



# VESTI

## Sakhalin Energy

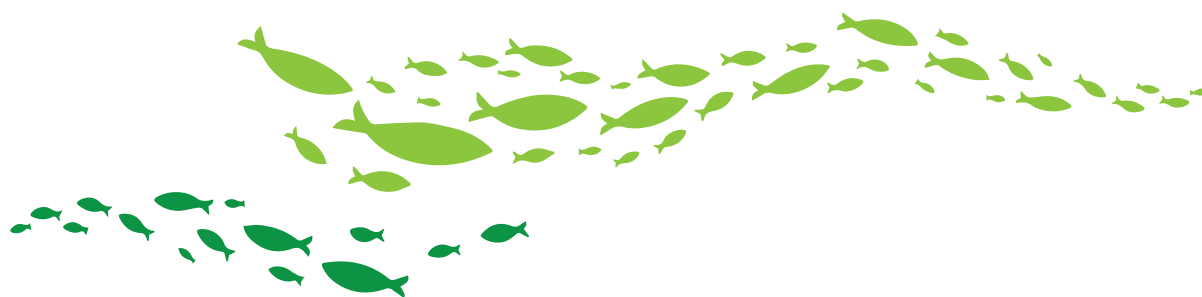
Highest class A1  
in the 2021 Russian Business  
Anti-Corruption Rating

### OCTOBER 2021



## SAKHALIN-2 — ENERGY MARKET INNOVATIONS

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Sakhalin Energy is traditionally one of the main newsmakers at the Sakhalin Oil & Gas conference, attracting many guests with its presence

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Timely vaccination is necessary not only to prevent outbreaks of diseases but also to protect against so-called mixed infections. Why it is important to get flu shot and COVID-19 vaccine, read in the traditional column

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Sakhalin Energy employees and their families helped the Botanical Garden prepare for winter and thereby increased their teams' chances of winning "The Peak" corporate championship

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#### Congratulations to the winners!

The results of "The World Through a Lens" corporate photo contest have been summed up. Together we have once again broken the record— 685 photographs in 11 categories applied for the title of the winner

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**More than 10  
agreements  
were signed  
at the Sakhalin Oil & Gas  
conference with  
Sakhalin Energy's  
participation**

### CURRENT EVENTS

**1**  
September

Sakhalin Energy tops social performance rating among Russian oil and gas companies

**2**  
September

The annual employee opinion survey was launched. The results will help to identify areas for improvement in various areas of the company's activities

**3**  
September

Sakhalin Energy's experience is included in the UN Global Goals Yearbook 2021

**6**  
September

The "Power of Tradition" project, timed to coincide with the International Day of the World's Indigenous People, has ended. It was initiated by Sakhalin Energy

**18**  
September

Voting in the elections to the State Duma of the Russian Federation has ended at the company's assets

**24**  
September

Sakhalin Energy took part in the annual All-Russian Scientific Conference "Innovative Development of LNG Production Technologies"



# In the Green Energy Trend

The three-day Far Eastern Energy Forum Sakhalin Oil & Gas 2021 concluded its work in Yuzhno-Sakhalinsk. The key topic of the 25th anniversary event was the development of the energy sector in the context of economic decarbonization.



As part of the panel discussion, representatives of the Russian government and the Sakhalin Oblast, as well as top managers of domestic and international oil and gas companies, presented reports on energy industry development strategies and plans for the development of green energy. Speaking at the plenary session, Roman Dashkov, Chief Executive Officer of Sakhalin Energy, drew attention to the need to develop a unified methodological framework for assessing the activities of businesses involved in the climate experiment. «When Sakhalin Energy was created, it was based on high-tech solutions which enabled the reduction of CO<sub>2</sub> emissions. Moreover, over the last ten years a programme to improve energy efficiency and reduce the impact on the environment has been developed and implemented. Its implementation has enabled Sakhalin Energy to increase LNG production by 20% and reduce greenhouse gas emissions by 18%,» said Roman Dashkov



One of the key events of the conference was the signing of an agreement between Sakhalin Energy and Toho Gas (Japan) for the delivery of the first carbon-neutral liquefied natural gas cargo. This event is an important step in the implementation of the corporate strategy «Green LNG», which aims to reduce the carbon footprint of the Sakhalin-2 project and maintain the company's leading position in the new area of the energy products market. The signing ceremony was attended by Russian Minister of Economic Development Maxim Reshetnikov, Sakhalin Oblast Governor Valery Limarenko, Adviser to Gazprom Export CEO Alexander Medvedev and RAS President Alexander Sergeyev



As part of the forum, Sakhalin Energy provided an opportunity for Sakhalin students to talk to veterans of the Sakhalin-2 project. At the focus session 'Past Experience for a Sustainable Future', industry veterans spoke about the challenging conditions under which the Sakhalin offshore projects were brought to life, as well as the enormous work involved in preparing the legislative and regulatory framework and technical documentation



On the opening day of the conference, the company and Sakhalin State University signed a number of agreements on cooperation within the Boiling Point innovative space. The documents provide for cooperation in improving the quality of education and development of human resources in the region





*In the context of the COVID-19 pandemic and other external challenges, companies in the fuel and energy sector retain opportunities for development. One of the most effective ways is business localisation. This and other topics were discussed by the participants of the focus session "Adapting to the new reality", which was organised by the operator of the Sakhalin-2 project as part of the of the second day of the Sakhalin Oil and Gas 2021 conference*



*In the context of Sakhalin Energy's priority topic - increasing Russian content in the Sakhalin-2 project – the Sakhalin Oblast Government, Sakhalin Energy and Sakhalin Turbine Service have signed a cooperation agreement. The parties will cooperate in the establishment of service facilities for servicing dynamic and power generation equipment on the island*



*Among the documents aimed at import substitution and localisation of services in the region are a memorandum of understanding signed with Schneider Electric and AVEVA (to initiate cooperation on predictive analytics solutions), and a contract with SMNM VECO for maintenance and modification of Sakhalin Energy's offshore and onshore facilities*



*Two more memorandums of cooperation were signed with GeoSplit and AKROS. The first one is aimed at cooperation in the performance of well tracer surveys by means of quantum marker-reporters, the subject of the second is the development of technical competencies for the provision of drilling fluids*



*Sakhalin Energy and TMK signed a supplementary agreement to a long-term contract for the supply of pipe products. In accordance with the document, the range of high-tech pipe products to be supplied to the Sakhalin project will be expanded*



*On the final day of the forum, Sakhalin Energy and the PTPA Industrial Group signed a contract for the supply of high-tech pipeline valves for the Sakhalin-2 project. In addition, a memorandum was signed with Kuibyshev Telecom-Metrology on cooperation in pilot tests of flare flow meters in order to apply them at Sakhalin Energy facilities*



# Distinguished Guests

## MEETING MITSUBISHI

A delegation of Mitsubishi Corporation (Russia) headed by Michihiko Okabe, General Director, met Timur Gafarov,

by Alexander Singurov, Deputy Production Director, Head of Prigorodnoye production complex. This visit became the first one after the one-and-a-half-year pause caused by the COVID-19 pandemic.

The programme began with the presentation of the company's performance after which Alexander Singurov answered the guests' questions. He told them not only about the project specifics, performance indicators, values and employees of Sakhalin Energy, but also about unique work principles of the complex, mentioned the optimisation of technological processes and ensuring an uninterrupted operation of



the LNG shipping equipment.

acting Chief Executive Officer of Sakhalin Energy. The parties discussed the company's topical issues, in particular, they exchanged the opinions about the perspectives of the Sakhalin-2 project. During the meeting, the guests expressed their commitment to further strengthening and expanding their cooperation with Sakhalin Energy. In turn, Timur Gafarov thanked the representatives of one of Sakhalin Energy shareholders for the long-standing constructive cooperation and their unfading interest in the Sakhalin-2 project.

After the meeting, the delegation went to the LNG plant where they were welcomed

by Alexander Singurov, Deputy Production Director, Head of Prigorodnoye production complex. This visit became the first one after the one-and-a-half-year pause caused by the COVID-19 pandemic.

A traditional bus tour around the plant production area was the final stage of the visit. The guests were impressed by the LNG plant management level, technical reliability of the asset, and its performance indicators. At the end of the meeting, the delegates saluted Sakhalin Energy accomplishments and assured the company management of their continued support.

## EMBASSY BUSINESS

The beginning of September was marked by a visit to Sakhalin of a business-mission headed by Si'alei van Toor, New Zealand Ambassador to Russia. This is her first work



trip around Russia since the beginning of the coronavirus pandemic. While on Sakhalin, the distinguished guests met the management of Sakhalin Energy.

In the company's main office in Yuzhno-Sakhalinsk, the delegates were welcomed by Andrey Okhotkin, Commercial Director, and Todd Perkins, Finance Director, who outlined the main lines of business and the values of Sakhalin Energy and thanked the delegation for their attention to the activity of the Sakhalin-2 project operator.

On the next day, the delegates visited Prigorodnoye production complex where its Head, Deputy Production Director Alexander Singurov told the guests about the creation of the first LNG plant in Russia, its achievements and innovative gas

liquefaction technologies, sales geography and tasks being faced by the complex employees.

The next stage of the delegation visit was a bus tour around the plant production area. Specially for the visitors, the bus made a stop at a local landmark – the spawning Goluboy Stream that flows across the complex territory and divides it into “oil” and “gas” parts by means of a green protection zone. The guests marvelled at the mass entering of salmon and the close proximity of the fragile nature to the most advanced production facility, which is a unique phenomenon for the world's industry. At the end of the visit, the delegates shared their positive impressions of the LNG plant and praised the company's work.



## award

# Best in the Country

For the fifth year in a row, Sakhalin Energy has been announced the winner of the “Labour Productivity: Russian Industry Leaders 2021” All-Russian award.

With an indicator of 153.11 mln roubles / person per year, the company leads the TOP-100 Russian industrial enterprises in the Labour Productivity category – the main category of the rating.

“Our leadership in the TOP-100 is proof that we have chosen the right strategy in human resource management and are successfully implementing it. Following the principle of continuous improvement, we strive to maximise the potential of our staff: each employee can contribute to

the optimisation of the production system and build the work process so as to make it as convenient and safe as possible. This reserve definitely improves the company's performance and competitiveness,” said Roman Dashkov, Sakhalin Energy Chief Executive Officer.

Implementing the technologically complex Sakhalin-2 project, the company has developed a strategy for achieving maximum operational efficiency – the Continuous Improvement Programme.

The programme aims at creating synergies between all inextricably linked processes and optimising them. The principles of the programme go beyond the scope of the production area and ensure high performance in the field of occupational safety and environmental protection, maximum productivity, adequate indicators of facility / equipment reliability, cost savings and reduced reputation risks.

The indicators for the awards were calculated based on data from the profiles provided by the companies, as well as information obtained from open sources (quarterly and annual reporting). All in all, the review panel studied data on more than 5,000 Russian industrial enterprises, whose total revenue amounted to more than 51% of the country's GDP and total number of employees exceeded 5.5 million people.

The rating has been annually compiled

**Chief Executive Officer Roman Dashkov:**  
“Our leadership in the TOP-100 is proof that we have chosen the right strategy in human resource management and are successfully implementing it.”

by Production Management Business Portal since 2015. The main objectives of the project are to identify industry leaders of Russia as a whole and its regions in particular, as well as leading companies in the key industries; to give due credit to those which achieve unique results and develop the country's production potential through comprehensive efforts; to suggest to the country's industrial enterprises what new goals to set and worthy examples to follow in their development.



# Time to Winterise Our Assets

In his famous treatise *The Art of War*, the renowned Chinese strategist and thinker Sun Tzu stressed the importance of preparation before confronting an opponent. After all, forewarned is forearmed. Sakhalin Energy takes this rule to heart, analysing various possible future scenarios and preparing for them in advance. Right now, for instance, General Frost might not yet be on the attack, but our preparations for winter are already in full swing.

## A POINT OF PROCEDURE

“To begin with, a procedure was established for all Sakhalin Energy assets with guidelines on how to prepare for the autumn/winter period, which officially begins on 1 November,” says Andrey Kim, Head of Sakhalin Energy’s Integrated Activity Planning Subdivision.

Andrey went on to note that the document sets out requirements not only for the assets as a whole, but also for individual facilities, structures, equipment, materials, and vehicles, and for personnel. The procedure’s primary concern is risk assessment: the company puts considerable effort into preventing incidents.

Once all the activities prescribed by the procedure are completed, a report on preparedness for the autumn/winter period is drawn up for each individual asset. This report is signed by all the services and specialists involved in the process, and approved by the senior managers of the Production Directorate.

The company will then continue regular inspection and maintenance of the facilities, equipment, and materials throughout the entire autumn/winter season.

## READINESS ON ALL FRONTS

“Certain preparatory actions may differ from facility to facility, but there are tasks which are mandatory for them all,” adds Andrey Kim.

For example, all assets have to be checked to ensure there is a sufficient supply of material and technical resources for the winter. Sakhalin blizzards can leave facilities snowed under for several days, so it is essential to make sure they have everything they need to continue safe and stable operation despite



Construction of scaffolding to repair ventilation ducting on PA-B platform

adverse weather conditions. Preparatory activities include drawing up snow removal plans, designating areas for snow stockpiling and storage, and examining and servicing snow removal machines.

Monitoring facility preparedness is another important consideration. As autumn turns to winter, doors and windows must be repaired or replaced, anti-icing, ventilation and heating systems checked, the condition of storm drains and anti-slip coatings on stairs and walkways assessed, and shelters and sheds installed and inspected.

“In addition to these standard operations, we have to remove water after functional testing of the fire system elements at the Onshore processing facility. To be on the safe side, we pump the liquid out of the pits adjoining the wells in the water disposal

and injection system,” explains Evgeniy Mikhailyuta, Head of OPF Operational Excellence.

## THE SATELLITE KEEPING THE PIPELINE WARM

When all’s said and done, our job is to prepare the personnel, machines, and equipment at all production facilities for uninterrupted work in the harsh Sakhalin winter, when the wind speed can reach 50 m/s, the air temperature can drop to  $-30^{\circ}\text{C}$ , and the wind chill temperature can be as low as  $-50^{\circ}\text{C}$ . The staff at our offshore platforms are no strangers to such extreme conditions (for more information, see March issue of Vesti).

“At our facility, preparations for the autumn/winter period begin well in advance:

in the spring, in fact,” says Andrey Klimov, Piltun-Astokhskoye-B Offshore Installation Manager.

According to Andrey Klimov, particular attention is paid to the maintenance of the ventilation and air conditioning system – the performance of production modules, pipelines, and wellhead equipment largely depends on it in winter. Dampers, fans, and other key elements are thoroughly checked to ensure their failure-free operation.

“Another important series of tasks is monitoring the condition and carrying out preventive maintenance of the satellite heating system. The parallel satellite heating cable is key to maintaining the right temperature and preventing the pipeline from freezing,” adds Andrey Klimov. The asset winterisation process also includes inspections of the pipeline and subsequent restoration of the thermal insulation on individual sections, as well as restoration of anti-slip coating on the outer decks. Arrangements are made for delivery to the platform of reagents to prevent surfaces icing over and special telescopic poles for removing icicles.

## WE’RE ON TRACK

In its preparations for the autumn/winter period, Sakhalin Energy is guided not only by Russian standards, but also by international best practices in this area, and in particular by the Shell Declaration of Conformity.

To assess the preparedness of each asset for cold weather conditions, staff calculate the percentage of jobs completed (based on comparison of the planned and actual scope of work in man-hours), as well as the number of registered deviations. This data is passed to the senior management of the Production Directorate on a weekly basis, starting 1 September.

“To date, the work is proceeding as planned: by the end of September, a number of the company’s assets had completed more than half of their preparatory activities,” concludes Andrey Kim.

# Terminals of Strategic Importance

Along with the largest scheduled major shutdown of the integrated gas system in the Sakhalin Energy history, this year has witnessed preventive activities at the northern and southern gas transfer terminals. The work has been completed successfully, which plays an essential role in the Sakhalin Oblast gasification programme.

## FROM NORTH TO SOUTH

Northern and southern gas transfer terminals are part of the Trans-Sakhalin Pipeline System. With the beginning of production, they allowed Sakhalin Energy to start gas supplies to the domestic market, thereby laying the groundwork for gasification of the island.

According to Artur Kinzikeev, Deputy Pipelines Operations Manager, Sakhalin Energy, the northern terminal situated in the Nogliki District was commissioned in 2012 and is designed to measure the amount of gas and control the technological regime of its transfer to the Sakhalin–Khabarovsk–Vladivostok pipeline. It is through this pipeline that the Sakhalin-2 blue fuel is delivered to the continent under the Far East Gasification Programme.

The northern terminal’s “twin” – the southern terminal – is situated near the village of Dalneye in the south of Sakhalin but, unlike the northern one, is designed for measuring the control of

the technological regime of gas transfer to the nearest gas distribution station (GDS). From there, it is distributed to local commercial and communal consumers under the Sakhalin Oblast Gasification Programme.

## ALL GAS NO BRAKES

The Sakhalin Oblast Gas Supply and Gasification



The northern gas transfer terminal

Programme is a joint programme of the regional government and Gazprom. Sakhalin Energy and Gazprom Transgaz Tomsk, the contractor responsible for the maintenance of Trans-Sakhalin Pipeline System, act together as the operator providing access to the company’s pipeline and furnishing tie-in points with the necessary equipment.

In 2020, the third valve station of Sakhalin Energy’s gas transmission terminal was commissioned in the Tymovsk District as part of the Gasification Programme. From this asset, Sakhalin-2 blue fuel is delivered to the Tymovskoye Gas Distribution Station (GDS). Then the eco-friendly fuel is supplied to the facilities of housing and utilities services and residential buildings. In addition, five gas distribution stations (GDS) are to be built in 2021–2022 to supply gas to Dolinsk, Makarov, and Troitskoye Aniva District, and to Korsakov and Leonidovo Poronaysk District.

According to the regional government, over the period of the large-scale Gasification Programme in the next five years, it is planned to build about 1,200 kilometres of gas pipelines and to gasify more than 35 thousand residential buildings and over 150 enterprises and boiler houses in the region. For remote areas, the programme provides for autonomous gasification with the use of liquefied natural gas. The Sakhalin Oblast gasification should reach 100% by 2025. To-date, only 40% of the region has been gasified.

■ The page is prepared by Pavel Ryabchikov



# Ideas Are Born in the Course of Work

There exist people who do not limit their problem-solving efforts to the usual pattern. Sticking to the obvious, proven, and easy-to-implement solutions is not for them: these out-of-the-box thinkers will not stop until they find a non-standard way to address an issue and achieve a satisfactory result. This is exactly what Leonid Ganets, Deputy OIM of the Piltun-Astokhskoye-B platform, and Vladimir Pustovoy, Senior Oil, Gas and Condensate Production Foreman, did during this year's scheduled shutdown. Although they will never boast about it, they made a considerable contribution to the success of this process on the platform.



Platform personnel involved in planned shutdown at PA-B

— As we know, Sakhalin Energy does not practise the “let’s start, and then we can go from there” principle in its operations. The company carefully prepares for annual preventive maintenance, planning it in advance and in detail. How did your suggestions for process improvement fit into the plan of the shutdown?

**Leonid Ganets:** “Indeed, the preparations began long before the shutdown. Striving to optimise the processes, our team thoroughly analysed them to identify not only potential bottlenecks, but also all strengths. Some time before the shutdown, we had decided to reduce the number of flushes of various containers from two or three to one. This was primarily due to the fact that we had begun to use surfactants for such operations, which make multiple flushing unnecessary. So, we tested this method and then applied it during the shutdown, which significantly reduced the volume of flush water.”

**Vladimir Pustovoy:** “At the offshore facilities, the disposal of production fluids, especially process ones, is a very important issue. That is why reducing the number of flushes without compromising quality saves us time and resources.”

— What was your next contribution to the list of improvements?

**L.G.:** “Normally, before starting the purge of the associated gas treatment system with inert gas (nitrogen), we completely depressurised it and drained the condensate from the gas droplet separators into the accumulator of the closed drainage system. Vladimir suggested displacing condensate into the separator, albeit according to the usual operating scheme. This saved us half a day of work.”

**B.P.:** “Even more than that. To drain the condensate through a closed drain, you need

to turn over the pipe plugs, which involves engaging mechanics, delivering a briefing and so on. All of this takes lots of time, and time is money, especially during a shutdown. In our case, we reduced the pressure in the gas systems — in the normal mode, according to the normal operating scheme — to a level that was safe, but sufficient for the condensate to flow, and displaced all of it into the oil separators.”

— These seem to be simple solutions. Why hadn’t the ideas occurred to anyone before? Or had it been another case of stereotypes — there is only one correct answer to the question, with no options?

**L.G.:** “I’d say it was the “fresh take” effect that worked, as it often does. You see, there is an established procedure for each production operation. It’s like the letter of the law in jurisprudence — no deviation is allowed. The Continuous Improvement Programme helps us look at everyday production operations from a different angle.”

— The epidemiological situation must have influenced the shutdown programme: the platform is a closed space and it is absolutely necessary to exclude any risk of COVID-19 infection. How did you manage to avoid it?

**L.G.:** “We gave due consideration to the risk of COVID-19 spread on the platform. The unprecedented problem forced us to think outside the box. For example, the EcoShelf team, which had arrived to clean the containers on the platform, was stationed on the Stepan Makarov vessel, which was located next to PA-B platform.”

**B.P.:** “To prevent EcoShelf employees from getting into contact with platform personnel in the limited space of the PA-B, we decided to create a delimitation five-metre zone separated by double barriers. This challenging task also required help from the company’s

units from the central offices. In order to create comfortable conditions for our colleagues from EcoShelf, we analysed and took into account many different aspects, including getting the approval of the General Coordinating Committee (GCC). The EcoShelf employees got from the vessel to the muster point, and then moved strictly along the specially designed routes, just like the platform staff — along theirs. All these measures had been approved by the GCC. And they proved to be effective.”

**L.G.:** “The idea was perfectly obvious, but nothing would have come of it without the participation of the whole team. We all worked closely together: the platform managers, the shutdown preparation and execution team, the onshore support staff.”

— Let’s get out of the “red” zone and move on to the area of technology...

**L.G.:** “The pipelines are equipped with devices that measure the rate of corrosion (the so-called indicator cards). They must be replaced at regular intervals. To carry out this operation, we normally invite representatives of the manufacturing company. They bring a special tool — a lubricator, which makes it possible to remove and re-install the indicator card under pressure.”

This year we did it on our own. Having examined the operation from different angles, we came to the conclusion that we could do it ourselves and without any special tool. The point is that the sections of the pipelines are completely drained during the shutdown — there is no liquid in them, and no pressure either. So, indicator cards can be replaced by removing them together with the pipe flange and then by pressurising the connection during the tightness test. Andrey Klimov, the Offshore Installation Manager, and our technical specialists supported the idea.”

**B.P.:** “Let me continue with the list of our improvements. We managed to reduce by half the amount of nitrogen used for flushing the tanks. To flush a tank, first we had normally displaced hydrocarbons from the gas system, and then, before its start-up — oxygen. Our colleagues suggested filling the tanks with water so that they were only half full, and then purge the remaining part.

Another example of optimisation we can boast about is that we combined the nitrogen-helium tests of two production separators (previously, the separators had been tested in turn). We thought: “The permissible operating pressure is the same, the process line is the same, too, so why don’t we do both tests at the same time?”. As a result, we saved time, resources, and money: less preparation, fewer inspections, fewer lines for supplying inert gas and liquefied nitrogen for starting and preparing injection equipment.

Some improvements were invented in the course of the process, on the fly, as it were. For example, in order to purge a separator with nitrogen, identical operations had traditionally been performed on all additional lines. During the preparatory work, a simple idea occurred to me: some of the lines had already been preventively flushed with water at the liquid hydrocarbons displacement stage, and there was absolutely no need to



pull these tens of metres of hoses again. The purge system can be prepared much more efficiently!

When the team is ready to embrace new ideas, all you have to do is make a suggestion. Your colleagues will pick up on it, refine it, and the innovation process will develop further by itself. One suggestion leads to another. The changes might not be drastic; yet they help to do away with unnecessary work. Personally, I call this process dynamic improvements.”

— Just like Julius Caesar, who said: “I came, I saw, I conquered!”?

**B.P.:** “I came, I saw, I consulted with others, I assessed the risks, I got a permit, and only then I put it into execution.”

**L.G.:** “Ideas are not a problem — they are generated all the time; the hard part is to put them into effect correctly. Any deviation from the approved procedures goes through the discussion and approval stages. Safety comes first, and only then can we discuss all the other aspects of the process.”

— Are you going to apply the practices that you used during this year’s shutdown in the future?

**B.P.:** “Of course we are. Much of what we managed to do earlier this year has already been included in the procedures and become part of the production process.”

— I must say that you are a unique team. You managed to put so many interesting ideas into practice in such a relatively short period of time!

**L.G.:** “Well, it must be challenges like this that bring out the ability of each employee to think outside the box and motivate the team to search for solutions. During a planned shutdown, the situation can change rapidly, even despite the detailed planning of all operations, so we are expected to respond to any changes promptly and competently. It’s like in *The Peculiarities of the National Hunt*. Remember the scene in the film where they needed to transport a cow on an airplane? One of them said: “If you want to survive, you will...” I will paraphrase it: “squeeze into a matchbox”. This is also true about what we do: continuous improvement has become part of our life — not only at work, but also beyond it. We are no longer looking for what needs to be improved. Ideas are born in the course of work.”

■ Interview by Elena Gurshal



# A Focus on Localisation

Now that the implementation of the Sakhalin Industrial Park (SIP) construction project is in progress, the localisation of the oilfield service businesses on the island continues to gain momentum. Mikhail Vdovukhin, Project Manager at INTRA Service Company, will tell us about how INTRA, a future SIP resident, will support Sakhalin Energy production with its technologies.

– **Mikhail, how did the cooperation between our companies develop?**

– INTRA Service Company began to operate on Sakhalin in 2010. Back then, we were a relatively young company, so we focused on proven technologies of world leaders in industrial services. We started out small as subcontractors, but our work scopes, including those under direct contracts, gradually increased. In 2016, we signed our first contract with Sakhalin Energy for the execution of work on the pipeline and at the onshore processing facility – in five years we have successfully completed over 500,000 man-hours of work. Three years later, we signed a framework contract for equipment lease and repair services, and this year – another contract for a period of five years.

– **Is it difficult to meet the high HSE standards set by Sakhalin Energy?**

– In our company, we had always complied with industrial and environmental safety requirements. When we started to collaborate with Sakhalin Energy, however, we realised that we still had much to learn. After many years of joint work, our safety culture has reached a higher level. We have successfully implemented an Observation and Intervention Programme and established an incident investigation algorithm. We regularly provide trainings and assess HSE competencies of the personnel. We have also introduced an incentive programme to improve the corporate safety culture. We are trying to involve each employee in this process, and we can already see considerable progress: there has been no lost time incident at all in the company in the past few years.

– **In just 14 years, INTRA has become the Russian leader in repairs without shutdown.**



**How did you manage to achieve such impressive results?**

– Our key to success is simple: we do not rest on our laurels, but constantly learn and develop, look for effective solutions to production challenges – the more difficult they are, the more interesting it is to meet them. Today we are the only Russian company that provides a full range of services for repairs without shutdown (carried out without stopping production). At the very beginning of our operations, we set ourselves a goal not only to use foreign technologies, adapting them to our specific needs, but also introduce domestic methods that would be on a par with those developed abroad. The international sanctions gave us additional impetus. Having the necessary experience and a team of highly qualified engineers, we promptly set up the manufacture of equipment and components for composite repairs and repairs without shutdown at Intrafit, our plant in Miass. The products of the plant have been ASME\* and GasCert\*\* certified.

– **Are any of them used at Sakhalin Energy's production facilities already?**

– Last year, an INTRACASE self-sealing clamp was installed on the Tymovskoye pipeline section. This year, INTRASEAL clamps and composite bandage, which allows restoring the structural and bearing properties of defective pipelines, have successfully passed quality testing. By the way, our technology for eliminating leaks under pressure is the only one in Russia that has received the support of the government and the president. It has been approved by Rostekhnadzor for use as a permanent solution to eliminate leaks on working equipment at hazardous production facilities.

Although INTRA Service Company has quite an impressive experience in tapping trunk pipelines on the mainland (about 900), we have not yet had the opportunity to work at Sakhalin Energy's production facilities in this area. Hopefully, we will have a chance to work at Sakhalin Energy's production facilities in the future.

– **During the major shutdown last summer, INTRA Service Company and STATS (UK) Ltd. implemented a unique pipeline isolation project on the LUN-A platform. Could you tell us more about it?**

– INTRA, STATS (UK) Ltd. and Sakhalin Energy signed a tripartite memorandum at the Eastern Economic Forum in 2019. We spent a lot of time working side by side with our English colleagues, watching them at work, in order to learn from their experience in shutting off pipelines using Techno Plugs – high-tech remotely controlled in-line isolation devices – and local hydraulic pressure testing of pipelines. During the shutdown, we were set the task to isolate a section of the pipeline from the inside to repair an emergency shut-off valve. After the

successful completion of the assignment, we received very good feedback from Sakhalin Energy. As regards our plans for the future, we are going to minimise the participation of foreign specialists and perform all operations ourselves.

– **Innovative technologies require highly qualified personnel, which are not easy to come by. How do you recruit such personnel?**

– INTRA sets great store by employee training. All new employees receive training at the St. Petersburg Polytechnic University, which boasts a demonstration stand for mastering the skills of performing repair work using innovative technologies. In addition, our specialists regularly improve their qualifications in Europe and the USA. The focus on the development of human resources and our own technological base has fully justified itself. The company's personnel provide services at almost all oil refineries in Russia; they are engaged in petrochemical production and the largest oil and gas projects of the country. In addition, our services are in demand abroad – we have opened representative offices in the countries of the former CIS, Europe and the Middle East.

– **What are the company's plans for further development of its operations on Sakhalin?**

– We are going to establish a long-term partnership with Sakhalin Energy and other oil and gas operators on the island. With this in mind, INTRA signed a memorandum of intent to become a resident of the Sakhalin Industrial Park at the 2020 Sakhalin Oil & Gas Conference. We have already registered INTRA Sakhalin, a limited liability company, and equipped its office. Our long-term plans include large-scale dissemination of technologies and the deployment of the production of customised composite materials\* on the island.

*\*American Society of Mechanical Engineers-is a non-profit organisation, which is dedicated to solving training problems in the engineering and technology fields.*

*\*\*A voluntary certification system, in which all gas equipment manufacturers can participate.*

*\*\*\* Manufactured from two or more components with different physical and/or chemical properties.*

■ Interview by Virginia Lakomova

project

## Documents Exist for People, Not the Other Way Round

The archive is a place where history gradually takes shape. There is a really specific atmosphere in there: it is impossible to imagine anyone to raise their voice here. When you happen to visit the company's archive room, which is normally closed to prying eyes, you feel thrilled: it seems that the moment you touch some of the invaluable documents stored there, you will find yourself in the distant past. For instance, in the past of Sakhalin Energy. Please meet today's guests of our column – Irina Kim, Head of the Corporate Archiving Section, and Tatyana Prussakova, Lead Specialist of the unit.

– **Despite the global trend to digitalisation, there is nothing more valuable than original documents, at least so far. Surely, the company has accumulated lots of them over 25 years of its activity. What did it all start with?**

**Tatyana Prussakova:** “Until December 2009, the company's documentation used to be stored in several archive rooms in the territory of two residential complexes – Zima Highlands and Nash Dom, the latter being located behind the Regional Museum of Local History. When the company signed a contract with Kronix Records Management for the provision

of documentation and geological samples storage services, its archives were transferred to one facility with an area of more than a thousand square metres. Today we keep about 38 thousand boxes with various documents and radiographic film units there.”

– **Films are rather difficult to archive. How do you preserve such items, and also other documents?**

**T. P.:** “Today there are clearly formulated standards for heating and ventilation systems in archive premises. To avoid the damage or loss of unique archive items, we use a comprehensive temperature and humidity monitoring system. The specially created and maintained climate prevents the development of harmful bacteria or fungi. Individual methods include ventilation, protection from light, and dehumidification.”



Archive inventory project team

**Irina Kim:** “The Corporate Archiving Section has been monitoring the contractor's work in this area since 2009. Quarterly inspections result in reports illustrated with photographs, helping us to track continuous improvement. We also take additional measures, both for the reliable storage of documentation, and for the safety of archive room employees – this is essential,

because their responsibilities include not only the acceptance, packaging and delivery of archive boxes to a customer, but also working at height, handling cargoes, and driving. We always keep in mind the unshakable truth of business: people are the main value. Our motto is ‘Documents exist for people, not the other way round.’

– **Could you dispel the myth that archiving is monotonous, boring, and there is nothing interesting about it. Is there any room for initiatives in an archivist's work?**

**I. K.:** “Information assets are of a high value; therefore it is our responsibility and keen interest to preserve them, retrieve them without delay, and constantly improve these processes. In fact, keeping everything in complete order, when everything is literally in its place, is very entertaining. The archive room is more than an orderly document storage space; it is a certain indicator of what has or has not been done by the company. The efficient system in the document management life cycle is achieved thanks to the well-coordinated work of all participants, including their work on new projects.”

– **Such as? Surely, there are some projects that the Corporate Archiving Section has completed or is working on?**

**I. K.:** “You're right, there are. In mid-January 2018, Sakhalin Energy launched a large-scale documentation inventory – the first inventory since the beginning of the company's operations. Just think: today the archive contains about a million documents! Of course, there is no limit to perfection, but we do our best to achieve the maximum percentage of originals among this unimaginable number of papers. In addition, the inventory will protect the company from paper confusion and red tape, and will help us to promptly respond to unexpected requests from regulatory authorities.

(End on page 9)



(Continued. Started on page 8)



All results are recorded in a special inventory list, which we may also be required to submit to state bodies. What is more, the project enables us to kill two birds with one stone: in addition to the planned tasks, we are simultaneously addressing other important issues.

For instance, we received a request from the Production Directorate to provide a film with the radiographic survey of a certain section of the main pipeline. We had more than 500 archive boxes with 15 thousand radiographic survey films, which were yet to be taken inventory. We mobilised all forces and found the required material as early as on the sixth day of work. In 2020, the inventory project was suspended due to the coronavirus pandemic, but now it has been resumed and, thanks to the professionalism and diligence of our employees, is progressing at an accelerated pace — of course, with due regard for quality and safety.”

— Now I understand why they say that only people who are truly dedicated to their work can be archivists. They like working with documents which represent living history. Making an inventory of 15 thousand archive items in less than a week is a vivid proof of that. How often do you receive requests like this?

T. P.: “Not very often. Normally, we receive requests for the transfer of archive items to customers for temporary

use or, on the contrary, for the acceptance of documents to the archive. It is important to understand that transferring documents to an archive is not just taking a pile of papers and putting them in an empty space on a shelf in the archive room. We have to stick to a strict acceptance procedure.

In particular, we verify the names of documents and check the expediency of transferring them to the archive, because some documents, such as booklets, short-term documents and copies are not allowed to be archived. Then a transfer inventory is prepared, and the transferor has to do his best. The accuracy of the inventory depends on the quick retrieval of the required item in the database in the future. It is imperative that the title and contents of the archive box are checked when taking over the documents.

According to the procedure, we have three working days to execute an average request sent to the functional mailbox, and only one day for an urgent request.”

I. K.: “Generally speaking, we focus on the ideal balance between the physical mass of documentation and an electronic database, which can only be achieved by fulfilling the established requirements and consistently implementing improvements.”

■ Interview by Marina Semitko



# Vaccination Season

Ahead of the autumn season, Anna Popova, Head of Rospotrebnadzor, said that a wide spread of flu viruses is expected around this period in Russia and, therefore, at least 60% of the country’s population need to be vaccinated. In turn, representatives of the Ministry of Health of the Sakhalin Oblast point out that timely vaccination is necessary not only to prevent outbreaks of diseases but also to protect against so-called mixed infections.

## DOUBLE TROUBLE

One of the most undesirable combinations of infections is that of flu and coronavirus. Due to the similarity of the symptoms, doctors may not be able to diagnose such a mixed infection right away and may prescribe treatment for one disease only.

Along with the double stress for the human body, the combination of flu and coronavirus is fraught with the danger of robust immune response as well as severe complications typical for viral infectious diseases. These include deterioration of eyesight and hearing, lesions of internal organs and cardiovascular system, neurological diseases, and exacerbation of chronic illnesses. All in all, a bleak outlook.

## MINISTER’S “PRESCRIPTION”

In the second half of October, the Ministry of Health of the Sakhalin Oblast is, as usual, expecting a rise in viral infections. According to Vladimir Kuznetsov, Minister of Health, when a patient has flu and coronavirus at the same time, the prognosis is unfavourable, therefore, two vaccines need to be received, ideally in addition to a pneumococcal vaccine, if it hasn’t been received earlier. The latter is given once in a lifetime and serves as additional protection for lungs. Received together, this “holy trinity” will put up a tall wall on the infectious diseases’ way. In our case, this is just what the doctor ordered!

Flu vaccination has already started in the Sakhalin Oblast and will last until the end of November. This year, the island has purchased Sovigripp — a time-tested vaccine with no record on complications over the long history of its use in the region. As the results of previous campaigns suggest, it is mass vaccination that has helped prevent flu-related fatalities.

The island residents will be able to receive the flu vaccine free of charge in all clinics of the Oblast or, without prior registration, at mobile centres set up for coronavirus immunisation. For more details, call 1-300 (ext. 10).

## Why is it important to receive vaccines against flu and COVID-19?

**Konstantin Kokorin, Head of Corporate Health Section, Sakhalin Energy: “You should get vaccinated against both flu and COVID-19. These are different viruses which, when combined, skew the clinical manifestations significantly to the worse. The course of the disease is more severe with a high risk of complications and death. However, it is important to understand that vaccination protects not from the very fact of getting infected (the immune response takes time to develop), but from the negative consequences. Vaccinated people will have much milder disease.”**

## PLAN IT RIGHT

The Ministry of Health of the Sakhalin Oblast remind that two vaccines — against flu and coronavirus — may not be received in one go. You need to plan your personal immunisation timetable, leaving an interval of one month between the two vaccinations.

You will be given a mandatory medical check-up before vaccination. Feeling sick? Reschedule the procedure: having a disease in acute phase is an absolute contraindication for vaccination against any infection.

■ Pavel Ryabchikov

doctor’s office

## COVID-19

Sakhalin Energy organises vaccination against coronavirus for the personnel of Prigorodnoye production complex (non-sterile zone), OPFC construction site, and pipeline maintenance depots. Foreign nationals working for the company and their family members can receive Sputnik Light vaccine for a fee in clinics No. 2 and 4 in Yuzhno-Sakhalinsk.

## FLU

Sakhalin Energy is scheduled to start flu vaccination in early October (the exact timing will be communicated in the message for all employees). Two Russian-made vaccines will be offered to Sakhalin Energy and contractors to choose from Grippol Plus and Flu-M Tetra.



## HOW BEST TO PREPARE FOR COVID-19 VACCINATION



### 1 IS THERE ANY RISK OF GETTING AN ALLERGIC REACTION FOR PEOPLE WITH ALLERGIES?

If you have allergies, talk to your doctor first. Your doctor will recommend a safe vaccine based on its ingredients.

### 2 SHOULD I TAKE ANTIHISTAMINES BEFORE OR AFTER COVID-19 VACCINE?

No, there is no need for such ‘pre-medication’. Studies have shown that antihistamines may adversely affect your immune response to the vaccine. Allergy medicines might be useful for people with allergies. If you take these medications regularly, there is no need to stop taking them before you get vaccinated.

### 3 DO I HAVE TO TAKE ANY MEDICAL TESTS OR EXAMS BEFORE VACCINATION?

No, there is no such requirement. Make sure that you feel well on the day of vaccination. Your doctor will check your blood pressure, body temperature and examine your nose and throat to make sure you are having no acute inflammatory infection. You may take a PCR or antigen test to check whether you have had an asymptomatic case of COVID-19 earlier.

### 4 WHAT ARE RECOMMENDATIONS ON FLU-LIKE SYMPTOMS AFTER THE VACCINATION?

Flu-like symptoms are common side effects. You can take medications helping to reduce fever, inflammation and/or painkillers.

### 5 HOW LONG DOES IT TAKE TO HAVE IMMUNITY AFTER VACCINATION?

It takes 2-3 weeks for the immune response to develop. You will be less likely to get infection after the vaccination. Even if infected, vaccinated people have milder symptoms and no further complications. Please seek medical attention and advice if any signs of URI after vaccination.

### 6 WHAT TO DO IF I CAUGHT COVID-19 AFTER THE FIRST SHOT?

There is no need in the second dose in this case.

### 7 VACCINATION FOR PEOPLE WITH CHRONIC CONDITIONS (GASTROINTESTINAL DISORDERS, HYPERTENSION ETC)

People with underlying conditions should be first vaccinated since they are more exposed to severe complications of COVID-19. Please consult your doctor before vaccination.



DO NOT MOISTEN THE INJECTION SPOT WITHIN THE FIRST 24 HRS. AVOID VISITING SAUNA/HOT BATH AND DRINKING ALCOHOL WITHIN THREE DAYS.



AVOID STRENUOUS PHYSICAL ACTIVITY THIS MIGHT ADVERSELY AFFECT THE IMMUNE RESPONSE TO VACCINATION.



ALWAYS USE INDIVIDUAL PROTECTION AFTER THE VACCINATION: WEAR MASKS, USE SANITIZERS, MAINTAIN SOCIAL DISTANCING.



# We Can Support the Company



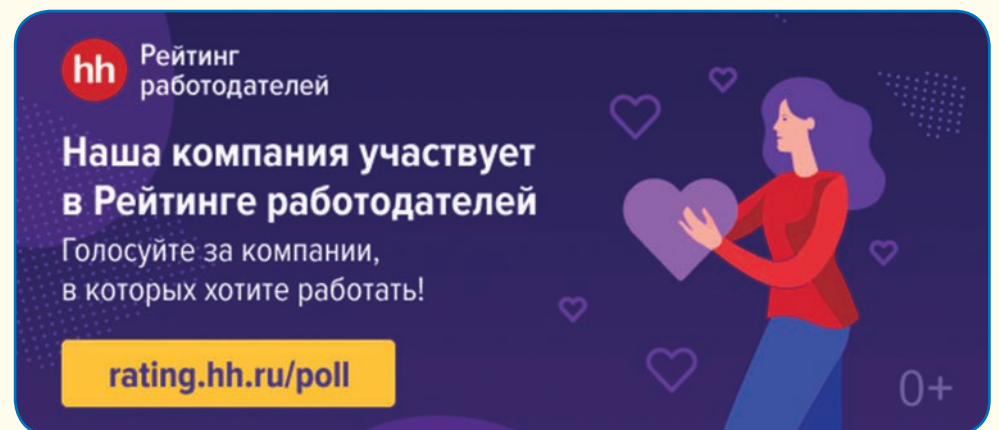
The final stage of the Russia's Employer Rating 2021 starts on 1 October and Sakhalin Energy takes part in it. It is organised by HeadHunter, Russia's largest online recruitment company.

The first two phases of the survey, in which direct-hire employees voted, ended on 30 September. We would like to thank everyone who expressed their opinion. In the next Vesti issue the interim results of the ranking will be summarised and the percentage of employees who voted will be announced.

Unlike the first two stages of the survey, the final one is for potential job seekers only. Sakhalin Energy employees cannot vote in it. However, according to the rules, we can support the company by telling our friends and acquaintances\* about its participation and offering them an opportunity to influence the public opinion on best employers in Russia. There are two ways to do that:

- by adding a link to the survey (<https://rating.hh.ru/poll/>) or a QR code to your e-mail signature;
- by sending a link to the rating page to someone you know.

As a reminder, in 2020 Sakhalin Energy made it to the finals in the Energy and Mining category and to the top five companies in the country. We are proud of our team and the result, and we have every intention to surpass it. This time, the competition is tough. Over 1,700 companies from all over Russia hope to claim victory. This year,



Sakhalin Energy competes in three categories: "Most Popular with Job Seekers", "Most Engaged Employees", "Most Sophisticated HR Processes".

Only one month remains until all qualifying stages are completed. Voting by job seekers will end on 31 October. If you have any questions, please contact Maria Nikolaeva, Deputy Head of Staffing Subdivision.

The rating results will be published in February 2022 in the special issue of RBK+ Labour Market.

*\* Only hh.ru registered job seekers are allowed to vote. Sakhalin Energy direct hire employees cannot vote.*

## 2.0 Professional Internships: A Look From the Inside

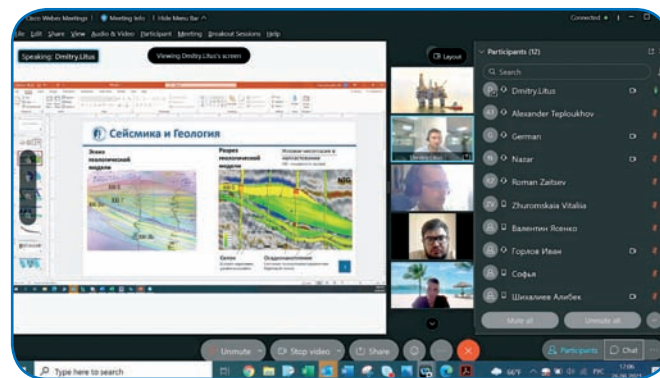
In late August, the Staffing Subdivision completed yet another online campaign as part of a joint project with Profinternship.RF 2.0, which brought together Russian students and Sakhalin Energy employees interested in sharing their experience with the younger generation. The project has considerably contributed to the employer's brand recognition – there is no better advertising for a company than rave reviews from young people. Here's the story in more detail.

Communication with students takes place on a specialised platform, where they view the cases uploaded by the company and submit their applications to solve them. Once the case study is completed, the employee of the Staffing Subdivision transfers all answers given by the students to the author of the case and asks the latter to choose the best works. Applicants who showed good results receive invitations to a 30-minute feedback session. During the session, they are given an opportunity not only to explain their approach to solving the case, but also to discuss it with an expert. Moreover, they can get recommendations regarding post-graduate studies or the choice of a topic for a thesis.

In the fourth phase of the project, we applied a stricter approach to the selection of the students and granted invitations to the online internship only to those who had proposed the most practical or original solutions – a total of 15 students. Four of the selected young people had participated in the previous phase of the project.

Together, we developed a two-week online internship programme, covering all aspects of the company's operations. During the sessions, we talk about the project, safety, development programmes and opportunities, hold meetings with specialists from different units of the company. Normally,

we schedule meetings for the last hours of the working day due to the geographical location of the interns. The sessions last no more than one and a half hours. According to the feedback from participants of the previous online internship phase, they were particularly impressed by the story of our engineers Mark Kovalenko and Rinat Nuriyev about their personal experience of working on offshore production platforms.



During the latest internship phase, we talked about the structure of the training system in the company. The participants were informed about the 70/20/10 development model, the growth mind as a trend of our generation, the fact that more and more companies are focused on specialists with this mindset, that each student is entitled to choose his or her future employer after analysing the advantages it offers. The interaction between specialists of the Technical Directorate and the links between different disciplines, for example, seismology and geology, were dwelt upon in more detail. We explained why recruiters sometimes turn down applicants after reading their CVs, and how to avoid or correct this situation.

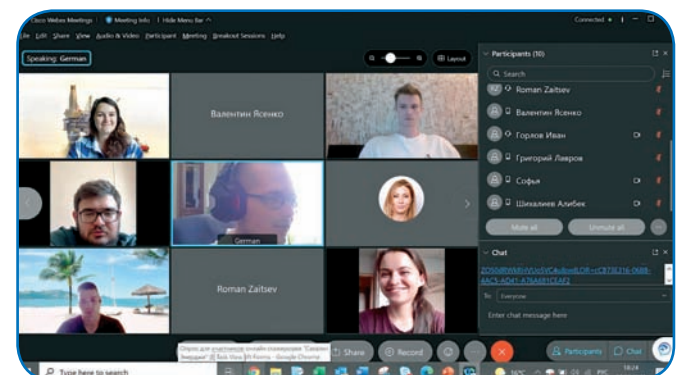
At the final meeting with the interns, which took place in a friendly atmosphere, we announced the winners of prizes, which will be sent to the students by post. In turn, the young people

### personnel

Since the beginning of Sakhalin Energy's participation in the project, seven case studies have been developed in the fields of geology, drilling, chemical technology, and personnel management. More than 40 students have completed online internships and some of them have already gained a firm foothold in the company's skill pool.

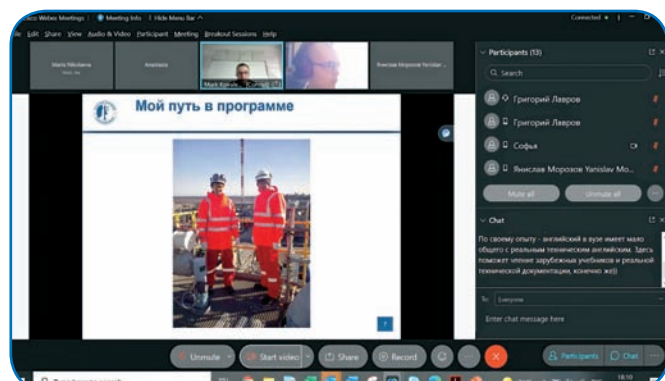
shared their thoughts and emotions from participating in the project. According to them, the project had given them an insight into many important things.

For Russian students, participation in the project is a chance to get acquainted with Sakhalin Energy, no matter which part of the country they live in. In other words, it is a unique opportunity for them. The company, in turn, uses the project to strengthen its brand, find brand ambassadors at universities with which it has not yet established cooperation, create strong ties with the best educational institutions of the country, attract the attention of candidates in the absence of the usual job fairs. This is an experience in a new reality, where we explore and apply the best practices of interaction with youth. As a result of the project, a participant of its third phase will join the company's Graduate Development Programme. Several more students from the fourth phase of the project will be enrolled in the Sakhalin Energy database and will be interviewed.



The project inspired new authors to develop and present their case studies (we thank them for their work and commitment to educating young professionals) and no less enthused students – to prepare for completing the assignments. If you have relevant case studies in any of the areas of the company's operations and you are interested in participating in such youth projects, please contact the Deputy Head of the Staffing Subdivision Maria Nikolaeva. The new phase of the project has started on 1 September. Join us!

■ The page was prepared by the Recruitment Subdivision





# It Is Very Important to Listen to and Hear Every Person

This is a simple rule that Andrey Smirnov, Head of the Business Development Section of Sakhalin Energy's Commercial Directorate, PhD in Economics, tends to follow.

## ANDREY SMIRNOV, HEAD OF THE BUSINESS DEVELOPMENT SECTION

Graduated from Volgograd State University with a degree in Management. Defended his PhD thesis on Interaction Between the Region and the Subsoil User in Regulating the Development of the Mineral Resource Base (using the example of the Volgograd Oblast).



— Andrey, here's our traditional question: who or what made you choose your profession?

— I guess it was the atmosphere of the late 90s. Back then, the Western economics was one of the new trends emerging in our country. They didn't teach it in the Soviet Union, and for many of us it became a window to a new world. The first school of economics in Volgograd was opened at the State Technical University. I realised that I had a heart for it, and followed a new, at that time uncharted path.

— As the classicist wrote, "We all meandered through our schooling...", but you decided to work on your PhD. What made you take up science?

— After graduating the University, I got a job at the VolgogradNIPIneft design institute, where I did research into the economic aspects of exploration in the Lower Volga region. In the early 2000s, Russian companies were only starting to follow foreign management standards, including techniques of risk-based economic evaluation of unexplored subsoil areas. It was important to use both national and western approaches to ensure effective cooperation of the state and the subsoil user. That was the basis of my PhD.

— Did you think about pursuing a career in science? Or empirics was more important for an economist than research?

— For me it was important to use my knowledge and experience and to see how things work in practice. Back then, Sakhalin seemed like a different planet. Western technologies in offshore development, world-renowned companies, audacious innovative projects. I was offered a job with Sakhalin Energy, and I realised that it was a perfect match of dream and reality.

— What does your today's work have to do with science?

— I think the experience I got from balancing between two business cultures, Western and Russian, helped me to successfully "translate" the business language of our foreign colleagues to our Russian specialists and managers.

— What do you consider to be the main problems in your line of work? Which can be addressed with little effort and your own resources, and which cannot?

— Today, it is absolutely crucial to lay a solid foundation for a sustainable future, that is why the Business Development Section is working to find and expand the mineral resource base. In my opinion, some operational issues can and should be addressed internally, but the mineral resource base requires commitment from all project participants. There is no "winging it with little effort", as you say.

— What helps you to do more, lead better, and get results? What time management techniques do you use?

— It may sound cliché but I think that people come first. It is very important to listen to and hear every person to look at problems from different perspectives. And, of course, to stay positive for everyone, regardless of the situation or circumstances. Time management techniques are common: prioritising, planning, structuring.

— Have you ever had a situation where you made a wrong decision? What would you do today based on your experience?

— Of course, every person had such situations at some point. But what I would do today... It is clear that everything would be different, so I can't make a direct comparison. It's important to avoid such mistakes, but it requires analysis and sensible reflection.

— How do you feel about people who tell the truth to your face?

— In general, I respect and approve of this quality. It is clear that when you have nothing to lose, you can say anything. But in our reality you need to have the wisdom to deliver a message without ruining the relationship. Speaking the flat-out truth is more likely to kill it, as the person may just not be ready for it.

— Do you keep your personal things at work? What is it? A photograph, a mug?

— Tea. I love Chinese puerh, it helps me focus.

— What qualities helped you in your career?

— Persistence and a clear understanding of my goals.

— What does your working day look like? Do you take work home?

— Now, it's rare that I take my work from home (smiles).

— It seems like we have a Q&A here. How to let go of other people's opinions? Is it important?

— Yes, it is. Perhaps, only you know what's going on and what to do. You learn this from experience and common sense. Once you internalise this, you become independent.

— Konstantin Sonin, a famous Russian economist and professor at the National Research University Higher School of Economics and the University of Chicago, has said in an interview that when he was a teenager he was absolutely "plowed" by William Manchester's *The Death of a President*. It turned out to be not so much about the assassination per se, but about the way the US government machine works. Have you ever had a similar experience?

— I guess the book *Games People Play* by Eric Berne. It was not easy to realise that a person from the moment of birth exists within a scenario imposed by society. I think that a person can only reach their fullest potential when they can "read" the scenario and exit it.

— Who would you say has a scientific influence and who had a moral influence on you?

— I admire the scientific ideas of Milton Friedman\*, and my wife has always been my moral influence.

— Have you ever had the urge to start fresh?

— Yes, sometimes. In my career, I went through three Directorates: from Financial to Technical in 2012, and to Commercial in 2020. Those divisions have different tasks and business cultures. I am very proud to be a part of the company, because sometimes people travel around the world pursuing different positions, and Sakhalin Energy offers such an integrated business chain.

— There are psychological techniques that are based on visualising dreams. They suggest that as soon as you clearly want something, you start to see the path and all you have to do is to have a clear picture. What kind of picture would you have?

— Having worked with the company for over 15 years, I started to think about writing a book, where I could share with the reader my experience and view on Sakhalin Energy and the island as a business and cultural phenomenon in Russia.

— Then we will try to picture in detail the cover of the future book. By Andrey Smirnov, and the title you have not yet come up with.

■ Interview by Elena Gurshal

\* Milton Friedman is an economist, publicist, the 1976 Nobel Prize winner. Author of *Capitalism and Freedom*, which is considered to be one of the most important economic and political works of the 20th century.

## achievement

## In the Highest Class

For the second year in a row, Sakhalin Energy has been assigned Class A1 in the 2021 Russian Business Anti-Corruption Rating, compiled by the Russian Union of Industrialists and Entrepreneurs (RSPP).

This is the top grade a business can earn in terms of anti-bribery, anti-corruption, and corporate business ethics.

The rating was compiled based on an independent review of anti-corruption management practices in 59 major companies operating in the country. The review panel took into account the criteria of the international standard on Anti-Bribery Management Systems and the Russian Anti-Corruption Charter for Business.

They include effective work to prevent conflicts of interest, senior managers'

leadership in adherence to the principles of fair dealing, management of corruption risks in the financial and non-financial areas of activity, awareness of staff and business partners, including extensive training of employees under anti-bribery and anti-corruption programmes.

According to the President of the Russian Union of Industrialists and Entrepreneurs, Alexander Shokhin, anti-corruption compliance in Russia is becoming an important element of

corporate governance and internal control, an effective tool for minimising risks and achieving sustainable development goals.

"Companies are introducing measures to prevent and counteract corruption and increasing their effectiveness, since each organisation is interested in avoiding the negative consequences of unethical business conduct and corruption. The National Anti-Corruption Plan for 2021–2024, approved by the President of the Russian Federation, sets an urgent task for the Russian Union of Industrialists and Entrepreneurs and other business unions – to promote the implementation of mechanisms for preventing corruption both in the public and private sectors of the economy," said Alexander Shokhin.

"The development of an ethical culture is a long-term strategy of our company. It

is based on the principle of zero tolerance for corruption and uniform business ethics rules, mandatory for every employee," emphasised Roman Dashkov, Chief Executive Officer of Sakhalin Energy. "The high ranking of the company in the RSPP rating is vivid proof that we have created a solid foundation for combating bribery, implemented effective compliance technologies and, most importantly, that we realise the necessity for strict adherence to them."

In the final report, the RSPP highlights the fact that a number of companies in the energy sector have increased their score in the final assessment compared to 2020. We can proudly say that Sakhalin Energy is among these achievers.

■ Marina Semitko



# Digital Transformation of Business: Challenges and Solutions

Present-day companies, including those in the oil and gas sector, operate with maximum efficiency in conditions of unlimited competition. To be competitive, an enterprise must have high potential, capabilities, and ability to adapt to market relations.

In the current conditions, the growth of the company's competitiveness largely depends on an increase in product quality, a decrease in the manufacturing cost per unit, marketing development, the introduction of innovations, and the search for new solutions.

Due to the development of technologies, in the 21<sup>st</sup> century, it is no longer possible to increase competitiveness through the purchase of state-of-the-art equipment and the creation of marketing strategies, which may not have a sufficient effect for the purpose of business optimisation. The onset of the digital era dictates its own rules, puts us in rigid boundaries of transformations which directly shape competitive advantages. At all times, business players have strived to become leaders or to maintain leadership. Today, this is practically impossible without digital transformation of the company's business.

The company's success is closely associated with decisions made on a daily basis, which can only be optimum if they are made on the basis of reliable data on the current state of affairs in the external environment and in the company – at all levels and in all functional units, from material resource management and production planning to sales and cash flow control. The explosive growth in the availability of information from various sources has led to the situation that is characterised, in terms of business, by two theses: an excess of data and a lack of relevant information. Therewith, time needed to retrieve necessary information can, in its turn, negatively affect its relevance.

Today, most companies have faced with the problem of managing huge amounts of data, which must serve as a basis for accomplishing a wide range of analytical and managerial tasks in all areas of business. Therefore, problems related to cleaning, storage and processing of analytical data are coming to the fore, becoming more and more relevant with each day and requiring the attention of both information technology specialists

and business as a whole. It is of crucial importance for analysts and managers at all levels to have constant access to all data they may need for making decisions and, of course, to be able to obtain this data in various representations to perform comprehensive analysis. The above problems can be solved using technologies the generic name of which is "data warehouse". This data collected from various transactional systems with a heterogeneous structure and content is inconsistent and even contradictory. The integration of disaggregated detailed data accumulated in various accounting systems and coming from external sources after its preliminary cleaning, reconciliation and aggregation are performed on the basis of the Data Warehouse (DWH) concept.

The DWH has a complex layered scalable architecture (LSA). In fact, the LSA provides for logical division of data structures into several functional levels, or layers. Data is copied from level to level and transformed to eventually appear in the form of consistent information suitable for analysis.

Each of the above layers, except for the service layer, consists of a persistent data storage area and a loading and transformation module. Storage areas contain technical (buffer) tables for transforming data and target tables that are accessed by the consumer. To support loading and auditing of ETL processes\*, data in the target staging tables, core and mart layers is marked with technical fields (meta-attributes). Each level can be implemented using different technologies for storing and transforming information or using universal products, a variety of which is offered in the software market today.

This infrastructure opens up the following opportunities for the company:

– **prompt access to necessary information.** The larger the company is, the more units it has that generate data streams, and the more difficult it is for analysts to quickly access information they need. To analyse one problem,

## NORMALLY, THE LSA IS IMPLEMENTED AS A SERIES OF LEVELS:

– the primary data layer, or staging, in which data is loaded from source systems in its original quality and with a complete history of changes. Here, the next layers of the storage are abstracted from the physical structure of data sources, data collection methods, and methods of highlighting changes;

– the core data layer – the central component that consolidates data from different sources, leading them to single structures and keys. It is here that general transformations and main data quality assurance operations take place to free consumers of the need to grasp the features of data sources logical structure and compare data. This solves the task of ensuring the integrity and quality of data;

– the data mart layer, where data is transformed into structures that are convenient for analysis and use in consumer systems. When the data mart layer takes data from the core data layer, the former is called "regular". If data consolidation is not needed to quickly solve local problems, the data mart layer can take primary data from the primary data layer. In this case, the former is called, respectively, "operational". There are also secondary data mart layers that are used to present the results of complex calculations and atypical transformations. Thus, data mart layers ensure processing uniform data to make specific business data available to a definite group of users, which allows these users to quickly access critical insights without wasting time searching through an entire data warehouse;

– the service layer ensures the control over all the above levels. It does not contain any business data, but operates metadata and other structures to work with information quality, making it possible to audit it end-to-end, use general approaches to highlighting the delta of changes, and to control data loading. The service layer also provides tools for monitoring and diagnosing errors, which speeds up problem solving.

they will need to request access to different databases of different departments. This may take time. The DWH solves this problem by providing quick access to all information needed;

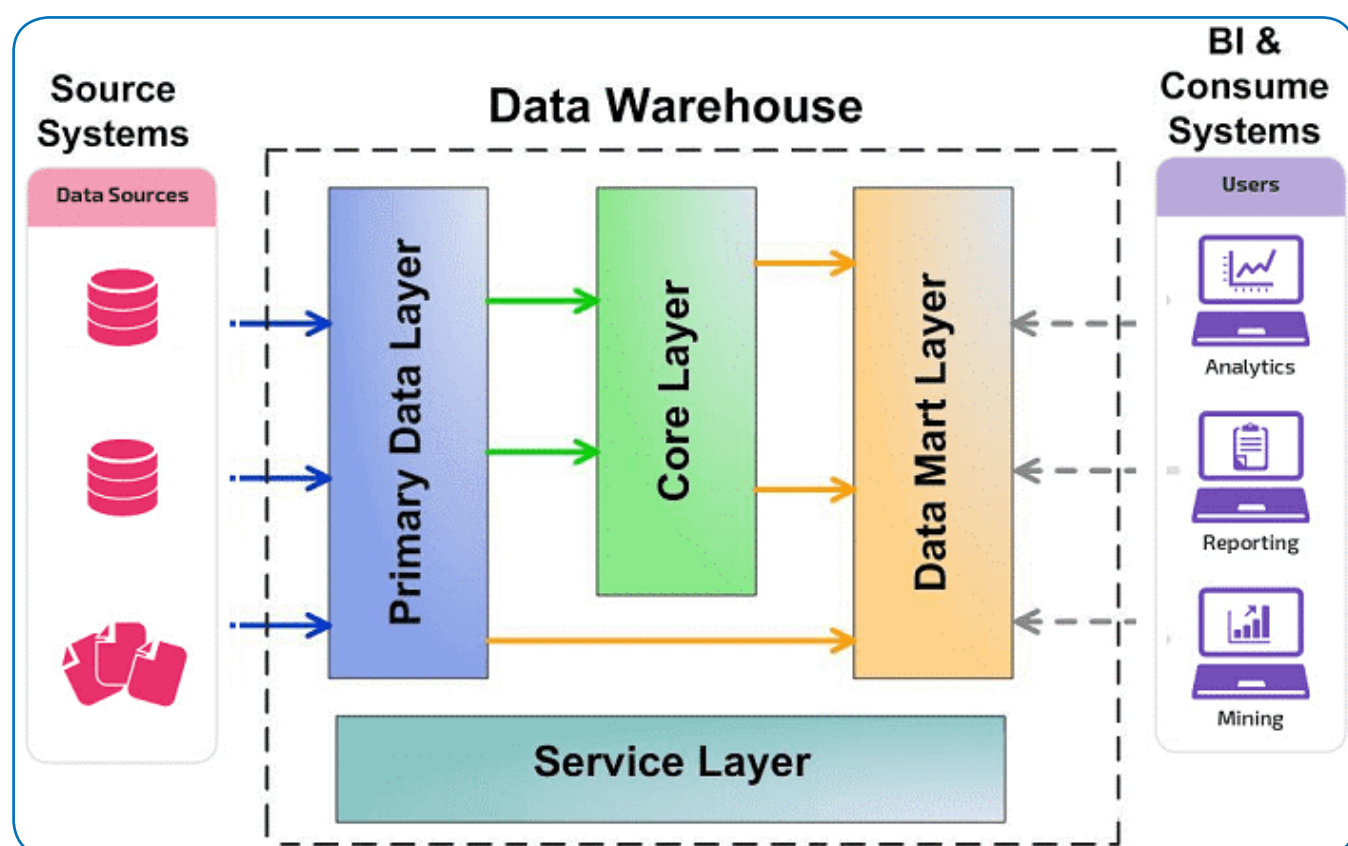
– **long-term data retention.** Typically, conventional databases are not used to store information on the company's ten years of operation. For the DWH, however, this is common practice. All information is stored in an optimum format, including aggregated values;

– **avoidance of the influence of business intelligence on other processes and systems.** If the Analytical Subdivision urgently needs large amounts of data and specialists download them from the DWH, the load on the DWH will not affect the operation of other information systems and business applications. Therefore, the DWH as an analytics tool applicable to all the company's activities helps to maintain the reliable operation of the applications operational databases which store primary information for analysis.

Thus, the systemic approach to storing and processing data from various sources helps to make full use of information generated in the company. In addition, it increases the efficiency of business management by presenting the most important information in a concise, structured form to the company's management. It also ensures a unified process for monitoring the achievement of the set goals in all areas of the company's activities.

■ Prepared by Maxim Bakulin based on bigdataschool.ru, cloud.mts.ru

\* ETL (extraction, transformation, loading of data) is a complex process of transferring data from one application or automated information system to others.







# The Green Peak-2 Environmental Campaign

In September, Sakhalin Energy employees and their family members took part in the Green Peak-2 environmental campaign\* to prepare the Sakhalin Botanical Garden for winter period.

The campaign was arranged by the company as part of the “Hurry up for Good Deeds” charitable programme. Another incentive was the corporate environmental strategy aimed to make Sakhalin Energy as green as possible.

About 80 volunteers who were not frightened by the Sakhalin weather prepared exposition lots for planting the so-called introduced plant species. Employees of the Botanical Garden brought seeds from expeditions in Russia and other countries of the world. Walnut, apricot, peach, chestnut, apple – many of these trees have been growing in greenhouses since 2011 and have already acclimatized under the supervision of scientists and began to bear fruits.

“Transplanting plants into open ground is an outstanding issue – we have a lot of planting material of a fairly large size which simply has nowhere to plant, all areas are overgrown with tall grasses. Preparing new planting areas is a complicated process. But this is very important if we want to arrange additional planting areas” – said Viktor Sheiko, Senior Researcher of the Botanical Garden, Candidate of Biological Sciences.

The volunteers using picks and shovels in just a few hours cleared and dug up the soil along the excursion path and helped to create a decorated area. Today, the Botanical Garden employees demonstrated the sketch to all volunteers. The decorated area will be located near the pond. In spring, plants will



be planted and a summer house in the Ainu style will be installed. Due to support of the company employees the area has already been prepared and levelled with gravel.

“With the financial support of Sakhalin Energy, a completely new art object will appear in the Botanical Garden. Our guests will have the opportunity to admire a

unique Far Eastern flora and other thematic collections of plants in a comfortable environment” – added Svetlana Fatykhova, Engineer of the Botanical Garden.

The young participants of the event learned the peculiarities of the island flora during entertaining games and excursion. In addition, the children were offered to add more seeds in the unique “Seed Bank” of the Botanical Garden. Children helped to collect the fruits of the Ussuri pear and the curly oak. Seeds of the Russian Far East including those from the Botanical Garden are in great demand among other gardens of the world due to their endemism (e.g.: Belgium, France, Canada, Finland, Estonia, Korea).

“Existence of absolutely every human depends on the benefits of the nature. Also, many organisations depend on natural resources and our company is not the exception. I think that for me same as for my colleagues, engagement in the environmental campaign is the opportunity to thank our infinitely beautiful, generous and such patient common home” – said Elena Solonenko, one of the volunteers of the campaign.

“This campaign is one of the largest in the history of the Botanical Garden. What our friends have done today – I cannot name Sakhalin Energy in another way – is a tremendous work and invaluable support for the further development of the exposition, thematic areas and especially scientific research of our employees. We hope this is not our last meeting in the Sakhalin Botanical Garden” – said Olga Korchagina, Director of Botanic Garden.

■ Marina Semitko

\* Participants of the environmental campaign brought extra points to their teams as part of The Peak Corporate Championship.

## environment

# The Principle of Three R's

**Conscious waste management is based on the principle of three R's: reduce, reuse, recycle. The order of the steps is very important: before reusing and recycling things, we first have to reduce the consumption of resources.**

Sakhalin Energy was one of the first companies in the region to develop a waste management standard and did it long before the relevant federal legislative initiatives. The purpose of the standard is to minimise waste generation. For many years, the company has been effectively using the method of separate waste collection. Sorted waste is transferred to specialised organisations for recycling, while non-recyclable waste is disposed of in landfills.

Minimising the amount of the latter does not require large-scale measures; it is sufficient to systematically work towards this goal. To this end, the company carefully monitors the expiration dates of materials, equipment and food products. All containers, including wooden pallets and packaging for transportation, are reused multiple times whenever possible. Plastic bottles have been largely replaced with drinking water coolers, which are the latest trend in the company. Mercury lamps are gradually being replaced

with LED lamps at all assets. To reduce paper consumption, the company's printers have been configured for duplex printing.

Moreover, many of the employees who worked from home during the difficult epidemiological situation came to the conclusion that they could easily work with electronic versions of documents and did not need to print them out. The cafeterias in the office buildings and the Zima Highlands residential complex switched to paper packaging for pastries, abandoning plastic bags, as well as plastic teaspoons and other disposable utensils made of expanded polystyrene. These may seem to be simple steps, but they have proven to be effective for minimising waste.

Specialists of the Industrial and Environmental Control Subdivision of the HSE Department and the Facilities Management and Development Division are actively promoting advanced waste management practices. The awareness-

raising work is aimed at convincing employees to stop using disposable items, cut down paper consumption, and think of ways to reduce household and industrial waste. It should be noted that the staff of the company are willing to change their waste management habits – this is confirmed by the results of the survey.

What is more, Sakhalin Energy is making every effort to disseminate its useful practices among other organisations which lease office space in the same office buildings in Yuzhno-Sakhalinsk. For this purpose, the company has created a working group with the motto “Waste Minimisation”. The group members have held a series of meetings with the lessors and representatives of waste processing enterprises. In particular, they had a constructive dialogue with Elena Almaeva, head of the Sfera business centre (BC), who supported the idea of waste sorting and correct waste disposal, and concluded a contract on the transfer of waste paper, cardboard and plastic for recycling. Following the meeting, the Facilities Management and Development Division of the company purchased containers for separate waste collection and also plastic bottle compactors and installed them in the

Sfera BC. Thanks to the joint efforts, the amounts of mixed waste transferred to the landfill for disposal have been significantly reduced.

The next step of the waste minimisation plan was to abandon the use of individual waste baskets under the office desks in the Sfera BC: every day a new plastic bag was placed in each of them, which was later sent to the landfill, along with the garbage collected in it. Instead, employees began using labelled containers for different kinds of waste, installed on each floor. This solution significantly reduces the use of plastic bags, which take more than a hundred years to decompose! It is planned to gradually introduce this experience in other Sakhalin Energy offices.

Sakhalin Energy and contractor staff readily support the environmental initiatives. We expect this fruitful cooperation to continue, since the success of such initiatives depends not only on teamwork, but also on personal involvement of individual employees. Each of us can contribute to the conservation of nature by applying the above methods. There is no doubt that the new practices will benefit the planet and help secure a healthy future for us and our children.

■ Elena Kurochkina, Roza Galimzyanova



# Congratulations to the winners!

The results of the The World Through a Lens\* corporate photo contest have been summed up. Together we have once again broken the record for the number of entries. This year we received 685 photos for 11 categories!

## ART PHOTOGRAPHY



1st place – Olga Tyugina,  
«Fears»

## WILDLIFE



1st place – Dmitry Sergeev,  
«Red Book Deer on the Nabil Ridge»

## PETS



1st place and the People's Choice Award –  
Ekaterina Korzinina, «May the Force be With You»

## LIFESTYLE



1st place – Zoya Galimova,  
«Carefree Childhood»

## MICROWORLD



1st place – Zoya Galimova,  
«A Drop»

## LANDSCAPE



1st place – Denis Vinar,  
«Kholmsk»

## PORTRAIT



1st place – Ekaterina Korzinina,  
«Lena»

## STREET PHOTOGRAPHY



1st place – Alexander Gaivoron,  
«In the Museum»

## SAKHALIN ENERGY



1st place – Andrey Kaverin,  
«A Plant Is Under Control»

## ECOLOGY



1st place – Alexander Gaivoron,  
«Eliminating the Spill»

## YOUNG PHOTOGRAPHER

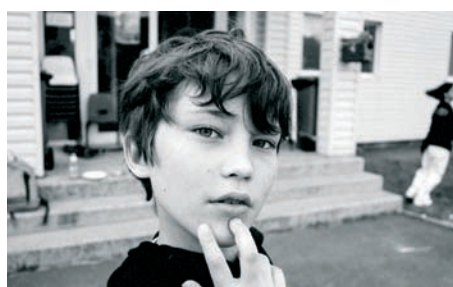


Winner is Tamila Doroshenko,  
«A touch of Warmth»

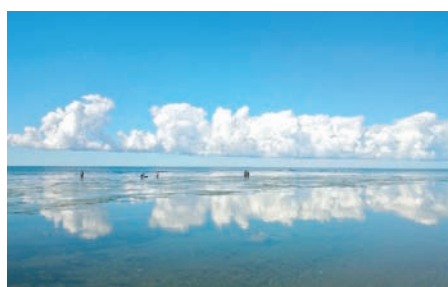


Winner is Yulia Ziborova,  
«Rainbow in the Eyes»

## YOUNG PHOTOGRAPHER



Winner is Gleb Urnov,  
«The Look»



Winner – Taisia Duraeva,  
«Fluffy Clouds»



Winner is Polina Tolstova,  
«Clouds over Paris»

\*Information about all the winners can be found on the photo competition website [worldthroughalens.ru](#).



## SPECIAL JURY PRIZE



Special Prize and People's Choice Award –  
Ekaterina Korzinina,  
«Picnic by the Cool Water»  
in the Art Photography category



Alexander Gaivoron,  
«On a bicycle»  
in the Street Photography category



Denis Vinar,  
«Seems to Be a Goal»  
In the Street Photography category



Olga Tyugina,  
«Observation»  
in the Portrait category



Oleg Tkachenko,  
«Unsuccessful Fishing or Hunting»  
in the Wildlife category



Zoya Galimova,  
«Living Hat»  
in the Pets category



Oleg Tkachenko,  
«On Guard»  
in the Wildlife category



Oleg Tolstov,  
«The trumpet is calling»  
in the Lifestyle category

## PEOPLE'S CHOICE AWARD



Olga Tyugina,  
«Frosty Painting»  
in the Microworld category



Ekaterina Korzinina,  
«Buttercups»  
in the Landscape category



Ekaterina Korzinina,  
«Diana»  
in the Portrait category



Ekaterina Korzinina,  
«Pasha»  
in the Portrait category



Zoya Galimova,  
«Perspective»  
in the Sakhalin Energy category



Sergey Lobko,  
«Scarface»  
in the Wildlife category



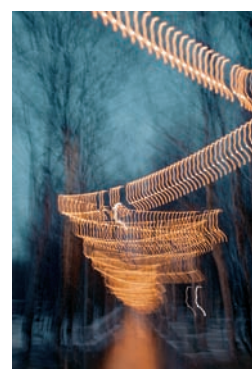
Ekaterina Korzinina,  
«Simple Pleasures»  
in the Lifestyle category



Ekaterina Korzinina,  
«8th March»  
in the Lifestyle category



Tamila Doroshenko,  
«Space Inside Us»  
in the Young Photographer category



Ekaterina Korzinina,  
«The Magic of the Light»  
in the Street Photography category



Ekaterina Korzinina,  
«Rhythms of the Windows»  
in the Street Photography category



Alexander Surovtsev,  
«Ecological Footprint»  
in the Ecology category





# In the Footsteps of the Sakhalin Tales

International Fair “Treasures of the North. Craftsmen and Artists of Russia-2021” ended in Moscow.

Representatives from 21 regions of Russia took part in the colossal event that plays an important role in the lives of indigenous minorities. The attendance of the Sakhalin delegation was organised by the regional government and the Ministry of Culture and Archives of the Sakhalin Oblast and Sakhalin Energy.

Sergey Timoshkov, Advisor to the Head of the FADN of Russia noted that the exhibition is a complex event which demonstrates not only achievements in culture of indigenous peoples, communities and craftsmen, but also develops solutions on relevant issues related to life of ethnic groups as part of the extensive business programme.

The highlight of the first day was the festival “Mother Earth. Indigenous Peoples. Meat and Milk”, arranged by non-profit organisation “Slow Food in Russia” with Sakhalin Energy’s support. Its main purpose is to popularise the national culinary traditions of the indigenous minorities of the North.

According to Yulia Yakel, Vice-President of “Slow Food in Russia”, Indigenous peoples are the custodians of traditional technologies, authentic animal species and plant varieties, associated knowledge, and recipes. In their places

of residence, they are engaged in hunting and animal breeding, keeping the tradition intact, which is part of the world heritage.

The culture of the Sakhalin indigenous minorities captured the attention of the Moscow audience with its artful ornaments and designs, national cuisine, the first ever graphic novel featuring a Nivkh as the main character, a presentation about a rare Sakhalin husky breed and literary interpretation of epics of Sakhalin

indigenous peoples. Along with the great interest from numerous attendees of the exhibition, the island delegation also won the praise of the jury. Delegation members took home an ample number of awards including 1st, 2nd and 3rd degree diplomas and special prizes.

The Sakhalin Oblast booth won second place in The Best Regional Display category. The display showcased colourful illustrations depicting episodes from the

folklore of the Nivkhs, the Uilta, the Evenks and the Nanai – the pictures from the book The Tales of Sakhalin published by Sakhalin Energy.

Helping visitors to immerse themselves in the philosophy and world of indigenous creativity, the international fair provided a venue for interactive sessions. The island artisans shared their secrets with the guests and spoke about the rich ancestral cultural traditions, thus preserving the continuity of generations.

“I visited the exhibition-fair several times already and I always discover something new for myself. This is the place where it is always interesting. I am very pleased that our master classes attract the attention of representatives of indigenous peoples from other regions – we exchange experiences, we always have something to learn from each other” – said Olga Sadinova, the Nivkh craftswoman.

The organiser of the Treasures of the North Exhibition-Fair, the Russian Association of Indigenous Peoples of the North, sent the Governor of the Sakhalin Oblast and the Chief Executive Officer of Sakhalin Energy letters of appreciation for their invaluable contributions to the preservation and development of ethno-cultural legacy of Russia.

■ Olga Moreva

## A Lesson from Senya

On the Knowledge Day, unusual guests visited the first-graders of elementary school № 7 in Yuzhno-Sakhalinsk. At the solemn assembly, Senya and Vaska the Cat, the characters of the Safety is Important! partnership programme implemented by Sakhalin Energy, Emercom in the Sakhalin Oblast and the Ministry of Education in the Sakhalin Oblast, greeted the pupils.

Tatyana Turovskaya, Senior Inspector of the State Traffic Safety Inspectorate in the Sakhalin Oblast noted that in the beginning of the school year, it is very important that each parent walk with the child along home-school-home route focusing on all hazards on the way to school. “We constantly remind children and adults that a safe route shall be made not only based on knowledge of a pupil, but most importantly – from appropriate behaviour on the road. This is exactly how Senya, a popular cartoon character behaves, and we hope he will become an excellent example to follow”.

At the school assembly, about two hundred first-graders together with the

guests got reminded on the traffic lights and rules for crossing the road on zebra-stripe crosswalks. This knowledge was useful to them to create their own individual maps to get to school and back. The traffic police officers simulated traffic situations for children focusing on the importance of using seat belts in the vehicles and reflective elements on clothes. Additional tips for schoolchildren before the test were visual educational tools – a special cartoon and a comic strip from Senya which were approved by the State Traffic Inspectorate.

“Before, I have only seen Senya on TV, but in real life he is better – you can not only



look at him, but also give “five” or hold his hand. So far, my parents do not let me go to school alone, but if you follow all the rules without reminding by adults like Senya does, the day when you can go to school alone comes sooner. Also, I have already learned to draw my own safe route and I can even help someone else in my class to do it” – said Vera Sidorkina, the first-grader.

Mariya Skokova, Lead Specialist of the Social Performance Subdivision of Sakhalin Energy added that today, for the first time,

children came to school where they are going to get a lot of interesting and useful knowledge. It is symbolic that a new stage for the children started with their favourite character and they will surely remember this day for the rest of their lives.

During September, similar events were held in Korsakov, Poronaysk and at the Zima Highlands International School – a total of around two thousand primary school pupils took part.

■ Marina Semitko



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