

# BUSINESS CONTRIBUTION TO SDGs ACHIEVEMENT

## Experience of Sakhalin Energy

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# Sakhalin Island



Sakhalin Oblast is located on 59 islands.

## Sakhalin Island:

- the biggest island in the RF;
- territory – 87,1 thousand km<sup>2</sup>;
- length – 948 km;
- mountain areas – 66%;
- seismically active area;
- rich onshore and offshore wildlife;
- population density – appr. 500 000 people;
- regional centre: Yuzhno-Sakhalinsk.

**Sakhalin is the biggest island In the RF**





- Investor and the operator of the Sakhalin-2 project.
- Established in 1994 to develop Lunkoye and Piltun-Astokhskoye license areas.

## Company's shareholders



**50%**  
(+1 share)



**27,5%**  
(-1 share)



**12,5%**



**Mitsubishi Corporation**  
**10%**



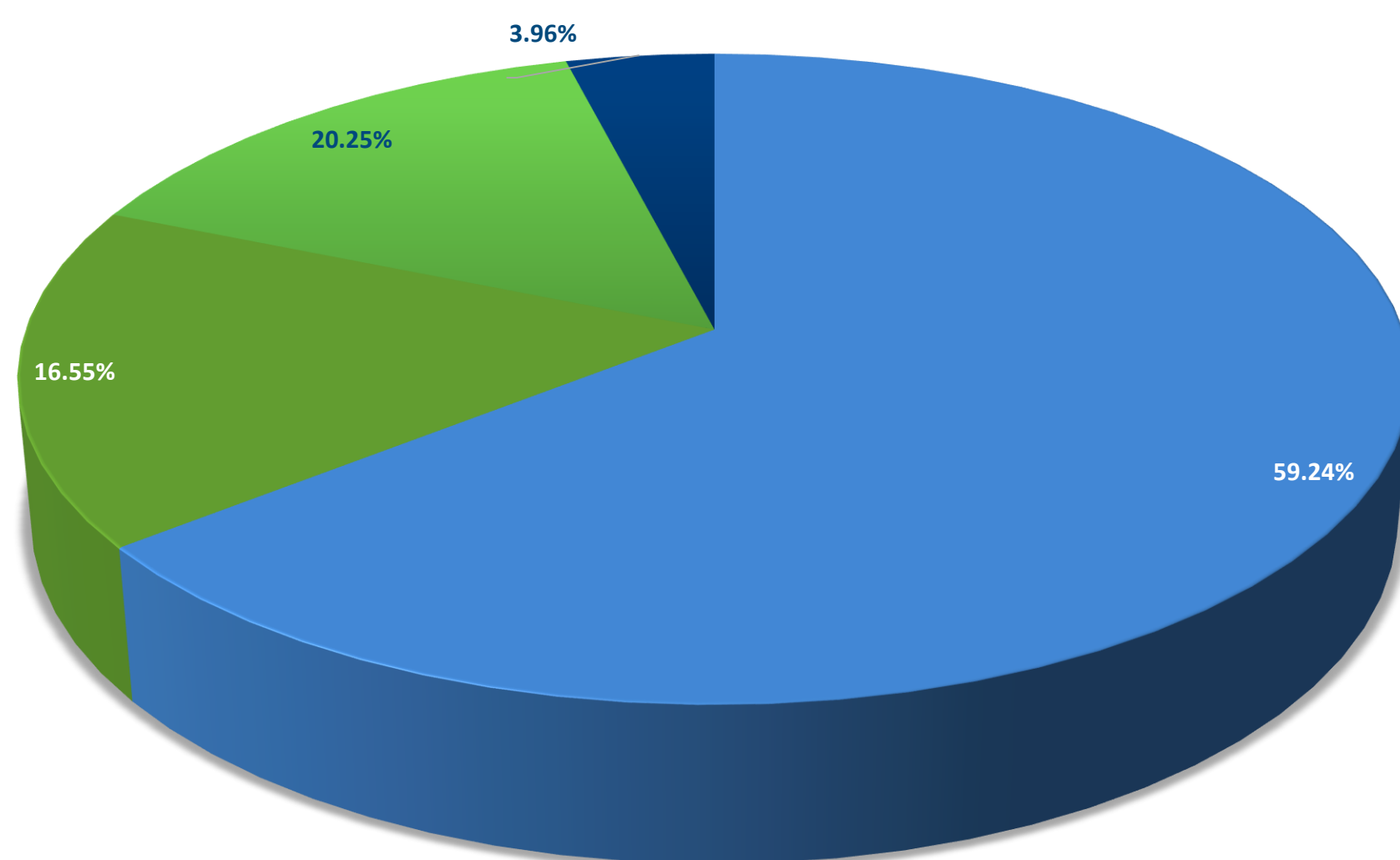
# Sakhalin-2 Project



- Offshore oil and gas platforms: Piltun-Astokhskaya-A (Molikpaq), Piltun-Astokhskaya-B and Lunskaya-A.
- Onshore processing facility (OPF)
- Trans-Sakhalin pipeline system to carry oil and gas from the platforms to the south of the island.
- Prigorodnoye production complex consisting of oil export terminal and the first Russian LNG plant.

# Supplies of Sakhalin Oil and LNG (2018)

## LNG sales market structure, %



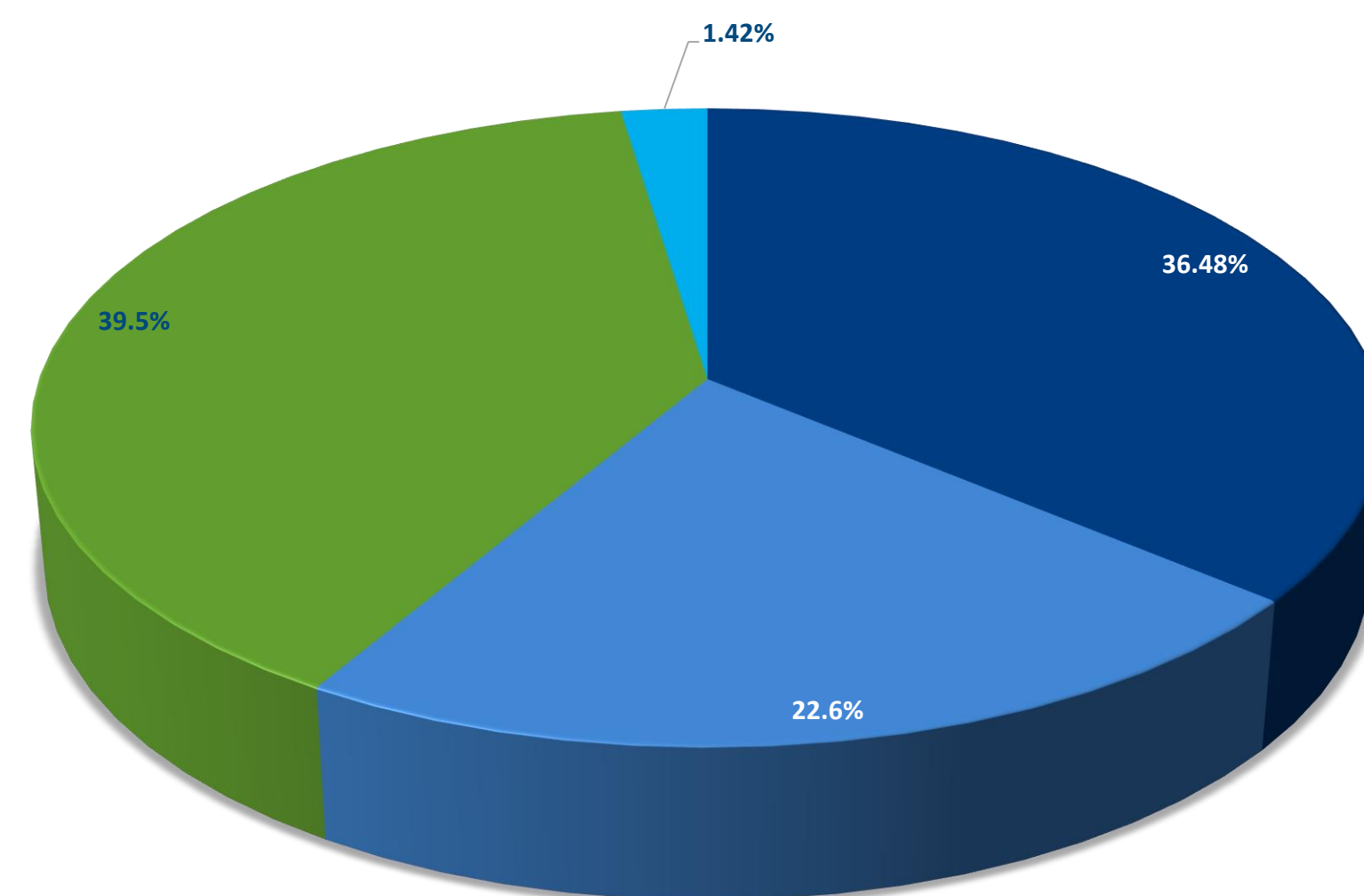
Japan

South Korea

Taiwan

China

## Oil sales market structure, %



China Japan South Korea USA

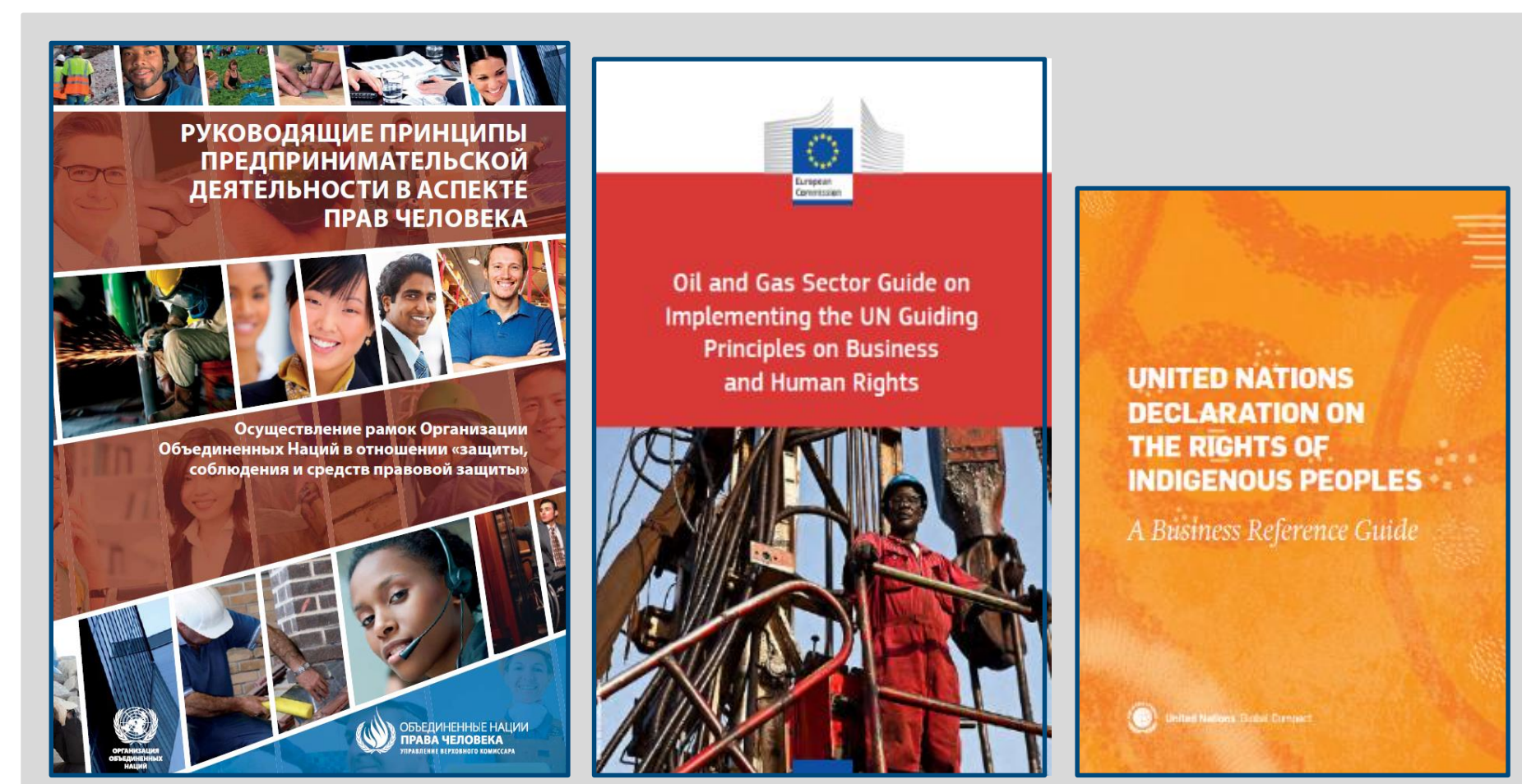


# Corporate social responsibility

Sakhalin Energy endeavours to take a lead on sustainable development taking into account the Sustainable Development Goals set forth in the UN SD Agenda 2030



The company actively participates in the development of standards and directive documents in the field of business and human rights





# SD Report: Priority Topics & Priority SDGs





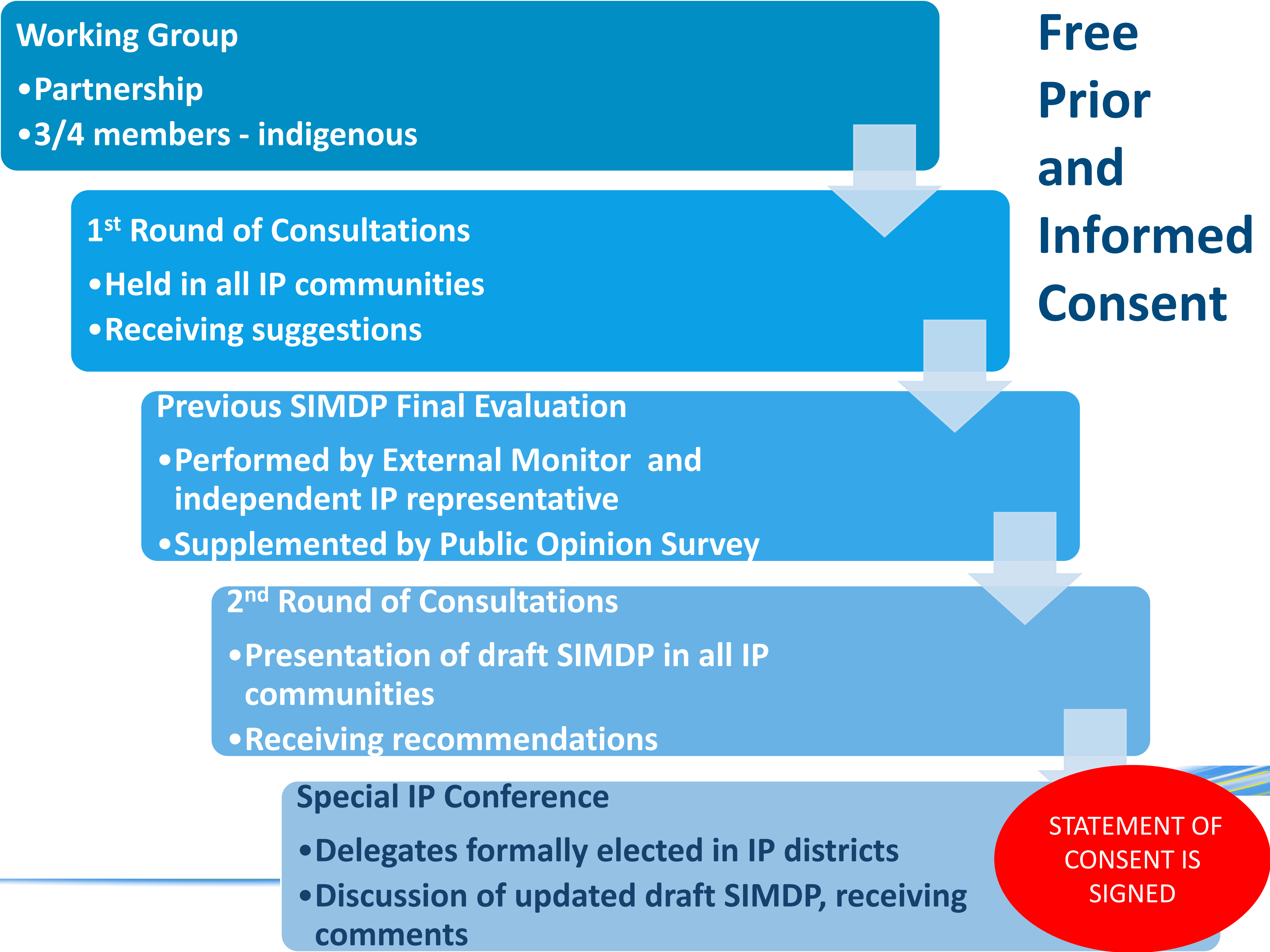
# Sakhalin Energy and Indigenous Peoples



- App. 4,000 indigenous peoples live in Sakhalin
- Seven districts of traditional residence
- Four major ethnic groups: the Nivkhi, the Nanai, the Uilta, the Evenki
- Traditional IP activities: fishing, hunting, herding, gathering
- Late 1990s: intensive exploration of Sakhalin shelf
- Engagement with IP since 1994
- Development of the conceptually new engagement mechanism
- Sakhalin Indigenous Minorities Development Plan



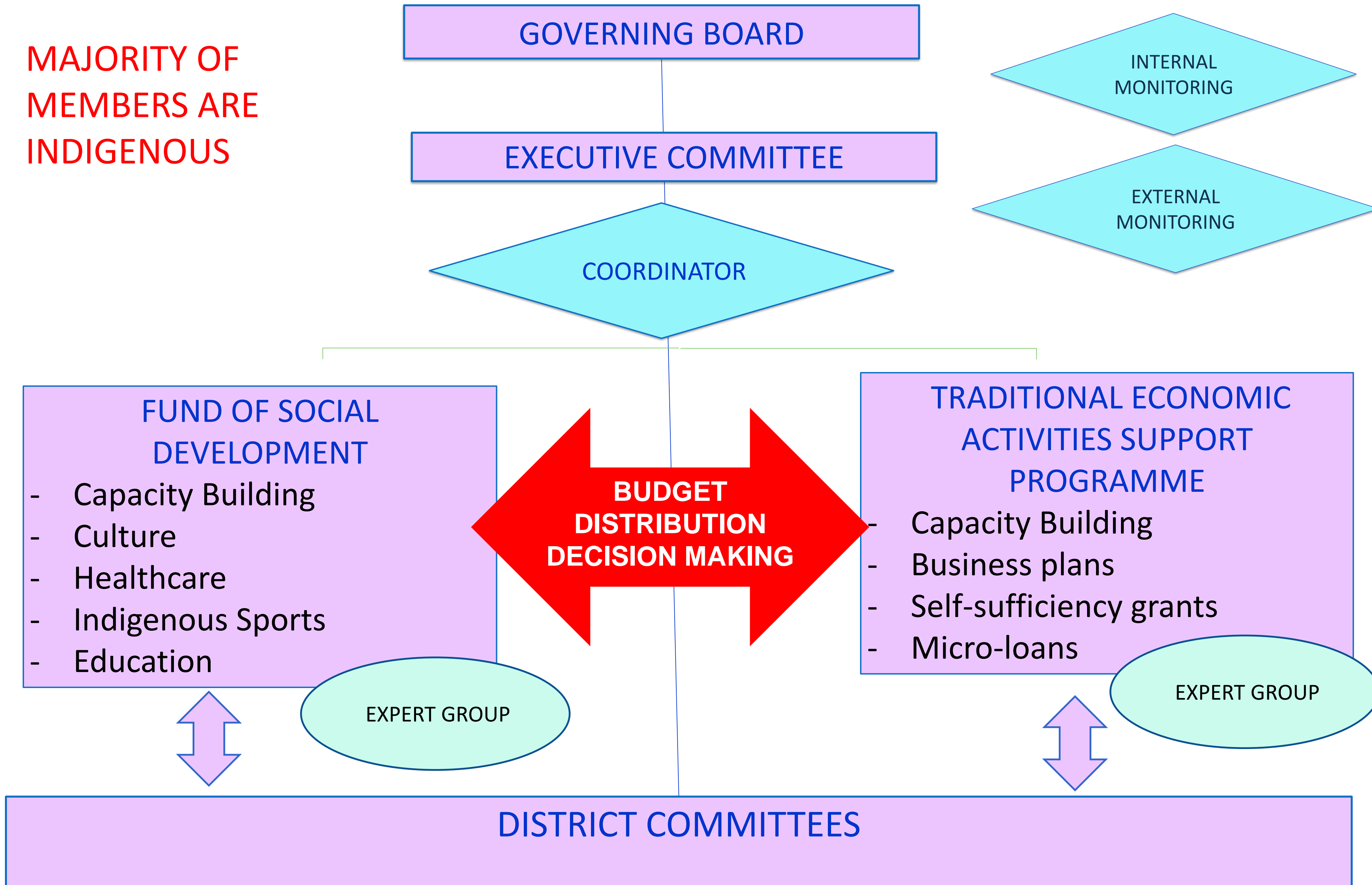






# SIMDP Governance Structure 2016-2020

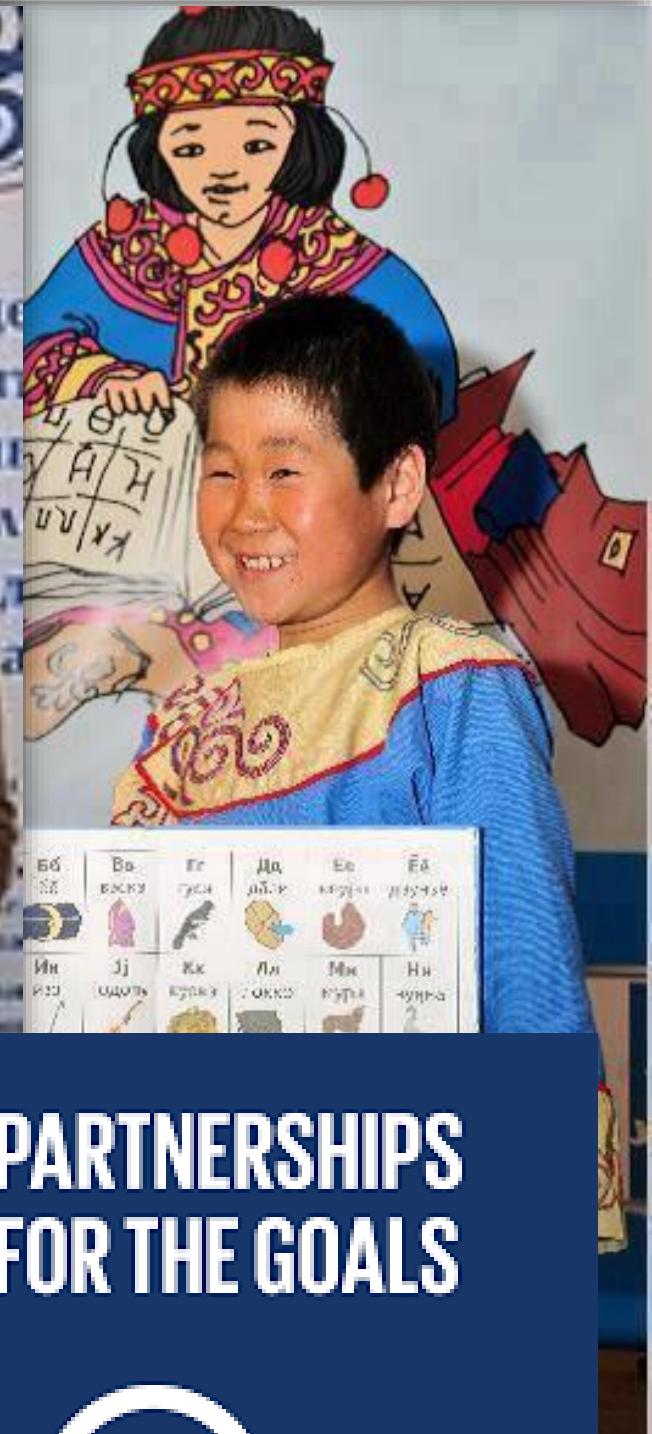
MAJORITY OF  
MEMBERS ARE  
INDIGENOUS







>800  
projects



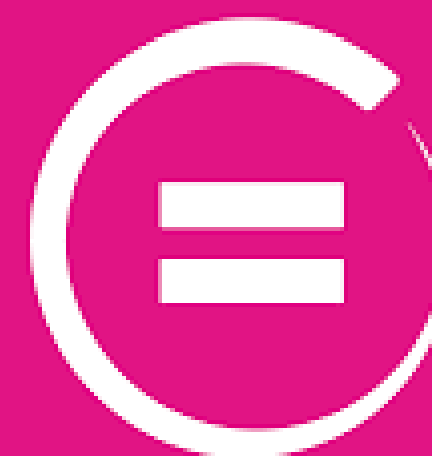
**3** GOOD HEALTH  
AND WELL-BEING



**4** QUALITY  
EDUCATION



**10** REDUCED  
INEQUALITIES



**17** PARTNERSHIPS  
FOR THE GOALS





# Enhance Awareness and Understanding: Maximum Transparency

- Mitigation Matrix
- Grievance Procedure
- Information boards in IP communities
- Regular information leaflets
- Regular consultations/information tours
- Information centers
- Etc.

In compliance with UN Guiding Principles on Business and Human Rights





# Preservation, Promotion and Enhancement of Indigenous Languages





Thank you for your attention!

