



VESTI

Sakhalin Energy

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AUGUST 2021



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99,6%

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Turnaround Snapshot

Sakhalin Energy continues a major turnaround, the biggest one in the company's history. All process lines of the gas system production facilities have been stopped to perform as many technical operations as possible. Such a large-scale event could not but raise questions from the stakeholders. Roman Dashkov, the company Chief Executive Officer, answered many of them personally.

A FRANK CONVERSATION

On 15 July, he met a group of federal and regional journalists at the Prigorodnoye production complex. Apart from the start of the turnaround, the installation of one of the four liquefied natural gas loading arms was another newsworthy event for the visit of the media representatives.

"This is not a staged shooting. It's a real event now taking place at our plant," Roman Dashkov addressed the journalists. "I would like to get through to all Sakhalin Oblast residents with the message that a turnaround is a reliable and necessary practice."

According to him, Sakhalin Energy is a socially oriented company that shares public interests and values, pays special attention to confidence building, and is always ready to prove this by their actions. That's why Roman Dashkov answered all the questions on the subject of the meeting as frankly as possible.

SAFE, EFFICIENT AND RELIABLE

"The 2021 turnaround includes a set of measures: maintenance, overhaul, reconstruction, modernisation of a number of assets, the main process equipment, the automated production control system, etc. All this to expand our production capacities. First and foremost, to finalise the construction of the OPFC which should be integrated into the overall production process to ensure the required production level without any difficulties later on," added the company CEO.

Talking about the turnaround, he underlined that preparations for it had started as early as two years ago. The company developed a plan, carefully analysed possible risks, made sure that all the facilities and assets involved were ready, and only then started implementing the planned activities.



According to Roman Dashkov, one of the key reasons for the turnaround is Sakhalin Energy's commitment to improving their efficiency and reliability. "Today, according to independent assessments, we are recognised as one of the most efficient companies among LNG producers. With the production reliability being 99.6%, we are also among the best ones in terms of minimum process losses."



IN PURSUIT OF EXCELLENCE

Moreover, the company continues to explore ways to improve energy efficiency. With the world shifting towards energy transformation, and the role of clean and renewable energy growing with the boost of the climate agenda, this approach seems to be relevant more than ever. Alexander Singurov, Sakhalin Energy Deputy Production Director and Head of the Prigorodnoye production complex, who also participated in the meeting, has no doubts about that.

"Over the last ten years, we have managed to reduce the specific greenhouse gas emissions per production unit down to 18 percent, while increasing the production rate by up to 20 percent. On the one hand, we are cutting emissions, and on the other hand, we are producing more with the same energy," he told the journalists.

Alexander Singurov highlighted that the company had gone an extra mile and developed the Green LNG strategy which aims to reduce the Sakhalin-2 Project carbon footprint (*Editor's note: see previous issues of Vesti for 2021*).





PEACEFUL INSTALLATION

During the journalists' visit, the specialised vessel Pijlgracht started to lift a new 77-tonne loading arm for its further installation at the LNG jetty. The operation took place on a clear day in calm waters, which makes one of the prerequisites for such work.

According to Alexander Gusev, Liquefied Natural Gas Production, Storage, and Export Shop Manager, the vessel can handle even much heavier equipment, as its two main cranes have a lifting capacity of to 700 tonnes each.

During the installation, the challenge was to align the bolt holes of the flange joints, which are only several centimetres in size, from a distance of 22 metres. This operation requiring pinpoint accuracy was successfully completed.

FLARE TO DISMANTLE

Many other large-scale activities are being carried out as part of the turnaround this year. For example, the LNG plant is carrying out a technical operation to replace the flare tip, to inspect and service the flare stack and flare system. Its uniqueness resides in the method used to disassemble one of the four 125-metre flare stacks. Nobody has climbed up there since the start-up of the plant back in 2009. All the inspections have been carried out only from the air by special drones.

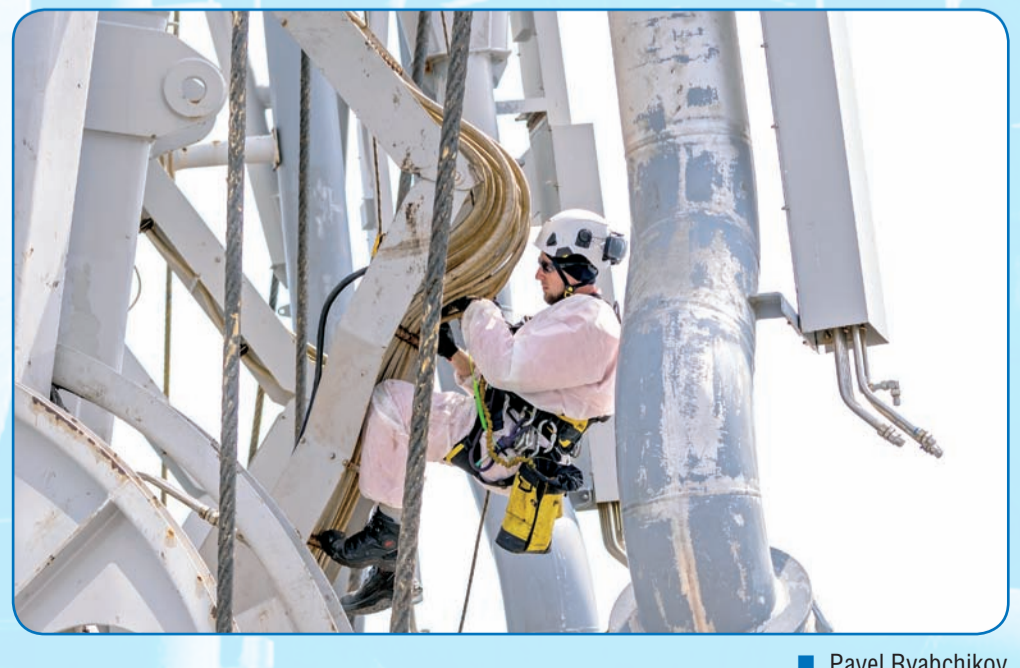
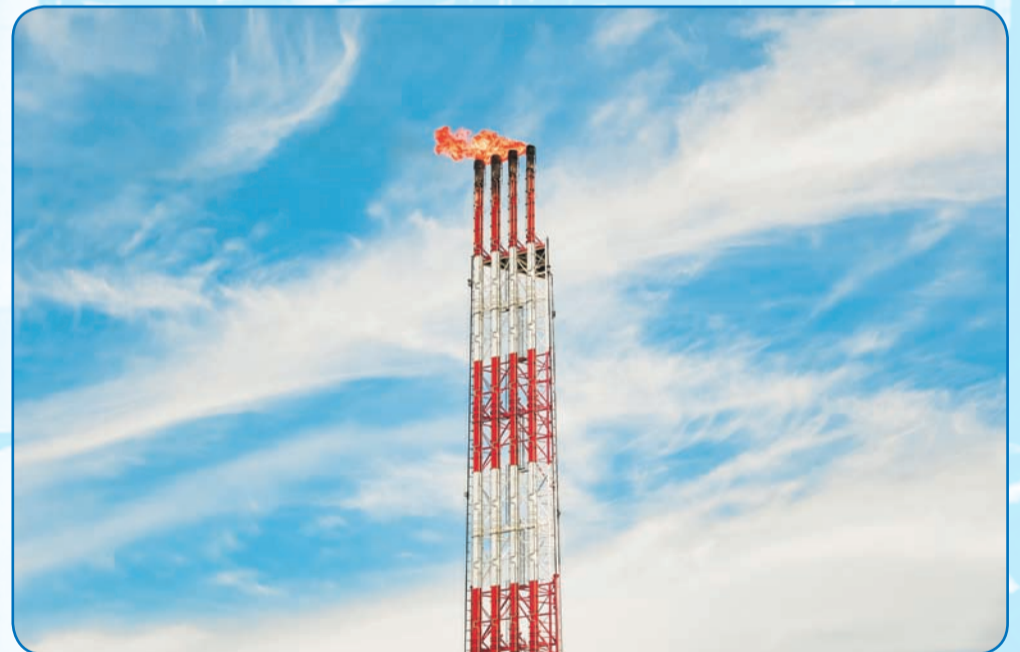
"Each stack consists of several sections fastened to the main frame and capable of going up and down on rollers. What do we do? We take the stack lower section off

the flange connections and pull it carefully downwards. After that, we move on to the next section. The procedure is repeated until the flare tip is on the ground. The operation is reminiscent of a space rocket being mounted on a launch tube, but in reverse order," adds Alexander Gusev.

Thanks to the experience gained, Sakhalin Energy staff will be able to perform similar operations with the flare system in the future, while the LNG plant is in operation. This option was originally included in the equipment design, but for the first time it was decided to do this work during the turnaround. It is safer that way. And safety comes first for the company.

For reference:

At the liquefied natural gas jetty as part of a major turnaround, two arms, the first and fourth, which are used directly for LNG export, were replaced. They were manufactured for Sakhalin Energy by TB Global Technologies Ltd, a Japanese company. One of the remaining two arms, one is standby and not operated, while the other is used to collect boil-off gas which is generated during LNG export. After the dismantled equipment is overhauled at the manufacturer's plant in Japan, it will be put back in operation under Sakhalin-2 project in 2023.



meeting

appointment

The Task Has Been Set

Roman Dashkov, Sakhalin Energy Chief Executive Officer, took part in a joint meeting devoted to the company's engagement with the Sakhalin Oblast Government and Gazprom. The meeting was held by Valery Limarenko, Sakhalin Oblast Governor, and Vitaly Markelov, Deputy Chairman of the Gazprom Management Committee.

One of the main issues on the meeting agenda was the implementation of the joint Programme for the Sakhalin Oblast Gas Supply and Gasification Development. The current objective is to complete all technically feasible network gasification by 2025.

Valery Limarenko and Vitaly Markelov outlined plans for the coming years: in fourth quarter of 2023, it is planned to launch a system for the reception, storage, and regasification of LNG – a high-tech environmentally friendly fuel – on the Kuril island of Iturup. In the system, LNG will be converted from a liquefied state into a gaseous one; then it will be supplied through pipelines to power plants, enterprises, residential areas and boiler houses.

“The remote districts of our region, including those on the Kuril Islands, cannot be supplied with blue fuel through pipelines. For territories like that, including Iturup, we, together with Gazprom, are developing steps for autonomous gasification using liquefied natural gas. The inhabitants of the island believe that the transition to environmentally friendly fuel is a significant development that will change their life for the better. The quality of utility services will get better, the boiler houses and diesel power



“We have set ourselves the task to deliver the first shipment of LNG to Iturup in 2023 and to use it at the utility facilities. Whenever Gazprom sets itself a task, it always fulfils it,” emphasised Vitaly Markelov.

In turn, Roman Dashkov stressed that Sakhalin Energy is ready to implement the plans outlined by the Sakhalin Oblast Government and Gazprom as part of the regional gasification programme. “There will be no delays in approving the design documentation on our part. We are ready

about 1,200 kilometres of gas pipelines and to gasify more than 35,000 residential buildings, over 150 enterprises and boiler houses in the region. For remote areas, the programme provides for autonomous gasification with the use of liquefied natural gas. The Sakhalin Oblast gasification should reach 100% by 2025. To-date, only 40% of the region has been gasified.

During the meeting, the parties also consolidated the previously reached agreements concerning Gazprom's



plants will no longer pollute the air, and the health of Kuril residents will improve. This is very important, given that the growing economy of the district requires increasing amounts of affordable electricity. The use of LNG will lead to the creation of new jobs,” said Valery Limarenko.

Autonomous gasification will be carried out according to the scheme outlined below. Gazprom will build a modern plant for the production of compressed and liquefied natural gas on Sakhalin. The new production facility will process raw materials from the Sakhalin-2 project. The plant's products will be transported to consumers on special motor vehicles and vessels. The delivered fuel will be re-converted from a liquid to a gaseous state, and then supplied through pipelines to power plants and boiler houses in settlements.

to synchronise our efforts at any time and to work towards the fulfilment of the task, taking into account the corporate activities and the company's internal operation procedures,” added CEO of the Sakhalin-2 oil and gas project operator.

The participants of the meeting held in Kurilsk made a decision to clarify the need for liquefied natural gas by the end of third quarter of this year. Thus, it will be possible to start designing the new LNG plant in October. The construction of the facility is expected to begin as early as 2022. It is also planned to launch a similar system for the reception, storage, and regasification of LNG on another Kuril island – Kunashir – in 2023.

All of the above is part of a large-scale gasification programme being currently implemented in the Sakhalin Oblast. In the next five years, it is planned to build

construction investment projects to be implemented in Yuzhno-Sakhalinsk. Gazprom, the largest energy company in Russia, intends to build a residential district, an up-to-date school and a kindergarten in the centre of the region. By 2024, the company will also build a universal gym, a water sports centre, and an ice arena here. During the joint meeting, a ceremony was held for signing a contract for the design of the sports facilities. The development of the design documentation has already begun and will be completed by the end of the year.

Valery Limarenko commented: “Our region produces hydrocarbons, so our people should see for themselves that they get benefits from this. Residents of Sakhalin and the Kuril Islands deserve better living conditions, better facilities for education, sports, and recreation.”

■ Marina Semitko

New Shell Russia's Chairperson



On 1 August 2021, Ekaterina Grushetskaya took office as Shell Russia's Chairperson. It is the first time that a Russian citizen has been appointed to this position. Ekaterina Grushetskaya will represent the interests of Shell in cooperation with its partners and will also continue to participate in the management of all joint ventures with the company's participation in Russia.

Commenting on her appointment, Ekaterina Grushetskaya stated, “It is a great honour for me to lead Shell in Russia. Upon having worked in our country for almost 130 years, Shell is rightfully proud of its successful projects, strong partnerships with Russian companies, and the trust of Russian consumers. These factors are especially important now that we are faced with the task of not only developing the traditional areas of our business further, but also decarbonising all our activities in line with the Shell global strategy. I am confident that we have all necessary prerequisites for accomplishing these tasks in Russia.”

Ekaterina Grushetskaya began her career at Shell Russia in 2003. She has held senior positions in different financial and business units, dealt with various corporate issues in Russia and Kazakhstan, as well as investment, financial and HR agendas at the Russian joint ventures of the company, such as Sakhalin Energy Investment Company Ltd. and Salyem Petroleum Development N.V.

From 2013 to 2018, Ekaterina worked at Salyem Petroleum Development N.V. In 2015, she was appointed its CFO and Commercial Director.

Since late 2018, Ekaterina Grushetskaya has held the position of Vice President for Development of Upstream Oil and Gas Projects at Shell Russia and has been responsible for the corporate governance of oil production assets. She also serves on the Board of Directors of all Shell joint ventures in Russia.

Ekaterina graduated from Lomonosov Moscow State University with a Master's Degree in International Economics and Investments. Ekaterina is married and has three children.

Cederic Cremers, who has been Shell Russia's Chairman since August 2017, will hold another position in the company: he has been appointed Executive Vice President for LNG Segment Development in the Eastern Hemisphere countries, including Russia. Cederic will continue serving as the Chairman of the Board of Directors at Sakhalin Energy.

■ Source: shell.com

Review of the Energy Strategy of the Russian Federation until 2035

In accordance with the Federal Law ‘On Strategic Planning in the Russian Federation’, in 2020 the government presented the Energy Strategy of the Russian Federation for the period until 2035. It describes the main goals, priorities and objectives for the development of the fuel and energy complex of the country.

The strategy is cross-sectoral, i.e. it refers to a number of sectors and public administration in the energy sector. The review focuses on the challenges and development directions of the oil and gas sector in the Russian Federation and the renewable energy sector.

The goals include the development of the energy sector and the maximum possible contribution to the socio-economic development of the country, strengthening and maintaining Russia’s position in the global energy sector at least until 2035. In other words, the development of the fuel and energy sector should contribute to the growth of other sectors of the economy, addressing the strategic objectives of the country’s development and achieving national goals.

Let us consider how the strategy sets the objectives and directions for the development of the oil and gas and renewable energy sources sectors in Russia.

GAS INDUSTRY

As the fossil fuel with the lowest greenhouse gas emissions, gas will be the fastest growing fossil fuel in the future. The conditions for global growth in demand for gas are primarily shaped by growth in demand for electricity, as well as by the growing requirements of climate policy and environmental safety. In the medium term a global gas market will come to an end, which will bring about a convergence of gas prices in the various regions of the world. Development of production and supply of liquefied natural gas will play a key role in shaping the gas market. The share of LNG in the global gas trade will grow considerably. The production of hydrogen and methane-hydrogen mixtures from natural gas will be a promising area of diversification and improved efficiency of natural gas use.

Taking into account global trends and the need to meet the needs of Russia’s socio-economic development, a number of objectives have been set for the overall development of the gas industry:

- improving the domestic gas market and effectively meeting domestic gas demand. The main goal is to achieve a share of gas sold at unregulated prices of up to 35% by 2024 and 40% by 2035 of total supply. In 2018, the target was 33%;

- responding flexibly to global gas market dynamics, which implies being the first or second largest gas exporter in the world between 2024 and 2035;

- developing LNG production and consumption, with Russia becoming one of the world leaders in LNG production and export. Successful implementation of this objective would imply LNG production of 46-65 Mtpa by 2024 and 80-140 Mtpa by 2035, which implies a 4-7 times increase compared to 18,9 Mtpa in 2018;

- developing the production and increasing the consumption of NGV fuel (including LNG). The main target for methane consumption in transport should increase from 0,68 billion cubic metres per year in 2018 to a level of 10-13 billion cubic metres per year by 2035.

In order to realise these objectives, a number of measures have been proposed which should contribute to the achievement of the set targets:

- phased transition from regulation of wholesale gas prices to market-based pricing mechanisms;

- maintaining the current management system of the Unified Gas Supply System and continuing to ensure financial transparency of monopoly activities of the owner of the Unified Gas Supply System;

- state regulation of gas transportation by trunk pipelines and provision of gas storage services in

underground storage facilities, improvement of tariff calculation methodology;

- establishing a common gas market of the Eurasian Economic Union and ensuring competitive participation of Russian organisations therein;

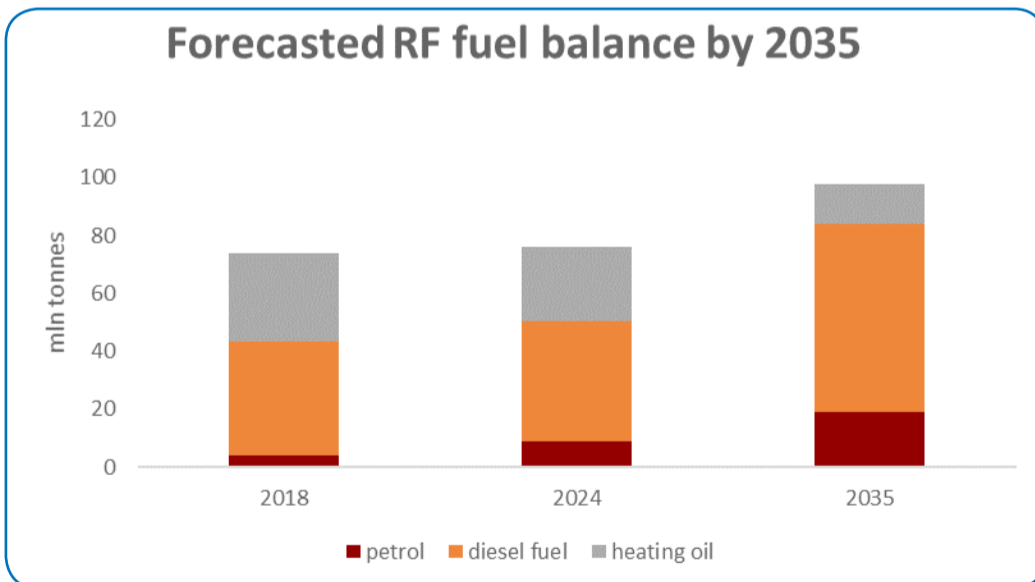
- ensuring legislative and regulatory conditions, including tax and customs and tariff incentives, for the cost-effective development of LNG production, transportation, storage, sales and use as part of the development of the gas industry;

- further liberalisation of LNG exports;

- modernisation and construction of ancillary infrastructure (port, transport, electricity infrastructure) based on public-private partnership principles.

OIL INDUSTRY

Global oil demand growth is forecast to slow after 2025, with a possible peak in demand before the 2030s. Demand for petroleum products will be shaped by growth in consumption in the transport sector and a simultaneous decline in demand in the residential, commercial and power sectors. In the medium term, a number of general economic, political and social factors will determine the level of oil prices. However, accelerated depletion of the most efficient reserves and lower investment in exploration and oil and gas projects in different regions of the world could set the stage for a decline in oil supply after 2020, which would require intensive investment in offshore and other high-cost projects and could trigger a new cycle of price increases. Demand for motor fuels is expected to increase in the forecast period, while consumption of dark petroleum products as fuel for power plants and ships is expected to decrease.



At the same time, the growing demand for the use of motor fuels, primarily driven by the developing world, is largely offset by the growing energy efficiency of vehicles, as well as inter-fuel competition – primarily with electric vehicles and gas motor fuels, which are gaining popularity.

Based on the current situation and the outlook for the global oil industry, the strategy identifies a number of high-priority tasks aimed at its development within the framework of the Russian fuel and energy complex:

- ensuring a stable (under favourable conditions) growing level of oil production, which implies maintaining oil and gas condensate production at 555-560 million tonnes per year by 2024;

- increasing the efficiency, availability and quality of meeting domestic demand for petroleum products. The target indicator of this task is to meet the domestic market demand for petroleum products produced in Russia by 100% within the period from 2024 to 2035. The yield of light

petroleum products should be 65% by 2024 and 70% by 2035 and show a 2,8% and 7.8% increase respectively. The ratio of installed primary and secondary refining processes should increase from 0,97 in 2018 to one by 2024 and to 1,2 by 2035.

The main activities aimed at achieving the targets are:

- transformation of the taxation system from turnover taxes to financial result taxation;

- comprehensive stimulation of the development of «mature», small fields, marginal and highly watered wells, and hard-to-recover reserves, as well as creating conditions for the development of small and medium-sized enterprises in this area of activity;

- developing the domestic market for service, engineering, and construction services in the oil industry and expanding the participation of Russian organisations therein;

- creation of long-term investment conditions to accelerate the development of deposits in the Arctic zone and on the Russian continental shelf;

- expanding the accessibility for organisations with the necessary experience and financial resources to enter the number of potential users of the unallocated subsoil fund areas of federal significance located on the Russian continental shelf.

RENEWABLE ENERGY SOURCES

The main renewable energy power sector in Russia is hydropower, which makes a notable contribution to the entire electricity sector.

By 2018, the bulk of the large hydropower plants had already been commissioned, while the installed capacity of small hydropower, solar and wind power plants in Russia’s Unified Energy System was negligible at just over 1.2 GW. At the same time, the capacity of solar and wind power plants in 2018 was distributed as follows:

- Solar power plants 0.834 GW;
- Wind farms 0.184 GW.

The main challenge for the development of hydropower are long construction periods for hydropower facilities, the unregulated legal status of reservoirs for hydropower purposes, the increasing costs of ensuring the safety of hydropower facilities and the lack of a mechanism for return on investment in the construction of new hydropower facilities.

The main problem with the use of renewable energy sources in Russia is their lack of economic competitiveness comparing to other technologies. However, significant government support measures can increase the investment attractiveness of renewable energy sources.

Thus, the strategy enshrines gas as the leading source of energy in Russia: its share could increase from 41% in 2018 to 46-47% by 2035. The main objectives of the gas industry will be to increase LNG

production and supply, develop gas exports to the Asia-Pacific region and increase domestic consumption by increasing the country’s gasification level and developing gas as a transport fuel. The share of oil consumption will decline from 39% in 2018 to 31-32% in 2035 due to the gradual displacement of oil by other sources of energy, reduced production due to depletion of the main resource base. Therefore, the introduction of various tax breaks and advanced technologies should facilitate the development of the Arctic shelf and fields with hard-to-recover reserves to maintain current production levels over the forecast period. However, the strategy does not fully cover the transition to renewable energy and emission reductions, implying that Russia’s large gas reserves and chosen vector for their realisation do not provide a basis for increasing the share of renewables in the country’s energy system as a cost-effective energy source.



Grand Voyage of the Grand Elena

The Commercial Directorate team managed to withstand a formidable pressure – not the physical one, measured in atmospheres, but pressure in the figurative sense, worth several million US dollars. The achieved result impressed the members of the Committee of Executive Directors (CED), who are actively calling for continuous improvement projects. Maria Kuznetsova, Commercial Advisor for Hydrocarbon Transportation, and Alexey Zilper, Hydrocarbon Transportation Manager, will tell us about their achievement in more detail.

– Dear colleagues, the CED award will crown your story, but I would like you to start from the very beginning. How did you manage to optimise the efficiency of the company's commercial fleet transport? After all, that was the key to the success of the project, wasn't it?

Alexey Zilper: I think we should start with the fact that the company supplies LNG both on the FOB* and DES** terms. For DES deliveries, the company has chartered five LNG carriers. Sometimes there appears a window for some gas carrier – a period when it is temporarily not engaged in the LNG supply. To avoid downtime of the LNG carrier and get additional profit, we can make a sublease deal for the vessel. This can hardly be called 'reinvention of the wheel' – it is common practice worldwide, and we apply it whenever the opportunity arises.

– As far as I understand, such an opportunity needs to be helped to realise. How exactly did you manage to send the Grand Elena on a voyage to Australia?

Maria Kuznetsova: Closing deals for the sublease of vessels is like walking a tightrope. The LNG supply schedule is really tight, and a voyage window is hard to find. Moreover, before concluding a deal, you must know precisely when and where the vessel will be needed. In the case of the Grand Elena, we were lucky: everything fell into place. Even so, it took all our professional experience and good luck that came our way, plus full dedication of each team member to make this contract happen, although, frankly speaking, the project had seemed unrealistic at first. In the hydrocarbon market, the conclusion of such transactions normally takes at least 30 days. We did it in just one week! It was not only time that was playing against us – in such cases, we have to keep an eye on the competitors who are ready to intercept the deal any time.

A. Z.: Indeed, tensions were running high in the freight market. Still, we managed not only to hold the interest of the charterers, but also to increase the revenue for the company. In fact, we secured a record freight rate for a 145,000 cubic metre LNG carrier in the Asia-Pacific region in the past ten years. We managed to generate additional income that exceeded US\$4.5 million. What is more, we were able to get another US\$440,000 by optimising the remaining LNG aboard the gas carrier after the previous unloading of the vessel.

– So, fortune smiled on you, and you took advantage of the opportunity. The rest was a matter of technique.

M. K.: Not really. The difficult part was yet to begin. The Grand Elena was to be loaded at the port of Gladstone, Australia. For us, it was an entirely new area – a port we had never dealt with, many unfamiliar procedures and requirements. Before the start of loading operations, we had to conduct an analysis of compatibility between

the vessel and the terminal. That involved preparing piles of documents, conducting endless negotiations, obtaining innumerable approvals. Moreover, the operations were to be carried out in strict compliance with all safety measures adopted in our company. This is only one of such examples.

– Alexey, when we were making arrangements for the interview, you specifically requested us to invite Maria to take part in it, saying that she had made this deal with her own hands. What did you mean by that?

A. Z.: You can understand it both literally and figuratively. Maria prepared,

At one time, Shell suggested creating a multifunctional group within our unit to help marketers manage freight contracts, provide technical support, carry out operations, ensure safe transportation, plan shipments and so on. That is exactly what we did, and then we gradually developed and honed the skills of teamwork, the ability to jointly solve complex problems.

M. K.: I cannot agree more with Alexey. In this particular deal, the LNG supply planning team, led by manager Olga Kim was able to reach an agreement with the LNG buyers as a result of negotiations, and to find an opportunity to make one of the

have taken years to build. Working in the field of sea freight is not easy. One needs to know a lot of details, which are sometimes difficult to find out. This is where brokers help us: they share information with us, warn us about pitfalls, and reveal other specific features of upcoming transactions. Forewarned is forearmed.

– When did you know that the deal was in the bag?

M. K.: It is too early to drink champagne even when the deal has been concluded and the vessel has departed for the port of destination. Sea vessels are one of the most reliable means of transportation. Nevertheless, there are certain risks associated with maritime operations. On the one hand, you are happy that you have managed to secure additional income for the company; on the other hand, the burden of responsibility keeps you in a state of constant tension. But this is what our work is about. That is why when we shake hands with our partners, we always wish



requested for, and confirmed a huge amount of data related to LNG transportation by sea. She negotiated with the vessel owner, the charterers, the personnel of the LNG terminal, the captain of the gas carrier, the insurers, and lawyers. She ensured that everything went like clockwork and took care that the interests of all parties were met to the highest possible degree. So, we can rightfully say that Maria was at the forefront of preparing and closing the deal.

M. K.: Thank you for the flattering words, but I must also name the other members of our wonderful team. They are Olga Kim, Morimoto Katsuki, Yegor Lukin, Yevgeny Anfilov, Alexey Lysenko, Anton Skikevich, Andrey Beregovoy, Mikhail Kalmykov, Nikita Bogomazov, Victoria Nureyeva and Alina Pisklova. Many thanks to them for their assistance and support.

– Did it take you long to create and unite the team?

A. Z.: Our team is the result of the gradual evolution of the Commercial Directorate.

vessels chartered by the company available for the specific period. That is, they arranged for the LNG supply to be delivered in the agreed time by four rather than five tankers. That was the first and important step. Then, Alexey and I managed to find a suitable transaction and engaged the other members of our team, as necessary. But for our concerted actions, we would never have achieved what we did. Let me remind you that we only had seven days to make all arrangements, not to mention the time zone difference, which made our task even more difficult. Thankfully, we were able to reach one another on the phone and resolve any issues at any time of the day, and none of us complained if we did it after working hours.

A. Z.: I must also mention the immense contribution of the ship brokers to the implementation of this difficult-to-accomplish, according to Maria, project. Actually, we maintain not only business, but also friendly relations with them, which

'fair winds and following seas' to the deals we close.

– In conclusion, one more question: how was the awards ceremony?

M. K.: Of course, we all realised that we had closed a remarkable deal, and Alexey Abdulin, Head of the Hydrocarbon Transportation Subdivision, suggested nominating this initiative for the CED Awards. And we won! It's great to feel part of the winning team. You immediately get a second wind.

■ Interview by Elena Gurshal

* *FOB* – the terms of delivery under which goods are loaded onto the buyer's vessel. In an LNG sales contract, this means that the seller pays for the delivery of goods to the loading site plus for the loading of goods on board the vessel.

** *DES* – the terms of LNG delivery on the seller's vessel to the buyer's berth under a long-term sales contract concluded between the buyer and the seller.

Unethical Behaviour – it’s Triangular!

When you set off for work each day, or sit down at home and open your computer to read the first email of the day, what are you thinking about? Perhaps a challenging task you have to finish or a meeting you are looking forward to? Most of the time this is the case. But sometimes things start to develop in a negative direction.

WHY DOES THIS HAPPEN?

According to studies, there are three factors that are typically central to why a person acts unethically at work: pressure, opportunity and rationalisation. These elements, first formulated by Donald Cressey* in the 1950s, are often referred to as the ‘fraud triangle’. The fraud triangle remains a valuable framework for understanding why a person acts unethically, and a tool to help us prevent a person from reaching the point where they act unethically.

Pressure, sometimes also described as need or motivation, is the first component of the triangle. It is the driving force for the person to act unethically and is often financial. In some cases, it is simply greed or selfishness. In other cases, a person may be faced with changed personal or family circumstances which put pressure on their finances.

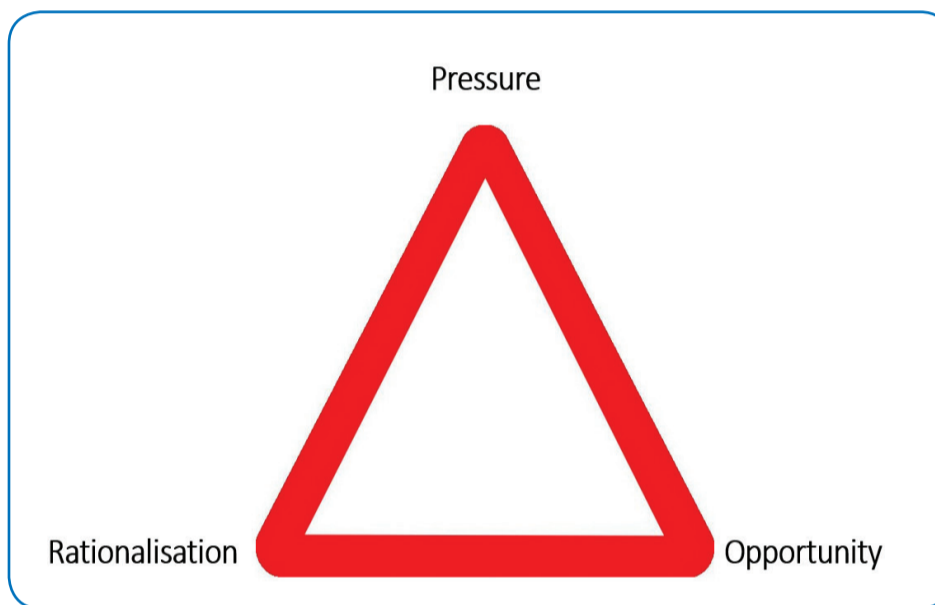
Pressure can also come from a person’s situation at work. Goals, when well set and achievable, are positive and drive creativity and efficiency, but when goals are perceived to be unachievable the pressure may instead drive unethical behaviour especially if bonuses, promotion or a person’s job is at stake.

Opportunity, the second element, refers to the circumstances which enable a person to act unethically. A person with the pressure or motivation to act unethically will act on that pressure or motivation only when they see an opportunity to do so. The person must believe that no-one will know, or that no-one will care, or that their behaviour will not be considered a serious offence. The lower the risk of getting caught, the greater the likelihood the person will act unethically.

Weak internal procedures or inadequate segregation of duties clearly provide opportunities for unethical behaviour. But equally not having a clear tone from the top, or allowing a persistent low level of non-

compliance, or not supervising a person adequately, can all generate a situation in which dishonest behaviour is believed by employees to be acceptable or not punished.

Rationalisation is the third element in the triangle. It is the person’s justification as to why an unethical act is nevertheless acceptable. If a person cannot justify their behaviour to themselves, they are unlikely to act unethically. Rationalisation can take many forms: ‘Everyone is doing it’; ‘It’s always been done this way’;



‘There’s no real victim’; ‘There is no other solution’; ‘It’s what I deserve’.

So how can the ‘fraud triangle’ help us combat the risk of unethical behaviour in Sakhalin Energy?

Pressure: Firstly, consider your own situation. Are you facing any pressures at the moment which could lead you to act unethically? If so, talk to your line manager or to HR or to the Ethics & Compliance team. Talking to a peer or even someone outside the company could also help.

Secondly, look out for your colleagues. One of our core values is care for people, show a genuine concern

for their welfare. A kind word or thoughtful question may be just what is needed to prevent your colleague from crossing the line and acting unethically.

Opportunity: As a company, our processes and procedures are designed to minimise opportunities for unethical behaviour. For example, major decisions require approval at several levels, each step in the payment process is authorised by a different person, conflicts of interest must be declared. They are reviewed regularly, and one aspect of Internal Audit’s role is to assess the effectiveness of checks and controls across the various company activities. Weaknesses or gaps are identified and follow-up actions agreed.

If you identify a potential weakness or gap in the activities you are involved in, don’t wait for the next internal audit, raise it with the process owner for attention.

Rationalisation: Be aware of the tendency we all have to rationalise our behaviour. If you are faced with an action you know deep down is wrong, be alert to your inner voice trying to justify that behaviour. Even for little things be careful not to rationalise, if you rationalise small actions it becomes easier to rationalise larger unethical actions.

Our clear and consistent corporate culture also helps tackle rationalisation. Our company’s culture is built on our core values which start with honesty and integrity.

When we understand why people act unethically it helps us identify risks in our business, and ways to address them.

If you would like to discuss any issues concerning ethics and compliance at Sakhalin Energy please contact David Cox – Ethics and Compliance Manager or the Ethics and Compliance team at SEIC-Ethics_Mailbox@sakhalinenergy.ru

**Donald Cressey was an American criminologist who made pioneering contributions to the study of organised crime, the sociology of criminal law, and white collar crime.*

■ David Cox

Let Us Express Our Opinion!

survey

We are pleased to announce that after last year’s forced hiatus caused by the pandemic, Sakhalin Energy is announcing 2021 Employees Opinion Survey beginning on 2 September and closing on 31 October 2021.

2021 is a year of change and time for new reality and new opportunities for Sakhalin Energy to grow. The Survey is not an exception. It has been revised in terms of relevance, wording and fill-out to fit in with the new reality and new formats of work.

The Survey is a useful tool for assessing the working climate in Sakhalin Energy as regards the governance, working conditions, teamwork, staff development, employee engagement, continuous improvement and other factors.

The ultimate objective of the Survey is to understand what is essential for you, give everyone an opportunity to speak, and try to identify opportunities for improvement in various aspects of Sakhalin Energy’s business, while maintaining full confidentiality of the answers.

The questions in the Survey are themed around Sakhalin Energy’s corporate culture and core values, health and safety, continuous improvement, ethics and compliance, and the new reality.



The Survey is structured with 75 closed-ended questions and 2 open-ended questions inviting your personal feedback and insights that might help improve the way you work in Sakhalin Energy.

The Survey is meant for all Sakhalin Energy employees (Russian and expatriate direct hires) shareholder secondees with at least 6 months of employment history. Undoubtedly, for most of you it is a matter of principle to speak your mind thus contributing to the improvements taking place in the Sakhalin Energy.

People are the core of Sakhalin Energy’s business. People and their individual responsibility is the only way how the company will maintain its unique corporate culture and deliver the best performance.

Your voice will be heard! The future and success of Sakhalin Energy rely on your participation!

■ Organisation Development and Planning Subdivision

They Hit the Peak!

Congratulations to the graduates of the Traineeship Programme of 2021 – they successfully completed their training and have been employed by the company!

The Trainees of 2018 traineeship Intake overcame many challenges, including those relating to COVID-19 pandemic: long shifts, observation, etc. But this year's graduates have successfully met all the challenges of the new reality and have shown remarkable results.

They have 32 months of hard work behind – classroom training and on-the-job training. Little by little the trainees moved towards their peak and proved themselves and everyone that the chosen vocation was a deliberate and balanced choice. The trainees demonstrated great skills, business and personal qualities, and robust HSE and work performances.

Nine of thirteen trainees have graduated from the Programme in July. Four ops technician trainees completed the Programme earlier, ahead

of the schedule, reaching the required level of competence before the end of the term. And based on requests off the assets' management they were recruited to fill in the vacancies.

For the Technical Training Centre, the graduation is the most important result of the academic year. For



the assets it is a chance to replenish their teams with young and ambitious professionals and ensure succession.

The pandemic has not prevented a good tradition of holding graduation ceremonies for trainees at production sites, among the work teams that have already become family.

Svetlana Verbina, a Technical Training Centre specialist, organised several celebrations both in person at the Prigorodnoye production complex and online with the internal "sterile" area of the LNG plant and other remote facilities.

This year's trainees were congratulated by asset managers, production colleagues and Technical Training Centre specialists – warm words and wishes were given.

We wish our graduates good luck and professional growth in an environment of continuous and safe production!

■ Tatyana Sirenko

The graduates have been asked about the impact of the Programme. Here are the quotes of our young colleagues:

An endless hurricane of positive emotions. The opportunity to feel from the very beginning the company's enormous potential.

A powerful motivation and desire to become an integral part of production, work team.

Understanding the true meaning of the expression "We are one family. We are Strong as a Team!"

You realise that everything is possible when you get to the asset and find out that there are many people in your team that graduated from the Traineeship Programme. You see their achievements; their level of competence and you understand that it is with your scope of abilities.

The opportunity to do your favourite job at a new professional level.

The programme provides a unique opportunity to acquire knowledge and experience along with the corporate values of the company.

Become a participant of the Traineeship Programme is the best thing that could happen to me after I graduated from college. I studied English, got acquainted with the oil industry, gained theoretical knowledge and hands-on experience. The most important thing after completing the Programme is making the employment agreement with the company – now I work on the Molikpaq.

In Search of Best Professionals

Representatives of the leading oil and gas companies and contractor organisations of the region met in the Technical Oil and Gas Institute of Sakhalin State University in Yuzhno-Sakhalinsk to discuss topical issues concerning the provision of the industry with local personnel.

The event was attended by representatives of 14 companies, including Sakhalin Energy.

HIGH STANDARD TO ORDER

Elena Babina, Deputy Minister of Education of Sakhalin Oblast, emphasised that such dialogues were of great benefit both for businesses and the education system of the region, giving representatives of educational facilities an opportunity to understand what steps need to be taken to provide the oil and gas sector and other industries with qualified specialists.

According to Maria Ganchenkova, Acting Dean of SSU, it was also a very important event for the university, especially given that SSU is preparing for professional and public accreditation. During the independent performance assessment, the university pays special attention to the quality of training and the qualifications of its graduates, which meet the professional standards and the requirements of the labour market.

In turn, business representatives spoke about the shared intention of oil and gas enterprises of Sakhalin to analyse the

needs of each company for personnel and identify common areas.

"Upon reaching a sufficient quantitative level, these needs will be a signal for the region's education system to offer new fields of study. In addition, this means that we as employers will be able to create a uniform regional standard for training specialists in the areas of interest to us in order to get professionals whose qualifications satisfy all labour market participants," added Yakov Pyak, Head of the Sakhalin Energy HR Professional Learning Subdivision.

COMPETENCE IS THE KEY

The operator of the Sakhalin-2 project has been continuously raising this issue at various platforms. The main challenge is that, in accordance with federal requirements, each field of study must be economically viable, which is only possible if a certain number of students (approximately 20) are enrolled into

one group. Consolidating the needs of employers allows solving this problem and opens up additional opportunities for oil and gas companies, in particular, joint efforts aimed at the development of the education system of the region to ensure that it caters for the needs of the labour market.

The SSU Technical Oil and Gas Institute has already created and is building up resources necessary for training in-demand specialists, so no insuperable difficulties are expected to arise and hamper the execution of business companies' order for personnel.

Anastasia Kozhepenko, Director General of the Human Capital Development Agency of Sakhalin Oblast, stresses that the resource base includes the platform for the new Oil and Gas Production competence, which was created in the Russian Far East earlier this year as part of the 6th Worldskills Russia Regional Championship with the support of Sakhalin Energy.

WORK-RELATED ISSUE

During the event, business representatives paid special attention to the issue of training technicians within the framework of the regional vocational education system. The experience of Sakhalin Energy in this area aroused great interest among the audience.

"For 12 years now, we have been fruitfully cooperating with secondary vocational education institutions of Sakhalin

in training students and facilitating their adaptation to the oil and gas labour market. The arrangement, according to which the Polytechnic College of Sakhalin State University trains specialists, while the company provides practical training for them, organises participation of experts in the review of educational programmes, and so on, is a vivid example of such cooperation," noted Tatyana Darmeshkina, Head of the Sakhalin Energy Industrial Training Centre.

Sakhalin Energy pays due consideration to the fact that specialists of vocational occupations cannot be trained in isolation from the real production environment. Therefore, the fundamental position of the company is that students should not only get familiar with equipment and technologies they will deal with in their future work, but also master them while still in vocational school. It is only possible to improve the qualifications of graduates and align training programmes with the requirements of the oil and gas sector through combined efforts of business and educational facilities.

After the forum, all proposals of the business representatives will be taken into account when developing a roadmap for creating an infrastructure for training in-demand specialists at the oil and gas enterprises of the region.

■ Pavel Ryabchikov

Seven Wonders and the Statue by Rodin

Lewis Carroll would never have guessed that his phrase "...it takes all the running you can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that!" would be one of the most cited quotes of the 21st century. The heroes of our regular column adhere to a similar principle. Please meet Oleg Burkovsky, Dmitry Glushchenko and Sergey Vinogradov, company's employees, each of them holding a Ph.D.

**OLEG BURKOVSKY,
LEAD SPECIALIST OF
THE ENVIRONMENTAL
MONITORING AND
BIODIVERSITY
CONSERVATION
SUBDIVISION**



Oleg graduated from the Faculty of Biology and Soil Studies of the Far Eastern State University (now the Far Eastern Federal University) with a degree in Zoology. He defended a Ph.D. thesis titled *Rodents of Sakhalin Island: Ecology and History of the Rodent Fauna, the Structure of Rodent Communities*.

– Can you say that you have achieved success? And, incidentally, what is success – a lucky strike or hard work and self-development?

Oleg Burkovsky: "In my opinion, success is like a fox running away while you are trying to catch it by the tail. If you have solved a problem, you can see definite success at a definite moment. As soon as you have come to a standstill, the sense of accomplishment evaporates. The problem is that there is not one, but several 'foxes' out there, and you are eager to catch all of them."



**DMITRY GLUSHCHENKO,
HEAD OF THE GEOLOGICAL
EXPLORATION
SUBDIVISION. DMITRY
GRADUATED WITH
HONOURS FROM THE
FACULTY OF PETROLEUM
GEOLOGY AND
GEOPHYSICS OF GUBKIN**

RUSSIAN STATE UNIVERSITY OF OIL AND GAS.
He defended a Ph.D. titled *The Role of Fault-Block Structures in the Structure of Dome Folds of Platform-Type Oil and Gas Bearing Areas Based on the Yuzhno-Tatarsky and Krasnoleninsky Dome Folds*.

Dmitry Glushchenko: "I am sure that each stage of my career was successful in its own way. Of course, the concept of 'success' is a subjective assessment of a certain period of life. Moreover, it can change over time. The most important thing – we must never regret what we have done, since even a relatively unsuccessful period in life actually be the beginning of the path to success. What is important is not to rest on your laurels, but continue to work hard towards new achievements."



**SERGEY VINOGRADOV,
MARINE MAMMAL
SPECIALIST**
Sergey graduated from Sakhalin State University. For more than 10 years, he worked at the Sakhalin Research Institute of Fisheries and Oceanography (SakhNIRO) as a Researcher. In 2013, he defended a Ph.D. thesis titled *The Ecology of Parasitic*

Copepods in the Waters Areas of the South of Sakhalin: Host-Spatial Distribution and Parasite-Host Relationships.

Sergey Vinogradov: "For me, the concept of 'success' is not a final state, but rather a direction towards which we must constantly move. If we include self-development and self-fulfilment in this concept, then, of course, it boils down to working on yourself. On the other hand, we cannot ignore the role of good luck, that is, a favourable combination of circumstances."

– What is the most valuable professional development advice you have ever received? And what piece of advice was the worst?

O. B.: "I don't remember any piece of advice that I could classify as the worst. But I can say for sure that all the advice and recommendations I received from my scientific supervisors were valuable and important. Being young, I did not always take them seriously; now I understand that my supervisors were right. We tend to learn from our own, not somebody else's, mistakes – this remark is trite, but always true. I remember one very practical piece of advice, though: science has a pattern, and it is important to find it."

D. G.: "Research and professional activities are always associated with confrontation: different approaches to work, different scientific schools. Sometimes conflicts in the different fields of science turn into a real struggle. After the preliminary defence of my thesis, my supervisor said: "If you want to be a Ph.D., eat problems with a big spoon. Solving problems will make you stronger." I have followed this advice since, and it has always been helpful to me. As for bad advice, I don't remember any."

S. V.: "To me personally, the most useful advice was the phrase of the Red Queen from Alice in Wonderland: "...It takes all the running you can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that!". I think this can serve as a motto for each person in their professional activities. I think I cannot nominate any piece of advice for the title of the worst one, because at times some advice is simply untimely or is not appropriate to a particular situation."

– If you could change one thing in the world, what would you change?

O. B.: "Personally, I would make all garbage, especially plastic, disappear from the environment. Once I carried out observation from the open deck of a vessel at sea for almost a month. Every day I noticed plastic bags, bottles and the like floating on the surface of the water. The shocking thing is that it was many kilometres from the coast, in the centre of the Sea of Okhotsk! I understand that we cannot give up plastic altogether, but it is within our power to reduce its use, to solve the problem of its collection and recycling."

D. G.: "Of course, I would like to change a lot of things – to eradicate wars and epidemics, human envy and greed. Unfortunately, this is impossible. At a smaller scale, one of the most frustrating things is bad weather at weekends. The sun shines every day during the week, but as soon as you make plans to go to the country on Saturday or Sunday, a downpour or a snowstorm is sure to begin. This is what I would change." (*Dmitry smiles*).

S. V.: "If you want to change the world, start with yourself. As regards everything else, we only have an indirect influence."

– The scientist Edward Lorenz formulated the so-called 'butterfly effect': when a butterfly flutters its wings in one part of the world, it can eventually cause a hurricane in another. What do you think of this theory?

O. B.: "I will never believe that an ordinary butterfly is capable of something like that. Jokes aside, there are many examples of small random events in history that became the root cause of wars, epidemics, or scientific discoveries. Today environmental issues have reached the level of global problems. Trying to satisfy its needs, mankind drastically changes their environment. Things each of us does on a daily basis, no matter how insignificant these actions may be, in the aggregate can put the world on the brink of

survival or compromise the balance with the environment. Perhaps this is an example of the impact of several billion 'butterflies'.

D. G.: "It is a tempting idea to shift the responsibility onto the shoulders of many people and say that the cause of the event was something beyond our control. This is partly true, since everything has a cause and an effect. Another question is how we understand this. In the first year at university, geologists study the global processes that have taken place on Earth, starting with the formation of the solar system. We know (at least we think we do) how continents, mountains, oceans were formed and disappeared, how our planet warmed up and cooled down in the course of its history. We understand what a glacial period and a period of global warming mean. They occurred billions of years ago and will occur again in the future. Our planet is 4.5 billion years old, while butterflies appeared only 100–140 million years ago. I am sure that hurricanes had occurred long before the emergence of butterflies."

S. V.: "Cause-and-effect relationships are an endless series of events. It is believed that randomness is a pattern, the cause of which cannot be fully traced. I do not have a story to provide as an example, because even the 'butterfly effect' can be studied further and in-depth, in particular, up to the factors that caused the evolution of this insect species on Earth. After all, no wings would flutter without it."

– Does the company provide opportunities to continue your research? Is your current work related to it in any way?

O. B.: "In my work, I regularly have to solve various problems relating to my profession and area of expertise. We have to look up information in reports for previous years, search for scientific publications, consult with experts, gather facts and summarise information. I do not fully immerse myself in scientific research, but when I conduct a small 'investigation', I am suddenly filled with enthusiasm! My scope of responsibility includes programmes for monitoring protected species of birds and small mammals in the areas that may be affected by the company's facilities. When analysing the monitoring results, it is very important for us to know the biological and ecological peculiarities of certain animal species, their responses to changes induced by human activities."

Analysing the company's readiness to rescue oiled animals in case of oil spills, we registered the species and numbers of marine mammals and birds inhabiting the water area of the Prigorodnoye port. In fact, it was a very interesting scientific study, carried out by the subdivision's staff."

D. G.: "Despite the fact that the history of the oil and gas industry goes back hundreds of years, its experience does not allow us to solve the problems we face all the time. Hydrocarbons are extracted at depths of about 2 thousand metres. The only sources of information are wells and remote sensing methods (seismic exploration, and others). How should we interpret these data? No one has been to the deep horizons of Earth. No one can say what is really going on there – there are no ready-made instructions to follow. This is where science comes to our rescue. We cooperate with research institutes and scientists, develop new reservoir modelling methods, improve well design, deposit opening and exploitation methods, study the feasibility of additional oil and gas production (in addition to the already identified deposits) in the existing license areas. Our specialists attend scientific conferences and participate in technical expert councils. Thus, we are constantly at the forefront of scientific thought related to the search for and development of hydrocarbon deposits."

Geological exploration has always stood apart from the other branches of geology and geophysics. After all, the concept of 'field discovery' exists only in this branch, which clearly indicates its scientific nature. Geological explorationists – are people with an inquiring mind, out-of-the-box thinking, good knowledge of theory, and well-developed imagination. These qualities help them to substantiate the parameters of future discoveries, largely relying on extensive regional knowledge, logic, and a limited set of inputs."

S. V.: "Working at Sakhalin Energy opens up tremendous opportunities for research, which is the driver of progress. Now I am engaged in monitoring gray whales. This is a

comprehensive programme, directly related to science and research. Over the years, the programme has included studies of distribution, abundance, food spectrum, genetics, acoustic studies, as well as photo-identification of gray whales. To implement these components, we involve individual scientists, Russian and international scientific organisations. We ourselves must have decent knowledge in all of the above scientific areas.”

– **What advice based on your life experience would you have given to yourself before you went to university?**

O. B.: “I was lucky – I decided what profession to choose very early. My advice is aimed at parents: help your children to find their calling.”

D. G.: “One of our company’s advantages is the synergy between Russian and Western scientific schools. The ability to understand information in different languages is a prerequisite for successful professional growth. My advice to students is to study foreign languages.”

S. V.: “I would rather not give any advice to myself if it could change my life. Thanks to the choice I made at the

time I am doing what I like. As for students, I would advise that they choose an area in which they see their future profession, and not just a university degree.”

– If you were to compile a list of new seven wonders of the world, what would you include?

O. B.: “I am not ready to answer this question just yet. There are many historical and natural sites around the globe that I would like to visit. The pandemic-related restrictions on travel prevent us from going anywhere we want, but we should not forget about Sakhalin. The island has spectacular waterfalls, picturesque highlands, in particular, Chekhov Peak, Cape Aniva, Zhdanko Ridge with its unique structure and rocky flora – an ideal place that meets all principles of Feng Shui!”

D. G.: “As a geologist, I prefer wonders created by nature. Sakhalin Island is undoubtedly at the top of my list: you can explore it endlessly and always find something new. Kamchatka with its volcanoes and thermal springs ranks second. The Putorana Plateau in the north-west of Eastern Siberia, the surface of which is completely covered with

Siberian traprock (basalt flows), is third on my list. Lake Baikal and Australia rank fourth and fifth, respectively. Wonder No. 6 is Antarctica with its ancient ice sheets and unique McMurdo Dry Valleys, a paradise for geologists. Everest – the highest point on the planet (which ‘grows’ by a few more centimetres every year) closes this list.

S. V.: “The list of wonders of the world includes architectural structures which were the most ambitious and technically advanced for their time. I think the list can be supplemented endlessly, because each era creates something new, for example, the statue of Jesus Christ in Rio de Janeiro, the first spaceship, and so on. Whatever the wonder, it always originates from human thought. From this standpoint, I would nominate The Thinker, Auguste Rodin’s sculpture, as a wonder of the world – not as the most grandiose man-made structure, but as a symbol of the capabilities of human thought, a reflection of all great achievements of civilisation made throughout its history.”

■ Interview by Elena Gurshal

Together for Information Security!

According to Kaspersky Lab, in 2020 the number of Internet attacks on employees working remotely in Russia has more than tripled.

In general, hacker attacks on the Internet occur every 39 seconds. Business is also at risk. For example, in May 2021, there was a hacker attack on the American Colonial Pipeline pipeline system. As a result, all pipelines in the system were shut down for five days and fuel supplies to the east coast of the United States were cut off.

Cybercriminals can infiltrate computer systems via email, attachments, and portable storage devices such as USB flash drives.

At the same time, opportunities for hacker attacks most often do not appear on their own – they are created by people. 95% of cybersecurity breaches are caused by human factors.

Information security issues are especially relevant now, during the COVID-19 pandemic. Work has been intensified in this direction in our company as well.

The company has launched an updated version of the Procedure for Interaction with the Media and Participation in Public Events, where information security issues have become one of the strengthened blocks.

For clarity, the rules are presented on a series of posters and in a video in Russian and English (posted on the company’s internal website). It provides advice on safe work for office personnel, site workers and general guidelines.

Safe working conditions depend only on our joint efforts! Always remember to follow the requirements information security companies, especially if you use remote access. Be vigilant when using public Internet sites.

If something on your computer seems strange, or unusual, seek help! It could be a hacker trying to gain access.

■ Pavel Ryabchikov

САХАЛИН ЭНЕРДЖИ
SAKHALIN ENERGY

INFORMATION SECURITY RULES
OFFICES OF THE COMPANY

- Do not install unauthorised software on corporate computers.
- Do not copy information to third-party data storage devices.
- Use securing cable for laptops when leaving the workplace.
- Do not give your GID-card to anyone and do not disclose your login and password.
- Do not open links or download files from suspicious e-mails.
- Store and transfer confidential documents in a special restricted section in UNICA system.
- Conduct confidential negotiations only in the designated premises with closed doors.
- Do not send or publish information about the company which is not available in the public media including photographs and videos taken within the production and administrative facilities of the company on the social networks, messengers and any other resources.

LET'S KEEP COMFORTABLE AND SECURE WORKING CONDITIONS TOGETHER!

security

survey

The Best Choice

The company continues to vote within the project ‘Rating of Russian employers’, which is conducted by the country’s largest online recruiting platform HeadHunter. The fight for the leading position is in full swing and now Sakhalin Energy is more important than any new voice.

САХАЛИН ЭНЕРДЖИ
SAKHALIN ENERGY

hh

РЕЙТИНГ РАБОТОДАТЕЛЯ 2021
EMPLOYER RATING 2021

rating.hh.ru

УЧАСТНИКИ: СОТРУДНИКИ ПРЯМОГО НАЙМА
PARTICIPANTS: DIRECT HIRE EMPLOYEES

С 28 ИЮНЯ ПО 30 СЕНТЯБРЯ / FROM 28 JUNE TILL 30 SEPTEMBER

ФОРМАТ: ОНЛАЙН / FORMAT: ONLINE

РУССКИЙ RUSSIAN

ВАЖЕН КАЖДЫЙ ГОЛОС!
EACH VOICE MATTERS!

АНГЛИЙСКИЙ ENGLISH

Leadership in the ranking allows the company to dynamically evaluate the results of work on personnel management, to study its strengths and weaknesses, which is an important condition for continuous improvement. It also contributes to the control and management of staff turnover and the development of key specialists.

Simply put, do you want to make Sakhalin Energy better? Then be sure to vote! To do this, all direct hired employees are invited to answer just one question on the HeadHunter website by September 30: how willing are you to recommend the company as a place of work to your friends or acquaintances?

Please do not postpone voting and join the poll right now. Let’s support our company together!

Anchors of Stability

In December 2018, an official ceremony was held to place a capsule in the foundation of the Sakhalin Oil and Gas Industrial Park (SIP). We asked Danila Tashlanov, SIP Head, to tell us about the present and future of the SIP project.



– Danila, as far as I remember, the idea of creating the SIP goes back to 2013, right?

– Yes, that's true. It was then that the management of Sakhalin Energy made a decision to localise oil and gas services and production facilities on Sakhalin to meet the needs of the company. This plan became one of the elements of the Russian Content Development Strategy for 2013–2018. In early 2016, the project entered the feasibility study stage. Then, as part of the Eastern Economic Forum in September 2018, Sakhalin Energy, the Sakhalin Oblast Government, and Gazprombank signed a Memorandum of Cooperation within the framework of the project for the construction of the Sakhalin Oil and Gas Industrial Park. In December 2018, we held the capsule placement ceremony. The project is actively supported by the regional and federal authorities: in 2019 it was included in the 2020–2023 Sakhalin Oblast Innovation Cluster Development Project.

– The interests of the company and the region coincided. What problems of the island will the industrial park help to solve?

– This large-scale infrastructure project (its area exceeds 70 hectares) will make it possible to localise capacities for servicing offshore and other oil and gas projects. Today, the share of oilfield services

localisation on Sakhalin is only 5% (in other oil-producing regions of Russia, the average indicator is about 25%). SIP' potential is to raise the localisation indicator by almost four times. In addition, the park will serve as a foundation for developing the economic, industrial, and human potential of the region and will ensure the growth of the gross regional product: New high-tech industries will be established on Sakhalin, more than 1,000 jobs will be created, and the volume of tax revenues will increase significantly.

– At the beginning of the project, it was assumed that Sakhalin Energy would take on the role of a mediator in the creation of an oil and gas service cluster in the SIP.

– Correct. During the front end engineering activities and financial assessment of the project, it became clear that the SIP strategy needed detailed structuring. In 2019, it was decided to create the company's own Production and Technical Facility (PTF) in the territory of the SIP. Thus, Sakhalin Energy became the first anchor resident of the park. The PTF project was approved by Sakhalin Energy shareholders as it was designed to meet the current and future needs of the company for oil and gas equipment maintenance and repair to ensure the safe, efficient, and uninterrupted operation of the Sakhalin-2 facilities. In August 2020, an agreement was reached with the Sakhalin Oblast Government to provide external engineering infrastructure for the Sakhalin Industrial Park and the Sakhalin Energy PTF with the employment of funds of Sakhalin Oblast Development Corporation.

– What facilities will be built in the territory of the Sakhalin Energy PMF?

– The total area of the facilities planned to be built on a 4.5 hectare land plot will be 19,137 square metres. Their construction is divided into two start-up complexes. By the end of 2023, we expect to complete the first one, which will include an archive, a core warehouse, a logistics centre with a container storage area and a vehicle maintenance depot, and the necessary utility infrastructure, all on the area of 6,729 square metres.

To-date, Gazproektengineering (GPE), a Russian design institute, has completed

the design documentation for the first complex and it is being prepared for expert review. And to support the logistics activities being carried out by contractor Island General Services, the transshipment of incoming cargo and its shipment to the company's production facilities, the construction of a transport and logistics base with an open container storage area is nearing completion.

– What is planned for the second phase of implementation of the Production and Technical facility?

– Its implementation is scheduled for 2022–2025. The complex will comprise four buildings on a useful area of 12,408 square metres, housing an electrical, calibration, anti-corrosion, and mechanical laboratories, facilities for the repair and maintenance of heavy machinery, drilling and rotating equipment, electrical equipment and instrumentation; workshops for the repair, testing, and calibration of valves. In addition, there will be workshops for welding, turning, and painting works, as well as facilities for diving equipment inspection and maintenance in the territory of the PTF.

Russian companies that have signed a Memorandum of intent to become anchor residents of the SIP: OOO Akros, OOO PromSistemy, OOO INTRA Services Company, OOO PetroGasTech Shelf Service, OOO Island General Services, AO Gazproektengineering, OOO SP Sakhalin Shelf Service, OOO Kriljon Service, OOO Technoavia-Sakhalin, OOO GeoSplit, OOO KENTECH Sakhalin Technical Services, OOO Yokogawa Electric Sakhalin, OOO Kuehne+Nagel Sakhalin.

– What are the advantages of having a Production and Technical Facility?

– There are many of them. The reliability and efficiency of the Sakhalin-2 project will increase. According to the consultants' assessment, the unification and centralisation of logistics processes through the creation of a single dispatching service will help to build the necessary transport and logistics flows and reduce costs by an average of 10–15%.

The duty-free zone regime in the territory of the transport and logistics centre (established in accordance with Federal Law No. 473-Φ3 of 29 December 2014 On Territories of Advanced Social

and Economic Development in the Russian Federation) will save time on registration, processing, and consolidation of Russian and foreign goods.

The vehicle maintenance depot will make it possible to promptly service and repair the Sakhalin-2 vehicle fleet, including large special machines.

In addition, this is one of the ways to reduce the company's dependence on the supply of equipment and components from abroad, which is especially important in the time of international sanctions and the coronavirus pandemic.

The last, but not the least advantage of the project for the company is that the PTF is one of the key tools for attracting Russian industrial enterprises to the Sakhalin-2 project. 13 out of the 15 companies that signed a Memorandum of intent to become anchor residents of the SIP are domestic enterprises.

– What benefits will Russian companies get from becoming residents of the SIP or work on the company's Production and Technical Facility?

– First of all, it is the opportunity for quick deployment of new enterprises. The availability of infrastructure, utilities, and expensive equipment for workshops at the Sakhalin Energy PTF will allow future residents to significantly reduce their own costs. All they have to do is bring equipment and key personnel.

Secondly, Russian companies will enjoy a preferential tax regime since the SIP is located in the Yuzhnaya Territory of Advanced Social and Economic Development. The park residents will be exempt from land tax for the first three years, and from tax on profits and property for the first five years. Further, they will be subject to a simplified tax regime with a reduced tax burden. Land plots will be provided to them without bidding.

Thirdly, Russian and foreign specialists will work at the SIP and the Sakhalin Energy PTF industrial site side by side. This will facilitate the exchange of technologies and best industry practices, and the advanced training of domestic personnel.

Earlier, companies with headquarters on the mainland of the country did not even think of opening full-fledged branches in the Sakhalin Oblast. Today, I am sure, they are giving this option some serious consideration. The emergence on the island of an oil and gas service cluster with a powerful production, maintenance/repair and storage infrastructure, integrated with the processes of the key oil and gas project operators will provide SIP and PTF residents with an 'easy start' and favourable conditions for stable growth and development.

New Lines of Cooperation

The French business delegation headed by Pierre Levy, French Ambassador to Russia, and Emmanuel Quidet, President of the Franco-Russian Chamber of Commerce and Industry, accompanied by the representatives of 13 major companies has been on an official visit to Sakhalin.

Following the mission agenda, the officials visited the site of the Sakhalin Industrial Park (SIP). Danila Tashlanov, Project Manager, shared the details of the project implementation progress, talked about infrastructural, logistics, and production objectives of SIP and let the guests in on the plans to set up in the Industrial Park the Sakhalin Energy's production and technical facilities for localisation of maintenance and repair of oil and gas equipment. Impressed by the perspectives of this ambitious infrastructural project, the French guests showed their interest in further cooperation.

As you may know, in 2020, the regional government and the branch of Air Liquide, a French company being the leading producer of industrial gases, made an agreement on its residence in the Sakhalin Industrial Park.

After the visit, the members of the Franco-Russian Chamber of Commerce and Industry went to meet with the heads of executive authorities of the Sakhalin Oblast and the business community representatives, including Sakhalin Energy specialists.

Meeting with Valery Limarenko, Governor of the Sakhalin Oblast, wound up the official part of the visit, where senior officials of the region and representatives of French companies discussed the perspectives of partnership in renewable energy, healthcare, comprehensive design, and production of construction materials.

Interest of foreign companies for the Far East is mainly driven by the region's favourable investment climate, its unique geographical location, and vicinity to the Asia and Pacific



markets. Looking for new lines of Franco-Russian industrial cooperation is essential to maintain productive bilateral trade and economic relations amid the world crisis caused by the coronavirus pandemic.



Signature Move – Vaccination

The fight against the COVID-19 pandemic continues. The dangerous disease does not think of retreating, threatening new strains and complications. Coronavirus is increasingly being diagnosed in young people. Konstantin Kokorin, Head of Corporate Health Section, is sure that in this situation the best way to protect, as they say, in a signature move, is vaccination.

– Konstantin, the media is increasingly reporting on the dangers of the new Indian strain Delta Plus. Has it reached Sakhalin?

– Delta Plus is a more contagious strain of coronavirus, which actively penetrates the respiratory tract, affects young people more often than its predecessors and, according to medical experts, gives an unusual, often severe course of the disease.

Is it present on Sakhalin? There have been no official reports from Rospotrebnadzor yet. But, given the high contagiousness of the strain, I have no doubts that it will come to our region sooner or later.

– Do the vaccines used in the region protect against it and other strains?

– Vaccines registered in the Russian Federation protect against all current strains of coronavirus.

– After what time is the best time to revaccinate?

– There are two answers to this question. The first one affects people who are at risk: those who suffer from chronic diseases or, for example, have frequent contact with sick people. It is recommended that they get a booster shot six months after their last vaccination. In the case of people who are not in this group, we are talking about 12 months.

– How does the company deal with employees who refuse to be vaccinated?

– Sakhalin Energy's official position on this issue can be summed up in three words: vaccination is voluntary. Accordingly, no one is going to force anyone to do it.

We will continue to motivate employees to get vaccinated in order to create a layer of population immunity.

This immunity is now our primary defence against the serious risks posed by the pandemic. It is the most effective way to ensure business continuity. Simply put, the more vaccinated staff we have on site, the more stable the company will be, and therefore the

wellbeing of employees and their families depends on it.

– How far is Sakhalin Energy from achieving collective immunity?

– We have almost reached the 60% threshold at some sites. At others, we continue to reach that threshold. With the information campaign intensified, we expect to reach an average immunity level of at least 50% at most facilities by mid-autumn.

– Have you solved the issue of foreign nationals wishing to get vaccinated? Previously they did not have such an opportunity.

– In June, during his speech at the St. Petersburg Economic Forum, Russian President Vladimir Putin instructed to provide an opportunity to vaccinate foreign citizens for a fee. In other words, this issue has been resolved in principle. Specific mechanisms for organising this process on the territory of the Sakhalin Oblast are now being worked out. "Sakhalin Energy is discussing its details with the regional Ministry of Health.

– How does the company ensure epidemiological safety at its production facilities?

– For this purpose, the company applies a large set of measures and these may vary from facility to facility. These include observation (in accordance with company regulations lasting from one to two weeks, medical observation, two PCR tests and rapid antibody testing when leaving the temporary sites for the production facility, additional medical examinations and so on. Depending on the scope and duration of the work to be carried out, staff are assigned to different areas: 'sterile' (red), 'non-sterile' (yellow) and 'open' (green). People live and work without crossing paths with each other. And if they do, they do so in compliance with all epidemiological safety requirements. The company takes this issue as seriously as possible.

■ Pavel Ryabchikov

We asked several employees of the company and contractors who had been vaccinated to continue with the sentence "I got vaccinated because...". Thank you for all the answers provided and here are some of them:



**DENIS BELYAEV,
SAKHALIN ENERGY
DEPUTY PIPELINE
OPERATIONS MANAGER:**

"I got vaccinated because I see old and young, rich and poor, famous and not so famous dying from the virus. An important fact is my desire to take a personal part in creating a collective immune 'safety cushion' for my family and friends, friends and colleagues. We should not be afraid of vaccination – we should be afraid of this ruthless disease.



**SERGEY FOMIN, OIL
AND GAS PIPELINE
OPERATION ENGINEER
(SAKHALIN LINEPIPE
OPERATION CENTER,
GAZPROM TRANSGAZ
TOMSK):**

"I got vaccinated because I believe COVID-19 poses a real threat to my health.

I am aware of the responsibility I have towards my family, my parents, my colleagues. I trust the scientists and believe that the vaccination will help us to pass this test with as little loss as possible. I wish everyone good health!"

competition

Safety Marathon: Video Competition

The results of the video competition held as part of the winter safety marathon «Winning Together» have been summed up.

The competition received 22 entries in five categories. The jury has carefully studied the material received and after much debate has come to a decision: all participants of the competition are the winners.

Memorable diplomas and gifts are awarded:

– to the teaching staff of the Corporate Children's Centre for a video on safety rules during snowstorms and for a video on behaviour in severe weather conditions (category 'Behaviour on the street in severe weather conditions'); for a video on road safety (category 'Safe behaviour on the road /while driving'); for a video on safety during winter sports – skiing (category 'Safe winter sports'); for videos on healthy lifestyles (category 'Goal Zero')

Ivan Kalinin's family for a video about skating safety (nomination 'Safe Winter Sports');

– Maria Dashkovskaya for a video about winter sports (nomination 'Safe

Winter Sports');

– Egor Lukin for his video about the benefits of physical activity in winter (nomination 'Healthy Lifestyle');

– Nadezhda Obschina for a video about counteracting COVID-19 (nomination 'Goal Zero' and its priority areas);

– Ekaterina Nikitina, Nadezhda Obschina, Victoria Nureyeva, Victoria Syrenshchikova, Egor Lukin, Alexander Butko, Evgeny Anfilov (Commercial Directorate) for their videos on the benefits of walking ('Healthy Lifestyle nomination');

– Olesya Kovalenko for a video about the paramount importance of safety (nomination 'Goal Zero and its priority areas');

– Ivan Ostashko's family for a video about cycling safety (nomination 'Safe behaviour on the road / while driving') and internet safety (nomination 'Goal Zero' and its priority areas);

– Stanislav Soschenko for his video about road safety (nomination 'Safe behaviour on the road / driving a car');

– Alexander Sukharev and the Piltun-Astokhskaaya-A platform / Molikpapak team for their video on safe elevator replacement on the platform (nomination 'Goal Zero' and its priority areas).

Congratulations also to the contractors:

– Sakhalin High Altitude Service and Danila Volosovich for their videos on rescue in rope access technique and rescue rules from a truck hoist (in the nomination 'Goal Zero' and its priority areas);

– Training Centre Vega and Anna Antsiborenko, Dmitry Bugakov, Alexander Lyskovtsev, Ivan Tensud for the video about human rescue in case of falling through the ice (nomination 'Goal Zero and its priority areas');

– Deutag Drilling and Mikhail Kovalyev, Evgeny Shcherbakov, Klimentiy Postnikov, Alexander Krachun for the video about safe replacement of the elevator on the platform (nomination 'Goal Zero' and its priority areas).



Thank you to everyone who took part in the competition. Please contact Nikita Nikiforov at 66 2711 and Nikita.Nikiforov@sakhalinenergy.ru for gifts and diplomas.

■ Alyona Olovyanishnikova

Conquering the Peak!

On the traditional Summer Safety Day held on 28 May, Sakhalin Energy started the new corporate championship titled 'The Peak'. There are 25 teams, and the members of the championship are employees of different production facilities and subdivisions of the company. They all are aspiring to rise to new professional and personal heights, keeping focus on safety and health, leadership, the company's social and environmental responsibility.

FOCUS ON DEVELOPMENT

The programme of the Peak corporate championship includes workshops and business games, webinars conducted by experts, leadership trainings, a contest of professional advice (life hacks), and many other events, designed to help the competitors in their progress towards achieving new goals.

One of the first webinars within the framework of the championship was organised and conducted by Natalya Petrovicheva, Deputy HR Director, Head of the HR Business Operation, Learning and Development Division of Sakhalin Energy and Yakov Pyak, Head of the Professional Learning Subdivision. The webinar was titled 'Focus on Development'.

During the event, the facilitators often used another term – 'a growth mindset'.

Natalya Petrovicheva explained: "A growth mindset is the belief that everyone can develop their abilities, learn from their mistakes and successes, and speak openly in a safe environment."

During the webinar, its participants learnt what focus on development means, why it is so important, what are its and how to 'focus' correctly. Much attention was devoted to learning through work. And as the cherry on top, the organisers of the event presented several interesting facts about the human brain.

STRESS UNDER CONTROL

Another useful webinar was authored by Anna Lavrentieva, Chief Specialist of the Health and Safety Subdivision. It was dedicated to stress resistance, or resilience.

"In fact, stress is a normal physical response of the body to external factors, so we need not be afraid of it. However, when our reaction to some life events is not adequate, we definitely need to develop the stress management skill and build resilience," said Anna, starting the webinar.

According to studies, the key factor that helps us to be stress resistant is care and support within and outside the family. Good communication and problem-solving skills also contribute to resilience. So does a positive attitude towards oneself, confidence in one's strengths and abilities. And last but not least, is the ability to make realistic plans and implement them, to manage strong feelings and emotions.

JAMES BOND WILL NOT STEER YOU WRONG

It is equally important to adequately perceive reality and resist delusions. Sooner or later they will shatter, and then the stress will hit the person even harder and cause more pain. The best way to avoid this is to follow the Stockdale Rule.

FOR REFERENCE:

James Bond Stockdale was a United States navy admiral, an aviator, who was a prisoner of war for 8 years. It was then that he noticed that the most optimistic of his co-prisoners broke down sooner than any others: "...They were the ones who said, 'We're going to be out by Christmas.' And Christmas would come, and Christmas would go. Then they'd say, 'We're going to be out by Easter.' And Easter would come, and Easter would go. And then Thanksgiving, and then it would be Christmas again. And they died of a broken heart."

According to the Stockdale rule, in order to win, you must, firstly, retain faith in your victory (that is, maintain a positive attitude) and, secondly, confront the most brutal facts of your current reality, whatever they might be.

This rule, as well as many other must know things were discussed in the webinar dedicated to resilience. Please note: records of all video lectures are posted on the Peak Corporate Championship web page of the Sakhalin Energy internal website. This is certainly good news for those who have not managed to attend the live webinar due to various circumstances.

Another good news is that webinars are also held in English. Specific dates are indicated in the action plan, available on the web page of the Peak championship.

TIME TO TAKE (AND COUNT) STEPS

There is also something interesting for the championship participants to do in the offline mode. For instance, they can join the step-counting initiative.

According to the World Health Organisation, walking 10,000 steps a day boosts the immunity, reduces morbidity and mortality from the most dangerous diseases, in particular, cardiovascular diseases and cancer.

To take part in the initiative, you must regularly enter data on the number of steps you have made in the Safety and Health section of the dedicated Peak Corporate Championship web page until 30 September. Other kinds of physical activity will also be converted into steps and taken into account, adding points to the overall score of each of the 25 teams.

Any experienced climber knows that you can't conquer high peaks at a run. It is best to climb mountains at a slow pace, paying particular attention to safety issues. This also applies to the corporate "Peak", which the championship participants will be conquering until 10 May 2022. It may seem that you still have plenty of time to start the ascent, but you had better not put it off – the overall result depends on the contribution of each member of the Sakhalin-2 team!

■ Pavel Ryabchikov

REMINDER FOR VIDEO MAKERS

As part of the Peak Corporate Championship, you can take part in The Best Professional Life Hack Video contest from 01 June to 30 September. You can send videos in two categories: Life Hacks for Professional Development and Self-Development, and Life Hacks for Working in a New Reality.

The first videos with practical tips have already been posted on the Peak Corporate Championship web page. There you can also find information about the requirements for participating in the contest.

Make a video, share your life hacks, and help your team rise to new heights!

САХАЛИН ЭНЕРДЖИ
SAKHALIN ENERGY

VIDEO CONTEST

"PROFESSIONAL LIFE HACKS"

TILL 30 SEPTEMBER

PARTICIPANTS:

- ✓ company's employees;
- ✓ manpower agencies' employees;
- ✓ contractors' employees.

NOMINATIONS:

- BEST VIDEO -**
Competence and Personal Growth Life Hacks
- BEST VIDEO -**
Working in a New Reality Life Hacks

In any question, please contact:

☎ 29 4264; 29 4070
✉ ea@sakhalinenergy.ru



A Useful Habit at Home and at Work

Countries around the world, including Russia, are tackling the problem of separate waste collection and recycling. One of the goals of the garbage reform being part of the national Ecology project is to send 60% of municipal solid waste for recycling. But it's still a long way off.

A correspondent for a news outlet was invited to participate in a simple experiment, to learn how to sort household garbage. He later confessed that it had taken him two and a half months to develop that useful habit. But still, he managed to change from an environmentally irresponsible person to an eco-activist.

For more than 25 years, our company has been abiding by the principle of separate waste collection. It is easy for employees to learn how to sort waste, since there are labelled containers installed across the Sakhalin-2 assets. What is wrong with just piling everything together and taking it to a landfill? This is a very unsavoury but very important question.

The answer is twofold. Firstly, even once buried in specialized landfills, waste continues to have a negative impact on the environment. Our mission is to reduce the amount of waste stored in landfills by separating out the portion that can be recycled.

Secondly, it is necessary to comply with the federal law "On Production and Consumption Waste", the lenders' requirements, the Company's waste management standard, and the Russian Government Executive Order listing the

types of production and consumption waste that contain useful components prohibited from disposal (paper, plastics, and many others).

It should also be kept in mind that it is prohibited to dispose of hazardous waste in household waste landfills, such as: used non-rechargeable and rechargeable batteries, medications and vaccines past expiry date, paints and varnishes, car tyres, polyethylene, mercury lamps, thermometers, etc.

The lack of information about the fate of separately collected waste prevents many people from acquiring this useful habit. They are not sure that their efforts are worth it and the waste will not end up in a communal dump. Sakhalin Energy has several contractors to whom waste is transferred for further handling, depending on its chemical composition, aggregate state, and the presence of useful components. Such methods include waste disposal in special landfills, decontamination, disposal (reuse, recycling, regeneration, recovery, as well as use as a renewable energy source (secondary energy resources) after extraction of useful components at the processing facilities).

Each year the company generates about 150 types of waste, about a third of which is transferred to specialist contractors for reuse. Those are scrap metal, paper, cardboard, plastic, wood waste, waste mineral oil, food waste, propylene and polyethylene containers, etc. Another third is disposed of in dedicated landfills, including those that store toxic waste that is taken outside of Sakhalin Oblast. The

pipes, threads and ropes, gardening tools, flower pots, various containers, and much more. As a case in point, our contractors manufacture polyethylene film, garbage sacks and bags, and geomembranes.

Paper. The contractor at the Yuzhno-Sakhalinsk base engages in the primary sorting and baling of wastepaper, with bales weighing up to 300 kilograms to be shipped outside the region. At the

The negative impact of waste lasts for hundreds of years, and its intensity may increase over time as a result of changing geological, hydrological, and other conditions. Waste disposal in landfills and dumps increases pollution of the atmosphere, soil, groundwaters, and surface water bodies, disrupts the functioning of ecosystems, and damages agriculture and construction. Landfill gas emissions have a negative impact on the climate.

rest is subjected to decontamination. The waste collected separately across the company's assets and intended for recycling will not end up in a landfill.

Let's talk about the fate of plastic and paper accumulated at the Company's assets, including offices.

Plastic. At the contractor's base in Yuzhno-Sakhalinsk, it is sorted (separated by type and colour), partially crushed and pressed. The batch is then transported to dedicated shops on the mainland, where the plastic is washed, shredded, and pelletized. The resulting raw materials are used to make useful things: recycled polymers are commonly used to produce PET tape and film, brushes, fillings for toys and warm clothing, parts for plumbing fixtures,

processing plant, raw materials are sorted by grade, colour and degree of contamination, then cut, shredded, soaked, subjected to primary dissolution, and cleaned of impurities. The purpose of those operations is to release cellulose fibres. The resulting mass is called pulp. Pulp is the raw material for printed matter, writing paper, napkins and paper towels, boxboard and containerboard, kraft paper, disposable tableware, heat and soundproofing materials, and much more.

Some may think this to be utopia, but we want to believe that our children and grandchildren will have a clean Earth, not mountains of garbage or landfills they will have to deal with somehow.

■ Elena Kurochkina, Ivan Zdorikov

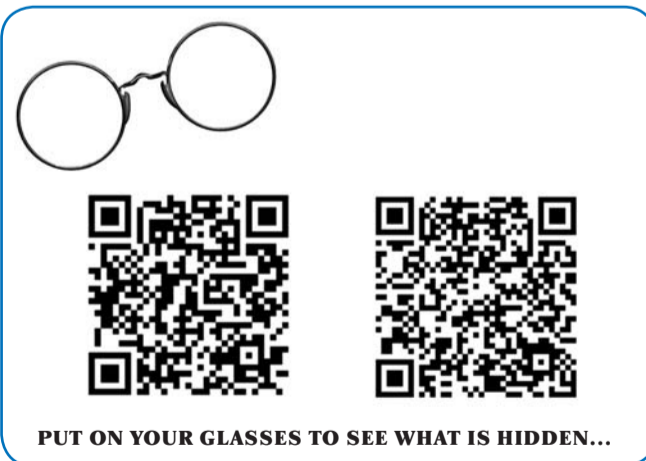


Successful Combination

Nowadays a child without a gadget or a device is as difficult to find as a Yeti. While representatives of older generations are taking a trip down the memory lane, recollecting the delights of swimming in an icy-cold river, "raids" on a neighbours' garden, and hiking in the forest, their grandchildren and great-grandchildren are preoccupied with the relationships between residents of Animal Crossing. Is it possible to reach a compromise between the reality and virtuality? Happy Holidays 2021 provide an answer to this question.

Modern pedagogical approaches and innovative technological solutions have been successfully combined for the five sessions of the Happy Holidays 2021 summer programme whose key concept is the child as the creator of his or her action. The integration of several digital platforms such as Tilda (a website builder), Padlet (an electronic whiteboard), and Google Workspace (a toolbox) has facilitated putting the plan into execution. The children can present their projects to the mentors, parents, or friends at any time. The mentors evaluate the projects and give feedback. Such "sparring" is in line with the modern trend of education individualisation. The electronic whiteboard allows everyone to work with the content in the same mode as other process participants do.

In addition, the Happy Holidays programme includes elements of gamification being an indispensable trend in the present-day educational process. Moreover, the gamification tools are used not only at the basic level (gathering resources and obtaining badges), but also at the level of game design. Each of the gaming sites is based on a story that develops the action from one summer session into the next one, be it a fantasy story of Baby Lion that got stuck in a volcano or a legend about an ancient Keeper of the Island or a dystopian action game about a rebellion against artificial intelligence. These stories are not merely told from the stage; their plot is embedded in various game mechanics which encourage children to engage in subjective activities and prompt intrinsic motivation – another recent trend in education.



Being the subjects of the actions, children are responsible for the implementation of their plans; therefore, their activities are purposeful and effective. For example, when playing a computer game, a child does not ask an adult where to find resources to construct a building or how to defeat an enemy. Instead, the child tries to solve a problem, makes mistakes, learns from them, then makes another attempt and another, which is essentially a model of reflexive activity.

Naturally, when playing computer games, children immerse themselves in a fantastic and colourful interactive world which is extremely difficult to recreate in reality – this is why these games are so increasingly popular with children. The balance in the fight for children's preferences is somewhat restored by

the technologies of augmented reality which are actively used at the Happy Holidays sites.

There are special symbols pasted in the territory of the Zima Highlands residential complex. If you point your phone camera at these symbols (by using a special application*), you can see digital objects appear in the physical world: characters who set quest assignments, music that creates a suitable atmosphere for a particular task or a video that expands and deepens the virtual story.

A specially created web page allows children and adults to see new photos of various activities and 'summer camp diaries' kept by the mentors on a daily basis. Thus, parents can keep track of the ongoing activities and quietly envy their offspring, regretting that 'they did not have such opportunities in their childhood', while children can 're-live' the events of the day, seeing them through the eyes of an adult.

Traditionally, the Happy Holidays programme is a territory of new discoveries and interesting events for all its participants. Despite the difficulties in the implementation of the summer programme caused by the tight restrictive measures associated with the pandemic, this year the programme continues to captivate the interest of our children and promote their all-round development, taking into account the present-day situation and using modern trends in education.

*Follow the link and download the application by using the QR code, point the camera at the Happy Holidays logo and try out the capabilities of augmented reality.

■ Artem Sanin, content manager of the 'Happy Holiday' programme

Summer with Senya

Of all people, it is children who always look forward to summer the most. They have every reason for this: no school or homework, an opportunity to spend plenty of time outdoors with friends, enjoy fun time in summer camps, go on holiday or to the countryside with their parents. In a word, summer is a magnificent time! Especially, when children are safe and sound. This is exactly what the partners of the Safety Is Important! programme have been working towards for many years already. Among them are the Main Directorate of MChS of Russia for the Sakhalin Oblast, the Sakhalin Oblast Ministry of Education and Sakhalin Energy, as well as enthusiasts, including numerous employees of the company.



AGENT TRAINING

There are many examples of their fruitful efforts. One of them is this: in early July, a special summer session Agent-112 was held in the Sakhalin Artek tent camp. For two weeks, teenagers studied educational models in the field of life safety, in particular Water Safety, Fire Safety, Emergency Response and Rescue. They developed skills of survival in the natural environment and learned the basics of tourism.

One whole day of the summer session was devoted to the study of dangerous situations and ways to prevent them. The

points of the viruses, for example, their inability to live on washed hands.

Of course, the topic had been chosen on purpose: the event was part of 'Virus Shall not Pass!' campaign, which is being implemented within the framework of the Safety Is Important! programme. The aim of the campaign is to develop skills of safe conduct during an epidemic or pandemic. To this end, a special cartoon was released, featuring Senya and Vaska the Cat, information posters on the basic rules of conduct during the COVID-19 pandemic were developed, and No

streams in the region, and almost each municipality has lakes or outlets to the sea. Swimming in natural water bodies is an enjoyable pastime, but it is important to ensure that it does not end in tragedy. I hope that after today's competition you all will know how to swim and play in water correctly and, most importantly, safely."

Marina Ee, Head of Social Performance at Sakhalin



thematic session was prepared and conducted on a voluntary basis by Sakhalin Energy HSE specialists Pavel Feoktistov, Natalia Popova, Elena Arsenieva, Olesya Donchuk, Elena Solonenko, Dmitry Korostylev, and Artem Tokmakov.

First, they taught the young 'agents' how to identify and avoid risks in everyday life, explained to them why it is important to make their personal safety and the safety of their loved ones a priority, and clarified the difference between hazardous conditions and unsafe actions. Then the children were divided into teams and assigned to prepare and defend projects on one of following six topics: Wild Animals; Personal Hygiene and Healthcare; Slips, Trips and Falls; Hazardous Weather Conditions; Poisonous Plants; and Fatigue. The boys and girls had two hours to complete the task. Each team worked under the guidance of mentors – Sakhalin Energy employees.

"All teams were very resourceful and used the creative approach to defending their projects. All of them were winners, because the most valuable prize was the knowledge each of them had gained," concluded Pavel Feoktistov.

In the final part of the event, Senya, the protagonist of the Safety Is Important! partnership programme, presented all the participants of the special summer session with an interesting and practical gift – the Safety at Home board game.

RULES FOR SAVING THE WORLD

In June and July of this year, Virus Shall not Pass, or the Rules for Saving the World theatrical events were held in Yuzhno-Sakhalinsk, Korsakov, Nogliki, and Makarov within the framework of the 'Safety Is Important!' programme. They had been prepared and conducted with the participation of the Sakhalin Oblast Ministry of Health, a partner of the campaign.

The basis for the theatrical performances was the story of Timka – a boy who had been careless when using his smartphone, which resulted in the release of an evil virus. All the children attending the performances were engaged and actively joined in the fight against the villain. In their efforts, the children were supported by Senya, his friend Vaska the Cat, as well as experts from the Sakhalin Regional Centre for Public Health and Medical Prevention, who told them about the weak



Chance for the Virus! regional artistic contest was held. The results of the contest can be found at www.senya-spasatel.ru.

TESTING THE WATER

On 9 July, young islanders under the guidance of Senya and Vaska the Cat developed their skills of safe swimming in open water bodies. The Water Safety children's competition was held near the mouth of the Nayba river in the Dolinsk District within the framework of the Safety Is Important! programme.

Together with the programme partners and other organisers of the event, the company gathered more than 80 children from almost all school camps in the Dolinsk District on the shores of the Sea of Okhotsk to teach them the water safety rules.

Before the start of the competition, Senya and Vaska presented a new cartoon dedicated to the dangers of underwater currents (you can watch it on the programme website at www.senya-spasatel.ru), and then actively kept up the children's mood and supported their sports spirit.

Maxim Moiseev, Acting Head of the Main Directorate of MChS of Russia for the Sakhalin Oblast, said to the participants of the event: "It is very easy to find a place for swimming in the Sakhalin Oblast: there are more than 65 thousand rivers and

Energy, stressed that safety issues are always a top priority for the company: "This applies to production activities and also everyday life. In both cases, we face many risks and hazards. Children are an especially vulnerable group since they lack the necessary knowledge and experience due to their age. The aim of the Safety Is Important! programme, including the today's event, is to fix this situation. We are really happy that such initiatives arouse great interest among the younger generation."

Indeed, young safety experts got down to the assigned tasks with great enthusiasm. They answered theoretical questions, assembled jigsaw puzzles, threw Aleksandrov's end rescue line – a special tool to rescue drowning people – as far as they could, equipped themselves for sailing on a catamaran, and mastered the skills of operating it (of course, under the guidance of an experienced instructor).

The teams were awarded points for the completion of each task. Then the points were summed up and based on the total score, the leaders were determined. The team of the Uglezavodsk Secondary School was announced the winner; the second place went to the team of schoolchildren from the village of Bykov, and the third – to the team from the village of Sovetskoye. All winners and other participants of the competition received prizes and mementos from Sakhalin Energy.

The summer with Senya continues. It is quite possible that soon we will tell you about new exciting and informative safety events for children.

BY THE WAY

The organisers of the Water Safety competition included the Uglezavodsk Secondary School, the Dolinsk Urban District Department of Culture, Sports, and Youth Policy (municipal government institution), the Centre for State Inspection of Small Vessels of the Main Directorate of MChS of Russia for the Sakhalin Oblast, the Student Fire and Rescue Team of Sakhalin State University, and the Sakhalin regional branch of the School of Safety All-Russian children and youth public movement.

A Celebration of Spirit

The Regional Traditional Sports Competition Among Children of Sakhalin Indigenous Minorities* in Poronaysk is over. 67 young athletes from seven districts of traditional SIM residence competed for victory in individual and team all-around events.



The competition opened with the parade of teams. Its participants were greeted by Alexander Radomsky, Mayor of the Poronaysk District. The head of the municipality wished everyone success and excellent results and pointed out that there would be no losers in the competition. The Mengume Ilga (Silver Patterns) ensemble from Poronaysk showed a fascinating performance, which added colour to the opening ceremony and made it all the more exciting



Despite the rather young age of the participants, the competition turned out to be very spectacular – the athletes competed in weight and axe throwing, archery, triple jump, national wrestling, throwing tynzyan on a khorey, running with sticks and weights, jumping over sledges, and tug-of-war on the seaside

Rivalry in the latter kind of national sport was traditionally very tough and emotional – the teams were mixed, so it was a contest of male strength and female endurance, in which representatives of the Tymovsk team showed remarkable will to win and, as a result of this exciting competition, took the top spot on the podium



At the end of the four-day sports programme, the names of six participants from the Okha and Poronaysk Districts were included in the list of “absolute champions” – athletes who had taken the most first prizes in the individual events. In the team all-around event, the host team ranked first. It was their first victory and they literally snatched it from their rivals from Okha – the permanent leaders of the multi-sport competition. “Today we have witnessed yet another celebration of spirit and respect for the traditions of our ancestors – a remarkable story authored by all its participants,” said Yulia Zavyalova, Lead Specialist of the Sakhalin Energy Social Performance Subdivision

Matvey Erin from Okha District shared his experience: “I have participated in this kind of events since the very childhood. I feel sad today, because this is the last time I have participated in the children's competition – I will turn eighteen next year. Over the years, I have achieved success in different traditional sports. My hobby has gradually grown into something bigger and become a part of my life. I am determined to pursue this activity professionally.”

*The event is financed by the Sakhalin Oblast Government and Sakhalin Energy, the general partner of the competition.

A Compass for Divers

Our original idea was to publish an article about the Sakhalin Energy diving club. Unexpectedly for us, it ended up as a round table discussion. In addition to Pavel Denshchikov, the chairman of the club, a few of his colleagues – Igor Levitsky, Vladimir Kvitchenko and Sergey Starodymov – decided to join in the conversation. It was another proof that divers are an exceptionally enthusiastic and friendly community, and it is a great pleasure to immerse oneself in its atmosphere.



- HOW DID IT HAPPEN THAT THE DIVING CLUB WAS ESTABLISHED IN THE COMPANY?

– **Pavel Denshchikov.** When Richard Evans, a professional diver, joined Sakhalin Energy, he began to promote this activity among his colleagues. It was he who initiated the creation of a diving club. In June 2009, the idea was realised.

– **Interview participants (almost in chorus):** So we missed an anniversary?!

– **Pavel Denshchikov.** We could celebrate the next significant date, let's say, the 15th anniversary, with an interesting project.

a professional diving instructor, I quickly got along with Victor Morozov, and we further developed the club together. When he decided to leave Sakhalin, he handed the reins of power to me.

– **Igor Levitsky.** I have always preferred physical hobbies and enjoyed trying new things. When I started working for the company, I was surprised to learn that one could go diving on Sakhalin – I had always associated this pastime with warm seas. I tried diving and realised that I liked it, so I decided to engage in this activity further.

- METAPHORICALLY SPEAKING, WHY DID THE ARROW OF THE COMPASS POINT TO DIVING, OF ALL PHYSICAL ACTIVITIES?

– **Sergey Starodymov.** Due to the specific features of my profession, I already had considerable diving experience and even professional diving qualifications when I started work on Sakhalin. Naturally, I wanted to continue training here. I got acquainted with Victor Morozov, who was the chairman of the club at the time. Thanks to his support, I passed certification in the recreational category. Recently I have qualified as a divemaster. I regularly attended trainings in the club, and diving grew into a habit.

– **Vladimir Kvitchenko.** My story is more prosaic. I developed an interest in diving when I was in the army. Later, on one of my trips abroad, I wanted to rent diving gear, but my request was declined: it turned out that they did not recognise Russian diving certificates. So I joined the club and passed certification in all categories so that I could go diving and safari.

– **Pavel Denshchikov.** One of the factors that influenced my decision to join Sakhalin Energy, was that I learnt about diving opportunities offered by the company. Being



Photos by Ekaterina Sarayeva



- WHAT IS REQUIRED OF A PERSON WHO IS WILLING TO BECOME A MEMBER OF THE CLUB? AND WHAT DO YOU DO AT YOUR TRAINING SESSIONS?

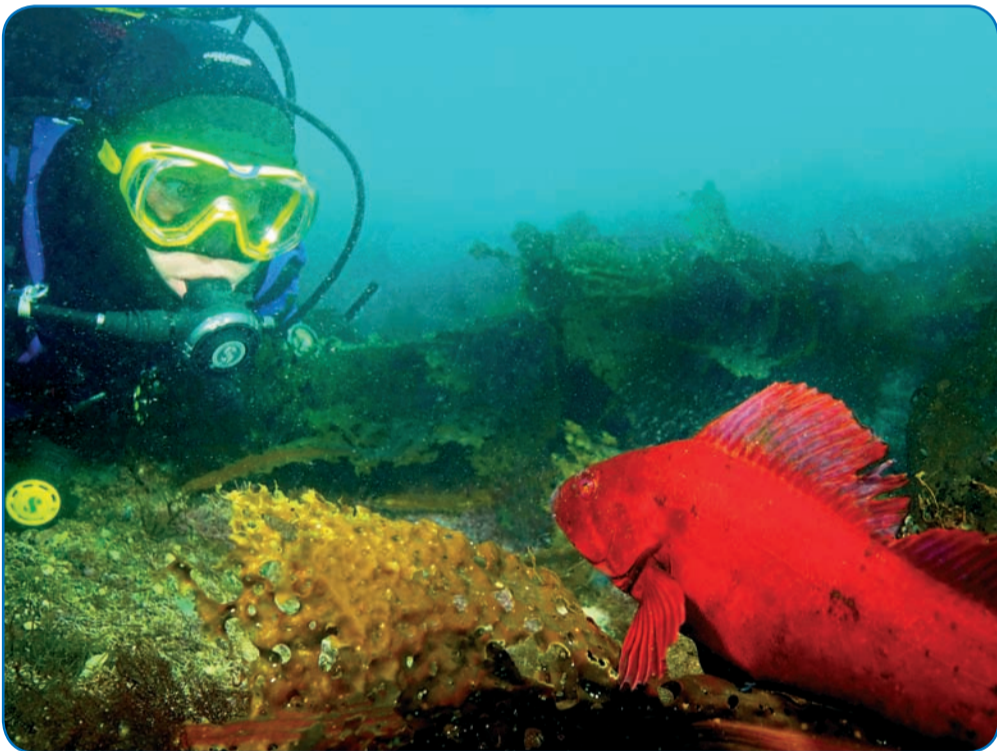
– **Pavel Denshchikov.** You must meet two requirements: have a diving certificate and attend training sessions as regularly as possible. If a person has decided to try diving for the first time, we can offer test dives or training: a beginner course, an advanced course, and so on, up to the professional diving course. Whenever possible, we organise open water diving. However, it is not easy to arrange, given the climate of the region and

(SCUBA) performs exercises in the shallow part of the pool. Finally, he or she performs a dive at the deep end of the pool.

- WHAT HAPPENS NEXT?

– **Pavel Denshchikov.** It depends. Those who have liked the test dive will continue practising, pass certifications and improve their skills.

- WHAT DO YOU LIKE ABOUT DIVING? WHAT IS IT THAT HAS KEPT YOU – AND MORE THAN FORTY EMPLOYEES OF THE COMPANY – INTERESTED IN DIVING FOR MANY YEARS?



the insufficiently developed infrastructure on the island, which is not yet fully adapted to this sport. So we mainly have practical training sessions in a swimming pool of the Zima Highlands sports centre on Sundays from 9 a.m. to 12 p.m. It's very simple: come, try diving, do it on a regular basis!

– **Igor Levitsky.** When our colleagues learn about the diving club in the company, they usually ask whether they will be admitted to training sessions if they do not have any diving experience. The answer is: “Of course, you will. Take your swimming trunks, swimming cap and pool slippers, and come!” In the swimming pool, you can try the DSD (Discover Scuba Dive). You will be given necessary gear and receive an induction.

– **Pavel Denshchikov.** The first – orientation – session consists of three parts. We always start with theory. We tell beginners about the effects of diving on the human body, describe the physics of the process, and explain safety precautions. Then comes the practical part: under the guidance of a diving instructor, an aspiring diver with a self-contained underwater breathing apparatus

– **Pavel Denshchikov.** This is exactly what I ask myself whenever I come out on the shore after a winter dive on Sakhalin, carrying about 45 kilogrammes of gear.

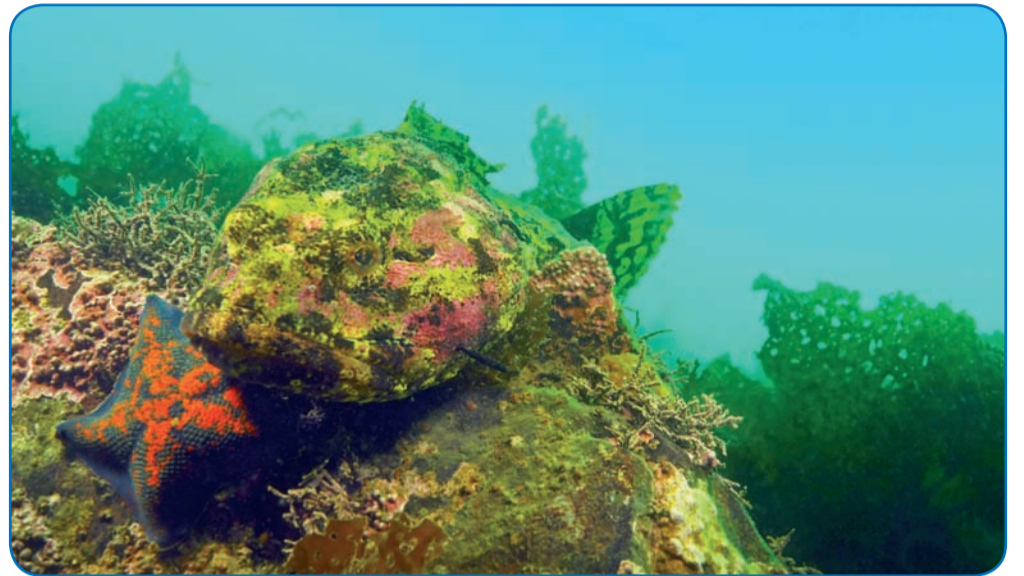
– **Igor Levitsky.** I always ask myself the same question and I still cannot come up with a clear answer to it. What I know for sure is that my love of diving developed gradually. After several dives in the pool, I couldn't wait to try my hand at open water diving; after six months of training in the sea, I was eager to dive to new depths, and then to try other gear, and so on and so forth. It's just like any other interesting activity that you find so exciting that you cannot stop, and always strive for more.

– **Vladimir Kvitchenko.** What prompts a person to climb mountains? Isn't it dangerous? Isn't there a lack of oxygen to breathe? The same about diving – it's dangerous and there is no air under water. It is hard to say what attracts us in diving. Maybe the extraordinary silence – there are no phones or computers, just you and the sea. On the sea bottom, you can admire fantastic fish, coral reefs, surreal landscapes, which you will never see on the

shore. Once a colleague of mine and I went diving in the Maldives. Imagine, you are swimming under water, and a whale shark the size of a bus is passing over you! They are not dangerous to people, but your adrenaline rush is crazy!

– **Igor Levitsky.** I agree with Vladimir – you really find yourself in a completely different world. On land, we will always be disturbed by emails or phone calls, even on weekends or during vacations. When you are under water, no one can reach you; that is one of the few places on earth where we can enjoy an information vacuum.

Strait boast of amazing marine wildlife, whose colours are no less spectacular than of those inhabiting the southern seas. And the thrill you experience when you encounter sea lions under water is very much the same as you feel during shark safari. The only problem with diving in our region is that sea water is cold. Deep under the surface, its temperature can drop below 0°C, so diving is not particularly comfortable in such conditions. It takes you an hour to put on your gear. The dive itself lasts about forty minutes – you cannot possibly stand it any longer.



– **Sergey Starodymov.** The objects of my research and professional activities – marine mammals – live exclusively in water. I am engaged in their protection. I enjoy diving and can say that I am lucky, because my work coincides with my hobby. The underwater world is a universe in itself. You enter it to find your own identity, to test your capabilities. But the most important thing in this search is to be careful not to go too far. The Big Blue, the film by Luc Besson, vividly shows what happens when a person crosses the line – there is nothing but an abyss before him.

– **Vladimir Kvitchenko.** All people have their boundaries which they keep testing, and diving provides plenty of opportunities for this. Under water, you can move in three, rather than two, dimensions at the same time, and experience the feeling of weightlessness. You want to repeat this experience again and again. There is an entire world beyond your boundaries. Try and discover it for yourself!

– **Sergey Starodymov.** Diving can be practised from the age of 10. The maximum age depends on your health only. Recently, more and more young people have joined our diving club. We do our best to give them an opportunity to dive. However, the club has limited capabilities for organising test dives for children. We are going to develop this area.

- DOES YOUR CLUB HAVE A MOTTO OR A CHANT? THOUGH, A CHANT UNDER WATER IS HARDLY POSSIBLE...

– **Pavel Denshchikov.** Let leave it for future development (*Pavel smiles*). In our club, we focus on attracting more people and introducing them to diving. In all, we conduct more than 50 test dives per year. We regularly hold training sessions for those who continue training. This year we are planning to organise



- I CAN UNDERSTAND THE BEAUTY OF THE UNDERWATER WORLD OF THE SOUTHERN SEAS. BUT SAKHALIN?! CAN YOU FIND REEFS HERE? CAN YOU FIND COLOURFUL FISH LOOKING LIKE EXOTIC FLOWERS?

– **Vladimir Kvitchenko.** Let me disagree with you. The Sea of Okhotsk and the Tatar

a safari on Lake Baikal. I have visited it twice to test the waters. The transparency of the water in the lake, its depth, the underwater landscapes with piles of rocks and flooded one- or two-century-old piers are absolutely breathtaking.

Let us continue work together to unlock the potential of our club. We invite our colleagues and their families, including children aged 10 years and older, to try their hand at diving!

■ Interview by Elena Gurshal

quiz

Intellectual Quiz: March of the Winners

The whole world is now online. The coronavirus epidemic has only accelerated the inevitable processes: meetings, conferences and even quizzes are taking place via the World Wide Web.

Our company is always in step with the times, and sometimes even ahead of them. One of the signs of the digital age is remote events for Sakhalin Energy's birthday.

In mid-April, a large-scale quiz was held in a new online format - 45 questions about Sakhalin, about the company and about our professions.

We, the quiz organisers, were worried about everything, from the estimated number of participants to the overall feasibility of this kind of entertainment.

But everything worked out! In the intellectual competition, the participants not only learned a lot about the history of Sakhalin, the region's natural riches and the company, but also amazed the organisers with their logic and erudition.

To take the quiz, you had to register on a special website, meet a nice guide who helped you navigate and told you interesting facts at the same time and start answering the questions.

As it turned out, we managed to arouse the interest of many interested people. «Interesting and informative» said the majority who took the quiz. Some, however, found the questions too, and I quote, 'tough', but it was an opportunity to gain new knowledge.

We would like to thank everyone who took part in the quiz, answered all the questions with dedication and enjoyed the intellectual sport

regardless of the result. Diplomas and souvenirs await the winners. The place and time of delivery will be communicated additionally.

The jury has carefully studied all the answers and is ready to name a winner. The winner was Vladimir Kolchin (Technical Directorate), who answered 39 questions correctly. Second place went to Yegor Kasprov from the Directorate of the same name, who was only one point behind his colleague. Third place was divided between three employees, with 35 points each. They are Pavel Filonov (Financial Directorate), Andrey Koshchenko (Production Directorate), and Alexandra Gorbaneva-Gamaleya (CEO Office).

The quiz is over and it's time to come up with something new. If you have any ideas, please send them to the functional email box of the Corporate Affairs Department ea@sakhalinenergy.ru until 31 August. The author of the most interesting idea will receive a gift.

■ Alyona Olovyanishnikova

Answers

BLOCK 1.

1. Kasatka 2. Albatross 3. Sakhalin (Kurils) 4. Caravelle Victoria 5. Lorry 6. North, South 7. Whale 8. Fish place 9. Bird roost 10. Oil rig 11. Perm 12. Life on Sakhalin 13. For mouthwash 14. Burdock leaf 15. Volcano (photo of Ushishir volcano, Crater Bay)

BLOCK 2.

1. The Big Wave 2. Samsung 3. Salmon 4. Theory and Practice 5. Cat Waska and Senya 6. Orange 7. Number 25 8. Pit Stop 9. Discovery 10. Aniva 11. Human Rights 12. February 2009 13. Steller sea lion/seal lion/seal 14. UN 15. A - 2, B - 1, C - 4, D - 3

BLOCK 3.

1. Time zone 2. Bearing 3. Oil spill 4. Clink glasses 5. Remittances 6. Cheese 7. Quiet flows the Don 8. In the mines 9. Compass 10. The Snowmen 11. Outcast 12. In the moon 13. QR Code 14. Drilling 15. From drink-driving

SPECIAL QUESTION

Gazprom, Mitsubishi, Shell, Mitsui. (The Gazprom logo contains a G. 'Mitsubishi' is translated as 'three chestnuts'. 'Shell' in one sense is 'an explosive artillery projectile or bomb'. Mitsui's mission is 'to build a brighter future everywhere').

'Fuel' for Sakhalin

culture

From 12 to 17 July, theatre project named Fuel took place in Sakhalin. The project, aimed at the development of the regional artistic cluster, was organised in line with the cultural strategy as part of the company's social performance policy.

The project programme included four showings of The Fuel – a documentary one-man performance, and the House on Fire theatre laboratory directed by Semyon Aleksandrovsky, a theatre director from St. Petersburg.

The main and only character of The Fuel is a real person – David Yan, a physicist, a businessman, the founder of ABBYY, whose role was brilliantly played by the theatre and film actor Maxim Fomin. The script of The Fuel was written by the playwright Yevgeny Kazachkov after a long in-depth interview with David Yan himself, where the latter told the story of his personal success.

This collaboration resulted in a unique work of art. The play is not just an actor's performance, unusual for the audience. Neither is it merely the story of a contemporary man who is making a difference in the world. It is rather a personal dialogue. Together with the character of the play, the director invites each viewer to think about their own experience and reflect on what is the 'fuel' that makes their life full and more exciting. The main tools used by the artist are text, rhythm, and communication.

Throughout the performance, the audience together with the hero try to figure out what 'fuelled' his desire to enter the university of his dreams, make his mark in science, and do something that would change the life of other people for the better. The fascinated audience soaked up everything that gave meaning to the man's life, the moments of his story, the sparkle in the actor's eyes, his emotions, impressions of the performance and its direction, and continued thinking about the play long after it was over. After the performance, the excited viewers made heartfelt comments: "It was extraordinary", "This is my story!", "Topical", "Very fresh and really cool",



"I will read the story when I come home". In total, about 300 Sakhalin residents participated in the project in person. The company also arranged for live broadcasts for employees of the production facilities.

Semyon Aleksandrovsky also taught The House on Fire theatre laboratory class for the local art community, as the final chord of his visit to Sakhalin. It implied working with the personal memory of the participants and, consequently, with their time and environment. The six-hour collaboration of thirteen participants under the direction of Semyon Aleksandrovsky resulted in a ten-minute documentary mini-performance, which recreated a century-long experience of mankind in actions and words – amazingly simple, yet utterly important for those present.

Ilya Shamazov, a participant of the laboratory class, shared his impressions: "The topic of memory is relevant to all people, especially to those residing in territories with a complicated history and high levels of migration – just like our island. Semyon's work helps to connect the participants with the place they live in and, in a certain sense, get them 'rooted', force them to reconsider themselves and the reality surrounding them."

Alongside with representatives of the art community, the company's employees also attended the theatre laboratory. "It may be difficult to believe, but, in fact, creating a mini-performance with a group of total strangers or barely familiar people does not take much time or effort. With the appropriate methodology, the actions are easily filled with meaning and transform into a unique story told on the stage in a natural and harmonious way," said Yakov Pyak, Head of the Professional Learning Subdivision.

After the showings of the play and the theatre laboratory, Semyon Aleksandrovsky commented on his attitude to the project: "Art is the most effective tool for increasing the level of social trust. It is essential for people living in towns and cities. When the cultural level rises, they feel motivated to live an interesting life and find their place in the urban environment. We have become a participatory society – we want to influence things. Therefore, involving townspeople in the creation and localisation of culture is exactly what is needed to increase their sense of purpose and satisfaction from life. We have performed The Fuel in different parts of Russia, in England and Bulgaria, and we are very glad that we have come here, to Sakhalin, to show it to the local audience."

In addition to artistic pleasure, the project has given the company and the local art community an opportunity for dialogue in their search for points of intersection, in their effort to jointly create something that will be important to other people.

■ Evgenia Diamantidi



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Desing by OAO Sakhalin Oblast Printing Office