



VESTI

Sakhalin Energy

Highest class A1
in the 2021 Russian Business
Anti-Corruption Rating

OCTOBER 2022

26th

THE FAR EAST ENERGY FORUM SAKHALIN OIL AND GAS

2022

SAKHALIN ENERGY
**САХАЛИНСКАЯ
ЭНЕРГИЯ**

**ЕДИНЫЙ
ЦЕНТР ИНТЕГРАЦИИ**
UNIFIED INTEGRATION CENTRE

Sakhalin Oil and Gas – 2022

The 26th Far Eastern Energy Forum 'Sakhalin Oil & Gas 2022' concluded its work in Yuzhno-Sakhalinsk. For three days, from 28 to 30 September, representatives of federal and regional authorities, leading scientific and technical organisations, and top managers of domestic and international oil and gas companies discussed strategies for transforming and adapting of the energy industry to new challenges

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Patriotic Rock Music: Energy

The best employees of the Company were awarded on Oil and Gas Industry Workers' Day. The professional celebration was highly emotional – a worthy contribution to this was made by the musicians of the patriotic rock band Lyube

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Molikpaq: Winning Every "Cargo"

A shutdown has recently been completed on the Piltun-Astokhskoye-A (Molikpaq) offshore platform. Its main outcome is the safety of people and the stable operation of one of the Company's key production facilities

planned shutdown – 2022 8

Destiny is a Matter of of Choice

Vasily Samoilov, LUN-A Offshore Installation Manager, has been a member of the Sakhalin-2 project team for a quarter of a century. He spent most of that time out in the field' or, rather, at sea – on the Molikpaq and LUN-A platforms

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Crossteam: Keep Going!

What is your ideal morning? Do you suffer from back pain? How do you deal with challenges, including emotional constrains? Crossteam platform launched as part of the Great Fuel&Co Expedition, has been providing such assistance to all employees of the Company

Great Fuel&Co Expedition 15

In The Footsteps of Krusenstern

An exhibition opened in Yuzhno-Sakhalinsk dedicated to the Russian navigator Ivan Fyodorovich Krusenstern. The exposition, containing more than 100 memorial items and relics of the famous discoverer, can be seen till 28 November

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THREE
large-scale industry forums in September were held with the participation of Sakhalin Energy

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CURRENT EVENTS

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September

The Sakhalin Oblast Days were opened at the State Historical Museum with the participation of Sakhalin Energy
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September

REP Holding and Sakhalin Energy LLC signed a Cooperation Agreement on the sidelines of the St. Petersburg International Gas Forum
(see more on page 5)

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AK&M Rating Agency Reaffirmed Sakhalin Energy with the Highest Sustainability Reporting Rating

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Sakhalin Energy's Environmental Best Practices Are Published in the Clean Air Magazine
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Sakhalin Energy has been named a leader in social performance among oil and gas companies

30
September

The corporate film "35 Days of Silence", dedicated to the planned shutdown - 2021, won the All-Russian PR project competition "ConTEKst"

Sakhalin Oil and Gas – 2022

The 26th Far Eastern Energy Forum “Sakhalin Oil and Gas – 2022” concluded its work in Yuzhno-Sakhalinsk. For three days, from 28 to 30 September, representatives of federal and regional authorities, leading scientific and technical organisations, and top managers of domestic and international oil and gas companies discussed strategies for transforming and adapting of the energy industry to new challenges.



This large-scale business event began with a discussion featuring Sakhalin Oblast Governor Valery Limarenko and Roman Dashkov, Chief Executive Officer of Sakhalin Energy LLC. At Sakhalin-2 corporate booth, the speakers discussed an effective management in the public and private sectors from the ESG agenda perspective. “By promoting an investment-friendly environment we are first and foremost thinking about the people of the region. Everything we do is for the benefit of the people. At the same time, we are paying particular attention to partnerships with socially responsible businesses taking whatever measures are necessary to help them develop,” the Governor noted. The CEO of the Sakhalin-2 project operator believes that being socially oriented and environmentally responsible is of special importance for major companies, including those in the oil and gas sector, with a wealth of practical experience and willingness to use this experience both for their own benefit and in joint projects with the government



The key event of the first day of the Oil and Gas Sakhalin 2022 Far Eastern Energy Forum was the plenary session *The Far East Is a Springboard for the Development of Russia's Energy Sector in New Realities*. The session has brought together representatives from legislative and executive authorities as well as the business community. The Governor of Sakhalin Oblast, Valery Limarenko, opening the plenary session, noted that in 2022 Sakhalin Oblast celebrates the 75th anniversary of its establishment in the present borders and oil and gas industry has greatly contributed to the history of its exploration and development. “The recent years have been a major challenge for the oil and gas industry and an opportunity at the same time to reach a new level by getting stronger. The Sakhalin-2 project operator proves this, with production and processing of hydrocarbons well on track despite the geopolitical situation. All the buyers have reaffirmed their interest in continued long-term cooperation. Thus, we are confident that the project will generate stable revenues,” Valery Limarenko stressed



Vitaly Markelov, Deputy Chairman of the Management Board of Gazprom, presented the key areas of Gazprom's work in the Far East. He added that Gazprom, as the coordinator of the state-run Eastern Gas Programme, had created a solid foundation for developing the industry in the macro-region, as well as for meeting the energy needs of the Far Eastern regions. “The development of gas supply systems in Russian regions is currently one of Gazprom's top priorities. The challenge before us is to build on this momentum, which will be unprecedented. In line with the Sakhalin Oblast Gas Supply Development Programme, Sakhalin Oblast should be 100% supplied with gas by 2025”



Sakhalin Energy CEO Roman Dashkov agrees that 2022 was a real test for all business in Russia, stressing that the impact of external factors primarily affected fuel and energy companies, while fuel and energy companies are drivers for all sectors of the national economy. “The company's strategy of operation in a changing environment can be compared to a chess tournament, with unfavourable external factors on one side of the ‘field’ and a professional Sakhalin-2 project team on the other, which promptly responds to contingencies to maintain sustainable and safe production and ensure all obligations to stakeholders, are met,” Roman Dashkov said



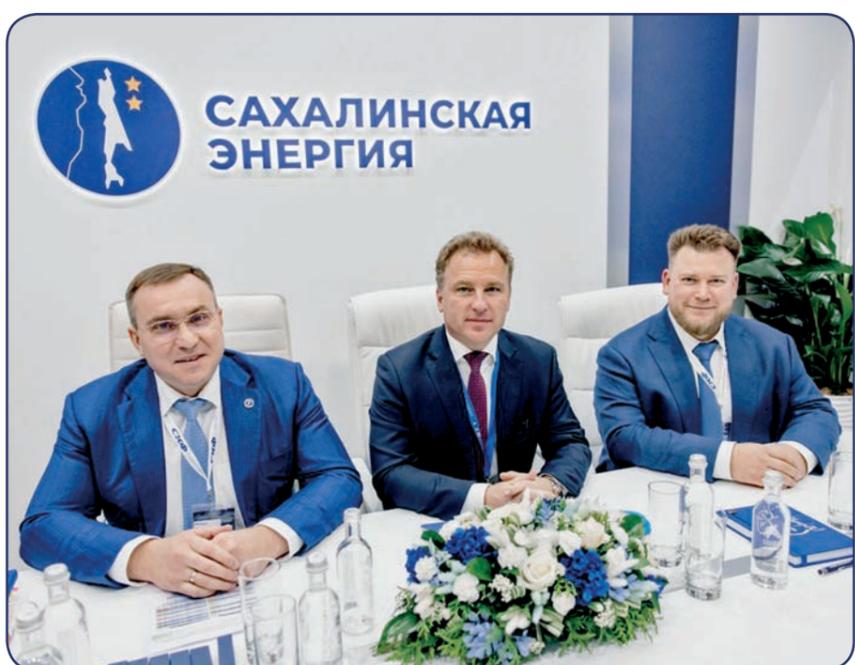
The Company's representatives took an active part in the business programme of the Sakhalin Oil and Gas Far Eastern Energy Forum. As part of the analytical panel dedicated to the role of the Far East in export flows, Andrey Okhotkin, Commercial Director of Sakhalin Energy, stressed that the Company's positive reputation earned through many years in business has helped it to successfully develop new prospects even during difficult times. He expressed confidence in continuing stable mutually beneficial long-term cooperation with Sakhalin-2 buyers in the current market price environment.



Low-carbon development in the energy transition conditions became the red line of this large-scale business event. Andrey Samatov, Head of the Environmental Protection Division, spoke about the contribution of the Sakhalin-2 project operator to global efforts addressing climate change-related issues, achievements, and further plans. The expert noted that the Company was not only closely monitoring the development of the regulatory framework for the regional experiment targeted at the regulation of greenhouse gas emissions, but it was also actively participating in the development of proposals and discussion of draft regulatory legal acts. In his opinion, successful implementation of the Sakhalin Oblast Climate Programme is possible only if the government and business are on the same page in their efforts.



"Mechanical Engineering and Support Services: Potential of Russian companies – from Strategy to Actual Results" – this was the name of the discussion which took place at the Company's booth on the second day of the forum. Representatives of Sakhalin Energy and Gazprom Dobycha Shelf Yuzhno-Sakhalinsk discussed the key challenges that Russian oil and gas companies faced in this area in 2022. The speakers placed special focus on solutions that allowed to mitigate negative consequences and ensured that all production-critical equipment was maintained and repaired as per plan.



Sakhalin Energy took part in eight sessions of the forum's main programme, business meetings, and organised discussions at its booth on key areas for the company (efficient management, localisation of services, marketing of hydrocarbons, digitalisation, HR sovereignty, etc.). They were attended by representatives of government agencies and contractors.



The main highlight of the closing day of the forum was the presentation of the Unified Integration Centre. The innovative approach developed by Sakhalin Energy LLC is aimed at combining the resources and capabilities of the company and its partners to improve the efficiency of the Sakhalin-2 project in the current situation and ensure its sustainable development. Roman Dashkov, Chief Executive Officer of Sakhalin Energy, thanked the contractors who eagerly joined the process of creating the Unified Integration Centre. "This is the result of teamwork, which was based on the joint reassessment of the external situation. Taking into account that oil and gas projects are designed to last for decades, we must not stop. Together with contractors, we must have our eyes on the future in order to effectively reach our tactical objectives in the current conditions," said Roman Dashkov.

Driver of Economic Growth

Traditionally held in the capital of Primorye in early September, the Eastern Economic Forum (EEF) brought together about 7 thousand participants from 68 countries this year. It culminated in the signing of 296 agreements for a total of 3.272 trillion RUB.

Summing up the 7th EEF, Yuri Trutnev, the Presidential Envoy to the Far Eastern Federal District of Russia, highlighted the importance of the forum both for the development of the Far East and for the implementation of the international agenda. "No doubt, the significance of the Far East has grown. The exports that have been fully redirected eastward create both new challenges and new opportunities. New challenges necessitate expansion of transport routes, the Eastern Polygon, and the Northern Sea Route. New opportunities are associated with a more intensive cooperation with friendly countries, especially in tech development," said the Envoy.

Sakhalin Energy's delegates led by chief executive officer Roman Dashkov, took part in the forum as well. On the sidelines of the EEF, a number of meetings were held with shareholders, contractors and potential partners (Gazprombank, Sovcomflot, JSC Atomenergomash, President of the Association of Indigenous Minorities of the North, Siberia and the Far East of the Russian Federation, Senator of the Russian Federation Grigory Ledkov). As part of the forum, the head of the Company made a visit to the Voroshilov battery, where he met with Georgy Eduardovich Shabot, the last commander of one of the most famous defensive structures in the world, demonstrating the power and strength of Russian weapons.

The Company representatives took part in several sessions where they presented best environmental control and biodiversity conservation practices, grooming young talent, as well as best practices in the application of ESG principles, engagement with indigenous minorities of the North, development of the public sector and women's leadership.

The pavilion of Sakhalin Oblast at the Far East Street expo this year was dedicated to the 75th anniversary of the island's region. Its visitors could explore the past and present of Sakhalin and the Kuril Islands. At the Governor's invitation, the Company traditionally took



part in the exhibition and showcased the process of natural gas liquefaction, as well as the stages of the oil & gas industrial park construction.

Sakhalin-2 project sparked an acute interest of both the participants of the business programme of the forum, and residents and guests of Primorye. Many noted that today Sakhalin is both a lu-

crative tourist destination and a career hub.

"We want people to come here, to the Far East. To learn about it and explore it. We want people living in the Far East to discover new places, because it is a huge territory, a beautiful territory. There is indeed much to discover," said Yuri Trutnev.

SERGEY LEDIN, HEAD OF ORGANISATION DEVELOPMENT, COMPENSATIONS AND BENEFITS DIVISION:

"There is nothing supernatural about super-competencies. These are quite obvious and well-known qualities: structured and systemic thinking, the ability to adapt to new professional areas, anticipate competitor reactions, work in a team, and express your thoughts and ideas well. Nurturing of these competencies helps to maximise efficiency in today's conditions and to make the right, and most importantly, timely decisions."

* * *

ANDREY SAMATOV, HEAD OF CORPORATE ENVIRONMENT DIVISION:

"As part of the ESG agenda, it is necessary to focus not only on environmental safety and regulatory compliance. Today, climate change, the need to regulate greenhouse gas emissions and decarbonisation matters are also drawing increased attention, and these topics were discussed at length at the relevant sessions of the EEF. However, getting back to the primary event – the 2nd International Tiger Forum – it should be noted that mitigation of the impact on biological components and conservation of biological diversity continue to be crucial tasks at the corporate level, since the achievement of the global sustainable development goals, such as the conservation of marine and terrestrial ecosystems, are achievable only by consolidating the efforts of the government, business, each and every person."

* * *

NATALIA GONCHAR, CORPORATE AFFAIRS DIVISION HEAD:

"As an international project, we have always taken into account both Russian requirements and realities, as well as international standards. For example, from the very launch of the 2030 Agenda for Sustainable Development, we have been analysing goals and objectives and developing corporate indicators. At the same time, we were the first Company to become a partner of the national projects. Since these two agendas – the global and the federal ones – are well synchronised and sometimes complement each other, the key question is how to implement them in a particular region. That is, the global, national, regional vectors and their interconnection must be used as a basis for setting priorities in corporate environmental and social projects."



2022 St. Petersburg International Gas Forum: Industry of New Opportunities

Sakhalin Energy's delegates led by Andrey Oleinikov, Managing Director of the LLC, took part in the 11th St. Petersburg International Gas Forum. On 13–16 September, one of the most reputable business events in the oil and gas industry brought its leading experts together in the Northern capital in order to discuss the challenges faced by the industry, embark on new joint initiatives and identify future development paths for the oil and gas sector.

The scope of the business programme included all areas of the industry: from exploration and gas production to transportation, consumption and processing. The environmental agenda, import substitution, AI-driven tech development, HR policies were also widely covered. Besides conventional topics, the delegates touched upon new burning issues, including gas production in the Arctic region, underground gas storage, strengthening the gas dialogue between Russia and Asian countries, etc.

The pinnacle event of the 2022 Forum was the plenary session Russian Gas Industry: Development Priorities in New Conditions – its participants discussed the Eastern countries' interest in cooperation with Russia. Oleg Aksyutin, Deputy Chairperson of the Gazprom Management Committee, delivered the keynote speech highlighting the importance of expanding the global reach towards this particular geographical area. "The centre of the world's gas industry is shifting to the East. Asia's demand for natural gas is growing, as the region is taking over the leading role in the global industrial production. This is one of the key factors helping the Russian gas industry retain its leadership on the global energy markets," Oleg Aksyutin noted. The reports of the international guests at the plenary session confirmed the interest of the Eastern countries in cooperation with Russia.

The participants of the Russian Gas Market: Exchange Reboot round table shared their vision of establishing fair natural gas prices. In their opinion, the best solution here is exchange trading. It is precisely gas exchange trading that can make the industry more lucrative for both today's and new market players. This was stated by Kirill Molodtsov, member of the Supervisory Board of the Russian Gas Society.

The experts paid special attention to import substitution in the oil and gas industry. According to Denis Manturov, Deputy Prime Minister of the Russian Federation and Minister of Industry and Trade, today's oil and gas equipment manufacturers face both new challenges and new opportunities. "The relevance of the import substitution programme launched in 2014 has soared. The development of all national economy sectors will largely depend on how successful we are in implementing it in the oil and gas sector," the Minister added.

The need for close-knit cooperation between Russian fuel and energy enterprises and industry equipment providers was discussed at the Industrial & Sci-Tech Cooperation for Oil & Gas Industry Development amidst New Conditions round table. The bottom line of the discussions was that fuel and energy companies must revise the procurement system and focus on Russian equipment developers.



Источник фото: gas-forum.ru



The key results of the 2022 St. Petersburg International Gas Forum were a number of documents signed between Russian companies and organisations that are driving sci-tech cooperation.

One of them was the agreement between Sakhalin Energy LLC and REP Holding. It was signed by Andrey Oleinikov, Managing Director of Sakhalin Energy LLC, and Vitaly Markelov, Deputy Chairman of the Gazprom Management Committee, Chairman of REP Holding's BoD.

The document stipulates a set of measures for the operation, overhaul and upgrade of gas-pumping equipment at Sakhalin-2 assets. The agreement aims to expand the scope of cooperation between the companies. To date, three Ladoga gas-pumping units manufactured by REP Holding JSC have been delivered to the Sakhalin-2 Onshore processing facility compression under construction.

As always, the guests and participants of the Forum took an acute interest in the large-scale exhibition of technologies, equipment and services for the industry: the international specialised exhibitions InGAS Stream 2022 – Innovations in the Gas Industry, Gas Engine Fuel, ROS-GAS-EXPO Natural Gas Industry & Technology for Gas Facilities. The 2022 St. Petersburg International Gas Forum was visited by 13 thousand participants from 27 countries. As part of the exhibition programme, 470 companies showcased their innovations for the gas industry.



Source: gas-forum.ru

■ Olga Moreva

Patriotic Rock Music: Energy

Lyube is often called the only patriotic rock band in our country. Its genre is truly one-of-a-kind: a fusion of rock music with author's and war songs infused with folk and chanson. Shaken, not stirred. This results in a band with a "slight national & patriotic spin and masculine singing".

Since Lyube's birth in 1989, Nikolai Rastorguev has been its permanent front man. A patriot on stage and in real life. "Patriotism is a very personal feeling," he says. "And everyone has their own version of it. It's not just about the army and the navy. It's also your family, friends, your homeland... You know, on a human level. It's not about the nation, but your own roots."

It's no surprise that this stance strikes a chord with many fans of the band – people of all ages, occupations and statuses, from middle school students to the President. And when we asked our colleagues in August, whom they would like to see at the celebration of the Day of Oil and Gas Industry Workers as a "special" musical quest, the majority mentioned Lyube. The heavy rain pouring down since the early morning could not cancel the long-planned event – it only slightly postponed it. After lunch, the capricious Sakhalin weather had a change of heart, and the long-anticipated gathering took place after all.

* * *

Hundreds of the Company employees with their family members gathered on a football field on an autumn Saturday afternoon following a long tradition interrupted by two

COVID-ridden years to celebrate The Oil and Gas Industry Workers Day. Repeatedly postponed deadlines and the vagaries of the Sakhalin weather could not break the spirit of unity and desire to hold this solemn event together with representatives of contractors and authorities of the Sakhalin Region.

"In recent months, especially in August–September, many events have taken place and decisions have been made that could not be ignored. Today, each of us must continue doing our job with the same quality and promptness. At the same time, there are common goals that unite the majority of Russian citizens. As our President says, these are our country's integrity, independence and freedom. We support our men who professionally and courageously fulfill their duty to protect the interests of the state. These days, referenda are taking place in the People's Republics of Donetsk and Luhansk, in Kherson and Zaporizhzhia regions. We express our solidarity with their citizens and believe that they should shape their own destiny. Today, the slogan 'we don't leave our own behind' unites everyone with sincere desire to 'help thy neighbour'. For our Company, caring for our colleagues has long been a staple of the corporate philosophy. And I believe that no matter what we

have to do – the usual work on Sakhalin soil or the restoration of the economic infrastructure of Donbas, we will do it honestly and conscientiously," said CEO of Sakhalin Energy LLC Roman Dashkov in his greeting.

For the first time in the history of such events, production facilities were connected in order to share a sense of united celebration and team spirit with colleagues, friends and all employees of the Company. As part of the official and solemn part, the most deserving employees of the Company were awarded with certificates of honor and gratitude from the Company, Gazprom, Government of the Sakhalin Oblast and the Ministry of Energy of the Russian Federation.

The celebration passed with great emotional upsurge. The Lyube musicians made a worthy contribution to this with their one and a half hour performance and additional repertoire at the request of the employees. The audience happily sang along to the folk songs that had already become, especially the legendary "Combat".

Strong emotions, powerful energy, a single impulse strengthened the team spirit of the large Sakhalin Energy family.



Sakhalin Oblast Days

In September the Sakhalin Oblast Days took place at the State Historical Museum. Guests at the event, marking the 75th anniversary of our region, were Muscovites and tourists from other regions of the country, representatives of state authorities, relevant agencies and development institutions, scientific and educational foundations, businesses, NGOs, and the media.

CENTRE OF ATTRACTION

An intensive agenda covered the most topical themes for the island region. A special focus was on ecology, human resources and tourism.

“The Sakhalin Oblast Days programme is impressive in its diversity and will enable Muscovites, as well as visitors to the capital, to learn more about one of the bright and unique territories of the Far East – the history of this land, its traditions, its present and, of course, its future. Which, in turn, depends directly on the success of efforts to create the conditions for a comfortable and happy life on the island. Much has already been done in this respect on Sakhalin, but there is still work to be done. Together with the regional government, we will continue to implement projects aimed at improving urban amenities, improving transport accessibility, and developing housing and key sectors of the island’s economy”, said Russian Minister for the Development of the Far East and the Arctic Alexey Chekunkov in his greetings to the participants of Sakhalin Oblast Days.

In his address to the audience, Deputy Chairman of the Sakhalin Oblast Government Vyacheslav Alenkov stressed the importance of this event taking place in the Russian capital and expressed his gratitude to the State Historical Museum for the opportunity to be the first to open the Your Country federal project. “We are deeply honoured to represent Russia’s only insular region here, in the very heart of our homeland. I am confident that our busy programme will make Russia’s furthest region much closer and more appealing not only as a tourist destination, but also as a centre of attraction for creative and active young people, professionals, and specialists.



Welcoming the guests, Andrey Oleynikov, Managing Director of Sakhalin Energy LLC, congratulated Sakhalin Oblast on its 75th anniversary and acknowledged the role of the Sakhalin-2 project, an integral part of the region’s multifaceted history for the past 28 years. “The records and achievements of our oil and gas project are forever inscribed in the annals of Sakhalin Oblast’s history, with many of them on display at the exhibition. Working for the benefit of the region and the country, we are truly a Sakhalin company, with most of our employees being Sakhalin residents. We take care of the unique ecology of the island, which has become our home, and we respect the cultures of the peoples who are our neighbours. The 75th anniversary of Sakhalin Oblast is a seminal event for us. In close cooperation with the Sakhalin Oblast Government, we have undertaken a lot of creative work to familiarise Muscovites and visitors to the capital with the unique region in the Russian Far East, encourage them to visit it, and perhaps grow to love it as much as we do”.

In the speech that followed, Elena Lysenkova, Deputy Head of the Federal Agency for Tourism, described Sakhalin as ‘a prized jewel that strikes with its natural, cultural, and historical diversity’. “The newly introduced national tourist trail ‘The Day Begins Here’ is now among the most popular ones in the country. I am confident that an event of this kind will provide an excellent starting point for attracting people to the Russian Far East,” said she.



SPECIAL ATTENTION

Participants in the Personnel Sovereignty and How to Achieve It panel session engaged in a lively dialogue, addressing the system and approaches to professional education in the context of the Far East development strategy. According to Elvira Nurgalieva, the First Deputy General Manager of the Far East and Arctic Development Corporation, Priority 2030 programme will help to build up the scientific and educational capacity of academic institutions. Employers should be involved in training, thus ensuring guaranteed employment and professional fulfillment.

“Today, among our priorities for the development of our human resources sovereignty is the creation of about 15,000 jobs for high-tech projects. We are actively engaged in Earn Together, a federal project where we pioneer, to create a market of transparent career investments for citizens, sought-after professionals. Career guidance, the creation of a comfortable urban environment, and a well-thought-out social policy will all ensure an influx of talented professionals to the Far East at large”, Vyacheslav Alenkov, Deputy Chairman of the Sakhalin Oblast Government noted.

Yakov Pyak, Head of Professional Learning Subdivision of Sakhalin Energy, who was also taking part in the discussion, stressed that the company has a corporate learning system covering all aspects of the Sakhalin-2 project. Of great interest among the attending students was the Career Growth at the Sakhalin Leading Oil and Gas Companies: from Career Plan to Internship session.

The Sustainable Development of Regions: Climate and Biodiversity panel addressed the challenges, prospects and plans for adapting to climate change and achieving carbon neutrality. Andrey Samatov, Head of Corporate Environmental Division of Sakhalin Energy, spoke in detail about the role of business in sustainable development journey and company’s contribution to the regional climate experiment.



To close the Sakhalin Oblast Days, there was a tourism and culture marathon featuring presentations on the tourism potential of the Sakhalin Oblast made by both the representatives of the region and renowned Russian travellers.

Olga Shandurenko, Social Projects Programme Director at the Agency for Strategic Initiatives, noted the importance of industrial tourism as a complementary and unbiased representation of living in the region. “The more remote is the region, as is the Sakhalin Oblast, the more intriguing it is to see how people live and how they shape their careers. Here you can discover professions that may never be found elsewhere in the midlands. Such industries include, for example, fish processing, mining and others. Travelling through various parts of our country can give you, at least for a short time, a chance to try on one or the other profession, to find out how businesses operate and what their environmental profile is. Today, we witnessed a stunning aesthetics of production facilities. They are no less beautiful than those of nature”, she said in her address.

Speaking to the audience Natalia Gonchar, Sakhalin Energy’s Head of Corporate Affairs, said that Sakhalin is a unique region where “the environment and the ethnography are in harmony with the technology and innovation. “Sakhalin-2 production facilities, and particularly Russia’s first liquefied natural gas plant, remain one of the prime attractions for Sakhalin residents and visitors coming to the island, both Russians and foreigners. This is an example which, for many years, has proved that industrial tourism can be interesting, vibrant and attractive, and serve as a driver for the entire region,” she added.



Alongside the business programme, the exhibition featured a cinema hall, as well as concerts and stage performances by Sakhalin indigenous peoples. Master classes in national embroidery, wood carving, fish skin and birch bark products by prominent Sakhalin craftsmen Vadim Levkun, Veronika Osipova, Lyudmila Paskit and Olga Sadinova were held with a full house.

The exhibition Sakhalin and the Kurils: Through Time was visited by more than 2,000 people, who gave warm feedback and welcomed further such presentations of the region in the future.

Molikpaq: Winning Every "Cargo"

A shutdown has recently been completed on the Piltun-Astokhskoye-A (Molikpaq) offshore platform. We talked to Sergey Sankov, Category 1 Engineer, who acted as the Lead Shutdown Coordinator, about its implementation.

The repair strategy for the most “senior” Russian oil and gas platform is akin to a chess tournament, with a well-coordinated team of employees from various units playing against difficult tasks and adverse external factors.

READY FOR THE CHALLENGE!

Like with any tournament, our team has been preparing for the shutdown in advance. They paid special attention to safety issues that form the basis of its implementation strategy. Chess grandmasters always think through many options and steps before making a move. As part of the summer preventive campaign, the team considered over 100 scenarios and identified all major risks. For the third year in a row, a special approach was applied on the platform, according to which it was divided into work sites, with a responsible employee designated to each. Moreover, a five-day training programme was designed for green hard hats (new personnel) to prepare them for the shutdown.

maintenance works to repair the Molikpaq’s energy system. They were the ones to make one of the key moves – they changed the heart of the platform. The transformer that generates energy for one of the main oil and gas treatment modules helps transport hydrocarbons through the flowline. For the duration of the works, employees prepared and engaged a temporary energy system which ensured a stable energy supply for the entire asset.

SHUTDOWN IN FIGURES

- About 38 thousand man-hours worked.
- 530 various works performed.
- Over 300 company and contractor employees engaged in the technical activities.

Together with the contractor, the operational area team performed purging



GAME AGAINST RESTRICTIONS

Other teams – mechanics, inspectors, technical authorities – also rose to the challenges successfully. In addition to the aforementioned risks, they also had to deal with external factors, such as sanctions and the exit of several suppliers from the Russian market.

operation to clean the gas heat exchangers was executed just as efficiently. To pull it off, the Company’s team went over all work details with the contractor employees, with a special focus on safety.

THE FINAL OPPONENT

This year’s shutdown was the final chapter in the five-year-long story of the efforts to repair and upgrade Molikpaq water-supply lines, which ended with an operation to replace isolation valves. The Preventive Maintenance Planning Subdivision was faced with several engineering challenges: how to protect people who work inside ballast rooms at the depth of 17 metres below sea level; how to install four isolation spades for water-supply areas underwater while keeping divers safe; how to ensure plugs stay put over a long period of time, including during storms.

The problem was that such works had never been performed in Russia before, and the Company could not engage foreign contractors in the current situation. Despite it all, the Company was able to handle this situation successfully. A domestic contractor manufactured a special magnetic fastening element able to withstand any storm and keep the plugs in place. Installation of unique equipment, blinding, blasting and preparation of the outside surface of the receiver and the flowline, as well as a number of other complex technological operations were all performed by divers – real heroes who are able to do their job well even in the most non-standard situations.

ONSHORE SUPPORT

During the shutdown on the platform, the team also repaired slop oil vessels and oily water tank. To perform hydraulic testing, the operational area team developed a method for re-distributing and transferring water (about 160 cubic metres) from one tank to another. All tests went according to plan.

Another effective strategic move was the decision to concentrate piping system manufacturing works on the shore. In total, the onshore team performed high-quality welding of 450 joints on various 2 to 16 inches pipes.

The main result of our grandmaster tournament – the safety of our people and stable production activity of the platform – demonstrates that we have once again come out victorious in this competition. This is an excellent outcome and a great impetus to prepare even better for the next game!

■ Recorded by Pavel Ryabchikov



One of the most devious opponents during the warm-up – the final stage of the shutdown preparations – was the bad weather. In early August, a powerful storm hit the south of Sakhalin, but the professional team in charge of logistics passed this test as well. For the first time in the platform’s history, the staff transfer that usually takes five days was carried out in just two days! All in all, over the 31-day shutdown period, more than 14,000 people were transported to and from the asset.

VICTORY IN EACH GAME

From the very start of the repair campaign, all the engaged players demonstrated themselves from the best side. The first game was won by the electricians team which prepared and performed high-quality

and washing of the platform’s systems safely and efficiently. The deck crew and the mechanics team also demonstrated excellent work while carrying out precise critical lifting operations. When moving materials and equipment that weighed up to 10 tonnes, the crane operator acted based on the signals of the flagman team, and the gap between the load and the platform elements was just 10 centimetres!

The painters team also overcame all the hurdles. They were tasked with restoring the coating inside the biggest piece of equipment on the platform – the deaerating column. To ensure safe work performance, 6-metre-tall three-level scaffolding were constructed, and a special ventilation system was set up.

Thankfully, all these difficulties were included in the risk analysis plan prepared by the Preventive Maintenance Work Coordinator. In light of the adverse external conditions, the Company ordered over 3,500 pieces of equipment and materials when preparing for the 2022 shutdown. The issues related to their delivery were overcome through efficient actions of the Logistics’ Working Group which had swiftly coordinated alternative shipment routes.

FLANGE MANOEUVRE

As part of the shutdown on the platform, the team was tasked to disassemble and check more than a thousand flanges in different systems. Employees of the Company and three contractors completed all the set tasks safely and with due quality. The multi-stage

Set Out For Decarbonisation

event

survey

On 1 September, a climate experiment was launched in the Sakhalin Oblast. By the end of 2025, the region plans to achieve carbon neutrality, i.e. bring the difference between greenhouse gas emissions and absorption down to zero, taking into account the capacity of the region's ecosystem.

To meet the objective, the regional government intends to achieve full gasification of the island, develop renewable energy and hydrogen production, switch to green transport and take measures for forest restoration.

It is clear that the goals of the regional experiment cannot be met without corresponding measures taken by the business community as well. Alexander Singurov, Head of Sakhalin Energy's Production Directorate, spoke about the Company's contribution to the decarbonisation process, relevant achievements and future plans at a meeting arranged by Gazprom in the run-up to the experiment's launch.

In his presentation, he highlighted that the design solutions made with regard to the minimum sparing required that Sakhalin Energy specialists focus on reliability, safety and performance, and energy efficiency improvement of all production processes. This plays a vital role in cutting greenhouse gas emissions. Through the activities undertaken, the Sakhalin-2 operator has increased the capacity of the integrated gas system and LNG production by 20% over the last ten

years while reducing specific greenhouse gas emissions at the Prigorodnoye Asset by 18% without major investment decisions. Operational decarbonisation also includes reducing associated gas flaring at oil platforms, minimising methane leaks, and optimising start-up procedures and the frequency of scheduled turnarounds of the integrated gas chain. In 2019, thanks to the efforts of the Company's specialists, the Sakhalin-2 oil and gas production platforms reached one of the lowest levels of greenhouse gas emissions per BOE, demonstrating the second best performance in the world (Rystad Energy independent research agency).

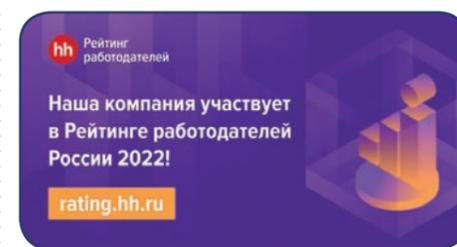
Alexander Singurov stressed that the performance achieved is not the ceiling and that Sakhalin Energy is not going to stop there, as it will continue to reduce the carbon footprint of its production activities. In 2020, the Green LNG strategy was developed, which includes several scenarios, with the current one providing for further implementation of projects aimed at reducing emissions through improved equipment reliability, predictive analytics, energy efficiency and



process optimisation. It also provides for options for solar and wind energy utilisation at PMDs, the Onshore processing facility and the Prigorodnoye production complex, and participation in forest/climate projects. In this case, greenhouse gas emissions could be potentially reduced by 2-17%.

As stated by Alexander Singurov, in autumn 2021, as part of this strategy, the first carbon neutral LNG cargo was delivered to the buyer by offsetting the carbon emissions through the purchase of verified carbon units from third parties. This was an individual delivery while long-term plans include the formation of a premium product in the market, carbon-neutral LNG that will be offered as a standard product. "These are just early results. We need to move forward, we need to develop," Alexander Singurov summed up his presentation.

by Galina Fedorinova



The #Employer Rating Russia – Striving To Be The Leader Again!

On 1 October, the final stage of Russia's Employer Rating 2022, conducted by the online recruitment company HeadHunter, will start. The employees' vote and the evaluation of HR processes are now behind us.

The new stage differs from the first two in that it is a vote of applicants. This means that from 1 to 31 October, direct-hire employees will not be able to participate in the survey, but they can become brand ambassadors and support Sakhalin Energy in two ways:



- Send your friends the link to the employer rating page at <https://rating.hh.ru/poll/>;
- add a link to the survey / QR code with the voting information to your signature.

Participation in a recognised rating is a triple benefit for the Company in a rapidly changing external environment. Firstly, we get an independent assessment of our HR-brand. Secondly, we increase brand awareness of the employer. Thirdly, as a rating participant and finalist we will get a special badge on hh.ru which will distinguish our

According to the 2020 and 2021 rankings Sakhalin Energy is among the top 20 major leading companies. The Sakhalin-2 project operator was in the top four among the participants in the Energy and Mineral Extraction sector. At the same time, among companies with 1001 to 5000 employees, we are in second place. The competition is still fierce – there are over 1,700 employers and therefore their employees from all over Russia. We have a lot to strive for!

offers among others. We would like to remind you that in 2021 we "earned" together 518 votes of job seekers, which is almost twice more than a year before. Please note that only applicants authorised on hh.ru are allowed to vote in the final round. If you have any questions, please contact Maria Nikolaeva, Deputy Head of Recruitment Subdivision. The results of the rating will be published in a special edition of RBC+'s Labour Market in February 2023.

continuous improvement



Safety's Advocates

Time is money. We saw the validity of this statement while talking to Sergey Kozodeev, Senior Drilling Engineer, about the initiative "Optimisation of the cement bridge inspection process."

– **Sergey, speaking about the task your team was dealing with, should we classify it as technical or legal?**

– Both, as we had to develop a technical solution and defend it at the level of Rostekhnadzor. In our work we are guided by the Russian laws and regulations which set forth the basic requirements of industrial safety, including well construction. There is no document, however, that can take into account all the nuances of this process. If we apply a new technology in well construction, we have to prepare an HSE Case with the prior analysis of all the issues that may arise on the part of the supervising agencies. That is the basic principle of our work.

– **Ok, the basic principle is clear. Let's get back to the specific initiative. What is it about?**

– According to the regulations, 12 to 24 hours must pass after a cement bridge is placed in the well. And this is quite reasonable because when it is placed in an open hole, the well is filled with flushing fluid, and we pour cement into it, which is heavier than water and migrates downwards according to the laws of physics. Therefore, it takes time and tests to make sure that everything is OK and the bridge has not moved. However, we apply another approach installing the bridges on mechanical supports (packers) and only after that we pour cement grout on top of the bridge.

– **It is probably a more expensive method.**

– Only at first glance. Cement setting can take up to 24 hours meaning that our drilling crew and equipment will be idle. This is way more expensive. We have developed an HSE Case which states that when a cement bridge is installed on a mechanical support, it is not required to check its availability. As required by the Russian legislation, the HSE Case was submitted for the industrial safety expert review and once the positive conclusion was obtained, it was possible to put apply it in practice. Rostekhnadzor expert review panel agreed with our arguments and confirmed that it met all safety regulations.

– **Can other oil and gas producers use the method?**

– It is widespread. The irony is that a small number of companies approve it at the official level and most of them continue working under Rostekhnadzor's rules. In the Sakhalin-2 project, our drilling engineers design wells themselves with no service companies involved. This is a rare case in the country's oil and gas industry. Moreover, the process is very complicated. Only well-trained specialists who design and build wells can analyse how and where it can be improved and optimised.

– **How does your team work?**

– If drilling design engineers face any difficulties they arrange meetings where they invite their colleagues from related

disciplines, including drilling support specialists. It is our subdivision that is responsible for the approval of technical solutions, including HSE Cases, by the government authorities. Together we have discussions and make proposals on how to solve certain issues. Optimisation is an ongoing process.

– **So you act as advocates to Rostekhnadzor?**

– You could say that. We demonstrate and prove that we have done everything correctly, according to the law. All technical solutions incorporated into the well, have been preliminarily tested, reviewed and verified. It is confirmed by approvals of state expert review panels.

– **Sergey, how is the initiative linked with the continuous improvement programme?**

– The idea of our initiative is to shorten the duration of well construction. Please note, not drilling. We build a well, and the drilling itself takes no more than 30% of the time, the rest is casing running, cementing, geophysics, and so on. We need to make the process as efficient as possible. Our initiative saves a lot of time.

– **And time, in this case, is directly related to money.**

– Time is money given that the drilling sequence approved for the period until 2040 provides for the construction of several new sidetracks, the initiative is a considerable contribution to the overall efficiency of the Company. The initiative was highly commended by the management and submitted to the contest of efficient business initiatives of the Technical Directorate.

Interview by Elena Gurshal

Striving for Tomorrow

The key goal of the Rotating Equipment Division is to ensure continuous operation of production facilities. We discussed with Alexey Soshnikov, Head of Engineering and Maintenance Department, how to ensure continuous operation in difficult conditions of today.

– Alexey, implementation of the Sakhalin-2 project is currently complicated by the fact that a number of foreign companies left the market. How the focus under severe sanctions changed?

– First of all, we focused on production-critical equipment that requires maintenance in the near future, specific spare parts and availability of qualified manufacturer representatives. One of the major areas is extension of the operating time of rotating equipment.

Now we focus on assessing the feasibility of conducting each maintenance considering our experience. We are also revising the maintenance strategy for the next year to optimise the use of the spare parts stock. Spare parts and service are two key areas to focus on. Our portfolio includes almost all major manufacturers of rotating equipment in the market. There is a lot of work and we try to follow the principle: We are looking for today what we need tomorrow and we will look tomorrow what we need the next day.

– Can Russian companies fill this pool?

– Of course, there are such companies, because the holy place is never empty – new players appear in the market. Our goal is to assess this market, select the most suitable partners for close cooperation developing it appropriately.

– Today, many domestic companies are trying to show up as much as possible to fit the area that previously was represented by mostly western companies. Are there any suitable candidates?

– There are a lot of such companies, and our objective is to carefully assess their capabilities and experience, and if they meet our requirements, to set-up cooperation. Now we are exploring the

option to cooperate with PetroGazTech Holding Company LLC (PGT) which intends to become one of the core residents of the Sakhalin Industrial Park (our team is actively engaged). We are sure that this company can address our demand for rubber products. This is a wide range of materials used at all Company assets and not only in rotating equipment.

We also explore the option to cooperate with PG KONAR for repair of compressor equipment. This includes the reverse engineering: The contractor has experience in such work as well as established production chain of spare parts. We are planning to conduct a trial repair to understand how this vendor meets our expectations and can meet our needs.

– As far as I know, a lot of issues is related to repair of equipment. Before, the turbine generators were mostly sent to the manufacturer, but now the circumstances have changed. What is another option you found to resolve the issue?

– Indeed, in our “previous” life, industrial turbines were maintained at the facility and then the dismantled components were sent to the manufacturer for repair. Now this option is unavailable for us and we are looking for alternative service providers and establishing supply chains.

The rotating equipment is not exclusive that can only be repaired by the manufacturer. There are companies in the market that provide such services. In particular, operational supervision of gas turbine units has been passed to the Russian contractor (PromSystems) and we plan to do the same with compressors.



– How do you see the potential for developing the Russian Content in the rotating equipment category for the Sakhalin-2 project? For example, oils.

– Oils and greases are a very important. Searching for domestic analogues is carried based on the volume of consumption and there are other specifics. In particular, when selecting oil, we focus not only on its physical and chemical properties, but also on the requirements of the equipment manufacturer as well as on the specific features of its location. What is the benefit of this complex analysis? We try to achieve result to select identical product, but do not increase the maintenance frequency or expand the range of oil used.

– Let's discuss reverse engineering. Today, it is considered as one of the promising methods that contribute to efficient development of production.

– In our case, reverse engineering is quite time consuming activity since we do not have the manufacturer's design documentation, or more importantly process documentation. For example, measuring by 3D scanning and making

such simple parts as nuts or bushings is one thing, while manufacturing of gas turbine blades is quite another. It is not enough just to measure the external dimensions and make tomography of internal cooling cavities. In this case, every step of production technology is important: both metal and casting and mechanical processing. Therefore, it is necessary to talk about reverse engineering as a promising method that contributes to efficient development of production, but it is important to understand that it will be difficult to follow the path taken by manufacturers for many years.

– If it is not possible is replacement the only option?

– This is the most difficult thing, since it is not easy to replace equipment with similar equipment both from a technical and legal point of view. However, this area has a future. We expect support from the contractor as an integrator to explain what is more beneficial to do – to design and produce the repair kit or to replace the equipment completely with the existing domestic analogues. This is a difficult task, but we are ready to solve it.

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Import Substitution Library

Russian Content Development and Vendor Relationships Subdivision has developed a special page on the Company's corporate website.

In the Library section, employees can find market researches for various categories of equipment and materials, useful links to information on contractors, conferences and vendor catalogues, and learn more about the terms and conditions of participation in the Russian Content Recognition Programme.

On top of that, the new intranet resource provides the latest update on import substitution, news on the Standards Harmonisation and Production Localisation Project

at the Sakhalin Industrial Park MARF, and employee success stories related to Russian Content Development under the Sakhalin-2 Project.

Please visit our Subdivision's page, go to the Library and add it to your bookmarks to keep up with the updates. We are happy to answer your questions and provide assistance with Russian Content development initiatives that you can send to SEIC-RCD@sakhalin2.ru.

■ The page is prepared by Ekaterina Vlasova

Best Day Ever

Vasily Samoilov, LUN-A Offshore Installation Manager, has been a member of the Sakhalin-2 project team for a quarter of a century. He spent most of that time out in the field or, rather, at sea – on the Molikpaq and LUN-A platforms. According to the hero of the day, your destiny is not a matter of chance, but of choice; rather than sit around and wait for it to happen, you have to create it.



– Vasily, do you come from Sakhalin?

– I have spent my whole life, apart from the first two years and my college years, on Sakhalin. I spent my childhood in the village of Onory, Smirnykh District, and my post-school years at the Khabarovsk Institute of Railway Transport Engineers (now the Far Eastern State Academy of Railway Transport), where I graduated as a mechanical engineer. After graduating, I worked at a locomotive repair yard in Yuzhno-Sakhalinsk for six years.

– What a journey – from trains to oil and gas platforms! You really did turn your fate around!

– Back in 1997, I was reading a newspaper and came across a classified ad that invited professionals in a number of fields to work on the project. Almost without a second thought, I sent my details to the Company. But I failed to seize the first opportunity to come on board because I had gone away to visit my parents. Only when I came back, did I see a letter (there were no mobile phones back then) which invited me for an interview, whose date had already passed. Well, it wasn't meant to be, I thought. But fortune smiled on me.

– Apparently, the second time around, you decided against playing hide-and-seek with it.

– When I saw another ad for vacancies on the project in a regional newspaper, I once again took the chance and ten days later I was invited for an interview. On the eve of the appointment, I tried to muster up all my school and university knowledge of the English language, realising that part of the conversation would be with expatriate managers. The interview was difficult and multi-tiered. During it, Yury Pyshnoy was helping me; he was an interpreter then, and later he and I worked together on the Molikpaq.

– Was it recruitment to work on Russia's first offshore oil production platform? Were they putting the Molikpaq team together?

– Yes, more than 30 Russian specialists representing various disciplines were gathered together... We were congratulated, then we got acquainted with each other. It was unusual and fun at the same time. Then a period of rigorous training began.

– It appears that you too underwent a kind of 'upgrade' while the Molikpaq was being refurbished in Korea. Speaking of which, let us remind our readers of the platform's history.

– Before Sakhalin, the Molikpaq had operated in the Canadian Arctic, in the

Beaufort Sea, then it was mothballed. In order to start producing Sakhalin-2 oil more quickly, the decision was made to use a readily available platform. Once used for drilling, it was repurposed as a production platform. It took Russian enterprises a record amount of time (just 14 months from the first metal cutting) to design and build a new substructure for the platform. In the summer of 1998, the Molikpaq was transported to the shores of Sakhalin, with the journey taking a little over three weeks.

As for our getting "upgraded", we spent a whole year delving into technical issues and actively studying English, then we went to Alaska for all the necessary training courses and permits to work offshore (at the time, there were no suitable training centres on Sakhalin yet). Upon return, we were sent to Korea for platform acceptance.

– So you got to know the platform before it was even mounted at the site?

– Not only did we get to know it, we actually made friends with it. Platform acceptance is not about cutting the ribbon; it involves a lot of hard work and training at once.

– While you personally didn't attend the "birth" of the Molikpaq, you did witness its "rebirth", when the platform was given a new lease of life. How did your first shift off the coast of Sakhalin go?



– The first thing that comes to mind is the trip to the Molikpaq. We arrived in Nogliki and stayed overnight at the airport due to poor weather conditions. At long last, a helicopter dropped our team off at the port of Kaigan, because the weather had deteriorated again. We transferred to a boat, then to a supply vessel, it took us about six hours to get to the waypoint, then another transfer to a tugboat, then onto the home straight – and, finally, the Molikpaq!

– A little more history. "It took the Molikpaq team less than a year to prepare the platform for oil production, drill the wells, and get all the mechanisms and life-support systems up and running," recounts the chronicle of the project. And what's left between the lines?

– Work, work, and more work. The platform's team was rather large; sometimes it seemed as if there were a few thousand people

around. But everybody clearly knew their own "manoeuvres". I remember returning home after my first two-week shift and being called back three days later. I did three shifts in a row then.

– Do you remember the day the first oil flowed?

– An event like this is not to be forgotten. So much had been accomplished, so much spadework done! And it was all worth it. We did it, we really did it. It's not that we were overwhelmed with pride, but it felt like we were a part of it all.

– Did you believe it would all work out?

– I couldn't help but believe it, seeing the way people around me were working. We were all like the fingers of the same hand, all on the same team.

What does a good team mean to me? Those are the people who know what we are here for, what we are supposed to do, and how to deal with any situation. A team is about understanding each other at a word without having to spell things out. We all work towards one goal, that is the success of the Sakhalin-2 project.

– How did your career develop after this literally heroic saga? By the way, what was your starting step on the project?

– I started out as a senior mechanic. I worked at the Molikpaq until 2005, then spent a year doing office work in line with the Company's job rotation policies. He returned to the platform as a mechanical supervisor, a year later he took up the position of maintenance team leader, then he was

promoted to deputy offshore installation manager.

– Your career has not been an obstacle race but, rather, a steady progression up the corporate ladder. I have quite a childish question to ask: have you ever aspired to be a boss?

– Of course, I wanted to move forward. It has never been my ambition to push myself up the ranks by whatever means necessary. It all happened quite naturally, as if by itself. You just do your job, you know both the production process and the team like the back of your hand, you get noticed, and you get promoted. I remember myself leaving for the LUN-A in 2013. Just before going on shift, I received a phone call and was told that I had been appointed the LUN-A offshore installation manager.

– It sounds pretty much like your joining the project: a letter of invitation back then and a phone call now. Was it hard for you to part ways with the Molikpaq?

– Frankly speaking, it wasn't easy. There's a saying that you cannot unring certain lyrics in a song. Well, you cannot just unlive 16 years of your life, either. I could no longer understand if it was the platform that had become a part of me or if I was a part of the platform. It was like having a piece of my heart ripped out.

– At sea, having a good team is even more crucial than onshore. What does a good team mean to you?

– We spend half of our lives at work. What does a good team mean to me? Those are the people who know what we are here for, what we are supposed to do, and how to deal with any situation. A team is about understanding each other at a word without having to spell things out. We all work towards one goal, that is the success of the Sakhalin-2 project.

– You have a good grasp of mechanisms, but what about people? Do you have some kind of litmus paper you could use on people to tell a "friend" from a "foe"?

– Rather than a litmus paper, it is a built-in mechanism (I am, after all, a mechanic) that helps me get a feel for a person. I have had it in me all my life, during my school, university, and army years.

– Does this method ever fail?

– We are all human beings, and to err is human, so it does happen at times. But I prefer to have a good opinion of people to thinking badly of them.

– You are an optimist, for you the glass is half-full rather than half-empty. What qualities do you value in people most?

– Difficult to say... Personal integrity, I suppose. That is where a real team starts. This is the quality that allows you to minimise losses in any difficult situation.

– Do you know what others say behind your back? Are you a strict boss or one of their own?

– I don't know. I hope that those who think I'm strict realise that it's for a good cause and not because I am a callous person. I'm not one to stand on a pedestal, and there has never been such a thing on the platform, anyway (*smiling*). On a more serious note, the formula 'I'm the boss, you're an idiot, so do it my way' is not acceptable to me. It's not about overfamiliarity; rather, it's a prudent approach. It's better to be respected for your actions, and not just for your position.

– Vasily, what do you enjoy doing while on rotational leave or on holiday?

– There is usually a backlog of household chores to attend to, but generally I like to get behind the wheel and hit the road. And it's totally up to me which way to go, right or left. Almost every year I travel by car – not only through Sakhalin, but also through Primorye and Khabarovsk Krai. Once I got as far as Ulan-Ude. I love outdoor activities – snowmobiles in winter and quad bikes in summer. When I was still a boy, my friends and I used to ride our motorbikes into the taiga and tundra – terrains that even pedestrians find hard to make their way through. It's been second nature to me ever since.

– With such a busy work schedule, it must be difficult to single out the happiest day on the platform...

– Why must it be difficult? The very last day of a rotational shift is such a day. Everyone – some secretly and some openly – crosses out days on their calendars in the genuine belief that this will speed up their return home and that they would be picked up by the 'wizard in a blue helicopter' from the well-known cartoon song. This rule, however, also has another, opposite effect: during the last days of the R&R period, you feel an urge to get back to the platform as soon as possible.

■ Interview by Elena Gurshal

Northern Horizons of the Continental Shelf

To date, almost all large onshore oil and gas fields have been developed, and shale oil technologies and production are picking up steam. However, the future of the global oil and gas production clearly belongs to the continental shelf of the World Ocean.

The global offshore oil production is concentrated in five countries, and it is worth noting that Saudi Arabia, Brazil, Mexico, Norway and the US own about 43% of the total volume of offshore oil production.

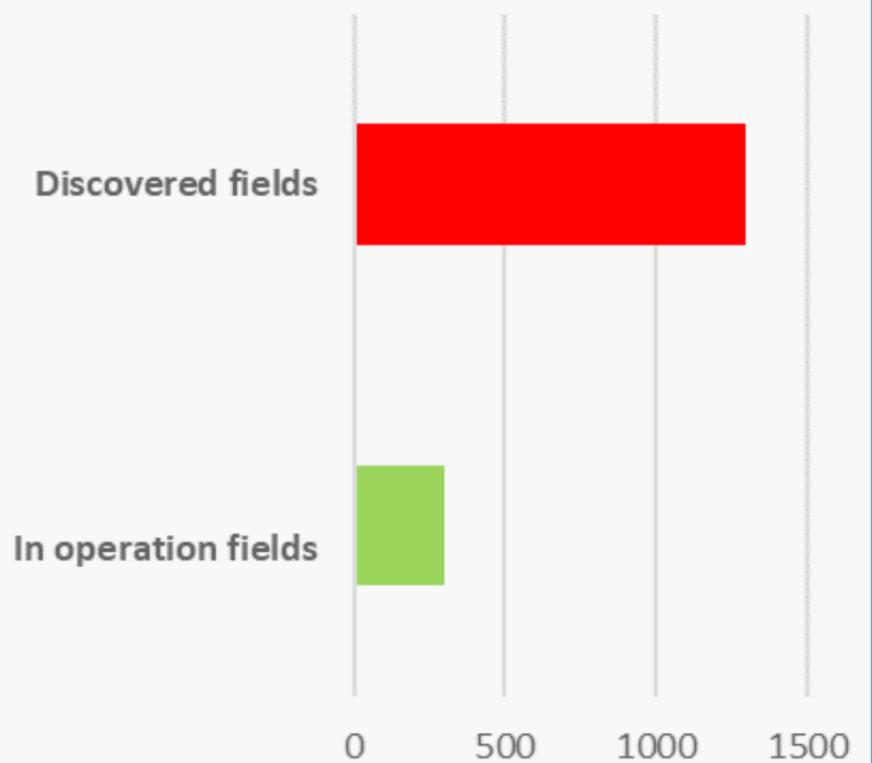
Russia is also a major player thanks to its vast hydrocarbon reserves in the Arctic. Nevertheless, the availability of significant oil and gas deposits in the Russian Arctic shelf does not guarantee the success of field development projects since their initiation and implementation depend on economical, geopolitical, climatic, infrastructural, environmental and other factors. These factors bring uncertainty to the development of Arctic oil and gas projects.

Russia has the largest shelf area in the world – over 6 mln kilometres. Most of it lies in the Arctic. According to the Oil and Gas Institute of the Russian Academy of Science, the total recoverable deposits of the Russian shelf are estimated to be around 100 bln tonnes of oil equivalent, with more than 80% being gas and 20% – oil. In the last 30 years, 23 fields have been discovered in the Russian Arctic shelf, including such unique and large fields as Shtokmanovskoye, Rusanovskoye, Leningradskoye, Dolginskoye, Prirazlomnoye, Kamennomysskoye-More.

According to the experts of the Regional Challenges Institute, the shelf will become the key source of oil and gas in the long term – both for the Russian and the global markets (the Arctic is a major focus of today's geopolitics). However, a number of Russian shelf projects are currently at different stages of their development. The only operating project is the Prirazlomnaya platform, with its deposits being estimated at 72 mln tonnes of oil. Among the key problems of the Arctic shelf development, Russian researchers list extreme weather and ice conditions, lack of domestic technologies, geopolitical and economic factors, environmental and other types of risks. At the same time, they believe that the future of shelf development is favourable, and new challenges posed by the economy, technologies and geopolitics are surmountable.

There is a special approach to assessing the prospects of Arctic oil and gas shelf projects. This approach systematises the key factors that affect the ability of Russia's national oil and gas companies to develop Arctic hydrocarbon fields. These factors are grouped into six categories: technologies, environmental safety, climate and geology, infrastructure, macroeconomic factors,

Offshore field statistics



● Funding of domestic projects as part of the import substitution policy.

Macroeconomic factors:

- Acceptable profitability;
- Investments from the Russian budget into research and technological development aimed at creating and perfecting domestic Arctic shelf development technologies, technology-intensive production facilities, domestic machinery manufacturing, geological exploration on the Arctic shelf;
- Availability of potential domestic and foreign hydrocarbon consumers;
- Availability of a long-term government strategy for Arctic oil and gas fields development.

Climate and geology:

- Availability of confirmed oil and gas reserves that can ensure acceptable project profitability;
- Ability to produce hydrocarbons and transport them from the field all year round;
- Water area and geological structure of the field has been studied enough to start operational drilling;
- Seismic stability of the region is acceptable for safe oil and gas production.

Technologies:

- Experience with developing offshore oil and gas fields;
- The operator company has deep sea production technologies that ensure high industrial safety levels;
- Company's investments into R&D aimed at developing Arctic shelf production technologies;
- Availability of industrial enterprises capable of introducing tech solutions for shelf oil and gas production.

Infrastructure:

- Acceptable distance from the field to existing facilities (flowline, oil depots,

settlements, roads, rail road, sea ports) for ensuring project profitability;

● Investments from the regional/federal budget into constructing infrastructure facilities in the areas adjacent to the field;

● Company's CAPEX related to building fixed facilities, transportation means and vessels are acceptable for ensuring project profitability.

Environmental safety:

● Availability of shelf hydrocarbon production technologies that minimise anthropogenic impact on the area's environment;

● Company's investments into environmental safety programmes;

● Availability of a project environmental control system;

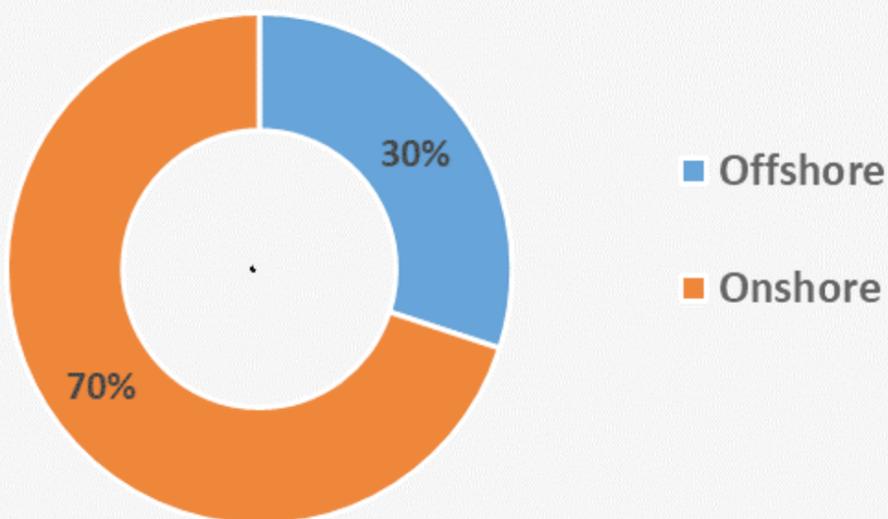
● Availability of an oil spill prevention and response system.

The inherent uncertainty of Arctic shelf projects makes it difficult to forecast their prospects. The unpredictability of real implementation conditions stems from both the unique characteristics of internal and external environment, and the poorly developed planning and forecasting system on the project, operator company and government levels.

Therefore, despite the research conducted, this topic is still not well studied. Development of offshore Arctic shelf projects is strategically important for the Russian Federation and interests both researchers and investors, but their deployment presents major challenges and requires a complex approach. Among the factors of their implementation, the most important are the technological support, infrastructure and environmental safety, as well as the global political and economic situation.

■ Prepared by Maxim Bakulin based on open sources

World oil and gas production



Despite the great potential of Arctic shelf projects, many experts are sceptical of the possibility of their quick progress, on the grounds of low level of Arctic field development and poor competitive performance of Arctic oil on the market. Moreover, shelf projects are technologically intensive. Extreme weather and complex geology, coupled with weak infrastructure and remoteness from the coastline and industrial centres, present major challenges for these projects and require special equipment and technologies (currently, most of them are imported).

and political factors. This set can serve as a complex theoretical base for forming a rather complete list of indicators that influence the assessment of project prospects.

Political factors:

- Availability of foreign technologies, equipment and oilfield services necessary for field development;
- Availability of foreign investments ensuring acceptable project profitability;
- Year-by-year increase of the share of domestic technologies and oil and gas equipment as part of the import substitution policy;



Are Viruses Coming? Let's Get The Immune Response Ready!

Sakhalin Energy launched its flu vaccination campaign on 20th September. Andrey Lee, Senior Specialist of the Corporate Health Section, gave the specifics of the campaign.

– Andrey, could you please outline a time-frame when the Sakhalin-2 team has an opportunity to build up its immunity? What kind of vaccine is used to do this?

– The campaign is due to be completed on 10 December, but the deadline may be extended, if the situation so requires. Employees are offered Ultrix Quadri, a new generation vaccine made in Russia. It protects against four strains of influenza virus and is approved by the Russian Ministry of Health to be used for vaccination of people of all ages, including babies as young as 6 months of age.

– Does the vaccination campaign cover all facilities?

– That is exactly right. We give both production facilities and office staff the opportunity to give their immunity a boost.

– Is Sakhalin Energy offering a vaccine against coronavirus infection this year?

– At present, vaccination against COVID-19 is administered exclusively in public health care facilities. For this, you

should visit any health care clinic by appointment. You can register via the Public Services Portal (www.gosuslugi.ru). To be vaccinated, you need to bring your passport, mandatory health insurance certificate and insurance number of individual personal account. At the same time, we are working to vaccinate staff against COVID-19 in offices and workplaces, similar to the flu vaccination campaign.

– How well do the currently used vaccines protect against the new COVID-19 strains?

– In Sakhalin Oblast, both Sputnik V and Sputnik Light are in use. Although research into their effects on new strains, including omicron and delta, is ongoing, it has been shown to date that the vaccines remain effective against current coronavirus mutations.

– It is no secret that employee health conscious and care is one of the drivers for increasing the herd immune status. What actions are being taken by the Company in this regard?

GET FLU AND COVID-19 SHOTS
TO PROTECT YOURSELF, YOUR FAMILY AND COLLEAGUES

ADVANTAGES OF IMMUNE STATUS:

- In case of illness, the disease is milder.
- Access to production facilities is granted without observation.
- High herd immunity is maintained by the facility staff.
- A responsible attitude towards yourself and others (family, friends, colleagues).

LACK OF IMMUNE STATUS:

- In case of illness, complications are likely to occur.
- Observation is required before arrival at the production facility.
- Low herd immunity creates risk for business continuity integrity.
- Infection spreads faster among people (family, friends and colleagues).

ГРАФИК ВАКЦИНАЦИИ ПРОТИВ ГРИППА 2022 | **FLU VACCINATION SCHEDULE**

РАБОТНИКИ ПРОИЗВОДСТВЕННЫХ ОБЪЕКТОВ | **ASSETS STAFF**

ДЕТАЛИ ВАКЦИНАЦИИ – У МЕДИЦИНСКОГО ПЕРСОНАЛА ОБЪЕКТОВ | **VACCINATION DETAILS TO BE OBTAINED FROM THE ASSETS MEDICS**

РАБОТАЮЩИЕ В ОФИСАХ | **OFFICE STAFF**

ОФИС (ул. Держинского, 35) SEB 1, CONF. ROOM 221	ОФИС (ул. Хабаровская, 56) SEB 2, CONF. ROOM 304E	БЦ «СФЕРА» (ул. Чехова, 78) SFERA, CONF. ROOM 410	БЦ «АЙХОР» (ул. Леонова, 38) АЙХОР, ROOM 631
20.09, 27.09, 04.10		22.09, 29.09, 06.10	
10:30–12:00	13:30–15:00	10:30–12:00	13:30–15:00

ВАКЦИНАЦИЯ В КЛИНИКЕ | **VACCINATION IN THE CLINIC**

КЛИНИКА INTERNATIONAL SOS
ЗАПИСЬ ПО ТЕЛЕФОНУ 46-29-11
Южно-Сахалинск
ул. Милицейская, 7/1

INTERNATIONAL SOS CLINIC
BOOKING BY PHONE 46-29-11
Yuzhno-Sakhalinsk
7/1, Militseyskaya Street

ПОНЕДЕЛЬНИК | MONDAY — ПЯТНИЦА | FRIDAY
10:00–16:00

ПЕРСОНАЛ И РЕЗИДЕНТЫ ЖК «ПРЕДГОРЬЕ ЗИМЫ» | **PERSONNEL AND RESIDENTS RC ZIMA HIGHLANDS**

МЕДИЦИНСКИЙ ПУНКТ ЖК «ПРЕДГОРЬЕ ЗИМЫ»
Рекцентр

MEDICAL STATION RC ZIMA HIGHLANDS
Reccentre

21.09, 05.10

РЕЗИДЕНТЫ RESIDENTS 14:00–15:30	ПЕРСОНАЛ PERSONNEL 16:00–17:30
--------------------------------------	-------------------------------------

– We have built a kind of protective cocoon in which the virus has no comfortable environment to reproduce and spread rapidly at Company facilities. To maintain the corporate immune barrier, a set of behavioural algorithms for dealing with the symptoms of COVID-19, SARS, acute respiratory infections and influenza, as well as control measures, have been developed and successfully applied. That is quite enough to control the situation effectively. One of these measures is a mandatory PCR test or express-Ag test to be carried out before entering a facility.

The surveys we carry out among employees show a change in attitude towards vaccination. While last year many people were hesitant about whether or not to vaccinate, a majority are now opting for this way of boosting their immunity.

In any case, the situation is continuously monitored and we respond promptly to any changes. All relevant information is communicated to staff in a timely manner. It is also available on the COVID-19 page on the Intranet.

– Some people still do not trust influenza and COVID-19 vaccines and prefer to get immunity in natural ways by getting sick. Is this really an effective way?

– Of course, you also become immune in this way – it is a natural and quite logical process, because we do not live in a vacu-

um and we communicate with other people. But the danger is that the disease can take a severe course. There is also an increased risk of cardiovascular, nervous system, pneumonia and kidney disease complications. The risk of this scenario is reduced by vaccination. Is it worth the risk? It is up to everyone to decide.

Furthermore, almost every family has people who are immune-compromised – the elderly or those with chronic illnesses. The more around them are vaccinated, the less likely it is that the virus will reach the ‘weak’ link. It is therefore best to be vaccinated together against influenza and COVID-19. Of course, if there are no contraindications.

– The basic rules of hygiene have been familiar to all of us since childhood – have there been any new ones added this season to protect against influenza and acute respiratory infections?

– Nothing new has been invented recently: wear face masks or respirators when in an enclosed space, on buses and so on. Wash your hands thoroughly and as often as possible and treat them with sanitizer. If possible, avoid large crowds of people and keep a social distance. And, of course, keep a healthy lifestyle. Proper nutrition, regular physical exercise and adequate sleep are key to the body's resistance to a viral attack.

■ Interview by Pavel Ryabchikov



«БОЛЬШАЯ ЭКСПЕДИЦИЯ ТЭКиКо»



Crossteam: Keep Going!

What is your ideal morning? Do you suffer from back pain? How do you deal with challenges, including emotional constraints?

Since August, the Crossteam platform launched as part of the Great Fuel&Co Expedition, has been providing such assistance to all employees of the Company.

More than 500 people are already using this assistant mobile app. It provides you an opportunity to improve your well-being on a 24/7 basis including physical, emotional, social and financial aspects.

Starting in August, you can do yoga and check out tips for healthy eating, starting in September – earn points for your teams by “stepping” from one site to another, and from October – heal your back, cope with stress, and take control of happiness.

As the issue went to print, the Piltun-As-

tokhstkoys-A team was the leader of the step challenge (step count challenge). In addition, every month we learn the names of our colleagues who are most active in using the app. The August leaders in Crossteam activities have already received their awards: Maria Vysokova as the third place winner, Dina Makarova as the second place winner and Irina Samatova as the total winner.

An important component of Crossteam is the possibility of communication. You can share your experience, life hacks, post photos of your healthy snacks, recipes for healthy meals, and sign up for sports clubs. During the first month, Alexander Burmatnov became the most communicative user of the platform, with the largest number of comments and likes left.

The Crossteam platform becomes more and more functionally advanced from month to month. For anyone who has already downloaded the app, it means that you are getting more benefits from the time spent on your phone while meditating, exercising, passing the number of steps you have taken, keeping track of your team's place in the competitions, reminding yourself of the importance of eating at least one fruit a day. Join us, if you are not yet in the Crossteam team! It is you we are waiting for!

■ Valeria Kolosovskaya



Winners by activities in the Crossteam app for August (from left to right): Alexander Burmatnov, Dina Makarova, Irina Samatova, Maria Vysokova. HSE Department representatives (in the centre and rightmost) Konstantin Kokorin and Evgeny Kovalyov



ALEXANDER LAPIN, HEAD OF CORPORATE SAFETY DIVISION

“The Crossteam project gave me new impetus to get started. I’m not an active user of mobile apps so mostly I’m using the function of counting steps on the platform. As advised by Konstantin Kokorin, I started to walk more, at first a little, using small step tactics, then I got involved and increased the distance to 8–10 kilometres a day. At the end of such a walk I do pull-ups on the crossbar. I’ve stopped using the lift. I have also encouraged my eight-year-old son to join me on the crossbar. Now it is the three of us (I walk with my dog) who burn calories, build muscle and get healthier. Everyone has their own path to health and happiness – I wish everyone success in finding it while actively using all opportunities, including the Crossteam project!”

It is very simple to start using the platform that is available for you the whole year:

1. Install the Crossteam mobile app.
2. Complete registration: Enter Sakhalin Energy (no quotes) and the access code 4565.
3. Start completing tasks and using the functions.

If you have any ideas for features to be added to the app that is always at hand, please.

"New" Page Of The Great Fuel&Co Expedition

The intranet webpage of the Great FUEL&Co Expedition corporate programme has been updated. You can access it by clicking on the banner on the corporate homepage. One click, one second to load and there we are.

Among new features that immediately draw attention are new webpage sections. So far, there are five of them: “CEO’s Address”, “General information”, “Events”, “Scientific Articles”, “2020 –2021 Corporate events”.

The first two sections provide a complete view of the programme, its goals and features. The “Events” tab contains detailed information about key stages of the Expedition. To date, there are three of them: Summer Safety Day, Green Energy Environmental Campaign, Crossteam Platform. In addition, there is a list of upcoming stages. For instance, preparation for Winter Safety Day that is planned for late October is well under way.

The “2020 –2021 Corporate events” tab leads to pages dedicated to two previous large-scale initiatives – the Winter Safety Marathon and the Peak Corporate Championship (they formed the basis for the Great FUEL&Co Expedition).

Considering that academic publications bring points to Company subdivisions during the Expedition, it would be useful to check the “Scientific Articles” tab. Here you can find an algorithm to publish your research as well as publication sources and examples of academic works.

You can post your commentaries in each section. If you have any questions or suggestions for improving the page, please send them to the e-mail address ea@sakhalinenergy.ru.

■ Pavel Ryabchikov

Большая экспедиция ТЭКиКо / The Great FUEL&Co Expedition

Обращение ГИД / CEO Message Общая информация Мероприятия Научные статьи Корпоративные мероприятия



Celebration Of Northern Unity

In September on the grounds of the VDNH in Moscow took place the opening of the XVII International Fair Treasures of the North – Craftsmen and Artists of Russia 2022. The event attracts annually representatives from all the northern regions of our country. This year the attendance stands at more than 500 artists and craftsmen from 24 Russian regions.

THE POWER OF TRADITION

For participants and guests were held various cultural and business – round tables and conferences on burning issues related to the indigenous peoples, meetings with artists and many other events.

In his opening address, Grigory Ledkov, the President of the Russian Association of Indigenous Peoples of the North, Siberia and the Far East, stressed the importance

absorbs love for his or her mother tongue, homeland and people. Exhibition booth design placed a special emphasis on how indigenous communities cherish their ancestral culture and heritage, embodied in their unique ornaments, national costumes and everyday utensils. At the same time, visitors could not only look at the exhibits, but also immerse themselves in the process of making handicrafts in an



of all the work accomplished this year. “Much progress has been made in terms of legislation, and numerous projects have been implemented to support and develop our country’s indigenous communities. Another milestone of this year was the creation of a new platform to promote strategic initiatives that will benefit the indigenous peoples which was the House of Indigenous Peoples set up at the Eastern Economic Forum, where they actively participated,” Grigory Ledkov added.

Head of Corporate Affairs at Sakhalin Energy LLC, Natalia Gonchar, greeted the audience on the Nordic Unity Day: “It is very important for us to show our unity whatever the time. Bringing together the state, society and socially responsible business gives an assurance that the efforts to preserve the original culture of the indigenous minorities will have a lasting effect”. She believes that launching the International Decade of Indigenous Languages was one of the most important events of the Year of Cultural Heritage of the Peoples of Russia, announced by the Russian President, as it opens up new opportunities for the development of languages in the regions and gives strong encouragement to the global agenda.

Preservation and promotion of languages is a theme of the Sakhalin Oblast exposition The Power of Traditions, with one of the key elements being a cradle, which symbolises the bond of generations. It is with the mother’s milk that a child



interactive mode under the guidance of island craftsmen.

For several days, Yuri Levkun and Fedor Mygun taught guests woodcarving in a master class called The Magic of Wood. Victoria Azizmamadova and Elena Ochan demonstrated the basics of beadwork during the “Beadwork Melody”. Albina Mygun and Natalia Kelman demonstrated a traditional embroidery “Ice Tiff” (“Golden Stitch”). Olga Reznik shared her experience of making items from an unusual material, cutting silhouettes “brought to life” on fish skin.

In addition to the best arts and craftsmen from the different municipalities municipalities, the Sakhalin delegation was presented by the Regional Centre of

Folk Arts, performers of Ari La Mif (Land of Northern Wind) folk dancing ensemble, masters of arts and crafts, winners of the 4th Children and Youth Conference in the Sakhalin indigenous languages.

The visit of the Sakhalin indigenous minorities delegation was organised by the Sakhalin Oblast Government, the regional Ministry of Culture and Archives, the Sakhalin Oblast Centre of Folk Arts, supported by OOO Sakhalin Energy. Sakhalin Indigenous Minorities of the North are invited to visit the Sakhalin Indigenous Peoples of the North.



Constitution of the Russian Federation declares native human habitats and ways of life to be values protected by the State. While a lot has been done in recent years to refine both federal and regional legislation,



TRIUNE DIALOGUE

A Triune Dialogue marking the 15th anniversary of the UN Declaration on the Rights of Indigenous Peoples was held on 14 September on the margins of the International Fair Treasures of the North. The historic document recommended to all UN member states was adopted on 13 September 2007 to become the most comprehensive document detailing the rights of indigenous peoples in international law and politics.

“The indigenous minority peoples of the North are an integral part of our great multinational Russia. By maintaining a traditional way of life in a harsh climate and being a minority, our peoples have been accorded a special status. The

there remains more to be accomplished. We certainly take into account the positions of international law and closely study the experience of other countries in protecting the rights of their indigenous peoples”, Grigory Ledkov, President of the Russian Association of Indigenous Peoples of the North, Siberia, and the Russian Far East (RAIPON) and a Russian Federation senator, greeted the participants in the dialogue. He emphasised that representatives of indigenous minorities of the North have been active participants as experts in the many years of work to develop the text of the UN Declaration on the Rights of Indigenous Peoples, drawing on both the historical experience of our country and the demands of the present day.

Grigory Dyukarev, Co-Chairman of the Sustainable Development Working Group (SDWG) of the Arctic Council and Chairman of the Krasnoyarsk Krai Government Council of Russian Indigenous Minority Peoples Inhabiting the Krasnoyarsk Krai, reminded the audience of the historical legacy. He said that, as early as 200 years ago, Mikhail Speransky’s Statute on the Administration of the Non-Russian Peoples adopted in the Russian Empire in 1822 covered the distinctive aspects of life of the indigenous peoples of Siberia and, accordingly, determined their administrative and legal status. “Many statements in the Charter echo the articles of the Declaration and in spirit correspond to the realities

october 2022

of today,” said Grigory Dyukarev. Alexander Gorelik, a representative of the UN Global Compact National Network, explained why the work on the Declaration had been so difficult and taken decades to complete. According to the expert, the provisions of the document affect the interests of many stakeholders, including governments and global market players. “That said, different countries have different priorities on their national and international agendas. For countries such as Russia, indigenous minorities constitute

Peoples resulting from its efforts. The document aims to provide the business community with practical guidance on how to respect and support the rights of indigenous peoples in their operations and sphere of influence, including case studies and practices of businesses from across the world, including Russia. It is worth pointing out, for example, that the principle of free, prior, and informed consent, as enshrined in the Declaration, was, for the first time in the world, applied by an industrial enterprise in our country, specifically in Sakhalin



a central topic, while in other states they simply do not exist. In September 2007, the UN General Assembly adopted the Declaration with only four out of 158 countries (the United States, Canada, Australia, and New Zealand) voting against the text. The document was approved by the majority of votes,” said Alexander Gorelik.

The Triune Dialogue has been arranged by the Russian Association of Indigenous Peoples of the North and the UN Global Compact National Network.

Natalia Gonchar, Head of Corporate Affairs at Sakhalin Energy LLC, underscored the special significance of the Declaration for industrial enterprises. “2007 was an important milestone that showed a common vector of cooperation for businesses, society, and the government. As a member of the UN Global Compact LEAD initiative, our company has established a working group on the interaction between businesses and indigenous peoples, with The Business Reference Guide to the UN Declaration on the Rights of Indigenous

Oblast. It is still considered a pioneering experience while continuing to be applied by the partners of the Sakhalin Indigenous Minorities Development Plan,” said the Sakhalin Energy official. The programme has been implemented since 2006 on the basis of a public-private partnership among the Sakhalin Indigenous Peoples’ Council of Authorised Representatives, the Sakhalin Oblast Government, and the operator of the Sakhalin-2 project.

Angelina Boyko, manager of the Indigenous Minorities of Russia: School of Public Diplomacy project, spoke about the unique experience of training indigenous leaders. This All-Russian educational contest programme is a joint project of the Moscow State Institute of International Relations under the Ministry of Foreign Affairs and the Russian Association of Indigenous Peoples of the North, Siberia, and the Russian Far East. Its partners are the Federal Agency for Ethnic Affairs and the Charitable Foundation for the Support of the Indigenous Peoples of the North, Siberia, and the Russian Far East. Normickel is the principal sponsor of the programme. “Our project builds on a three-pronged partnership among the public sector, the government, and businesses, and we



consider this approach that brings everyone together and encompasses the approaches of each party to be the only right one for developing true leaders,” she said.

Summing up the event, Yulia Yakel, a lawyer at RAIPON, expressed confidence in the continued cooperation for the benefit of the indigenous peoples of the North, who “continue living their lives following the ancestral precepts of respect for nature, for each other, and for the world around them”.

COMMON VICTORY

After several days of competitions within the Treasure of the North, the competition committee appreciated the unique culture of the indigenous ethnic groups of the island region, and the palm in many of the contests was rightly awarded to Sakhalin residents.

to the audience: muvi made according to traditional recipes and a unique tea blend.

Special diplomas, For the Preservation of National Traditions, in the Best Piece of National Folk Art competition went to Vadim Levkun, Elena Ochan, Olga Reznik, Yulia Khevkina, and Alexandra Bakhtina, in their respective categories.

Albina Mygun took first place in the Souvenir Crafts category. Evgeniya Okawa took second place in the Textiles, Felt, and Embroidery category. In the Textile National Costume category, second place went to Nadezhda Dzhabbarova. Yury Levkun took second place in the Revival of Lost Traditions category, and Vadim Levkun took third place in the National Musical Instruments category.

“Our victory is a shared award resulting from the concerted efforts of all the partners and participants. Our Sakhalin craftsmen,



The main victory was the grand prize awarded to the Sakhalin stand.

In a gastronomic competition, the Sakhalin delegation was not inferior to those from other northern regions of Russia despite the strong competition. Elena Ochan and Olga Reznik of the Sakhalin team prepared and served delicious and very unusual dishes

the members of the Ari La Mif National Folk Ensemble, and the winners of the Regional Children and Youth Conference in the Native Languages of Sakhalin Indigenous Minorities did a great job of representing Sakhalin Oblast at the federal level,” said Yulia Zavyalova, Lead Specialist of Corporate Affairs, Sakhalin Energy LLC.



Treasures of the North is a large-scale annual traditional event that plays a crucial role in the lives of Russia’s indigenous peoples. For several days, a chosen venue turns into a unique place where indigenous ethnic groups get the opportunity to present their cultural identity. The thematic sections of the exhibition offer numerous delegations an opportunity to showcase their national crafts, the artwork of individual artists and craftsmen, clothing and headwear of unique designs, souvenirs and handicrafts, organic foods, and much more.



In The Footsteps of Krusenstern

The exhibition dedicated to the Russian navigator, explorer and discoverer Ivan Krusenstern is hosted by the Museum of Museum of A. Chekhov's Book "Sakhalin Island". He stood at the origins of the Naval Institute, was a founding member of the Russian Geographical Society, led the first Russian round-the-world expedition in 1803-1806 that was very important, especially for exploring the territory of the only island region of Russia.

The large-scale exhibition is arranged to mark the 75th anniversary of the Sakhalin Oblast: it features more than a hundred memorial items and relics. Ivan Fedorovich's personal belongings include a globe from the collection of the Peter the Great Central Naval Museum.

While congratulating all the attendees on having an opportunity to experience the exhibition, Vladimir Yushchuk, Deputy Chairman of the Sakhalin Oblast Government, noted: "Krusenstern was a versatile person and his round-the-world journey and stay near Sakhalin shores are of particular importance to us. I hope that as many people as possible will visit the museum so that they can learn more about the history of our region."

Julia Vaks, curator of the project and researcher at the Research and Exhibition Department of the State Historical History, thanked the participants of the exhibition and added: "Moscow is connected to the Krusenstern indirectly and Sakhalin directly: "Moscow is indirectly connected to Krusenstern, but Sakhalin is directly connected. Just as there was once a round-the-world expedition, this exhibition would not have happened without the enthusiasm and desire of everyone to do their best".

The State Historical Museum is the main treasury of exhibits related to the traditions of the Russian navigation established by Ivan Krusenstern over 200

years ago. The exhibition offers visitors the chance to see rare stamps, the money that was used in the settlements of the Russian-American Company, provided by the museum. Krusenstern's expedition was initially planned as a commercial undertaking, but became a scientific and historical breakthrough in geographical research, natural history and ethnography. As the owner of Russia's largest collection illustrating the history of the Russian-American Company's settlements on the islands of the North Pacific, the Sakhalin Regional Museum presents at the exhibition discoveries from the archaeological sites of a former Russian settlement founded at the end of the 18th century.

Federal and regional cultural institutions, museums and libraries in Moscow, St. Petersburg and Yuzhno-Sakhalinsk were involved in preparing and organising the outstanding exhibition project. Sakhalin Energy LLC joined the project as a partner.

During his round-the-world journey Ivan Krusenstern not only discovered new geographic locations, but also gathered valuable botanical, zoological and ethnographic collections. These days some of them are kept in the Zoological



Institute of the Russian Academy of Sciences, which has provided a collection of fish assembled by Ivan Fyodorovich for display at the exhibition. Each item in the unique exhibition has its own story and helps to see Ivan Krusenstern as an

oceanographer, explorer, and a person.

The exhibition runs until 28 November 2022. For more information, please go to the website of the Museum of A. Chekhov's Book "Sakhalin Island".

Free tours will be arranged for Company employees and their families and friends according to the following schedule:

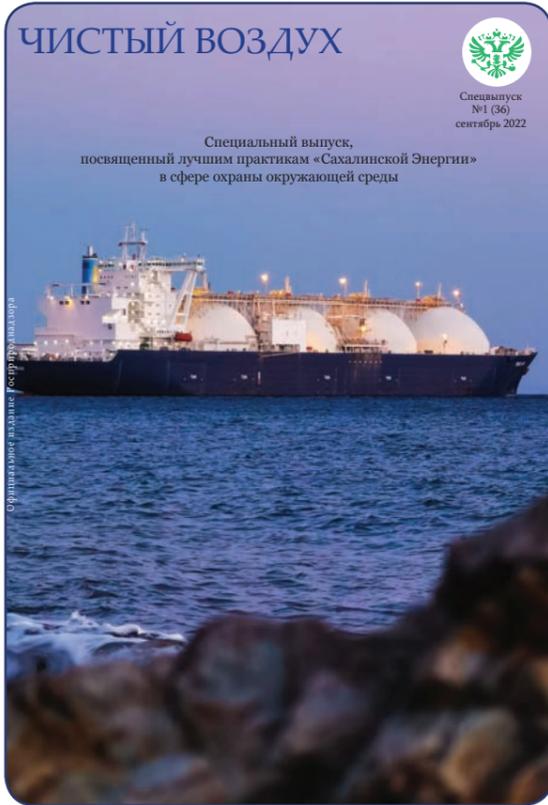
6 October (Thursday) from 13:00 to 14:00;

October 14 (Friday) from 18:00 to 19:00;

22 October (Saturday) from 14:00 to 15:00;

30 October (Sunday) from 11:00 to 12:00.

Those wishing to attend should pre-register by emailing ea@sakhalinenergy.ru and provide their preferred date for attending the exhibition, number of people and contact number.



Our Clean Air

The first special issue of Rosprirodnadzor's official magazine, The Clean Air, in 2022, is dedicated to Sakhalin Energy's environmental best practices.

In addition to implementing preventive measures, the industry magazine highlights the company's proactive approach in responding to man-made emergencies. As an example of this effort, it is a training and education initiative on rehabilitation of wildlife contaminated by oil and petroleum products.

"We share practices in the pages of the magazine that are marked as the best examples for replication of responsible business approach to environmental protection in the territories where we operate. This experience can be useful to enterprises in various sectors for ensuring stable operations and promoting sustainable solutions for the development of the Russian fuel and energy industry", said Sakhalin Energy's Managing Director Andrey Oleinikov in his address to the readers.

The Clean Air magazine is the official magazine of Rosprirodnadzor. The focus is placed on environmental law news and appropriate comments, as well as information on new environmental technologies and expert studies that contribute to modern environmental policy at the workplace.

The magazine is intended for business executives, engineers, heads of departments, environmental inspectors, government officials, environmental organisations, scientists and a wide range of other interested audiences.

*The issue is available on the Company's external website sakhalinenergy.ru in the "Library" section

[our children](#)

Hard to be a Parent

The reason why we decided to talk with Valentin Zhovtun, Social Performance Lead Specialist, was his son Artemy's victory in the WorldSkills Russia Juniors championship.

— Valentin, please describe how the championship was organised.

— It consisted of two consecutive stages. First, a regional championship was held in Yuzhno-Sakhalinsk at the Active Education Training Centre, where Artemy won in the category "Development of Computer Games and Multimedia Applications", and then the All-Russian stage took place in Novosibirsk.

— As far as I know, he returned with a gold medal.

— Yes, even though we did not expect him to win, as it was his first serious competition, and Artemy was the youngest in the team. We

few hours to develop a computer game nearly from scratch, while observing more than 70 pre-set conditions, and then present it to the experts. Moreover, no outside prompts or mobile phones were allowed. All you had is a computer and your knowledge.

— What game did Artemy design?

— It is a snake game with a lot of obstacles to overcome. We used to play something similar in our childhood but back then it was a simple 8-bit version. In this case, the game is more complicated and interesting.

— Your son must have played with a computer mouse instead of a rattle when he was a child.

Anastasia Kozhepenko, General Director of the Human Capital Development Agency: "The island team was among the top ten at the national Young Professionals championship. Representing the team in more than 90 competences, young Sakhalin residents took three gold, four silver and 10 bronze medals. In addition, the islanders were awarded 15 medals for professionalism. Ten-year-old Artemy Zhovtun became the youngest participant – the victory in the All-Russian tournament was the first not only for him, but also for the whole island team this season. Compared to last year, our team has almost doubled in number of medals. This demonstrates that the level of professional training of the Sakhalin residents is noticeably growing. And this is not only the merit of parents, coaches and experts who help to reveal the best qualities of the children, but, undoubtedly, also our partners – Sakhalin Energy LLC, which regularly supports the contestants at the regional level, including facilitating their further employment".

were trying to make him understand that it was more about learning rather than winning. He pretended that he did not really care. But we could see that he was nervous and certainly wanted to win. He shared the victory with a boy from Moscow. The experts evaluated the submissions against a wide range of criteria, and the boys kept pace and received equal scores. So the organisers had to arrange for a second gold medal.

— Tell us about the algorithm of the competition.

— Despite the participants' age, everything was strictly regulated. The competitors had a

— No, not at all. He started learning coding around three years ago, when he joined the Algorithmics computer club. Then he changed to the class of "Active Learning" where he developed a great passion for it. I think it was mostly thanks to his programming teacher. At home we don't have to push our son in that direction. On the contrary, it is most important to push him out into the street so that he could get some air and move around. At the same time, he is also keen on dancing – hip-hop and popping.

— Don't those diversified hobbies make him look like a push-puller?



Artemy Zhovtun with his programming teacher Eldar Shitov

— No, seems like he has managed to find the happy medium where one does not interfere with the other.

— He probably takes after his dad, who combines sociology with music. Have you tried to spark his interest in your hobby?

— Yes, but at that time he was more passionate about dancing so I did not mind. Besides, playing any instrument requires time, and Artemy doesn't have much spare time.

— How would you formulate the rules of a good dad?

— And a good mum, I would add. This is not a rule even, but rather an ability to recognise that your child, even if small, is a person who has the right to make his or her own choices. The main thing is to be able to read his/her desires and dreams correctly and try to help him/her turn them into reality. And it is especially important that you foster in him an awareness that any undertaking requires effort. Children will often be enthusiastic about something, but the first challenges or failures force them to abandon the activity and take up another one with a

new passion. This is where parents' support is required.

— Judging by the results, so far your principles are working. How is Artemy explaining his interest in programming?

— I asked him once what he liked most about programming. He replied that the most interesting thing is when there are not just one but several options that can lead you to the result. And also the fact that on the way to this result you can make some more unexpected discoveries. Generally speaking, what he likes most about programming is creativity and the possibility to find his own way to solving a problem.

— Will you be preparing for the next competitions or contests? What are your plans? Is there any risk of becoming a squirrel in a wheel in this vicious circle of contests?

— For this type of activity, success is measured not by victories in contests. It is more about winning new skills, making new discoveries. There is no risk of running in a constant circle.

■ Interview by Elena Gurshal

Dyo Son Yen's Solar System

Interviewing an artist is quite a mission. Dyo Son En, in the Russian version –

Alex or Alexander Yenovich, is laconic, artful and full of a desire to replace lofty words with straightforward language. Representing his lifeline through a simple scheme – born – studied – worked, he is reluctant to talk about his works, plans, and dreams. “Seek and you shall find”, however, “look and you will see” would be more appropriate in his case. An artist does not express his ideas with words, but with a brush. His pictures, photographs and installations do talk for him.



– Alexander, please do not try to elude from the prose of life – some biographic facts will have to be disclosed. Tell us about your parents. Do you know how they met?

– Their story is very typical for that time. As many know, more than 40 thousand Koreans were brought to Sakhalin by the Japanese authorities in the period from 1939 to 1945. Formally, the recruitment was voluntary, given that conditions for living and working were difficult in Korea at that time. In fact, people were forced to agree to go to the island, because if refused, they were put on the list of “unreliables”. My father was just over 20 years old when he got to the Naybuchi coalmine on Karafuto. There, he made friends with his future father-in-law, whose family was as well recruited to work on Sakhalin, and met his future wife. They got married only years later, since my dad was already married and had a family in Korea. Long after the war, the Koreans hoped that they would be able to return to their homeland, but for various reasons, which are neither the time nor the place to address, they were unable to do so. Life is life, it continues despite external circumstances. My parents eventually married and in 1960 I was born.

– When did the art of painting knock on your door and who opened to let it in?

– My mother said that a pencil, not a breakfast spoon was the first thing I grabbed after I woke up. Of course, nothing comes from nothing – my father was a good draftsman and tried to draw, and my mother could stitch embroidery wonderful paintings. I still vividly remember her garden violets – every flower literally jumped out from the white cloth right into hands. My parents sent me to the art studio at the Railway Community Centre (we already lived in Yuzhno-Sakhalinsk), but something did not work out there and, being a fifth grader, I was accepted to the art studio in the Pioneers Centre (now the Palace of Children's (Youth) Creativity). I got into the kind and steady hands of Nadezhda Kroit-Polezhaeva.

– Many Sakhalin artists are thankful to her for her first lessons, attention and care, and TV viewers – for the excellent children's show “Master Flowmaster”. Your “godmother” has played another important role in your life, becoming the initiator of establishment of the art department in the Art and Music College, now Sakhalin Art College, where you taught for almost 30 years.

– Indeed, she has set many people on the right path. Thanks to her, I entered the Irkutsk Art School (now Kopylov's Art College of Irkutsk).

– Why not St. Petersburg or Moscow?

– In those days, a part of Koreans population did not have citizenship (again, I refer you to the history of Koreans on Sakhalin), so the choice was very limited. However, I definitely do not regret going to Irkutsk. I look back at those years as one of the best and brightest in my life; I entered the art school in 1976, and graduated in 1980. We were very passionate, insatiable for life and creativity. We learned from each other and from famous artists (their albums were valued by their weight in gold and they were not allowed to take home, so part of our life was spent in libraries) and, of course, we learned from our teachers.

– Alexander, why Vladivostok, but not Irkutsk, is specified as a milestone of your art career?

– It is indeed another important page of my biography. When I graduated from the art school and worked for a year in a Chinese theatre (drawing huge posters with titles of films and main characters), I joined the army (at that time I already had a passport with citizenship). Having served, I decided to return to Sakhalin, but my friends called me over to Vladivostok. This is how I ended up at the Institute of Arts. With tremendous gratitude I recall my teacher Nikolay Zhogolev, Honoured Artist of the Russian Federation. He worked in the tradition of Russian and French painting schools. By the way, he was a student of Evsey Moiseenko – a significant part of works of this artist is now presented in the Russian Museum. Yet another wonderful memory is linked with my years of study: both in Irkutsk and in Vladivostok, the following practice was common – during the holidays, students were offered trips to Moscow and Saint Petersburg, to visit museums, workshops, and get acquainted with architectural and artistic treasures of the two capitals. It was a shock to see the original works that you had studied only in books and albums or as reproductions.

– And what artists impressed you most?

– Serov and Vrubel.



– You called the names without a second thought. Have your ideals changed over time?

– No they have not; they are still Serov and Vrubel.

– But their art is so different. For example, Valentin Serov wrote to his fiancée from Venice: “...in the current century, everyone paints in a ponderous style, there is no happiness. I do want happiness and I will paint only happy things.” Poet Alexander Blok called Vrubel the “the messenger of other worlds”, and added: “He left us his Demons as spellcasters against purple evil, against the dark of night. I can only tremble before those things that Vrubel and his kind reveal to the humankind once a century. We do not see the worlds that they saw.” These two artists are like a light and a shadow, or, considering your oriental propensity, like yin and yang.

– I don't know why I chose them, no one suggested. I guess that my heart chose them.

– Let's go back to your biography. What happened next in your life?

– I was already 30 years old when I graduated from the Institute of Arts, my father was already 60 years old, my mother was 50 – I had to support my parents, so I returned to Sakhalin. My Irkutsk experience became handy – for a while I drew posters for “Komsomolets” cinema. The 1990's were difficult times, when everything was uncertain. But, as you have already mentioned, my “godmother” came to help – in 1992 the Art and Music College was opened and I started to teach.

– The audience called one of your exhibitions a celebration of powerful academic art, because you cannot learn to read fluently unless you learn the alphabet. Have you set this principle as the basis for your teaching process?

– For an artist who aspires to become a master, the principle of “We all learned a little bit / Something and somehow”

Dyo Son En was born on 2 February 1960 in Yuzhno-Sakhalinsk. He graduated from the decorative department of the Irkutsk Art School and the painting department of the Far East Institute of Arts. Member of the Union of Artists of Russia. Laureate of the Sakhalin Governor's Prize in Art. Diploma winner of the International Roerich Prize in the field of artistic creativity. Awarded the gold medal of the Union of Artists of Russia “Spirituality Tradition Mastery”. Artist's works can be found in the Sakhalin Regional Art Museum, Vladivostok Art Gallery, Sapporo Literary Museum as well as in private collections of Russia, Latvia, China, Japan, Korea and the USA. 10-time champion of the Sakhalin region in table tennis among teachers of secondary special educational institutions.

does not really fit. First, one needs to get hand in it (it is impossible without knowledge of the basics of painting and drawing) and then free rein can be given to imagination.

– There have been many interesting exhibitions and contests in your life, not only on Sakhalin, but also in many Russian cities, including Moscow and Saint Petersburg, as well as Japan, Korea and China. Honestly, it is impossible to list them. What I noticed was that winning two art contests not only brought you awards, but also travels as a bonus.

In a competition dedicated to the 150th anniversary of Anton Chekhov's birth and the 120th anniversary of his journey to Sakhalin, my work “The Dali of Aleksandrovsk-Sakhalinskoye” won. But apart from the laureate's diploma, I was awarded a trip to Yalta-Simferopol-Sudak.

– I cannot help asking you about your fascination with photography. You got your first camera in 1977 and since then you are fond of photography. How do the photographer and artist coexist?

– Harmoniously, I hope. Not so long ago, I had an exhibition which was my public debut as a photographer. I have presented more than a hundred works of the last ten years. Among them, there are memories of the long-distance travels – portraits of colleagues and college students, artists, museum workers who, over many years, have become a family. Photography can be a source for fine art. Sometimes themes and plots coincide.

– How do you come up with stories for your art? It is more or less clear about landscapes, although they are not a mirror reflection, but rather a reflection of the soul. How about paintings?

– It is different every time and is based on what you watched, read, on music listened, poems recalled – after all the above is mixed, a conception appears. We already mentioned Evsey Moiseenko, who said: “A memory, association, even odour can lead to an image.” And I can't agree more.

– In 2014, at the exhibition “Art. Creativity. Space”, you installations were presented in addition to paintings. Is this a new direction in your creative work?

– It is an interesting experience; I tried to imagine some kind of Sakhalin solar system. For this installation, I collected stones, shells, fanciful wood elements from shores and towns. I tried to absorb the island's light energy.

– And how did you become a participant of the project “Laboratory of Sakhalin Energy”, which involves members of the art community from Mayak creative cluster?

– I cooperate with them, and I was invited to go to a *plein air* together with young artists. I wanted to paint the LNG plant not the way I saw it, but at night. I had fluorescent paints, brought from Japan, and decided to use this technique. The effect was interesting. My painting was presented at the exhibition «Your country: Sakhalin and Kurils through time», which was held in the exhibition complex of the Moscow Museum of History.

– The main character of your paintings is our island. How did you manage to get so “sakhalined up”?

– The island is my Homeland. The brush is led by inspiration and love.

– You said you have retired, what are you going to do?

– I have already been engaged: while we are talking, I am working on a painting. I'm also planning to make a large painting dedicated to the life of the Nivkhs. The canvas is already stretched but I have not yet started.

– Now I feel guilty to hinder the creative process. I wish you success and good luck, we the audience, are looking forward to seeing your new works.

■ Interview by Elena Gurshal

