



SAKHALIN INDIGENOUS MINORITIES DEVELOPMENT PLAN

**Five-Year SIMDP 5
(2026–2030)**

Yuzhno-Sakhalinsk
2025

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LIST OF ABBREVIATIONS

RAIPON	Russian Association of Indigenous Peoples of the North
SIM / Indigenous Peoples / Minorities	Sakhalin Indigenous Minorities
SMEs	Small and medium-sized enterprises
Plan Partners	Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities, the Government of Sakhalin Oblast, and Sakhalin Energy LLC
SIMDP / Plan	Sakhalin Indigenous Minorities Development Plan
GSO	Government of Sakhalin Oblast
WG	Working Group for SIMDP 5 Development
RCAR SIM SO / Regional Council	Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities
RF	Russian Federation
Sakhalin Energy LLC / Company	Sakhalin Energy LLC
Council under the GSO	Council of Authorised Representatives of Sakhalin Indigenous Minorities under the Government of Sakhalin Oblast
SD Council	Sustainable Development Council
LNG	Liquefied natural gas
FPIC	Free, Prior and Informed Consent
PSA	Production Sharing Agreement
TEA	Traditional economic activities
SD	Sustainable development
SDG	Sustainable Development Goals
ESG	Environmental, Social, and Corporate Governance

NOTE ON THE PREPARATION OF SIMDP 5

The Fifth Sakhalin Indigenous Minorities Development Plan (hereinafter referred to as “SIMDP 5” or the “Plan”) has been prepared within the framework of the public-private partnership between business (Sakhalin Energy LLC), society – indigenous peoples (Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities), and government (the Government of Sakhalin Oblast).

In late 2024, these three parties established a working group to develop SIMDP 5 for the period 2026–2030. The working group was formed in early 2025.

Members of the Working Group:

- Svetlana Sangi, Chairperson of the Working Group, Chairperson of the Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities,
- Natalia Chaika, member of the Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities,
- Vladislav Epifanov, First Deputy Head of the Governor’s and Government Administration of Sakhalin Oblast,
- Regina Fedulova, Head of Sakhalin Indigenous Minorities Subdivision, Department of Public Communications of the Government of Sakhalin Oblast,
- Natalia Gonchar, Head of Corporate Affairs Division – Press Secretary of Sakhalin Energy LLC,
- Yulia Zavyalova, Lead Specialist, Corporate Affairs Division, Sakhalin Energy LLC,
- Alexey Limanzo, Commissioner for the Rights of the Indigenous Minorities in Sakhalin Oblast,
- Alexander Novyukhov, President of the Russian Association of Indigenous Peoples of the North (RAIPON) / Grigory Ledkov, President of the Russian Association of Indigenous Peoples of the North (before April 2025),¹
- Elena Evtyukhova, Deputy of the State Duma of the Federal Assembly of the Russian Federation, member of the State Duma Committee on Nationalities,
- Alexander Bolotnikov, Deputy, Chairperson of the Standing Committee on Social Policy of the Sakhalin Oblast Duma.

Marina Kragina, Secretary of the Working Group, SIMDP 4 Coordinator, participated in the Working Group’s meetings.

The Working Group conducted public consultations in areas where Sakhalin Indigenous Minorities traditionally live and perform traditional economic activities (February and October 2025²) and held discussions, meetings, and individual consultations with various stakeholders throughout 2025. SIMDP 5 for 2026–2030 was developed based on the results.

In preparing the draft document, materials provided by the Government of Sakhalin Oblast, the Sakhalin Oblast Duma, and Sakhalin Energy LLC were used. The results of the external evaluation of SIMDP 4, questionnaire surveys conducted as part of public opinion research on the implementation of the Fourth Plan and preparation of the Fifth Plan, as well as the study

¹ RAIPON is the official body representing the indigenous minorities of Sakhalin Oblast. Its members are elected once every four years at the Congress of the Indigenous Peoples of the North, Siberia, and the Far East of the Russian Federation. A new President of the Association was elected at the 20th Congress of the Indigenous Peoples of the North, Siberia, and the Far East of the Russian Federation held on 28 April 2025.

² Activities related to the development, discussion, and adoption of SIMDP 5 were scheduled for 2025 (the final year of SIMDP 4 implementation).

“Interaction between Business and Indigenous Minorities of Russia in Terms of Respecting Human Rights and Achieving Sustainable Development”, and other materials were taken into account.

The Working Group coordinated the preparation of SIMDP 5 and submitted it for review to the SIM representatives in the seven districts where Sakhalin Indigenous Minorities traditionally live and perform traditional economic activities.

The draft SIMDP 5 was posted on the Plan website and distributed in areas where Sakhalin Indigenous Minorities traditionally live and perform traditional economic activities for their consideration. A special conference organised by RCAR SIM SO to discuss the Plan, introduce amendments, and approve it was held in Yuzhno-Sakhalinsk on 12 November 2025.

On 27 November 2025, the partners signed a new Tripartite Agreement³ on the Implementation of SIMDP 5.

³ The text of the Tripartite Agreement can be found in Appendix 1.

1 PURPOSE OF THE PLAN

1.1 PROGRAMME OVERVIEW

Since the start of implementation of the Sakhalin-2 project, its operator has been engaging with Sakhalin Indigenous Minorities. SIM represent a particularly vulnerable stakeholder group, for whom issues of respect for human rights, preservation of cultural heritage and traditional economic activities, and environmental safety are regulated at international and national levels under special procedures. Sakhalin Energy LLC takes this into account both in its operations and in the implementation of social programmes.

Since 2006, an important part of these efforts has been the preparation of a series of five-year Sakhalin Indigenous Minorities Development Plans (SIMDP). These have been the products of a collaborative effort that began when Sakhalin Energy LLC,⁴ the Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities,⁵ and the Government of Sakhalin Oblast⁶ established a joint partnership.

In addition to the SIMDP, the company annually implements and supports various projects aimed at supporting SIM (Appendix 4).

SIMDP 1 (2006–2010) was composed of three programmes: the Social Development Programme (SDP; with components for Health, Education, Culture, and Capacity Building); the Traditional Economic Activities Support Programme (TEASP; with Self-sufficiency and Business Planning components, as well as the Reindeer Herding Support Programme); and the SIM Mini-Grant Fund (MGF), the governing board of which was composed exclusively of SIM, unlike for the other two Plan programmes. In addition, an Expert Group was established to support the SDP Committee when evaluating applications. An administrative Plan Assistant was also appointed.

SIMDP 2 (2011–2015) sought to make use of lessons learned from the implementation of SIMDP1. One of the key conclusions for SIM was the recognition of the effectiveness of the MGF as a project for introducing self-governance mechanisms for SIM. As a result, competitions to support social projects were transferred to the management of the SDF Committee, while competitions to support traditional economic activities were transferred to the management of the TEASP Committee. Both committees consisted exclusively of representatives of Sakhalin Indigenous Minorities⁷. The Second Plan established additional Expert Groups to advise the SDF and TEASP Committees, while the administrative position of Plan Assistant was formalised into a SIMDP Coordinator role. In addition, based on the Sakhalin-2 project operator's participation in the testing of the Ruggie Principles in 2009–2011⁸ and consultations with the indigenous community, the working group responsible for developing SIMDP 2 developed and approved a grievance and appeals handling procedure related to activities implemented under the SIMDP.

SIMDP 3 (2016–2020) added new District Committees to the governance structure to bolster district-level SIM inputs. The Capacity Building focus area was strengthened and included as a standalone component in both programmes – SDF and TEASP – with decisions taken by programme committees composed exclusively of SIM representatives.

4 Before 2022 – Sakhalin Energy Investment Company Ltd.

5 The RCAR SIM SO is the official body representing the indigenous minorities of Sakhalin Oblast. Its members are elected at a Sakhalin Indigenous Minorities Congress every five years.

6 Before 2010, the official name of the Government of Sakhalin Oblast was the Sakhalin Oblast Administration.

7 Starting from SIMDP 2, members of the programme's coordinating bodies have been elected in the areas where Sakhalin Indigenous Minorities traditionally live and perform traditional economic activities.

8 The Sakhalin-2 project operator represented Russian business and the global oil and gas industry in the testing of the Ruggie Principles in 2009–2011 (developed under the mandate of the UN Secretary-General's Special Representative for Business and Human Rights, Professor John Ruggie).

Under SIMDP 4 (2021–2025), a competitive selection mechanism was also applied for project selection, including grant-based and educational competitions. The grant competition covered both social and traditional economic activity areas, as well as new project areas. In addition, independent experts at the federal level were engaged to assess projects under the Plan’s focus areas. Implementation of all competitive programmes was transferred to the management of the Sustainable Development Fund Council, composed exclusively of SIM representatives.

SIMDP 5 (2026–2030) has been developed taking into account the comprehensive experience gained during the implementation of the four previous programmes. The key innovation of SIMDP 5 is a qualitative strengthening of the role, engagement, and responsibility of the partners in achieving the Plan’s key objectives.

Sakhalin Oblast, which is demonstrating strong economic growth and holds leading positions in the Far East across a number of indicators, is setting a new benchmark for the implementation of socio-economic programmes. Regional support measures create an integrated framework for sustainable development. The consolidation of efforts by SIMDP partners, reinforced by systemic government support measures, forms a solid foundation for qualitative change through the Programme.

SIMDP 5 not only complements ongoing efforts but also serves as a universal platform for consolidating resources, accumulated experience, and the achievements of all stakeholders.

The Programme provides for support of strategic and long-term partnership-based development projects involving external stakeholders and leveraging the resources of SIMDP partners, which are important both for SIM representatives and for the island region as a whole.

SIM representatives – members of SIM councils under local self-government bodies of all seven districts of traditional residence and traditional economic activities in Sakhalin Oblast – have been included in the Sustainable Development Council. The SIM councils facilitate interaction between municipal administrations and SIM representatives, their public associations and organisations, oversee issues related to the rights and interests of SIM, and possess information on the allocation of government support funds at the local level.

Functions related to the review and management of strategic and partnership-based development projects aimed at consolidating the resources of government authorities, business, and SIM associations have been transferred to the SIMDP Governing Board.

1.2 OBJECTIVES OF SIMDP 5

SIMDP 5 is designed to achieve the following objectives:

- 1/ **Develop a strategic partnership model as a key mechanism for consolidating resources and competencies of all stakeholders in the interests of sustainable SIM development.** Enhance the effectiveness of interaction among all stakeholders to ensure synergy and achieve qualitatively new outcomes.
- 2/ **Create conditions for sustainable SIM development.** Implement a set of measures aimed at strengthening the socio-economic capacity of Indigenous Minorities’ communities through the introduction of socially significant, strategic, and partnership-based development projects.
- 3/ **Create conditions for effective risk management in areas affecting the livelihoods of Sakhalin Indigenous Minorities.** Identify and assess concerns, risks, and problem areas, ensure timely coordination among stakeholders, and develop corrective and other actions, depending on the area of responsibility.

1.3 SCOPE OF THE SIMDP

All representatives of the four main officially recognised ethnic groups of Sakhalin Indigenous Minorities – the Nivkhs, Nanai, Uilta (Oroks) and Evenks – as well as representatives of other groups of Indigenous Minorities residing in Sakhalin Oblast fall within the scope of SIMDP 5 (Table 1).

Table 1. Population of Sakhalin Indigenous Minorities Living in Sakhalin Oblast as of 1 August 2025⁹

Place of Traditional Residence	Total Number of SIM (Persons)	Nivkhs	Uilta Oroks	Evenks	Nanai
TOTAL	4,294	3,252	484	329	229
Okha Municipal Okrug	1,547	1,433	23	83	8
Nogliki Municipal Okrug	1,115	870	136	104	5
Tymovskoye Municipal Okrug	314	279	13	13	9
Aleksandrovsk-Sakhalinsky Municipal Okrug	111	66	0	43	2
Smirnykh Municipal Okrug	52	11	3	6	32
Poronaysk Municipal Okrug	731	294	271	50	116
City of Yuzhno-Sakhalinsk Urban Okrug	424	285	38	30	57

The list of areas of traditional residence and traditional economic activities of SIM, including those in Sakhalin Oblast, was approved by Resolution No. 631-r of the Government of the Russian Federation dated 8 May 2009. It includes seven municipalities of the island region:

1. Okha Municipal Okrug,
2. Nogliki Municipal Okrug,
3. Tymovskoye Municipal Okrug,
4. Aleksandrovsk-Sakhalinsky Municipal Okrug,
5. Smirnykh Municipal Okrug (Buyukly village),
6. Poronaysk Municipal Okrug,
7. City of Yuzhno-Sakhalinsk Urban Okrug.

The main types of traditional economic activities of SIM include fishing, marine mammal hunting, reindeer herding, foraging, and folk arts and crafts.

1.4 STAKEHOLDER PARTICIPATION IN THE DEVELOPMENT OF SIMDP 5

In late 2024, the Plan partners established a working group to develop SIMDP 5. In January 2025, the Working Group was formed based on the principle of equal partnership and comprised ten members:

⁹ Data provided by the Government of Sakhalin Oblast.

- Members of the Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities – 2 persons,
- Representatives of Sakhalin Energy LLC – 2 persons,
- Representatives of the Government of Sakhalin Oblast – 2 persons,
- Commissioner for the Rights of Indigenous Minorities in Sakhalin Oblast,
- Representative of the Russian Association of Indigenous Peoples of the North,
- Representative of the State Duma of the Russian Federation (State Duma Committee on Nationalities),
- Representative of the Sakhalin Oblast Duma.

The Working Group has the following goals:

- Jointly prepare and conduct broad and open consultations with representatives of SIM and other stakeholders,
- Collect and analyse opinions on the SIMDP 4 implementation and recommendations for shaping SIMDP 5, as well as identify concerns related to the implementation of the Sakhalin-2 project,
- Develop proposals for drafting SIMDP 5.

The Working Group determined that the process of obtaining free, prior, and informed consent (FPIC) should include broad and open consultations, including two rounds of public meetings in all districts of traditional residence and traditional economic activities of the island region, public opinion research on the implementation of SIMDP 4 and preparation of SIMDP 5, and other activities.

1.4.1 PRINCIPLES AND PROCESS OF CONSULTATIONS WITH REPRESENTATIVES OF SAKHALIN INDIGENOUS MINORITIES

The Plan partners confirmed their commitment to the principle of free, prior, and informed consent, which was consistently applied during the development of SIMDP 5.

For the first time, an innovative pilot initiative to obtain free, prior, and informed consent from SIM in relation to SIMDP 2 was conducted in November 2010. It became the first private sector project to achieve FPIC. For SIMDP 3, as well as for subsequent plans, a voluntary commitment was adopted to apply FPIC (see Section 2.1.4).

FPIC is a continuous process aimed at ensuring respect for the rights of Indigenous Peoples, their self-determination, and participation in decision-making.

Free consent. Absence of coercion. The decision must be made without any pressure, manipulation, intimidation, or coercion.

Prior consent. Consent must be obtained prior to the commencement of any activity or project implementation. Indigenous Peoples must have sufficient time to hold internal discussions and consultations and to reach a decision. This aspect includes time to review all information provided.

Informed consent. Information about the project must be provided in a clear, accessible, and comprehensive manner, including the nature, scope, and duration of the project, all potential risks, anticipated benefits, and their distribution, as well as monitoring plans and mitigation measures. Indigenous Peoples must have a clear understanding of all implications of project implementation in order to make a well-founded decision.

To implement the principle of FPIC during preparation of SIMDP 5, the following activities were organised:

- Distribution of information on the progress of SIMDP 5 preparation in hard-copy and electronic formats, and publication of documents on the SIMDP website,

- Two rounds of public consultations involving SIM and other stakeholders in all areas where SIM traditionally live and perform traditional economic activities, aimed at collecting proposals for the preparation process and the draft Plan, discussing the draft Plan concept, and other matters,
- Surveys,
- Individual consultations,
- Distribution of the draft SIMDP 5 in all areas where SIM traditionally live and perform traditional economic activities for review and comment by indigenous communities and other stakeholders,
- Distribution of the Regulations on the procedure for preparing the SIM conference regarding the launch of SIMDP 5 for review and comment by indigenous communities,
- Consideration of issues related to SIMDP 5 preparation, including preparation of a special SIM conference, at a meeting of the Council of Authorised Representatives of Sakhalin Indigenous Minorities under the Government of Sakhalin Oblast,
- Holding a special SIM conference to discuss the draft Plan and obtain consent for its implementation and the signing of the tripartite agreement.

PUBLIC CONSULTATIONS

To ensure informed participation and take into account the opinions of SIM in the development of SIMDP 5, two rounds of extensive and open consultations were conducted in the format of public meetings, accompanied by an information campaign aimed at engaging more people and all stakeholders in all areas where SIM traditionally live and perform traditional economic activities. The consultations were held in 11 settlements of Sakhalin Oblast and were attended by more than 340 people.

The first round took place in February 2025 and focused on collecting opinions and proposals, identifying priorities for the development of focus areas / programmes and the Plan's governance structure, and other matters. Consultations were conducted with residents, representatives of public organisations, family-based enterprises and communities, and local authorities in 11 localities across all seven areas where SIM traditionally live and perform traditional economic activities: Okha, Nekrasovka village, Nogliki urban-type settlement, Val village, Tymovskoye urban-type settlement, Chir-Unvd village, Aleksandrovsk-Sakhalinsky, Viyakhtu village, Poronaysk, Smirnykh urban-type settlement, and Yuzhno-Sakhalinsk. A total of 165 people participated in 12 meetings (Table 2).

Table 2. Number of Participants in the First Round of Consultations as Part of the Development of SIMDP 5

No.	Locality	Date	Number of Participants, People				Total for Municipal Okrug	
			Administration	Community	Total			
1.	Poronaysk	10 February 2025	2	8	10	Poronaysk	10	
2.	Smirnykh	11 February 2025	1	4	5	Smirnykh	5	
3.	Aleksandrovsk-Sakhalinsky	12 February 2025	2	9	11	Aleksandrovsk-Sakhalinsky	17	
4.	Viakhtu	13 February 2025	-	6	6			

No.	Locality	Date	Number of Participants, People				Total for Municipal Okrug	
			Administration	Community	Total			
5.	Tymovskoye	14 February 2025	1	4	5	Tymovskoye	22	
6.	Chir-Unvd	15 February 2025	1	16	17			
7.	Nogliki	16 February 2025	1	36	37	Nogliki	65	
8.	Val	17 February 2025	1	24	25			
9.	Nogliki	18 February 2025	3	-	3			
10.	Nekrasovka	20 February 2025	1	15	16	Okha	24	
11.	Okha	21 February 2025	1	7	8			
12.	Yuzhno-Sakhalinsk	26 February 2025	2	20	22	Yuzhno-Sakhalinsk	22	
	Total		19	146	165		165	

Following the public meetings, individual consultations and open office hours were held to provide detailed clarifications on issues related to the Plan.

Between 10 February and 31 July 2025, a questionnaire survey was conducted (see Appendices 7 and 8) to assess SIMDP 4 and to collect proposals and comments regarding SIMDP 5. Questionnaires were distributed to representatives of the Plan's coordinating bodies at the local level, public organisations, and local administrations, and were disseminated during public meetings, individual consultations, and open office hours. Respondents were given the opportunity to submit completed questionnaires in both hard-copy and electronic formats.

As part of the first round of consultations, proposals, and comments were received in the following areas:

- Content of the Plan's programmes (educational projects for students, preservation and development of national culture and languages, support for traditional economic activities, development and support of ethnic entrepreneurship, strategic long-term projects and focus areas),
- Organisational aspects (optimisation of the governance structure, strengthening accountability for reporting, improvement of implementation mechanisms through the involvement of resources of the SIMDP partners, and other matters).

The second round of consultations was held in October 2025 in areas where SIM traditionally live and perform traditional economic activities. Public meetings and consultations were conducted with residents, representatives of public organisations, family-based enterprises and communities, cultural and educational institutions, and local authorities in 11 localities where SIM traditionally live: Okha, Nekrasovka village, Nogliki urban-type settlement, Val village, Tymovskoye urban-type settlement, Chir-Unvd village, Aleksandrovska-Sakhalinsky, Viyakhtu village, Poronaysk, Smirnykh urban-type settlement, and Yuzhno-Sakhalinsk. A total of 180 people participated in 11 meetings (Table 3).

Table 3. Number of Participants in the Second Round of Consultations as Part of the Development of SIMDP 5

No.	Locality	Date	Number of Participants, People				
			Administration	Community	Total	Total for District	
1.	Poronaysk	15 October 2025	1	14	15	Poronaysk	15
2.	Smirnykh	16 October 2025	1	8	9	Smirnykh	9
3.	Aleksandrovs-Sakhalinsky	17 October 2025	3	6	9	Aleksandrovs-Sakhalinsky	18
4.	Viakhtu	18 October 2025	3	6	9		
5.	Tymovskoye	17 October 2025	5	3	8	Tymovskoye	18
6.	Chir-Unvd	19 October 2025	1	9	10		
7.	Nogliki	20 October 2025	2	42	44	Nogliki	65
8.	Val	21 October 2025	3	18	21		
9.	Okha	22 October 2025	2	12	14	Okha	41
10.	Nekrasovka	22 October 2025	4	23	27		
11.	Yuzhno-Sakhalinsk	24 October 2025	2	12	14	Yuzhno-Sakhalinsk	14
	Total		27	153	180		180

Stakeholders were presented with the results of the first round of consultations, the final assessment of SIMDP 4, the findings of public opinion research, and the Working Group’s proposals on the objectives and principles of SIMDP 5, development programmes, the Plan’s governance structure and composition of coordinating bodies, the risk assessment process and identified risks, consultation and information arrangements, monitoring and evaluation, as well as the grievance procedure related to implementation of the SIMDP. Overall, participants to the consultations supported the proposals of the SIMDP 5 Working Group.

During the meetings, the need to resume the microloan programme for SIM organisations, which had been implemented under SIMDP 2 and SIMDP 3, was highlighted. Members of the Working Group explained that, at present, there is no SIM organisation capable of implementing such activities. However, a range of federal and regional support measures are available to improve conditions for entrepreneurship and expand access of small and medium-sized enterprises to financial resources, including concessional financing. For example, the My Business Support Centre, which provides free services to entrepreneurs, carried out extensive work in this area under the Efficient and Competitive Economy national project. The Working Group identified Ethnic Entrepreneurship as one of the focus areas for partnership-based development projects involving the resources of the Sakhalin Oblast Ministry of Economic Development and other partners (see Section 4.3.3).

With regard to the grant competition, it was proposed to introduce a Youth Initiatives focus area, as well as to engage local experts and a regional operator of the grant competition to evaluate grant projects.

The indigenous community emphasised the importance of continuing public information activities and conducting workshops.

During preparation of the draft new Plan, individual consultations and the collection of opinions and suggestions from the public were conducted:

- During regular communications with members and the secretary of the SIMDP 4 Working Group / SIMDP 4 Coordinator,
- During public reception hours and open office hours of the Community Relations Specialist of Sakhalin Energy LLC,
- During meetings of SIMDP 4 coordinating bodies, in the form of discussions of proposals and making recommendations for the Working Group.

Information on the progress of SIMDP 5 preparation, in hard-copy and electronic formats, was distributed among stakeholders and participants of public meetings, sent to SIM organisations and municipal administrations, and published on the Programme website www.simdp.ru (see Appendix 6).

1.4.2 MAIN OUTCOMES OF THE CONSULTATIONS

Overall, the consultations and the public opinion survey demonstrated that indigenous people of all age groups consider it necessary to continue the grant competition under SIMDP 5 and to prioritise such focus areas as traditional knowledge, national culture and languages, educational projects, development of national sports, traditional economic activities, youth initiatives, capacity development of indigenous peoples, and environmental protection.

In addition, the importance of educational projects for students was confirmed, not as “education for the sake of education” but as a platform for personal development, creation of individual career plans, and implementation of personal projects.

Many participants highlighted the need to support strategic and partnership-based projects enabling SIM representatives to participate in events at regional, federal, and international levels, to develop entrepreneurial activities, and to support training initiatives.

1.4.3 FORMAL CONSENT

The Working Group presented the draft SIMDP 5 for public review and open discussion to SIM representatives and all stakeholders in all areas where SIM traditionally live.

On 28 October 2025, the draft document was published on the SIMDP website and distributed in areas where SIM traditionally live and perform traditional economic activities for their review and comment.

On 14 October 2025, a meeting was held of the Council of Authorised Representatives of Sakhalin Indigenous Minorities under the Government of Sakhalin Oblast in Yuzhno-Sakhalinsk to consider the status of SIMDP 5 preparation, including preparation of a special SIM conference.

On 23 September 2025, the Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities circulated the draft Regulations on the procedure for preparing the SIM conference for the launch of SIMDP 5 for 2026–2030 to all areas where SIM traditionally live and perform traditional economic activities. The Regional Council updated the document taking into account comments received, and it was then sent to municipalities. The next stage, in accordance with the updated Regulations, involved holding local meetings of SIM representatives to elect delegates to the special conference based on the FPIC principle.

On 12 November 2025, a special conference organised by the Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities¹⁰ was held in Yuzhno-Sakhalinsk to discuss the draft Plan and obtain consent for its implementation and the signing of the tripartite agreement. The conference was attended by 70 delegates – SIM representatives elected at meetings organised¹¹ in all areas where SIM traditionally live and delegated to the event – as well as representatives of the Plan partners and invited participants, including elders and representatives of government authorities and public organisations.

At the conference, 70 voting SIM representatives unanimously supported approval of SIMDP 5 and conclusion of the tripartite partnership agreement. This resulted in the signing of the Statement of Consent for the Implementation of SIMDP 5 (see Appendix 2) and the tripartite agreement between the Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities, Sakhalin Energy LLC, and the Government of Sakhalin Oblast (see Appendix 1).

1.5 SIMDP 5 PRINCIPLES AND APPROACHES

SIMDP 5 retains the fundamental principles and approaches established in the previous Plans (see Figure 1):

- Equal partnership (see Section 4.2),
- Application of national and international standards (see Section 2.1.2),
- Clear governance structure and system (see Section 4.4),
- Transparency and openness (see Section 5),
- Accountability and systematic oversight (see Section 6).

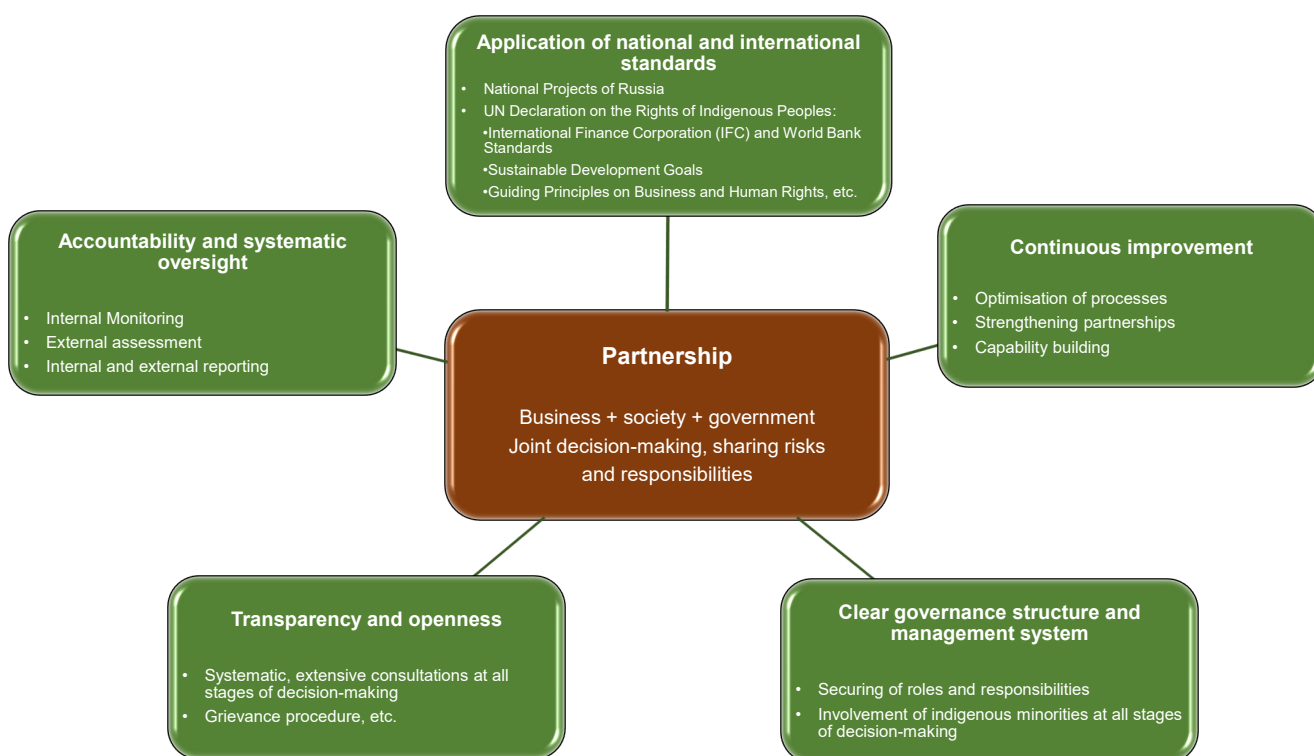


Figure 1. SIMDP 5 principles and approaches

10 The conference was supported by Sakhalin Energy LLC, the Government of Sakhalin Oblast, municipal administrations of areas where SIM traditionally live and perform economic activities, and councils of authorised representatives of Sakhalin Indigenous Minorities under municipal administrations.

11 Members of the Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities, representatives of district-level public organisations, and municipal administrations in the areas where SIM traditionally live and perform economic activities, were responsible for holding district meetings preparing for the conference.

Partnership forms the basis for the preparation and implementation of the SIMDP, ensuring continuous development of the Programme through:

- Consolidation of resources and competencies to finance and comprehensively address development challenges faced by SIM,
- Alignment of interests of government authorities, business and the SIM community in the planning and implementation of projects,
- Improved management efficiency through allocation of responsibilities and joint monitoring of results.

This approach is aimed at ensuring sustainability and scalability of programmes while maximising the effective use of partner resources.

2 BACKGROUND

2.1 LEGAL FRAMEWORK

2.1.1 LEGAL STATUS OF THE INDIGENOUS MINORITIES OF THE NORTH, SIBERIA, AND THE FAR EAST OF THE RUSSIAN FEDERATION¹²

The rights of Indigenous Minorities are enshrined in the Constitution of the Russian Federation (Articles 69 and 72).

The federal legislative framework includes three federal laws that apply exclusively to Indigenous Minorities:

- Federal Law No. 82-FZ of 30 April 1999 On Guarantees of the Rights of Indigenous Minorities of the Russian Federation,
- Federal Law No. 104-FZ of 20 July 2000 On General Principles of Organising communities of the Indigenous Peoples of the North, Siberia, and the Far East of the Russian Federation,
- Federal Law No. 49-FZ of 7 May 2001 On the Territories of Traditional Nature Use of the Indigenous Peoples of the North, Siberia, and the Far East of the Russian Federation.

To safeguard the rights of Indigenous Peoples, special provisions were incorporated into the Russian Tax Code, Forestry Code, Land Code, Water Code, federal laws, and other regulatory legal acts of the Government of the Russian Federation.

To create favourable conditions and ensure sustainable development of Sakhalin Indigenous Minorities, and to establish a system of priorities for public authorities in addressing socio-economic and cultural development issues, the Government of the Russian Federation adopted the Concept for the Sustainable Development of Indigenous Minorities of the North, Siberia and the Far East of the Russian Federation up to 2036, approved by Government Resolution No. 1161-r dated 8 May 2025.

Russian legislation on the Indigenous Minorities of the North aims to cover all aspects of the legal status of indigenous peoples and to apply the standards of international law. Federal legislation defines key concepts such as “Indigenous Minorities of the North”, “traditional way of life”, and “areas of traditional residence and traditional economic activities”, and provides mechanisms for state support, allocation of quotas and limits for harvesting biological resources, establishment of territories of traditional nature use, and other measures. Legal protection extends to environmental interests, traditional ways of life and economic activities of Indigenous Peoples, their customs, consideration of their economic interests, and compensation payments.

The status of Indigenous Minorities residing in Sakhalin Oblast is enshrined in the Charter of Sakhalin Oblast.

Sakhalin Oblast laws regulate relations in the fields of subsoil use, education, culture, healthcare, reindeer herding, hunting and fishing, state support for SIM languages, and national sports. Six specialised regional laws on the protection and support of Indigenous Minorities are in force, along with necessary amendments to ensure consideration of their interests within the legislative framework of Sakhalin Oblast for socio-economic development, including:

- Law No. 207-ZO of 12 September 2000 On the Preservation and Development of Folk Arts and Crafts of the Indigenous Minorities of the North Residing in Sakhalin Oblast,
- Law No. 72-ZO of 4 July 2006 On Legal Guarantees for the Protection of the Ancestral Habitat, Traditional Way of Life, Economic Activities and Trades of Sakhalin Indigenous Minorities,
- Law No. 91-ZO of 16 November 2007 On the Languages of the Indigenous Minorities of the North Residing in Sakhalin Oblast,

¹² Information provided by the Sakhalin Oblast Duma.

- Law No. 17-ZO of 1 April 2008 On Forest Use in Sakhalin Oblast,
- Law No. 98-ZO of 8 October 2008 On Vesting Local Self-Government Bodies with State Powers of Sakhalin Oblast to Provide Meals and Milk to Students in Educational Institutions,
- Law No. 112-ZO of 6 December 2010 On Social Support for Families with Children in Sakhalin Oblast,
- Law No. 93-ZO of 12 October 2012 On the Patent System of Taxation in Sakhalin Oblast,
- Law No. 18-ZO of 1 April 2013 On Physical Culture and Sport in Sakhalin Oblast,
- Law No. 125-ZO of 23 December 2013 On Establishing Additional Types of Activities Carried Out by Non-Profit Organisations for Recognition as Socially Oriented,
- Law No. 9-ZO of 18 March 2013 On Education in Sakhalin Oblast,
- Law No. 31-ZO of 15 May 2015 On Vesting Local Self-Government Bodies with State Powers of Sakhalin Oblast in the Protection of Ancestral Habitat, Traditional Way of Life, Economic Activities, and Trades of Indigenous Minorities of the North Residing in Sakhalin Oblast,
- Law No. 34-ZO of 13 May 2020 On State Support for Domestic Reindeer Herding in Sakhalin Oblast,
- Law No. 72-ZO of 17 September 2021 On Regulation of Certain Issues in the Sphere of Youth Policy in Sakhalin Oblast,
- Law No. 72-ZO of 20 July 2023 On the Commissioner for the Rights of Indigenous Minorities in Sakhalin Oblast.

2.1.2 SIMDP 5 COMPLIANCE WITH NATIONAL AND INTERNATIONAL STANDARDS AND INITIATIVES

SIMDP 5 has been developed based on ESG principles and relevant national and international standards and best practices applicable to an industrial project's Indigenous Minorities Development Plan. In a number of key areas, the document not only meets but exceeds existing requirements.

The development of the new Plan drew upon comprehensive materials on the rights of Indigenous Minorities, including the study "Interaction between Business and Indigenous Minorities of Russia in Terms of Respecting Human Rights and Achieving Sustainable Development", prepared with the participation of RAIPON.

Sakhalin Energy LLC has voluntarily undertaken commitments to comply with advanced standards for plan development and continues to adhere to them. Each successive Plan complies with the legislation of the Russian Federation and applicable international standards and initiatives.

2.1.3 NATIONAL STANDARDS / INITIATIVES

Activities and projects under SIMDP 5 align with new strategic guidelines and priorities established at the national level.

NATIONAL PROJECTS OF RUSSIA

In Russia, national projects occupy a central position in the federal agenda and serve as one of the key instruments for achieving national development goals approved by the President of the Russian Federation and for implementing the socio-economic development programme up to 2030. The key to their successful implementation is the synergy of the state, business, and society. Activities and projects of the SIMDP contribute to achieving the goals and objectives of national projects.

In particular, the Family and the Youth and Children national projects aim to strengthen Russian civic identity based on the spiritual, moral, and cultural values of the peoples of Russia. In line with these objectives, SIMDP 5 provides grant support in such areas as national culture, sports, native languages, traditional knowledge, capacity development of SIM, and traditional economic activities. Engagement with national culture, as well as preservation and promotion of the traditional values of the Indigenous Minorities of the northern island region, can be achieved by stimulating interest in their historical heritage. This includes support for traditional folk arts and crafts, the engagement of the representatives of SIM representatives and non-profit organisations in regional, national, and international creative projects, cultural and educational programmes, and publication of printed materials. As part of the capacity building of SIM representatives, it is planned to actively engage them in managing their activities, strengthening their cultural and ethnic identity by organising and participating in various workshops and activities on topical issues. Support for environmental initiatives within the SIMDP 5 grant competition, including environmental protection, biodiversity conservation, and environmental education activities, aligns with the goals and objectives of the Environmental Wellbeing national project.

Particular attention within national projects is given to the development of the scientific and educational sectors. The Education national project, which has been in operation since 2018, has been transformed into the national projects Youth and Children and Skills and Workforce, while retaining its core focus on providing young people with a wide range of high-quality educational programmes, scholarships, grants, and other opportunities for self-realisation.

SIMDP 5 offers opportunities for vocational training, sets up conditions for personal development and career advancement, and enables young people to participate in competitions and conferences. One of the priority areas of SIMDP 5 is Human Capital Development, which is aimed at supporting the training of qualified specialists from among SIM and motivating students pursuing higher, secondary, or vocational (professional) education to improve their academic performance. Taking into account regional priorities for achieving national development goals, the programme provides for career guidance, support for the realisation of individual capabilities in addressing socio-economic challenges within Sakhalin Oblast, grant support for projects aimed at developing the potential of young professionals, and support for youth participation in national, interregional, and international competitions.

The key objectives of the national projects Tourism and Hospitality and An Efficient and Competitive Economy include strengthening the role of the tourism sector, enhancing competitiveness in entrepreneurship, and supporting small and medium-sized enterprises. The objectives and targets of the national agenda are reflected in the focus areas of SIMDP 5, which provides for the implementation of partnership initiatives such as Ethnic Entrepreneurship and Ethnic Geo-Brand. Support provided under the SIMDP 5 grant competition for national sports, the organisation of sporting events involving representatives of SIM from both older and younger generations, the provision of necessary sports equipment for training and competitions, and other related measures contribute to the achievement of the national development goal of the Russian Federation up to 2030 – Preservation of the Population, Health and Wellbeing of People, as established by Presidential Decree No. 474 of 21 July 2020 On the National Development Goals of the Russian Federation up to 2030.

CONCEPT OF SUSTAINABLE DEVELOPMENT OF INDIGENOUS MINORITIES OF THE NORTH, SIBERIA, AND THE FAR EAST OF THE RUSSIAN FEDERATION UP TO 2036 (approved by Resolution of the Government of the Russian Federation No. 1161-r of 8 May 2025)

SIMDP 5 comprehensively covers the key areas of the updated Concept of Sustainable Development – from improving the quality of life and providing economic support to preserving cultural heritage and ensuring the participation of SIM in decision-making – and serves as an effective instrument for their practical implementation at the regional level, including:

- Sustainable economic development and development of traditional economic activities. Creating conditions for sustainable economic development, supporting and developing traditional livelihoods (reindeer herding, fishing, hunting, foraging), promoting small and medium-sized enterprises among SIM, and ensuring access to the resource base,
- Development of human potential and the social sphere, and improvement of quality of life,
- Preservation and development of cultural heritage, languages, and traditional ways of life. Implementation of measures aimed at preserving, developing, and promoting cultural heritage, languages, and national sports. Support for national cultural centres, organisation of festivals, and publication of literature in native languages,
- Improvement of the legal and governance framework. Ensuring the participation of SIM representatives in decision-making processes affecting their rights and interests, development of public oversight mechanisms, and protection of their traditional habitats.

FEDERAL LAW NO. 330-FZ OF 8 AUGUST 2024 ON THE DEVELOPMENT OF CREATIVE INDUSTRIES IN THE RUSSIAN FEDERATION

The activities envisaged under SIMDP 5 and aimed at developing creative initiatives in the fields of literature, historical and artistic creativity, applied arts, and other areas also create prerequisites for the emergence of creative industries, as well as conditions for self-realisation and increased employment in this sector. Many of these mechanisms are defined in Federal Law No. 330-FZ of 8 August 2024 On the Development of Creative Industries in the Russian Federation. The Plan includes measures that facilitate the implementation of this law, including:

- Support for the creative potential of SIM, in particular, in decorative and applied arts (grants and subsidies to craftspeople and communities for the purchase of materials and tools and for the establishment of workshops, organisation of fairs, festivals, and exhibitions for the presentation and sale of products as part of strategic and partnership development projects),
- Development of ethnotourism and the creation and promotion of brands (partnership development projects and grant competitions),
- Preservation and promotion of intangible cultural heritage (grant competitions and partnership and strategic development projects).

2.1.4 INTERNATIONAL STANDARDS / INITIATIVES

For the First Plan (whose development began in 2005), the Company made a public commitment to comply with World Bank Operational Directive 4.20 and the policy of the European Bank for Reconstruction and Development (EBRD) on Indigenous Peoples. In addition, the company, the Government of Sakhalin Oblast and RCAR SIM SO agreed to ensure compliance with the then leading standard – World Bank Operational Policy 4.10.

By the time SIMDP 2 was developed, the United Nations Declaration on the Rights of Indigenous Peoples, adopted in 2007, had been published. Although this international document was highly praised by Indigenous Peoples representatives and organisations, it was advisory in nature. Nevertheless, SIMDP 2 took inspiration from its many articles, including the section on the right of Indigenous Peoples to give their free, prior, and informed consent (FPIC). The Plan partners embarked on a ground-breaking experiment to seek such consent from SIM for SIMDP 2, and in November 2010 it became the first private sector project to achieve FPIC.

For SIMDP 3, as well as for subsequent plans, a voluntary commitment was undertaken to apply FPIC. The FPIC process was implemented by the three partners in accordance with this key principle and in compliance with the International Finance Corporation (IFC) Performance

Standards (adopted in 2006 and updated in 2012, in particular, with due regard to the FPIC principle set out in the United Nations Declaration on the Rights of Indigenous Peoples), as well as the UN Guiding Principles on Business and Human Rights (adopted in 2011).

To define the approaches underlying SIMDP 5, the following international standards were identified as key reference frameworks:

- UN Declaration on the Rights of Indigenous Peoples,
- International Finance Corporation Performance Standards,
- UN Guiding Principles on Business and Human Rights,
- ISO/GOST 26000 Social Responsibility,
- GRI Standards (Global Reporting Initiative for sustainability reporting).

Table 4 presents the compliance of SIMDP 5 with the key provisions of these standards.

Table 4. SIMDP 5 Compliance with International Standards

Regulations	Requirements	SIMDP 5 Compliance
Impact assessment	<p>Conduct an impact assessment prior to the implementation of project activities.</p> <p>Develop impact management measures, including actions to avoid, minimise, mitigate, or compensate for identified adverse project impacts (social, environmental, cultural, etc.)</p>	<p>Prior to the implementation of the Sakhalin-2 project, a comprehensive impact assessment was carried out, including impacts on Indigenous Peoples, in accordance with Russian legislation and international standards. During the construction phase, the assessment was refined, including through regular monitoring of impacts and the effectiveness of impact management measures. SIMDP 5 provides for the systematic identification of concerns, risks, and issues (see Section 3).</p> <p>The company will continue to fulfil its commitments to identify concerns related to the implementation of the Sakhalin-2 project and to agree controls to prevent and/or minimise any potential adverse impacts</p>
Indigenous Minorities Development Plan	<p>Develop a plan to deliver social and economic development benefits in consultation with Indigenous Peoples</p>	<p>SIMDP 5 delivers economic, social, and cultural benefits. The Plan is designed and implemented with active SIM involvement</p>

Regulations	Requirements	SIMDP 5 Compliance
Objectives of the Indigenous Minorities Development Plan	The Plan is not a charitable programme and must be aimed at: Respecting the culture and rights of Indigenous Peoples, Preventing adverse project impacts, Promoting sustainable development and improving the quality of life of affected communities, Engaging Indigenous communities in informed consultation and participation	The objectives of SIMDP 5 encompass all relevant provisions of international standards. Particular emphasis is placed on capacity building and strengthening partnerships
Consultations	Hold ongoing, meaningful consultations with affected communities. The consultation process must be: <ul style="list-style-type: none"> - Ongoing. Commencing at an early stage of project preparation and continuing throughout all stages of the project, - Informative. With all information provided in a clear language and in culturally appropriate forms, - Meaningful. Aimed at achieving mutual understanding, taking community views into account and incorporating their proposals into the Plan, - Free from coercion and manipulation. Involve representative Indigenous bodies and Indigenous representatives in benefits planning. Respect the cultural approaches of Indigenous Peoples to consultation. Respond to community concerns	Annual visits are conducted to all districts covered by the Plan (not only those directly affected by the project), alongside internal and external oversight of the Plan and a final evaluation of its implementation. Information is communicated not only during public meetings but also through individual consultations. The Indigenous Peoples' representative body is a partner in the Plan's implementation and management. The Sustainable Development Council consists exclusively of SIM representatives, while SIM representatives form the majority on the Governing Board. The Plan is subject to internal and external monitoring
Information disclosure	The SIMDP (or its draft) must be publicly disclosed at the project preparation stage, prior to its final approval. Documents must be available in languages and formats understandable to affected communities.	

Regulations	Requirements	SIMDP 5 Compliance
	<p>Project-related plans and programmes (both draft and final versions) were issued in a timely manner, taking into account the cultural characteristics of Indigenous communities.</p> <p>Project information was provided to local communities throughout the project life cycle</p>	<p>The draft Plan was published on the Plan's website and distributed in areas where SIM traditionally live and perform traditional economic activities for their consideration.</p> <p>A dedicated conference was organised to discuss the draft Plan and obtain consent for its implementation and the signing of a tripartite agreement.</p> <p>Governance bodies are mandated to provide information in a timely manner.</p> <p>All reports of independent observers and Plan evaluation reports are published on the programme's website.</p> <p>The Plan website provides all necessary grievance submission forms; full information on the Plan is disclosed during public meetings and consultations.</p> <p>The grievance mechanism is developed with the participation of Indigenous Peoples</p>
Free, Prior, and Informed Consent (FPIC)	FPIC for projects utilising the lands and resources of Indigenous Peoples	The FPIC of Indigenous communities has been obtained for SIMDP implementation
Benefit sharing	<p>Benefit-sharing measures are available for project-affected communities only.</p> <p>Benefits should be aimed at improving living standards and enhancing economic wellbeing.</p> <p>The Plan must describe fair and transparent benefit-sharing mechanisms</p>	<p>Social and economic development programmes are included.</p> <p>All SIM communities are included. Maximum coverage of SIM communities not directly affected by the project is ensured.</p> <p>Competitive procedures clearly define the mechanisms for the allocation of funds.</p> <p>The Indigenous Peoples' representative body is a partner in the Plan's implementation and management.</p> <p>The Sustainable Development Council consists exclusively of SIM representatives, while SIM representatives form the majority on the Governing Board</p>

Regulations	Requirements	SIMDP 5 Compliance
Grievance mechanism	<p>The culturally appropriate grievance mechanism should provide for the fair, transparent, and timely redress of grievances</p> <p>The mechanism must be known to the community and must not replace or substitute state judicial procedures.</p> <p>The mechanism applies the effectiveness criteria for non-judicial grievance mechanisms, including legitimacy, accessibility, predictability, equity, transparency, compatibility with human rights standards, a source of continuous learning, engagement, and dialogue</p>	<p>The grievance procedure takes into account local conditions.</p> <p>The grievance procedure ensures that grievances are resolved fairly, transparently, and in a timely manner.</p> <p>The grievance procedure is developed with the participation of Indigenous Peoples.</p> <p>The grievance procedure is publicly available on the programme website and is distributed among the population during public meetings in all areas where SIM traditionally live</p>

UN SUSTAINABLE DEVELOPMENT GOALS

The formation of the global sustainable development agenda was the result of extensive consultations involving all stakeholders, including Indigenous Peoples. As a result, the agenda includes several provisions directly referring to issues affecting Indigenous Peoples (explicit mention of Indigenous Peoples). For example, Target 2.3 (SDG 2) and Target 4.5 (SDG 4), follow-up and monitoring provisions that involve Indigenous Peoples, etc.

Apart from the explicit references, the achievement of most of the other SDGs implies addressing many of the relevant concerns of Indigenous Peoples due to the overarching nature of the SDGs and their key principle – respect for and promotion of human rights.

Thus, the SDGs provide a legal and political framework for protecting the interests of Indigenous Peoples at the global level; however, their effective implementation requires the active participation of Indigenous communities themselves and due consideration of their views at all stages.

In light of the above, and based on the commitment of the Plan partners to apply leading standards and initiatives in addressing issues affecting Indigenous Peoples, the working group, during the preparation of SIMDP 5, integrated the SDG agenda into consultations and conducted an SDG-focused survey (see Appendix 8) in order to further consolidate efforts in this area. Table 5 shows SIMDP 5 measures that focus on specific SDGs and their targets.

Table 5. SDG-Related Measures under SIMDP 5

SDG Targets	SIMDP 5 Measures
<i>SDG 1. End poverty in all its forms everywhere</i>	
1.1 By 2030, eradicate extreme poverty for all people everywhere	Projects and activities in the areas of traditional economic activities, ethnic entrepreneurship and the ethnic geo-brand, including ethnotourism

SDG Targets	SIMDP 5 Measures
<p>1.5 By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters</p>	<p>Projects and activities in the areas of traditional economic activities, ethnic entrepreneurship and the ethnic geo-brand, including ethnotourism, environmental protection, and biodiversity conservation.</p> <p>Fulfilment of the company's commitments to identify concerns related to the implementation of the Sakhalin-2 project and to agree controls to prevent and/or minimise any potential adverse impacts.</p> <p>Providing information on the company's expansion projects (including relevant impact assessments) planned in areas where SIM traditionally live and perform traditional economic activities, and invitations to participate in related consultations.</p> <p>Engagement of Plan partners and SIM representatives in the preparation of the company's public reporting (non-financial ESG reports), including disclosure of information on environmental impacts.</p> <p>Consolidation of partners' efforts, supported by systematic regional support measures, including the implementation of partnership and strategic development projects</p>
<p><i>SDG 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture</i></p>	
<p>2.1 By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round</p>	<p>Grant-based, strategic and partnership development projects and activities, including traditional economic activities, ethnic entrepreneurship, the ethnic geo-brand, ethnotourism, and capacity building</p>
<p>2.3 By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists, and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets, and opportunities for value addition and non-farm employment</p>	<p>Grant-based, strategic and partnership development projects and activities, including traditional economic activities, ethnic entrepreneurship, the ethnic geo-brand, ethnotourism, and capacity building.</p>

SDG Targets	SIMDP 5 Measures
<p>2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding, and other disasters and that progressively improve land and soil quality</p>	<p>Grant-based, strategic and partnership development projects and activities, including traditional economic activities, ethnic entrepreneurship, the ethnic geo-brand, ethnotourism and capacity building.</p> <p>The Company's commitments to identify concerns related to the implementation of the Sakhalin-2 project and to agree controls to prevent and/or minimise any potential adverse impacts.</p> <p>Providing information on the company's expansion projects (including relevant impact assessments) planned in areas where SIM traditionally live and perform traditional economic activities, and invitations to participate in related consultations</p>
<p><i>SDG 3. Ensure healthy lives and promote well-being for all at all ages</i></p>	
<p>3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</p>	<p>The Company's commitments to identify concerns related to the implementation of the Sakhalin-2 project and to agree controls to prevent and/or minimise any potential adverse impacts.</p> <p>Providing information on the company's expansion projects (including relevant impact assessments) planned in areas where SIM traditionally live and perform traditional economic activities, and invitations to participate in related consultations.</p> <p>Consolidation of partners' efforts, supported by systematic regional support measures, including the implementation of partnership and strategic development projects</p>
<p><i>SDG 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</i></p>	
<p>4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university</p>	<p>Projects and activities in the areas of capacity building of Sakhalin Indigenous Minorities and human capital development</p>
<p>4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship</p>	<p>Projects and activities in the areas of capacity building of Sakhalin Indigenous Minorities and human capital development.</p> <p>Capacity building of SIM through partnership and strategic projects (organisation of seminars for SIM representatives on relevant topics, career guidance, participation in educational activities)</p>

SDG Targets	SIMDP 5 Measures
<p>4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations</p>	<p>Capacity building of SIM through partnership and strategic projects (organisation of seminars for SIM representatives on relevant topics, career guidance, participation in educational activities)</p>
<p>4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development</p>	<p>Projects and activities in the areas of capacity building of Sakhalin Indigenous Minorities and human capital development. Capacity building of SIM through partnership and strategic projects (organisation of seminars for SIM representatives on relevant topics, career guidance, participation in educational activities)</p>
<p>4.B By 2030, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries</p>	<p>Projects and activities in the areas of capacity building of Sakhalin Indigenous Minorities and human capital development. Capacity building of SIM through partnership and strategic projects (organisation of seminars for SIM representatives on relevant topics, career guidance, participation in educational activities)</p>
<p><i>SDG 5. Achieve gender equality and empower all women and girls</i></p>	
<p>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p>	<p>Capacity building of SIM through partnership and strategic projects (organisation of seminars for SIM representatives on relevant topics, career guidance, participation in educational activities). Equal opportunities to participate in competitive programmes (except where there is a risk of conflict of interest and other unfair practices). Women from SIM communities are provided with opportunities for professional education, personal development, and career advancement, as well as participation in training events, competitions, and conferences. Women from SIM communities are represented in the Plan's coordinating bodies and are responsible for decision-making on grant-based, partnership, and strategic projects under the Plan</p>

SDG Targets	SIMDP 5 Measures
<i>SDG 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</i>	
8.6 By 2030, substantially reduce the proportion of youth not in employment, education or training	Projects and activities in the areas of capacity building of Sakhalin Indigenous Minorities and human capital development. Capacity building of SIM through partnership and strategic projects (organisation of seminars for SIM representatives on relevant topics, career guidance, participation in educational activities, implementation of projects under the Youth Initiatives focus area)
<i>SDG 10. Reduce inequality within and among countries</i>	
10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	The active participation of SIM has been a decisive factor in the successful implementation of all Development Plans. This positive result was achieved by the ongoing capacity building efforts during the implementation of the Plans, which focused on training SIM representatives to sit in the governing bodies of the Plans, from the first one onwards. Capacity building remains a priority of the Plan, with additional emphasis on sustainable development. Based on the accumulated management experience and in order to ensure a comprehensive approach to addressing the objectives set under SIMDP 5, a Sustainable Development Council composed exclusively of SIM representatives will operate under the Plan. The Council will serve as the primary body responsible for decision-making on the financing of grant-based projects. The SIMDP Governing Board is formed on the basis of equal partnership and includes SIM representatives, who will be responsible for decision-making on partnership and strategic projects under the Plan. Representatives of SIM communities are provided with opportunities for professional education, personal development, and career advancement, as well as participation in training events, competitions and conferences
10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	Equal opportunities to participate in competitive programmes (except where there is a risk of conflict of interest and other unfair practices). Development and implementation of the grievance procedure as part of the Plan
10.5 Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations	Reporting (including public) on the implementation of the grievance procedure. Internal and external monitoring of the programme, including the grievance procedure

SDG Targets	SIMDP 5 Measures
<i>SDG 11. Make cities and human settlements inclusive, safe, resilient and sustainable</i>	
11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage	Implementation of projects and activities in the areas of national culture and traditional knowledge, indigenous languages, national sports, environmental protection and biodiversity conservation, as well as strategic development projects
<i>SDG 12. Ensure sustainable consumption and production patterns</i>	
12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	Interaction in the report preparation process (inviting the Plan partners to participate in dialogues). The Company's commitments to identify concerns related to the implementation of the Sakhalin-2 project and to agree controls to prevent and/or minimise any potential adverse impacts. Providing information on the company's expansion projects (including relevant impact assessments) planned in areas where SIM traditionally live and perform traditional economic activities, and invitations to participate in related consultations. Regular updates and consultations
12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	Interaction in the report preparation process (inviting the Plan partners to participate in dialogues) The Company's commitments to identify concerns related to the implementation of the Sakhalin-2 project and to agree controls to prevent and/or minimise any potential adverse impacts. Providing information on the company's expansion projects (including relevant impact assessments) planned in areas where SIM traditionally live and perform traditional economic activities, and invitations to participate in related consultations. Consolidation of partners' efforts, supported by systematic regional support measures, including the implementation of partnership and strategic development projects. Regular updates and consultations
<i>SDG 13. Take urgent action to combat climate change and its impacts</i>	
13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	The Company's commitments to identify concerns related to the implementation of the Sakhalin-2 project and to agree controls to prevent and/or minimise any potential adverse impacts. Consolidation of partners' efforts, supported by systematic regional support measures, including the implementation of partnership and strategic development projects. Providing information on the company's expansion projects (including relevant impact assessments) planned in areas where SIM traditionally live and perform traditional economic activities, and invitations to participate in related consultations

SDG Targets	SIMDP 5 Measures
<i>SDG 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</i>	
16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all	<p>In addition to compliance with Russian legislation, application of national and international standards on business and human rights within the framework of the Plan, including the principle of Free, Prior, and Informed Consent.</p> <p>Development and implementation of the special grievance procedure as part of the Plan.</p> <p>Keeping stakeholders regularly informed about the grievance procedure.</p> <p>Reporting (including public) on the implementation of the grievance procedure.</p> <p>Internal and external monitoring of the programme, including the grievance procedure</p>
16.6 Develop effective, accountable and transparent institutions at all levels	<p>Approved, transparent, and accountable Plan governance system in place.</p> <p>Regular internal and external reporting on Plan implementation.</p> <p>Internal and external monitoring and final evaluation of the Plan's implementation</p>
16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels	<p>Application of the principle of free, prior, and informed consent.</p> <p>Provision of information on governance bodies, their decisions, and related matters.</p> <p>Regular consultations and updates</p>
16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements	<p>Development and implementation of a grievance procedure under the Plan.</p> <p>Keeping stakeholders regularly informed about the grievance procedure.</p> <p>Reporting (including public) on the implementation of the grievance procedure.</p> <p>Internal and external monitoring of the programme, including the grievance procedure.</p> <p>Regular updates and consultations.</p> <p>Capacity building (including legal matters)</p>
<i>SDG 17. Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development</i>	
17.3 Mobilise additional financial resources for developing countries from multiple sources	<p>Application of the principle of partnership while preparing and implementing the Plan</p>
17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries	<p>Application of the principle of partnership while preparing and implementing the Plan.</p> <p>Application of international standards, including the principle of free, prior, and informed consent.</p> <p>Dissemination of experience gained in the preparation and implementation of the Plan through participation in national and international events and publication of best practices</p>

SDG Targets	SIMDP 5 Measures
<p>17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships</p>	<p>Application of the principle of partnership while preparing and implementing the Plan. Application of international standards, including the principle of free, prior, and informed consent. Internal and external monitoring and final evaluation of the Plan’s implementation. Dissemination of experience gained in the preparation and implementation of the Plan through participation in national and international events and publication of best practices</p>

2.2 SOCIAL, ECONOMIC, AND POLITICAL CHARACTERISTICS OF SAKHALIN INDIGENOUS MINORITIES¹³

STATE POLICY WITH REGARD TO SAKHALIN INDIGENOUS MINORITIES

Sakhalin Oblast is the historical homeland of the Sakhalin Indigenous Minorities: the Nivkhs, the Uilta (Oroks), the Nanai, and the Evenks. According to the list of areas of traditional residence and traditional economic activities of Indigenous Minorities of the Russian Federation, approved by Resolution of the Government of the Russian Federation No. 631-r of 8 May 2009, these areas in Sakhalin Oblast include the following municipalities: Okha Municipal Okrug, Nogliki Municipal Okrug, Tymovskoye Municipal Okrug, Aleksandrovsk-Sakhalinsky Municipal Okrug, Smirnykh Municipal Okrug (Buyukly settlement), Poronaysk Municipal Okrug, and the City of Yuzhno-Sakhalinsk Urban Okrug.

According to the data provided by the municipal administrations of Sakhalin Oblast, 4,294 representatives of Indigenous Minorities of the North reside in areas of traditional residence and traditional economic activities of Sakhalin Indigenous Minorities (see Section 1.3).

The foundation of the Russian Federation’s policy with regard to Indigenous Minorities is the model of sustainable development of northern territories, which provides for a comprehensive approach to addressing socio-economic development challenges faced by Indigenous Minorities. Its key components include:

- Social (setting up the conditions for self-development and self-sufficiency of Indigenous Minorities),
- Economic (sustainable use of resources, development of regional infrastructure and involvement of Indigenous Minorities’ communities in large-scale projects),
- Environmental (protecting the environment, minimising the negative impact of industrial activities on areas in which Indigenous Minorities use natural resources, and preserving the region’s biodiversity).

The Government of Sakhalin Oblast carries out targeted activities to ensure the implementation within Sakhalin Oblast of a unified state policy on issues related to safeguarding the rights and interests of Sakhalin Indigenous Minorities (SIM).

The implementation of the unified state policy with regard to Indigenous Minorities is based on three specific federal laws referred to in Section 2.1.1.

In addition, certain provisions on safeguarding the rights of Indigenous Minorities are incorporated

¹³ The information as of 1 August 2025 was provided by the Sakhalin Indigenous Minorities Subdivision, Department of Public Communications of the Government of Sakhalin Oblast.

into the Tax Code of the Russian Federation, the Forest Code of the Russian Federation, the Land Code of the Russian Federation, the Water Code of the Russian Federation, sector-specific federal laws, and other regulatory legal acts of the Government of the Russian Federation.

The implementation of national policy with regard to SIM is carried out through a set of process-based measures for the Sustainable Development of Sakhalin Indigenous Minorities under the state programme of Sakhalin Oblast for Strengthening the Unity of the Russian Nation and Ethno-Cultural Development of the Peoples of Russia Residing in Sakhalin Oblast, approved by Decree No. 584 of the Government of Sakhalin Oblast of 21 November 2023.

The objectives of the set of process-based measures for the Sustainable Development of SIM include:

- Develop culture and national sports and enhance public engagement of SIM,
- Provide social assistance and state support for the economic and social development of SIM.

The implementation of the set of process-based measures for the Sustainable Development of SIM provides for:

- Organisation of socially significant, sports and ethno-cultural events involving representatives of Indigenous Peoples,
- Publication of a socio-political newspaper in the Nivkh and Russian languages and compilation of methodological and educational materials,
- Social support for low-income families and schoolchildren from Indigenous Minorities in socially vulnerable situations,
- Improvement of housing conditions for Indigenous Minorities,
- Provision of state support to representatives of Indigenous Peoples and clan communities in the form of subventions to municipal budgets for the sustainable development of Indigenous Minorities.

In accordance with Federal Law No. 82-FZ of 30 April 1999 On Guarantees of the Rights of Indigenous Minorities of the Russian Federation, the Council of Representatives of Indigenous Minorities operates under the Government of Sakhalin Oblast. The Council is an advisory body established to protect the rights and legitimate interests of Sakhalin Indigenous Minorities, their traditional habitat, traditional lifestyles, economic activities and crafts, and to ensure interaction between state authorities of Sakhalin Oblast, local self-government bodies, and public associations of Indigenous Peoples on matters of their sustainable development.

The main objectives of the Council under the Government of Sakhalin Oblast include:

- Develop proposals to protect the rights and legitimate interests of Indigenous Minorities, their native habitat, traditional lifestyle, economic activities and crafts, ensure the sustainable development of Indigenous Minorities by strengthening their social and economic potential while preserving their native habitat, traditional lifestyle, and cultural values,
- Discuss practices to enforce the state ethnic policy on indigenous minorities,
- Ensure cooperation between the authorities of Sakhalin Oblast, local self-government authorities of Sakhalin Oblast, and public associations on the sustainable development of Indigenous Minorities.

Councils of Authorised Representatives of Indigenous Minorities also operate under the municipal administrations located in areas of traditional residence and traditional economic activities of SIM. These Councils act as advisory, consultative, and recommendatory bodies on matters related to the financial allocation of budgetary and extra-budgetary funds within the framework of the implementation of municipal programmes.

To provide additional guarantees of state protection of the rights and legitimate interests of SIM, Law No. 72-ZO of 20 July 2023 On the Commissioner for the Rights of Indigenous Minorities in Sakhalin Oblast established the state position of the Commissioner for the Rights of Indigenous Minorities in Sakhalin Oblast (hereinafter referred to as the “Commissioner”). The main responsibilities of the Commissioner include:

- Ensuring the protection of the rights and legitimate interests of Indigenous Minorities,
- Preparing proposals to improve mechanisms for safeguarding the rights and legitimate interests of Indigenous Minorities,
- Preventing violations of the rights and legitimate interests of Indigenous Minorities and facilitating the restoration of violated rights and legitimate interests,
- Monitoring and analysing the effectiveness of mechanisms for the implementation, observance, and protection of the rights and legitimate interests of Indigenous Minorities by state authorities of Sakhalin Oblast and local self-government bodies,
- Participating, in accordance with the legislation of the Russian Federation, in the formulation and implementation of a unified state policy in the field of safeguarding and protecting the rights and legitimate interests of Indigenous Minorities, including participation in the activities of coordination or advisory bodies established for the implementation of such state policy.

Since almost every issue and every problem related to the protection of the rights and interests of Indigenous Minorities is of an inter-agency nature, the Sakhalin Oblast executive authorities also implement the state ethnic policy strategy in respect of Indigenous Minorities.

EMPLOYMENT

The Sakhalin Oblast Employment Agency implements measures to increase the employment rate of SIM under the Sakhalin Oblast Employment Promotion State Programme, approved by Decree No. 340 of the Government of Sakhalin Oblast of 30 June 2023.

A full range of state employment support services is available to SIM, including assistance in job hunting, career counselling, employment counselling, vocational training, and further vocational education, psychological support, and self-employment arrangements for unemployed citizens.

HEALTHCARE

Medical care for the population of Sakhalin Oblast, including SIM, is organised in accordance with Sakhalin Oblast’s state programme for the Development of Healthcare in Sakhalin Oblast, approved by Decree No. 345 of the Government of Sakhalin Oblast of 30 June 2023, within the framework of the annually approved Territorial Programme of State Guarantees.

Morbidity patterns among Indigenous Minorities generally mirror the morbidity structure of the overall population of Sakhalin Oblast.

Diseases of the respiratory system are most common, primarily due to acute upper respiratory tract conditions, diseases of the digestive system are second, and diseases of the circulatory system are third.

In Sakhalin Oblast, medical care for Indigenous Minorities is provided by units of central district hospitals and by medical organisations of the city of Yuzhno-Sakhalinsk.

In municipalities where these population groups reside, inter-municipal centres have been established and operate as part of structural transformations of the regional healthcare network to ensure accessible and high-quality medical care.

Five inter-municipal primary vascular departments operate in the region on a functional basis within healthcare institutions.

Five inter-municipal oncology centres operate in the region, located in the cities of Yuzhno-Sakhalinsk, Kholmsk, Okha, and Poronaysk, as well as in the urban-type settlement of Tymovskoye.

A regional consultative and diagnostic centre operates in Yuzhno-Sakhalinsk, which contains all clinical and diagnostic services required to comply with healthcare procedures and standards, including services for residents of remote areas of the region.

To carry out medical screening and preventive examinations of Sakhalin Indigenous Minorities, outreach-based service delivery models are widely used in the region, including mobile diagnostic units and mobile digital fluorography facilities.

In medical organisation in municipalities where SIM reside, 17 mobile teams have been set up to carry out preventive examinations and screening in remote villages, using mobile diagnostic systems and mobile fluorographs and mammographs.

There are five mobile dental units for residents of remote settlements in the Okha, Alexandrovsk-Sakhalinsky, Tymovskoye, Poronaysk, and Smirnykh municipal okrugs.

In accordance with Federal Law No. 61-FZ of 12 April 2010 On the Circulation of Medicines, pharmacy organisations and individual entrepreneurs holding a licence for pharmaceutical activities ensure the availability of the minimum list of essential and vital medicines approved by the Government of the Russian Federation and formed in accordance with established procedures, required for the provision of medical care.

Under the Territorial Programme of State Guarantees of Sakhalin Oblast for the provision of free medical care, Indigenous Minorities residing in rural areas receive, free of charge, all medicines included in the list of essential and vital medicines, including for outpatient treatment.

The priority areas for the provision of medical care to Indigenous Minorities have been identified as:

- Accessibility and quality of medical care,
- Proactive health education and preventive efforts among the population,
- Development of outreach-based service delivery models and bringing specialised medical care closer to areas of traditional residence,
- Early detection of diseases and risk factors via mobile diagnostics units,
- Development of primary health care in districts,
- Medical screening of the population.

EDUCATION, CULTURE, AND SPORT

Measures aimed at creating conditions for the study of native languages by children and students from among Indigenous Minorities of the North residing in Sakhalin Oblast are implemented under Sakhalin Oblast's state programme for the Development of Education in Sakhalin Oblast, approved by Decree No. 534 of the Government of Sakhalin Oblast of 23 October 2023.

Cultural and leisure establishments, museums, and libraries keep working to preserve and develop cultural heritage, arts, and traditions and to promote the SIM cultural and historical experience. There 298 of such institutions in total, including 116 cultural and leisure institutions, 19 museums, and 163 libraries.

National cultural groups operate in six municipalities of Sakhalin Oblast classified as areas of traditional residence and traditional economic activities of indigenous minorities.

The Sakhalin Regional Folk Arts and Crafts Centre under the Ministry of Culture and Archival Affairs of Sakhalin Oblast has developed and implemented a system of workshops and seminars for leaders of national cultural groups and craftspeople engaged in traditional folk arts and crafts. As of 1 August 2025, 69 craftspeople are active in the region.

At varying intervals, regional-level national festivals of Indigenous Minorities are held with the aim of preserving and developing traditional folk arts and crafts, involving decorative and applied arts masters, folk crafts practitioners, individual entrepreneurs, and clan communities.

For many years, Sakhalin Oblast has hosted a range of events to develop national sports:

- The Sakhalin Oblast Championship in National Sports among Children of Indigenous Minorities of the North, named after Hero of Socialist Labour P. G. Chaika (held annually),
- Northern multi-event sports competitions held as part of the Festival of Sakhalin Indigenous Minorities (held every four years),
- National sports competitions as part of the inter-municipal festival Feeding the Water Spirit – the Master of the Sea (annually).

Two northern multi-event sports federations are registered in Sakhalin Oblast. One of them, the Regional Public Organisation “Federation of Northern Multi-Event Sports of Sakhalin Oblast”, has obtained state accreditation from the All-Russian Public Organisation “Federation of Northern Multi-Event Sports of Russia”. This accreditation grants the organisation the right to hold national-level northern multi-event sports competitions within the region and enables athletes to participate in competitions at various levels and to obtain official sports rankings.

TRADITIONAL LIVELIHOODS

Historically, the activities of the Indigenous Minorities of the region have been fishing, winter fur hunting, marine mammal hunting, foraging, dog breeding, and reindeer herding. All of these traditional livelihoods have been preserved to the present day. The state treats them with care and has established a regulatory and legal framework governing the protection of traditional habitats, traditional ways of life, economic activities, and livelihoods of Indigenous Minorities.

According to the data provided by the territorial office of the Ministry of Justice of the Russian Federation for Sakhalin Oblast, as of 1 August 2025, 100 clan households and communities of Indigenous Peoples are registered in the region (Table 6).

Table 6. Number of Communities, Clan Households, and National Enterprises of Indigenous Minorities (as of 1 August 2025)

Item No.	SIM Municipality	Number of Clan Communities and Households
1.	Aleksandrovsik-Sakhalinsky Municipal Okrug	3
2.	Nogliki Municipal Okrug	21
3.	Okha Municipal Okrug	19
4.	Smirnykh Municipal Okrug	3
5.	Tymovskoye Municipal Okrug	13
6.	Poronaysk Municipal Okrug	35
7.	City of Yuzhno-Sakhalinsk Urban Okrug	6
	TOTAL	100

Fishing. Aquatic bioresources are provided for fishing to ensure the traditional way of life and traditional economic activities of indigenous minorities based on official decisions to provide aquatic bioresources for use.

Indigenous Minorities are allocated volumes of aquatic biological resources to meet personal needs (personal consumption). In accordance with Decree No. 257 of the Government of Sakhalin Oblast of 3 July 2015 On Establishing Limits for the Harvest (Catch) of Aquatic Biological Resources for Personal Consumption by Representatives of Indigenous Minorities of the North, Siberia, and the Far East of the Russian Federation and by Persons not Belonging to Indigenous Minorities but Permanently Residing in Areas of Their Traditional Residence and Traditional Economic Activities, for Whom Fishing Is a Means of Subsistence, quotas have been established for the personal consumption of Indigenous Minorities of 340 kg to 495 kg/year/person, depending on the area of residence, of which 300 kg/year/person is species of salmon.

At present, the boundaries of fishing areas allocated to Indigenous Minorities and assigned to clan communities engaged in traditional fishing have been approved in Sakhalin Oblast as follows: Poronaysk Municipal Okrug – 10 areas, Okha Municipal Okrug – 8 areas, Aleksandrovsk-Sakhalinsky Municipal Okrug – 1 area.

In accordance with applicable legislation, representatives of SIM and their communities are granted priority access to aquatic biological resources to support their traditional way of life and traditional economic activities.

Hunting and Forestry. In accordance with Article 2 of Sakhalin Oblast Law No. 17-ZO of 1 April 2008 On Forest Use in Sakhalin Oblast, persons belonging to the Indigenous Minorities of the North, Siberia, and the Far East of the Russian Federation, residing in Sakhalin Oblast and maintaining a traditional way of life in areas of traditional residence and traditional economic activities, are entitled to harvest timber free of charge for personal needs, within the established norms.

In Sakhalin Oblast, under Article 19 of Federal Law No. 209-FZ of 24 July 2009 On Hunting and the Conservation of Hunting Resources and on Amendments to Certain Legislative Acts of the Russian Federation, hunting by SIM for the purpose of maintaining the traditional way of life and carrying out traditional economic activities is conducted without permits, within the volume of hunting resources required to meet personal consumption needs.

Reindeer Herding. Reindeer herding is classified as a type of traditional economic activities of the Indigenous Minorities of the Russian Federation, as approved by Decree No. 631-r of the Government of the Russian Federation of 8 May 2009.

Sakhalin Oblast Law No. 65-ZO of 3 July 2025 On Amendments to Certain Legislative Acts of Sakhalin Oblast introduced amendments to Sakhalin Oblast Law No. 31-ZO of 15 May 2015 On Vesting Local Self-Government Bodies with State Powers of Sakhalin Oblast in the Field of Protection of Traditional Habitat, Traditional Ways of Life, Economic Activities and Livelihoods of Indigenous Minorities of the North Residing in Sakhalin Oblast, providing additional state support measures to communities of indigenous minorities of the Russian Federation directly engaged in reindeer herding, including:

- Provision of food supplies for the period of seasonal grazing of domestic reindeer,
- Provision of special clothing and special footwear designed for working under extreme temperature conditions, with requirements determined in accordance with the legislation of the Russian Federation on technical regulation,
- Provision of block-container units intended for temporary accommodation in areas of seasonal grazing of domestic reindeer.

According to information provided by the administration of Nogliki Municipal Okrug, as of 1 August 2025, there are 157 domestic reindeer in Sakhalin Oblast, located in the settlement of Val in Nogliki District and owned by the territorially neighbouring community of the indigenous minority Orok (Uilta) Yukte and the peasant (farm) enterprise of German Muvchik.

State support for reindeer herding is provided from the regional budget as part of the set of measures for the Sustainable Development of Sakhalin Indigenous Minorities under the state programme of Sakhalin Oblast for Strengthening the Unity of the Russian Nation and Ethno-Cultural Development of the Peoples of Russia Residing in Sakhalin Oblast, approved by Decree No. 584 of the Government of Sakhalin Oblast of 21 November 2023.

Under Sakhalin Oblast's state programme for the Development of Agriculture in Sakhalin Oblast and Regulation of Agricultural Products, Raw Materials and Food Markets, approved by Decree No. 344 of the Government of Sakhalin Oblast of 30 June 2023, a number of state support measures aimed at developing reindeer herding in the region are provided, including:

- Reimbursement of costs incurred by citizens operating personal subsidiary farms for the maintenance of reindeer,

- Supply of subsidised compound feed for farm animals, including reindeer,
- Agrostartup grant support for the acquisition of livestock, equipment, and machinery, and for the construction and renovation of production facilities,
- Grant support for the development of family farms, including construction and renovation of production facilities and equipment of such facilities.

3 RISK AND OPPORTUNITY ASSESSMENT

3.1 SIMDP 4 EXTERNAL ASSESSMENT

Between May and October 2025, an external assessment was conducted of the SIMDP, including preparatory and field stages and the preparation of an assessment report. The external assessment team comprised two experts:

Dmitry Funk, appointed under the SIMDP – Professor, Doctor of Historical Sciences, Head of the Laboratory of Sociocultural Anthropology at Moscow State Linguistic University, Principal Research Fellow at Nizhny Novgorod State University, Professor at North-Eastern Federal University; Director of the Institute of Ethnology and Anthropology of the Russian Academy of Sciences from 2019 to 2024, a specialist in Siberian studies with extensive experience in Russian and international academic and socially oriented projects, including those in Sakhalin Oblast,

Anatoly Sleptsov, appointed by the Regional Council of Authorised Representatives of SIM of Sakhalin Oblast to represent the views of Indigenous Peoples in the analysis of the Environmental and Social Impact Assessment – Candidate of Legal Sciences, Professor at North-Eastern Federal University, Head of the Department of Arctic Law at the Faculty of Law of North-Eastern Federal University, President of the Association of the Even People of Russia, author of the Law of the Republic of Sakha (Yakutia) on ethnological expertise, and a respected and experienced leader of the Even people with extensive experience of cooperation with governmental and public organisations.

The assessment was conducted using two complementary approaches:

1. Surveys, discussions, semi-structured interviews, and observations, including participant observation of a qualitative nature (photo documentation, collection of digital and printed materials reflecting project outcomes, participation in Governing Board meetings and conferences, and field visits to areas of traditional economic activities), carried out by the field assessment team.

2. Review of key SIMDP 4 documents.

The report reviewed all SIMDP 4 objectives and provided comments in terms of their achievement, challenges encountered during implementation, and observations regarding documentation and the substance of implemented activities.

In addition, the report presents recommendations for SIMDP 5, based on expert surveys, analysis of the core SIMDP 4 documents, and the experts' experience in working with social development programmes.

The report is available on the programme website; its key findings were presented during the second round of public consultations and were also used in the preparation of SIMDP 5. In addition, the recommendations are to be reviewed by the SIMDP 5 coordinating bodies (once established) when developing regulatory and procedural documents for the relevant programmes.

3.2 RISK MANAGEMENT PROCESS

For the purposes of the SIMDP, risks are understood as potential situations that may affect the achievement of the programme's objectives. Risk management under the Plan addresses not only risks with negative consequences but also those with positive outcomes (risks viewed as opportunities for improvement and enhancement). Accordingly, the risk management process is aimed at minimising negative impacts while maximising the potential benefits of positive opportunities. The process is based on the principle of due diligence, defined as proactive efforts aimed at identifying risks in order to manage negative impacts and strengthen positive outcomes.

A key innovation of SIMDP 5 is the significant enhancement of the role, engagement and responsibility of partners and key stakeholders in achieving its objectives. The Plan is designed

to consolidate efforts across all areas, including the creation of conditions for effective risk management in matters relating to SIM.

At the same time, Sakhalin Energy LLC considers the prevention or minimisation of both actual and potential impacts of the Sakhalin-2 project on the environment and traditional nature use to be a priority. To this end, the company will continue to fulfil its commitments to identify concerns related to the implementation of the Sakhalin-2 project and to agree controls to prevent and/or minimise any potential adverse impacts (see Appendix 3).

Stages of the risk management process under the SIMDP:

1. Risk Identification

The following key engagement mechanisms and communication channels are provided for:

- Regular open public meetings with Indigenous communities and other stakeholders in districts of traditional residence and traditional economic activities of SIM (see Section 5),
- Group, individual, and focus group meetings and consultations,
- The SIMDP grievance procedure (see Section 5.3),
- Internal (annual) and external (final) monitoring (see Section 6),
- Submissions received through information and communication channels available on the SIMDP website.

All identified concerns, risks, and issues are documented with an indication of the source channel, date, settlement and full name (subject to the provision of the relevant consent for the processing of personal data) and are submitted to the Supervisory Board of the SIMDP.

2. Assessment of Concerns, Risks, and Issues and Stakeholder Coordination

The Supervisory Board reviews the received comments, concerns, risks, grievances (taking into account confidentiality and personal data requirements), and other issues in terms of their relevance to the SIMDP and the need to develop corrective actions. Where concerns, risks, or issues are related to the SIMDP, the Supervisory Board shall appoint responsible parties under the SIMDP to develop corrective actions. Issues not related to the SIMDP are referred by the Supervisory Board to the relevant parties in accordance with their areas of responsibility, including:

- the Company,
- GSO,
- RCAR SIM SO,
- Other stakeholders.

3. Development and Implementation of Corrective Actions

The responsible party under the SIMDP develops corrective actions in relation to concerns, risks, and issues relevant to the programme, specifying timelines and responsible persons, monitors their implementation, and prepares progress reports for submission to the Supervisory Board.

4. Oversight and Feedback

Oversight of the implementation of corrective actions addressing concerns, risks, and issues related to the SIMDP is carried out by the Supervisory Board (see Section 4.4.2.1). In addition, the Supervisory Board, or other responsible party under the SIMDP, together with the SIMDP Coordinator, ensures feedback, where applicable, through:

- Regular public meetings in districts of traditional residence of SIM,
- Individual and focus group meetings,

- Individual and group consultations with stakeholders,
- Provision of information on the progress of the implementation of measures.

3.3 RISKS ASSOCIATED WITH SIMDP 5 IMPLEMENTATION

Risks related to SIMDP 5 implementation were identified on the basis of a comprehensive analysis, including consultations conducted during its development, the final evaluation of the results of SIMDP 4, internal and external monitoring, and consultations with stakeholders (Table 7).

The list of risks and corresponding controls will be reviewed and updated on a regular basis (see Section 3.2).

Table 7. Risks of SIMDP 5 Implementation and Risk Controls

Risks	Controls
Late risk identification	Increased engagement and accountability of Plan partners in programme implementation, including participation in risk management processes related to Sakhalin Indigenous Minorities, both within and beyond the scope of the SIMDP (see Section 3.2). Awareness-raising and ensuring accessibility of mechanisms and channels for reporting concerns, risks, and issues (see Section 5.2)
Failure by partners to fulfil their obligations under SIMDP 5	SIMDP 5 strengthens the role of Plan partners in programme implementation, including risk management in matters relating to Sakhalin Indigenous Minorities. Support is provided for strategic and partnership development projects involving external stakeholders and leveraging the resources of Plan partners, which are important both for SIM representatives and for the island region as a whole (see Sections 4.3.2 and 4.3.3). SIMDP 5 will be implemented with the active participation of Indigenous communities and under the leadership of the Plan partners – the Supervisory Board (see Section 4.4.2). The results of SIMDP implementation will be reviewed as part of public consultations (see Section 5). The SIMDP provides for internal and external monitoring of programme implementation (see Section 6)
Inappropriate spending of funds under projects financed as part of the SIMDP	Providing information on competitive and programme requirements (see Section 5). Providing information on / warning about the requirements of target financing agreements. Internal and external monitoring (see Section 6). Mandatory reporting and verification of reports. Grant recipients / beneficiaries with outstanding obligations and/or those who fail to submit reports or submit incomplete reports are not eligible to participate in SIMDP programmes or other company social investment programmes (to be included in programme regulations) and may not serve as members of the Plan’s coordinating bodies (to be included in the regulations governing coordinating bodies)

Risks	Controls
Failure to submit reports or submission of incomplete reports on project outcomes	<p>Providing information on competitive and programme requirements (see Section 5).</p> <p>Providing information on / warning about the requirements of target financing agreements.</p> <p>Internal and external monitoring (see Section 6).</p> <p>Grant recipients / beneficiaries with outstanding obligations and/or those who fail to submit reports or submit incomplete reports are not eligible to participate in SIMDP programmes or other company social investment programmes (to be included in programme regulations) and may not serve as members of the Plan's coordinating bodies (to be included in competitive regulations)</p>
Absence of, or insufficient transparency and accessibility of, information on the procedures and development programmes of the SIMDP	<p>Openness and transparency are key principles of the SIMDP; all Plan partners attach particular importance to these principles and continuously improve them, including by following recommendations received from stakeholders during the preparation, implementation, and monitoring / evaluation of the Plan.</p> <p>Providing information on procedures and programmes, key activities and their results (through public consultations, the Plan website, distribution in local areas and other channels), as well as the conduct of capacity-building and training activities (see Section 5).</p> <p>The grievance procedure and feedback channels are established under the SIMDP (see Section 5.3)</p>
Conflicts of Interest	<p>The regulations on the coordinating bodies and programmes will stipulate that if members of the coordinating bodies and/or their family members have any personal interest in any proposals for financing or allocation of grants or with regard to grievances submitted for consideration as part of the relevant procedure, they shall refrain from participation in discussion and voting on these issues. Members of the coordinating bodies must report any real, potential, or suspected conflicts of interest</p>
Risks related to personal data	<p>Requirements in accordance with Federal Law No. 152-FZ of 27 July 2006 On Personal Data, as well as other applicable legislative requirements of the Russian Federation, will be incorporated into the programme and procedural documents of the SIMDP</p>
Risk as opportunity (development programmes)	<p>Strategic partnership is a key mechanism for consolidating the resources and competencies of all stakeholders in the interests of the sustainable development of SIM.</p> <p>The SIMDP is aimed at the sustainable development of Sakhalin Indigenous Minorities through the implementation of socially significant, strategic, and partnership development projects, as well as capacity-building projects (see Section 4)</p>

4 DEVELOPMENT MEASURES

4.1 PRINCIPLES FOR DETERMINING DEVELOPMENT MEASURES

Development measures contribute to the achievement of the objectives of SIMDP 5 and take into account the results of consultations with Indigenous communities conducted during the preparation of the Plan.

Based on the outcomes of consultations (see Section 1.4.2) and survey questionnaires (see Appendix 8), Indigenous communities identified priority areas of support as including traditional knowledge, national culture and languages, national sports, traditional economic activities, environmental protection and biodiversity conservation, capacity development of Sakhalin Indigenous Minorities, education, and the development of entrepreneurial activities. The need to support youth initiatives and to ensure the participation of Sakhalin representatives of SIM in significant events at regional, federal, and international levels was also highlighted.

All the projects for which financing has been received will be subject to reporting and special requirements for transparency and financial liability.

4.2 ROLE AND CONTRIBUTION OF SIMDP PARTNERS

The SIMDP Partners will continue implementing SIMDP 5 based on the principles of equal partnership, openness, and constructive and timely cooperation.

4.2.1 GOVERNMENT OF SAKHALIN OBLAST

The Government of Sakhalin Oblast, based on its authorities defined by the federal and regional legislation regarding the protection of SIM native habitat, traditional way of life, economic activities, and crafts, is interested in the further development of the public–private partnership with the Indigenous community and subsoil users.

Within SIMDP 5, the role and contribution of the Government of Sakhalin Oblast include:

- Support for the organisation, implementation, and coordination of partnership and strategic development projects,
- Engagement with relevant executive authorities of Sakhalin Oblast and coordination of their participation in the implementation of partnership and strategic development projects,
- Activities carried out on behalf of the Government of Sakhalin Oblast by specialists responsible for interaction with Indigenous Minorities of the North,
- Participation in the work of the Plan's coordinating bodies, as well as in the preparation and implementation of the Plan's activities, field working groups and meetings, public consultations, internal monitoring in municipalities located in districts of traditional residence and traditional economic activities, grievance resolution within working groups, programme monitoring, and participation outside Sakhalin Oblast in the event of joint presentations or events under the Plan.

4.2.2 THE REGIONAL COUNCIL OF AUTHORISED REPRESENTATIVES OF SAKHALIN INDIGENOUS MINORITIES AND PUBLIC ORGANISATIONS OF SAKHALIN INDIGENOUS MINORITIES

The Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities has been operating since March 2005 and conducts multi-stakeholder engagement with public authorities,

business entities, and civil society organisations. It serves as a key partner in the implementation of the SIMDP and performs a comprehensive role, including:

- Engagement with public authorities and business (the Government of Sakhalin Oblast, relevant executive authorities of Sakhalin Oblast, the Commissioner for the Rights of Indigenous Minorities in Sakhalin Oblast, the Public Chamber of Sakhalin Oblast, municipal administrations, and business enterprises), Representation of the interests of Sakhalin Indigenous Minorities within advisory and expert councils in the region on matters relating to traditional economic activities and livelihoods, socio-economic development, and protection of traditional habitats,
- Partnership with public SIM associations at district, regional, and federal levels,
- Participation in the work of the SIMDP's coordinating bodies, as well as in the preparation and implementation of the Plan's activities, field working groups and meetings, public consultations, internal monitoring in municipalities located in districts of traditional residence and traditional economic activities of SIM, grievance resolution within working groups, and programme monitoring. The Council facilitates the implementation of partnership and strategic development projects.

It forms the expert core of the programme, ensuring assessment, expert review, and the development of proposals on all matters affecting the rights and interests of Indigenous Peoples, including traditional nature use, fishing, and the preservation of cultural heritage. The Council ensures the legitimacy of the programme, its practical orientation, and a direct link with representatives of SIM communities.

Indigenous Minorities of the North participate in the implementation of SIMDP programmes and activities, thereby developing and strengthening their capacity.

RCAR SIM SO acts as a key link between Indigenous Peoples of the island region, the state, and business by ensuring:

- Equal dialogue through representation in public authorities,
- Practical realisation of rights through monitoring and grievance procedures,
- Sustainable development of Indigenous Peoples through SIMDP programmes and activities.

This approach is consistent with international standards, including FPIC and the SDGs, which place particular emphasis on the inclusion of Sakhalin Indigenous Peoples in decision-making processes and the development of their institutions.

4.2.3 SAKHALIN ENERGY LLC

Since its establishment, the operator of the Sakhalin-2 project has engaged with Sakhalin Indigenous Minorities.

The company's activities in the field of engagement with Sakhalin Indigenous Minorities are regulated by the following key documents:

- Human Rights Policy,
- Sustainable Development Policy,
- The SIMDP, which has served as the core programme for engagement with Indigenous Peoples since 2006,
- A Tripartite Cooperation Agreement between Sakhalin Energy LLC, the Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities, and the Government of Sakhalin Oblast.

The following company documents contain provisions that directly or indirectly address issues relating to Indigenous Peoples as part of the project-affected population:

- Code of Conduct,
- Environmental Policy,
- Civil Defence Policy of Sakhalin Energy LLC,
- Industrial Safety Policy Statement of Sakhalin Energy LLC,
- Biodiversity Standard,
- HSE Management in Contracts Standard,
- Environmental Management System Regulation,
- Regulations on the Industrial Safety Management System at Hazardous Production Facilities,
- Regulations on the Organisation and Conduct of Civil Defence at Sakhalin Energy LLC,
- Regulations on Industrial Control over Compliance with Industrial Safety Requirements at Hazardous Production Facilities,
- Regulation on Industrial Environmental Control,
- Risk Management Procedure,
- Health and Safety Risk Management Standard,
- Stakeholder Engagement Regulations,
- Sakhalin Energy Grievance Procedure (grievance submission channels and review procedures),
- Annual Non-Financial ESG Reports and other related documents.

Since the launch of the SIMDP in May 2006, the company has not limited its approach to formal compliance but has integrated engagement with SIM into its corporate structure, ensuring:

- Stability. Company specialists within the Social Performance Section carry out the core tasks of organising, coordinating, and implementing the SIMDP and will continue to provide ongoing programme support,
- Interdisciplinary approach and adaptability. In addition, the Plan is supported by specialists from the Corporate Affairs Division, Legal Directorate, Environmental Division, Corporate Security Service, and Information Technology Service. Specialists of other Company's units will be engaged as required.

This approach is consistent with the principles of sustainable development and international standards of responsible business conduct.

In addition to allocating annual funding of RUB 20 million for the implementation of projects under SIMDP 5, the company assumes additional responsibilities, including:

- Administrative support for the SIMDP as the responsibility of a full-time SIMDP 5 coordinator. Sakhalin Energy LLC arranges a dedicated workplace (separate office) and ensures payment of the coordinator's salary,
- Implementation of SIMDP activities on behalf of Sakhalin Energy LLC by company specialists responsible for engagement with Indigenous Peoples within the Social Performance Section,
- Participation in internal monitoring and external assessment, as well as in the work of the coordinating bodies of SIMDP 5,
- Logistical and financial support for services related to the final assessment of SIMDP 5,
- Logistical and financial support for the organisation and conduct of meetings of the coordinating bodies, including off-site meetings, public consultations in areas where

SIM traditionally live and perform traditional economic activities, meetings and events conducted as part of internal monitoring and external evaluation of Plan implementation, grievance resolution processes, and other related activities,

- Maintenance of the programme website,
- Support for capacity development required to enable Indigenous Peoples to participate in the governance and implementation of the SIMDP, including the organisation of training seminars and workshops,
- Preparation and publication of SIMDP information materials,
- Logistical and financial support for the organisation and delivery of SIMDP presentation events, as well as for the participation of SIM representatives in conferences and events at regional, federal, and international levels, and related activities,
- Funding of a regional conference held for the purpose of obtaining the free, prior, and informed consent of SIM for the implementation of SIMDP 5, as well as events related to the signing of the tripartite agreement.

4.3 SIMDP 5 PROGRAMMES / AREAS

4.3.1 GRANT COMPETITION

The established grant mechanism has demonstrated its effectiveness and received positive feedback following consultations with the population. Over the many years of implementation of the SIMDPs, together with the development of a robust competitive grant procedure, a sustainable grant culture has also been formed. The accumulated practical experience in applying this mechanism represents a valuable asset that ensures the high effectiveness and strong demand for grant programmes.

Building on this successful experience, the competitive grant mechanism will be aimed at supporting relevant, socially significant projects implemented by non-profit organisations and institutions and is designed to achieve a long-term positive impact in the following priority areas:

- National culture and languages, education,
- National sports,
- Environmental protection and biodiversity preservation,
- Traditional economic activities, traditional knowledge and ethnotourism,
- Youth initiatives,
- Capacity building of Sakhalin Indigenous Minorities.

No religious, political organisations, or commercial companies may participate in the competitions.

All applications submitted will be reviewed for formal compliance with the requirements set out in the publicly available competition regulations. These regulations will be prepared by the coordinating bodies of the SIMDP. The initial screening of applications for compliance with the eligibility criteria will be carried out by the SIMDP Coordinator. Applications that meet the requirements of the grant competition will be admitted for further consideration. Subsequent review and the selection of grant recipients will be carried out by the Sustainable Development Council (see Section 4.4.2.3).

In addition to the SIMDP, which remains an important support instrument, non-profit organisations in Sakhalin Oblast have broad opportunities to attract funding through a range of federal and regional grant competitions. This enables the diversification of funding sources, enhances organisational sustainability, and allows successful social practices to be scaled up (see Section 4.3.3).

4.3.2 STRATEGIC PROJECTS

Consultations with representatives of Sakhalin Indigenous Minorities and other stakeholders, as well as the findings of the final external evaluation of the SIMDP 4, highlighted the need to allocate support for the participation of SIM representatives of Sakhalin Oblast in significant events at all levels as a separate focus area.

The designation of this activity as a strategic project area is driven by its long-term, integrated impact, and the need for an integrated, partnership-based approach that goes beyond the scope of the grant competition.

Participation of Indigenous Peoples of the island region in regional, federal, and international events is not a one-off activity but a strategic instrument that performs a number of key functions, including:

- Exchange of experience and capacity building of Indigenous Peoples,
- Showcasing and promotion of cultural heritage, traditional craft products, and Sakhalin Oblast as a whole,
- Empowerment of communities and increased visibility of issues related to support for Indigenous Peoples, etc.

Effective implementation of this area requires the creation of synergies through the consolidation of organisational and financial resources of public authorities, businesses, and SIM civil society organisations.

4.3.3 PARTNERSHIP DEVELOPMENT PROJECTS

Sakhalin Oblast has accumulated unique experience and practices of cooperation that provide a foundation for transitioning engagement with SIM to a qualitatively new level. Accordingly, a strategic objective of SIMDP 5 is not only the implementation of individual activities but also the maximum involvement and integration of Indigenous Peoples into existing regional development programmes. The implementation of this approach will contribute to the creation of conditions that harmoniously combine traditional ways of life with modern socio-economic opportunities.

To this end, a dedicated focus area has been established under the SIMDP – partnership development projects. The initiatives will be aimed at the sustainable development of ethnic entrepreneurship, strengthening territorial geo-branding, and enhancing human capital. Their key distinguishing feature is the consolidation of resources, tools, and expertise of all programme participants in order to create a synergistic effect, and fundamentally new growth opportunities.

The Ministry of Economic Development of Sakhalin Oblast, the Ministry of Agriculture and Trade of Sakhalin Oblast, the Sakhalin Oblast Agency for Youth Affairs, the State Autonomous Institution of Sakhalin Oblast Human Capital Development Agency, the microcredit company Sakhalin Entrepreneurship Development Fund, and other organisations will be engaged in the implementation of partnership development projects.

The tools and administrative resources of these institutions will complement the SIMDP projects, enabling a significant increase in effectiveness, expansion of scale, and long-term sustainability of achieved results.

Partnership Projects for the Sustainable Development of Ethnic Entrepreneurship and Geo-branding

Under the SIMDP, particular emphasis is placed on the development of partnership projects in the areas of ethnic entrepreneurship and geo-branding. These projects are aimed at creating sustainable economic models that combine the traditional values of Sakhalin Indigenous

Minorities with modern market mechanisms. Representatives of Indigenous Peoples of Sakhalin Oblast emphasise the importance of developing entrepreneurship adapted to their traditional way of life.

In terms of state support, a comprehensive set of measures is being implemented in Sakhalin Oblast, including specialised training programmes, such as Entrepreneur's ABC and Entrepreneur's ABC: Youth, which are designed to develop not only basic business skills but also competencies in promoting traditional craft products in the digital environment. Entrepreneurs may receive advisory support through business support centres, such as My Business. Financial support includes grant programmes, such as Agrostartup, aimed at purchasing livestock, equipment, and machinery, as well as constructing and renovating production facilities. Additional measures include reimbursement of costs incurred by citizens operating personal subsidiary farms for the maintenance of reindeer, among other forms of support.

An important focus area is the development of a territorial geo-brand based on cultural identity, historical roots, traditions, and behavioural characteristics of local communities. Geo-branding involves the creation of a distinctive and attractive image of the territory that integrates the population, cultural traditions, economic activities, and development strategies, while communicating its unique advantages to internal and external audiences. Ethnotourism serves as a key element, organically complementing ethnic entrepreneurship and the promotion of the ethnic geo-brand.

The implementation of a partnership-based approach will enable the transformation of traditional crafts and livelihoods into sustainable economic assets, creating new development opportunities for SIM while preserving their cultural identity.

Federal and Regional Grant Programmes

At the federal level, the Presidential Grants Foundation is the largest and most significant competitive funding mechanism for the non-profit sector in the Russian Federation. Equally important are grant competitions administered by the Public Chamber of the Russian Federation, as well as targeted grants provided by federal ministries, including the Ministry of Economic Development of the Russian Federation for socially significant projects, the Federal Agency for Youth Affairs, and other authorities whose priorities may align with the missions of specific non-profit organisations.

At the regional level, substantial opportunities are also available through grant programmes administered by the Agency for Youth Affairs, the Ministry of Agriculture and Trade, the Ministry of Economic Development, and other regional bodies. These grant competitions are particularly valuable, as they are focused on addressing concrete challenges of the island region and take into account local specifics.

Accordingly, in order to ensure the sustainable development of regional non-profit organisations, the SIMDP envisages not only core support but also the strategic expansion of their opportunities through active participation in a wide range of grant competitions. This comprehensive approach includes ensuring access to up-to-date information on all available funding opportunities.

This approach not only enables diversification of funding sources but also significantly strengthens the professional competencies of non-profit organisations themselves, enhancing their capacity to independently attract resources and scale successful social practices. As a result, the quality of implemented social initiatives increases, contributing to the sustainable development of Sakhalin Oblast as a whole.

SIM Human Capital Development: Education as a Foundation for Professional Growth and Project Implementation

Educational support for school pupils and students from among Sakhalin Indigenous Minorities has been one of the key and consistent priorities of the SIMDP for over twenty years and will continue under SIMDP 5. Based on monitoring results, including surveys, community meetings, and outcomes of external evaluations, this area has demonstrated high effectiveness and has stimulated educational engagement among young people.

The Human Capital Development support stream pursues a key objective: the preparation of qualified professionals from among the SIM to meet the region's long-term needs.

However, the core objective extends beyond education alone and includes creating conditions for informed career choices, personal development, and the implementation of individual initiatives.

Special attention will be given to expanding opportunities for youth capacity development within Sakhalin Oblast. The Sakhalin Oblast Human Capital Development Agency provides for active support in this area, including measures to involve representatives of Indigenous Minorities in modern development and career advancement programmes. These include neuroprofiling assessments, the development of personalised professional development roadmaps, and tailored career planning that reflects individual interests and capabilities. Additional activities aimed at professional upskilling and developing supplementary competencies are also envisaged. Career development and the formation of soft skills will be supported through active participation in themed events, training programmes, workshops, and business simulation games.

This comprehensive approach transforms education into a practical tool for individual self-realisation and the sustainable development of Indigenous communities across the island region.

Applications submitted under the educational competition will be reviewed by the SIMDP Coordinator for formal compliance with the terms of the open competition and subsequently submitted for funding consideration and decision-making to the Governing Board, in accordance with the Regulations on the Educational Competition (see Section 4.4.2.2).

4.4 SIMDP GOVERNANCE STRUCTURE

4.4.1 GENERAL PROVISIONS

The implementation of the SIMDP will be carried out with the active participation of Indigenous Peoples and under the leadership of the Supervisory Board.

To enhance governance effectiveness, the work of the Supervisory Board will be complemented by the activities of the Governing Board and the Sustainable Development Council (hereinafter referred to as the "SD Council").

Members of the coordinating bodies cannot be a member of more than one body at a time.

Overall programme coordination, including the preparation and organisation of the governing bodies of the SIMDP, as well as coordination of the grievance procedure related to the Plan, will fall within the responsibilities of SIMDP 5 Coordinator. The Coordinator will be appointed by the Company in agreement with RCAR SIM SO and the Government of Sakhalin Oblast for the full implementation period of SIMDP 5.

The SIMDP ensures that representatives of Sakhalin Indigenous Minorities constitute the majority within the programme's governing bodies, thereby securing their central role in decision-making processes (Figure 2).

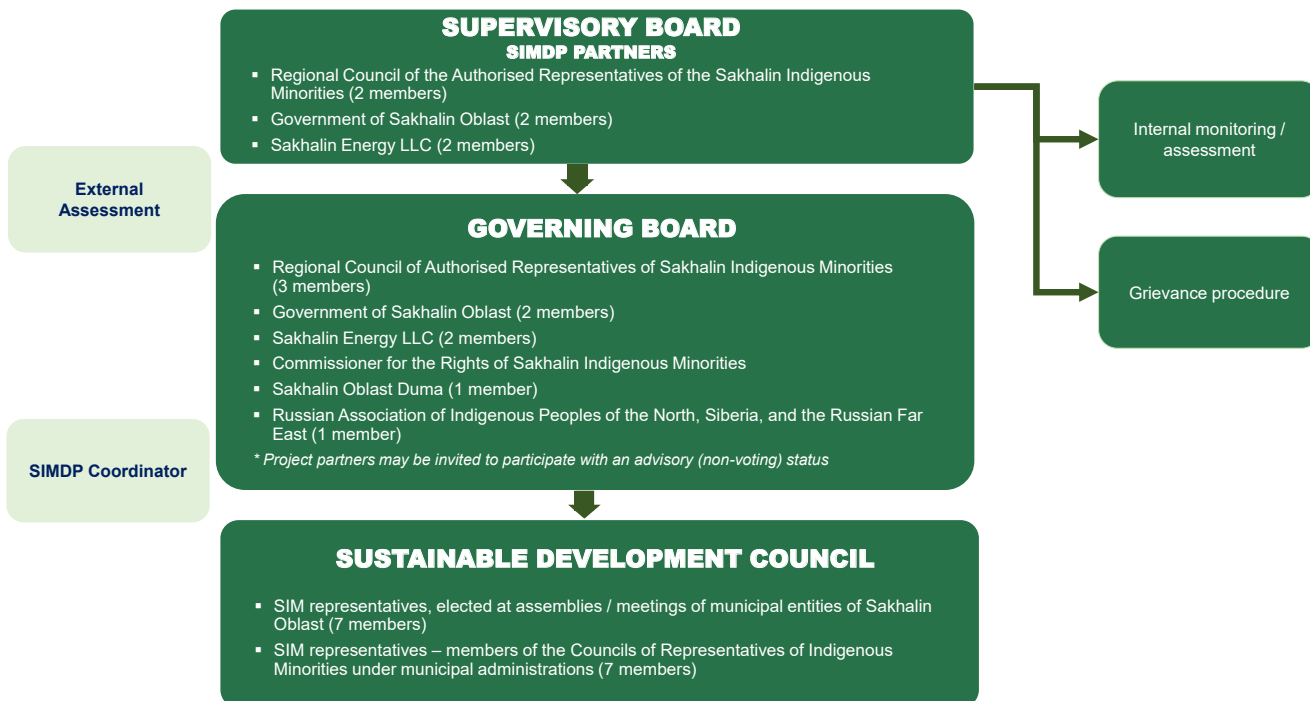


Figure 2. Governance structure of SIMDP 5

4.4.2 COORDINATING BODIES

4.4.2.1 SUPERVISORY BOARD

The Supervisory Board is the highest governing body of the SIMDP.

Its key functions include:

- Overall management of activities under the SIMDP,
- Provision of resources, including financial, organisational, and administrative support,
- Allocation of the programme budget across development streams and decision-making regarding unspent funds under the SIMDP,
- Development and approval of regulations governing the SIMDP's coordinating bodies,
- Identification, assessment, and timely coordination of concerns, risks, and issues related to SIM, including the development of corrective and other actions within the relevant areas of responsibility,
- Consideration of grievances related to the implementation of the SIMDP in accordance with the established grievance procedure (see Section 5.3),
- Organisation and implementation of internal monitoring and evaluation,
- Organisation of external evaluation,
- Promotion of best practices and representation of the SIMDP at regional, federal, and international levels,
- Consideration of candidates for the position of SIMDP6 coordinator,
- Ensuring communication and engagement with communities and stakeholders.

The Supervisory Board comprises representatives of the SIMDP partners:

- Two representatives from RCAR SIM SO,
- Two representatives from the Government of Sakhalin Oblast,
- Two representatives from Sakhalin Energy LLC.

Each organisation independently appoints its representatives to the Supervisory Board.

Meeting frequency: The Supervisory Board meets at least twice a year and more frequently as required. Meetings may be held in person or remotely, including through written electronic communication, telephone conferences, or online meetings.

Term of office: Members shall serve for as long as they retain the confidence of the appointing organisation. Each organisation independently appoints its representatives to the Supervisory Board.

Conflict of interest: If members of the Supervisory Board and/or their family members have a personal interest in matters under consideration, including grievances submitted through the grievance procedure, they must abstain from any discussion or voting on these issues. Responsibility for declaring conflicts of interest rests with the member of the Supervisory Board.

Remuneration: Members of the Supervisory Board perform their duties on a voluntary basis and do not receive any remuneration.

4.4.2.2 GOVERNING BOARD

The Governing Board is the highest executive body of the SIMDP, responsible for coordinating and overseeing partnership and strategic development projects and for making decisions on project financing.

Main Functions of the Governing Board:

- Overall coordination of activities related to SIMDP implementation,
- Oversight of the execution of the SIMDP budget and allocation of funds among projects and activities within the programme streams,
- Development and implementation of projects and activities under partnership and strategic development projects, with the involvement of relevant executive authorities of Sakhalin Oblast and other stakeholders,
- Development and approval of regulations governing strategic and partnership development projects,
- Development of the regulations for the Human Capital Development competition and other documents required to ensure the effective functioning of the Governing Board, including criteria for evaluating applications submitted to competitions,
- Organisation and conduct of competitions in accordance with programme documents, ensuring equal conditions for all participants and selection of winners,
- Review and approval of the regulations governing the SIMDP grant competition,
- Evaluation of SIMDP performance; review and approval of SIMDP reports,
- Organisation of public meetings and open consultations,
- Supervision over compliance of the SIMDP with Russian legislation and best international practices and standards for interaction between business, SIM, and public authorities,
- Consideration of grievances related to SIMDP implementation in accordance with the established grievance procedure (see Section 5.3),
- Support for arranging and holding SIMDP events,
- Support for the promotion and sharing of SIMDP experience at regional, federal, and international levels within the scope of its competence,
- Support for other areas of the SIMDP and/or for related activities and projects within the scope of its competence.

The Governing Board comprises 10 members:

- Three representatives from RCAR SIM SO,
- Two representatives from the Government of Sakhalin Oblast,

- Two representatives from Sakhalin Energy LLC,
- The Commissioner for the Rights of Indigenous Minorities in Sakhalin Oblast,
- One representative from the Association of Indigenous Minorities of the North, Siberia, and the Far East of the Russian Federation,
- One representative from the Sakhalin Oblast Duma.

Partners involved in strategic and partnership development projects may be invited to participate in Governing Board meetings with advisory (non-voting) status.

Meeting frequency: The Governing Board shall convene at least twice a year and more frequently as required. By decision of the Governing Board, meetings may be held in person or remotely, including through written electronic communication, telephone conferences, or online meetings. At its first meeting, the Governing Board shall elect a Chairperson from among its members. The Secretary of the Governing Board shall be the Coordinator of SIMDP 5.

Term of office:

- Members of the Governing Board shall serve for as long as they retain the confidence of the appointing organisation. In the event that a member of the Governing Board fails to properly perform his/her duties, the Governing Board is entitled to demand that the appointing organisation replace its representative. In this case, the decision shall be made by the appointing organisation,
- Each organisation independently appoints its representatives to the Governing Board.

Conflict of interest: If members of the Governing Board and/or members of their families have a personal interest in any funding or grant proposals or grievances submitted to the Governing Board under the relevant procedure, they must abstain from any discussion and voting on these issues. Responsibility for declaring conflicts of interest rests with the member of the Governing Board.

Remuneration: Members of the Governing Board perform their duties on a voluntary basis and do not receive remuneration.

4.4.2.3 SUSTAINABLE DEVELOPMENT COUNCIL

The Sustainable Development Council (the SD Council) is a coordinating body of the SIMDP responsible for the overall coordination and oversight of the grant competition and for making decisions on the financing of grant projects.

Key functions of the SD Council include:

- Developing recommendations for the SIMDP's Grant Competition Regulations and other documents required for the effective performance of its mandate, including criteria for evaluating grant applications,
- Conducting the grant competition in accordance with programme documents and ensuring equal conditions for all applicants,
- Review of the results of project evaluations, documents submitted for participation in a grant competition, and the selection of winners,
- Overseeing compliance with the grant competition budget and regulations,
- Submitting reports on its activities to the Governing Board,
- Informing the population, providing consultations, and organising information sessions on SIMDP implementation in relevant districts,
- Providing consulting support within its competence to applicants and participants of competitive programmes in districts, assistance in the development and submission of competition applications,

- Supporting the organisation and implementation of activities under partnership and strategic development projects in relevant districts,
- Supporting the organisation and holding of SIMDP monitoring, public meetings, and open consultations in relevant districts,
- Support for arranging and holding SIMDP events,
- Supporting the organisation of training workshops in relevant districts (if necessary, submission of applications for organising training),
- Informing the general public in their districts about the grievance procedure related to SIMDP implementation and providing assistance to complainants under the relevant procedure (see Section 5.3),
- Supporting the promotion and sharing of SIMDP experience within the scope of its competence.

Composition of the Council: two SIM representatives from every district where SIM traditionally live and perform traditional economic activities.

Seven members of the SD Council are elected at assemblies of citizens convened in each of the seven districts where SIM traditionally live and perform traditional economic activities. If a Council member resigns before the end of his/her term or at the initiative of citizens of the district, an additional meeting of district citizens shall be convened to elect a new Council member from their district. In the event that a Council member fails to properly perform his/her duties, the meeting may replace such a member early.

Seven Council members are representatives of SIM who are members of Indigenous Representative Councils under municipal administrations. These councils independently appoint their representatives to the SD Council.

The first meeting of the SD Council shall be held following the election of its members in all seven districts of traditional residence and traditional economic activities of SIM and the corresponding meetings of Indigenous Representative Councils under municipal administrations. The Chairperson and Secretary of the SD Council shall be elected at the first meeting.

Meeting frequency: The SD Council meets at least once or twice a year in accordance with its annual work plan and additionally as required. Meetings may be held in person or remotely, including through written electronic communication or online meetings.

Conflict of interest: If members of the Council and/or their family members have a personal interest in any funding or grant proposals submitted for review under the SIMDP, or in other cases where there are reasons to believe that a Council member has direct or indirect personal interest in the results of consideration of the relevant application / project, they must abstain from any discussion or voting on these issues. Responsibility for declaring conflicts of interest rests with the Council member.

Remuneration: Council members perform their duties on a voluntary basis and do not receive remuneration.

5 PUBLIC CONSULTATIONS, INFORMATION DISCLOSURE, AND FEEDBACK

5.1 KEY PRINCIPLES OF ENGAGEMENT

The SIMDP is based on the principles of transparency and openness. The implementation of SIMDP 5 will continue to include:

- Regular public meetings and consultations in districts of traditional residence of SIM (see Section 5.2),
- Capacity-building and leadership development activities and other relevant events,
- Regular dissemination of information about the SIMDP (see Section 5.2),
- Group and individual consultations with stakeholders.

In addition, the Plan envisages:

- Annual internal monitoring and a final external evaluation in the concluding year of SIMDP 5 (see Section 6),
- Working group visits to communities to review appeals and grievances (see Section 5.3).

Key participation principles:

- *Ensure transparency*

To facilitate the engagement process and mutual trust, the preparation and implementation of SIMDP 5 both rely on open discussions and transparency, aimed at providing timely information regarding contests, procedures, and activities of the Plan.

- *Arrange culturally appropriate consultations and meetings*

The format, frequency, and timing of meetings, consultations, and activities under the SIMDP shall take into account cultural traditions of the Indigenous Minorities and their traditional economic activities in the specific locality.

- *Plan a comprehensive approach*

Due attention to ethnic, geographical, age-related, social, organisational, and gender characteristics will remain essential in the implementation of SIMDP 5.

- *Recognise the need for non-interference in the internal affairs of Indigenous Peoples*

The Plan Partners acknowledge the importance of the independent participation of SIM in the Plan, in public life, and in comparable programmes / projects, and do not interfere in their internal affairs.

- *Openness and prompt response to issues*

SIMDP participants receive feedback¹⁴ enabling them to see the outcomes of their comments, observations, grievances, and proposals for improving the Plan. This feedback must be timely, effective, and accessible.

- *Recognise that decision-making and consensus-building require time*

The Programme provides for timely information-sharing and ongoing dialogue with Indigenous communities, partners, and other stakeholders, ensuring that their views and interests are taken into account in decision-making and enhancing the overall effectiveness of the Programme.

¹⁴ Subject to confidentiality.

5.2 ENGAGEMENT MECHANISMS AND INFORMATION CHANNELS

During the implementation of SIMDP 5, the following engagement mechanisms and information channels will be used:

- Regular open public meetings with Indigenous Peoples and other stakeholders in all areas where SIM traditionally live and perform traditional economic activities,
- Individual and focus meetings with representatives of public organisations, family farms, and community associations of Indigenous Peoples, representatives of SIM and municipal administrations, and other stakeholders in areas where SIM traditionally live and perform traditional economic activities,
- Programme website (www.simdp.ru),
- Publishing and circulating printed materials,
- Individual and group consultations with the key stakeholders, including federal, regional, and local authorities, SIM representatives and organisations, representatives of the civil society, corporate partners, and other stakeholders.

The following documents and information relating to SIMDP 5, subject to confidentiality requirements and consent for the publication of personal data in publicly accessible sources, will be made publicly available and published on the official website of the SIMDP:

- SIMDP 5,
- The regulations governing the coordinating bodies,
- The regulation on competitive programmes,
- Application forms and procedures for grant funding and participation in strategic and partnership development projects,
- The report on the results of the SIMDP external evaluation,
- Information on winners of the SIMDP competitive programmes,
- SIMDP grievance procedure,
- Announcements of planned events,
- News on implementation of SIMDP projects and events.

5.3 GRIEVANCE PROCEDURE

To ensure the effective and timely resolution of potential issues and grievances arising in connection with the implementation of the SIMDP, a grievance review procedure related to the Programme (hereinafter referred to as the “Procedure”) has been developed. The Procedure has been prepared in accordance with the general principles and approaches of community grievance procedures and the human rights requirements of Sakhalin Energy LLC, based on the outcomes of public consultations held during the preparation of SIMDP 5, and taking into account the provisions of the United Nations Guiding Principles on Business and Human Rights (hereinafter referred to as the “Guiding Principles”).

The Guiding Principles were approved by the UN Human Rights Council in 2011. They are a set of measures that allow the states to encourage respect for human rights in business and contain a plan that can be used by enterprises to manage risks of adverse effects on human rights, and criteria for evaluation whether enterprises respect human rights.

In the Outcome Document of the UN General Assembly High-Level Plenary Meeting, known as the World Conference on Indigenous Peoples (2014), the participants reiterated the commitment of businesses to observe international principles, including the Guiding Principles. Therefore, by

using this Procedure, the SIMDP partners demonstrate their commitment to the Guiding Principles and resolutions of the 2014 World Conference on Indigenous Peoples.

The Procedure complies with the Guiding Principles in terms of the following provisions:

- Business enterprises should respect human rights. This means that they should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved,
- In all contexts, business enterprises should:
 - a) Comply with all applicable laws and respect internationally recognised human rights, wherever they operate,
 - b) Seek ways to honour the principles of internationally recognised human rights when faced with conflicting requirements,
 - c) Treat the risk of causing or contributing to gross human rights abuses as a legal compliance issue wherever they operate.

Subject to the effectiveness criteria for non-judicial grievance mechanisms of the Guiding Principles, the Procedure should be:

- a) *Legitimate*: enabling trust from the stakeholder groups for whose use they are intended, and being accountable for the fair conduct of grievance processes,
- b) *Accessible*: being known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who may face particular barriers to access,
- c) *Predictable*: providing a clear and known procedure with an indicative time frame for each stage, and clarity on the types of process and outcome available and means of monitoring implementation,
- d) *Equitable*: seeking to ensure that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms,
- e) *Transparent*: keeping parties to a grievance informed about its progress, and providing sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake,
- f) *Rights-compatible*: ensuring that outcomes and remedies accord with internationally recognised human rights,
- g) *A source of continuous learning*: drawing on relevant measures to identify lessons required for improving the mechanism and preventing future grievances and harms.

Operational mechanisms should also be:

- h) *Based on engagement and dialogue*: consulting the stakeholder groups for whose use they are intended on their design and performance, and focusing on dialogue as the means to address and resolve grievances.

The Procedure governs the receipt, registration, and resolution of grievances related to the implementation of SIMDP 5 and aims to:

- Ensure grievances are addressed in a timely and efficiently manner and in compliance with Russian legislation and international best practices,
- Promote the establishment of strong and effective relationships with all those affected by SIMDP 5,
- Reduce the probability of repetition of similar grievances, thereby reducing the risks of conflicts and avoiding unreasonable expenses,
- Ensure the careful documentation of grievances and remedial actions.

A grievance is understood to mean a statement of dissatisfaction submitted by an individual, a group of individuals, or an organisation, expressing concern and/or dissatisfaction in connection with SIMDP implementation.

All grievances received will be considered by a grievance working group, which acts as the body responsible for resolving the specific grievance. The Group includes at least one representative from each SIMDP Partner. There must be no conflict of interest with regard to a particular grievance when Group members are appointed.

The Procedure includes a number of stages.

Stage 1. Receive a grievance.

Stage 2. Assess and register the grievance and appoint responsible persons (the grievance working group).

Stage 3. Acknowledge receipt of the grievance.

Stage 4. Investigate and resolve the grievance; communicate with the complainant.

Stage 5. Grievance close-out. If a grievance remains unresolved or if no actions with regard thereto are agreed upon with the complainant within 45 business days after receipt of the grievance, such grievance shall be considered overdue. In respect of overdue grievances, the actions stipulated by the Procedure shall be applied.

Stage 6. Reporting and monitoring.

INFORMATION CAMPAIGN AND TRAINING ON THE PROCEDURE

Public disclosure of information on this Procedure is an integral part of engagement with SIM aimed at ensuring transparency and accessibility. At least the following actions shall be performed to disseminate information on the Procedure:

- Information brochures on the Procedure shall be distributed to all areas where SIM traditionally live,
- Special information slides (one or more) devoted to the Procedure shall be demonstrated as part of regular public meetings with SIM,
- Information on the Procedure shall be always available on the SIMDP website.

To meet the requirements of the Procedure, the SIMDP Partners shall ensure training sessions are held on the Procedure for all the persons involved in grievance handling.

Detailed information on the scope of application and responsibilities, as well as the grievance handling stages, is provided in Appendix 9.

6 MONITORING AND ASSESSMENT

The SIMDP partners shall monitor its implementation, results, and impacts. Monitoring will result in a series of reports and assessments:

- Identifying issues requiring adjustments to Programme implementation,
- Assessing the achievement of the SIMDP's objectives.

This will ensure the timely adoption of measures to improve the Programme.

The SIMDP's assessment strategy provides for the following regular activities:

- Internal monitoring and assessment,
- External assessment.

INTERNAL MONITORING

As part of SIMDP 5 implementation, internal monitoring of projects and the Programme shall be carried out by a monitoring group comprising at least one representative from each partner to the Plan. Where necessary, members of the coordinating bodies, specialists working with Indigenous peoples from municipal administrations, and other relevant experts may be invited to ensure adequate data collection and information exchange.

The objective of internal monitoring and assessment is to evaluate results of implementation of projects and the programme and their effectiveness.

Internal monitoring involves:

- Verification of documents governing project implementation,
- Control of the targeted use of funds in accordance with contract terms,
- Verification and analysis of reports on project implementation, including financial documents,
- Visiting and interviewing beneficiaries, grant recipients, partners, and other project participants,
- Participation in project activities,
- Media monitoring,
- Preparation of reports on the outcomes of internal monitoring.

EXTERNAL ASSESSMENT

Based on consultations with representatives of Indigenous communities during two rounds of public meetings, the working group proposed that an external assessment be conducted in the middle of the final, fifth year of Programme implementation.

The following parties shall be engaged for the external assessment of SIMDP 5:

- An independent expert with experience and knowledge in developing and evaluating social programmes and programmes for the development of Indigenous Peoples of the North, Siberia, and the Far East of the Russian Federation, as well as in the area of the relevant Russian and regional legislation and other legal and regulatory documentation, international standards with regard to Indigenous Peoples, successful national and international practices of interaction with indigenous peoples, public authorities, and business. Moreover, preference shall be given to experience of assessment and monitoring of social impact, including impact on Indigenous Peoples. Sakhalin Energy LLC will select an independent expert based on corporate procedures after consultations with partners – RCAR SIM SO and the SOG,

- An independent representative of indigenous peoples of the North, Siberia, and the Far East of the Russian Federation who has information on the life of SIM and experience in working with public organisations and Indigenous Peoples with public authorities, etc., and who has not participated in SIMDP implementation. The RCAR SIM SO shall nominate the candidate for SIM representative.

The purpose of the external assessment is to determine the effectiveness of SIMDP5 implementation and to identify opportunities for further Programme development and improvement.

Objectives of external assessment:

- Identify problems, achievements and major results, including results of individual projects and activities, interaction with partners, involvement of stakeholders, perception of the programme and its individual components by stakeholders,
- Assess the effectiveness of the management and monitoring system,
- Assess the effectiveness of the SIMDP grievance procedure,
- Identify priority components and principles for adjustment, opportunities and prospects of programme development.

The external assessment involves:

- Study of documents governing SIMDP implementation,
- Verification of reports on SIMDP implementation,
- Visiting and interviewing SIMDP partners, beneficiaries, grant recipients, partners, and other project participants. Interviews shall be held with successful, as well as with unsuccessful grant applicants, beneficiaries, project coordinators, and other participants in programmes, projects, and initiatives,
- Preparation of the final assessment report. The report shall be circulated to all SIMDP partners and made available to the public.

7 STRATEGY FOR FURTHER DEVELOPMENT

The development of future Sakhalin Indigenous Minorities Development Plans will heavily depend on the lessons learned from previous SIMDPs in terms of governance efficiency and SIMDP content and control. Analysis of reports of the SIMDP coordinating bodies and the outcomes of internal and external monitoring will make it possible to streamline future SIMDPs and to improve their overall efficiency. Planning and development of SIMDP6 shall commence in the first quarter of the fifth year of implementation of SIMDP 5.

SIMDP partners reaffirm their commitment to the development and implementation of subsequent five-year programme cycles, taking into account the current context and the needs of SIM, and in compliance with Russian legislation and international standards and practices governing engagement between business and Indigenous Peoples. The content and format of future Plans shall be determined in the course of, and based on the outcomes of, broad and open consultations with SIM in their areas where they traditionally live and perform traditional economic activities.

APPENDIX 1.

COOPERATION AGREEMENT

**between the Government of Sakhalin Oblast, Sakhalin Energy LLC,
and the Regional Public Organisation “Regional Council of Authorised Representatives
of Sakhalin Indigenous Minorities”**

Yuzhno-Sakhalinsk

27 November 2025

The Government of Sakhalin Oblast (hereinafter referred to as the “Government”), represented by the Governor of Sakhalin Oblast, Valery Limarenko, acting on the basis of the Charter of Sakhalin Oblast; Sakhalin Energy LLC (hereinafter referred to as “Sakhalin Energy”), represented by its Chief Executive Officer, Roman Dashkov, acting on the basis of its Charter; and the Regional Public Organisation “Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities” (hereinafter referred to as the “Council”), represented by its Chairperson, Svetlana Sangi, acting on the basis of its Charter, hereinafter collectively referred to as the “Parties”, recognising the importance of ensuring the rights and interests of Sakhalin Indigenous Minorities of the North (hereinafter referred to as the “Indigenous Peoples of the North”) in the context of large-scale development of Sakhalin’s oil and gas fields; emphasising the role of social and public-private partnership arrangements between the Indigenous Peoples of the North, public authorities, local self-government bodies, and industrial companies in ensuring the sustainable development of Indigenous communities; noting the positive experience of tripartite cooperation during the implementation of four five-year Sakhalin Indigenous Minorities Development Plans in the period 2006–2025; have agreed to conclude this Cooperation Agreement (hereinafter referred to as the “Agreement”), based on applicable Russian and international norms and standards governing relations with Indigenous Minorities of the North.

The Fifth Five-Year Sakhalin Indigenous Minorities Development Plan (2026–2030) (hereinafter referred to as “SIMDP 5”), adopted on 12 November 2025 at the conference “On the Prospects for Further Cooperation within the Framework of SIMDP 5”, is the result of joint efforts, negotiations and open consultations between the Government, the Council, Sakhalin Energy and the Indigenous Peoples of the North.

Accordingly, all three Parties have contributed to the development of SIMDP 5 and thereby undertake to continue cooperation during its implementation, in accordance with the requirements of SIMDP 5 and in close interaction with its coordinating bodies.

The Parties:

- Respect each other and recognise that each of the Parties has its own views, opinion, and tasks,
- Respect the priority right of Indigenous Peoples of the North to use the resources of fauna and flora, and their growing aspiration for self-government and control over the environment of their native habitat,
- Emphasise the distinctive spiritual ties of the Indigenous Peoples of the North to their land and the paramount importance of the preservation and protection of their native habitat as a pre-condition for their ethnic survival and development,
- Recognise that hydrocarbon exploration and production, as well as the construction and operation of oil and gas pipelines, plants and other large industrial facilities, may potentially affect the ancestral environment, traditional lifestyles, economic activities, and livelihoods of the Indigenous Peoples of the North,
- Acknowledge the need for information-sharing and consultations with the Indigenous Peoples of the North,

- Apply the principle of free, prior, and informed consent of the Indigenous Peoples of the North,
- Recognise the rights of Indigenous Peoples of the North to define their sustainable development priorities,
- Recognise the need for State support by the Government to create conditions for the sustainable development of the Indigenous Peoples of the North, as well as the importance of support from Sakhalin Energy LLC,
- Note that the Indigenous Peoples of the North live in remote settlements under challenging climatic conditions and face serious socio-economic challenges related to the preservation and development of traditional economic activities and the revitalisation of culture and language,
- Welcome the commitment of Sakhalin Energy LLC, which conducts economic activities in districts of traditional residence and traditional economic activities of the Indigenous Peoples of the North, to contribute to the sustainable development of Indigenous communities,
- Assume obligations and take decisions based on the principles of equal partnership, transparency, and prompt notification, and rely on joint responsibility with Indigenous Peoples of the North while interacting with each other.

1. Purpose of the Agreement

This Agreement is concluded for the purpose of coordinating the activities of the Parties in relation to the implementation of SIMDP 5 and strengthening cooperation in promoting the sustainable economic and socio-cultural development of the Indigenous Peoples of the North through the mobilisation of the Parties' partnership resources.

2. Subject of the Agreement

The subject of this Agreement is cooperation and interaction between the Government, Sakhalin Energy LLC, and the Council in matters relating to:

- The establishment of coordinating bodies within the governance structure of SIMDP 5,
- The preparation and conduct of joint activities aimed at ensuring effective management of the implementation of SIMDP 5, including at senior management level,
- The preparation and conduct of internal and external monitoring of the implementation of SIMDP 5,
- Drawing the attention of the state, scientific, public, and industrial institutions to issues affecting Indigenous Peoples of the North,
- The development of recommendations for the adoption of regulatory legal acts related to the effective implementation of SIMDP 5, the development of Indigenous Peoples, the protection of their ancestral environment, and the preservation of traditional economic activities, culture, and national languages.

3. Areas of Cooperation between the Parties

3.1. The Government, within the scope of its competence and in accordance with the procedures established by law, shall:

3.1.1. Appoint two representatives of the Government to serve on the Supervisory Board of SIMDP 5,

3.1.2. Appoint two representatives of the Government to serve on the Governing Board of SIMDP 5,

3.1.3. Appoint one representative of the Government to the internal monitoring group for the implementation of SIMDP 5,

3.1.4. Appoint a representative of the Government to the grievance review group in accordance with the grievance procedure provided for under SIMDP 5,

3.1.5. Jointly with the Council and Sakhalin Energy LLC, participate in the organisation and conduct of public meetings and consultations with the population in districts of traditional residence and traditional economic activities of the Indigenous Peoples of the North,

3.1.6. Cooperate with local self-government bodies in areas of traditional residence and traditional economic activities of the Indigenous Peoples of the North on matters relating to the implementation of SIMDP 5,

3.1.7. Agree with the Parties on the appointment of the Coordinator for the implementation of SIMDP 5,

3.1.8. Cooperate with the Coordinator of SIMDP 5 and with the Social Performance Section of Sakhalin Energy,

3.1.9. Submit requests to relevant executive authorities of Sakhalin Oblast for the appointment of their representatives to support and implement partnership and strategic development projects and activities under SIMDP 5,

3.1.10. Cooperate with relevant executive authorities of Sakhalin Oblast and coordinate their activities in the implementation of partnership and strategic development projects under SIMDP 5,

3.1.11. Promote the experience of implementing SIMDP 5 within the scope of its competence,

3.1.12. Facilitate the development of capacity required for the participation of the Indigenous Peoples of the North in the governance and implementation of SIMDP 5, including the organisation of training seminars and workshops,

3.1.13. Initiate and approve regulatory legal acts aimed at the successful implementation of SIMDP 5.

3.2. Sakhalin Energy:

3.2.1. Appoint two representatives of Sakhalin Energy LLC to serve on the Supervisory Board of SIMDP 5,

3.2.2. Appoint two representatives of Sakhalin Energy LLC to serve on the Governing Board of SIMDP 5,

3.2.3. Appoint one representative of Sakhalin Energy LLC to the internal monitoring group for the implementation of SIMDP 5,

3.2.4. Appoint a representative of Sakhalin Energy LLC to the grievance review group in accordance with the grievance procedure provided for under SIMDP 5,

3.2.5. Jointly with the Council, discuss and implement measures aimed at minimising (or preventing) negative impacts on the traditional way of life and traditional economic activities of the Indigenous Peoples of the North in connection with the implementation of the Sakhalin-2 project,

3.2.6. Ensure that Indigenous communities are informed about public consultations conducted as part of environmental and social impact assessments for planned expansions of the Sakhalin-2 project in areas of traditional residence and traditional economic activities of the Indigenous Peoples of the North,

3.2.7. Jointly with the Council and the Government, participate in the organisation and conduct of public meetings and consultations with the population in districts of traditional residence and traditional economic activities of the Indigenous Peoples of the North,

3.2.8. Promote the experience of implementing SIMDP 5 within the scope of its competence,

3.2.9. Provide funding for programmes and projects under SIMDP 5 in the amount of 20 million roubles annually for five years (2026–2030), on the basis of separately concluded targeted funding agreements,

3.2.10. Provide logistical and financial support for the organisation and conduct of meetings (including off-site meetings) of the coordinating bodies – the Supervisory Board, Governing Board, and Sustainable Development Council – as well as public consultations in districts of traditional residence and traditional economic activities of the Indigenous Peoples of the North, internal monitoring and external evaluation of SIMDP 5 implementation, and grievance resolution, on the basis of plans agreed with Sakhalin Energy and other supporting and substantiating documents. The volume of such support shall be determined by Sakhalin Energy LLC.

3.2.11. Ensure information support for the official website for the SIMDP,

3.2.12. Provide funding for a regional conference to be held for the purpose of obtaining the free, prior, and informed consent of the Indigenous Peoples of the North for the future implementation of SIMDP6, as well as for the signing of the relevant tripartite agreement, on the basis of plans agreed with Sakhalin Energy LLC and other supporting and substantiating documents. The volume of such funding shall be determined by Sakhalin Energy LLC.

3.2.13. Authorise specialists of Sakhalin Energy LLC responsible for engagement with the Indigenous Peoples of the North within the Social Performance Section to carry out activities under SIMDP 5 on behalf of Sakhalin Energy LLC,

3.2.14. Facilitate the development of capacity required for the participation of the Indigenous Peoples of the North in the governance and implementation of SIMDP 5, including the organisation of training seminars and workshops.

3.3. The Council shall:

3.3.1. Appoint two representatives from among its members to serve on the Supervisory Board of SIMDP 5,

3.3.2. Appoint three representatives from among its members to serve on the Governing Board of SIMDP 5,

3.3.3. Coordinate with the Russian Association of Indigenous Peoples of the North (RAIPON) on the nomination of RAIPON's representative to serve on the Governing Board of SIMDP 5,

3.3.4. Submit a request to the Sakhalin Oblast Duma for the appointment of its representative to serve on the Governing Board of SIMDP 5,

3.3.5. Submit a request to the Commissioner for the Rights of Indigenous Minorities in Sakhalin Oblast to serve on the Governing Board of SIMDP 5,

3.3.6. Appoint one representative from among its members to the internal monitoring group for the implementation of SIMDP 5,

3.3.7. Appoint representatives from among its members to the grievance review group in accordance with the grievance procedure provided for under the SIMDP,

3.3.8. Agree with the Parties on the appointment of the Coordinator for the implementation of SIMDP 5,

3.3.9. Promote the experience of implementing SIMDP 5 within the scope of its competence,

3.3.10. Jointly with the Government and Sakhalin Energy LLC, oversee the implementation of SIMDP 5 through its representatives on the Supervisory Board and the Governing Board,

3.3.11. Cooperate with the Government and Sakhalin Energy LLC and ensure coordinated action in the implementation of SIMDP 5,

3.3.12. Jointly with Sakhalin Energy LLC, discuss measures aimed at minimising (or preventing) negative impacts on traditional ways of life and economic activities in connection with the implementation of the Sakhalin-2 project,

3.3.13. Jointly with the Government and Sakhalin Energy LLC, participate in the organisation and conduct of public meetings and consultations with the population in districts of traditional residence and traditional economic activities of the Indigenous Peoples of the North,

3.3.14. Engage with Indigenous Peoples of the North, public organisations, national enterprises, and other Indigenous associations on matters relating to the implementation of SIMDP 5,

3.3.15. Cooperate with the Coordinator of SIMDP 5 and the Social Performance Section of Sakhalin Energy LLC,

3.3.16. Cooperate with local self-government bodies in areas of traditional residence and traditional economic activities of the Indigenous Peoples of the North on matters relating to the implementation of SIMDP 5.

4. Areas of Cooperation between the Parties

The Parties acknowledge that, over the coming decades, the future of the Indigenous Peoples of the North, like that of other residents of Sakhalin Island, will be inextricably linked to the region's development. To promote the sustainable development of the Indigenous Peoples of the North, the Parties intend to make all efforts to achieve the objectives of SIMDP 5, namely:

- Develop a strategic partnership model as a key mechanism for consolidating the resources and competencies of all stakeholders in the interests of sustainable development of the Indigenous Peoples of the North, and improve the effectiveness of cooperation among all stakeholders to create synergy and deliver qualitatively new results. Enhance the effectiveness of interaction among all stakeholders to ensure synergy and achieve qualitatively new outcomes,

- Create conditions for the sustainable development of the Indigenous Peoples of the North. Through the implementation of a set of measures aimed at strengthening the socio-economic potential of Indigenous communities by introducing socially significant, strategic, and partnership development projects,

- Create conditions for effective risk management in matters relating to the Indigenous Peoples of the North. Identify and assess concerns, risks, and problem areas, ensure timely coordination among stakeholders, and develop corrective and other actions, depending on the area of responsibility.

5. Special Terms and Conditions

This Agreement provides for:

5.1. Regular meetings of representatives of the Government, Sakhalin Energy LLC, and the Council to consider matters directly related to the subject matter of this Agreement.

5.2. Any amendments and supplements hereto may only be made by mutual consent of the Parties, in the form of a protocol to be signed by the three Parties.

5.3. Where the Parties express substantial intentions, supplementary agreements to this Agreement may be adopted by mutual consent of all Parties.

5.4. This Agreement does not constitute grounds for the creation of any legal, financial, or property obligations between the Parties, including obligations relating to the conclusion of any transactions, transfer of information, or the bringing of mutual claims. At the same time, the financial support measures specified in sub-clauses 3.2.9, 3.2.10, and 3.2.12 of clause 3.2 of this Agreement shall be provided in the manner and on the grounds set out in those sub-clauses.

5.5. This Agreement is not intended to restrict competition during the performance of this Agreement. The Parties shall comply with antitrust laws of the Russian Federation.

5.6. This Agreement may not be regarded as a contract or a preliminary contract within the meaning of Article 429 of the Civil Code of the Russian Federation or as a promise of a gift; it is not a simple partnership agreement or any other agreement on joint activity of the Parties and does not create any agency relationship. Nothing in this Agreement limits the rights of any Party to implement projects without the participation of another Party. Specific rights and obligations of the Parties may be established only in contracts concluded by the Parties. The Parties do not assume any obligation under this Agreement to conclude any other contracts (agreements) in the future and shall not be entitled to compel each other to do so through court proceedings.

5.7. Rights arising from this Agreement may not be assigned to third parties without the written consent of the Parties.

5.8. Any press releases, information bulletins, notices, or public statements by the Parties concerning this Agreement shall be subject to prior written approval by the Parties to this Agreement.

5.9. Each Party represents and warrants that, in entering into and performing this Agreement, its employees and representatives, affiliates, and any other persons engaged by such Party in connection with the implementation of this Agreement shall not pay, nor promise or authorise payment, nor offer to pay any remuneration, commission or other material consideration, nor provide any other things or valuables in the form of gifts, other property or services of a proprietary nature, other property rights, or unjustified benefits or advantages, directly or indirectly, personally or through an intermediary, to a public official or to any other person for the benefit of a public official, for the purpose of influencing any actions or decisions of that public official, inducing the official to act or refrain from acting in violation of their lawful official duties, or influencing a public authority in order to assist such Party or its affiliates in obtaining any improper advantage, or for any other improper purpose in violation of applicable anti-corruption legislation.

5.10. The Parties undertake to restrict access by third parties and not to disclose to third parties, directly or indirectly for any purpose, and not to publish without the written consent of the other Parties to this Agreement, information including any information relating to this Agreement, this Agreement with all subsequent amendments and supplements, the Parties' correspondence relating to this Agreement (including email correspondence), documentation developed in the course of performing this Agreement, any technical, commercial or strategic information of the Parties, and information about the Parties' financial and business activities. Prior to the exchange of confidential information, the Parties undertake to enter into an appropriate non-disclosure agreement. The Parties undertake to maintain strict confidentiality for the duration of this Agreement and for fifteen (15) years from the date of expiry or termination of this Agreement.

6. Validity and Termination of the Agreement

6.1. This Agreement shall enter into force upon signature by the Parties and shall remain in effect until the earliest of the following dates:

- (a) The expiry of the implementation period of SIMDP 5,
- (b) The date of termination of this Agreement by mutual consent of the Parties,
- (c) The date of unilateral out-of-court termination in accordance with clause 6.2 of this Agreement.

6.2. Any Party may terminate this Agreement at any time unilaterally and out of court by sending written notice to the other two Parties, without stating reasons and without incurring obligations to the other two Parties.

6.3. This Agreement shall be governed by the laws of the Russian Federation.

6.4. This Agreement is made in three fully identical copies of equal legal force, one copy for each Party.

7. Signatures of the Parties

Government of Sakhalin
Oblast

Sakhalin Energy LLC

Regional Council of
Authorised Representatives
of Sakhalin Indigenous
Minorities

APPENDIX 2.

STATEMENT OF CONSENT TO THE IMPLEMENTATION OF THE FIFTH SAKHALIN INDIGENOUS MINORITIES DEVELOPMENT PLAN AND TO THE SIGNING OF A TRIPARTITE AGREEMENT BY THE REGIONAL COUNCIL OF AUTHORISED REPRESENTATIVES OF SAKHALIN INDIGENOUS MINORITIES, SAKHALIN ENERGY LLC, AND THE GOVERNMENT OF SAKHALIN OBLAST

We, the delegates of the conference “On the Prospects for Further Cooperation within the Framework of the Fifth Sakhalin Indigenous Minorities Development Plan” (hereinafter referred to as the “Conference”), being representatives of Sakhalin Indigenous Minorities, hereby confirm the following.

The implementation of SIMDP 4 (2021–2025) was successful.

Consultations on the preparation of SIMDP 5 for 2026–2030 were conducted in accordance with applicable Russian and international standards.

The consultations were held in all seven districts of SIM traditional residence and traditional economic activities and involved meetings with the local population, representatives of municipality administrations, and other stakeholders.

To ensure informed participation by Sakhalin Indigenous Minorities and to take into account their views on the implementation of SIMDP 4 and the development of SIMDP 5, two rounds of open consultations in the form of public meetings were conducted in February 2025 and October 2025, as well as a questionnaire survey from 10 February to 30 July 2025.

The discussions were held in a timely manner and were open, voluntary, and unforced. We were provided with opportunities and time for subsequent discussion of various aspects of the SIMDP and the relevant information support sufficient and necessary for our own independent assessment of the programme.

We understand, approve, and endorse the objectives, principles, and measures of SIMDP 5 and its content as a whole, taking into account the outcomes of discussions at this Conference.

In view of the above and taking into account the broad support expressed by Sakhalin Indigenous Minorities for the SIMDP programme, we give our collective consent to the implementation of SIMDP 5 (2026–2030) and to the signing of a tripartite agreement between the programme partners (the Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities, the Government of Sakhalin Oblast, and Sakhalin Energy LLC).

We, the delegates of the Conference, hereby authorise the Chairperson of the Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities, S. N. Sangi, to sign this statement on the basis of the decision of the Conference delegates.

S. N. Sangi, Chairperson of the Regional Council of
Authorised Representatives of Sakhalin Indigenous
Minorities

12 November 2025
Yuzhno-Sakhalinsk

APPENDIX 3.

SAKHALIN-2 PROJECT OVERVIEW

The Sakhalin-2 project is one of the world's largest integrated oil and gas projects and is implemented under the first Production Sharing Agreement in Russia for the development of the Piltun-Astokhskoye and Lunskeye oil and gas fields (1994).

The project operator, Sakhalin Energy LLC, is developing the Piltun-Astokhskoye and Lunskeye fields in the territorial sea off the eastern coast of Sakhalin Island. The average sea depth at the Company's two fields is 32 metres and 48 metres respectively (with a maximum sea depth of approximately 60 metres), and the maximum sea depth at the locations of the Company's three offshore platforms is approximately 49 metres. The traditional sandy reservoir formations developed by the Company are not considered shale; in developing them, the Company does not extract hydrocarbons from deposits located in shale formations.

As part of the Sakhalin-2 project, extensive infrastructure has been constructed for the extraction, transportation, processing, and subsequent marketing of hydrocarbons. This infrastructure includes three fixed offshore platforms, offshore and onshore pipeline systems, an integrated onshore processing facility, two booster stations, an oil export terminal with a tanker loading unit, a liquefied natural gas (LNG) plant with an LNG jetty, and gas transfer terminals.

The Supervisory Board is responsible for the strategic management of the Sakhalin-2 project, which was established under the Sakhalin-2 Production Sharing Agreement (PSA). The Supervisory Board supervises the fulfilment of the PSA terms and approves the Company's long-term development plans and budgets, annual work programmes and budgets, LNG sales agreements, procurement procedures, employment and training plans for Russian nationals, etc. The Supervisory Board also reviews annual reports of Sakhalin Energy LLC and appoints auditors. The Supervisory Board consists of 12 members, with six representatives from the Company and six from the Russian Party.

Sakhalin Energy LLC uses the following corporate governance model:

- The General Meeting of Members of the Sakhalin-2 project operator is the Company's supreme governing body,
- Day-to-day management is exercised by the sole executive body, the Chief Executive Officer.

Sakhalin Oblast and the Russian Federation as a whole derive significant benefits from the implementation of the Sakhalin-2 project, including the following:

- Russia and the host region gain experience in delivering complex, high-technology projects in remote areas, as well as experience in the localisation of advanced industry services and technologies,
- Measures to support Russian suppliers and to establish centres of expertise within the Company contribute to the achievement of the Russian Federation's national development goals related to strengthening the country's technological sovereignty,
- Sakhalin-based companies actively participate in the implementation of the Sakhalin-2 project as contractors and subcontractors. This, together with contributions to the Sakhalin Oblast budget, has a positive impact on living standards and household incomes in the region,
- Employment levels (both direct and indirect) and workforce qualifications have increased, supporting the development of the region's human capital and economic sovereignty,
- The Company has brought major improvement to the Sakhalin Island infrastructure,
- Across its areas of operation, with the support of Sakhalin Energy LLC, numerous environmentally and socially significant initiatives are being implemented in priority areas for both the region and the Company, contributing to the achievement of national and global sustainable development goals.

Detailed information about the Company and the Sakhalin-2 project is available on the website www.sakhalinenergy.ru and in the Company's ESG non-financial reports (available on the Company's website).

SCOPE OF THE SAKHALIN-2 PROJECT AND THE LOCATION OF SETTLEMENTS OF TRADITIONAL RESIDENCE OF SIM

Figure 3 shows the location of the Sakhalin-2 project facilities and the seven municipal districts officially recognised as areas of traditional residence and traditional economic activities of SIM.



Figure 3. Districts of traditional residence and traditional economic activities of SIM and Sakhalin-2 project facilities

ENVIRONMENTAL IMPACT MANAGEMENT

Sakhalin Energy LLC conducts its activities based on the requirements established by legal acts, regulations, and regulatory documents of the Russian Federation in the field of environmental protection and in line with international standards and best oil and gas industry practices.

The company's guiding document is the Environmental Policy, aimed at minimising impacts through preventive risk management and the implementation of a comprehensive system of controls, forming the foundation of an effective environmental management system.

In accordance with the Policy, Sakhalin Energy LLC's objective is to minimise environmental impacts resulting from its operations. To achieve this objective, the Company undertakes to:

- Comply with all applicable requirements of Russian legislation, industry standards, and corporate regulations governing environmental protection,
- Reduce negative environmental impacts and ensure the rational use of natural resources, including through the introduction of best available technologies,
- Implement measures to reduce greenhouse gas emissions, adapt to climate change, and conserve biodiversity,
- Ensure continuous improvement of the environmental management system,
- Ensure transparency and accessibility of information on the Company's environmental protection activities,
- Inform stakeholders and maintain an active dialogue with them on environmental matters,
- Communicate the Company's environmental policy commitments to all persons working for the Company, including contractors and subcontractors,
- Foster a corporate culture in which all employees share and support these commitments.

The environmental management system is an integral part of Sakhalin Energy LLC's corporate management system and comprises six elements (commitment and leadership by example; planning, support mechanisms, operations, performance evaluation, and improvement). It is supported by related business processes and covers all environmental protection activities.

The Company implements a comprehensive set of organisational and technical measures aimed at consistently reducing negative environmental impacts, enhancing the competencies of Sakhalin Energy LLC personnel and contractors, and developing and implementing programmes for industrial environmental control, environmental monitoring, and biodiversity conservation.

Sakhalin Energy LLC carries out industrial environmental control at its facilities to comply with legislative requirements and manage environmental risks, ensure compliance with established standards, promote the rational use of natural resources, and implement environmental impact reduction plans.

Further details are provided in the Company's ESG non-financial reports (available on the Company's website).

INDUSTRIAL ENVIRONMENTAL CONTROL

Industrial environmental control, including inspection-based and analytical monitoring, is carried out in the following areas:

- Air emissions,
- Water use and impact on water bodies,
- Waste management.

In hydrocarbon production and transportation and liquefied natural gas (LNG) production activities, Sakhalin Energy LLC monitors and controls pollutant emissions and discharges, greenhouse gas

and ozone-depleting substance emissions, and places particular emphasis on waste management, energy consumption, and associated gas utilisation.

Measures are developed and implemented in accordance with the Company's Air Protection and Energy Management Standard, Water Use and Groundwater Protection Standard, and Waste Management Standard.

Further details are provided in the Company's ESG non-financial reports (available on the Company's website).

BIODIVERSITY CONSERVATION PROGRAMME

Sakhalin Energy LLC implements environmental monitoring in potential impact areas of the production assets in accordance with the environmental protection legislation and regulatory documents in the area of environmental protection and the State Environmental Expert Review's requirements for the Industrial Environmental Control and Local Monitoring System at the operational stage.

Practical measures to minimise impacts on fauna and flora at all stages of the Sakhalin-2 project's development are governed by the Biodiversity Standard and Biodiversity Action Plan.

The Company has developed and implemented a Marine Mammal Protection Plan, which reduces risks from production activities to Red Book species, in particular the Okhotsk Sea population of grey whales. The Plan includes information on the boundaries of grey whale feeding areas off north-eastern Sakhalin, shipping corridors used by Sakhalin-2 project vessels, and measures to reduce the risk of vessel collisions with marine mammals.

Further details are provided in the Company's ESG non-financial reports (available on the Company's website).

CLIMATE AGENDA AND CARBON REGULATION

Sakhalin Energy LLC recognises the importance of climate change issues and aligns its activities with global climate objectives and the Climate Doctrine of the Russian Federation, approved by Presidential Decree No. 812 dated 26 October 2023.

Although natural gas is the lowest-carbon fossil fuel, the Company prioritises actions to reduce greenhouse gas emissions and to enhance the resilience and adaptability of its operations to the impacts of climate change.

In 2022, a climate experiment was launched in Sakhalin Oblast under Federal Law No. 34-FZ of 6 March 2022 "On Conducting an Experiment to Limit Greenhouse Gas Emissions in Certain Constituent Entities of the Russian Federation". Achieving the objectives of this regional experiment requires enterprises to implement decarbonisation measures. As a regulated entity, Sakhalin Energy LLC implements the necessary measures to achieve the experiment's objectives, coordinating its efforts with regional authorities.

The Company focuses on the rational use of energy resources, contributing to the reduction of greenhouse gas emissions, improving equipment reliability, and enhancing the efficiency of production processes. Company facilities are designed in accordance with international best practices, and the latest technologies are applied in the construction of new facilities. All production assets use independent power supplies.

In reducing greenhouse gas emissions, Sakhalin Energy LLC places strong emphasis on measures to ensure reliability, safety, and performance, and to improve the energy efficiency of all production processes. Efforts to reduce the carbon footprint also include minimising associated petroleum gas flaring at offshore platforms, reducing process losses, and optimising start-up procedures and the frequency of planned shut-downs of the integrated gas chain. Some equipment at the company assets, such as air conditioners and cooling machinery, contains ozone-depleting substances regulated by the Montreal Protocol.

Sakhalin Energy LLC has analysed and systematised climate risks, assessed their effects, and identified opportunities for company action. The Company considered both risks during the transition period associated with the development of a low-carbon economy model and physical risks associated with the change in natural and climate conditions and other environmental features, which may affect the reliability of the Company's production processes and assets, as well as the safety and health of the general public.

Further details are provided in the Company's ESG non-financial reports (available on the Company's website).

ASSESSMENT OF IMPACTS ON SAKHALIN INDIGENOUS MINORITIES IN CONNECTION WITH THE SAKHALIN-2 PROJECT

One of the most important components of effective risk management is conducting an impact assessment. Preventing or minimising actual and/or potential environmental and social impacts of the Sakhalin-2 project is one of the Company's key priorities. This process is undertaken prior to the commencement of any new activities or the introduction of material changes to existing projects, in accordance with Russian legislation and applicable international standards. A comprehensive environmental and social impact assessment, including impacts on the livelihoods of Indigenous Peoples, was conducted prior to Phase II of the Sakhalin-2 project (i.e. before construction of the project's infrastructure).

In the impact assessment process, the Company places particular emphasis on stakeholders who may be adversely affected by the Project, with special attention given to so-called vulnerable groups, including Indigenous Peoples, as defined under international standards.

For SIMDP 1 (2006–2010), management of negative impacts was the primary objective of the programme, reflecting the construction phase of the Sakhalin-2 project. For subsequent Plans, corresponding to the operational phase of the Project, the objective most important to Indigenous communities has been improving the quality of life of Sakhalin Indigenous Minorities.

Based on the outcomes of public consultations, the final evaluation report of SIMDP 4, and the results of opinion surveys conducted among SIM communities in connection with SIMDP 4 and the preparation of SIMDP 5, Sakhalin Indigenous Peoples have not expressed concerns regarding potential adverse environmental or social impacts of the Sakhalin-2 project.

Nevertheless, Sakhalin Energy LLC considers the prevention or minimisation of both actual and potential impacts of the Sakhalin-2 project: on the environment and on Indigenous Peoples' traditional use of natural resources to be a priority.

To this end, the Company will continue to identify concerns related to the implementation of the Sakhalin-2 project and to discuss management measures aimed at preventing and/or minimising any potential adverse impacts. In particular, the Company will continue its practice of engaging Indigenous communities in public consultations on Sakhalin-2 expansion projects in districts of traditional residence and traditional economic activities of Sakhalin Indigenous Minorities as part of environmental and social impact assessments.

SOCIAL INVESTMENT PROGRAMMES

Social investment is an integral component of Sakhalin Energy LLC's overall strategy and policy and is aimed at contributing to the sustainable development of its areas of operation through the implementation of external corporate programmes. These programmes include the development of partnerships in the social sphere, support for projects and initiatives focused on regional development and identity, employee participation in corporate social programmes, the promotion of charitable giving and volunteering, and the Company's active engagement in discussions on socially significant issues in its areas of operation.

Over the years, the Company has developed its own model for managing external social investment programmes, based on corporate policies and best national and international charity practices. The Company's key long-term charity and social investment programmes include:

- The Safety Is Important! partnership programme, implemented by the Sakhalin-2 project operator in cooperation with the Main Directorate of the EMERCOM of Russia for Sakhalin Oblast and the Regional Ministry of Education since 2005. The programme is aimed at promoting public awareness of the fundamentals of life safety,
- The Energy Social Initiatives Foundation, a grant-based competitive programme launched in 2003, which supports the most innovative and effective solutions to issues relevant to local communities,
- The Sakhalin Indigenous Minorities Development Plan, a partnership programme of the Sakhalin-2 project operator, the Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities, and the Government of Sakhalin Oblast, implemented since 2006. The programme is implemented in five-year phases and is aimed at preventing or minimising the Project's impact on Indigenous Peoples, improving quality of life, and supporting the sustainable development of the Island's Indigenous communities,
- The employee charity initiatives and corporate volunteering support programme "Hurry Up for Good Deeds!". The programme was launched in 2003 as a grant competition to support employees' charitable initiatives and has undergone several changes over that time. Various formats of participation are currently available, ranging from company-wide campaigns to the implementation of individual charitable or volunteer initiatives,
- Special projects in the cultural sphere,
- Projects focused on patriotic education.

Further details are provided in the Company's ESG non-financial reports (available on the Company's website).

APPENDIX 4.

PROJECTS SUPPORTED BY SAKHALIN ENERGY LLC OUTSIDE SIMDP 4 (2021–2025)

One of Sakhalin Energy LLC's priority strategies in the field of social investment is the development of the cultural sector, including cultural diversity, and the promotion of the women's agenda. Therefore, alongside its contribution to the implementation of the SIMDP, the Company initiates and supports projects and activities aimed at preserving, developing, and promoting the cultural and linguistic heritage of SIM, as well as fostering women's leadership among SIM women.

In 2021–2025, outside the framework of SIMDP 4, the Sakhalin-2 project operator initiated and supported a number of projects at both regional and federal levels.

1/ Projects aimed at preserving, developing, and promoting the cultural and linguistic heritage of Sakhalin Indigenous Minorities, including as part of the International Decade of Indigenous Languages:

- Publication of the Nivkh-language newspaper “Nivkh Dif” – “The Nivkh Word” (annually),
- Sakhalin Oblast Championship in national sports among children of the Indigenous Minorities of the North (annually),
- The Fourth Mother Tongue Regional Children's and Youth Conference in the languages of SIM (2021),
- The exhibition project “The Magical World of Vladimir Sangi”, including the creation and presentation of the animated film “The Chipmunk Is Looking for a Friend”, workshops on making souvenirs from birch bark and wood, Evenki bead-work ornaments, paper silhouette compositions, guided tours, and other activities,
- Participation of the Sakhalin delegation in the section “Education, Culture, and Native Languages” within the 2nd Forum of Indigenous Minorities of the North, Siberia, and the Far East of the Russian Federation (2021),
- Creation of a stand exhibition and participation of the Sakhalin delegation in the International Exhibition and Fair “Treasures of the North. Craftsmen and Artists of Russia 2021”,
- The exhibition project “The Power of Traditions” (2021), including a series of activities (preparation and publication of Efrosinya Shkalygina's book “The Power of Traditions” in Russian, Nivkh, and English; an exhibition of traditional household items, culture and crafts of SIM from the collections of Sakhalin museums; and a cultural and educational programme for various target audiences and age groups, including guided tours, workshops and a quiz on Sakhalin flora),
- The First Indigenous Skills Regional Championship in Ethnocultural Competencies of Indigenous Minorities of the North (2022),
- The exhibition projects “Your Country. Sakhalin and the Kurils: Through Time” and “Days of Sakhalin Oblast” in Moscow and Sakhalin Oblast, dedicated to the celebration of the 75th anniversary of the region (2022),
- The official opening of the International Decade of Indigenous Languages on Sakhalin (2022),
- The presentation of the animated film “Ymka” in Russian and Nivkh (2022),
- The Fifth Mother Tongue Regional Children's and Youth Conference in the languages of SIM (2022),

- Support for organising a round table on the preservation and development of languages and culture of Indigenous Minorities of the North, Siberia, and the Far East of the Russian Federation at the Public Chamber of the Russian Federation (2022),
- Support for organising the round table “Electronic Educational Resources in the Languages of Indigenous Minorities of the North, Siberia, and the Far East: Achievements and Development Prospects” (2022),
- Creation of the Nivkhgu immersive laboratory theatre project (2022),
- Creation of a stand exhibition and participation of the Sakhalin delegation in the XVII International Exhibition and Fair “Treasures of the North. Craftsmen and Artists of Russia 2022”,
- Hosting of the 4th Russian Festival Mother Earth. Indigenous Peoples. Bread. Sweets. Beverages (2022),
- A creative meeting of residents and guests of Yuzhno-Sakhalinsk with the classic of Nivkh literature Vladimir Sangi and Khanty writer Eremey Aipin within the project “Literary Evenings: Under the Rustle of Pages and Sand” (2022),
- Creation of a stand exhibition and participation of the Sakhalin delegation in the XVIII International Exhibition and Fair “Treasures of the North. Craftsmen and Artists of Russia 2023”,
- Creation of an immersive performance based on fairy tales of the peoples of the world “Guiding Sky” (2023),
- Support for the publication of the interactive book “Zayushkina Izbushka” in Russian, Nivkh, and Uilta (2023),
- Design of an exhibition space and opening of the At the Source Exhibition in the Yuzhno-Sakhalinsk airport terminal building (2024),
- Support for the publication of the first Nivkh–Russian and Russian–Nivkh dictionary (Sakhalin dialect), a study guide for schools, teacher training colleges, and universities, Publication of the Nivkh-language newspaper “Nivkh Dif” (2024),
- A series of events dedicated to the 45th anniversary of the modern Nivkh alphabet, including the development of a mobile application for learning the Nivkh language, Nivkh language lessons, a children’s animated film competition “The Nivkhs Have This Letter”, and preparation and opening of The Nivkh Alphabet: Living Pages exhibition in the Yuzhno-Sakhalinsk airport terminal building (2024),
- Support for the publication and presentation of V. M. Sangi’s book “At the Source” in Russian, Nivkh and English (2024),
- Design of the exhibition space and opening of the exhibition “The Silhouette Magic by Semyon Nadein”, dedicated to the 95th anniversary of the outstanding Evenki writer and artist Semyon Nadein, in the Yuzhno-Sakhalinsk airport terminal building (2024),
- Organisation of the round table “Languages of Indigenous Minorities of the North, Siberia, and the Far East as the Basis of the Cultural Heritage of Multinational Russia” as part of the Russia Exhibition & Fair (2024),
- Design of an exhibition space and opening of the Time-keepers exhibition, dedicated to the International Day of Indigenous Peoples, in the Yuzhno-Sakhalinsk airport terminal building (2024),
- Support for the publication and presentation of a new edition of Nivkh legends by V. M. Sangi “Why There Are Few People on Earth” (2024),

- Support for the IV Living Traditions Regional Festival (2024),
- Design of an exhibition space and opening of The Epic of Yfmif exhibition, dedicated to the 90th anniversary of V. M. Sangi, in the Yuzhno-Sakhalinsk airport terminal building (2025),
- Support for the publication “Charters of the Northern Peoples” (2025),
- Design of an exhibition space and opening of the How the Earth Was Born exhibition, dedicated to the International Day of Indigenous Peoples, in the Yuzhno-Sakhalinsk airport terminal building (2025),
- Support for the publication and presentation of V. M. Sangi’s book “Tyngray” (2025),
- Support for the creation and première of the documentary theatre production “Man”, dedicated to the 90th anniversary of V. M. Sangi (2025),
- The Eighth Mother Tongue Regional Children’s and Youth Conference in the languages of SIM (2025).

2/ As part of promoting the women’s agenda, the Company, together with its partners, developed and implemented a series of activities aimed at consolidating and developing cooperation among women leaders and women’s associations in the interests of the social, economic, and ethnocultural development of the North, Siberia, and the Far East of Russia:

- The First Forum of Women of the North – a communication platform aimed at strengthening the role and mission of women in northern regions in sustainable territorial development, preserving and promoting traditional ways of life, cultural and linguistic heritage, and reinforcing the values of the multinational people of Russia (2023),
- Participation of the Sakhalin delegation in the International Festival “Commonwealth of Fashion – 2023”,
- The Women’s Lounge social and business platform – the first cross-regional exhibition on the sidelines of the XIX International Exhibition and Fair “Treasures of the North. Craftsmen and Artists of Russia 2024”,
- Participation of the Sakhalin delegation in the 4th Eurasian Women’s Forum (2024),
- The International Forum-Festival “Traditions and Cultural Diversity” held as part of the 4th Eurasian Women’s Forum (2024),
- A special continuing education project (professional training programme) “Current Challenges and Effective Practices of Sustainable Development of Indigenous Minorities of the North, Siberia, and the Far East of the Russian Federation”. First cohort – 2024. Second cohort – 2025,
- The Women’s Lounge social and business platform – a cross-regional exhibition on the sidelines of the XX International Exhibition and Fair “Treasures of the North. Craftsmen and Artists of Russia 2025”,
- A creative workshop for young emerging SIM writers “Energy of Life: North. Siberia. Far East” (2025),
- Participation of the Sakhalin delegation in the International Festival “Commonwealth of Fashion – 2025”.

APPENDIX 5.

PROPOSALS AND COMMENTS FROM PARTICIPANTS RECEIVED DURING PUBLIC CONSULTATIONS AND THE CONFERENCE “ON THE PROSPECTS FOR FURTHER COOPERATION WITHIN THE FRAMEWORK OF THE FIFTH SAKHALIN INDIGENOUS MINORITIES DEVELOPMENT PLAN”

Areas of the SIMDP	Proposals, Opinions
Public Awareness	Hold annual public meetings in settlements of traditional residence of Sakhalin Indigenous Minorities (we express our gratitude for visits to hard-to-reach settlements, consultations, the provision of information and printed materials, books and brochures of interest to residents)
	Restore the operation of the SIMDP website
	Distribute calendars, books, and brochures on SIM-related topics
	Continue the process of ongoing information provision through meetings and consultations
	Continue information dissemination, including through newspapers. There is a local newspaper in Aleksandrovsk-Sakhalinsky District, and many residents prefer to receive information from printed publications
	SIMDP 4 envisaged an independent assessment by federal-level experts. However, they are not familiar with local conditions or the specifics of SIM. Experts do not provide an opportunity to revise projects. Expert feedback is required
	Grant competition beneficiaries should inform the public about their implemented projects, achievements, and successes in order to share experience and strengthen the positive reputation of the Plan
	Publish information for the public on those who failed to submit project reports under the SIMDP
Grievance Procedure	The procedure is functioning properly and should remain unchanged
Monitoring and Assessment	Continue internal monitoring on an annual basis
	Conduct external monitoring at the end of the SIMDP
	There are issues with reporting; assistance and training are required
	Internal project monitoring should be carried out by a group consisting of representatives of the three SIMDP partners
	Independent assessment should be conducted by an expert and a representative of SIM, as under SIMDP 4
	Exclude from participation in the grant competition those who failed to submit reports or allowed for the misuse of funds

Areas of the SIMDP	Proposals, Opinions
Governance Structure	Retain the Governing Board and the Sustainable Development Fund Council
	Exclude federal-level experts
	Abolish district committees
	Retain the position of SIMDP Coordinator
	Retain SIM representation in the Sustainable Development Fund Council – two SIM members from each district
	Include a member of the Public Chamber of Sakhalin Oblast in the Governing Board
	Include representatives of SIM from councils of authorised representatives under municipal administrations in the coordinating bodies
	Retain the composition of the Governing Board as proposed by the working group
	There is no need to include a member of the Public Chamber of Sakhalin Oblast in the Governing Board, as public representation already exists through organisations representing Indigenous Peoples
	Experts should be engaged to assess applications at the local level
	Strengthen interaction and coordination between the SIMDP bodies and local authorities and agencies when organising events, public meetings, and other activities
	Prohibit membership in the coordinating bodies of the SIMDP for individuals who committed violations in project reporting
	Include in the mandate of the Sustainable Development Council the obligation to approve analytical reporting on grant projects
	Allow membership in the Sustainable Development Council for a SIM representative – a member of a council under a municipal administration – if elected at a district SIM meeting
	Programmes and Areas of Supports
Reinstate the microloans programme	
Retain the grant competition	
Increase the total funding amount for the grant competition	
Increase the funding cap for individual projects	
Develop entrepreneurial activities	
Introduce the Creative Industries track	
Provide for long-term projects that can be implemented for more than one year or on an annual basis	
Provide support for elderly people as a separate area of the grant competition	
Retain the educational competition	
Provide scholarships for underperforming students	
Increase the incentive scholarship “For Contribution to the Preservation and Development of SIM Traditions”	
Combine educational and grant competitions for SIM capacity development	

Areas of the SIMDP	Proposals, Opinions
Programmes and Areas of Supports	To retain all areas included in SIMDP 4
	Provide for dental prosthetics and medical assistance
	Increase funding for the educational competition
	Support SIM participation in regional, federal, and international competitions outside the grant competition
	Consider covering accommodation costs for students
	Consider providing medical assistance to individuals based on medical indications, including oncology patients, those in need of dental prosthetics, and those with eye diseases
	Purchase a vehicle for a cultural institution in Aleksandrovsk-Sakhalinsky District for travelling to the village of Viakhtu, organising SIM cultural events, transporting participants to the district centre, and training children and adults with the involvement of specialists in culture and native languages
	Resolve the issue of distance-learning students. Their examination sessions begin in November. The application deadline is 13 October. Perhaps, revise deadlines or introduce a second application round for distance-learning students
	Provide scholarships for distance-learning students within educational projects
	Support for clan communities within the SIMDP is significant, but there is no development due to the need for additional state support; business activity must be developed and Indigenous enterprises strengthened
	Split the budget in the grant competition under the “Support for traditional economic activities” track into two parts: one for the purchase of equipment and one for training projects
	Reinstate the microloans programme
	There are issues with the participation of individuals in the SIMDP
	Assistance for students to purchase a printer for their studies
	Develop and support ethnotourism
	Run a Young Leaders School as a strategic project outside the grant competition
	Encourage the dissemination of SIM cultural projects not only within ethnic groups but also within the local community, regardless of the number of participants who are SIM representatives
	Provide a separate track to support youth projects and to engage SIM youth in youth initiatives, forums, gatherings, etc.
	Allocate a separate budget for funding social and cultural projects (cultural events, seminars, conferences, publishing books, etc.). Such projects are significant and effective and reach a wider population compared to the needs of individual communities within traditional economic activities
	We propose that SIM representatives participate in innovative capacity-building programmes in the field of legal support for Indigenous Peoples and engagement with public authorities and business

Areas of the SIMDP	Proposals, Opinions
	Consider extending the implementation period for grant-funded projects. For example, cultural projects often require more than one year; it would be preferable to allow 18 months or two years to improve project effectiveness
	Allow the possibility of funding projects proposed by individuals
	The implementation period needs to be extended for capacity-building projects for SIM in order to train qualified personnel
	Within the section on partner projects, provide for mandatory training for heads and members of clan communities, as well as for those wishing to establish a community, with the involvement of the Ministry of Justice and other relevant ministries and agencies. Training topics include establishment of communities, the regulatory framework governing their activities and reporting requirements, and related matters
Assessment of SIMDP 4 and the Draft SIMDP 5	Strategic projects are necessary. A regulation is required on the procedure for financing and implementing strategic and partner development projects, as well as on their clear planning
	We are always delighted to see your team in our hard-to-reach communities. You motivate us to take an active part in the SIMDP
	Environmental issues require attention: in Poronaysk District, rivers have been closed for salmon spawning
	The presentations and information provided are very useful and informative
	Such meetings are important, as we learn many positive aspects of efforts to preserve and develop the culture and traditions of Sakhalin Oblast. We also participate in regional and federal projects ourselves
	One of the major projects of Okha District is the 65th anniversary of the national ensemble Pila Ken. Thanks to this project, we updated the repertoire and acquired new national costumes. All SIM districts attended the project presentation. Thank you for the opportunities provided
	It is necessary to continue implementing the SIMDP, as it is essential for the sustainable development of Indigenous Peoples
	There is a lack of explanation for refusals to award grants and insufficient feedback on the results of expert assessments
	There are difficulties in communication with the grant competition operator
	The absence of municipal administration specialists at public meetings indicates a lack of engagement by local authorities in addressing SIM social issues
	The SIMDP contributes to strengthening stable and friendly ties both within settlements and districts and between different districts
	The work of the SIMDP team and programme partners is highly appreciated

Areas of the SIMDP	Proposals, Opinions
Other	A fund needs to be established for the Indigenous Peoples of Sakhalin Oblast
	Youth employment issues
	Social orientation seminars should be held not in the urban-type settlement of Tymovskoye, but in the village of Chir-Unvd, as the majority of SIM population resides there
	Measures should be taken to prevent the closure of School No. 3 in Poronaysk, which focuses on preserving and developing Indigenous national traditions. The boarding school is being closed due to the absence of a crossing to Sachi Island
	It is necessary to allocate and develop territories of traditional nature use, for example on the Nyivo Spit in Nogliki District
	Steps should be taken to establish a fund for SIM, including the development of a methodology for calculating losses to traditional economic activities caused by industrial operations (oil companies, fishing enterprises, etc.)
	By the next SIM congress or conference, a concrete solution for establishing a development and support fund for Sakhalin Indigenous Minorities should be prepared
	Clan communities should be established to develop traditional economic activities, drawing on the experience of existing communities
	An ethnocentre is needed in the settlement of Nogliki to preserve Indigenous culture and crafts
	Compulsory local history lessons should be introduced in schools
	Issues related to traditional economic activities – allocation of resource use areas, permits, and related matters – must be addressed
	A Sakhalin-based organisation should be engaged to administer the grant competition
	A project should be developed to preserve the legacy of Chuner Taksami, a Soviet and Russian ethnographer and specialist in Nivkh studies, co-author of the first Russian–Nivkh and Nivkh–Russian dictionaries (co-authored with V. N. Savelyeva). A working group with representation from all seven districts of traditional residence should be established. This project is particularly relevant given that in 2026 the distinguished scholar would have turned 95
	The process of developing SIMDP 5 should be approached with particular care, as it is crucial for future development

APPENDIX 6.

INFORMATION OBTAINED DURING CONSULTATIONS ON THE PREPARATION OF SIMDP 5

- Review of SIMDP 4 implementation,
- SIMDP 5 preparation process. The composition of the working group and its terms of reference,
- The work plan for preparing SIMDP 5 and the consultation schedule,
- Measures to reduce potential adverse impacts from the Sakhalin-2 project,
- Grievance procedure,
- Public opinion survey on SIMDP 4 implementation and SIMDP 5 preparation,
- Report on the results of the public opinion survey on SIMDP 4 implementation and SIMDP 5 preparation,
- Report on the results of the external assessment of SIMDP 4,
- Summary of the outcomes of the first round of public consultations, the public opinion survey, and the external assessment of SIMDP 4,
- Draft concept of SIMDP 5, including its objectives and principles, priority areas and development programmes, governance structure and composition of coordinating bodies, project and programme monitoring and assessment, engagement mechanisms, as well as information on the public grievance handling procedure related to the implementation of the SIMDP and other relevant matters,
- Draft regulations on the procedure for preparing and holding the conference of Sakhalin Indigenous Minorities to launch SIMDP 5 for 2025–2030,
- Draft Fifth Sakhalin Indigenous Minorities Development Plan (2026–2030).

APPENDIX 7.

PUBLIC OPINION SURVEY QUESTIONNAIRE ON SIMDP 4 IMPLEMENTATION AND SIMDP 5 PREPARATION

Locality: _____ Date: _____ 2025

Dear Sakhalin residents,

The Working Group for the preparation of the Fifth Sakhalin Indigenous Minorities Development Plan (SIMDP or the Plan) kindly asks you to share your views on the measures aimed at supporting Sakhalin Indigenous Minorities implemented under the SIMDP. To improve the programme's effectiveness and to gather proposals for the preparation of SIMDP 5, please answer the questions below.

1. What is your main source of information about the SIMDP? (please tick ✓ all applicable options)

Acquaintances, friends, relatives	
At public meetings organised by the Plan partners	
From newspapers (please specify the title) or television (please specify the channel)	
From websites (please specify)	
From social media networks (e.g. WhatsApp, Telegram, etc.)	
Other sources (please specify)	

2. Which activities, areas, or projects implemented under SIMDP 4 (2021 – 2025) do you consider the most useful or successful?

Please explain why and give an example	
Educational competition	
Grant competition	
Training workshops on social design	
Other (please specify)	

3. In your opinion, what impact does SIMDP implementation have on the following areas?

Component	Tick one of the options ✓	Please give an explanation
Traditional economic activities	Positive	
	Negative	
	Has no effect	
	Not sure	
Traditional knowledge, national culture, and languages	Positive	
	Negative	
	Has no effect	
	Not sure	

Component	Tick one of the options ✓	Please give an explanation
Environmental protection and biodiversity conservation	Positive	
	Negative	
	Has no effect	
	Not sure	
Capacity development of Sakhalin Indigenous Minorities and education	Positive	
	Negative	
	Has no effect	
	Not sure	
National sport	Positive	
	Negative	
	Has no effect	
	Not sure	
Ethnotourism	Positive	
	Negative	
	Has no effect	
	Not sure	
Other area (please specify) (please indicate)	Positive	
	Negative	
	Has no effect	
	Not sure	

4. In your opinion, what opportunities exist to improve the SIMDP?

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5. Your recommendations / comments to each programme partner regarding SIMDP implementation

SIMDP Partners	Your recommendations / comments
Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities	
Government of Sakhalin Oblast	
Sakhalin Energy LLC	

6. Your proposals for SIMDP 5 (2026–2030)

Component	Your suggestions
Governance structure of the SIMDP	
Priority areas of support under the SIMDP	
Competitive funding programmes under the SIMDP	
Information disclosure and public consultations	
SIMDP grievance handling procedure	
Information disclosure on the Sakhalin-2 project and its potential impacts on SIM	
Others (please specify)	

7. In your opinion, which topics relevant to the Indigenous community of Sakhalin Oblast are most important to discuss as part of the federal and international agenda?

8. Please indicate the federal- and international-level events in which participation of SIM representatives should be supported.

At the federal level	At the international level

9. Please indicate which national development goals of the Russian Federation, in your opinion, are the most significant in terms of the contribution of the SIMDP to their achievement (please tick ✓ no more than three national goals).

The national development goals of Russia up to 2030 and for the period up to 2036 are defined by Presidential Decree No. 309 dated 7 May 2024, aimed at ensuring breakthrough development of the Russian Federation, increasing the population, improving living standards,

creating comfortable living conditions, and enabling the development of every individual. The implementation instrument for national development goals is the national projects of Russia: <https://национальные проекты.рф>.

Preservation of the population, strengthening public health and improving people's wellbeing, support for families	
Realisation of the potential of each person, developing their talents, and fostering a patriotic and socially responsible individual	
Comfortable and safe living environment	
Environmental wellbeing	
Sustainable and dynamic economy	
Technological leadership	
Digital transformation of state and municipal governance, the economy, and the social sphere	

10. Please indicate which Sustainable Development Goals (SDGs), in your opinion, are the most significant in terms of the contribution of the SIMDP to their achievement (please tick ✓ no more than five SDGs).

The SDGs, also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure peace and prosperity by 2030. All stakeholders – governments, civil society, business, and others – are expected to contribute to the achievement of the SDGs: <https://www.un.org/sustainabledevelopment/ru/>

SDG 1. End poverty in all its forms everywhere	
SDG 2. End hunger, achieve food security and improved nutrition, and promote sustainable agriculture	
SDG 3. Ensure healthy lives and promote well-being for all at all ages	
SDG 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	
SDG 5. Achieve gender equality and empower all women and girls	
SDG 6. Ensure availability and sustainable management of water and sanitation for all	
SDG 7. Ensure access to affordable, reliable, sustainable and modern energy for all	
SDG 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	
SDG 9. Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	
SDG 10. Reduce inequality within and among countries	
SDG 11. Make cities and human settlements inclusive, safe, resilient and sustainable	
SDG 12. Ensure sustainable consumption and production patterns	
SDG 13. Take urgent action to combat climate change and its impacts	

SDG 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development	
SDG 15. Protect, restore and promote the sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss	
SDG 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	
SDG 17. Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development	

11. Respondent:

Respondent's gender: male ____ female ____

Respondent's age: _____ full years

Thank you for your cooperation!

Working group
for the Development of SIMDP 5

APPENDIX 8.

REPORT ON THE RESULTS OF THE PUBLIC OPINION SURVEY ON THE IMPLEMENTATION OF SIMDP 4 AND THE PREPARATION OF SIMDP 5

SUMMARY OF SURVEY RESULTS

The survey was conducted between 10 February and 30 July 2025 to reveal public opinion regarding the implementation of SIMDP 4 and the preparation of SIMDP 5.

The survey method was a questionnaire. Information about the survey was disseminated through distribution of questionnaires during the first round of public consultations, via messaging platforms within SIM groups, through direct distribution, and by targeted electronic mailing of questionnaires to NGOs, Indigenous communities, institutions, SIMDP participants, and other stakeholders. As a result of the survey, 65 questionnaires were received from residents of 11 settlements located in seven districts of traditional residence and traditional economic activities of SIM.

Sources of Information on the SIMDP

The most common source of information was public meetings organised by the SIMDP partners (56 respondents, or 86.2% of the total number of questionnaires).

Opinion on SIMDP Implementation

Respondents identified the education competition and the grant competition as the most useful and successful components of SIMDP 4 (63.1% and 67.7% of respondents respectively).

Impact of the SIMDP on the Areas of Life of SIM

Respondents believe that the SIMDP had a positive impact on the development of SIM communities, particularly in the following areas: Traditional knowledge, national culture, and languages (58 respondents, 89.2%), National sports (58 respondents, 89.2%), SIM capacity development and education (53 respondents, 81.5%), Traditional economic activities (51 respondents, 78.5%), Ethnotourism (47 respondents, 72.3%).

Opportunities for Improving the SIMDP

A total of 23 respondents noted opportunities for improving the SIMDP and expressed the following views: “Everything works well for the benefit of SIM”; “The Plan is responsive and continuously improving”; “It is necessary to continue working and developing further.” Individual suggestions included: “Make project reporting clearer and easier to implement”; “More actively involve government authorities in addressing Indigenous Peoples’ issues”; “Pay greater attention to communities and individuals, etc.

Respondents provided 54 comments regarding the work of the Plan Partners. The majority of respondents believe that the Plan Partners work effectively and in good faith.

Proposals for SIMDP 5

Respondents were invited to submit proposals for the development of SIMDP 5. The largest number of proposals related to competitive programmes (23 respondents) and support areas under the SIMDP (21 respondents).

In addition to requests to retain all existing elements of the SIMDP 4, respondents proposed: involving specialists in SIM culture, history, and traditions, expanding capacity-building and youth projects, developing traditional crafts, entrepreneurship, and creative industries, introducing a new area focused on partnership projects with other public organisations, institutions, and government authorities, etc.

Participation of SIM Representatives in Federal and International Events

Respondents believe that topics relevant to Indigenous communities of Sakhalin Oblast should be actively discussed at federal and international levels (17 respondents). Proposed priorities include:

- Discussing key challenges and solutions at federal and international forums; presenting achievements at regional, federal, and international platforms,
- Key themes for SIM participation: national culture and languages; language revitalisation, traditional lifestyles in modern conditions, digital transformation and technological development, education and science, culture and identity, housing, healthcare, and education, fisheries.

Most Significant National Development Goals in Relation to the SIMDP

Respondents selected all national development goals and identified the following as the most important: Preservation of the population, strengthening public health and improving well-being, support for families; Realisation of the potential of each person, developing their talents, and fostering a patriotic and socially responsible individual.

Most Significant Sustainable Development Goals (SDGs) in Relation to the SIMDP

Respondents identified the following SDGs: SDG 3 – Ensure healthy lives and promote well-being for all at all ages (81.5% of respondents); SDG 1 – End poverty in all its forms everywhere (55.4%); SDG 4 – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all (53.8%); SDG 2 – End hunger, achieve food security and improved nutrition, and promote sustainable agriculture (46.2%).

Respondents considered SDG 5 – Achieve gender equality and empower all women and girls to be the least significant SDG in relation to the SIMDP.

SURVEY RESULTS

Information about Respondents

A total of 65 respondents from all seven districts of traditional residence and traditional economic activities of SIM took part in the survey.

The highest level of participation was recorded in Nogliki District, from where 25 questionnaires were received, accounting for 38.5% of the total number of respondents. Tymovskoye, Aleksandrovsk-Sakhalinsky, and Poronaysk Districts each submitted eight questionnaires, representing 12.31% of the total number of respondents for each district.

Table 1. Number of Questionnaires Received by District

Locality	Persons	District	Persons	% of Total Respondents
Nekrasovka	5	Okha	8	12.3
Okha	3	–		
Val	14	Nogliki	25	38.5
Nogliki	11	–		
Chir-Unvd	3	Tymovskoye	8	12.3
Tymovskoye	5	–		
Aleksandrovsk-Sakhalinsky	6	Aleksandrovsk-Sakhalinsky	8	12.3
Viakhtu	2	–		
Smirnykh	4	Smirnykh	4	6.2
Poronaysk	8	Poronaysk	8	12.3
Yuzhno-Sakhalinsk	4	Yuzhno-Sakhalinsk	4	6.2
TOTAL	65		65	100.0

Women constituted the majority of survey respondents – 47 individuals (72.3%). The average age of respondents was 44 years.

Table 2. Demographic Characteristics of Respondents by District

Gender	Nekrasovka	Okha	Val	Nogliki	Chir-Unvd	Tymovskoye	Aleksandrovsk-Sakhalinsky	Viakhtu	Smirnykh	Poronaysk	Yuzhno-Sakhalinsk	Persons	% of Total Respondents
Men	3	0	1	5	1	3	3	0	0	0	2	18	27.7
Women	2	3	13	6	2	2	3	2	4	8	2	47	72.3
TOTAL	5	3	14	11	3	5	6	2	4	8	4	65	100.0
Average age, years	46	65	26	52	57	47	44	56	34	54	41	44	

I. Sources of Information on the SIMDP

- The most common source of information was public meetings organised by the SIMDP partners (56 respondents, or 86.2% of the total number of questionnaires),
- The second most common source of information was social media groups (WhatsApp, Telegram, etc.), accounting for 64.6% of respondents (42 individuals), which is significantly higher than the results of the SIMDP 3 (less than 3% of respondents),
- The following sources of information were also widely used:
 - Information received from acquaintances, friends, and relatives – 38 responses (58.5% of the total number of respondents),

- Information obtained from newspapers (including the local newspapers Znamya Truda (Nogliki District), Sakhalinsky Neftyanik (Okha District), Nivkh Dif), as well as from television (local and regional channels) – 38 responses (58.5%),
- 18 respondents (27.7%) mentioned internet websites as a source of information. The low level of use of otherwise widespread information sources is explained by the fact that the main websites providing information about the SIMDP (the SIMDP website and the Sakhalin Energy LLC website) are currently undergoing reconstruction for objective reasons.

Table 3. Sources of Information on the SIMDP¹⁵

Information Sources	Nekrasovka	Okha	Val	Nogliki	Chir-Unvd	Tymovskoye	Aleksandrovsk-Sakhalinsky	Viakhtu	Smirnykh	Poronaysk	Yuzhno-Sakhalinsk	Total Number of Responses	% of Total Respondents
Acquaintances, friends, relatives	5	3	12	7	1	1	2	0	1	3	3	38	58.5
At public meetings organised by the Plan partners	5	3	13	11	3	5	5	2	2	4	3	56	86.2
From newspapers (please specify the title) or television (please specify the channel)	5	2	6	7	1	0	1	0	0	1	1	24	26.9
From websites (please specify)	4	2	5	4	1	0	0	0	0	2	0	18	27.7
From social media networks (e.g. WhatsApp, Telegram, etc.)	5	3	8	9	2	4	1	1	0	6	3	42	64.6
Other sources (please specify)	1	0	0	1	0	0	1	0	2	1	0	6	9.2
TOTAL	25	13	44	39	8	10	10	3	5	17	10	184	

II. Opinion on SIMDP 4

Most useful or successful areas or projects implemented under SIMDP 4

Respondents identified the education competition and the grant competition as the most useful and successful components of SIMDP 4 (63.1% and 67.7% of respondents respectively).

¹⁵ Respondents were allowed to select all applicable options.

Table 4. Most useful or successful activities, areas, or projects implemented under SIMDP 4 (2021–2025)¹⁶

Questions	Nekrasovka	Okha	Val	Nogliki	Chir-Unvd	Tymovskoye	Aleksandrovs- Sakhalinsky	Viakhtu	Smirnykh	Poronaysk	Yuzhno- Sakhalinsk	Total Number of Responses	% of Total Respondents
Educational competition	5	3	7	8	2	1	4	2	2	4	3	41	63.1
Grant competition	5	3	7	7	1	2	3	2	3	7	4	44	67.7
Training workshops on social design	5	3	4	6	1	0	1	2	0	6	3	31	47.7
Other (please specify)	0	1	1	1	0	0	0	0	0	0	2	5	7.7
TOTAL	15	10	19	22	4	3	8	6	5	17	12	121	

Respondents provided comments explaining why they consider the activities, projects and areas of SIMDP 4 to be the most useful or successful.

Educational competition:

- It is relevant and useful for young SIM, providing opportunities and a starting point for youth; access to education is essential; it encourages successful study and attainment of education, among other benefits,
- It provides financial assistance to SIM families, supporting students and their households. It improves access to costly education and training for those facing financial difficulties, etc.,
- It is important for employment, as SIM representatives obtain in-demand professions and improve their employment opportunities.

Grant competition:

- It is considered effective and useful, enjoys high demand, creates opportunities for development, supports the traditional way of life of SIM, and helps address social and community issues. It enables the implementation of individual and business projects, allows for the realisation of plans related to traditional livelihoods in the absence of sufficient own resources, and serves as a strong platform for the sustainable development of SIM,
- It contributes to the preservation and development of cultural heritage through projects in the field of Indigenous culture. It attracts resources for safeguarding the unique culture of SIM,
- Some respondents highlighted specific successful grant-funded projects, including: “Kurey”, “Traditional Crafts”, “Exploring the Valovskiye Territories”, the “Lyuboznaika” multimedia studio, “Living Traditions”, publication of the books “Nivkh Anthroponymy”, “At the Source”,

¹⁶ Respondents were allowed to select all applicable options.

“Tugun. Lord of the Two Suns”, participation of ensembles in the “Alluring Worlds” project with tours to the European part of Russia and across Sakhalin, organisation of the Folklore of the Paleo-Asiatic Peoples conference, inter-municipal festivals “Teni Gu” and “Festival of Culture and Traditions”, as well as the purchase of essential equipment for Indigenous communities.

One respondent noted the need for additional funding.

Training workshops on social design:

- They provide practical assistance to applicants and are necessary for effective work, clear formulation of project goals and objectives, accurate reporting, and proper preparation of applications,
- One respondent noted that some potential applicants do not actively participate in the workshops and later express dissatisfaction that experts “poorly evaluated” their applications.

Other responses:

- Four respondents provided answers without additional explanation. One respondent noted that it would be advisable to reinstate the microloan programme.

Impact of the SIMDP on the Areas of Life of SIM

Respondents believe that the SIMDP had a positive impact on the development of SIM communities, particularly in the following areas: Traditional knowledge, national culture, and languages (58 respondents, 89.2%), National sports (58 respondents, 89.2%), SIM capacity development and education (53 respondents, 81.5%), Traditional economic activities (51 respondents, 78.5%), Ethnotourism (47 respondents, 72.3%).

Table 5. Impact of the SIMDP on the Areas of Life of SIM

Questions		Regions											Total Number of Responses	% of Total Respondents
		Nekrasovka	Okha	Val	Nogliki	Chir-Unvd	Tymovskoye	Aleksandrovs-Sakhalinsky	Viakhtu	Smirnykh	Poronaysk	Yuzhno-Sakhalinsk		
Traditional economic activities	Positive	5	3	10	10	2	5	3	2	3	6	2	51	78.5
	Negative	0	0	0	0	0	0	0	0	0	0	0	0	0
	Has no effect	0	0	0	1	0	0	0	0	0	0	0	1	1.5
	Not sure	0	0	0	0	0	0	2	0	1	0	2	5	7.7
Traditional knowledge, national culture, and languages	Positive	5	3	11	10	3	5	5	2	3	7	4	58	89.2
	Negative	0	0	0	0	0	0	0	0	0	0	0	0	0
	Has no effect	0	0	0	0	0	0	0	0	0	0	0	0	0
	Not sure	0	0	0	0	0	0	1	0	1	0	1	3	4.6

Questions		Regions											Total Number of Responses	% of Total Respondents
		Nekrasovka	Okha	Val	Nogliki	Chir-Unvd	Tymovskoye	Aleksandrovsk-Sakhalinsky	Viakhtu	Smirnykh	Poronaysk	Yuzhno-Sakhalinsk		
Environmental protection and biodiversity conservation	Positive	5	3	9	8	3	4	4	2	3	5	3	49	75.4
	Negative	0	0	0	0	0	0	0	0	0	0	0	0	0
	Has no effect	0	0	0	0	0	0	0	0	0	1	0	1	1.5
	Not sure	0	0	1	2	0	1	2	0	0	0	0	6	9.2
Capacity building of SIM and education	Positive	5	3	10	8	3	5	3	2	3	7	4	53	81.5
	Negative	0	0	0	0	0	0	0	0	0	0	0	0	0
	Has no effect	0	0	0	0	0	0	0	0	0	0	0	0	0
	Not sure	0	0	0	1	0	0	2	0	1	0	0	4	6.2
National sport	Positive	5	3	10	10	3	5	5	2	4	7	4	58	89.2
	Negative	0	0	0	0	0	0	0	0	0	0	0	0	0
	Has no effect	0	0	0	0	0	0	0	0	0	0	0	0	0
	Not sure	0	0	0	0	0	0	0	0	0	0	0	0	0
Ethnotourism	Positive	5	3	9	8	1	4	3	2	3	5	4	47	72.3
	Negative	0	0	0	0	0	0	0	0	0	0	0	0	0
	Has no effect	0	0	0	0	0	0	0	0	0	1	0	1	1.5
	Not sure	0	0	0	2	1	0	3	0	1	0	0	7	10.8
Others areas (please specify)	Positive	1	0	2	1	1	0	1	1	0	0	2	9	13.8
	Negative	0	0	0	0	0	0	0	0	0	0	0	0	0
	Has no effect	0	0	0	0	0	0	0	0	0	0	0	0	0
	Not sure	0	0	0	0	0	0	2	0	1	2	0	5	7.7

Respondents explained the impact by areas as follows.

Traditional knowledge, national culture, and languages:

- Popularisation and preservation of traditions and culture (the foundation for preserving the peoples themselves; traditional knowledge is not lost; unique national costumes, footwear, musical instruments, and souvenirs are acquired, produced, and used. Knowledge, culture, and languages are maintained; national cuisine is preserved, etc.),

- Continuity of traditions (children and elders are involved in preserving traditions and languages; knowledge is passed on; participation in song and dance festivals; involvement of children and young people; respectful treatment of elderly cultural bearers; promotion of national culture for the younger generation),
- Opportunities to learn native languages (books in native languages, lessons on national languages and customs, presentations, festivals, workshops),
- Support for traditional holidays (the population participates in national celebrations; budgetary resources are limited, so events need to be held more frequently, etc.).

Traditional economic activities:

- Provision and equipping of traditional economic activities of communities, households and individuals – the majority of comments noted very positive effects: increased mobility, access to equipment, involvement of young people in traditional activities, development of clan-based households, opportunities to purchase expensive equipment, motivation for SIM to engage in traditional economic activities; for new communities, competitive programmes serve as a strong starting point, etc. One respondent noted: “But more is needed”,
- Preservation of traditional crafts (opportunities to address the preservation of culture through traditional crafts; many people have started sewing traditional clothing, preserving national cuisine; growing interest among young people in activities that were previously fading, such as fishing and hunting). One respondent noted: “There is no opportunity or time to analyse the development of communities that have implemented projects, including due to the lack of complete information”,
- Addressing social issues (assistance to those in need, pensioners, large families; assistance to communities; the need for support in conditions of limited permanent employment in villages; drawing attention to and increasing interest in the issues of SIM, etc.).

Environmental protection and biodiversity conservation:

- Projects promote a careful and respectful attitude towards nature and the environment,
- Territory clean-up activities; particularly noted were a project aimed at river clean-up and a project to create the first ethno-ecological route.

Capacity building of SIM and education:

- There is a need to engage the population in active participation in public life to address key issues affecting SIM; this requires competent leadership and the ability to organise such engagement,
- The programme provides opportunities to acquire new knowledge and learn how to use new technologies,
- Organisations have opportunities to educate and develop young people across many areas; involvement of professional educators is desirable,
- Projects were implemented to build the capacity of young people, children, and ensemble participants, including the NUNE youth forum, a seminar for leaders of national ensembles, the Week of the Nivkh Language and Culture, and events featuring workshops and training sessions.

National sport:

- Sport is an important part of SIM culture (traditional sports are of great interest to the wider regional population; their promotion is ensured and they have strong development potential),

- Provision of uniforms and equipment (teams from each district of traditional residence received sets of equipment; sports gear and uniforms are produced and purchased),
- Events (assistance with participation and organisation of sports competitions),
- Personal development of athletes (development of champions, fostering endurance, agility, and strength; pride in one's team, motivation to achieve records).

Ethnotourism:

- It needs to be developed to increase interest in Indigenous culture and homeland,
- SIM culture is of interest to tourists from other regions,
- It requires further development; the Teni Gu festival could be included in the regional calendar; visitors from mainland regions find the event particularly interesting,
- Noted projects include a school for guides and tour leaders, creation of an ethno-ecological trail, camp sites with further development of ethnotourism, and festivals as forms of event-based ethnotourism.

Nine respondents also indicated a positive impact of the SIMDP in other areas, expressing the following views: SIMDP 4 covered almost all areas; many projects included components related to the development of traditional crafts and learning from the experience of other regions, interaction with government bodies, promotion of traditional cuisine, development of small businesses in the creative industries, and adventure tourism.

III. Opportunities for Improving the SIMDP

Respondents (23 people, or 35.3% of the total number of respondents) indicated that there is scope to improve the SIMDP.

Among the proposals, comments and observations:

- Positive assessments and proposals to continue successful activities and increase effectiveness (everything works well for the benefit of SIM; the Plan is responsive and continuously improving; it is necessary to continue working and developing, responding to pressing needs and holding meetings more frequently; effective improvement depends on a comprehensive approach that takes into account economic, social, cultural, and environmental aspects; active participation of SIM representatives is essential to ensure that measures reflect real expectations; project reporting should be made more realistic and practical; greater involvement of public authorities in the issues of Indigenous Minorities; increased attention to communities and individuals),
- Individual respondents also suggested:
 - Introducing a Support for Pensioners project and extending programme activities to the Russian population; organising inter-district exchange of experience (outside festivals and grant-based activities),
 - If the Sustainable Development Fund Council continues its activities, dividing the budget into three areas: Traditional Economic Activities, Social Activities (including traditional knowledge, national sport, ethnotourism, national culture and languages, environmental protection and biodiversity conservation), Capacity Building of Sakhalin Indigenous Minorities and Education,
 - Increasing the number of activities and projects for youth capacity development,
 - Assisting graduates with employment after completion of higher education, among other proposals.

Respondents provided 54 comments regarding the work of the Plan Partners. Of these, 19 comments (35.2%) related to RCAR and the Government of Sakhalin Oblast. The majority of respondents believe that the Plan partners work well and conscientiously.

IV. Proposals for SIMDP 5

Respondents were invited to submit proposals for the development of SIMDP 5.

The largest number of proposals concerned competitive programmes (23 proposals) and areas of activity under the SIMDP (21 proposals).

Table 6. Proposals for SIMDP 5 (2026–2030)

	Nekrasovka	Okha	Val	Nogliki	Chir-Unvd	Tymovskoye	Aleksandrovsk-Sakhalinsky	Viakhtu	Smirnykh	Poronaysk	Yuzhno-Sakhalinsk	TOTAL respondents
Governance structure of the SIMDP	3	2	0	3	2	1	1	0	0	2	3	17
Priority areas of support under the SIMDP	3	2	0	5	2	1	2	0	0	2	4	21
Competitive funding programmes under the SIMDP	3	2	0	3	2	1	2	0	0	6	4	23
Information disclosure and public consultations	3	2	0	3	2	1	2	0	0	1	3	17
SIMDP grievance handling procedure	3	2	0	3	1	0	1	0	0	2	2	14
Information disclosure on the Sakhalin-2 project and its potential impacts on SIM	3	1	0	3	1	0	1	0	0	4	2	15
Others (please specify)	2	0	0	4	1	1	0	0	0	1	1	10

Respondents made a number of proposals.

Governance structure of the SIMDP (17 respondents):

- 11 respondents: keep everything as it is,
- 1 respondent: remove the federal-level expert body, as they are not familiar with the local context,
- 2 respondents: specialists in culture, history, and traditions of SIM are required,

- 1 respondent: a clearer decision-making mechanism is needed,
- 4 respondents: remove local Councils of Authorised Representatives of SIM under local administrations (not involved, redundant).

Areas of activity under the SIMDP (21 respondents)¹⁷:

- 11 respondents: retain all areas of SIMDP 4 and all competitions (educational and grant-based),
- 5 respondents: add a microcredit / microloan programme,
- 5 respondents: introduce more capacity building projects,
- 4 respondents: include the development of traditional trades, business, and creative industries,
- 1 respondent: include participation of SIM representatives in federal and international events on the development of SIM culture, traditions, languages, and traditional livelihoods as a separate area,
- Individual proposals (one respondent each): reinstate medical assistance (reimbursement of actual expenses not covered by the Ministry of Health), dental prosthetics, reimbursement of treatment costs and dental care; pay attention to timber materials; housing assistance; facilitate the allocation of fishing, hunting, and foraging sites.

Competitive programmes of the SIMDP (23 respondents):

- 14 respondents: retain the grant and educational competitions,
- 7 respondents: introduce microcrediting / microfinancing within competitive programmes, including lending to communities,
- 5 respondents: exclude federal-level experts,
- 3 respondents: develop a stream of partnership projects jointly with other public organisations, institutions, and government bodies,
- 2 respondents: increase project funding amounts,
- Proposals to expand funding areas (for example, a separate stream for youth projects and cultural events with broader population coverage).

Information and public consultations (17 respondents):

- The majority of respondents: information is timely; mandatory public meetings in areas of traditional residence of SIM should be retained,
- 3 respondents: internal monitoring is necessary for project implementers as a form of oversight, consultation, and assistance,
- 3 respondents: meetings with independent evaluation experts once every five years are useful,
- 1 respondent: publish announcements via messengers from the Plan Coordinator,
- 2 respondents: ensure openness and accessibility at district level through municipal administrations.

SIMDP grievance handling procedure:

- The majority of respondents: the procedure is functioning.

¹⁷ Proposals could overlap with proposals on competitive programmes and other sections.

Information on the Sakhalin-2 project and its potential impact on SIM:

- The majority of respondents: the information provided is sufficient.

Other proposals (individual suggestions, some repeated in other sections):

- Enable participation in international events of Indigenous Peoples abroad,
- Strengthen interaction with government authorities,
- Organise more touring activities involving young people,
- Train SIM representatives to transition towards self-sufficiency. For example, after receiving a grant for souvenir production or traditional crafts, it should be possible to develop within the creative industries and small business sector, ensuring sustainable income. Consider mechanisms for commercialising grant outputs for the development of communities and organisations,
- Microloans,
- In traditional economic activities, allow participation in grant projects not only by communities but also by individuals,
- Healthcare support, including dental prosthetics, ophthalmological treatment, and assistance for people with disabilities, including treatment in specialised centres (in Yuzhno-Sakhalinsk).

V. Participation of SIM Representatives in Federal and International Events

17 respondents (26.2%) answered the question on which topics relevant to Indigenous communities of Sakhalin Oblast should be discussed at the federal and international levels.

Respondents highlighted the importance of discussing and addressing the following issues at federal and international levels:

- Raising all problems and solutions to a higher level,
- Participating in regional, federal, and international platforms with their achievements,
- Maintaining traditional ways of life in modern conditions and preserving culture and traditions,
- National culture and languages, addressing language extinction,
- Culture and identity, youth support,
- Digital transformation and technological development; education and science,
- Housing, education, and healthcare,
- Fishing and allocation of hunting and fishing grounds,
- Encouraging greater participation of men.

Respondents proposed the following federal- and international-level events at which participation of representatives of SIM should be supported.

Federal-level events:

- Event themes (9 respondents):
 - Digital transformation and technological development,
 - Education and science,

- Culture and identity,
- Development of traditional culture,
- Language preservation.
- Events:
 - 15 respondents: all thematic events related to SIM, youth, and student conferences,
 - 8 respondents: Forum of Women of the North,
 - 5 respondents: SIM Congress, Reindeer Herders’ Congress,
 - 3 respondents: book fairs, exhibitions and similar events,
- A dedicated SIM youth track within the Islands Forum.

International-level events:

- 7 respondents: International Exhibition and Fair “Treasures of the North”,¹⁸
- 4 respondents: Reality of Ethnicity International Scientific and Practical Conference,
- 8 respondents: thematic events on SIM issues, language conferences, book fairs, and exhibitions,
- 2 respondents: Eurasian Women’s Forum,
- 1 respondent: UN sessions,
- 1 respondent: International Forum on the Preservation of Languages and Traditions,
- 1 respondent: Eastern Economic Forum,
- 1 respondent: Arctic – Territory of Dialogue International Forum,
- 1 respondent: Russian–Chinese events and international tourism forums.

VI. Most Significant National Development Goals in Relation to the SIMDP

Respondents identified all national development goals, with the most significant being: “Preservation of population, strengthening health and improving people’s wellbeing, support for families” (89.2% of respondents); “Realisation of the potential of each person, developing their talents, and fostering a patriotic and socially responsible individual” (70.8%).

Table 7. Most Significant National Development Goals of the Russian Federation in Relation to the SIMDP¹⁹

Objectives	Nekrasovka	Okha	Val	Nogliki	Chir-Unvd	Tymovskoye	Aleksandrovs- Sakhalinsky	Viakhtu	Smirnykh	Poronaysk	Yuzhno- Sakhalinsk	Total Number of Responses	% of Total Respondents
Preservation of the population, strengthening public health and improving people’s wellbeing, support for families	5	3	9	8	13	4	3	2	2	5	4	58	89.2

¹⁸ In questionnaires, this event was classified as both federal and international. In this report it is classified as international.

¹⁹ Respondents were allowed to select all applicable options.

Objectives	Nekrasovka	Okha	Val	Nogliki	Chir-Unvd	Tymovskoye	Aleksandrovsk-Sakhalinsky	Viakhtu	Smirnykh	Poronaysk	Yuzhno-Sakhalinsk	Total Number of Responses	% of Total Respondents
Realisation of the potential of each person, developing their talents, and fostering a patriotic and socially responsible individual	4	3	7	9	3	4	4	2	1	5	4	46	70.8
Comfortable and safe living environment	4	3	8	7	3	2	2	2	2	7	3	43	66.2
Environmental wellbeing	3	2	9	6	3	3	2	2	3	6	4	43	66.2
Sustainable and dynamic economy	3	2	1	6	2	1	2	1	2	3	4	27	41.5
Technological leadership	3	2	0	3	2	1	1	1	0	1	3	17	26.2
Digital transformation of state and municipal governance, the economy, and the social sphere	2	1	0	1	1	1	3	1	0	1	2	13	20.0
	24	16	34	40	27	16	17	11	10	28	24	247	

VII. Most Significant Sustainable Development Goals in Relation to the SIMDP

Respondents were asked to identify the Sustainable Development Goals (SDGs) that they consider most significant in terms of the SIMDP's contribution to their achievement.

Respondents considered the most important SDGs to be:

- SDG 1 – End poverty in all its forms everywhere – 10.2%,
- SDG 2 – End hunger, achieve food security and improved nutrition, and promote sustainable agriculture – 8.5%,
- SDG 4 – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all – 9.9%.

Respondents considered SDG 5 – Achieve gender equality and empower all women and girls to be the least significant Sustainable Development Goal in relation to the SIMDP – 1.7%.

Table 8. Most Significant Sustainable Development Goals (SDGs) in Relation to the SIMDP²⁰

SDG	Nekrasovka	Okha	Val	Nogliki	Chir-Unvd	Tymovskoye	Aleksandrovs- Sakhalinsky	Viakhtu	Smirnykh	Poronaysk	Yuzhno- Sakhalinsk	TOTAL:	% of Total Respondents
SDG 1. End poverty in all its forms everywhere	4	3	5	9	3	1	1	1	3	3	3	36	55.4
SDG 2. End hunger, achieve food security and improved nutrition, and promote sustainable agriculture	3	2	6	5	3	2	0	1	1	3	4	30	46.2
SDG 3. Ensure healthy lives and promote well-being for all at all ages	3	3	5	8	3	4	14	1	3	5	4	53	81.5
SDG 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	4	3	4	7	3	1	2	2	2	3	4	35	53.8
SDG 5. Achieve gender equality and empower all women and girls	0	0	1	0	1	0	0	1	1	1	1	6	9.2
SDG 6. Ensure availability and sustainable management of water and sanitation for all	1	0	6	4	3	3	1	2	2	5	2	29	44.6

²⁰ Respondents were allowed to select all applicable options.

SDG	Nekrasovka	Okha	Val	Nogliki	Chir-Unvd	Tymovskoye	Aleksandrovs- Sakhalinsky	Viakhtu	Smirnykh	Poronaysk	Yuzhno- Sakhalinsk	TOTAL:	% of Total Respondents
SDG 7. Ensure access to affordable, reliable, sustainable and modern energy for all	1	1	2	5	3	1	0	2	1	4	2	22	33.8
SDG 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	3	1	0	5	3	1	0	1	2	0	4	20	30.8
SDG 9. Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	1	0	1	1	2	0	0	2	1	0	2	10	15.4
SDG 10. Reduce inequality within and among countries	1	1	0	1	2	0	0	1	1	0	1	8	12.3
SDG 11. Make cities and human settlements inclusive, safe, resilient and sustainable	1	0	4	4	2	0	1	2	1	2	3	20	30.8
SDG 12. Ensure sustainable consumption and production patterns	1	0	0	4	1	0	1	1	1	0	1	10	15.4

SDG	Nekrasovka	Okha	Val	Nogliki	Chir-Unvd	Tymovskoye	Aleksandrovsk-Sakhalinsky	Viakhtu	Smirnykh	Poronaysk	Yuzhno-Sakhalinsk	TOTAL:	% of Total Respondents
SDG 13. Take urgent action to combat climate change and its impacts	1	0	0	3	2	0	1	2	2	0	2	13	20.0
SDG 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development	1	0	1	5	2	0	1	2	2	3	2	19	29.2
SDG 15. Protect, restore and promote the sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss	1	0	3	4	2	0	1	2	1	0	2	16	24.6
SDG 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	1	0	1	4	2	0	1	1	1	0	2	13	20.0

SDG	Nekrasovka	Okha	Val	Nogliki	Chir-Unvd	Tymovskoye	Aleksandrovs- Sakhalinsky	Viakhtu	Smirnykh	Poronaysk	Yuzhno- Sakhalinsk	TOTAL:	% of Total Respondents
SDG 17. Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development	1	0	0	3	2	0	1	2	1	1	3	14	21.5

APPENDIX 9.

GRIEVANCE PROCEDURE

OBJECTIVE

The procedure governs the process of receiving, registering, and resolving grievances related to SIMDP 5 implementation. The procedure was developed in accordance with general principles and approaches of the Grievance Procedure and the requirements of Sakhalin Energy LLC in relation to human rights.

Objectives of the procedure:

- Ensure grievances are addressed in a timely and efficiently manner and in compliance with Russian legislation and international best practices,
- Promote the establishment of strong and effective relationships with all those affected by SIMDP 5,
- Reduce the probability of repetition of similar grievances, thereby reducing the risks of conflicts and avoiding unreasonable expenses,
- Ensure the careful documentation of grievances and remedial actions.

DEFINITIONS:

Grievance

A grievance is understood to mean a statement of dissatisfaction submitted by an individual, a group of individuals, or an organisation, expressing concern and/or dissatisfaction in connection with SIMDP implementation.

Complainant

An individual, a group of individuals, or an organisation that submits a grievance.

SIMDP Partners

Sakhalin Energy LLC, the Government of Sakhalin Oblast, and the Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities.

Grievance Working Group

The body responsible for reviewing, investigating, and resolving a specific grievance. The Group includes at least one representative from each SIMDP Partner. There must be no conflict of interest with regard to a particular grievance when Group members are appointed.

Collective Grievance

A grievance simultaneously submitted by several individuals on the same issue. It is recommended that such group of individuals should choose a single contact person (agreed to by all the complainants) who will be authorised to interact with the Grievance Working Group regarding grievance resolution matters.

Anonymous Grievance

Whenever a grievance is raised without disclosing the complainant's identity and/or with no contact information, the grievance shall be considered anonymous. Despite the fact that resolving such a grievance may require additional time and/or that other difficulties may arise during its investigation and resolution, the grievance shall be registered and processed in accordance with the procedure established herein.

Repeat Grievance

A grievance relating to an incident or impact (actual or alleged) that has previously been registered in accordance with the grievance procedure. A repeat grievance originates from the same complainant.

Overdue Grievance

A grievance shall be considered overdue if it remains unresolved or if actions related to it have not been agreed with the complainant within forty-five (45) business days from the date of its registration. The SIMDP Coordinator shall provide information to the Governing Board on overdue grievances for review and making decisions on further actions.

Confidentiality

Upon receipt of a grievance, the complainant shall be invited to sign a consent form authorising the processing of information related to the grievance, including, where necessary, the disclosure of personal data to third parties.

If the complainant refuses to sign the consent to processing personal data and disclosing grievance-related information to third parties, all the SIMDP parties involved in the grievance review and resolution process shall maintain confidentiality when dealing with third parties on the issues related to this grievance.

SCOPE AND RESPONSIBILITIES

This Procedure shall apply to all grievances received in relation to SIMDP implementation.

This Procedure shall not apply to grievances the subject of which is not related to SIMDP implementation.

This Procedure does not affect the legal rights of the complainant to undertake proceedings under Russian legislation.

The SIMDP Coordinating Bodies are entitled to dismiss a grievance if the grievance contains obscene or offensive language, threats to life, health and property of officers (or other persons) and their family members. In this case, the Company shall inform the complainant of its decision. If a grievance contains threats, it will be referred to the Company's Corporate Security Department.

All grievances received will be considered by a grievance working group, which acts as the body responsible for resolving the specific grievance. The Group includes at least one representative from each SIMDP Partner. There must be no conflict of interest with regard to a particular grievance when Group members are appointed.

The following main responsibilities are defined in the Procedure.

SIMDP Partners:

- Appoint members and participate in addressing grievances as part of the Grievance Working Group within the established time limits,
- Inform the public about the Grievance Procedure by, as a minimum, distributing the Grievance Procedure Information Brochure and at public meetings,
- Participate in conducting the necessary training for all responsible persons under this Procedure,
- Provide assistance to grievance initiators in submitting a grievance (for example, by helping to complete the relevant form and informing them about available submission channels).

Governing Board:

- Reviews the report on the status of resolving grievances for the reporting period,
- Makes decisions on closing grievances when no mutual agreement has been reached with the complainant and/or for which no additional further actions can be reasonably taken,
- Makes decisions on changes and corrective actions in the SIMDP governance system or other changes determined as necessary during grievance investigation,
- Assists the Grievance Working Group for settling grievances,
- Provides recommendations for changes and corrective actions in the SIMDP governance system or other changes determined as necessary during grievance investigation.

Grievance Working Group

Subject to the grievance initiator signing consent for the processing of personal data and for the disclosure of personal data to third parties, the following actions may be undertaken in relation to information associated with the grievance:

- Assess the grievance and investigate the incident giving rise to the grievance,
- Interact and communicate with the complainant in connection with grievance investigation and resolution,
- Investigate and resolve the grievance within the established time limits,
- Provide reports to the SIMDP 5 Coordinator on the grievance status, including planned activities and measures taken,
- Provide feedback on the effectiveness of the Procedure and/or initiate changes and corrective actions in the SIMDP governance system or other changes determined as necessary during grievance investigation and resolution,
- Provide recommendations to the Governing Board on grievance close-out,
- Interact and communicate with third parties as part of the grievance investigation and resolution,
- Prepare written notifications to the grievance initiator regarding the status of consideration of the grievance and the actions and measures taken,
- Participate in/take responsibility for signing letters of grievance resolution by complainants.

SIMDP 5 Coordinator:

- Coordinates the necessary training for all responsible persons under this Procedure,
- Coordinates the public awareness of the Procedure, by, as a minimum, distributing the Grievance Procedure Information Brochure and public meetings,
- Acknowledges the receipt of a grievance in writing to the initiating party (complainant) within the specified time limits,
- Registers all grievances within the specified time limits,
- Interacts and communicates with the complainant (sending letters),
- Advises the Governing Board on recommendations of the Grievance Working Group for grievance close-out,
- Prepares the necessary reports on the status of resolving grievances for the reporting period.

GRIEVANCE HANDLING PROCEDURE STAGES

Stage 1. Receive a grievance

Grievances shall be accepted in written or oral form. Grievance submission channels and receiving parties:

- Email to the SIMDP Coordinator,
- A dedicated email address for SIMDP-related grievances (SEIC-SIMDPGrievancereport@sakhalin2.ru),
- The free Corporate Affairs Division hotline of Sakhalin Energy LLC: 8 800 200 6624 (on business days from 9:00 to 17:00),
- The email address of the Social Performance Section of Sakhalin Energy LLC for grievances (Grievancereport@sakhalin2.ru),
- Representatives of SIMDP partners.

Stage 2. Assess and register the grievance and appoint responsible persons (the grievance working group)

Upon receipt of a grievance through any of the channels listed above, the receiving party must, within three (3) business days, forward the grievance to the SIMDP 5 Coordinator (hereinafter referred to as the Coordinator).

The Coordinator shall register the grievance and initiate the appointment of a grievance working group, composed of representatives of each SIMDP partner who has no conflict of interest in relation to the specific grievance (where necessary, such appointment may be carried out by telephone or email). The Coordinator shall also forward information on the grievance to the Social Performance Section of Sakhalin Energy LLC.

After the appointment of the Grievance Working Group and depending on the results of the grievance evaluation by the Grievance Working Group, the Coordinator shall enter the following data to the logbook:

- Process owner in charge of the grievance review (members of the Grievance Working Group),
- The grievance category (for example, issues related to fund allocation, programme terms, SIMDP governance, implementation of specific SIMDP projects, etc.),
- The relevant SIMDP area or component to which the grievance relates (where applicable),
- Measures recommended by the complainant and the Grievance Working Group,
- Anticipated resolution date (within the time limits established under this Procedure),
- Other relevant information.

If the issues raised in a grievance do not relate to any aspect of SIMDP implementation, the Coordinator shall forward the grievance to the Social Performance Section of Sakhalin Energy LLC, with appropriate notification, for further handling in accordance with Sakhalin Energy LLC's grievance procedure. In this case, no further stages of this Procedure shall apply.

Stage 3. Acknowledge receipt of the grievance

Within no more than seven (7) business days from receipt of the grievance, the Coordinator shall send a letter of acknowledgement to the complainant on behalf of the Grievance Working Group. A copy of this letter must be provided to the Social Performance Section of Sakhalin Energy LLC.

The letter shall contain:

- Formal acknowledgement that the grievance has been received,
- Grievance registration number,

- Notification of the start of the grievance resolution process,
- Indication of the date when the complainant may expect to receive a response on actions taken in regards to his/her grievance,
- Full name of the contact person (usually the SIMDP Coordinator) and contact telephone number.

Stage 4. Investigate and resolve the grievance; communicate with the complainant

The Grievance Working Group is responsible for grievance investigation and resolution, as well as for the relevant communication with the complainant. The investigation and resolution of grievances must not exceed 45 business days. This period is considered sufficient to perform the required actions or to agree them with the complainant or to completely resolve the grievance.

If a grievance cannot be resolved within 45 business days for reasons beyond control (e.g., seasonal constraints, unavailability of the complainant), the Grievance Working Group shall agree with the complainant on changes in the grievance resolution time limits (in writing or electronically). In this case, the grievance shall be categorised as “Actions Agreed”. The period between the date of assigning the “Actions Agreed” status to the grievance and the planned date of implementing the agreed actions shall not be added to the grievance resolution period.

Communication and exchange of information with the complainant

The Grievance Working Group and the Coordinator shall ensure ongoing engagement with the complainant to inform him/her about the grievance review progress:

- Meetings with the complainant,
- Written and verbal communication regarding progress made in the course of grievance review and resolution.

Once the grievance progress or explanations have been communicated to the complainant in writing, feedback should be received from the complainant. If possible, feedback should be recorded or provided to the Coordinator in writing. Responsibility for this step lies with the Grievance Custodian.

If no feedback is received from the complainant within 45 calendar days from the date of sending clarifications on the grievance and further measures for grievance handling are not feasible, the Grievance Working Group shall advise the Governing Board on considering and making a decision on closing the grievance. In this case, the Governing Board shall make a decision (by a majority of votes) and pass it to the Grievance Working Group within three (7) business days from the date of receiving recommendations (by email or at a regular meeting).

Stage 5. Grievance close-out

Once the grievance has been resolved, it shall be closed by the Grievance Working Group on the basis of a written statement from the grievance initiator confirming satisfaction with the resolution, or on the basis of an electronic message (via email, SMS, or other means) confirming the initiator’s consent to close the grievance.

Copies of the statement (letter or message) confirming closure of the grievance shall be provided to the SIMDP Coordinator and to the Social Performance Section of Sakhalin Energy LLC.

Unresolved grievances

If a grievance remains unresolved or if no actions with regard thereto are agreed upon with the complainant within 45 business days after receipt of the grievance, such grievance shall be considered overdue.

The following steps shall be undertaken in regards to overdue grievances:

- If the Grievance Working Group, by a majority of votes, recognises that all possible steps have been taken to resolve the grievance, while the complainant's claims have not been satisfied, the SIMDP Governing Board shall be informed accordingly. At the decision of the Governing Board, the Coordinator shall send a letter to the complainant with a description of measures taken with regard to the grievance along with a notice of no further review of the grievance,
- The Coordinator shall provide information on such grievance and on close-out thereof subject to the Governing Board's decision to the Social Performance Section of Sakhalin Energy LLC,
- If the SIMDP Governing Board concludes that the grievance was not completely addressed, such grievance shall be submitted to the Grievance Working Group for another review,
- If the complainant notifies in writing (or if the Governing Board or the Working Group receives validated information) that he/she has applied to the public authority (court or other competent authorities) for the purpose of grievance review, or resorted to other applicable remedies, the Grievance Coordinator shall apply to the Governing Board for settling the issue of closure. Then, the Coordinator shall send information to the Social Performance Section of Sakhalin Energy LLC on the grievance and its closure by a decision of the Governing Board.

Stage 6. Reporting and monitoring

Implementation of the procedure shall be subject to monitoring, control, and reporting.

- The reporting on application of the procedure shall be maintained mainly by the Coordinator (regular grievance resolution status reports for consideration at regular meetings of the Governing Board),
- The Governing Board shall analyse the grievance resolution status, review overdue grievances, and decide on further actions,
- Grievance resolution shall be subject to independent monitoring,
- The SIMDP implementation assessment shall involve a public opinion survey.

GRIEVANCE FORM RELATED TO SIMDP

Registration number assigned by the SIMDP 5 Coordinator: _____

SURNAME, FIRST NAME, PATRONYMIC

Note: you may remain anonymous if you prefer or request not to disclose your identity to third parties without your consent.

I wish to submit this grievance ANONYMOUSLY

CONTACT DETAILS

Please specify preferred means of communication (post, phone, email).

Actual place of residence

(address): _____

Telephone number (work / personal): _____

Email address: _____

DESCRIPTION OF THE INCIDENT OR GRIEVANCE (What happened? When did it happen? Where did it happen? Who did it happen to and who else is involved? What is the result of the problem?)

What would you like to see happen to resolve the problem?

Attachment: APPLICANT'S CONSENT TO THE PROCESSING, INCLUDING DISCLOSURE, OF PERSONAL DATA

_____, 20_____
(Date) (Signature) (Name)

APPLICANT'S CONSENT TO THE PROCESSING, INCLUDING DISCLOSURE, OF PERSONAL DATA

I, _____
(surname, first name, patronymic)

Identity document (passport): _____ No. _____
(series) (number)

Issued on _____ by _____
(date of issue) (issuing authority)

Registered address: _____

(address of permanent residence in accordance with the passport)

In accordance with Federal Law No. 152-FZ of 27 July 2006 On Personal Data, freely, of my own will, and in my own interest, I hereby grant Sakhalin Energy LLC, registered at: 35, Dzerzhinskogo Street, Yuzhno-Sakhalinsk, Sakhalin Oblast, Russian Federation, **for the purposes of** compliance with laws and other regulatory legal acts, internal regulations of Sakhalin Energy LLC, and consideration of my appeal (application, grievance), submitted in connection with the implementation of Sakhalin Indigenous Minorities Development Plan (SIMDP), **my consent to the processing of personal data**, including collection (directly from the applicant, from third parties, by submitting requests to public authorities, local self-government bodies, legal entities and individuals, coordinating bodies of the SIMDP, from publicly available information sources, archives, etc.), recording, systematisation, accumulation, storage, clarification (updating, amendment), retrieval, use, transfer (provision, access) to third parties – SIMDP 5 partners (Sakhalin Energy LLC, Regional Council of Authorised Representatives of Sakhalin Indigenous Minorities, the Government of Sakhalin Oblast); to the SIMDP 5 Coordinator, members of the Supervisory Board, and the Governing Board of SIMDP 5:

(full names of the Coordinator, Supervisory Board members and Governing Board members)

as well as disclosure, anonymisation, blocking, deletion, and destruction of my personal data, **including**: surname, first name, patronymic, actual place of residence; telephone number, email address, information on participation in the SIMDP, the content of this grievance, additional information obtained in connection with the grievance to third parties for the purpose of effective consideration of my grievance, and formulation of a decision. In the event of changes to my personal data, I undertake to notify Sakhalin Energy LLC in writing and to provide copies of supporting documents.

The processing of personal data is carried out both with the use of automation tools, including information and telecommunications networks, and without using such tools.

This consent enters into force on the date of signing and remains valid for the duration of the SIMDP, from the moment the appeal (application, grievance) is reviewed by Sakhalin Energy LLC under the SIMDP.

I retain the right to withdraw this consent at any time by sending a written request. In the event of withdrawal of this consent, Sakhalin Energy LLC shall be entitled to process my personal data in the cases and in the manner provided for by the Federal Law On Personal Data.

_____, 20_____
(Date) (Signature) (Name)