

ZAO "ACHIMGAZ"

Development of the Achimov Block 1A gas and gas condensate formation within the Urengoy field

Yamal-Nenets Autonomous Okrug (YNAO), Russia

Stakeholder Management Plan

August, 2014

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August, 2014

Approved by:



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Director of the Moscow and Almaty offices,
ERM Eurasia Limited

ERM Eurasia Ltd confirms that this Report has been prepared with all reasonable skill, care and diligence and in conformity with the professional standards as may be expected from a competent and qualified consultant acting as Environmental Consultant having experience in providing services for projects with similar scope of work, complexity, issues and scales.

This Report has been prepared in accordance with the terms of the contract concluded with the Client and the generally accepted environmental consulting practices and for intended purposes stated in the Contract. The conclusions and recommendations made in this Report are based upon information obtained directly by *ERM Eurasia Ltd*, as well as information provided by third parties, which we believe to be accurate.

This Report has been prepared for the ZAO "Achimgaz" and we accept no responsibility for third parties whatsoever who may use all or portions of the information contained in this Report.

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GLOSSARY OF TERMS

- ESIA - Environmental and Social Impact Assessment** - is the process of identifying, predicting, evaluating and mitigating the biophysical/environmental, social, and other relevant effects of development proposals prior to major decisions being taken and commitments made.
- ESMP - Environmental and Social Management Plan** - is based on the ESIA and is usually prepared by the ESIA authors at the same time as the ESIA. It is the project specific plan which sets out how the requirements, management and mitigation measures, and any other commitments set out in a project ESIA will be implemented, managed and monitored.
- SMP - Stakeholder Management Plan** - is a standalone document that explains how the Project sponsors are going to manage their stakeholders for the project implementation. The content of the Plan is based on the results of the risk assessment process performed during the Environmental and Social Impact Assessment and here especially on the social aspects. Due to the specifics of the project the term Stakeholder Management Plan is used instead of Stakeholder Engagement Plan.

LIST OF ACRONYMS

Acronym	Full Form
CLO	Community Liaison Officer
EIA	Environmental Impact Assessment
ES	Executive Summary
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
FPI	Free and Prior Information
GmbH	Gesellschaft mit beschränkter Haftung (Limited Liability Company)
IFC	International Finance Corporation
IMN	Indigenous Minorities of the North
NGO	Non-Governmental Organisation
OAD (OJSC)	Open Joint-Stock Company
OOO (LLC)	Limited Liability Company
PS	Performance Standard
SEP	Stakeholder Engagement Plan
SMP	Stakeholder Management Plan
TV	Television
UKPG	Gas treatment plant
YNAO	Yamal-Nenets Autonomous Okrug (District)
ZAO (CJSC)	Closed Joint-Stock Company

This document presents the Stakeholder Management Plan (hereinafter referred to as “SMP” or “the Plan”) for Achimov Block 1A Gas Condensate Development Project (hereinafter referred to as “Project”).

This Plan has been prepared by the Project proponent – Closed Joint Stock Company Achimgaz (hereinafter referred to as “ZAO Achimgaz” or “the Company”) with the assistance of ERM Eurasia («ERM»), as a consultant for environmental and social issues.

ZAO Achimgaz was established in June 2003 to develop the Achimov formation of the Urengoy oil and gas condensate field (Urengoy field). The Company was established on a parity basis with the participation of Wintershall Holding GmbH, 100% subsidiary of concern BASF, and OOO «Gazprom Dobycha Urengoy», a 100% subsidiary of OAO «Gazprom».

For the purposes of the Project development ZAO Achimgaz is planning to raise international financing subject to Federal Investment Guarantee issued by the Federal Republic of Germany, obtained by Wintershall Holding GmbH (as one of ZAO Achimgaz shareholders).

Following its policy and guided by the condition of obtaining of Federal Investment Guarantee, ZAO Achimgaz requires the development of a full scale Environmental and Social Impact Assessment (ESIA) for the Project development, including a Stakeholder Engagement. The approach to management of stakeholder issues is explained in this SMP.

1.1 PROJECT DESCRIPTION

1.1.1 The Project Location and Setting

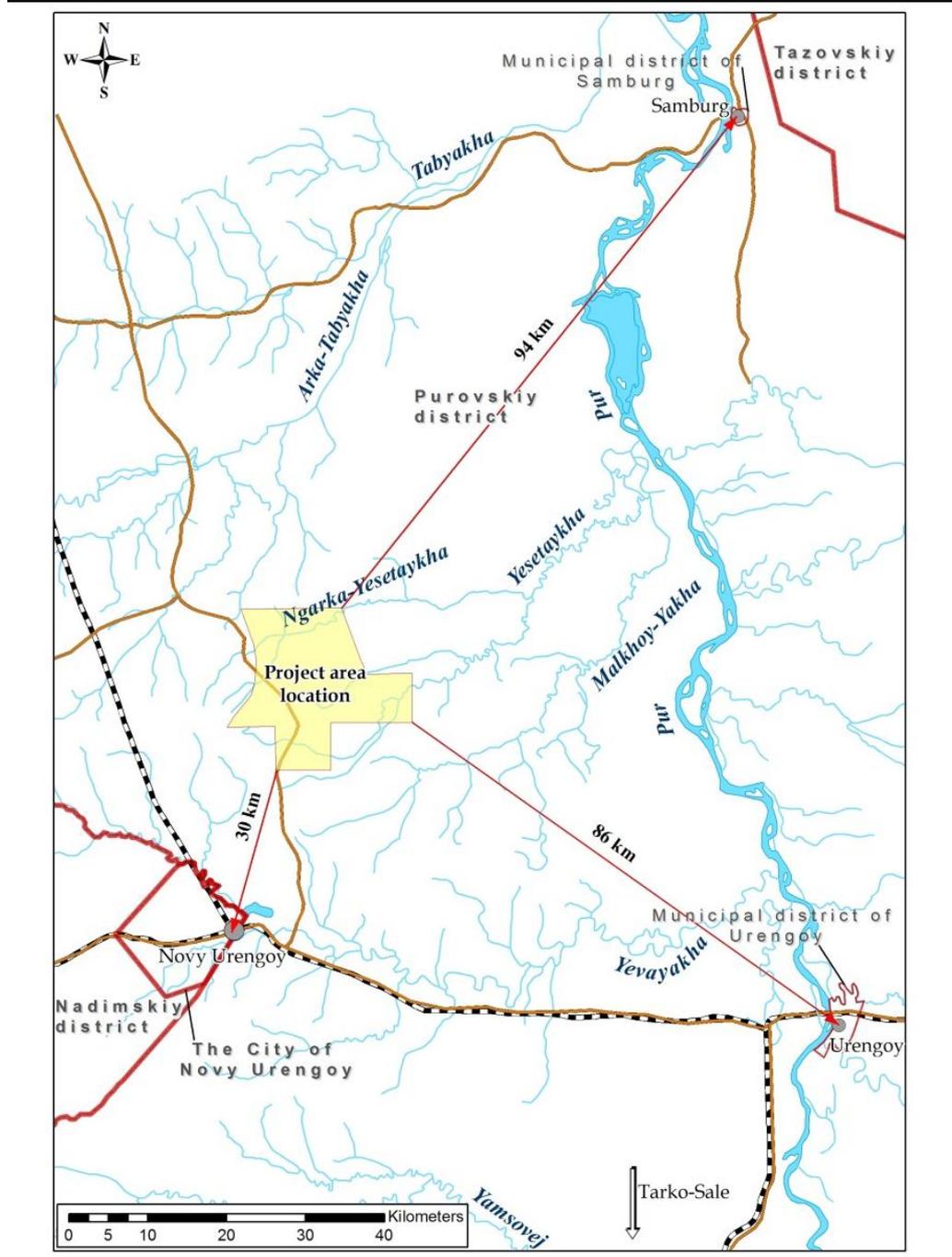
The Achimov formation of the Urengoy oil and gas condensate field is located in the Purovsky District (the District) of Yamal-Nenets Autonomous Okrug (YNAO). The YNAO is the biggest oil and gas-producing region of Russia. Russia’s leading oil and gas companies which are also among the world leaders in the industry maintain operation in this region. Exploration and development of oil and gas fields has been in progress in the region since 1958. This is why the ZAO Achimgaz facilities are surrounded by other oil and gas extracting facilities from different producers.

Purovsky District is the largest one within the YNAO. The Project is located 30 km to the north of Novy Urengoy City (the City). Other nearby settlements are the rural settlement of Samburg (94 km to the northeast of the field), and the urban settlement of Urengoy (86 km to the southeast of the field) (*Figure 1.1*). The District is sparsely populated, with the average population density of 0.5 people per km².

The economy and the social development of the City and the District are directly interlinked with oil and gas exploration. The main oil and gas fields are located in the District while the City plays the role of a service centre for the surrounding oil and gas fields.

Several indigenous minorities are present in the District. A portion of them is still following a traditional way of nomadic living. The Project is located on the former land of OAO Purovsky Sovkhoz, which was predominantly used for reindeer herding. More than 40 years ago nomadic communities of indigenous people had to abandon their traditional grazing grounds and moved to less productive reindeer grazing areas downstream the Malkhoy-Yakha and to the Pur River floodplain. By the time ZAO Achimgaz had started their Project development activities, no traditional activities of indigenous people were performed within their license area, nor had been performed in the area for numerous years before.

Figure 1.1 *Location of the Project area*



1.1.2

Project History

As of November 2013, ZAO Achimgaz produced 8.36 million m³ of gas per day and about 4,000 m³ of gas condensate per day.

The gas treatment plant no. 31 (UKPG-31) went into operation in 2008. Since then, ZAO Achimgaz is producing gas and condensate from the Achimov formation. The Project is being implemented in three main stages:

- Pilot Phase was implemented from 2008 to 2012.
- The Start-up complex period was successfully implemented in 2012/2013, when another 20 wells were commissioned.
- Full Field Development has started on November 1, 2013.

ZAO Achimgaz will operate 113 wells in total after 2020 when the Full field development stage is completed. The Company will reach the peak of hydrocarbon production rate by 2020 (8.94 billion m³ of gas and 2.91 million tons of gas condensate per year). Then, the production will start to gradually decline.

1.1.3

The Project

The main onsite activities of the Company include production, collection and transportation of produced natural gas from gas well clusters to UKPG-31 and gas preparation for further transportation.

The existing facilities of the Company include:

- Main facilities (28 well clusters with an area between 6 and 10 ha and the UKPG-31);
- Auxiliary facilities (field basis, sand and peat quarries, underground water abstraction wells, power transmission lines, etc.);
- Pipelines (gas collection and transport pipelines, methanol pipelines, gas and gas condensate export pipelines).

The Full Field Development facilities are currently under construction. The new facilities planned for construction during the Full field development stage include well clusters, UKPG-31 expansion facilities, construction of additional sand quarries, wastewater injection wells, power transmission lines, access roads, and gas collection and transport pipelines. The construction operations are carried out by contractors.

1.2

OBJECTIVES AND CONTENT OF THE PLAN

The goal of the SMP is to describe the stakeholder engagement process of the ESIA process of the Project, identify and prioritize key stakeholder groups and explain the strategy and timetable for sharing information of the Project with these groups. The purpose of the SMP is also to clearly communicate to all interested parties the engagement process which is to be implemented by ZAO Achimgaz through the entire Project cycle.

ZAO Achimgaz is committed to undertaking this engagement in a manner which is consistent with Russian law and requirements of the International Finance Corporation (IFC) which are both summarized in *Chapter 2*.

Besides providing clear and understandable information about the Project activities and impacts, the SMP is to provide an opportunity to all stakeholders and interested parties to express their concerns and opinions that may arise during the Project process. And, accordingly enable ZAO Achimgaz to consider these concerns and opinions for Project decisions and respond in a timely manner.

In parallel with the development of this SMP ERM has been working on the following documents:

- Environmental and Social Impact Assessment (ESIA) including the Environmental and Social Management Plan (ESMP); and
- Executive Summary Report (ExecSum) of the ESIA.

This Plan is a living document, which will be reviewed and updated in an iterative fashion throughout the Project planning and implementation. In particular, updates will be made in connection with any changes or modifications that may influence stakeholder perceptions or result in new Project stakeholders.

This SMP provides the identification of stakeholders (i.e. people and organisations who have a role in the Project or could be affected by the Project or who are interested in the Project), the programme of disclosure of information, the handling of suggestions, comments and concerns, and defines the Grievance Mechanism which will be used throughout the whole Project cycle.

There are a number of consultation activities that are not described within this SMP. These engagements are part of ZAO Achimgaz internal procedures or legally required and complementary to the activities explained here. These procedures include inter alia project permitting, procurement and contractor management, media communication and partner relations. These ongoing activities are not subject to this in hand SMP but may be incorporated in an updated later version.

ZAO Achimgaz has a special team that deals in particular with external communication. The contact details are provided at the end of this SMP.

Actions to be carried out within the framework of Project information disclosure should comply with:

- Legislative requirements of the Russian Federation and
- Principles and procedures specified by the IFC PS.

2.1

NATIONAL LEGISLATIVE REQUIREMENTS FOR PUBLIC CONSULTATION AND INFORMATION DISCLOSURE

The Russian legislation and applicable regulatory and legal documents specify requirements for project-related information disclosure to the public and the creation of opportunities for discussion and the public to present comments on the project design solutions in the course of the project development.

General requirements for public consultations are described in Federal Law No.7-FZ of 10.01.2002 "**On the Protection of the Environment**" (as amended on 12.03.2014). According to the Law any industrial or other activities which impact the ambient environment shall be carried out on the basis of the principle of participation of citizens in the decision-making process.

"Guidelines for Environmental Impact Assessment (EIA) in the course of substantiation of investments and project design documentation for planned industrial or other activities" (16.05.2000) deal with issues of project-related information disclosure and public participation in the discussion of the Russian EIA. According to the Guidelines information disclosure to the public and public participation at all stages of an Environmental Impact Assessment are required.

For the Achimgaz Project no public hearings were or are currently required. The Project is not included in the list of projects for which public hearings are mandatory according to Russian law (e.g. projects within specially protected zones and projects within urban territories would require public hearings). The local competent authority could request a public hearing for the Project but did not make use of this right. However, statutory stakeholders were informed about the Project accordingly.

The Russian legislation regulates rights of indigenous minorities and their opportunities to participate in project development and discussion:

Federal Law "**On Areas of Traditional Use by Indigenous Minority Peoples in the North, Siberia, and Far East of the Russian Federation**" No. 49-FZ of 7 May 2001 (as amended on 3.12.2008) state that if a withdrawal of land plots and other isolated natural sites, located within the areas of traditional natural resource use, takes place individuals belonging to indigenous minority people and communities of indigenous minority people are granted land plots and other natural sites of equal worth, including compensation of losses resulting from such withdrawal. Additionally Federal Law "**On Guaranteed Rights of Indigenous Minority Peoples in the Russian Federation**" No. 82-FZ of 30 April 1999 (as amended and supplemented on 5.04.2009) state that Indigenous minority people and associations of indigenous minority peoples have the

right to participate in environmental and ethnological expert reviews. Both laws state that public consultations with indigenous minorities are required when implementing industrial projects within areas of traditional activities.

2.2

THE INTERNATIONAL FINANCE CORPORATION REQUIREMENTS

IFC's standards and guidelines require a tailored engagement process of interested and affected stakeholders in an early stage of the project development. Specific standards are included in the respective IFC Performance Standards and Guidelines, 2012. Based on IFC requirements public consultation should be started early in project development and that engagement with interested parties at every stage should be:

- "Free" (free of intimidation or coercion);
- "Prior" (timely disclosure of information); and
- "Informed" (relevant, understandable and accessible information).

Specific requirements for the IFC include:

<p>Stakeholder Analysis and Engagement Planning</p> <ul style="list-style-type: none">• Identify affected communities and other stakeholders that may be interested in a Project and consider how external communications might facilitate a dialog with all stakeholders;• Development of a SEP (<i>here in hand</i>), including measures to allow for the effective participation of stakeholders identified as disadvantaged or vulnerable; <p>Disclosure of Information</p> <ul style="list-style-type: none">• Provision of relevant information on (i) the purpose, nature and scale of the project; (ii) duration of the proposed activities; (iii) any risks to and potential impacts on such communities and the relevant mitigation measures; (iv) the envisaged stakeholder engagement process; and (v) the grievance mechanism; <p>Consultation and Participation</p> <ul style="list-style-type: none">• Undertake a process of consultation that provides affected communities with opportunities to express their views on project risks, impacts and mitigation measures;• Include a two-way process that (i) begins early in the process of identification of environmental and social impacts and continue on an ongoing basis as impacts arise; (ii) is based on prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information that is in a culturally appropriate local language; (iii) focuses inclusive engagement (men, women, elderly, vulnerable and disadvantaged persons) on those directly affected as opposed to those not directly affected; (iv) is free of external manipulation, interference, coercion, or intimidation; (v) enables meaningful participation where applicable; and (vi) is documented;• Tailor consultation to the language preferences of the affected communities, their decision-making process and the needs of disadvantaged or vulnerable groups;• Document the process, in particular the measures taken to avoid or minimize risks to and adverse impacts on the affected communities, and will inform those affected about how their concerns have been considered. <p>External Communications</p> <ul style="list-style-type: none">• Implementation of a procedure for external communications that includes methods to (i) receive and register external communications from the public; (ii) screen and assess the issues raised and determine how to address them; (iii) provide, track and document responses; and (iv) adjust the environmental and social management program;
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Grievance Mechanism for Affected Communities

- Establish a grievance mechanism to receive and facilitate resolution of affected communities' concerns and grievances about the environmental and social performance;
- Inform the Affected Communities about the mechanism in the course of the stakeholder engagement process;

Ongoing Reporting to Affected Communities

- Provision of a schedule for periodic reports to the affected communities that describe the progress with implementation of the project action plans on issues that involved ongoing impacts on affected communities and on issues that the consultation process of grievance mechanism have identified as a concern to those communities; and

Recognized indigenous groups are living in the district in which the Project is located. IFC requires in particular an engagement with these groups and refers to the principle of Free and Prior Information (FPI) based on IFC PS 7. FPI shall allow the indigenous groups to inform themselves in an appropriate manner.

The purpose of the stakeholder identification process is to identify the organizations and individuals, including vulnerable groups that may be directly or indirectly affected by the Project - positively or negatively - or who are interested in the Project and want to express their views. Stakeholder identification is an ongoing process requiring regular review and updates. The key stakeholder groups are presented in *Table 3-1*.

Table 3-1 *Identified Groups of stakeholders related to the Project*

Group of Stakeholders	Stakeholders
1. Indigenous people of Purovsky district	Indigenous peoples of Purovsky district who are carrying traditional activities within lands of OAO Sovkhoz Purovsky
2. Local residents	Local residents of Novy Urengoy city
3. State authorities and supervising approval authorities	3.1. Federal authorities; 3.2. Regional authorities (Tyumen oblast and YNAO); 3.3. Local authorities (Novy Urengoy city and Purovsky district).
4. Non-governmental organizations and independent experts	Regional and local NGOs: <ul style="list-style-type: none"> • Organizations representing Indigenous minorities; • Local specialized environmental, scientific-social and research organizations, experts; • Local public organizations participating in arrangement of social programs.
5. Beneficiaries of ZAO Achimgaz social programs	
6. Lenders	6.1 Banks 6.2 Advisors
7. ZAO Achimgaz representatives	7.1 Shareholders 7.2 Company's contractors 7.3 Company's staff
8. Mass media	8.1. Printed media; 8.2 TV; 8.3. Internet sources.
9. Educational institutions/ organizations for employment of the population	9.1 Regional Educational institutions 9.2 Local Educational institutions 9.3 Local employment centre

The full list of stakeholders of each stakeholder group is given in the *Annex 1*. The full list includes all the major stakeholders who may be affected or interested in the Project. At each stage of the Project implementation the list of stakeholders may be confirmed and amended.

4 *STAKEHOLDER MANAGEMENT PLAN*

4.1 *BASIC APPROACH*

Engagement with the stakeholders is carried out in line with the stages of the Project. As mentioned above, the stages are the following:

1. Pilot Phase (accomplished).
2. Start-up complex (accomplished).
3. Full Field Development.

The Plan is aimed at implementation for the first years of Full Field Development.

4.2 *STAKEHOLDER ENGAGEMENT ACTIVITIES TO DATE*

In 2010-2013 years during Pilot phase and Start-up complex stages main engagement activities were held with local authorities. Indirect engagement with representatives of the Indigenous Minorities of the North (IMN) took place, through the agency of local authorities.

4.2.1 *Engagement with Local Authorities*

Company has regular engagement with local authorities of Purovsky District and Novy Urengoy city and with regional authorities of YNAO. Engagement activities with regional and local authorities include but are not limited to:

- Working meetings on permitting procedures and other relevant issues and
- Social charitable projects of the Company described within Agreements on Cooperation.

ZAO Achimgaz had annual Agreements on Cooperation with Purovsky District for 2010–2013 and a current Agreement on Cooperation with YNAO for 2012–2015. Social projects supported within these agreements included:

- Support of IMN of Purovsky district, including support to relevant NGO and OAO Sovkhoz Purovsky;
- Development of local social infrastructure;
- Support of local vulnerable groups.

During 2012 and 2013 the Company has also supported regional social initiatives. The social projects included support to local mass media and charitable NGOs.

All these measure promote a constant exchange between the Company and the surrounding communities.

4.2.2 *Engagement with Indigenous Minorities*

Due to the fact that indigenous minorities do not live within the lands leased by ZAO Achimgaz, the Company had no direct interactions with the indigenous minorities of Purovsky district. Anyway the Company had a number of social projects aimed at support of the indigenous groups. These projects included:

- Financing of events and activities of the Purovsky branch of Association of Indigenous Peoples of YNAO (Public Organization “Yamal for Future Generations!”)
- Financing of OAO Sovkhoz Purovsky.

Consultations with indigenous minorities on the issues connected with the Project according to standard procedure were held by local authorities without participation of ZAO Achimgaz. These consultations took place three times, in 2011 and 2012. During consultations a decision was made on renting land patches of OAO Sovkhoz Purovsky belonging to the indigenous groups for industrial purposes (carried by ZAO Achimgaz). Due to the legal requirements land-use changes within areas of traditional activities of indigenous peoples are to be approved by indigenous people (which is in an alignment with the IFC PS 7). Indigenous minorities were represented by the Chairman of the Novy Urengoy division of the public organization “Yamal for Future Generations”. The question was discussed whether a referendum is required to make a decision on approving land-lease for oil and gas exploration. It was decided unanimously that a referendum is not required, as there would be no impact on Indigenous Peoples livelihood by the land lease and associated project activities.

4.2.3 *Information Disclosure to Various Stakeholders*

During the Pilot phase and Start-up complex stages ZAO Achimgaz regularly disclosed Project-related information. The official web-site (<http://achimgaz.ru/>) contains regularly updated information on the main activities of the Company. The Company uses several local media for information disclosure, particularly:

- Local TV channels (Arctic-Info and Impuls);
- Local press (Novy Urengoy newspaper “Pravda Severa”, media connected with “Gazprom Dobycha Urengoy”, “National Business – YNAO”).

4.3 *COMMUNICATION CHANNELS SET UP FOR STAKEHOLDER ENGAGEMENT*

In order to adequately respond to the needs of different stakeholder groups, communication and information channels have been identified and will be adapted throughout the process for all identified stakeholders in accordance with their needs. A variety of communication channels and methods will be used for different stakeholders to provide maximum practical opportunity for stakeholders to express their positive or negative views about the Project and its possible impacts. Brief information on stakeholder communication channels to be used for the Project is provided below.

Three main groups of communicational channels will be used:

- Information disclosure,
- Reporting, and
- Grievance mechanism.

Information disclosure will be realised by channels that are appropriate for various groups of stakeholders. Full data on information disclosure is provided in *Section 4.4*.

Reporting will be provided on progress of the Project.

Information on *grievance mechanism* is given in *Chapter 6*.

4.4 DISCLOSURE OF PROJECT INFORMATION

ZAO Achimgaz will use various methods to disclose Project information and discuss potential risks and benefits associated with the Project, as well as potential actions to mitigate potential adverse impacts.

In line with international best practice, an Executive Summary Report of the ESIA will be made available to stakeholders. These will be disclosed for at least 1 month (30 days).

A brief description of the documents planned for publishing and mechanisms for their disclosure is provided in *Table 4-1*. The information will be kept up-to-date and all documents will be available in English and Russian on ZAO Achimgaz website in a standard data format (e.g. PDF).

A notice of access to documents will be published in mass media, on the external corporate ZAO Achimgaz website (<http://achimgaz.ru/>). Such notice will contain information on documents publically available, as well as contact details for Project representatives.

Further information on the Project will be made available on the website of ZAO Achimgaz (<http://achimgaz.ru/>) including contact details for inquiries or requests (<http://achimgaz.ru/contacts/>). Press releases in local and regional press, local TV channels will be regularly used to inform the general population about the Project.

Information on the documents planned for disclosure will be updated as soon as additional documents requiring disclosure have been identified.

Table 4-1 Documents planned for disclosure

Purpose	Documents	Description	Disclosure mechanism
Public disclosure of project information	Executive Summary report	The ExecSum will provide an overview and summary of the ESIA findings, focusing on the key social and environmental issues associated with the Project and the mitigation measures required to manage these issues	<ul style="list-style-type: none"> • Company website • Hard or soft copy on request from stakeholders

Purpose	Documents	Description	Disclosure mechanism
Public disclosure of stakeholder engagement procedures	SMP	The SMP provides information on how the Project intends to provide information and to receive feedback from stakeholders through a process of public consultation and engagement.	<ul style="list-style-type: none"> • Company website

4.5 MEANS OF COMMUNICATION

The table *Table 4-1* provides an overview of the different means of communication per each stakeholder group.

Table 4-2 Summary of the Means of Communication for Stakeholder Engagement

Group	Engaged stakeholder group	Means of Communication	Consultation tool
1	Indigenous peoples of Purovsky district who are carrying traditional activities within lands of OAO Sovkhoz Purovsky	<ul style="list-style-type: none"> • Providing timely information on the Project activities and receiving feedback from stakeholders (including consultation and reporting). • To be informed by a notice in the local newspaper about ExecSum and SMP available. 	<ul style="list-style-type: none"> • Full ESIA will be available on request. • Local media (Newspaper, TV) • Reporting • Grievance mechanism
2	Local residents of Novy Urengoy city	<ul style="list-style-type: none"> • Providing timely information on the planned Project and receiving feedback from stakeholders. 	<ul style="list-style-type: none"> • Project Information through the website: http://www.achimgaz.ru/ • Local media (Newspaper, TV) • Reporting • Grievance mechanism
3	3.1. Federal authorities; 3.2. Regional authorities (Tyumen oblast and YNAO)	<ul style="list-style-type: none"> • Regular and permanent correspondence in accordance with the administrative procedures. • Submission of relevant documents for information and permitting purposes by mail. 	Notification by e-mail about availability of the documentation on the Project website: http://www.achimgaz.ru/ .
	3.3. Local authorities (Novy Urengoy city and Purovsky district).	<ul style="list-style-type: none"> • Providing timely information on the planned Project. • Submission of relevant documents for information by mail. 	Notification by e-mail about availability of the documentation on the Project website Providing of Hardcopy for ESIA, ESMP, Executive Summary and SMP on request
4	Local organizations representing Indigenous minorities;	<ul style="list-style-type: none"> • Providing timely information on the Project activities and receiving feedback from stakeholders. • To be informed by a notice in the local newspaper about Executive Summary and 	<ul style="list-style-type: none"> • Project website: http://www.achimgaz.ru/ • Local media (Newspaper, TV) • Reporting, Grievance mechanism

Group	Engaged stakeholder group	Means of Communication	Consultation tool
		SMP available.	
	Regional NGOs	<ul style="list-style-type: none"> • Providing timely information on the planned Project. 	
	Local specialized environmental, scientific-social and research organizations, experts;		
	Local public organizations participating in arrangement of social programs.		
5	5. Beneficiaries of ZAO Achimgaz social programs	<ul style="list-style-type: none"> • Providing timely information on the Project activities and receiving feedback from stakeholders. • Where relevant, providing timely information on the social Projects of the Company 	
6	6.1 Banks 6.2 Advisors	Intense and permanent communication in every Project phase exchange of all relevant Project information and documentation Material as well as regular monitoring reports.	By phone, mail and email.
7	7.1 Shareholders 7.2 Company's contractors 7.3 Company's staff	<ul style="list-style-type: none"> • Internal channels in accordance with the rules and procedures of ZAO Achimgaz 	Internal notification of the Grievance Procedures for employees.
8	8.1. Printed media; 8.2 TV; 8.3. Internet sources.	<ul style="list-style-type: none"> • Providing timely information on the planned Project. 	Established mean through the website: http://www.achimgaz.ru/
9	9.1 Regional Educational institutions 9.2 Local Educational institutions 9.3 Local employment centre		

***SCHEDULE FOR STAKEHOLDER MANAGEMENT AND INFORMATION
DISCLOSURE***

Stakeholder management activities are planned for implementation during the first years of Full Field Development (2014-2015 years).

Further stakeholder engagement activities will be carried out on a regular basis.

Grievance mechanism has been implemented in ZAO Achimgaz in December 2013. It is available both for internal and external stakeholders. Company's employees are informed about the grievance mechanism by their project managers. External stakeholders are informed via ZAO Achimgaz website and this SMP.

Comments or concerns about the Project can be brought to the attention of ZAO Achimgaz by several ways:

- In writing by post to ZAO Achimgaz office;
- In writing by a special post box located in the ZAO Achimgaz office;
- Verbally by telephone;
- In writing by e-mail; and
- Through a form offered on the Achimgaz website.

The grievance process is shown as flow chart in *Figure 6.1* below and explained in the following paragraphs:

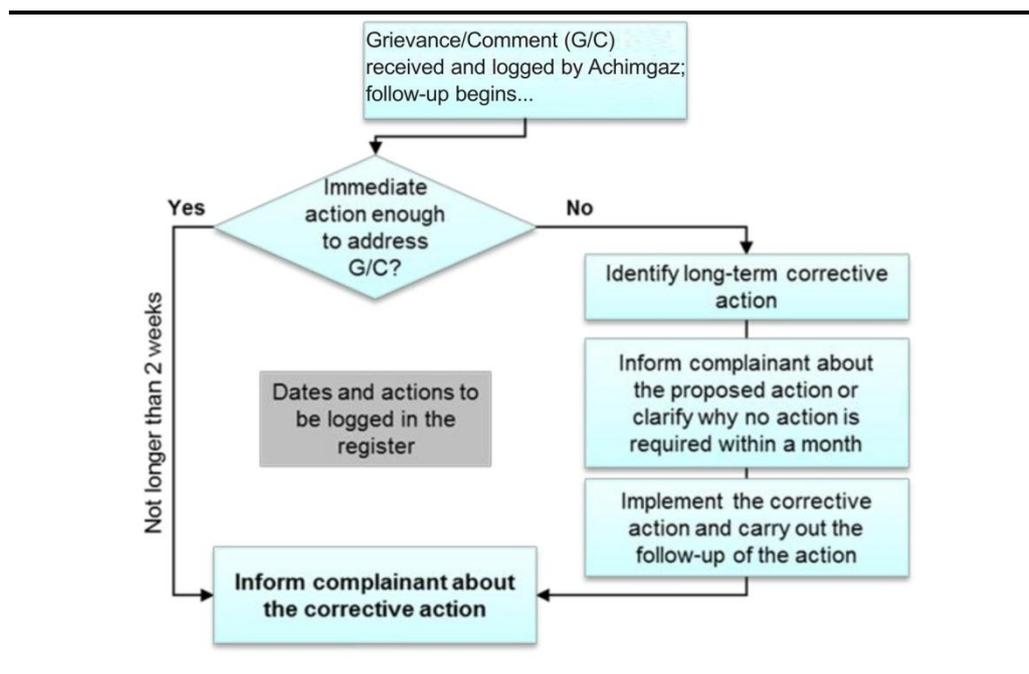
The comment or concern will in general be responded to within 4 weeks after receipt.

ZAO Achimgaz will designate a staff member who will be responsible for grievance response during Project construction and operation. This person will take the role of a community liaison officer (CLO) and be responsible for recording and responding to comments and grievances and liaise with the communities and stakeholders and report to the Project Management.

ZAO Achimgaz will make all reasonable efforts to address the comment/concern and inform the complainant within four weeks after receipt about the planned corrective action. If ZAO Achimgaz is not able to address the issues raised by immediate corrective action, a long-term corrective action will be identified. The complainant will be informed about the proposed corrective action and follow-up of corrective action within a month upon the first response to the grievance.

If ZAO Achimgaz is not able to address the particular issue raised through the grievance mechanism or if no action is required, it will provide a detailed explanation/justification to the complainant on why the issue was not addressed. The response will also contain an explanation on how the person/organization which raised the complaint can proceed with the grievance in case the outcome is not satisfactory.

Figure 6.1 Flow Chart of the Achimgaz Grievance Mechanism



If actions taken on a grievance are not successful, a stakeholder may turn to court in accordance with the existing legislation of Russia.

The ZAO Achimgaz personnel must be confident that population and in particular a group of population affected by the Project get timely information on procedure of grievance satisfaction. Besides, the system of grievances and their consideration results accounting shall be kept by employees responsible for relations with the public in a due manner.

All arriving grievances will be recorded in the special register of written applications and proposals. ZAO Achimgaz has a dedicated person, responsible for the handling of grievances (Maximov V.). The Grievance Form can be found in *Annex 2*.

ZAO Achimgaz will take overall responsibility for the implementation of the SMP and will manage the grievance mechanism. It will use internal resources to ensure that all consultation and disclosure activities related to the Project are performed to appropriate standards and all grievances and comments are considered for the whole Project duration.

Within ZAO Achimgaz, permanent staff is assigned to the Project. ZAO Achimgaz has already assigned qualified personnel for community engagement and public relation who will be further responsible for the stakeholder management process and takes the role of the CLO (V. Maksimov). These persons will coordinate the whole stakeholder engagement and grievance process of the Project. Further, the CLO will report to the senior management with the authority to make required decisions and statements to the public.

All queries in relation to the Project will be filed in the comments registry, analysed by ZAO Achimgaz on a bi-annually basis throughout ESIA preparation and construction.

Summaries of stakeholder management will be included in Project Monitoring Reports, which will be required as part of the Environmental and Social Monitoring and Management Plan. The Reports will include, among others, the following information on stakeholder management:

- General information about the stakeholders,
- Issues and concerns raised,
- Types of comments/grievances received during the reporting period and number of resolved and outstanding grievances, and
- A summary of corrective measures.

For any questions or concerns about this SMP or the Project in general, please contact ZAO Achimgaz at the address below, or via the telephone numbers, e-mail address or website:

ZAO Achimgaz contact under:

V. Maksimov

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mkr. Sovetsky, 7 corp. 2a,
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kancelyaria@achimgaz.ru (e-mail)

<http://achimgaz.ru/> (website)

Annex 1

STAKEHOLDER LIST

(March 2014)

Groups	Group members	Contact information	Rationale
1. Indigenous people of Purovsky district			
1.1 Indigenous people of Purovsky district who are carrying traditional activities within lands of OAO Sovkhoz Purovsky	Indigenous minorities who have formerly (before industrial activities started in the 1970s) carried traditional activities within the lands rented by ZAO Achimgaz (mainly representatives of OAO Sovkhoz Purovsky)	Rinat Pavlovich Pyak as representative of IMN, the Department on the issues of the Indigenous Minority Peoples of the North of the Purovsky District Administration	ZAO Achimgaz lease lands that were formerly used for traditional activities by groups of Indigenous minorities of Purovsky district
2. Local residents			
2.1 Local residents of Novy Urengoy city	Residents of Novy Urengoy city	ZAO Achimgaz data	Residents of the City may be interested in the Project because of: <ul style="list-style-type: none"> • Job opportunities; • Social projects of the Company; • Possible expectations and concerns about the Project, etc.

Groups	Group members	Contact information	Rationale
3. State authorities and supervising approval authorities			
3.1. Federal power bodies	Ministry for Regional Development Ministry for Economic Development Federal autonomous establishment "Glavgosexpertisa of Russia" Federal Service on Supervision in the sphere of Natural Resources Use (Rosprirodnadzor) Federal Service for Environmental, Technological and Nuclear Supervision (Rostekhnadzor) Federal Water Resources Agency Ministry of Emergency Situations	http://www.minregion.ru/ http://www.economy.gov.ru/ http://www.gge.ru/ http://rpn.gov.ru/ http://www.gosnadzor.ru/ http://voda.mnr.gov.ru/ http://www.mchs.gov.ru/	Permits and issuance
3.2 Tyumen oblast and YNAO state control and supervisory authorities	North Ural Department of the Federal Service for Environmental, Technological and Nuclear Supervision (Rostekhnadzor) Department of the Federal Service on Supervision in the sphere of Natural Resources Use for the Ural's federal region, including Rosprirodnadzor in YNAO region Ministry of Emergency Situations in YNAO Federal Service for Supervision of Consumer Rights Protection and Human Welfare in YNAO State Labour Inspectorate in YNAO	http://sural.gosnadzor.ru/ http://www.yamaleco.ru/ http://www.89.mchs.gov.ru/ http://89.rospotrebnadzor.ru/ http://git89.rostrud.ru/	<ul style="list-style-type: none"> • Permits and issuance • Tax payments
3.3 Municipal authorities	Administration of Novy Urengoy city, including: <ul style="list-style-type: none"> • Economics Department • Department of Labour and Social Protection • Youth and Public relations Department 	http://www.newurengoy.ru/	<ul style="list-style-type: none"> • Tax payments • Permits and

Groups	Group members	Contact information	Rationale
	<ul style="list-style-type: none"> • Education Department • Finance Department 		issuance
	<p>Administration of Purovsky district, including:</p> <ul style="list-style-type: none"> • Department on the issues of the Indigenous Minority Peoples of the North • Social Policy Department • Economics Department • Department of Natural Resources Regulation and Management • Department for Transport, Communications and life support systems • Department on Architecture and Urban Planning • Department on Culture Issues • Department on Physical Culture and Sports 	http://www.puradm.ru/	<ul style="list-style-type: none"> • Agreement on Socio-Economic development • Permits and issuance
	<p>Municipal state enterprises of Purovsky district:</p> <ul style="list-style-type: none"> • State enterprise "Small Business Fund of Purovsky district" • State enterprise of Purovsky district "Department for Development of Agriculture" • State enterprise of Purovsky district "Department for logistics and emergency response" 	http://www.puradm.ru/	Possible interest in the Project
	Administration of Nadymsky district	http://www.nadymregion.ru/	Social charitable projects of the Company
	Administration of the urban municipality Urengoy settlement	http://www.mo-urengoy.ru/	
	Administration of the rural municipality Samburg settlement	http://samburg.ru/	

Groups	Group members	Contact information	Rationale
4. Non-governmental organizations and independent experts			
4.1 Regional NGOs			
4.1.1 Specialized public organizations connected with Indigenous minorities issues	YNAO Association of Indigenous Minority Peoples of the North "Yamal for our Future Generations"	http://f89.ru/	Social charitable projects of the Company
	YNAO Public regional organization "Selkups"	+7(912)433-46-23 seulkup_yanao@mail.ru	Representatives of Indigenous minorities - Possible interest in the Project
4.1.2 Specialized ecological, public and scientific and research organizations, experts	Regional public organization "The Academic Council of the YNAO"	http://f89.ru/	Possible interest in the Project
	YNAO branch of all-Russian public organization "Russian geographical society"	http://yamal.rgo.ru/	Possible interest in the Project
	Association "Council of Municipalities of the YNAO"	http://smoyanao.org/	Representatives of local small businesses - Possible interest in the Project
4.1.3 Trade-union organizations	YNAO branch of the Trade Union of Oil and Gas Industry and Construction of the Russian Federation	+7(34995)53-38-64 mngspnadym@mail.ru	Possible interest in the Project
4.1.4 Public organizations aimed at protection of	Regional Public Organisation "Drug-free Yamal"	Data provided by ZAO Achimgaz	Social charitable

Groups	Group members	Contact information	Rationale
socially vulnerable groups	"Yamine" Charity Foundation supporting children of YNAO	Data provided by ZAO Achimgaz	projects of the Company
	NGO "Fund supporting bioresources of Yamal"	Data provided by ZAO Achimgaz	
	YNAO Regional Charitable Foundation "Veteran"	Data provided by ZAO Achimgaz	
4.2 Local NGOs			
4.2.1 Specialized public organizations connected with Indigenous minorities issues	Purovsky district branch of YNAO Association of Indigenous Minority Peoples of the North "Yamal for our Future Generations"	Data provided by ZAO Achimgaz	Social charitable projects of the Company
	Agricultural neighbour community of Indigenous minorities "Icha"	Data provided by ZAO Achimgaz	
4.2.2 Specialized ecological, public and scientific and research organizations, experts	Non-profit organization "Development Fund of the Novy Urengoy City"	http://f89.ru/	Representatives of vulnerable groups of local population - Possible interest in the Project
	NGO "Starozhily (Long-term residents)"	http://f89.ru/	Representatives of local residents - Possible interest in the Project
	Non-profit organization "Entrepreneurship Development Fund of the Novy Urengoy City"	http://f89.ru/	Representatives of local small businesses -
	Non-profit organization "The Foundation for Civil Initiatives"	http://f89.ru/	

Groups	Group members	Contact information	Rationale
			Possible interest in the Project
5. Lenders			
5.1 Banks	Federal Investment Guarantee of the German State		Lender procedure
5.2 Advisors			
6. Social program beneficiaries			
7.1 Beneficiaries of ZAO Achimgaz social programs	Vulnerable groups among local residents of Purovsky district	Data provided by ZAO Achimgaz	Social charitable projects of the Company
	OAO Sovkhoz Purovsky and Indigenous minorities		
	NGOs, sport clubs in Novy Urengoy, Purovsky District and YNAO		
7. Representatives of ZAO Achimgaz and contractors			
6.1 Shareholders	«Wintershall AG» (100% subsidiary of concern BASF) OOO "Gazprom Dobycha Urengoy" (100% subsidiary of OAO "Gazprom")	Data provided by ZAO Achimgaz	Internal stakeholder
6.2 Company staff	Company's personnel in Novy Urengoy and Moscow offices	Data provided by ZAO Achimgaz	Internal stakeholder
6.3 Company's contractors	General contractor - ERIELL OOO SibEnergMontazh OOO StroyTransGaz-Sever ZAO National Construction Corporation OOO SMO YamalStroy OOO EcoStroy	Data provided by ZAO Achimgaz	Internal stakeholder

Groups	Group members	Contact information	Rationale
	OAO UrengoyDorStroy		
8. Mass media			
5.1 Periodicals and newspapers	Regional press Magazine "National Business YNAO" (Sigma holding)	http://trc-sigma.ru/ http://banzay.ru/	Used for information disclosure by ZAO Achimgaz
	Local press Novy Urengoy local newspaper "Pravda Severa"	http://pravda-severa.ru/	
5.1.2 TV broadcasting	Local TV Impuls TV channel Sigma TV channel	http://www.tv-impulse.ru/ http://trc-sigma.ru/	
5.1.4 Internet resources	Regional internet resources Arctic-info internet news agency	http://www.arctic-info.ru	
9. Educational institutions and organizations for employment of the population			
8.1 Regional Educational institutions			Training of employees
8.2 Local Educational institutions			
8.3 Local employment centre	Novy Urengoy employment centre	http://www.zanyanao.ru http://zanyanao.regionrud.ru/home/slugba/czn/stranicaczn.aspx?CZNF=MTk0MQ2	Hiring employees

Annex 2

GRIEVANCE FORM

ZAO Achimgaz Reference No: _____	
Full Name	
My first name: _____	
My last name: _____	
Note: please state if you prefer or request not to disclose your identity to the third parties without your consent	
<input type="checkbox"/> I request not to disclose my identity without my consent. I wish to raise my grievance confidentially.	
Contact Information	
Address: _____ _____	
Telephone: _____	
E-mail: _____	
Please mark how you wish to be contacted	
<input type="checkbox"/> Mail <input type="checkbox"/> Telephone <input type="checkbox"/> E-mail	
<input type="checkbox"/> Other: _____	
Indigenous people-related?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Preferred Language for communication (Please mark how you wish to be contacted)	<input type="checkbox"/> Russian <input type="checkbox"/> English
Description of Grievance or Concern	
Date of Incident/Grievance: _____ Date (Day/Month/ Year)	
<input type="checkbox"/> One time incident/grievance (Date)	
<input type="checkbox"/> Happened more than once (How many times?)	
<input type="checkbox"/> On-going (Currently experiencing problem)	
What would you like to see happen to resolve the problem?	
Signature: _____	
Date: _____	
This form shall be returned to: <u>ZAO Achimgaz Address</u> _____	

(Please use the backside of the sheet if you need more space)

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