regular (at least annual) visits to the families.

The Stakeholder Engagement Plan will be updated as may be needed, but at least annually, with regard to the engagement activity results by the time.

10. GRIEVANCE MECHANISM

This section outlines the Company's Grievance Mechanism (hereinafter the Mechanism). The Mechanism is applicable to grievances of all stakeholders both external (e.g. local residents) and internal (e.g. Company's and contractors' personnel).

This Section provides a brief version of the Mechanism; its full version is available as a separate document.

10.1 Key principles

The IFC Performance Standards, Equator Principles, OECD Common Approaches and other international standards on occupational health, industrial safety and environment protection require that a mechanism is established and available for submission and handling of grievances/queries filed by stakeholders both external, such as local communities, and internal, such as all personnel employed by the Project.

The Mechanism launched at early Project development stages will function throughout the lifecycle of the Arctic LNG 2 Project.

The Company will be responsible for decisions made to address grievances in relation to the Project.

The Company will undertake its best efforts to forward each grievance/query to a competent division of the Company or legal entity, to receive a feedback and to communicate it to the grievant, either an individual or an organization.

The Mechanism will ensure a fair system of registration and prompt consideration of any Project-related grievances and queries.

The Mechanism consists of the following steps:

- Reception and registration;
- Categorisation;
- Transfer for reviewing and decision making;
- Review, decision making and preparation of a written response (if necessary);
- Feedback on the grievance (via written response or other means specified by the grievant);
- Appeal (if applicable); *and*
- Closing-out.

10.2 Structure of Mechanism functioning

For the purpose of Mechanism functioning:

1. The Company set up information centres where the latest information on the Project and the Mechanism are made available and where a grievance/query related to the Project can be filed.

Methods of grievance filing:

By e-mail: to vopros@arcticspg.ru

By phone: +7 495 488-62-99

By post to the designated branch of Arctic LNG 2 LLC in **Moscow**:

Correspondence address: 117393, Moscow, 22 Akademika Pilyugina St., Sustainable Development Department;

Registered office address: 629305, Russian Federation, Yamalo-Nenets Autonomous Okrug, Novy Urengoy, 5 Yubileinaya St., 2nd floor, office 162'.

By contacting the Information Centre in **Tazovskiy district**:

Address: 629350, YNAO, Tazovskiy District, Tazovskiy settlement, 44 Pristanskaya Street, 1st floor, room 1, office of ARCTIC LNG 2 LLC

Business hours: weekdays from 10 am. to 12 pm. and from 3 pm. to 5 pm. (local time)

Contact person: Mikhail Lapsuy

Tel.: +7 (495) 720-50-53

By contacting the Information Centre in the designated branch area of Arctic LNG 2 LLC **Salmanovsky gas-condensate field (for the Project workers)**:

Address: 629350, YNAO, Tazovskiy district, Salmanovsky gas-condensate field, administration office at accommodation complex-300 (VZhK-300)

Business hours: weekdays from 10 am. to 12 pm. and from 3 pm. to 5 pm.

Contact person: Head of the Complex/Deputy Head of the Complex

Tel.: +7 (495) 488-6280

Grievance boxes and related posters are also located for Project workers' (including contractors and subcontractors) benefit at generally accessible areas of Salmanovskiy field.

By contacting the Information Centre in the designated branch area of Arctic LNG LLC in Belokamenka, Murmansk Region:

Address: Murmansk Region, c. Belokamenka, Center for construction of large-capacity maritime structures, building 5.1.3

Business hours: weekdays from 10 am. to 12 pm. and from 3 pm. to 5 pm.

Contact person: Head of directorate for gravity-based structures construction

Tel.: +7 (8152) 99-80-00

2. For the purpose of Mechanism functioning, the Company, by the Director General's order, appoints the following responsible executives:

- 1) Mechanism Administrator;
- 2) Information Centre Consultant (1 (one) person for each information centre);
- 3) Mechanism Coordinator.

For handling grievances, making decisions and executing them, the Mechanism Coordinator, in each particular case, appoints:

- 4) Responsible Executive.

3. Duties of the executives specified in p. 2:

1) **Mechanism Administrator:**

- is a person responsible for Mechanism functioning, coordinating and monitoring;
- is appointed by the Director General's order;
- keeps control of duties performance by persons specified in subparagraphs 2) – 4) of p. 2;
- approves a Responsible Executive identified by the Mechanism Coordinator;
- approves decisions made on the basis of the grievance review outcomes.

2) **Information Centre Consultant** (1 (one) person for each information centre):

- is a person responsible for the reception and registration of grievances in the information centre;
- is appointed by the Director General's order;
- is subordinate to the **Mechanism Administrator**;
- registers grievances/queries of stakeholders filed in the information centre in the Grievance Log;
- informs the **Mechanism Coordinator** on the filed grievance/query;
- informs the grievant on the grievance registration;
- informs the grievant on the decision made following the results of the grievance examination;
- coordinates the execution of the decision made on the grievance;
- ensures receipt of a feedback from the grievant (in writing (preferred) or by e-mail) that confirms the receipt of information on the decision made and actions implemented;
- disseminates information indicated in Section 10.2.1;
- receives a follow-up from the grievant about his/her satisfaction with the made/executed decision.

3) **Mechanism Coordinator:**

- is appointed by the Director General's order;
- is subordinate to the **Mechanism Administrator**;
- coordinates the decision-making process with respect to the grievance filed;
- appoints an Responsible Executive and defines the timing for making and executing the decision on the grievance;

- reviews grievances filed;
- submits a solution suggested for the grievance to the **Mechanism Administrator** for approval;
- makes aware the **Mechanism Administrator** of the actions undertaken with respect to the grievance;
- prepares a response to the grievant within the timing set by the Mechanism, submits it to the **Mechanism Administrator** for approval, and, having received “no objection”, to the Information Centre Consultant for forwarding it to the grievant;
- inputs data from information centres in the single Log of stakeholders’ grievances;
- is responsible for the collection and storage of all grievances, responses and feedbacks, as well as of the accompanying documents and correspondence in the dedicated archive, either electronic or hardcopy, where grievance materials are arranged in chronological order
- disseminates information indicated in Section 10.2.1.

4) **Responsible Executive:**

- is a person responsible for handling grievances and/or executing decisions made thereon;
- is appointed by the **Mechanism Coordinator** (subject to approval by the Mechanism Administrator) and subordinate to the **Mechanism Administrator**;
- works out solution alternatives for the filed grievance and submits them to the **Mechanism Coordinator** for further approval;
- ensures implementation of actions following the grievance review outcomes within the timing stated in the decision on the grievance;
- notifies the **Mechanism Coordinator** about the results.

10.3 Submission and registration of stakeholder grievances

Representatives of affected communities, Project personnel and other stakeholders have the right to submit grievance/queries related to the Project using contact details specified in Section 10.2 in the following forms:

- in person;
- by e-mail;
- by phone; *and*
- by post.

Any stakeholder has the right to file a grievance/query in any form and may retain anonymity, if deems it necessary. However, the indication of the address, to which the Company will send the response, or other form of feedback is important. The grievance submission form in **Appendix 1** is preferred.

*Grievances and queries will be automatically **screened out** of the **grievance process** as a “Spam” category (without giving a notice to the grievant) on the basis of the criteria:*

- *Promotional content;*
- *Coarse language;*
- *Lack of relevance to the Project.*

The Company will register all **filed grievances/queries** (except for those screened out as “Spam”) in a special **Grievance Log**.

All grievants who provided their contact details for feedback will receive the grievance reference number within 3 (three) business days from the receipt²⁵.

10.4 Submission for review and decision making

The **Information Centre Consultant** forwards each received grievance/query within 1 (one) business day to the **Mechanism Coordinator**, who in turn appoints the **Responsible Executive** depending on the technical scope of the raised issue (e.g. to a site supervisor, lead engineer responsible for construction supervision at the site in question, manager responsible for land acquisition and compensations, environmental officer, etc.).

Responsible Executive is to be appointed in the Company, even if the grievance falls within the scope of a construction contractor, to monitor the contractor’s progress in resolving the problem.

²⁵ Grievance/queries are collected from the boxes placed in the information centres on Mondays and Wednesdays at 6 p.m.

10.5 Review, decision making and feedback

The **decision on each grievance is made within 30 consecutive days** from the day of its receipt/collection from the box²⁶.

Company's response in writing will be sent to the postal or e-mail address stated by the grievant, or in the other manner specified in the **Grievance Form**.

The Company will keep copies of all grievances, responses and feedbacks in the dedicated archive (electronically or in hardcopy) where grievance materials are arranged in chronological order.

Information Centre Consultant is in charge of receiving feedback (either in writing (preferred) or in the electronic format) from the grievant that confirms his awareness of information on the decision made and actions implemented, as well as of receiving the follow-up from the grievant about his/hers satisfaction with the made/executed decision.

This consultant is also responsible for monitoring progress in implementation of the proposed solution in relation to the grievance.

10.6 Appeal

In situations where the grievance cannot be resolved and closed out through negotiations between the Company and the grievant, a special mediation committee will be appointed to include the following persons (one or more):

- Head of a rural settlement and/or other representatives or rural or district administration;
- Representatives of public organizations, as far as possible and/or appropriate (e.g. of the Association "Yamal for descendants!" or the ISPN Development Foundation); *and*
- Representatives of the Company.

If the grievance is not resolved by the mediation committee, the parties may appeal to the court. As soon as either party takes a legal action, the procedure, in respect of such grievance, set out in this Section will be terminated.

The appeal is considered in the manner prescribed by this Mechanism for an initial grievance.

10.7 Grievance closing-out

A grievance is registered in the Grievance Log as "closed out" if:

- the grievant accepted the proposed decision/solution (in writing, if possible), and the response actions were undertaken as proposed and to the grievant's satisfaction;
- the Company provides a response via contact details provided by the grievant but no feedback is received from the grievant within 30 days; *and*
- the Company exerted all best efforts to resolve the grievance but failed to reach agreement with the grievant, in which case the grievant may appeal to the court, and the grievance procedure is terminated.

10.8 Grievance reporting and monitoring

The Statistical Report on grievances will be prepared quarterly for the following indicators:

- number of grievances "opened up" in the quarter;
- number of grievances "closed out" in the quarter;
- number of pending grievances by the end of the quarter in comparison to the same indicator in the previous quarter; *and*
- categorisation of new grievances.

The schematic view of the grievance procedure under the Arctic LNG 2 Project is shown below (Figure 3).

²⁶ The Mechanism Administrator determines deadlines for decision making and execution.

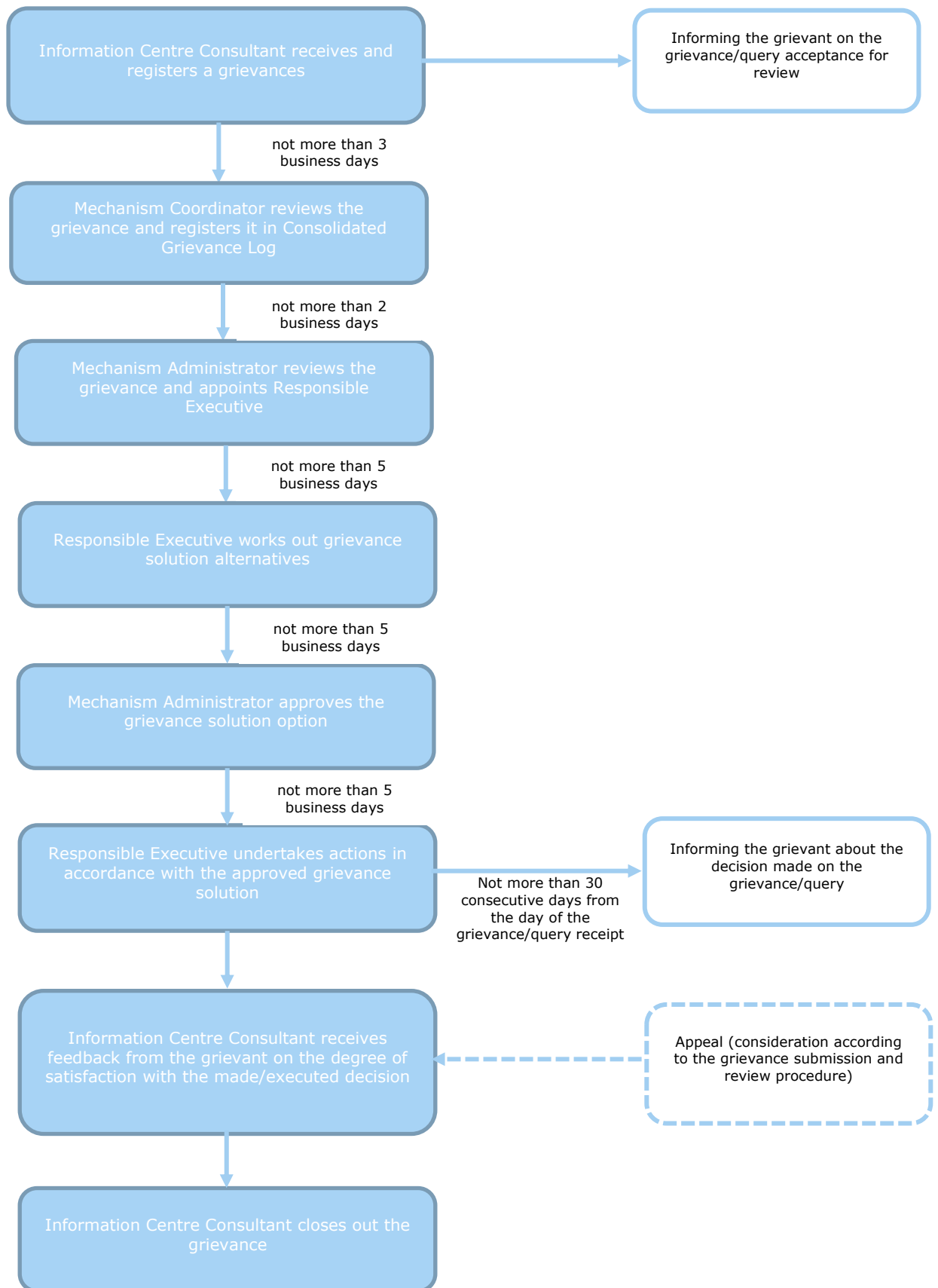


Figure 3: Grievance procedure

APPENDIX 1. GRIEVANCE FORM

Grievance Form						
Reference number [to be filled in by the responsible person of Arctic LNG 2 LLC]:						
Full name <i>Note: If you prefer so, you could keep this field anonymous or request non-disclosure of your identity information to a third party (tick an appropriate box)</i>	I request non-disclosure of my identity information.			<input type="checkbox"/>		
	I would like to submit an ANONYMOUS query.			<input type="checkbox"/>		
Contact details	Address:					
	Tel.:					
	E-mail:					
Your grievance/query concerns:	Complex	Murmansk shipbuilding complex	Salmanovskoye (Utrenneye) OGCF facilities	Port	Airport	Other / I am not sure
Please tick a relevant box						
How would you prefer to be contacted?	by post:		by e-mail		Collect response in the Information Centre	
Please tick a relevant box						
How to submit this form to Arctic LNG 2 LLC	By post: 629350 YNAO, Tazovskiy District, Tazovskiy, 44 Pristanskaya St. 2nd floor, room 1, office of Arctic LNG 2 LLC 117393 Moscow, 22 Ak. Pilyugina street, Arctic LNG 2 LLC, Department for sustainable development					
	By hand: please drop this form at the following address: Via the office in Tazovskiy at: YNAO, Tazovskiy District, Tazovskiy, 44 Pristanskaya St., 2 nd floor, room 1, office of Arctic LNG 2 LLC. Office hours: weekdays 10 am – 12 pm and 3 pm – 5 pm (contact person – Mikhail Lapsuy) YNAO, Tazovskiy district, Salmanovsky gas-condensate field, administration office at accommodation complex-300 (VZhK-300). Office hours: weekdays 10 am – 12 pm and 3 pm – 5 pm. Contact person: Head of the Complex/Deputy Head of the Complex. Contacts: +7 (495) 488-6280 ext. 50-007. Murmansk Region, Belokamenka, Center for construction of large-capacity maritime structures, building 5.1.3. Office hours: weekdays from 10 am. to 12 pm. and from 3 pm. to 5 pm. Contact person: Head of directorate for gravity-based structures construction. Contacts: +7 (8152) 99-80-00, 29326.					
	By phone: please contact via phone. For voice message please tell us about your grievance or suggestion and preferred contact details: +7 (495) 488 62 99					
	By e-mail: Please email your grievance, suggested resolution and preferred contact details to vopros@arcticlpg.ru					

Details of your grievance: <i>[Please describe the problem, whom it happened to, when, where and how many times, as relevant]</i>			
What is your suggested resolution for the grievance, if any:			
Signature		Date	

APPENDIX 2. STAKEHOLDER MEETING SCHEDULE FOR 2021

Schedule of Meetings and Consultations for Arctic LNG 2 Project in 2021

Basis	Subject of discussion	Location	Stakeholders	Timeline
Biodiversity Conservation and Monitoring Programs and Plans	Preliminary discussion of the Biodiversity Conservation Management Program (BCMP) and the detailed content of the Biodiversity Management Plan (BMP) and the Biodiversity Action Plan (BAP) with the stakeholders	Online consultations	Russian academic community (the Institute of Ecology and Evolution of the Russian Academy of Sciences, the Murmansk Marine Biology Institute of the Kola Scientific Center of the Russian Academy of Sciences, experts); International experts (Akvaplan NIVA); Finance parties and their consultants.	April—June ⁱ
IPSDP	Social and economic situation of the indigenous small-numbered peoples of the North in Tazovsky District, the prospects of preservation of the traditional way of life, measures of supporting reindeer herding and other traditional types of land use, support for vulnerable groups.	Salekhard	<p><i>YNAO authorities:</i> Department of Natural Resource Regulation, Forestry Affairs and Development of Oil and Gas Industry of Yamal-Nenets Autonomous Okrug; Department of Indigenous Peoples of the North of Yamal-Nenets Autonomous Okrug.</p> <p><i>Non-government organizations:</i> Regional group "Association of Indigenous Small-numbered Peoples of the North of Yamal-Nenets Autonomous Okrug "Yamal for descendants!"; Reindeer Breeder Union of Yamal-Nenets Autonomous Okrug. Academic community: State Public Institution (SPI) "Arctic Research Centre"</p>	June ⁱⁱ

Basis	Subject of discussion	Location	Stakeholders	Timeline
IPSDP	Social and economic situation of the indigenous small-numbered peoples of the North in Tazovsky District, the prospects of preservation of the traditional way of life, measures of supporting reindeer herding and other traditional types of land use, support for vulnerable groups.	Tazovsky District of YNAO	The Tazovsky District Administration of YNAO Non-government organizations: Regional group "Association of Indigenous Small-numbered Peoples of the North of Yamal-Nenets Autonomous Okrug "Yamal for descendants!" (Tazovsky District Branch); Charity Foundation for Development of Indigenous Small-numbered Peoples of the North (Tazovskiy District YNAO) (ISPN Development Foundation). Tazov community organization of women "Zhenschiny Tasu'Yava"; Business community representatives; Agricultural enterprise MUE State Farm Antipayutinskiy; Agricultural Enterprise GydaAgro LLC.	June ^{III}
Biodiversity Conservation and Monitoring Programs and Plans	Presentation and discussion of the Biodiversity Conservation Management Program (BCMP), the Biodiversity Management Plan (BMP), the Biodiversity Action Plan (BAP), Biodiversity Monitoring and Evaluation Program (BMEP) with the stakeholders:	Online consultations	Russian academic community (the Institute of Ecology and Evolution of the Russian Academy of Sciences, the Murmansk Marine Biology Institute of the Kola Scientific Center of the Russian Academy of Sciences, experts); International experts (Akvaplan NIVA); Finance parties and their consultants.	July—August

Basis	Subject of discussion	Location	Stakeholders	Timeline
IPSDP	Verification and update of the information on the traditional land use by the indigenous small-numbered peoples of the North, migration routes, quality of the ecosystem services and quality of life, potential unfavorable impact on the traditional economic activity and means of living; Negotiations on the prospective measures of IPSDP.	Salmanovsky (Utrenny) License Area	All indigenous families residing and performing their economic activities within the Salmanovsky (Utrenny) license area and some families residing and performing their economic activities in close proximity to the borders of the Salmanovsky (Utrenny) license area.	July—August
IPSDP	Verification and update of the information on the traditional land use by the indigenous small-numbered peoples of the North, migration routes, quality of the ecosystem services and quality of life, potential unfavorable impact on the traditional economic activity and means of living; Negotiations on the prospective measures of the IPSDP.	Salmanovsky (Utrenny) License Area	All indigenous families residing and performing their economic activities in close proximity to the borders of the Salmanovsky (Utrenny) license area.	August
IPSDP	Approval of the IPSDP with the stakeholders supervising the matters of the indigenous small-numbered peoples of the North, determining the stakeholders' interests in the license area	Antipayuta settlement, Gyda settlement	Healthcare, veterinary organizations and educational institutions of primary and secondary level, Agricultural enterprise MUE State Farm Antipayutinskiy, GydaAgro LLC.	September

Basis	Subject of discussion	Location	Stakeholders	Timeline
Project Implementation Report	Report on the Project implementation for the 1st half of 2021, including the presentation of the updated supplements to ESHIA and the results of the grievance mechanism operation	Tazovsky District of YNAO/online consultations ^{iv}	<p>The Tazovsky District Administration of YNAO</p> <p>Non-government organizations:</p> <p>Regional group "Association of Indigenous Small-numbered Peoples of the North of Yamal-Nenets Autonomous Okrug "Yamal for descendants!" (Tazovsky District Branch)</p> <p>Charity Foundation for Development of Indigenous Small-numbered Peoples of the North (Tazovskiy District YNAO) (ISPN Development Foundation)</p> <p>Tazov community organization of women "Zhenschiny Tasu'Yava</p> <p>Business community representatives</p> <p>Agricultural enterprise MUE State Farm Antipayutinskiy</p> <p>Agricultural Enterprise GydaAgro LLC</p> <p>Local community representatives</p>	October—November
Project Implementation Report	Report on the Project implementation for the 1st half of 2021, including the presentation of the updated supplements to ESHIA and the results of the grievance mechanism operation	Salekhard/online consultations ^v	<p>YNAO authorities:</p> <p>Department of Natural Resource Regulation, Forestry Affairs and Development of Oil and Gas Industry of Yamal-Nenets Autonomous Okrug;</p> <p>Department of Indigenous Peoples of the North of Yamal-Nenets Autonomous Okrug.</p> <p>Non-government organizations:</p> <p>Regional group "Association of Indigenous Small-numbered Peoples of the North of Yamal-Nenets Autonomous Okrug "Yamal for descendants!";</p> <p>Reindeer Breeder Union of Yamal-Nenets Autonomous Okrug</p> <p>Academic community:</p>	October—November

Basis	Subject of discussion	Location	Stakeholders	Timeline
			State Public Institution (SPI) "Arctic Research Centre"	
IPSDP	The IPSDP approval with the indigenous families.	Salmanovsky (Utrenny) License Area	Representatives of all indigenous families in the Project impact area	November
IPSDP	Approval of the IPSDP with the stakeholders supervising the matters of the indigenous small-numbered peoples of the North	Tazovsky District of YNAO	Representatives of stakeholders supervising the matters of the indigenous small-numbered peoples of the North	November

ⁱ The consultations were provided. The result of consultation will be presented in SEP 2022.

ⁱⁱ Ibid.

ⁱⁱⁱ Ibid.

^{iv} To be determined based on the situation with COVID-19 in the region and the effective restrictions

^v Ibid.