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Sakhalin Energy

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"Leaders in Corporate Philanthropy"

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DEAR LADIES!

On behalf of all the men of Sakhalin Energy and in my personal capacity, I would like to offer my sincere congratulations on the occasion of the International Women's Day!

Every spring on the 8th of March we try do our best to express the overwhelming feeling of admiration and gratitude to our most beloved female companions for the heartfelt warmth and care they continue to give us.

May our dear beloved ladies, who represent the best half of humanity, always remain attractive and appealing, be able to maintain a great conversation with their colleagues and continue to demonstrate responsibility and professionalism in their line of work. Quite often, you manage to surpass men in your dedication and perseverance, and only you are able to combine professionalism with personal charm.

May your every day be marked with a smile and filled with care and attention from your significant others.

Congratulations!



■ Roman Dashkov,
Chief Executive Officer

DEAR LADIES!

On 8 March, many countries celebrate International Women's Day. I sincerely congratulate you on this holiday! I am confident that the example of the Sakhalin-2 project team makes it especially clear that women play a significant role in the life of modern society.

For decades, women representing various regions of Russia and foreign countries have been employed by Sakhalin Energy and by many of the contractors engaged in the project. You have been working alongside men in extreme conditions, solving complex, often unique tasks, achieving outstanding results in the oil and gas industry. We admire your energy, optimism, and amazing ability to combine professional acumen with feminine charm.

Dear ladies, whatever we do – set and accomplish goals, make plans and turn them into reality – we do it for you! Thank you for your care, your smiles, which inspire us to reach new heights, for your kind hearts and readiness to generously share your warmth, even in the most severe circumstances.

From the bottom of my heart, I wish you all good health, prosperity and, of course, lots of love! Have a great holiday! Be happy!



■ Valery Limarenko,
Governor of Sakhalin Oblast

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Sakhalin Energy ranked among the best employers in the country according to the rating of the largest recruiting company HeadHunter

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The children and youth conference "Native Speech" in the languages of the indigenous peoples was held in Yuzhno-Sakhalinsk. The event was organised with the support of Sakhalin Energy

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Quick Visit: Focus on OPFC

At the end of January Sakhalin Energy management made its first in this year field – or, using the terminology of our pandemic times, offline – visit to the OPFC Station. The choice of destination was not random:

- a) First of all, the asset is in the yellow zone and is not sterile; therefore, subject to strict compliance with Rospotrebnadzor procedures, the visit was feasible;
- b) Secondly, the OPFC Station is the only company's asset currently under construction; and finally
- c) This facility will become one of the key sites of the large-scale shutdown of the gas chain in 2021.



The fast-paced visit of the top officials took only several hours. However, meticulous planning, almost down to the minute, ensured that the programme was very eventful. Despite this fact, no safety requirements, including those pertaining to the epidemiological situation, were violated.



A flight from Yuzhno-Sakhalinsk to Nogliki, a lightning-fast boarding of Augusta – and the managerial delegation headed by Roman Dashkov arrives 15 minutes later at the helicopter pad of the OPFC.



In addition to the Chief Executive Officer, the delegation included the Production Director Grzegorz Kulawski, the Technical Director Timur Gafarov, the HR Director Alexander Sheykin, and other heads of various company units. They were welcomed by Andrey Zaytsev, the Acting Head of the OPFC Construction Department, relevant representatives of Petrofac and key contracting organisations.



The first stop on the route was the site with the assembly for the OPFC’s input flowline. A total of 290 tonnes of metal structures need to be installed on this site, with an average installation speed of 4–6 tonnes per day. Following the metal structures, there are gas and auxiliary pipelines. Staffing is one of the key issues at the asset. The grand scope and quality requirements of welding works this season impose high standards to the engaged personnel. “Welding heavy-wall tubes calls for specially qualified welders,” said the Chief Executive Officer and promised that each specialist’s certification will be properly checked. The quality of their work will be verified via hydro-testing of large technological pipelines that will be completed by the end of this year. The next destination in the programme was the power facility, where fire stopping is being installed, and the compressor station building.



“Strict adherence to deadlines with no quality compromises” was the key message from the visiting management to the project group. Every element matters for achieving this goal: the project management system itself, which must comply with Sakhalin Energy requirements; resources planning, with the allocation of staff on the site for each day and for each type and scope of work; risk analysis and mitigation plans.

“Our strategy is to be proactive. This is the only way to pull off the project this year,” said Roman Dashkov at the end of the visit, following which the project group received a list of mandatory objectives.

P.S. Before sending this issue to print, we contacted Andrey Zaytsev and asked him to comment on the status of work at the OPFC: “As always, we took the instructions received by management during the visit very seriously. We have already organised work to address all the tasks. For instance, we have audited the subcontractor’s supply chain management system, reviewed the welding schedule, revised the work plan for the installation of the assembly elements for the OPFC’s flowline. I am certain that by the start of the large-scale shutdown we will be ready and we will be able to ensure high-quality operational synergy with other facilities.”



This is Everyone's Business



DEAR COLLEAGUES,

In 2021, we expect to execute several large projects and meet a number of objectives as part of our core business. I am referring to the integrated gas system turnaround campaign scheduled to take place in Summer 2021, key construction scope execution at the OPFC project, maintenance activities at our oil production platforms, drilling rig refurbishment at Molikpaq, and other projects.

It is extremely important that we manage to deliver all of these scopes not only in full and on schedule, but also without a single safety incident or injury. This is one of the key objectives for Sakhalin Energy's top management, our OIMs and function managers, as well as all company

and contractor staff. Moreover, safety is a special focus area for Shareholders and the Committee of Executive Directors. We must bear in mind that any incident, no matter how insignificant it may seem, will deal a blow to our team performance, result in reputational risks and requires a lengthy investigation and, as a consequence, time will be lost. On the contrary, by striving for excellence, we will identify opportunities to reduce costs and eliminate waste.

In view of this, the human factor deserves a great deal of attention; that is, each of us must make every effort to reduce the number of safety incidents. Rather than recovering from the consequences of our errors, we must focus on making our work error-free. This position underlies Sakhalin Energy's corporate culture and corporate identity that we need to pass on to the new members of the team who are employed by the company, its contractors and subcontractors.

It drives our continuous development that is rooted in the experience of doing work safely, on time, all while minimizing expenses and staying within the budget. Our ongoing Winter Safety Marathon should raise awareness about important aspects of workplace safety and our core business, winter working conditions, maintaining good health and immune defences, among all those who work for the Sakhalin-2 project. I am certain that these efforts will bring about positive change.

We must fully utilise all available resources and opportunities. As we develop asset-specific plans, including mobilisation and demobilisation plans, special focus should be placed on safety. Priority should be given to ensuring that managers, supervisor and field workers are fully trained, tested and certified to work at our

remote assets. Moreover, the time spent at our temporary accommodation facilities should be used more effectively for learning and reviewing shift work plans in advance so that risks can be properly evaluated and proposed mitigations can be reviewed.

As a result, when rotators arrive at our assets, they will have already acquired the information they need and will, therefore, be possessing relevant knowledge and fully prepared to tackle the tasks at hand. Each rotator should be familiar with his or her respective work plans so that they would waste no time getting up to speed – instead, they adjust the course as required, based on work specifics, real-time developments, weather conditions and any extra safety precautions required. This will result in better quality and, importantly, quicker work execution.

In 2021, the Russian government has made industrial safety regulations significantly more stringent across the board. The company, in turn, continues to improve its corporate safety management system. A lot depends on how effectively our OIMs and other managers who lead various company functions can manage their line of work; however, in the large scheme of things, safety on the Sakhalin-2 project is everyone's business. Do not be indifferent, for your proactive care and involvement will drive our shared success. I sincerely hope that, through our joint efforts, we will successfully meet any challenge and prove once again that our team is one of the world's finest!

■ Roman Dashkov,
Chief Executive Officer

shareholders' news

Shell's Renewed Strategy

Shell today set out its strategy to accelerate its transformation into a provider of net-zero emissions energy products and services, powered by growth in its customer-facing businesses. A disciplined cash allocation framework and rigorous approach to driving down carbon emissions will deliver value for shareholders, customers and wider society.

“Our accelerated strategy will drive down carbon emissions and will deliver value for our shareholders, our customers and wider society,” said Royal Dutch Shell Chief Executive Officer, Ben van Beurden.

“We must give our customers the products and services they want and need – products that have the lowest environmental impact. At the same time, we will use our established strengths to build on our competitive portfolio as we make the transition to be a net-zero emissions business in step with society.”

Shell is integrating its strategy, portfolio, environmental and social ambitions under the goals of Powering Progress: generating shareholder value, achieving net-zero emissions, powering lives and respecting nature. Shell's reshaped organisation will deliver on these goals through the three business pillars of Growth, Transition and Upstream.

DELIVERING WITH A PORTFOLIO FOR THE ENERGY TRANSITION

Shell's aim is to build material low-carbon businesses of significant scale by the early 2030s. Upstream will continue to deliver vital energy supplies, which will help to generate the cash and returns needed to fund shareholder distributions while accelerating investment in the growth

businesses to capture new market opportunities. The concern's plans include:

GROWTH: Marketing

Target to increase Adjusted Earnings to around \$6 billion by 2025 (from \$4.5 billion in 2020), achieved by improving the already market-leading position of the lubricants business, an increase to 40 million customers at 55,000 retail sites (from 30 million at 46,000 sites today) and growth of global electric vehicle (EV) network from more than 60,000 charge points today to around 500,000 by 2025.

Low-carbon fuels – extend our leading biofuels production and distribution business, which in 2019 sold more than 10 billion litres of biofuels. Our joint venture Raízen, which produces low-carbon fuels from sugar cane in Brazil, recently announced the acquisition of Biosev. This is set to increase Raízen's bioethanol production capacity by 50%, to 3.75 billion litres a year, around 3% of global production.

RENEWABLES AND ENERGY SOLUTIONS

Integrated Power – aim to sell some 560 terawatt hours a year by 2030 which is twice as much electricity as we sell today. We expect to serve more than 15 million retail and business customers worldwide. We aim to be a leading provider of clean Power-as-a-Service. We will make our investments go further by partnering with others with the emphasis for Shell being on managing clean electrons.

Nature-based solutions – expect to invest around \$100 million a year in high-quality, independently verified projects on the ground to build a significant and profitable business to help customers meet their net-zero emissions targets.

Hydrogen – build on Shell's leading position in hydrogen by developing integrated hydrogen hubs to



serve industry and heavy-duty transport, aim to achieve double-digit share of global clean hydrogen sales.

TRANSITION: Integrated Gas

Extend leadership in liquefied natural gas (LNG) volumes and markets, with selective investment in competitive LNG assets to deliver more than 7 million tonnes per annum of new capacity on-stream by middle of the decade. Continue to support customers with their own net-zero ambitions, with leading offers such as carbon-neutral LNG.

Chemicals and Products

Transform our refinery footprint from 13 sites today to six high-value Chemicals and Energy Parks and reduce production of traditional fuels by 55% by 2030. Intention to grow volumes of the chemicals portfolio and increase cash generation from Chemicals by \$1-2 billion a year by 2030 compared with the medium term. Will produce chemicals from recycled waste, known as circular chemicals, and by 2025 aim to annually process 1 million tonnes a year of plastic waste.

UPSTREAM:

Focus on value over volume, being simpler and more resilient, continuing to provide material cash flow into the 2030s. An expected gradual reduction in oil production of around 1-2% each year, including divestments and natural decline.

■ Information source (full version of the article):
www.shell.com.ru

Reliable Asset Award

Sakhalin Energy has topped Shell's gas system reliability ranking. It takes into account three categories: production in accordance with the plan, compliance with technical requirements and the number of unplanned shutdowns. A congratulatory letter from Shell's asset management team recognises the company's key achievements.

In 2020 Sakhalin Energy has managed to deliver an awesome performance by continuously improving process safety delivery and achieving world class system reliability. This performance was realized despite the challenges caused by COVID-19, changes to turn-around cycles, extended shifts and many personal sacrifices.

14 more cargoes were delivered under robust financial stewardship with both OPEX and CAPEX optimized for 2020 business realities. The commercial performance has delivered a higher than ever number of spot cargoes marketed at an average premium above the JKM* marker.

Sakhalin Energy's outstanding performance results from the high commitment of staff and a unique company culture which focuses on development of local talent and utilizing the best international expertise, all underpinned by a joint

pursuit of excellence and a strong delivery focus.

Throughout the year Sakhalin Energy also effectively leveraged the integration of all business aspects: not only integration across the whole gas system and the company, but also integration with various partners and shareholders, including the strong collaboration with Shell P&T and asset management support.

Of special note was Sakhalin Energy's use of digital technologies to allow for the remote support from the subject matter experts as the borders were closed and flights were stopped between Sakhalin island and other parts of the world.

**JKM is a marker for spot LNG prices in Japan and Korea.*

Dmitriy Pantelev, Head of the Production Planning Division, shared another aspect of Sakhalin-2's record-breaking performance in 2020:

– Reliability is, dare I say it, a philosophy aimed at optimising equipment parameters to ensure the continuous operation of said equipment. That's right, I use the word "philosophy", because this is the collective opinion of our company.

Any production process is a complex hierarchical system which, from the point of view of reliability, should be considered as a system of parallel simultaneous processes: from production to shipment to the customer. However, operation reliability depends on the reliability of these processes, all while influenced by the uninterrupted operation of the equipment. Look at the chain: the reliability of each piece of equipment depends on its proper operation, maintenance quality, and the spare parts and materials used. So, it means that each employee is involved in the reliability process in their workplace, in a certain area that is entrusted to them.

The Shell Award confirms once again that our company is on the right track to ensure reliability in all existing processes. Otherwise, we would not have had a record-breaking volume of LNG, the successful planned repair done at the assets in 2020, acknowledgement of the PA-B team in the rating of the best drilling teams, and the LNG plant would not have become the leader among all of Shell's gas facilities.

We asked Sergey Shishebarov, Operation and Process Safety Support Manager, to comment on the company's achievements in process safety.

– **What is process safety?**

– Our company's vision for safety, which is "Goal Zero. No harm. No Leaks" stands on two pillars: no harm to people (Sakhalin-2 employees) and no compromised integrity of casings that could lead to leaks or releases. That's the concept of process safety. And the main role of our subdivision is managing hazardous factors. In other words, we have to leave the product in the pipe, inside those cases, and make sure to keep potentially hazardous substances from leaking out (hydrocarbons, process fluids), as well as to prevent uncontrolled sources of flame and sparks at the production facilities. When these hazardous factors are managed efficiently, we can say that process safety is in place. It is the cornerstone, the foundation of stable and reliable operations, an indicator of the "good health" of the whole enterprise.

Personal safety is a more "visible" aspect, and incidents in this area are more frequent (tripping, falling, etc.). Although process safety accidents happen quite rarely, they can have large-scale and sometimes even catastrophic consequences. They can impact people, assets, and the environment, as well as the company's reputation. The most vivid examples of man-made disasters in history are the explosion at the Chernobyl nuclear power plant and the Deepwater Horizon oil spill at the Macondo field. Significant changes in the management of process safety risks in our industry were introduced after the Piper Alpha disaster in the North Sea in 1988.

– **What key indicators are you targeting?**

– The term "process safety" is accepted worldwide and is commonly used by International companies and our shareholders. In order to monitor it, we use the Pyramid of Incidents, which is divided into several levels: the first and second levels cover the most serious incidents, while the third one relates to those that lead

to minor consequences (although if there are many of these, it shows a trend which should be examined to prevent an escalation of the incident level), and the fourth level includes signs or indicators of an unsafe condition that can cause an incident. All of these levels have been developed by the IOGP (International Association of Oil and Gas Producers), and we use them to evaluate our process safety activities. The use of international standards enables us to unify indicators and compare work efficiency with global manufacturers of our industry.

– **In 2020, we achieved very high process safety indicators...**

– Implementation of preventive measures in the past helped us achieve results this high in comparison with the global IOGP companies and internal retrospective indicators of the Sakhalin-2 project. As we have been

simple, and meaningful language explains what aspects need to be paid attention to during work. We began to apply these rules at the company's production facilities back in 2019, continuously updating our knowledge base on this topic. We also keep working on the IT tools for the main elements of process safety, for example, permit to work systems, management of change control, alarm management.

– **Does the Shell Award for Operations Reliability confirm our efforts?**

– We received this award from our shareholder for a number of reasons, including our results in the area of process safety, which became the foundation of reliable operation. That's why we say Goal Zero is based on personal and process safety. This award shows an unconditional global acknowledgement of our common achievements.

– **What are your plans for 2021?**

– You know, there is such a thing as sustainability. When you get to the top, it is very difficult to stay there. Therefore, our main goal for 2021 is not to step back, but also not to stay at the same level. It is necessary to continuously improve our approaches to risk management and the prevention of incidents in the area of process safety, keeping with Goal Zero.

At the moment, the company is implementing a lot of new development projects. For example, the construction of the OPFC with the commissioning phase soon to begin, the upgrade of the Molikpaq drilling rig, along with projects on equipment upgrade and modernisation, connection of new gas distribution stations. Moreover, in 2021 we will have one of the largest shutdowns of the Sakhalin-2 project integrated gas chain. The focus of process safety will be on starting up the operation after the repair: it is necessary to ensure there are no leaks or ignition sources when putting the equipment into operation, no potentially hazardous factors that can lead to an incident. Continuous work with the production facilities, feedback on the improvement of our processes, exchange of experience with partners in the industry, implementation of the world's best practices — all this contributes to our continuous improvement.



monitoring our internal results since 2013, we analyse them and implement remedial actions together with the production facilities. By implementing these measures, we can see a continuous decrease in the number of process safety incidents. The key success factor is that we do not spread our efforts across all areas, but rather identify where our efforts need to be focused. We find the root causes (complexity or design errors, imperfect procedures, etc.) and consistently work to eliminate them. Moreover, we look at the contributing factors that affect the root cause of accidents.

We focus on a proactive approach, working with "weak" signals that suggest some sort of unsafe conditions or circumstances. Such analysis enables us to come up with remedial actions to prevent incidents from occurring or exacerbating. Thus, the efforts at the initial stage avert incidents at subsequent levels, and our process safety pyramid automatically becomes "healthy".

There is another crucial tool that helped us achieve high results — the Process safety fundamentals (PSF), a set of rules similar to the Life-Saving rules. PSF are focused specifically on process safety. Their clear,

un-Womanly Business

The Ministry of Labour has revised the list of jobs banned to Russian women. A few months ago, over 400 male-only occupations were still off-limits for women, but today their number has decreased four-fold. Starting with 2021, women will be able to work as long-haul truckers, train drivers, car mechanics, be part of ships crews... We talked about these changes with Lyudmila Demina, Head of the Personnel Administration and SAP HCM Division.



– Lyudmila, the list of authorised professions has been expanded for the first time in 40 years. In your opinion, what motivated this decision?

– The list of banned jobs was introduced in Russia (the USSR at the time) in the 1950s, and it had been considerably expanded by the mid-1970s. In 2000, it was officially signed into law by a Government Decree. It would seem that the answer to your question should be obvious. How can a list compiled in the middle of last century still be relevant in the new millennium? At a time when technological development has made a giant leap forward: production automation, robotics, digitalisation, and application of the latest standards in designing new production facilities are able to significantly reduce negative impact on employees, thus ensuring safety in the workplace. Furthermore, today some of the listed occupations have become obsolete or undergone considerable changes. But is it really that obvious? We can hardly expect to explain the reduction of the list by technological advancement alone. Let's dig deeper and look into the list itself.

– There is always a but...

– To make sense of things, let's turn to the Russian Constitution. In particular, it guarantees that labour is free. This means that every citizen has the right to choose any profession and line of work. And this choice shall be dictated by the skills and abilities this person possesses. In practice, only men can fully exercise this constitutional right to work: women are still limited in their choice.

In my opinion, the revision of the list is motivated primarily by society's readiness to admit that modern women are not some fragile creatures that need to be protected and patronised, but equal partners to men in all areas of activities. And partnership is impossible without equal rights and opportunities. I believe that the reduction of the list (and, I hope, its abolition in the future) is another step towards progress and a society built on equality without gender-based discrimination.

– Are you sure that women will want to exercise their rights and become, for example, train drivers, boatswains, long-haul truckers, or drilling experts? After all, people still consider some professions “unwomanly”...

– I think this is just a stereotype, a limit we put on ourselves. Nowadays, fewer and fewer occupations can objectively be considered “unwomanly”. As I've already mentioned, the changes in production processes facilitate labour and make it much safer. Today, there aren't that many jobs that call for physical strength – more often they simply require attentiveness, analytical capacities, an operational mindset and the ability to apply your skills in practice.

This opens doors and creates new opportunities for everyone – both men and women. A case in point: last autumn, Russian's first all-female patrol boat crew was formed in the Black Sea region!

– So, do you believe that women will go into “masculine” professions?

– I think the question of whether women will decide to exercise their rights and join “unwomanly” professions is irrelevant – the most important thing is that we now have the right to do that if we choose to.

– Lyudmila, let's look at this issue from a different angle. In your opinion, is society ready for women to choose “unconventional” jobs more frequently?

– If you want to be treated as a professional, act like one. It's hard to deny that modern society is quite sceptical and even wary of women in “masculine” fields. Look, for example, at female pilots, whom Russia has still not got used to. Not so long ago, science, law and politics were also “unconventional” for the “weaker sex”. Now, no one is going to bat an eye at a female judge or member of parliament.

Society is not some abstract entity – it's me and you and all of us, and only we decide how we choose to interact and work together. The easiest way to answer your question is to ask yourself: am I ready to stop dividing occupations into masculine and feminine? Personally, I am ready.

– There is a stereotype that the oil and gas sector is a purely masculine industry, a kind of man's club. According to the World Petroleum Council's research data, only one fifth of all oil and gas employees are women. In terms of the women's share in the workforce (which is 22%), we are behind all industries with the exception of the construction sector, where the numbers are even worse. Do you think that this makes sense?

– This statistic stems from the specific nature of work in the oil and gas sector, as well as the tough weather conditions in most producing regions. The majority of fields under development are located in remote territories, away from the blessings of civilization. Even though today shift workers live and work in comfort, the conditions still lack some essentials that women enjoy on the mainland.

On top of this, even in this day and age, people still predominantly think of men as breadwinners and women as homemakers. This definitely influences the distribution of roles in the industry. You have to agree that it's rather difficult to find a family where the woman would go away for shift work and the man would take on all home tasks and childcare responsibilities.

In such technical field professions as Drilling Engineer, Logging Specialist, Hydrofracturing Engineer, Well-Finishing Engineer, as well as in other manual jobs (for instance, process unit operator), the share of women is indeed extremely low – only about 2%. However, I also wouldn't say that there are few women in the Russian oil and gas sector. Most of them simply work in the offices, but there are also women in such fields as geology, petrochemicals, processing. In total, women comprise more than one fifth of all oil and gas employees.

The World Petroleum Council and the consulting company BCG in their Untapped Reserves: Promoting Gender Balance in Oil and Gas report note that experienced employees aged 50 and older make up nearly three-quarters of the workforce. This means that a younger generation of workers will need to take their place in the foreseeable future. The industry will require a supply of talented specialists, and more active engagement of women will help companies to deal with personnel shortages and increase female representation in the oil and gas sector.

– The performance of all-male and all-female teams differs from the efficiency of mixed groups. In our case, is gender balance a positive change or a negative one?

– Issues of gender diversity in the workplace are part of the current global agenda, including in terms of performance of particular companies. The 2017 study of the American company Cloverpop proved that diverse teams make the best business decisions. Quality indicators improve by 25%, and if teams are also geographically and generationally diverse – by 50%.

These conclusions are supported by the research of Russian sociologists as well. In particular, this opinion is shared by Elena Yakhontova, Doctor of Sociological Sciences, Professor at the RANEP Graduate School of Corporate Management. She believes that teams evenly comprised of men and women

are the most efficient. The trick is that members of a diverse team provide different perspectives on the same task, which strengthens groupthink. Mixed teams are also better at responding to new challenges. This is especially important for creating innovative solutions, as homogeneous teams become less flexible with time and lose their creativity. But at the same time, gender balance shouldn't become an end in itself or the main criteria when hiring.

When it comes to Sakhalin Energy, we select candidates based on their qualities – skills, behaviour, motivation, competencies and experience – rather than gender.

– When I was preparing for this interview, I stumbled upon an interesting quote: “Women in the workplace are like oxygen: the higher you climb, the less there is.” Is this true for our company?

– The topic of female leadership is not new, but every year it gets more popular and the number of female managers in different companies keeps on growing. Sakhalin Energy is no exception. In recent years, the number of female leaders in the company has increased, and today they make up over 15% of all managers. Compare that to 6.5% in 2004.

– To become successful in business, a man has to be respected, driven and be able to think systematically... Does a woman in a managerial position need the same qualities? Or does she need to remain true to herself even in this masculine field?

– That is an interesting question. We often think of business as a man's domain, but is it really? Can we objectively divide domains and areas of activity into gender-based categories? When it comes to business, according to Forbes, the number of successful female entrepreneurs grows each year steadily: 234 women were among the richest people on the planet in 2020. Their number decreased compared to the previous reporting period, mostly due to the coronavirus pandemic, but their combined wealth grew.

A leader should definitely possess a number of characteristics: confidence, high energy, determination, charisma, persuasiveness, proactivity, and sense of responsibility. This applies to everyone, regardless of whether you are a man or a woman.

– Gender equality is a hot topic which can be discussed for hours. For now, let's go back to women. What would you wish your female colleagues and friends for International Women's Day?

– I wish everyone to stay cheerful and optimistic! I hope your family life will be full of love and mutual respect, and your work environment will help you to be productive. Most importantly, stay healthy, happy, surrounded by love and care. Blind the people around you with your smile and beauty!

■ Interviewed by Marina Semitko

LIGHTNING-ROUND QUESTIONS DEDICATED TO THE INTERNATIONAL WOMEN'S DAY

Is there a woman that appeals to you by being like-minded and sharing your life values? – Valentina Matvienko.

What does a woman's strength lie? – In our weakness and wisdom.

What are your professional hopes and dreams? – When it comes to my career, I don't hope – I plan.

Is there life after work? – Of course!

What are your favourite flowers? – Wildflowers.

event

assets

The benchmark for reliability

At the end of February, the newest modification Falcon 8X business jet owned by Shell Aircraft landed on Sakhalin. A state-of-the-industry long-haul aircraft delivered spare parts for three AW189 super medium class helicopters. Chief Executive Officer, Roman Dashkov, was personally involved in receiving the cargo and verifying compliance with safety regulations for the Sakhalin-2 project.

According to Vadim Panin, Logistics Manager of Sakhalin Energy, under the contract Leonardo S.p.A., manufacturer of new AW189 helicopters in operation, shall supply spare parts for the maintenance of a revamped aircraft fleet on a regular basis. "Since the number of freight air flights across Europe has reduced significantly due to the pandemic, Shell's representatives offered help with delivering some spare parts from Italy. Business aviation aircraft took off from Milan on 21 February and a non-stop flight to Yuzhno-Sakhalinsk took 11 hours," Vadim Panin added.

Delivered cargo includes more than 50 items of spare parts and auxiliary equipment which will be used for the scheduled maintenance of the helicopters.



Furthermore, the so called COVID-barrier also delivered to the island. It has been produced by helicopter manufacturers since the start of the COVID-19 pandemic. It is a multi-layer canopy made of a special fabric that separates the pilot cabin from the passenger zone. This insulation minimises the risk of infection spread during flights.

"Flight safety under the Sakhalin-2 project defines stringent requirements for the maintenance of the company's



Roman Dashkov, CEO of Sakhalin Energy, and Astrid van Duursen, commander of Shell Aircraft's Falcon 8X business jet

revamped aircraft fleet. In this case we must stay relevant to the current global situation and take early care of a necessary spare parts stock. A proactive approach is the standard of reliability, which helps Sakhalin Energy to ensure the highest level of its performance in one of its key areas — safe and timely delivery of employees to the company's remote assets," Vadim Panin said.

The next lot of spare parts for the AW189 helicopters will arrive in March 2021.

■ Marina Semitko

On the eve of the 8th of March, the International Women's Day, we interviewed a woman: Astrid van Duursen, captain of Falcon8X jet in Shell Aircraft.



— Were your parents pilots or did they work in the aviation industry? Quite often, the passion to fly passes from generation to generation.

— Well, people often ask me why I decided to become a pilot. No one in my family was related to aviation: neither my mum was a flight attendant or pilot nor my dad was. I was born in India, lived in Brazil and the UK before we moved to the Netherlands when I was six years old. My father worked for Shell and as expats we travelled a lot. Apparently as a child, I didn't want to sleep in the airplane and I always wanted to visit the cockpit. I still don't know where the dream to become a pilot exactly came from, apart from the fact that I like to control machines. Most probably, I have picked up the "love to travel virus" at my early age.

— When was the first time you felt you didn't want to be in passenger seat anymore? How old were you when you made the bold decision to become a pilot?

— When I graduated from high school, I enrolled university to study pharmacology. After six years of studying, it became clear that the world of medicines was not what I wanted and dreamed about. I drastically changed my professional life "in spe" and decided to become a pilot. I paused

my studies at the university since I would reach the maximum hiring age for some dutch commercial airlines at the time, after having finished flight education. So to enlarge my chances on a flying job, then finish my study pharmacology as a "hobby". Probably it was the "love to travel virus" to blame in addition to the feeling of freedom that can be given by a job with no fixed schedule attached. Today you are at home, tomorrow you have a different destination and fly to another country. Personally, it is important for me to have an opportunity to change your destination. I believe one of the essential things in life is to follow your heart.

— What were your parents' reaction? Did they support your decision?

— Although my mother supported me, she knew I had to make it through a tough selection process. She thought I might fail the tests, therefore return to my study pharmacology and graduate. It went slightly different though — I passed the tests and started at the flight academy. My father always believed in me, considering me as a goal-oriented person who usually gets what she wants. I am very thankful to my parents for approving and supporting my change in direction. My current lifestyle is different from many other people, however, it is my choice: I love it and it makes me happy.

— Do you remember your first flight and the feelings you had that day?

— Of course, I do — I remember every tiny detail. As a matter of fact, I believe every pilot remembers their first solo flight. That's the day when your flight instructor says: "Well, now this is your airplane." At that moment you feel great excitement. You lay your hands on the control wheel and take the airplane up into the air, realising that you, on your own, are also able to land it safely! A spectacular moment. There are no words to describe that feeling. A huge sense of freedom and confidence.

— What, in your opinion, is the most complicated in pilot's work?

— As I am getting older, recovering from jet lag becomes more of an issue. Staying fit is important. One of the

complications which goes with the job is the need to always be well prepared. You need to always have a "plan B". It is easy when you are a passenger flying from point A to point B, but it becomes more difficult if you are the one to operate and manage the airplane and operation. You need to be a step ahead all the time. On one hand, it can be complicated, on the other, it's also an exciting challenge.

— What is the most exciting feeling during flights?

— Flying is special. There's no feeling like the feeling of piloting an airplane. I like to drive my car and ride my motorbike but approaching a runway, landing an airplane at a speed of +- 200 km/hour, is fantastic. You have the sense of speed, control and of real freedom.

— How many flights have you had?

— Many. Pilots keep a logbook to record flights and flying hours. For example, yesterday I had an 11-hour flight from Milan to Yuzhno-Sakhalinsk and today it will take 10 hours to get back home. It only takes 40 minutes to get to the Netherlands from London. We, pilots, count our flight hours. My record covers 22 years, which gives me almost 10 thousand flying hours.

— Is it your first flight to Russia and Sakhalin?

— No, it is not. I flew to Russia many times, but mostly to Moscow. I've also been to Siberia; it was a small airport and we had a translator on board. Many years ago I was in Yuzhno-Sakhalinsk. I operated a different type of airplane back then. We had to make one fuel stop to get to the island. Novosibirsk, always cold, windy and snowy. The plane I operate now, makes it possible for a direct flight.

— How many women-pilots works in Shell team?

— We have two lady pilots.

— What would you like to wish to women on the eve of the International Women's Day?

— We've got the power. Live your dream, whatever your dream is, go for it! Follow your heart!

■ Interview by Alyona Olovyanishnikova

When icemann "freezes"

Our colleagues demonstrated their ability to think outside the box, quickly find the optimal solution to a non-standard situation and gain the upper hand! It all happened on a cold early morning, when Stepan Makarov, the icebreaking supply vessel, with passengers onboard once again approached the Molikpaq oil and gas production platform.

According to Sergey Komarov, Shore Base Marine Manager, the vessel entered the 500-meter platform zone at 04:50 am. "The temperature was -28.5°C, which was not that bad, but exceeded the permissible values for the operation of Icemann, a motion-compensated gangway system. It is used to transfer personnel and cargo from vessels to other offshore assets. The wind chill index at a temperature of -28.5°C plus wind was -47°C," said Sergey Komarov.



This indicator did not allow the automated controls to start up the equipment. Arctic hydraulic oil in one of the six cylinders could not be heated above the minimum start-up temperature of -17°C.

A little background: the gangway system, called the N-type, or Icemann, was created at the request of Sakhalin Energy back in 2017. The concept paper of the year-round winter system was designed by the Ampelmann representatives in collaboration with the Sakhalin Energy Marine Operations Subdivision and the Architectural and Construction Design Group. There was a need for a new-type system developed to operate under the severe climate conditions of the Sea of Okhotsk and at low temperatures and designed with additional protection from snow and ice. Moreover, it had to be integrated into the vessel systems, and connection points at platforms had to be made, ensuring as safe and comfortable transfer of personnel as possible.

"In three years of operation, Icemann "froze" for the first time. To warm up the gangway before starting it up, we had to adjust the heating system settings. The thing is that Icemann is not only a mechanical piece of equipment, but also a software supported by a centre in the Dutch city of Delft. Our colleagues contacted its representatives to describe the situation, and the foreign specialists offered an innovative solution, which required changing the heating settings. The idea panned out, and the gangway resumed operation," commented Sergey Komarov.

However, when looking through the data for the last seven years provided by Nikolay Kozlenko, Category 1 Metocean Engineer of the Subsea Engineering Operations and Metocean Support Subdivision, it turns out that this year, in the north of Sakhalin (near the Molikpaq platform) a new low temperature record was set.

Our colleagues deserve all possible praise for maintaining high standards of work in such extreme conditions!

■ Pavel Ryabchikov

Learning from Shareholders

At the end of 2020 Sakhalin Energy presented “Green LNG”, a strategy aimed at producing clean energy by introducing solutions based on natural potential, energy efficiency and reduction of greenhouse gas emissions, as well as long-term perspectives and alternative energy sources. We have talked with Natalia Anikina, Assurance Manager of the HSE Department and the Green LNG Strategy Introduction Working Group Leader, about the shareholders’ support of the company’s efforts in this area and the experience they had shared with Sakhalin Energy.

– A large online workshop of the Sakhalin-2 project shareholders took place in late January. It was remotely attended by 60 representatives of Gazprom, Shell, Mitsui, Mitsubishi and Sakhalin Energy. The event was dedicated to reducing greenhouse gas emissions and considering related practices in our shareholders’ strategies.

THE PARIS AGREEMENT

Climate change is an enormous global challenge that transcends national borders. It calls for coordinated actions at all levels and for international cooperation to help countries shift to a low-carbon economy.

The Paris Agreement commits its parties to reducing their emissions and working together to adapt to the consequences of climate change. It also urges countries to expand their commitments over time. The document opens doors for developed countries to aid developing countries in their efforts to both mitigate and adapt to the impact of climate change, and at the same time provides a basis for transparent monitoring and reporting on progress in achieving environmental goals.

Source: www.un.org

In 2016, Russia joined the Paris Agreement, under which each party defines its own contribution to preventing global climate change and takes internal measures to adapt to these changes and achieve established objectives.

significant global experience. Special focus is placed on developing new and alternative energy types and solutions based on natural potential. According to specialists, reduction of GHG emissions is a key reputational issue in the global agenda for Shell. They have provided the Sakhalin-2 project shareholders with information on the subject of carbon in general and potential carbon regulations in Russia, as well as shared their forecasts. They have outlined Shell’s strategies in managing greenhouse gases in the global environment, methods of reducing them by 20–30 % and also energy efficiency improvement.

Gazprom representatives stated that the company has its own strategy for managing GHG emissions, which is part of the implemented Gazprom Environmental Protection and Climate Preservation Corporate Strategy. In particular, the company’s sustainable

Sakhalin Energy shares the global community’s concerns regarding climate change and annually monitors greenhouse gas emissions. Monitoring covers emissions from production and non-production facilities, as well as direct and indirect emissions related to purchased electric power. Carbon dioxide, methane, nitrous oxide and hydrofluorocarbons are monitored as part of the gross GHG emissions.

have expressed their interest in cooperation between Sakhalin Energy and the Government of the Sakhalin Oblast in developing carbon trading, in the region’s intention to become carbon neutral by 2025 and in the creation of regulating mechanisms in Russia.

In return, we have provided the shareholders with the first results of the Green LNG strategy and plans for the nearest future. It is worth noting that in December, our employees, together with representatives of the Shell’s Science and Technology Centre, participated in working seminars. Over the course of these seminars they discussed various options for long-term and alternative solutions, including those aimed at improving technological processes and energy efficiency. Now it’s time for meticulous feasibility studies and prioritisation of more than a hundred such solutions. In December, we also received preliminary data on the environmental potential of the Sakhalin Oblast and Russia’s Far East in terms of offsetting greenhouse gas emissions and generating carbon credits.

According to the results published in 2020 by independent analytical agency Rystad Energy, Sakhalin Energy’s offshore production platforms showed one of the lowest greenhouse gas emissions per barrel of oil equivalent in 2019, achieving the world’s second lowest in terms of operational efficiency.

The shareholders expressed their interest in receiving information on the status of the Green LNG strategy implementation on a regular basis. It should be noted that, after initiating the development of the Green LNG strategy, Sakhalin Energy has started to



LNG storage tanks. Prigorodnoye production complex



Gas carrier at the LNG jetty

The joint web-workshop was proposed by Shell representatives after Sakhalin Energy had presented its new Green LNG strategy at a Technical Committee meeting at the end of last year. All its participants had the opportunity to share their experiences and opinions on the global situation, initiatives designed to reduce GHG emissions, as well as to outline their expectations in relation to Sakhalin Energy.

Shell has been working on the climate issue for at least five–six years and has already accumulated

development report says that in 2019 they initiated the creation of sustainable development scenarios for Gazprom until 2050 with due consideration for the low-carbon trend in global economy, which will determine relevant climate goals.

Mitsui and Mitsubishi have talked about the Japanese Government’s involvement in managing emissions: the state has set long-term goals for enterprises to reduce greenhouse gas emissions by roughly 30 % by 2030. Additionally, the shareholders

rely on the shareholders’ experience and support in this area. In their turn, their interest in the company’s position, our desire to develop the company’s own agenda and the fact that we are actively participating in implementing climate initiatives proves that we are moving in the right direction and enhances Sakhalin Energy’s reputation as a responsible oil and gas project operator. We are moving forward and trying to make the best future for ourselves and the environment.

■ Recorded by Marina Moruga

Greenification of Energy Worldwide

Generating energy from renewable sources has become common practice fairly recently, but it is already quickly gaining popularity, becoming the preferred energy supply option for a growing number of users.

The global energy sector has entered a new stage of transformation – the so-called “fourth energy transition”. This transition entails reduction of CO₂ emissions and changes in the structure of energy consumption – the share of fossil fuel will gradually decrease, and that of renewable sources will grow.

Due to the favourable combination of stimulating climate trends and rising demand, which are noticeable both in developed and developing countries all over the world, solar and wind power is beginning to compete with the conventional energy sector.

In recent years, to combat climate challenges, the global community has been taking extraordinary steps to reduce carbon monoxide emissions (decarbonisation), and governments are currently going to great expense to minimise said emissions. 2015 saw the adoption of the Paris Agreement, aimed at limiting the rise of the Earth's average temperature to within 1.5°C and shifting towards a low-carbon development model. The Agreement has already been joined by 190 countries, including Russia.

The first energy transition occurred in the second half of the 19th century, when coal forced out biomass; the second one was linked to the spread of oil use (its share grew from 3% in 1915 to 45% in 1975); and the third one resulted in the wide-spread use of natural gas (its share increased from 3% in 1930 to 23% in 2017) due to the partial replacement of both coal and oil.

In 2019, the share of renewable energy sources (RESs) in energy production reached 27%. Based on various forecasts, it will keep increasing consistently. This will lead to a fall in demand for traditional energy sources. In light of these circumstances, Russian energy companies are faced with the task of preparing a development strategy for the new conditions influenced by the environmental conservation agenda and priorities of the countries that import energy resources. For Russia, the key markets have traditionally been Europe, China and the Asia-Pacific region. Therefore, prospects of non-renewable resources in the nearest future need to be analysed.

In 2020, renewable energy production outperformed fossil fuels for the first time in European history: green power accounted for 38.2% of all energy produced in the European Union, versus 37% generated by coal and gas power plants. Renewable energy sources are gradually pushing coal and nuclear power out of the European energy generation sector.

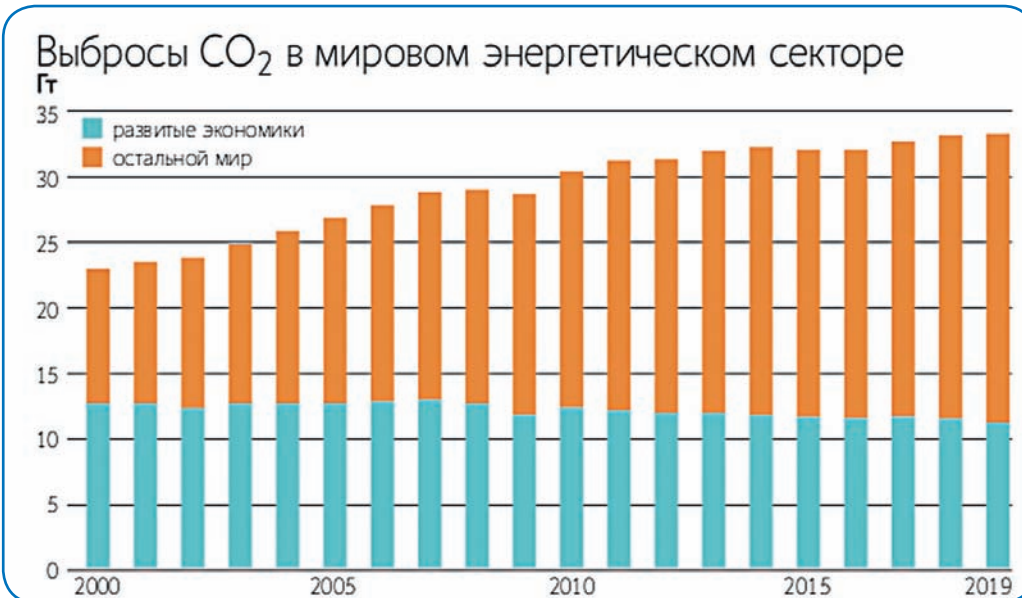
The rapid growth of wind and solar energy caused a decline in coal use, but this is just the beginning. Europe is relying on wind and solar power not only to wean off coal by 2030, but also to gradually stop using gas, replace closing nuclear stations, as well as to satisfy the growing demand for energy needed for electric cars, heat pumps, and electrolytic cells.

China has declared ambitious goals to make its energy sector greener: it plans to peak its CO₂ emissions by 2030 and, most importantly, achieve full carbon neutrality by 2060. If China adopts this decision, by 2060 its energy mix will feature almost no coal, and the

consumption of oil and gas will decrease dramatically. Carbon neutrality of the remaining fossil fuels will likely be reached through CO₂ capture and sequestration. According to this forecast, China's share of non-fossil fuel will exceed 80% by 2060 (it is currently 15%); its steep rise is expected to start in the 2030s. It is important to note that these numbers include nuclear power (its capacities will increase five-fold), which differs significantly from the European green vision. In absolute values, the volume of all renewable sources will increase and that of fossil fuels will fall several-fold.

Japan intends to achieve carbon neutrality by 2050. This would mean revolutionary changes in the energy sector and the economy as a whole. Considering that currently the country relies heavily on fossil fuels, there is a long road ahead towards that goal. The main efforts will be made in the development of alternative energy sources and new decarbonisation technologies. According to the analytical centre of Japan's Renewable Energy Institute, renewable sources must comprise at least 45% of the country's energy mix in ten years in order to achieve the goal. Such sources include sunlight, wind, water, as well as biofuel and household waste.

South Korea has committed to net-zero CO₂ emissions by 2050. Today, 40% of its energy sector runs on coal, and only 6% – on RESs, while the country is one of the top 10 global polluters. Its new national plan entails a ban on the construction of new coal power plants, the introduction of carbon taxes, development of large city parks, and a fast-paced shift towards RESs. By



2025, South Korea plans to triple its alternative energy capacities, allocating US\$7.2 bln for these purposes. Another US\$10.7 bln will be spent on the development of environmentally-friendly means of transportation. In five years, they expect to have 1.13 mln electric cars and around 200 thousand hydrogen-fuelled vehicles. For comparison, the 2019 numbers were several dozen times below the goal: 91.5 thousand and 5 thousand respectively. The government is prepared to invest in total US\$35 bln into RESs and environmentally-conscious infrastructure.

Yet, despite these declarations and forecasts, it is worth noting that renewable energy suffers from a critical flaw that threatens the energy security of any country or region: that is the instability of energy production and significant weather dependency. During windless (or stormy) and cloudy weather, the generation of electricity at renewable energy power plants can fall to critical values rapidly. As a result, idle renewable capacities will need to be compensated,

including by ramping up coal use, which would have a negative impact on the environment.

Additionally, renewable energy has other drawbacks, which can become problematic when the industry grows in scale:

- High loads on energy systems during sharp declines in electricity production due to weather conditions, which can lead to blackouts;
- Allocation of large areas of agricultural lands for construction of wind farms and solar power stations;
- Construction of energy storage systems similar in capacity to production facilities;
- High dependency of renewable energy on the rare earth metals industry (for the supply of lithium, nickel, cadmium, etc.);
- Processing and disposal of used materials, especially solar panels;
- Negative impact on ecosystems.

It is important to understand that the growth of installed capacities of wind power plants and solar panels is going to provoke a considerable surge in the consumption of rare earth metals, valuable minerals and plastic (for instance, neodymium and dysprosium play a strategic role in the production of wind turbines). If a country's own deposits of rare earth metals are insufficient, it will become dependent either on the suppliers with strategic reserves, such as China, or on equipment manufacturers.

Large-scale use of wind energy necessitates a significant boost in aluminium and fibreglass production – not an environmentally-friendly process. The low-frequency noise produced by wind turbines disorients animals and insects. In addition, the technologies for recycling wind power generators and solar panels are not yet applicable for widespread use – most of them simply end up dumped in landfills.

In conclusion, we have to accept that changes in the structure of energy consumption – a gradual decrease in the use of fossil fuel and the growing popularity of renewable sources – are inevitable. However, a complete abandonment of non-renewable sources in favour of RESs at the current technological level can lead to unfortunate consequences for the reliability of energy systems of entire countries. As regards the use of fossil fuels, we can expect only downward trends in terms of their share in the energy mix.

The scale and speed of the decline in oil demand will largely depend on the pace of energy efficiency improvement of road transportation and its electrification; in other words – on how soon we will completely switch to electric cars. Nevertheless, the future of oil will be in the hands of governments. The more aggressively they will minimise CO₂ emissions, the faster this energy resource will become irrelevant.

Coal has no place in the future of the European energy sector, especially since more and more countries set deadlines for discounting its use. There are two main scenarios: according to one of them, the

share of coal in the EU's energy generation will fall to 0% by 2050, the other one supposes that it might remain at 5%. This is shocking since, up until 2020, about half of all Russian coal export went to Europe, and sea ports in the Baltic Sea and near Murmansk worked to expand their loading capacities.

Out of all fossil fuels, natural gas has the best prospects on the global market. According to one scenario, without the forced decarbonisation of the world's energy sector, the global demand for natural gas will grow by one third compared to 2018 levels; a second scenario predicts that it will stay the same; and a third one, which expects the most aggressive CO₂ emission reduction, forecasts a decline in demand by one third. But at the same time, liquefied natural gas will become more popular; its consumption will primarily grow in Asia, where it will replace coal.

■ Prepared by Alexander Kiselev based on the materials of: dw.com/ru, kommertsant.ru, ru.sputnik.kz, plus-one.rbc.ru, gazprom.ru

Made in Russia: Awarding the Best

In February, an award ceremony was held for the winners of the first competition* implemented in the area of Russian Content development. More than twenty initiatives were submitted for competition, six of which were selected as the best ones.

“It is great to witness the current level of Russian Content in the project. It has come a long way since my days as a Sakhalin Energy employee 15 years ago. This is especially true for examinations and services. Russian Content is a shared responsibility. It is part of corporate responsibility and an important factor in the successful development of the Sakhalin-2 project, the region and Russia in general.”
Grzegorz Kulawski, Production Director



“Many thanks to everyone who voted for our initiative. This is the result of a concerted effort on the part of the Project Implementation Department, Financial Directorate and Supply Chain Management Department representatives. It’s a pleasure to receive such a high appraisal of our work from colleagues and management.”
Dmitry Lushpay, Head of Engineering and Technical Services Contracts and Special Projects



“Expanding Russian Content is a “two-way street”, and we expect Russian manufacturers to meet us halfway by consistently improving their products.”
Roman Sinitskiy, Deputy Finance Director, Supply Chain Manager

“As Head of the Subdivision, I am very pleased to host this ceremony for the first time in the history of the company. It is the efforts of each and every one of you that lie behind a strong performance like this. I thank you for your professional approach and invaluable contribution to the common cause. I’m sure—you will not rest on your laurels!”
Alexander Lapin, Head of Russian Content Development and Vendor Relationship subdivision

“The past few years have been marked by a noticeably growing number of examples showcasing the successful application of high-tech equipment produced in Russia at the company’s facilities. Suffice it to recall REP Holding, Izhorskie Zavody and Borkhimmash. “Today, Russian industry is on the rise, and we must make the most of its potential.”
Oleg Yakovlev, Head of the Design Subdivision

SIX WINNING PROJECTS:

- Replacement of the adsorbent at the LNG plant mercury removal unit by Tekhnologii i Katalizatory (TiK)
- Engagement of Promsystems in critical operations at the OPF
- Accelerating the implementation of the project to transfer the engineering services contract from Production Services Network Sakhalin to Gazproektengineering
- Conclusion of a contract with ROGII for the provision of geosteering services during well construction in the Astokhskoye field
- Conclusion of a contract with Electromashina for the overhaul of the backup emergency generator
- Implementation of a new strategy for the procurement and provision of personal protective equipment, in which concurrent PPE supply contracts were concluded with three Russian companies

* The competition is held twice a year as part of the Sakhalin Energy employee incentive programme for contributions to Russian Content expansion. The next call for applications will take place in April, the results will be announced in June.

Sakhalin “Registration” for Cooperation

“To understand how the machine works, you have to dip your hands in oil,” says Grigory Trofimov, Promsystems Executive Officer. He talked with us about how one of the main principles of the company’s production philosophy is being applied to the Sakhalin-2 project, about his work experience with Sakhalin Energy, and about plans to localise maintenance services on Sakhalin.

– What brought you to partner with our company?

– It all started with the repair of an electric motor by our specialists at the Onshore processing facility (OPF) back in 2018. A year later, on the sidelines of the Eastern Economic Forum in Vladivostok, Sakhalin Energy, EthosEnergy Light Turbines Ltd. and our company signed a trilateral Memorandum of Understanding to plan the localisation of maintenance services of gas turbine equipment.

In autumn, our specialists took part in OPF repair work: maintenance of the H-25 gas turbine unit by the Japanese manufacturer Hitachi (together with the MHPS company representatives) and the main generator Brush. All work was completed on time and without any complaints.

– You developed and agreed a roadmap with Sakhalin Energy. What has been planned there?

– First of all, we’ll do the maintenance of the gas turbine equipment (including compressors, generators, electric motors, drivers), instrumentation, electrical equipment at the company’s production facilities. We have a large scope of work planned for 2021, which we will perform during the shutdown.

– What can you say about your experience with Sakhalin-2?

– So far, we are only dipping our toes, but we can already feel a great interest on the part of Sakhalin Energy in establishing a reliable partnership, and we are grateful for the support in developing our business on Sakhalin. We managed to find understanding and build good working relations with the company’s specialists. In our work, we focus on providing a unique service that meets the needs of a particular client. Their opinion is very important to us. We try to take all the necessary requirements into account



Grigory Trofimov at the conference “Sakhalin Oil and Gas 2020” conference

and provide a product that does not only meet the quality standards of the foreign items, but also surpasses them.

– Today, Promsystems is one of the leaders in repair and maintenance of gas turbine equipment in Russia. How did you manage to achieve such impressive results?

– We began to provide repair and maintenance services for rotating equipment, including foreign gas turbines, back in 2013. This is a field-specific service that requires extremely high qualification of the engineering staff. As a rule, work is carried out at the client’s assets on a production site. Our specialists have extensive experience in oil and gas projects both in Russia and abroad, including on the shelf. They have over 40 repairs under their belt, which included not just fitting works, but also supervision. All our supervising engineers work in the field.

We follow the philosophy: “To understand how the machine works, you have to dip your hands in oil. You won’t be able to learn it from books.” It is extremely important for us that all specialists have real experience working at production facilities. It is the high qualification and production experience of our engineering staff, along with flexibility, mobility and an individual approach, that allow us to occupy a leading position in today’s Russian market.

– At the Sakhalin Oil and Gas Forum 2020, your company signed an agreement and became a resident of the Sakhalin Industrial Park (SIP). What do you expect from participation in the SIP?

– In my opinion, this is a very promising project, and we look at it as an excellent opportunity to expand our range of services and become a valuable connection point in cooperation with various oil and gas companies. This year, we are planning to obtain Sakhalin “registration” and localise our company on the territory of the SIP. In addition to maintenance and repair of rotating equipment, we are ready to develop such areas as balancing, welding, machining and others.

– What will you focus on under this project?

– First of all, it’s work carried out for Sakhalin Energy. It seems to me that setting up a production and technical facility for the repair of oilfield service equipment in the region is a correct and timely decision. Nowadays, when international borders are closed and the risks of inviting foreign specialists are very high, it makes sense to have an internal resource to carry out such work. This is especially true for large-sized equipment, which costs as much to send abroad as to repair.

Our own repair facility will allow Sakhalin Energy to ensure a stable and continuous production process, reduce the time of work and minimise transport costs, which is important given the remoteness of Sakhalin from the country’s main infrastructure.

In our turn, we are ready to develop and build up the necessary competencies to be able to provide the widest possible range of services and become a reliable partner for Sakhalin Energy.

corporate culture

Silence is Not Always Golden!

Nowadays, a growing number of companies make corporate ethics and comfortable working environment their priority. Back in the days, a major focus was placed on the comfortable workplace, good infrastructure, and safety. However, today the accent has shifted more towards psychological comfort and fighting against toxic environment.



Have you faced the violation of Code of Conduct and don't know what to do? Or have you tried everything, but the situation is not getting better? Sakhalin Energy has a solution: call the Whistleblowing Hotline!

Recent studies show that the toxic work environment makes companies lose up to US\$45 billion a year, while fraud, another burning issue, strips them of up to 5% of annual profit.

Although global companies resort to various means to expose cases of unethical behaviour and fraud, almost one third of violations are brought to light thanks to the information from employees.

That means there is a direct correlation between the number of known corporate ethics violations and the proactive attitude shown by employees, as well as the opportunities to report such violations honestly and without any repercussions.

Whistleblowing Hotline is one of the most convenient means for handling difficult ethical situations. Whistleblowing Hotline is available for anyone who is involved with Sakhalin Energy: company employees, contractors, customers, community leaders.

Company employees and any stakeholders can call the Whistleblowing Hotline to report the following issues:

- cases of corruption, fraud and theft;
- violations of purchasing procedures;
- abuse of power and malpractice;
- unethical behaviour;
- any other violations of Code of Conduct.

However, you must remember that it is not allowed to report deliberately misleading or false information compromising the company's employees and other persons. Also, any non-work-related information will not be taken into consideration (for example, reporting any family or personal problems of the company's employees).

An investigation will be initiated following any report related to the company's business. The callers are guaranteed fairness and confidentiality in the process of investigation.

Whistleblowing Hotline team
+7-4242-29-99-66
whistleblow@sakhalinenergy.ru

Any information can be reported to the Whistleblowing Hotline anonymously. However, contacts of a caller will allow to obtain all the required details for further efficient investigation and to provide feedback to the caller.

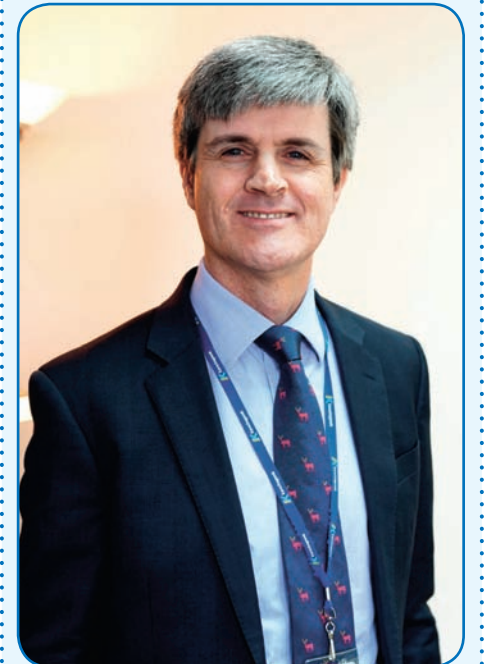
Only together can we fight the violations within the company. Remember: silence is NOT always golden!

■ Anastasia Konovalova

appointment

Welcome!

We are pleased to welcome David Cox to the role of Ethics and Compliance Manager.



David is an English solicitor who started his career with Allen & Overy in London before working extensively in China, South East Asia and Kazakhstan. He has developed expertise across a broad range of legal disciplines including corporate and commercial, and construction and projects, as well as compliance and regulatory affairs.

In 2010 David moved to Singapore to join BG Group, which later combined with Shell, as the Asset Legal Counsel and Local Compliance Officer for South East Asia and China. He supported both operated and non-operated business units with their ethics and compliance programmes, advising on anti-bribery and corruption, conflicts of interest and regulatory compliance risks, and providing training and communications to promote correct behaviours and culture.

Before joining Sakhalin Energy, David was the Legal Compliance Counsel at Karachaganak Petroleum Operating BV in Kazakhstan, another Shell joint venture, where he led the ethics and compliance programme through a period of renewal.

Sakhalin Energy is David's first assignment in Russia. Of his new role David said: "I am delighted to be here as the Ethics and Compliance Manager. Sakhalin Energy has a clear commitment to ethics and compliance, zero tolerance to corruption. I look forward to working with colleagues in delivering this commitment throughout the company."

We wish David lots of success in his new role.

■ Alla Priimich

bookshelf

"Green" and interactive



In February the traditional Journey Book for 2021–2025 was published. Chief Executive Officer Roman Dashkov pronounced about this in message to all staff.*

This year we will use only the electronic version. This is not just a pdf-edition, but an interactive version with a user-friendly interface. It allows you to work with individual sections, references and tables.

The new Journey Book is called "In Special Focus" – such unit has appeared in each of its sections. In particular, the focus will be on updating the corporate management system, the business process model, and optimising within budgetary limits.

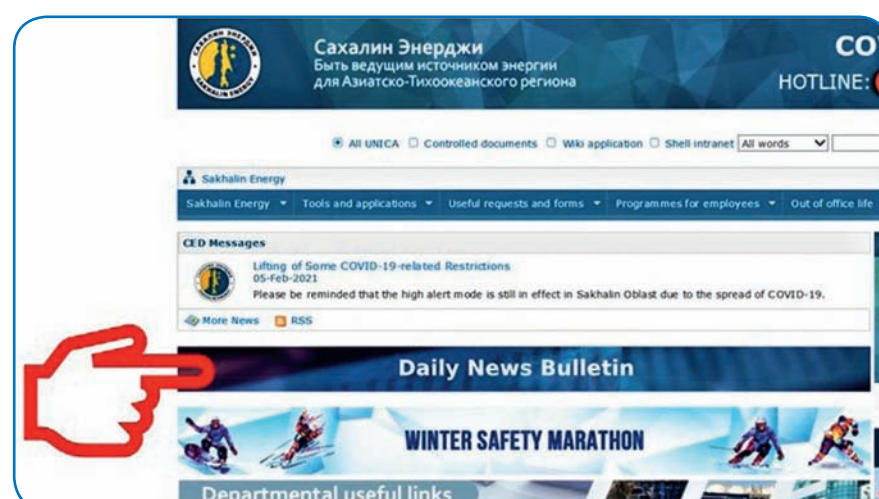
The book remains the starting point for planning the work of all Sakhalin Energy's directorates and divisions. The information resource, which presents goals, objectives and key performance indicators, helps us see the vector of the company's development and work to ensure its continuous operations.

* Includes the link on electronic version of Journey Book.

communications

The new reality has forced many employees of the company to work remotely. However, when we connect to the company's Intranet from home, we cannot automatically load the news screen. The news screen is a source of information we use on a daily basis, our electronic equivalent of a newspaper. But in fact, it takes just two clicks to continue receiving corporate news. One: open the Intranet home page. Two: activate the Daily News Bulletin banner. Done! Now you will always be aware of what is happening in the company!

In Two Clicks



The Journey Continues



“Without continual growth and progress, such words as improvement, achievement, and success have no meaning” — Benjamin Franklin

The path to improvement can be compared to sailing through a storm. From this perspective, it is important to keep going, to get through the storm, bending with the wind and keeping the ship’s crew safe and ready to move forward towards their goal.

For the Commercial Directorate initiative group for continuous improvement, 2020 was a year of change. The global pandemic made us revise our work plans and processes, change our approach to the implementation of projects and programmes. But the main goal of our group remained intact: to increase the number of initiatives and to motivate colleagues who are working remotely.

Immediately after part of the staff shifted to remote work, the Commercial Directorate got a special page on the wiki. That’s the place where each subdivision can update information and share the progress of their projects. Moreover, we launched a weekly e-newsletter featuring material on continuous improvement in our Directorate. There you can find information about events related to initiatives that have been implemented or are under development, learn how to

Directorate’s digitalisation team. We believe that such a merger provides more opportunities to simplify and streamline operational processes.

Sports events hold a special place in the life of our Directorate. Since June 2020, we have had three fitness competitions: two for our own employees and a third one with our colleagues from the Finance Directorate. The number of participants was record-breaking: 95 people. Wiki is a great virtual platform for achieving common goals. It makes you feel like a member of the team and helps you keep in touch with colleagues. We plan to continue with fitness challenges this year, as we received a lot of positive feedback and requests from colleagues.

While working on the action plan for the initiative group in 2021, we focused on what colleagues specifically need to develop and implement initiatives, since

Commercial Directorate’s e-newsletter

use tools, techniques, and approaches to modernise workflows, read interviews with colleagues, which are also posted in a video format. All the Directorate’s employees contribute to the process: they come up with topics for publications, prepare materials, and provide feedback. The newsletter helps to keep track of the life of the Directorate and interact with all employees.

Our work on implementing continuous improvement program has led to excellent results: the number of initiatives has increased, and their quality has improved. Despite the new challenges, there is much more room for creativity when it comes to solving work problems. An initiative to optimise the process of issuing customs declarations is one example. It cut the relevant annual costs of the company by ten times. One of our recent initiatives aims to merge with the Commercial

the development of the company directly depends on the self-development and self-improvement of each employee. Therefore, our task is to help colleagues so that they have a sincere desire, a professional understanding of how to improve what surrounds them, is within their area of personal control and management.

We will do this by organising Continuous Improvement trainings, publishing articles and expert interviews in the pages of the weekly newsletter, providing recommendations on how to read business literature, organising online meetings with colleagues from other directorates to communicate and share experiences and successes. Thus, the year 2021 will pass for the Commercial Directorate under the slogan “Continuous Improvement – for people, for you!”

■ Nadezhda Obschina, Alina Azizova

The Power of Communication

The second facilitation session for the LNG plant Maintenance Team took place in February.

At the end of last year, LNG plant specialists Ivan Shamonaev and Lyudmila Khimchenko asked the Human Resources Directorate to continue the work to improve communication between their teams. The first such collaboration among the company’s units took place a year ago: at that time an event was organised for work order preparation specialists, supervisors and planners.



“Workshops for the Prigorodnoye Asset Maintenance and Repair Team have become regular, and their format is being continuously improved. The one thing that does not change is its objective. The goal is to ensure effective teamwork that is based on the responsibility, professionalism and competence of each employee,” said Ivan Shamonaev, Head of Maintenance.

Specialists of the Skill Pool Creation and Development Subdivision Olesya Kovalenko and Elena Ilkina suggested a contemporary teamwork tool — a facilitation session — and developed a detailed interaction scenario which helps teams with a task handling process.

They faced the task of holding a meeting in the age of the coronavirus, with due regard to restrictions and in compliance with safety measures. Furthermore, they had to arrange the session outside the production facility. To minimise risks related to COVID-19, the organisers decided to divide participants into five groups and host the event in a combined format. Offline attendees were accommodated in the conference halls of the Pacific Plaza Hotel; the rest joined the meeting virtually from the LNG Production Training Centre.

Thanks to IT specialists’ efforts, everything went smoothly. Colleagues Artyom Porosenyuk and Anton Marin promptly handled technical issues in the course of the workshop, quickly reacting to changes, demonstrating patience and readiness to help.

In the first half of the day, the session participants listened to Evgeny Barabanov and Tatyana Sirenko’s online presentations on CAP (competence assurance programme). Then, Inur Khuziakhmetov talked about the implementation of continuous development in 2020. The second half of the day started with the Ivan Shamonaev’s report on the results of the Maintenance Team’s work last year. Afterwards, the attendees moved on to the practical portion, during which they participated in business games. According to the attendees, the event format allowed

them to examine bottlenecks first-hand and to understand their own roles and level of responsibility in implementing production tasks.

A special module-based programme for training and developing Level 7 and 9 employees was presented in the course of the event. It had been developed by the Skill Pool Creation and Development Subdivision

specifically to be implemented in the next two years. “The module-based programme will allow us to develop and improve leadership and general business competences of the plant workers and create a skill pool to promptly fill vacant positions,” said Olesya Kovalenko. “The most valuable aspect of this programme, as an internal tool that meets the

requirements of the plant’s top management, is that the training process can be altered, if necessary, without any financial costs.”

Discussions went on the entire day: the teams assessed the quality of interaction and the main criteria that they had worked on during the previous year, and developed a list of criteria and a plan of events for the current year.

“Team facilitators (Olesya Kovalenko, Mansur Madaliev, Elena Ilkina, Alexey Kozik, Viktoriya Tishchuk, Ivan Shamonaev and I) managed to handle all the tasks and minimise gaps in communication, ensuring the right conditions for a productive dialogue inside the teams. It is important that all specialists were genuinely engaged and actively participated in the event,” stressed Lyudmila Khimchenko, Deputy Head of Maintenance.

At the end of the session, the attendees defined parameters for assessing the quality of team communication: a uniform understanding of the criteria, staff competence, emotional state of employees, quality and speed of maintenance preparations, quality of scheduling. All the session’s members put their best efforts into identifying areas in need of development using the Nine Planets leadership competence model, as well as general business competences and personal effectiveness skills. The group unanimously agreed that the quality of communication, cooperation and mutual help at all levels of responsibility had improved dramatically. For the management of the subdivision, this was the most important and representative evaluation of last year’s performance. This result is confirmed by the efficient work of the Equipment Repair and Maintenance Shop, as well as by the outstanding production indicators of the Prigorodnoye production complex.

“We are grateful to all the organisers and we will continue to work closely with key staff development subdivisions,” said in conclusion Alexander Singurov, Deputy Production Director, Head of Prigorodnoye production complex.

■ Alyona Olovyanishnikova

Guarded by Sputnik

The Sakhalin Oblast is one of the first regions in the country and in the Russia's Far East to start vaccinating its residents against coronavirus. We talked to Vladimir Kuznetsov, the island's Minister of Health, about how to prepare for the procedure and how effective the vaccination's protection is.



– Vladimir, the vaccination rollout is fully underway in the Sakhalin Oblast, which begs my first question: which vaccine is currently offered in the medical facilities of the region, and which alternatives are going to become available later? How are they different?

– Today, we are providing the Sputnik-V vaccine developed by the Gamaleya Research Institute of Epidemiology and Microbiology. One package includes one or five doses. This is the version that will be used for mass vaccination in the nearest future.

There is another vaccine against SARS-CoV-2 that has been registered in the Russian Federation – EpiVacCorona, created by the Novosibirsk Vektor Centre. An offering from the Chumakov Federal Scientific Centre is undergoing clinical trials.

Additionally, the Gamaleya Centre is preparing the launch of the Sputnik Light version, which is currently in the clinical trial phase. I assume that we are going to be one of the first regions to receive it. Unlike other vaccines that require two doses, Sputnik Light is expected to develop immunity with a single injection.

For patients, the difference between the versions is virtually non-existent and has more to do with, in laymen's terms, how the genetic information of the virus is stored in the carrier.

– Which vaccine would you recommend to people aged 65 and older or to those suffering from chronic illnesses?

– I'll repeat what I always say: the decision on the method of vaccination and side effects is made by the doctor in each particular case. Before the medical examination, each patient fills out a questionnaire with information about their health; then they are examined by a doctor, and only then is it decided to greenlight the patient for vaccination or not. To date (*ed. note:* as of the day of the interview – 10 February), over 20 thousand Sakhalin and Kuril residents have already been vaccinated. Some of them fall into the most vulnerable group – people aged 65+, who often get more severe symptoms when infected. Due to the potential dire consequences of coronavirus, they are encouraged to undergo vaccination to receive additional protection.

– How do anti-COVID injections interact with other vaccines, for example, with flu shots?

– In this regard, I only have general recommendations. If you have received a dose of a vaccine against a disease, wait at least four weeks before getting a shot of a different kind. It is best not to mix them.

– Should people who have already had COVID get vaccinated?

– It will definitely not harm them. When is the best time to get the shot? On average,

3–6 months after recovery. Any person can narrow this time frame down independently by testing themselves for antibodies. Before the vaccination itself, there is no need to get a PCR test or an enzyme immunoassay. The vaccine itself is completely safe for patients, and there are already a lot of people in the Sakhalin Oblast who have already been sick with coronavirus and have got vaccinated.

– So, there are no contraindications?
– None.
– That means that today, any adult-aged island resident can get vaccinated. Can foreign citizens also get the shot here in the region?

– At present, our primary task, as representatives of the national healthcare system, is to ensure safety of the citizens of Russia. Consequently, foreign citizens have to get vaccinated in their home countries. Unfortunately, for now, they are unable to get the shot here, even if they are willing to pay for it. Why “unfortunately”? Because quite a lot of foreigners live and work on the island, and they can get infected and spread the virus. Obviously, we would prefer to avoid that through vaccination. In this regard, we have already sent a request to the RF Ministry of Health for approval. We are now waiting for their answer.

– Could you talk about the vaccination process itself? How is it organised?

– We are providing a so-called “integrated package”: you go to a medical facility to a general practitioner, fill out a questionnaire, get examined by the doctor and only then receive the injection. You need to stay under medical supervision for the next half an hour in case of any possible allergic reactions. During this time, all relevant information is entered into an electronic register. Afterwards, you are invited to use the Portal for State Services to share updates on your condition in an observation diary or provide this information to your local hospital.

– After getting the shot, people often report feeling unwell. What causes this and what should you do in this situation?

– If you mean the short-term elevated body temperature and flu-like symptoms such as a stuffy nose, fatigue, muscle weakness – they are all side effects of the vaccine. Do not get alarmed. This is simply our body reacting to the vaccine. The doctor is supposed to warn you about this during the procedure. The doctor shall also list possible manifestations of this reaction: how high your body temperature can get, when you should do something about it, when to seek medical attention if you think you've got sick.

We have not seen a single case when a person has fallen ill because of the vaccine. Some patients experience temporary body temperature elevation, sometimes above 38°C. But this is always a one-time occurrence, which does not come back after you take anti-fever medication.

– Nowadays, there is plenty of information about everything that has to do with vaccines against SARS-CoV-2. Some reports suggest that after getting the injection, it is best to spend three days at home and wear a mask.

– These suggestions for staying at home and wearing a mask for three days are not

medical recommendations but simply a commonly shared belief. Why? Because our immune system detects new pathogen in our body, against which it needs to develop antibodies and prepare our body for defence. It is believed that in these conditions we can be more susceptible to other infections.

– Do you have any recommendations for what to do before the vaccination? How to prepare for it?

– My only advice is to lead a healthy lifestyle.

– And, perhaps, afterwards as well?

– Afterwards, it is even more important! Let me explain what I mean... When patients think about getting vaccinated, they often ask if they can consume alcohol. Well, we recommend that they refrain from drinking hard liquor. The thing is that vaccination entails an immune response to a pathogen. It is presumed that alcohol consumption and strenuous physical activity, for example, intense training, lead to additional stress for the body, which in itself can lead to excessive reaction to the injection.

These risk factors are not interconnected but they can exacerbate each other. Some patients also ask what they can and cannot eat. The answer is – whatever you like.

– How long does the protection last? And how effective is it?

– Initially, it had been reported that the vaccine protects you for two years, but then this information has been revised. Today, we are talking about a period from six months to a year. Since the vaccine has been developed quite recently, these numbers can change again. For example, Valery Limarenko,


Governor of the Sakhalin Oblast, got the shot in July 2020 and has been feeling well ever since, despite numerous people from his circle getting sick.

Now, regarding the efficiency, I would recommend that you continue complying with safety measures even if you've been vaccinated. That is what I do, and I advise others to do the same.

There is another thing. Getting the anti-COVID vaccine does not mean that you will never get sick again. Just like vaccines against the flu and other diseases can't guarantee it either. It is important to realise that by getting vaccinated you can be certain that your body is prepared for contact with the novel coronavirus infection. If you encounter a rather small amount of the virus, you might not even get infected. And even with a bigger “attack”, you will have much milder symptoms.

In conclusion, I would like to work up the courage and take this opportunity to wish all female residents of the Sakhalin Oblast, including the women of Sakhalin Energy, to stay charming and captivating! Continue steering the chaos of men in the right direction, support us when we need it, and define the reason for male existence! My dear ladies, I hope you will always have a reason to smile and be happy! Stay safe and happy International Women's Day!

■ Prepared by Tatyana Derivedmid, Pavel Ryabchikov







COVID-19 VACCINATION

#VACCINATION
The following COVID-19 vaccines have been developed in Russia:

- recombinant Viral Vector Vaccine Gam-COVID-Vac (Sputnik V);
- recombinant Viral Vector Vaccine Gam-COVID-Vac-Lyo;
- peptide antigens-based vaccine EpiVacCorona.

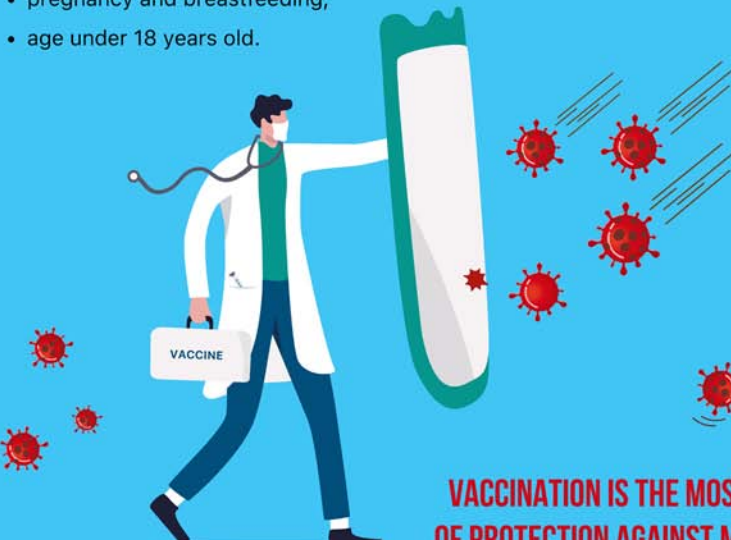
#VACCINATIONPOSSIBLE
You can get vaccinated against COVID-19 if you:

-  are over 18 years old;
-  do not have ARVI symptoms during vaccination and were not sick in the last two weeks;
-  did not get vaccinated for the last 30 days;
-  are not pregnant and do not breastfeed.

#BEWARE
Main contraindications

- hypersensitivity to certain vaccine components;
- history of severe allergic reaction;
- exacerbation of chronic diseases;
- pregnancy and breastfeeding;
- age under 18 years old.

#IMMUNITY
Vaccination is one of the most efficient ways to generate personal and herd immunity against many infections including COVID.



VACCINATION IS THE MOST EFFECTIVE WAY OF PROTECTION AGAINST MANY INFECTIONS!



Pitstop Number Four – «The Severe One»

“Gosh, it’s cold!” is probably one thought that is bound to pop into your head this Sakhalin winter. The freezing weather truly follows you around: you step outside to leave the comfort of your home – and there it is, “scanning” you up and down for warm clothing. And just you try and leave your hat or gloves at home – an oversight like this will cost you hundreds of cold “bites”. This weather cannot be ignored – and the participants of the winter safety marathon didn’t dare to. During their fourth pitstop, they considered the issues falling under the concise category of “severe weather conditions”.

MOTIVATION BY EXAMPLE

To remind the participants of the importance of the chosen topic, the hosts of the “race” singled out some vivid examples of weather-related incidents. One widely occurring incident involved injuries caused by snow falling from roofs. Yet another story had you pause for reflection: it’s uncanny how easy things are when they happen under normal weather conditions, and what a huge challenge they can become should a blizzard break out. As baffling as it may seem to physically strong people, literally anyone who happens to be outside faced with a heavy snowfall and windstorm may feel unwell, faint and just fail to make their way home. Incidents like these are sadly not uncommon.

I’m pretty sure we all have our personal “winter incident” story. After all, there is no shortage of risks around! Slipping, stumbling and falling, icicles crashing down from up high, icing and snow banks... Let’s also keep in mind the threat of frostbite, poor visibility causing road accidents, and risks of being hit by special machinery in service or getting trapped in snow during a trip out of town. So, how can you protect yourself and your loved ones from this? The easiest answer – never leave your house. Admittedly, it’ll make things simpler, but not more efficient.



NO PUNISHMENT FOR GOOD DEEDS

Back in the day, one effective way to avoid trouble was described in “The Wise Gudgeon” – a classic satire by Mikhail Saltykov-Shchedrin. But, judging by its finale, following the protagonist’s footsteps to hide from all the dangers of the world is not an option. A much more viable alternative is to prepare yourself to face the risks, at the minimum to find ways to reduce them, or better yet – eliminate them.

The winter marathon participants did just that by focusing on measures for risk mitigation. As in the previous stages, proposals were assessed for both their practicality and originality, for the marathon is mainly about motivating the company’s employees and contractors to come up with their own initiatives to improve safety at the Sakhalin-2 project. The hosts of the marathon provided ample opportunities for their colleagues to share their experience and make their creative potential shine.

“As part of the Winter Safety Marathon, we are holding a corporate video competition “Winning Together!” which

is scheduled to run through 31 March. Applications keep on coming in, with about twenty short videos received to date. Almost a third of them were submitted by the HR Directorate, who are still in the lead for this portion of the marathon. Family videos and submissions prepared exclusively by children are also a thing, and these are particularly nice to see,” – said Alyona Olovyanishnikova, Deputy Head of the Corporate Events and Government Relations Subdivision, on behalf of the competition’s hosts.

To those who still considering participating, the organizers sincerely recommend giving free rein to their creative energy. So, colleagues, while there is still time, shoot and send five-minute videos about safety rules at work and at home to ea@sakhalinenergy.ru.

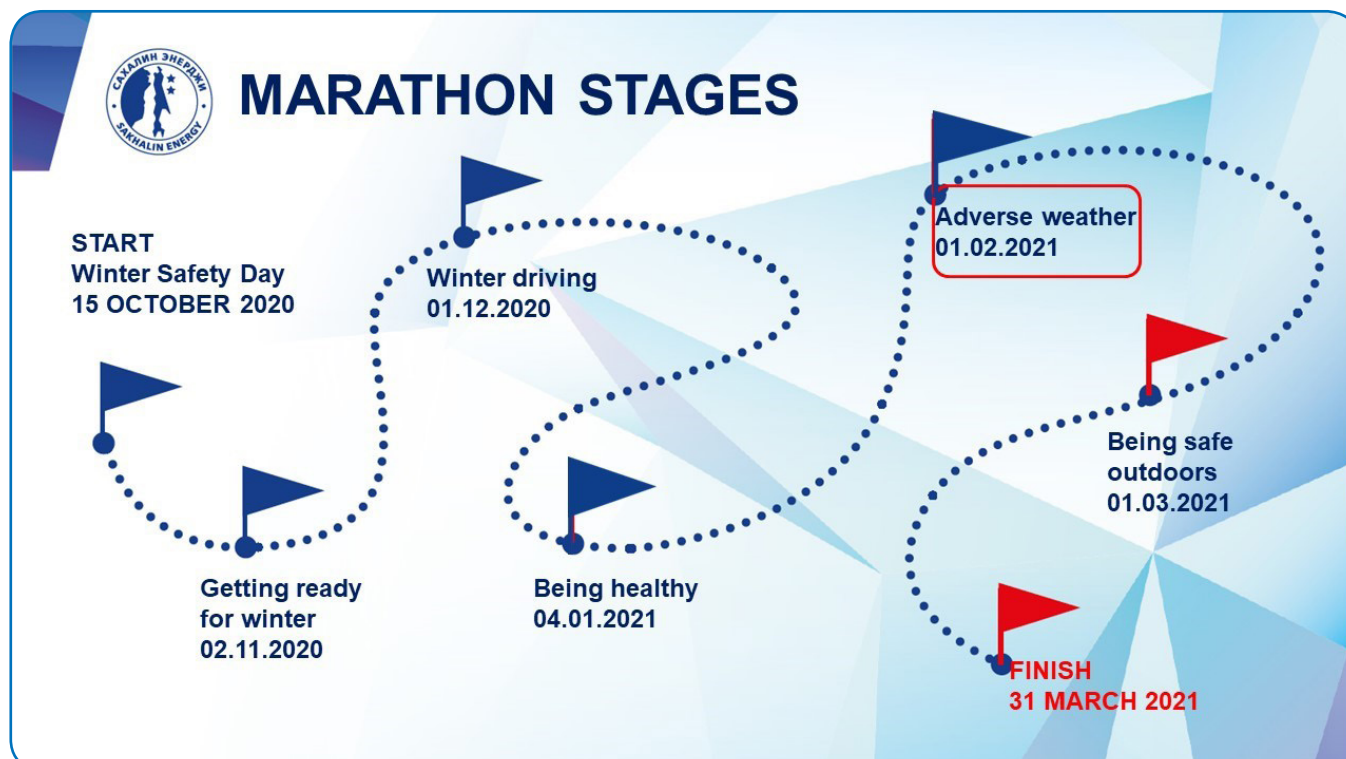
MEET THE LEADERS!

And finally, our marathon heroes – the leaders of the standings and individual rankings! As is customary, standings results are presented graphically (see the table on the page), and the individual “Active Participant” category goes to:

- **Anastasia Kharina** (Sakhalin Energy, Technical Directorate): for encouraging colleagues to take up sports as a lifestyle
- **Denis Karpov** (Sakhalin Energy, the Engineering and Maintenance Department): for an excellent presentation on the hazards of slips, trips and falls
- **Alfred Zainullin, Dmitry Shubny, Valeria Beck and Elena Bokhovko** (Sakhalin Energy, the Corporate Affairs Department): for a creative and informative presentation with recommendations for popular winter activities
- **Renata Chumarina** (SSPEB, Approvals and Compliance Division), who expanded the pool of Winter Security Marathon participants and, in liaison with colleagues, held a special event (including an unscheduled briefing) at the SSPEB branches in Moscow, St. Petersburg, Samara, Khanty-Mansiysk and Ufa

So, the fourth stage of the marathon has been successfully completed! Stage five is not far off, and the finish line will soon loom on the horizon. Hence, now is the time to make every effort to summon your strength, step on the gas and... leap to victory. We’re in it together to win it together!

■ Pavel Ryabchikov



Winter Mood...

photostory

contest

Now winter is coming to an end... The silvery snow, already warmed by the spring rays of the sun, knows that it will soon turn into ringing streams. But the new batch of inspiration is still filled with the whiteness and crisp freshness of snow – catch the winter mood through the lens of our colleagues...



...AND WELCOME SPRING!

I Am a Journalist. What About You?

2020 might have been quite challenging, but it was also quite an interesting and memorable year. A planned shutdown at the company's production facilities amidst a pandemic, unique digital technologies introduced to Sakhalin-2, social engagements arranged in a new format – these and other events became the subjects of numerous news stories for the corporate I Am a Journalist competition, which celebrated its 10th anniversary.



Last year, the Production Directorate was deservedly the steadfast leader of all stages of the journalist derby. Following the results of the fourth quarter, it also became the overall winner of 2020. The HSE Department and the Human Resources Directorate were worthy competition to the gold winner – they placed 2nd and 3rd respectively.

We would like to congratulate the winners and wish the other units of the company to be as active and to encounter interesting stories that they would want to share with colleagues. In the meantime, we are announcing the new cycle of the competition for 2021. As usual, results will be announced every three months.

Once again, here are the main rules: to bring victory to your unit, send news and ideas for articles, information about events which other employees should know about or would be interested to learn. Has your team achieved high operational indicators, or completed a project with flying colours? Are you taking part in a charity campaign, or have decided to tell others about your hometown? Then you need to become a journalist.

The winner is determined by adding up the number of posts and publications in all Sakhalin Energy corporate media outlets: the weekly News page, Vesti, the corporate website. Illustrations are encouraged: photographs, infographics, tables.

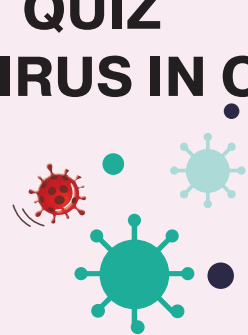
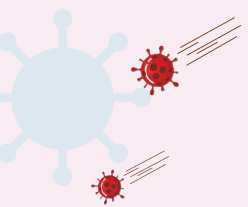
Furthermore, based on the decision of the Corporate Affairs Department, an additional individual nomination for outstanding participants might be introduced. Send your stories to ea@sakhalinenergy.ru and increase your odds of winning.

■ Elena Glavanova

Shall We Show Coronaknowledge?

For more than a year now, we have been living with a coronavirus pandemic and have learned a great deal about this dangerous disease. We invite you to be smart and answer the quiz – we're sure the questions will be easy to answer. Prizes and gifts await the first five people who submit the correct answers to ea@sakhalinenergy.ru

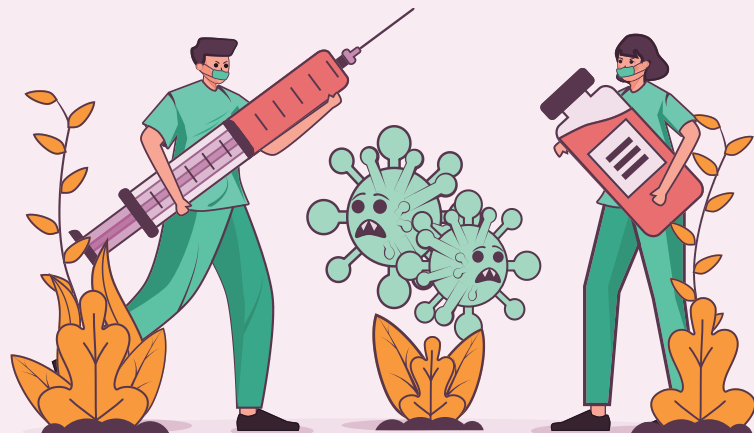
QUIZ CORONAVIRUS IN OUR LIFE



1. A substance or treatment which is designed to have no therapeutic value but can affect how patients perceive their condition and encourage the body's chemical processes for relieving pain and a few other symptoms.
2. The ability of an organism to resist infection or toxin.
3. A substance used to stimulate the

4. A person who agrees to test new medicine.
5. One may wear it on the head, another may be a carrier.
6. Projection on the virus surface that can be seen in a microscope.

7. Protects from viruses, covers face.
8. Hand antiseptic.
9. Short strings of amino acids, act as structural components of cells and tissues.
10. Antigen, a foreign substance which induces an immune response in the body, especially the production of antibodies.
11. A quantity that has both magnitude and direction. Russian Centre for Virus Research.
12. City in Siberia, a scientific centre.
13. A state, period, or place of isolation in which people that have arrived from elsewhere or been exposed to infectious or contagious disease are placed.
14. Genetic variant or subtype of a microorganism (e.g., a virus, bacterium or fungus). Can be differentiated by their genetic makeup to maximize resolution within species.
15. A blood protein produced in response to and counteracting a specific pathogen (bacteria, virus).
16. Distance safe length of the space between two points.
17. The sense of smell.
18. The changing of the structure of a gene, resulting in a variant form.



All materials are cited from open sources.



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