

## Wintershall Dea and Russia

Wintershall Dea is involved in three joint venture companies in Russia (Achimgaz, Achim Development and Severneftegazprom). Since the January 2023 announcement to leave Russia, Wintershall Dea no longer reports any key financial or operating figures (including production and reserves) of its Russian joint ventures.<sup>1</sup>

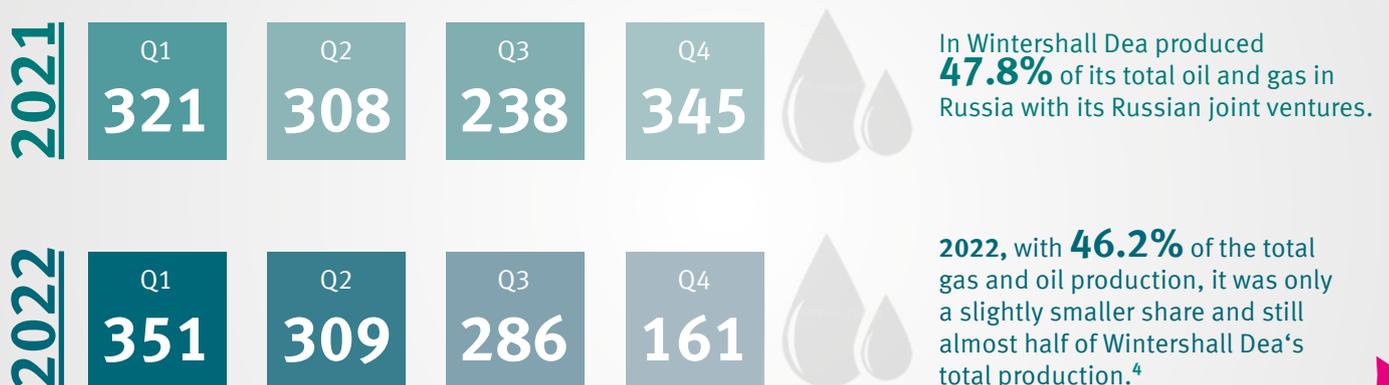


All production was sold to Gazprom from the borehole.<sup>2</sup> The Achimgaz and Achim Development joint ventures contributed more than 10% of Gazprom's gas condensate production in 2022 (ownership stakes taken into account), according to Rystad Energy UCube data (accessed April 5, 2023).<sup>3</sup> Gas condensate can be further processed into a range of fuels, including kerosene and diesel.

## Share of oil and gas from Russia in total production Wintershall Dea 2021/2022

### Production figures per quarter

(in thousands of barrels of oil equivalents/day)



**Lengthy withdrawal from Russia:**

Wintershall Dea remained in Russia with its joint ventures for almost a year after the Russian war of aggression began, and only announced its withdrawal from Russia in January 2023, without a specific timetable.<sup>5</sup> Withdrawal has been slow. In October 2023, CEO Mario Mehren reported that just under 40 employees were working in Russia compared to 100 employees at the end of 2022. However, the exit from the assets is proving difficult and it is still not clear when Wintershall will be able to close this chapter. As part of the exit from Russia, Wintershall intends to legally separate the Russian joint ventures from the rest of the company by mid-2024.<sup>6</sup>

**Withdrawal of various European oil and gas companies from Russia**

Other major oil companies such as BP, Shell and Equinor, on the other hand, announced leaving the country soon after the start of the Russian war of aggression. In August 2022, Global Witness and Le Monde reported alleged links between TotalEnergies' Russian gas production and jet fuel for Russian bombers.<sup>7</sup> Shortly afterwards, TotalEnergies sold its 49 percent stake in the joint venture Terneftgaz to its Russian partner Novatek.<sup>8</sup>

**Income taxes and royalties paid in Russia in 2022**

In 2022, Wintershall Dea paid a total of 332 million euros income tax in Russia<sup>9</sup> and, according to a media report in Der Spiegel from January to September 2022, Wintershall Dea also paid more than 400 million euros in royalties in Russia.<sup>10</sup> According to a briefing by Oil Change International and Global Witness, Wintershall Dea and Wintershall, respectively, paid \$2.86 billion dollars in estimated direct levies to the Russian state from 2014, i.e. the Russian invasion of Crimea, through to 2022.<sup>11</sup>

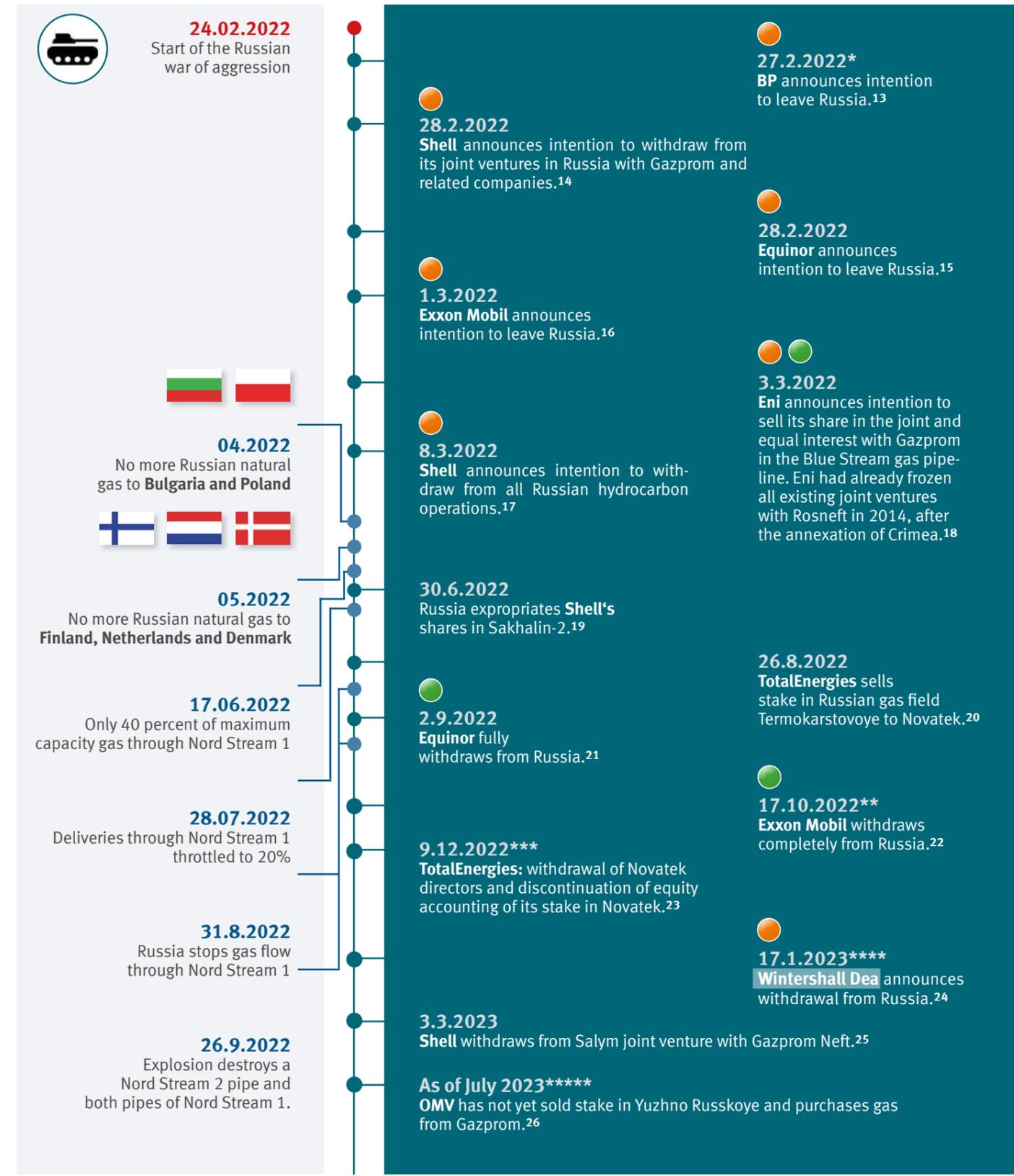
**Legal Opinion Investment guarantees:**

Wintershall Dea is currently considering both legal action against Russia and/or Gazprom and the use of direct investment guarantees from the German state amounting to at least €1.8 billion. A legal opinion commissioned by Urgewald and DUH, however, raises considerable doubts about the legality of disbursing the funds.<sup>12</sup>

Action with activists of Climate Justice Kassel, Fridays for Future and Extinction Rebellion in Kassel in May 2022



**Russia withdrawal of western oil and gas companies**



\* BP announces plans to sell stake in Rosneft and abandon other deals with Rosneft in Russia  
 \*\* ...after Russia seizes shares in Sakhalin-1.  
 \*\*\* Shares in Novatek have not yet been sold and TotalEnergies continues to hold a 10% stake in Arctic LNG 2.  
 \*\*\*\* On 2.3.2022 Wintershall merely announced a non-pursuit of any additional projects in Russia, no planning of any new projects, a stop to payments to Russia and a write-off of Nord Stream 2.  
 \*\*\*\*\* Since March 2023, OMV no longer includes the Russian business in the annual report, the shareholding in Yuzhno-Rosskoye was already written off in 2022.

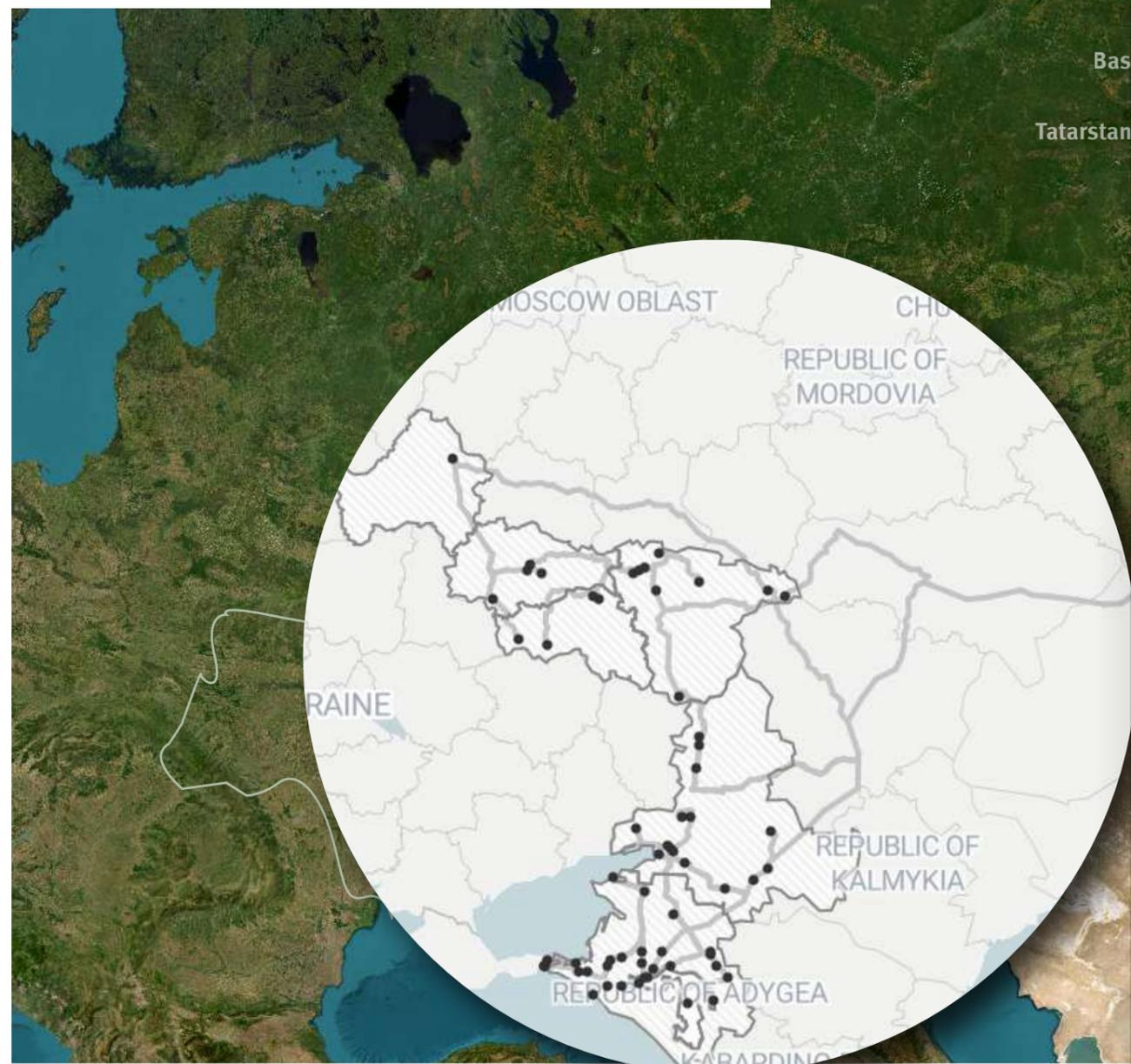
Orange circle: Declaration of intent to leave Russia  
 Green circle: Complete withdrawal



### Rail transport of diesel from the station of the refinery Salavat to the border regions with Ukraine

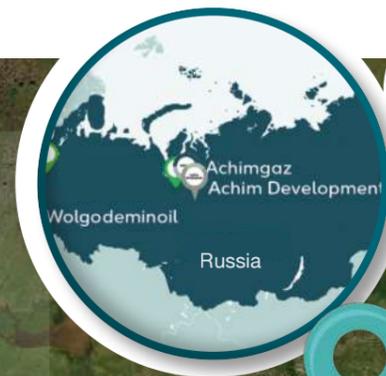
An investigation exposes the connections between Wintershall's Siberian gas fields and Russia's military supply chain.

Wintershall Dea has denied allegations that its Russian gas fields are fuelling the Russian military, calling them 'construed'. But a joint investigation published by Global Witness & Radio Free Europe on April 28th provides new evidence of supply chain links between the firm's Siberian gas fields and the Russian military.<sup>27</sup>



Regions bordering Ukraine: Voronezh, Belgorod, Rostov, Krasnodar, Bryansk, Kursk, Adygea

Gas condensate, an oil-like hydrocarbon, is produced by Wintershall Dea in joint ventures with Gazprom in the Achimov gas fields. Gas condensate is transported from here across Russia. The gas condensate feeds a processing plant in Surgut, which, among other things, supplies a refinery in Salavat refinery with gas condensate. The Salavat refinery supplies diesel to Russian military suppliers.



50% Wintershall Dea

50% Gazprom Dobycha Urengoi

25,01% Wintershall Dea

74,99% PAO Gazprom



### Nowy Urengoi De-ethanization



### Surgut Processing plant



### Salavat Refinery



Late last year, responding to allegations about Russian jet fuel, Wintershall confirmed that gas condensate is sent from Achimov to a Gazprom subsidiary, Gazprom Pererabotka.<sup>28</sup> Per a May 2022 statement from Gazprom Pererabotka's general director, Achimov gas condensate is de-ethanised first in a plant near Nowy Urengoi before being sent to be processed in its facility in Surgut. The director called these facilities "a single processing complex."<sup>29</sup>

Once processed, gas condensate is distributed for refining. In 2022, rail data shows that 66% of the gas condensate leaving Surgut by train went to a station used by a refinery in Salavat, nearly 2 million tonnes. This in turn is almost one-third of the raw material volume that the refinery claims to have consumed last year. The refinery in Salavat is operated by another Gazprom subsidiary called Gazprom Neftekhimiya Salavat. The refinery in Salavat delivers diesel by rail to various border regions near Ukraine.



## Shipments from Salavat

Analysis of Russian government procurement records shows that in 2022, the Salavat refinery sent diesel directly to companies with a history of military contracts. One of the firms which received multiple shipments of Salavat diesel in 2022 is based in Crimea. The firm, which employs a local politician from Putin's United Russia party, recently signed contracts to supply two military units with fuel, including a unit in the FSO, which is responsible for personal protection of Vladimir Putin. And as recently as March 2023 it signed a contract to supply gasoline to an ex-paramilitary group which played a role in the annexation of Crimea.

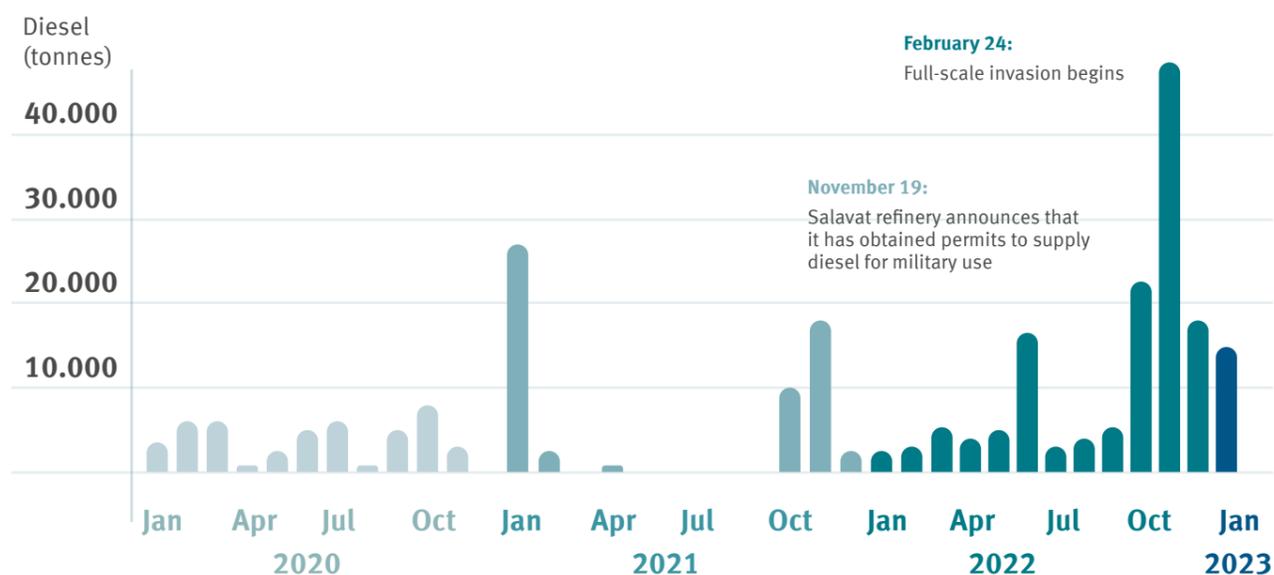
Wintershall rejects the findings, and declares, that „most of the products marketable by Gazprom Pererabotka remain in the Tyumen Oblast and the Khanty-Mansiysk and Yamalo-Nenets autonomous districts“, without addressing questions on diesel. It is impossible to determine if any given barrel of Salavat diesel contains Wintershall condensate, and Global Witness does not allege direct links between Wintershall's gas condensate and the military. Yet data in this investigation shows that gas condensate from Sur-

gut, and therefore the Achimov deposits, makes up a portion of Salavat's feedstock. Any given batch of diesel refined there could have been produced using Wintershall's joint ventures' gas condensate.

In November 2022 and January 2023, reports from Der Spiegel<sup>30</sup> & ZDF<sup>31</sup> allege that Wintershall's gas condensate was 'possibly' used to produce fuel for Russian fighter jets involved in alleged war crimes in Ukraine, a claim which Wintershall denies.

This investigation comes as Wintershall reportedly considers applying for direct investment guarantees of the German state worth at least 1,8 billion Euros for the claimed "expropriation" of its Russian business.<sup>32</sup> A recent legal opinion published by Urgewald and Deutsche Umwelthilfe claims that such a payment could be unlawful, if Wintershall contributed to attacks by Russia in violation of international law through the operations of its joint ventures.<sup>33</sup> The German government must now investigate the evidence further and examine legal grounds for exclusion from the payment of the investment guarantees.

Just months before the war started, the Russian army approved various Salavat diesel products for military use.<sup>34</sup> Rail deliveries of diesel from the Salavat refinery to the border with Ukraine spiked around the time of the full-scale invasion, and have remained at high levels throughout the war, spiking again as Russia prepared its renewed offensive in 2023.





A winter jacket is emblazoned with a German and a Russian flag representing the Achimgaz logo.

## Footnotes

1. <https://wintershalldea.com/de/investor-relations/ir-23-01>
2. <https://wintershalldea.com/sites/default/files/media/files/Wintershall%20Dea%20Q1%202022%20Group%20Financial%20Statements.pdf> // S.6-7
3. Kalkulationen urgewald auf Basis Rystadt Energy Daten
4. [https://wintershalldea.com/sites/default/files/media/files/Wintershall\\_Dea\\_Geschäftsbericht\\_2022%20%281%29.pdf](https://wintershalldea.com/sites/default/files/media/files/Wintershall_Dea_Geschäftsbericht_2022%20%281%29.pdf) // S. 153-154
5. <https://wintershalldea.com/de/investor-relations/ir-23-01>
6. <https://wintershalldea.com/de/newsroom/media-roundtable-q3-2023>
7. [https://www.lemonde.fr/en/international/article/2022/08/25/how-french-oil-giant-totalenergies-fuels-russian-fighter-jets-in-ukraine\\_5994692\\_4.html](https://www.lemonde.fr/en/international/article/2022/08/25/how-french-oil-giant-totalenergies-fuels-russian-fighter-jets-in-ukraine_5994692_4.html)
8. <https://totalenergies.de/russland-totalenergies-haelt-seinen-verhaltensgrundsuetzen-fest-und-verkauft-seine-49-prozentige>
9. [https://wintershalldea.com/de/investor-relations-dokumenten-archiv#\\_022, Q4 and Full Year 2022 Results - Data Supplement, Sub-table Segment Reporting // Q4 And Full Year 2022 Results - Data Supplement](https://wintershalldea.com/de/investor-relations-dokumenten-archiv#_022, Q4 and Full Year 2022 Results - Data Supplement, Sub-table Segment Reporting // Q4 And Full Year 2022 Results - Data Supplement)
10. <https://www.spiegel.de/wirtschaft/wintershall-joint-venture-des-konzerns-liefert-gaskondensat-an-gazprom-treibstoff-des-krieges-a-a99cfc7d-f75b-4243-9600-f37b1026e2b6>
11. <https://priceofoil.org/content/uploads/2022/03/russia-revenues-march-2022-v4.pdf>; Abgaben meint hier: „royalties, export duties, bonuses, taxes and fees, as well as “government profit oil,” which includes the value of any actual oil that the companies may have given to Russia”
12. <https://www.urgewald.org/medien/moegliche-milliarden-zahlungen-wintershall-dea-gutachten-zweifelt-rechtmassigkeit>
13. <https://www.bp.com/en/global/corporate/news-and-insights/press-releases/bp-to-exit-rosneft-shareholding.html>
14. <https://www.shell.com/war-in-ukraine-shell-response/faq.html>
15. <https://www.equinor.com/where-we-are/russia>
16. [https://corporate.exxonmobil.com/news/news-releases/2022/0301\\_exxonmobil-to-discontinue-operations-at-sakhalin-1-make-no-new-investments-in-russia](https://corporate.exxonmobil.com/news/news-releases/2022/0301_exxonmobil-to-discontinue-operations-at-sakhalin-1-make-no-new-investments-in-russia)
17. <https://www.shell.com/media/news-and-media-releases/2022/shell-announces-intent-to-withdraw-from-russian-oil-and-gas.html>
18. <https://www.eni.com/en-IT/eni-worldwide/eurasia/russia.html>
19. [https://www.reuters.com/business/energy/russia-decree-sakhalin-2-project-knocks-mitsui-mitsubishi-shares-2022-07-01/?utm\\_source=Sailthru&utm\\_medium=newsletter&utm\\_campaign=daily-briefing&utm\\_term=07-01-2022](https://www.reuters.com/business/energy/russia-decree-sakhalin-2-project-knocks-mitsui-mitsubishi-shares-2022-07-01/?utm_source=Sailthru&utm_medium=newsletter&utm_campaign=daily-briefing&utm_term=07-01-2022)
20. <https://totalenergies.de/russland-totalenergies-haelt-seinen-verhaltensgrundsuetzen-fest-und-verkauft-seine-49-prozentige>
21. <https://www.equinor.com/where-we-are/russia>
22. <https://www.reuters.com/business/energy/exclusive-exxon-exits-russia-empty-handed-with-oil-project-unilaterally-2022-10-17/>
23. <https://totalenergies.com/media/news/press-releases/russia-totalenergies-decides-withdraw-its-directors-novatek-and-will-no>
24. <https://wintershalldea.com/de/investor-relations/ir-23-01>
25. <https://www.shell.com/media/news-and-media-releases/2023/shell-completes-withdrawal-from-its-interest-in-salym-petroleum-development-in-russia.html>
26. <https://www.handelsblatt.com/unternehmen/energie/russland-energiekonzern-omv-erneuert-mitgliedschaft-bei-deutsch-russischer-aussenhandelskammer/29090624.html?tm=login>
27. <https://www.globalwitness.org/en/campaigns/stop-russian-oil/exposing-the-connections-between-wintershalls-siberian-gas-fields-and-russias-military-supply-chain/>
28. <https://wintershalldea.com/en/newsroom/spiegel-report-siberian-condensate>
29. <https://pererabotka.gazprom.ru/press/chief-journal/2022/47/>
30. <https://www.spiegel.de/wirtschaft/unternehmen/wintershall-dea-ueberzeugt-dass-an-den-haenden-von-wintershall-ukrainisches-blut-klebt-a-49232609-1f91-440d-b0b7-f112392cfee8>
31. <https://www.zdf.de/nachrichten/politik/wintershall-dea-gas-gazprom-russland-ukraine-krieg-100.html>
32. <https://www.ndr.de/nachrichten/info/Milliarden-Verlust-Wintershall-Dea-prueft-Anspruch-auf-staatliche-Hilfen/>
33. <https://www.urgewald.org/medien/moegliche-milliarden-zahlungen-wintershall-dea-gutachten-zweifelt-rechtmassigkeit>
34. <https://salavat-neftekhim.gazprom.com/press/news/2021/11/113/>

## Imprint:

Responsible: Sonja Meister

Editors: Louis Wilson, Sonja Meister

Typesetting & Layout: LiebesDesign Grafik, Cologne



global witness