



# VESTI

DECEMBER 2022

Sakhalin Energy



С Новым годом и Рождеством!  
Season's Greetings!

## Read in the Issue

### On the Threshold of New Achievements

On the eve of 2023, the Company's management shares its plans for the future and congratulates Sakhalin Energy's employees on the coming New Year's holidays

happy new year .....4-5

### "May the Sails of Our Hopes Be Always Filled with Fair Wind"

In November, Alexander Mokushin was appointed to the post of Logistics Manager. In the interview, he spoke about his experience, which will be the key to ensuring the safe operation of one of the key company units

appointment..... 7

### In Propria Persona

Meet the symbols of 2023: a corporate photo day with cats and rabbits. There's a good reason for having so many of these cute little animals in one place – they're here to charge us up with nothing but positive emotions and good luck for the coming year

new year's mood ..... 14-15

### "Cast Your Mind Back to Your Favourite Teacher and Find the Time to Say Thank You to Them"

We all have our own memories of school, our first grades and, of course, our teachers – those respected people who have left their mark on our hearts for life. On the eve of the Year of the Teacher and Mentor, we met with the Minister of Education, Anastasia Kikteva

spotlight interview ..... 17

### The Christmas Tree, the New Year and Environment

Decorating the Christmas tree as a family is a good tradition that takes us back to our childhood and immerses us in a real winter fairytale atmosphere. But which type of Christmas tree to choose for the New Year with minimal damage to nature?

analytics ..... 19

### Counting Days Professionally

A perfect calendar is not only useful and pleasing to the eye – it also gives food for thought and broadens the mind. That was the goal of the team that worked on Sakhalin Energy's calendar for 2023. Try your hand now by completing the first task at leisure

at leisure ..... 26

**More than 15**  
federal awards  
Sakhalin Energy has won  
in the passing year  
Read more on page 16

## CURRENT EVENTS

17  
November

Sakhalin Energy hosted an open public discussion as part of the preparation of the 2022 Sustainable Development Report (read more on page 20)

25  
November

As part of the Hurry Up for Good Deeds corporate programme, Charity Campaign Firebird of Good Deeds started (more on page 26) (read more on page 25)

29  
November

Sakhalin Energy has awarded the winners of the Company's Executive Award. Three projects were awarded according to the results of Q3 (read more on page 7)

30  
November

Atomenergomash and Sakhalin Energy signed a memorandum of cooperation (read more on page 6)

1  
December

Sakhalin Energy was included in the top 3 of the transparency rating of oil and gas companies of the Russian Federation in the field of environmental responsibility (read more on page 20)

7-8  
December

Yuzhno-Sakhalinsk hosted a roundtable discussion between Sakhalin Energy and pipeline valve manufacturers

congratulation



**DEAR COLLEAGUES,**

I sincerely wish you a Merry Christmas and a Happy New Year!

We will be celebrating these joyous holidays at a time of sweeping change. The present-day realities dictated that we should, within a short period of time, solve the unprecedented task set by the country's leadership, and we have succeeded in doing so. By promptly responding to a fast-changing business environment, we have managed not only to maintain continuous production, but also to meet all our targets.

Beyond that, Sakhalin Energy has reinforced its positions in many key areas, such as ensuring technological sovereignty, digital transformation, continuous improvement, staff development, and building up Russian capability. The unchanging pillars of competitiveness are maintaining reliable and accident-free operations, honouring obligations to our buyers and all stakeholders, and commitment to the ESG principles. All of these are of crucial importance for the continued steady development of our country.

Dear friends, summing up the year, we can confidently say that we have passed the endurance test. It has been an invaluable experience that has certainly brought our team closer together and made us stronger.

Please accept my sincere thanks for your conscientious attitude and dedication. I am sure that by building on strong traditions and pushing the boundaries of professional excellence, you will win many more victories and continue to contribute to the glorious history of the Sakhalin-2 project.

The New Year 2023 is at the doorstep. May it bring success to Russia, to Sakhalin Energy, and to each and every one of us. I wish you and your families peace, kindness, and understanding!

■ Roman Dashkov  
Chief Executive Officer



**DEAR FRIENDS,**

Christmas and New Year's Eve are just around the corner. We love and always look forward to these holidays that are full of warmth and cheer. We cherish them for the opportunity to spend time with our families and friends, sum up the passing year together, and discuss our plans for the future.

And they will certainly come to fruition. It is all about believing in yourself and sticking together. That is exactly what we have been doing in 2022. By helping each other, we have successfully adapted to the changed circumstances. We have learned to solve tasks that previously seemed next to impossible to tackle. This is clearly demonstrated by the example of the Sakhalin-2 project, whose team has not only continued to deliver on all its commitments, but has also laid a solid foundation for a strong forward movement.

We are ready to keep going, ensuring economic and social development, building new comfortable houses, hospitals, and schools, making the region more accessible by transportation, and implementing many other initiatives intended to raise the standard of living on Sakhalin and the Kuril Islands.

I sincerely wish you good health, prosperity, and every success in the coming year! May it bring you the joy of wishes come true and be filled with cheerful, positive emotions and familial warmth and love.

Congratulations, dear friends! Happy New Year!

■ Valery Limarenko,  
Sakhalin Oblast Governor

cooperation

# Targeting Cultural Change

Sakhalin Oblast Governor Valery Limarenko, Sakhalin Energy CEO Roman Dashkov and Literary and the Museum of A. Chekhov's Book "Sakhalin Island" Director Evgenia Firsova met to discuss the prospects of museum activities and successful implementation of joint cultural projects.

The meeting took place as part of the "Krusenstern. Round the World" exhibition – a collaborative effort of government and business, marking the 75th anniversary of the Sakhalin Oblast. Being considered the most iconic event in the regional culture life, it gathered thousands of Sakhalin residents and visitors. On request of the public, this unique exhibition was prolonged until 24 February 2023.

"The success of the "Krusenstern. Round the World" exhibition is a clear demonstration that Sakhalin Oblast has all the potential to host high profile events. In addition to hosting exhibitions of federal museums, we can also partner with business to run projects at the best venues in the country. One example of this was the Sakhalin Oblast Days, held this autumn at the State Historical Museum in Moscow. I have no doubt that the National Museum Forum next year will offer a perfect opportunity

to share expertise and give a new impetus towards promoting the cultural development and attracting more tourists," Valery Limarenko noted.

**The role of culture in shaping the image of the region can be hardly overestimated. When deciding to join a new company, a person, among other things, looks at what leisure opportunities it offers. Naturally, we combine our efforts with those of local government and expert community in order to make Sakhalin a cultural destination for the Far East and the whole country.**

The nationwide forum will evolve from a regional festival "Museums in the XXI Century", that has been running in Sakhalin Oblast since 2013.

"Next year it will be the fifth time the festival is held, and we want to make it a bigger event. It has already been



quite a major event by now attracting professionals from the country's leading museums. The status of a national forum will help to engage more participants and experts, introduce the expertise of Sakhalin museums on the federal level and establish new contacts. Obviously, the forum would never be possible at such a high level unless supported by our business partners," – Evgeniya Firsova said.

For Sakhalin Energy, Culture has been for many years one of the key areas of social investment.

"The role of culture in shaping the image of the region can be hardly

overestimated. When deciding to join a new company, a person, among other things, looks at what leisure opportunities it offers. Naturally, we combine our efforts with those of local government and expert community in order to make Sakhalin a cultural destination for the Far East and the whole country. Projects like 'Krusenstern. Round the World' perform an important educational function, telling the audience about true patriots of the country, who revealed our unique region to the world", – Roman Dashkov emphasised.

# Joint Control and Coordination

In November, Sakhalin Energy, together with the Company members, held Working Group meetings on production, technical, financial, legal, and commercial issues of the Sakhalin-2 project.

A detailed agenda of such meetings makes it possible for all the Company members to monitor its production and economic activities, forecast and adjust its short-term and long-term development goals, exchange information on operational tasks and evaluate the results achieved.

When opening a meeting on technical and production issues, Timur Gafarov, Technical Director, Co-Chairperson of the Joint Working Group, welcomed the participants of the first meeting after the localisation of the Sakhalin-2 project operator under the Russian jurisdiction.

“In a difficult and turbulent situation, when the company faced a number of challenges, we timely analysed and assessed all business processes, standards and certificates for field development and production of hydrocarbons. Thanks to close cooperation and many years of expertise of the project employees, we implemented the business transformation programme designed for 5–10 years in the standard mode in the shortest possible time. This is a tremendous result,” noted Timur Gafarov.

Alexander Singurov, Head of Production Directorate, Co-Chairperson

development digitalisation, as well as the set of production results.

The presentation of the strategy for the transition to a new field development mode drew particular attention and was of interest to the Company’s members. According to Timur Gafarov, Sakhalin Energy is introducing the concept of systematic development to ensure stability and reliability of production for the next decades.



work not only guarantees the mitigation of external risks, but also creates more opportunities for market expansion of the Sakhalin-2 project operator in the multipolar world,” Olesya Matrenina added.

The participants of the meeting of the Working Group on commercial issues discussed such areas as crude oil and LNG marketing, sales indicators, ensuring reliability and safety of maritime operations, and gas infrastructure development on Sakhalin and in the Far Eastern Federal District, among others.

In his address to the participants of the meeting, Andrey Okhotkin, Commercial Director, stressed that the current situation offers a great opportunity for the company to introduce innovation. “By applying new solutions, we are actively looking for new markets, expanding the portfolio of purchasers, and increasing the competitiveness of the Sakhalin LNG and oil. The hard-earned positive reputation helps us plan long-term even in these challenging times. We are looking forward to fruitful cooperation with the Company’s members,” Andrey Okhotkin added.

Next meetings of the Joint Working Groups on production, technical, financial, legal, and commercial issues of the Sakhalin-2 project are scheduled for the Q1 2023.

■ Prepared by Marina Moruga, Marina Semitko



of the Joint Working Group, focused on the Company’s main operational principle – safety and reliability – and pointed out strong performance in managing process safety and dealing with the so-called “weak” signals.

“Joint efforts of the Directorates have resulted in the stable operation of the entire production chain of the Sakhalin-2 project. With our current resources and capabilities used, we take a comprehensive look at the situation, evaluate our decisions and their impact on the system as a whole, and move forward as a single team,” Alexander Singurov added.

Key health and safety indicators, a detailed report on the 4D seismic survey project of the Piltun-Astokhskoye field, and the results of well construction and maintenance operations were delivered at the meeting. Apart from that, the participants of the Joint Working Group touched upon the issues of the field

“Strategic medium – and long-term planning should be largely based on a rational approach to the extraction and production of hydrocarbons. Given the significance of the project for Sakhalin Oblast and for the gas infrastructure development of the region as a whole, it is particularly important to adopt a forward-looking approach to field development and evaluate development projects from a perspective,” Technical Director added.

The agenda of the meeting of the Joint Working Group on financial and legal issues included such areas as the Treasury operations procedure, accounting policy, supply chain management, the Continuous Improvement programme progress, business ethics, etc.

Roman Sinitskiy, Chairperson of the Working Group on financial and legal issues, spoke about the measures aimed at ensuring the required financial stability level. “In view of current external

trends, we have shifted the focus of our work from responsive reactions to proactive steps that guarantee sustainable business development. At present, the Company’s liquidity is sound enough to fulfil all obligations in the short and long run. To do so, the company constantly monitors markets, regularly interacts with corporate banks, and has formed a balanced multi-currency portfolio in the territory of the RF. Another priority is the search for alternative suppliers and contractors from friendly and neutral countries,” said Roman Sinitskiy.

Olesya Matrenina, Legal Director, spoke about the development of solutions to ensure maximum efficiency in the context of external pressure. “Sanction compliance is one of the Company’s key activity areas in the current situation. An integrated approach to this block of



After meetings of Joint Working Groups with Company’s members, Mitsui and Mitsubishi representatives visited the Prigorodnoye production complex

happy new year

# On the Threshold of New Achievements

On the eve of 2023, the Company's management shares its plans for the future and congratulates Sakhalin Energy's employees on the coming New Year's holidays.



**Andrey Oleinikov, Managing Director of Sakhalin Energy, Deputy Chief Executive Officer:** “The past year has been a landmark for the Sakhalin-2 project. In my opinion, our Company was the only one that managed, in the extremely turbulent flow caused by the geopolitical “rift”, not only to maintain its production and economic activities without restrictions, but also to continue improving them. To this end, we have implemented a number of innovative approaches and creatively redesigned our key processes. In doing so, each and every one of you has once again confirmed the reliability of the foundation of the company, which is our highly qualified personnel. We have “come home” from the Atlantic to the Pacific, with full continuity of our values and approach.

I am very proud to work in such a team where everyone is ready to lend a helping hand to a colleague in a difficult moment and take initiative to show sincere concern for a neighbour. It is very important that together we perceive the external factors not as a deadlock or overcome, but that we regard the current situation as a new “puzzle” or “riddle” – with a desire to find the only correct, timely and worthy answer promptly.

I thank you, dear friends, for your diligent and valorous work, and sincerely wish you and your families success, prosperity and strong health in the coming year. Be happy!”



**Alexander Singurov, Head of Production Directorate:** “The past year can be called a year of tests – an unprecedented number of events took place in a just short period of time. But thanks to our coordinated and professional teamwork we have overcome all challenges and ensured steady operation of our assets. I would like to extend my deepest appreciation to my colleagues in Production Directorate and the whole Sakhalin Energy team.

Let me stress that, despite the challenging external situation, the Company performed exceptionally well, including in terms of safety. Our reliability level is exceptionally high, with a record low number of trips in the entire history of our operations. We successfully completed planned shutdowns and all turnarounds while switching smoothly to Russian specialist service contractors when facing sanctions pressure. We established a Unified Integration Centre to ensure the required level of technical integrity of our assets. We successfully deployed digitalisation initiatives, including a Wi-Fi network within platform production areas. Our Continuous Improvement performance is above target. Excellent result!

But our greatest strength is the high-profile team of professionals, and we need to keep developing the competence centre for the industry.

To do this, next year will require a focus on promoting leadership skills among our staff.

Our employees – be it working personnel or senior management – have demonstrated a high team spirit, efficient cooperation and excellent decision-making skills. I am very proud to be a part of our big production family.

My sincere greetings to my colleagues on the coming holidays. Happy New Year and Merry Christmas! May you and your families be well, healthy, and in a festive New Year’ mood, and as a production person I wish us all safe and incident-free operations”.



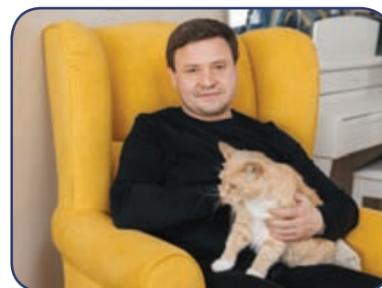
**Alexander Sheykin, HR Director:** “This year was the absolute leader in the number of challenges that our team had to face. However, having consolidated our efforts without expecting help from outside, we managed to find unconventional solutions and implemented them immediately, following the principle “nobody but us” and “seizing the moment”.

Not only have we survived without any disruptions, but we also achieved the best results over the entire history of the project, demonstrating once again the highest professionalism, resilience and the unique nature of our team. All this is another confirmation of the key message in the Journey Book: people have always been, and will always remain the cornerstone of our business, and there is nothing we cannot do.

The Company is committed to provide maximum support to employees in this turbulent period. More than 200 employees progressed through their career, we opened an elementary school to complement the children’s centre in Zima complex, and considered some other components of a compensation and benefits package.

In 2023, we are to shape together a new image of our company, matching the realities of the time, while preserving our strongest features, including our core values focused on people. Surely, this will be an exciting year to add another extremely rare competence, i.e. “management of change”, to our knowledge portfolio.

May the coming year of the Cat give you comfort and warmth at home, prosperity, health and smiles in your family and help you to grow your career. Besides, I wish you to have a good rest during New Year vacations, remembering that we are stayers, despite the need to spurt. So let’s spend our energy wisely to last throughout the whole period of changes!»



**Timur Gafarov, Technical Director:** “This year we have faced an unprecedented pressure, yet this is how we have proven capable to manage highly complex and extraordinary challenges independently and effectively.

Despite the exceptional circumstances, we remained firm and

consistent in pursuing core milestones and targets set by the Chief Executive Officer. In doing so, we managed to both successfully meet our hydrocarbon production targets and help to offset shortages of gas in the Far East region. To prolong the sustainable development of our fields and ensure reliable supply, we revised our strategic horizon through a transition from maximum off-take to a careful reservoir management.

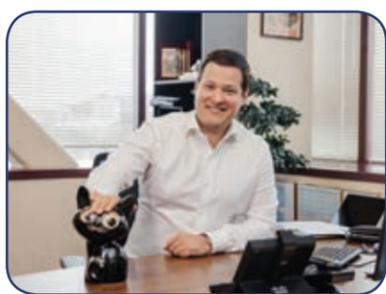
Another significant milestone for all departments of the directorate in 2022 was the completion of the 4D seismic campaign at Piltun-As-tokhskoye field. We managed to deliver this on schedule and meet all the specifications, substituting 100% of foreign service and technology support. The high level of our in-house expertise was also confirmed by the fact that our employees won Gazprom's award in science and technology for the study on Development and implementation of a unique set of 4D seismic survey technical and engineering solutions to optimise control over the offshore hydrocarbon field development on the continental shelf of the Russian Federation.

Proper planning and timely response to global changes enabled us to successfully implement a corporate well construction strategy with a focus on Russian content. Just some progress updates from our updated drilling sequence: we completed drilling and commissioning of a record-breaking 10,001 meters long well with performance above the design capacity, performed well workovers using unconventional engineering solutions, carried out well integrity testing campaigns in spring and autumn across all assets – the overall year-to-date performance is 95%, and completed in full the WRFM programme for 2022, etc.

Another achievement is an extensive effort for finding Russian vendors capable of providing quality services for the directorate. We held more than 100 meetings and carried out audits of potential contractors. As a result, contracts have been signed with a Russian company for casing, tubing, and maintenance of casing heads and wellheads. Work has begun on testing sand filters and contracts have been signed with Russian laboratories for completing the qualification of drilling mud and base oil. In addition, a plan for replacing imported equipment and services has been drawn up, the implementation of which will be a new vector for the development of domestic technologies for offshore field development.

No doubt, next year will be no less challenging. We will continue our consistent efforts in strategic areas such as extending sustainable operation of existing fields, expanding our resource portfolio, strengthening our production processes, establishing a single centre for simulation and data management, promoting our unique offshore development competencies, and maintaining our talent pool.

Soon we will hear traditional 'Happy New Year' greetings. There is confidence contained in these words for a happy future, and I wish you all the best on the upcoming holiday. First, be well and happy. As for the challenges we face, they will only make us stronger and encourage us towards new goals and greater heights".



**Roman Sinitskiy, Head of Finance Directorate:** "2022 has become a special year for us all. He not only set us production tasks of exceptional complexity, but also showed that we are able to demonstrate phenomenal indicators in extreme conditions. And in this great merit of the whole team, whose team

spirit, diligent work and dedication ensured outstanding results. The result speaks for itself: we have the best financial indicators in the history of the company.

Thanks to this, both Russia and the Sakhalin Region will receive additional income. Thanks to everyone for doing a great job!

It is important that during this year we not only maintained the continuity of business processes, but also implemented a large number of key initiatives as part of the continuous

improvement program. It is pleasant to note that the number of projects aimed at developing Russian participation at the Sakhalin-2 project has significantly increased. This is especially true against the background of external economic restrictions for our country.

Localisation of the Sakhalin-2 project operator in Russian jurisdiction imposes certain requirements on the Company. In accordance with this, next year we will continue our work taking into account the regulatory and legal framework of the Russian Federation, paying close attention to updating approaches in all areas of responsibility of the financial directorate, including in the field of accounting and logistics. 2023 will not be easy, but I am sure: thanks to our competencies, we will continue to be at the peak of our capabilities.

Dear friends, I wish everyone a good rest and gain strength during the long-awaited New Year holidays! Let the coming year be a time of new interesting projects and prospects, opportunities and financial success. Let each of you always warm the warmth of the family hearth and luck in everything!"



**Andrey Okhotkin, Commercial Director:** "This year was full of unrest and yet of many victories. My greatest appreciation goes to everyone for your selfless efforts, loyalty to Sakhalin Energy and commitment to the Fatherland. We have indeed overcome an unprecedented amount of corporate

and geopolitical pressure. Our steady and reliable production together with successful marketing and secure shipping demonstrate our professionalism more than words can do.

Just like you, I am excited to see how we are contributing to the industrial and moral mobilisation in Russia and how we are helping to defeat the fundamental values of human existence. And what adds to our emotional excitement is that we can be creative serving our Motherland in a time of harsh trials. Year 2023 will bring new challenges, including establishing corporate governance, major expansion of our buyers portfolio, securing commercial shipping capacity, and verifying our growth prospects.

There is much to be done, and it is a great challenge. Therefore, let us take strength, patience, courage, and look forward to new accomplishments!"



**Olesya Matrenina, Head of Legal Directorate :** "The outgoing year has given us all a new point of reference – 5 August. It was on this day that Sakhalin Energy Limited Liability Company, the new operator of the Sakhalin-2 project, was registered.

We have coped successfully and will continue to overcome any difficulties through teamwork, professionalism and boundless dedication to the common cause. I extend my sincere gratitude to all our employees.

Although 2022 was a very difficult year, testing the resilience of our friendly team. Let us remember only the best and kindest things when new-year bells chime.

A new year is not only the beginning of the calendar, it is also a new hope for the successes and victories to come. We look to the future with confidence, and we have every reason to be optimistic – clear development plans and realistic possibilities for their implementation.

Dear colleagues, in the coming year, may good fortune and the joy of fulfilled hopes and wishes be your constant companions. I wish everyone good health, happiness and well-being! May there be prosperity and comfort in your home, and may your family be peaceful and loving! Happy New Year 2023 to all of you!"

■ The page is prepared by Marina Semitko



## “Sakhalin-2 Becomes More and More Significant for Crude Oil and LNG Supplies to Chinese Customers”

At the end of November, Government officials from the Russian Federation and the People’s Republic of China and executives from over 100 major Russian and Chinese companies have attended the fourth Russian-Chinese Energy Business Forum.

The Forum was held in a face-to-face and teleconference format at two venues, in Moscow and Beijing, with a video bridge between them.

In his address to the Forum’s attendees, Russian President Vladimir Putin noted that despite the current complicated global situation, relations of all-round partnership and strategic interaction between the Russian Federation and the People’s Republic of China continue to develop steadily. Moreover, energy remains one of the key and most dynamic areas of bilateral economic cooperation. There has been a rather high level of bilateral ties in the oil, gas, coal and electricity sectors in recent times.

“The compilation of the China-Russia Energy Cooperation Investment Atlas is a highly important aspect of the Forum’s activities. The development of this unique information and analytical platform definitely offers new opportunities for the implementation of mutually beneficial commercial initiatives,” the President said in his address.

Elena Burmistrova, Deputy Chairman of Gazprom Management Board and General Director of Gazprom Export, was one of the key speakers at the Forum. She stressed that the current economic crisis demonstrates once again how critical it is to ensure that the global economy has sufficient energy resources. Moreover, the reckless reliance by a number of countries on renewable energy alone has proved to be unjustified. There is a lack of technological development behind such a choice, a missing infrastructure and the volatile nature of renewable energy.

“We can see that countries that have a balanced, rational energy policy are getting through this crisis with fewer losses. They include Russia and China,” said Elena Burmistrova.

As a result of significant underinvestment in the fossil fuel industry, especially natural gas, there is now a significant supply shortage in the global market, she said. Even as energy prices have risen since then, nat-

ural gas remains the most sought-after product. This is due to its green qualities compared to other fossil fuels, ease of use and wide range of applications, as well as the potential for integration into the low-emission energy sector in the future.

“Given that Russia is one of the world’s largest exporters of natural gas, this situation creates a great field of opportunities for win-win cooperation,” Elena Burmistrova voiced her confidence. With regard to the development of hydrocarbon supplies from Russia to China, she highlighted the increasingly important role of the Sakhalin-2 project.

“I am confident that long-term and mutually beneficial cooperation between our countries in the gas sector is the key to the prosperity of future generations. But we still have a lot to do to ensure this prosperity,” concluded the Deputy Chairman of Gazprom Management Board.

■ Based on open sources

## One Step Ahead

A delegation from Atomenergomash, led by Oleg Shumakov, Gas Petrochemicals Director, visited Sakhalin Energy in November.

During the meeting, the engineering division of the state corporation Rosatom and Sakhalin Energy LLC signed a memorandum of cooperation on import substitution of equipment for large-scale LNG production. The document was signed by Oleg Shumakov, Gas Petrochemicals Director of Atomenergomash, and Andrey Oleinikov, Managing Director of Sakhalin Energy.

The parties agreed to establish a working group to jointly analyse the need for critical equipment for large-scale LNG production, the possibility of producing the required systems or components at Russian enterprises of Atomenergomash, and to work out the

prospects for repairing foreign-made equipment at the Sakhalin-2 project facilities.

Production of equipment for LNG projects is one of the key areas of development of the non-nuclear businesses of Rosatom’s engineering division. Atomenergomash has been working on the challenge of technological sovereignty in the field of LNG since 2017 and is currently Russia’s only manufacturer of cryogenic pumps for medium- and large-scale LNG production. In 2021, at the site of the D. Efremov’s Electrophysical Equipment Research Institute in St Petersburg, Atomenergomash successfully commissioned Europe’s first test stand



for critical LNG equipment, where the division successfully tests its own products.

Atomenergomash is currently working on the development of a pilot prototype of the first Russian hydronic turbo-expander with maximum use

of domestic components, as well as the development of the first domestic LNG loading standpipe. Plans include expanding the assortment and localising a wide range of equipment for large-scale LNG projects, LNG-powered icebreakers and LNG tankers.



## Achievements Highly Appreciated by the Leadership Team

award

Sakhalin Energy held a ceremony of awarding the Company's executive body for Q3 2022. The event was attended by Andrey Oleinikov, Sakhalin Energy's Managing Director, as part of the Business and Operations Committee (BOC) meeting.

"The teams, whose achievements were highly appreciated by the Leadership, have demonstrated the ability to implement the most efficient, safe and quality solutions to deliver top results. We will continue to maintain good traditions as established in the Company and develop your initiatives to allow continuous and reliable operation of our production facilities," said Andrey Oleinikov in his opening speech and wished the winners further success.

In Q3, 21 projects fought for victory. Three initiatives were recognised as a result of a vote by BOC members:

– **Implementation of CRONOS software to optimise the planning of LNG and liquid HC supply (Opportunities Realisation and Securing Future Growth category).** The cross-functional team has worked on the project for about three years. The result



was achieved thanks to the rigorous work aimed to identify business requirements for the new system, thorough feasibility study and software testing. The new tool has provided the opportunity to considerably im-

prove the HC supply planning process and simplify data management (see page 13 for further details);

– **Corporate School (Efficiency of Personnel and Supporting Processes**

category). The new educational institution implements several projects for students of different ages, which allows their parents to do their job without being worried about their children. The corporate school employs governmental educational standards;

– **Abandonment of foreign standards and replacement of foreign personnel, materials and equipment with Russian ones (Contribution to Russian Content Development category).** The replacement of foreign contractors to maintain equipment at the Company's assets was promptly achieved within the sanctions environment. Besides, the engagement of Russian-national quality specialists has proved to be a significant contribution to the development of the relevant personnel.

Congratulations to all the project participants!

■ Alyona Olovyanishnikova

## "May the Sails of Our Hopes Be Always Filled with Fair Wind"

appointment

Shortly before the New Year, we met Alexander Mokushin, Logistics Manager. In the interview, he spoke about his hands-on experience, which will be the key to ensuring the safe operation of one of the key company units.



– Alexander, which part of your activities do you consider the most important to perform tasks at a new place?

– First of all, more than a decade of experience in maritime logistics during the construction of exploration wells on the shelf of the Sea of Okhotsk, the Kara Sea, and the Barents Sea. In particular, my duties included towing semi-submersible rigs and jack-up drilling rigs, their positioning at well construction sites, further supply of equipment and materials, and the arrangement of personnel shifts.

– Can you remember any special case?

– In 2018, I supervised the vessel escort of two tows, with a total of 14 vessels, with a semi-submersible drilling rig, from the Novorossiysk icebreaker. The fact is that when approaching the Kara Strait, we detected extensive ice floes. We had to take quick action to find the leads to safely transport the semi-submersible rig to the drilling sites. The successful operation completion made it possible to start the drilling season on time. In my opinion, settling such extraordinary issues is the key to our reliable work.

– As far as we know, you are also interested in science. Moreover, if we may draw such an analogy, one of the achievements relates to your new position. On the one hand, it is about transportation, on the other hand, it is about ensuring security. Please, tell us what technical solution you've proposed.

– I would not say that I have a great experience in science. Rather, this is a logical result of my practice and observations. During the large ice object pile-up prevention drill, it turned out that the net and cables for towing icebergs could withstand a load of no more than 100 tonnes, but this is not enough to safely tow a large iceberg. That is, if an object weighed more than 500 thousand tonnes, we actually did not have a tool to change its drift or prevent the threat of its pile-up on drilling rigs.

I have proposed a technical solution that solves this problem. It involves the use of two anchor-handling / tug / supply vessels, thanks to which it is possible to increase the capacity to 300–400 tonnes. The idea is to steer the vessels stern to stern against the iceberg drift direction and connect them at a safe distance with a joining shackle using standard heavy-duty steel towing cables. Once the iceberg has been covered, vessels can tow it simultaneously in a single course and at a safe distance from each other. During this process, the motion parameters of the iceberg are constantly monitored.

– When did you manage to test this technical solution?

– In 2019, we found a large iceberg 200 metres long, weighing about 1.5 million tonnes during the drill in the Severnaya Zemlya area. We managed not only to change the drift of this giant, but also to tow it against the current for a distance of more than two kilometres, having rotated it 90 degrees.

Based on the results of an eight-hour drill, Gazprom Nedra received a patent for this effective method of eliminating the iceberg threat. This makes it possible to significantly increase safety in the development of new shelf areas in the Arctic seas.

In addition, the patented invention may be relevant in another way, namely, for the countries experiencing problems with drinking water. There are projects that involve delivering icebergs to arid regions of the globe. After all, each iceberg is millions of cubic metres of fresh water.

– Talking about professional becoming, usually people who surround us influence this process. Have you had such a mentor?

– I was lucky: my father Vyacheslav was a captain, he worked at the Korsakov ocean fishing base. Thanks to him, I knew all the navigational basics from the age of 12, could determine the location of the vessel, was familiar with vessel types and knew for sure that I would cast in my lot with the sea.

– You've mentioned your small motherland... Sakhalin is the place where you grew up and started your career. As the saying goes, the walls at home are their friends, their comfort and their helping hands. Is this statement true for you?

– Sakhalin has become a good school for me. In my opinion, here is the best practice for implementing offshore projects. I have witnessed multiple times how my colleagues involved in the construction of exploration wells on the Russian shelf admired the solutions that were safe, effective and worked out to the finest details.

When accepting offers in life or in your career, participating in new projects, it is important to evaluate your current assets. I returned to my motherland with a wealth of knowledge, and I intend to use it to the full to ensure the successful operation of our company.

– Alexander, for seamen, a team is something that you can always rely on. You will be working with a large team of the Sakhalin-2 project. What professional qualities do you value the most in your employees?

– First of all, team spirit, efficiency, and – I hope it does not seem strange – creativity. If this is the case, the sails of our hopes and plans will always be filled with fair wind. I wish my team good luck, safe work and new discoveries in 2023!

■ interview by Marina Semitko

# Russian Content is not Just Our Focus, It is Our Life

Roman Sinitskiy, the Head of Finance Directorate of Sakhalin Energy LLC, speaks about a reevaluation of reality and Russian Content development under the Sakhalin-2 project.



– Roman, you have been heading the Finance Directorate this year, at such a difficult time for the Russian economy and the business community. Given the current situation, how much has the company changed its approach to the development strategy for Russian Content?

– With the withdrawal of foreign partners, we have been focused on the RC opportunities in different disciplines, including finances. Today, we have been working closely with Russian banks and insurance companies. Russian Content is not just the focus of our professional activity, it has become a certain lifestyle spread throughout all aspects of activities. That is why we are talking about the improved development in this area, which is the basis of production and financial sustainability.

It is difficult to change the process as you need to step out of your comfort zone but people tend to resist it. Supplies from abroad have dropped sooner than expected, but it is not in our rules to sit idle. We are like transformers who change both in response to the challenges of international markets and the capacities of Russian manufacturers.

Despite a considerable amount of spare parts, tools, and accessories and almost 100% availability of Russian qualified personnel, we address each task individually. Our colleagues have been visiting exhibitions and Russian plants more actively, recognising that RC policy won't be effective unless you help Russian contractors prove themselves. One-way movement means that the contractor should come and adjust to our project, which is a long process that requires a lot of efforts. But if we take steps towards each other our initiatives are implemented in a more efficient way while growing in

number. The results of the transformation are plain to see: our specialists have been offering solutions to find opportunities. This is certainly encouraging.

– **Do we need additional incentives to increase Russian content under the Sakhalin-2 project?**

– Good deeds deserve recognition, whether they are related to RC development, HSE, or production performance. At first, we stressed that Russian content was a separate mandatory block, but now we see it as a part of the overall effective process we have been building. I would like to thank everybody involved. I enjoy attending the award ceremonies for the company's employees and contractors: positive emotions are one of the best motivators. Therefore, there should be encouragement and recognition, and we will continue this practice. It is worth noting that employees themselves now value RC more than ever before. They see first-hand the effect of the joint revision of previous operating models and understand that they require adjustment.

– **What measures, in your opinion, have proved to be the most effective in the face of unprecedented sanctions restrictions?**

– Today, when the market has shifted from the "customer market" to the "seller market", it requires creative solutions that go beyond everything what is commonly accepted in logistics support. We have been establishing a Unified Integration Centre (UIC) as a new business process management model for planning and material supply. With its matrix structure, the UIC will integrate the resources of the Company and its partners to ensure continuous and reliable production and operations. In addition, we are developing a plan to increase our sourcing functions

while expanding our geographical presence across different time zones. This will provide conditions for continuous search and purchase of required materials and services, as well as logistics in all available regions.

Another key project is the Sakhalin Energy Maintenance and Repair Facility that has been built as part of the Sakhalin Industrial Park. In particular, it shows that long before 2022, the Company was right when it chose a vector based on localisation of production, job creation, social responsibility, region development and, most importantly, production safety. Phase 2 of the project has been already launched to create a workshop for repair of rotating equipment.

Are we dealing with the situation? I am sure we are, and this is possible thanks to competent people, professional expertise and an effective succession planning programme. We have created a safety margin for years ahead thus giving Russian enterprises, manufacturers, and technologies time to reach their full capacity.

– **Were Russian contractors able to adapt to the new realities as quickly as our company did?**

– This year's events provided an opportunity for Russian enterprises to demonstrate their competence, and we managed to avoid many difficulties through developing Russian contractors. For example, we have worked diligently with Gazproektengineering Sakhalin to help them timely purchase and set up server equipment and core software, localise and retain Russian staff. We have also cooperated with PromSistemy LLC, an integrator in repair and maintenance of rotating equipment, which is the heart of our production assets. We should give credit to our colleagues for high-quality work with these companies and to the Russian companies themselves as they have managed to set up business processes amidst tough external constraints.

– **Tell us about the key projects and achievements of the year.**

– I think that the biggest success is that the strategy chosen earlier with a focus on import substitution, localisation of key services, and building competence of Russian personnel has proved to be right. We continue to work even more vigorously. Through methodical and consistent development of RC, we were able to create the platform and instantly substitute foreign contractors. The result relates to the ability to respond quickly to challenges, which has clearly been developed based on the right strategy.

– **What expectations do you have for the development of Russian Content?**

– We are focused on the Unified Integration Centre, particularly re-engineering and localisation of production. It is very important to ensure the integration of Sakhalin Energy members in the process. Additional efforts will be made to find the best way of collaboration with shareholders and other oil and gas companies to look for opportunities, learn from experience, and apply best practices.

– **Are you certain about the future of the company?**

– I am certain. We have resources that will be in demand for many years. The financial results speak for themselves: we see the best performance in the history of the company. As a result, both Russia and the Sakhalin Oblast will receive additional income. If it were not for RC development, we would not have been able to achieve such a success. I thank all members and employees for their contribution, especially our colleagues who work at the production facilities.

– **What would you like to wish your colleagues in the new year?**

– I wish everybody strong health, which is the most important. If you are healthy you can achieve everything else. I hope you find warmth and comfort with your family!

■ Interview by Ekaterina Butovskaya



Мягкой поступью приходит Новый год,  
В снежном вихре принося надежды,  
Яркой россыпью усеет небосвод,  
Путь к успеху осветив, как прежде.

Пусть не счесть количества невзгод,  
Что нас окружили неизбежно.  
Неповторимой судьбы поворот  
Лишь сделает крепче наш стержень.

Наш непрерывный путь вперед  
Поможет всем раскрыть таланты!  
«Большая экспедиция» ведет  
К победе силами команды!

Так пусть же этот Новый год  
Воздвигнет знамя новой эры  
И каждый для себя найдет  
В себе источник твердой веры!

Мы пожелаем вам вперед  
Идти с поднятой головою!  
Здоровья, счастья круглый год,  
И быть в гармонии с собою!



• Команда отдела развития российского участия и взаимоотношений с поставщиками



## Achievement Line

In 2022, the Onshore Pipelines and BS-2 Operations team added significant results to the corporate record book. Alexey Gulyaev, Onshore Support Manager, provided details.

– Alexey, one of the important areas of your team’s work is the connection of branches from the Trans-Sakhalin pipeline system to gas distribution stations, which are being built under the Sakhalin Oblast Gasification Programme. How successful was this work in the outgoing year?

– In September, during the Sakhalin Oil and Gas Far Eastern Energy Forum, a launch ceremony was held at the gas distribution station in the Korsakov District. As a result of the work done, more than 2,800 households will have access to pipeline gas.

The connection of the GDS to the Sakhalin Energy’s main gas pipeline branch took place with the participation of specialists from the Onshore Processing Facility (OPF) and the Sovetskoye PMD. They were involved as much as possible in the purging and filling of the inlet gas pipeline and the Korsakov GDS to conduct comprehensive testing of equipment of the newly constructed of the facility.

At the end of the year, we are completing the tie-in of pipelines as part of the gasification of the Makarov GDS. Sakhalin Energy is fulfilling its obligations in full, understanding the key role that the Sakhalin-2 project plays in the gasification of the region.

– In these tense times, the company needs to be ready to meet the challenges of a reliable gas supply not only for Sakhalin Oblast, but for the Far East as a whole...

– Gas from the Sakhalin-2 project is supplied to the mainland to gasify the Far

East via the northern gas transfer terminal. Usually, we deliver about 100 thousand cubic metres of gas per hour. Given the external situation, there was a need to increase the flow several times over. We have successfully met this challenge. In the shortest time possible, we analysed the condition of the equipment in detail, assessed whether it was ready for higher gas volumes, carried out a risk assessment, carried out preparatory measures and only then increased the flow rate.

I would like to add that one of the key objectives of the division for 2023 is to expand the capacity of the Northern Gas Transfer Terminal to cover the growing demand in the Far East, if necessary.

– What other tasks fall within your unit’s area of responsibility?

– We have completed an all-time record volume of tree and shrub vegetation clearance along the onshore section of the Trans-Sakhalin pipeline system. 300 hectares have been cleared against 50-80 hectares in previous years.

The length of the ROW along the pipelines extends for 750 kilometres from north to south of the island and is 45-55 metres wide. This is a huge area that needs to be regularly maintained to ensure that staff have unhindered access to the site, and that risks are identified and responded to in a timely manner.

For example, bears pose a serious danger to humans. Our foot patrols try to avoid encounters with this animal, but the tactic works effectively when you spot a bear 50-100 metres away. Given that



Landslide stabilisation along the onshore pipeline route

many trees on Sakhalin grow to human height in just a few years, the predator may not be seen in such undergrowth. This is why clearing the area of vegetation is a vital task.

Another area of work relates to landslide prevention, which is particularly relevant to the mountainous Makarov district. Displacement of earth layers is very common there and we certainly pay close attention to monitoring the situation. Back in 2021, experts identified three potential landslide trigger points. To prevent landslides, we conducted serious preparatory work with contractors.

– Let’s talk about the team’s achievements at another production facility – BS-2.

– I will focus on three important areas. The first is the construction of a nitrogen pipeline at the facility. Technically, this is not a complex or large-scale job, but it is unique in another way. As proposed by Sakhalin Energy, Gazprom Transgaz Tomsk, which has been responsible for the maintenance of BS-2 for many years, prepared the project independently for the first time. In fact, we have opened up

a new line of cooperation with our partner. This is the example of our consistent work to develop the capacity of Sakhalin-2 contractors.

The second achievement is the completion of the Gas and Fire Detection Upgrade project, which has been underway since 2017. All works have been carried out in full compliance with the requirements of Russian legislation. As a result, we have an upgraded modern fire protection system, which significantly improves the safety of the production facility.

The third activity is the overhaul of the small camp at BS-2, which has now become even more comfortable for station staff. We will do everything necessary to keep it that way.

– Alexey, what are your wishes for your colleagues in the New Year?

– Good health, prosperity, understanding, warm-heartedness and home comfort. May all the challenges we face be an incentive for new successes and further professional growth!

■ Interview by Pavel Ryabchikov

### our success

## Charged to Achieve Success

Sakhalin Energy employees successfully debuted at the federal stage of the Best in Profession Russian Professional Excellence Competition (in the Best Electrician – 2022 category). Sergey Shcherbakov, Electrical Trainer at the Corporate Technical Training Centre, told us about the competition results.

– Sergey, the first-time participation turned out very successful. Your trainees have refuted the old saying that it’s not about winning, it’s about taking part.

– Not exactly, we have not managed to win the victory cup. Sakhalin Energy was represented by Andrey Mironov, Semen Pak and me (as a trainer). The jury selected the overall score winners and winners at each stage separately. Andrey Mironov was recognised as the best in the Regulated Procedures (3D Simulator) category. Our team scored 92% (313 points) in the overall standings of the competition and entered the top 10.

The Best in Profession Russian Professional Excellence Competition has been held annually since 2012 under the aegis of the Government of the Russian Federation. It includes five categories, which are selected from proposals made by associations of employers, trade unions and regional authorities (each category corresponds to a blue-collar job).

– Tell us about the competition itself, please.

– Ten categories were announced in the specialist competition; Andrey selected the Measurement and Testing Electrician category, and Semen – the Distribution Networks Operational Switching Electrician. Contestants were assessed in four stages, which included such tasks as correct execution of documents, including permits to work, first aid for electric shock, and knowledge of regulated procedures.



The winner was determined by summing up scores for each task.

– What stage was the most difficult one?

– Nothing was too easy, because this was the first time we took part in the contest. So, we had to do an extra preparation to the contest: we studied regulatory documents, tried to anticipate questions and prepared answers to them. And this made a difference, because it helped us perform fairly well.

– That is, the theoretical part turned out to be the most difficult one, the practical part, however, was, probably, the most interesting?

– Gosha, the simulator, “helped” us at the first aid stage, and, generally speaking, the trainings that Sakhalin

Energy employees ordinarily take were of much assistance. We managed to save Gosha’s life (smiling). Well, the 3D simulator for practising regulated procedures made me feel admiring envy. This was a great tool that helped visualise the entire work process, hold various trainings and refine skills.

– Judging from the results of the competition, you do your training job very well even without it. How would you describe the effect that the competition has had on Andrey and Semen?

– I am sure that this was an interesting experience for them and, at the same time, a starting point for the acquisition of new knowledge and skills. They were really good: they proved themselves to be good not only in the contest, but in their work also. Both of them are graduates of the corporate Traineeship Programme. Despite the young age, they demonstrated professionalism and have already earned recognition among their colleagues. While, previously, they tried to improve in their professional area only, now they are looking at other areas with interest: they ask questions and try to find answers on their own. I would say that they have become more “charged”.

– A great comparison reflective of the profession. Do you intend to take part in the contest again?

– I would like to. After all, this experience makes a good guide to professional achievements. It brings us new conditions, makes us aware of current requirements, drives a desire to do our best, and gives an impulse to a thoughtful rather than formalist performance.

I would like to take this opportunity on the eve of the New Year to wish my colleagues follow the set course using corporate best practices, always go an extra mile and develop themselves. I wish you all good health, happiness and success!

■ Interview by Elena Gurshal

# Victory Over Circumstances

There is a famous stunt when you get from one moving car to another. It takes courage, precision and self-efficacy. The SAP team was able to perform a similar manoeuvre. Vladimir Kruglikov, Project Manager, shared the details with us.

– Vladimir, can I congratulate your team on the project completion?

– Yes, I think we can now. The last task that I refer to as an urgent implementation of SAP ERP was the launch of the Cash Method functionality in the first half of December. Everything else (role model improvements and refinements) will be done as part of the operation and development of the system.

– As far as I know, a year ago you started working on the SAP HANA system implementation project, but, given the current situation, you had to switch to a different path.

– After one of the shareholders announced its intention to withdraw from the Sakhalin-2 project, the disconnection from the Shell infrastructure was rather expected...

– ...So you prepared for the worst?

– I'd rather say, we focused on the priority task – ensuring the business process continuity. We considered several scenarios. Their implementation largely depended on constantly-changing external factors, so we worked on several options. We did not reject any of them, rather, the current situation would suggest, "This option is no longer feasible, move on to the next one." Finally, success: urgent implementation of SAP ERP 6.0.

We managed to prepare for it, as the development of the terms of reference and the tender had already been launched. We were able to quickly mobilise the contractor: the first Business Solutions and Technologies (BST) consultants arrived in Yuzhno-Sakhalinsk on 2 June. The consultant team's successful experience with transitioning from Shell Blueprint played an important role in our decision to hire them.

**We focused on the priority task – ensuring the business process continuity. We considered several scenarios. Their implementation largely depended on constantly-changing external factors, so we worked on several options. We did not reject any of them.**

– Vladimir, let's take a step back: can a modern enterprise do without SAP ERP (or another system that performs the same functions)?

– Without such a system, it becomes possible to "cut corners", which is fraught with accumulating errors, additional costs, and long decision-making time frames. This system combines information and all production activities-related processes (scheduling work, repairs, project implementation, and needs for materials and services) and, as a result, it reflects business performance in accounting. It is difficult to name even one Sakhalin Energy unit that does not depend on this system.

– Is this a reference grid of sorts?

– Rather, I would compare it to the company's nervous system. If the brain does not receive an impulse from the nerve fibres that run through the entire body, it will not be able to make a single decision. Usually, when an enterprise switches to a new management system, such project takes more than a year. We had to resolve the issue in the space of 3 months! We got from one car to another at full speed. Of course, it was a stressful situation. To make things worse for us, in case of issues with the new system, we could not go back – say, revert to the old setup while improving the new one. Despite the fact that we implemented it "from the wheels", I would say, in an incredibly short period, we managed to ensure the continuity of business processes. Therefore, the launch of SAP ERP can be called a victory over circumstances.

– Three components determine the success of a project: deadlines, quality, and budget. Which one was the priority here?

– In our case, deadlines mattered the most, since it was important to ensure the business process continuity, which, in turn, required launching the system as soon as possible. Normally, data migration tasks start with design stage which goes through several test iterations throughout the project. In our case, the tools for data loading after development and limited scope testing were launched immediately to ensure productive migration.

This was a forced decision: first, the tools that were made for SAP S/4 HANA were not applicable to SAP ERP, and second, loading a single data object (i.e. a materials guide) takes time, so testing each loader in full scope would have led to significant delays, and we would have ended up behind schedule.

As a consequence, we had to deal with issues in the already loaded data. This process was monitored: all discrepancies and the activities aimed at addressing them were recorded in a separate register.

– How would you assess the team's work?

– BST consultants did a great job. They handled the majority of work scope, including the data migration from the old system to the new one. Our SAP team employees really nailed it. They were actively involved in data exporting and checking the uploaded data, testing the system, and explaining to users how processes should be performed in the new system.

We tried to minimise the strain on users, as it was a busy time for everyone. Yet, it was impossible to do without them when checking the uploaded



data and especially when starting processes in the new system as it was necessary to reflect all the documents accumulated in the ERP's absence. Most of such operations had to do with stock movement, repairs, and uploading invoices from contractors. The launching of the system in such a short time is the result of the concerted efforts of all participants.

**Usually, when an enterprise switches to a new management system, such project takes more than a year. We had to resolve the issue in the space of 3 months! We got from one car to another at full speed.**

– What are your team's plans for when the system stabilises?

– Thank you for this question, I would like to talk about the prospects. We will certainly work on improving the introduced system as per the business priorities to make users' work more efficient. At the same time, we have been given the task of defining the way forward. We must decide whether it is worth considering the introduced SAP ERP as a long-term solution or whether we should implement alternative Russian-made ERP systems. We've started working on this issue.

– The year 2023 is just around the corner. Do you have anything to say to your team at the end of the current year?

– The current year has shown that the company is able to promptly respond to external challenges. But I hope that the coming year will be calmer and will let us work in accordance with our long-term plans, and not the agenda set by the outside world. I would like to wish all employees the best of health, happiness, work-life balance, and a peaceful sky above their heads.

■ Interview by Elena Gurshal

# A Math Problem: Two Pipes and CRONOS

The development of CRONOS, an HC shipment planning application, has completed. Although it was called after the classical Greek God of Time, it is also an acronym for the full name – CRUde Oil and liquefied Natural gas Operations System. Irina Danchenko, Senior IT Portfolio Engineer, and Natalia Anikina, LNG Delivery Planning General Manager, provide details.

At the end of 2017, the IT/IM Projects Subdivision received a request from the Commercial Directorate to adjust the COMPASS application. This was the main software for the planning of LNG and oil product shipments developed specifically for the Sakhalin-2 project; it has also been used by the Engineering and Technical Support of the Production Directorate.

This critical application for planning HC shipments was, in fact, a highly automated Excel spreadsheet containing information on customers, LNG and oil tankers, disports, cargo quantity, plant production profile, loading efficiency, etc.

**In November, the CRONOS application project team was awarded the Company's executive body prize for Realising Opportunity and Securing Future Growth (read more on page 7).**

Put it simply, this was a sort of a calculator for solving a school-level math problem about a pool and two pipes, where the pool was filled through one of the pipes (production) and emptied through the other one (shipment). COMPASS helped to calculate the filling status of the “pool” (LNG and OET storage facilities) in order to prevent overflow and shallowing (to ensure the adequate level of HC by the time a carrier arrives).

Those who developed the calculator 10 or 15 years ago, possibly, felt like it was a simple task, so they made a corresponding decision: to use Office-2010 and Visual Basic. However, as new functions were added and the volume of processed data increased, the application faced more and more problems to solve.

Any updates relating to a changed loading date or, for example, weather modelling, resulted in recalculation of the whole data package. Therefore, each change was followed by, approximately, one and a half minute processing speed fall. The tool ceased to be efficient, since a year-forward planning of shipments required making daily adjustments.

It seemed like the answer was clear – simply to contact the COMPASS developer, who had expertise and a clear vision of the application's algorithms. However, the cost and vague timing of the app's optimisation made us look for other options.

As a result of the joint work of the Commercial, Production Directorates and IT/IM Department, a more economical and efficient solution was chosen. We focused on the implementation of our own solution with the involvement of Russian company – one of the leaders in software development. It is worth noting that the development of a new tool to improve the hydrocarbon supply planning process and simplify data handling proved to be quite a challenge from an engineering point of view. It required the developer to have special knowledge, high qualification and strong mathematical background. In such highly specialized projects, the importance of the role of a business process analyst – a specialist who will capture the requirements of the business and manage to build a competent relationship with it – becomes very apparent. As a client, we expect our requirements to be addressed and expect the analyst to be experienced and competent, able to apply best practice and ask the right questions to identify the real issues, rather than addressing their external manifestations.

We needed an experienced and competent specialist who would take into account the requirements of the business and be able to build good relationships with us. To sum up, we needed James Bond, of sorts, with the IT and psychologist skills coupled with an extrovert

personality. Despite the fact that there were some pitfalls for us, as a customer, in this area (the task turned out to be a rather difficult one from an engineering point of view, required special knowledge, high qualification and strong mathematical background), the project was completed successfully.

Despite the challenges we faced in implementing the project, it was brought to a victorious conclusion. As a result, significant improvements were achieved: LNG and NGCS production and supply planning processes were automated and operational processes were significantly accelerated. In addition, Monthly Cargo Allocation function was implemented, allowing optimal allocation of LNG supplies according to contractual obligations, projected production and estimation of the required number of gas carriers. In addition, an additional algorithm for parameter calculation was added.

All in all, the project has taken us almost three years to implement. Yet, the end product is worth it: it is a high quality application both in functional and visual terms. This success was achieved due to scrupulous testing of CRONOS by all members of the team, which is, definitely, one of the most highly organised and responsible teams on the project. Dear colleagues, I thank you for your professionalism!

We must admit that some rough areas may still be found in the new software; however, we will definitely “smooth these away” through lessons learnt. The most important thing is that we have managed to overcome all technical challenges to launch the application, which has already benefited our company greatly.



## In Two Clicks

Direct involvement of personnel into all processes is needed to develop and maintain strong safety culture. It is the right and obligation of every member of personnel to intervene into unsafe activities or conditions. This is envisaged by the Company's HSE Policy and Commitments.

In recent years, Sakhalin Energy has been actively using observation and intervention cards registration tool on the SharePoint platform. It allows employees not only to report unsafe activities, tell about the corrective actions taken, or point to the safe behaviour of colleagues, but also to maintain unified statistics.

The electronic tool has become more accessible since November 2022 – the Observation and Intervention Card can be filled in using a mobile device now. To enjoy this opportunity, please connect your device to the corporate Wi-Fi network, i.e. SWF-GST, and scan the QR code.



Those cards, which were filled in on a mobile device, are synchronised with the system and count towards the statistics. The new function makes it easier to take part in the effective observation and intervention programme – this means that more unsafe actions and conditions will be identified and addressed.



# A Walk in the Subsoil

Even if sedimentology\* is alien science to you, most probably, you regarded the fabric of windy mountain slopes with great curiosity. Figuratively speaking, can you imagine a mighty “cake” of rock layers? The Company employees studied precisely this “Napoleon cake” in a new format that combines on-site training and a two-day geological excursion to the south of Sakhalin Island. Alexey Popov, Chief Geology Specialist of the Capability and Technology Subdivision, shared the details.

– Let me provide some background information: early this year, Timur Gafarov, Technical Director, named several tasks assigned to the Directorate in scope of the Great Fuel&Co Expedition. They included, among others, the development of the Company’s centre of competence and training opportunities for employees, expansion of the fields database and preservation of physical material about the geological section for the future generations of research engineers.

One of the tasks was completed in scope of the project for preparation of upper core\*\* layer samples to be presented at specialised exhibitions. The implemented technical solutions allow core samples to be protected from fracture and at the same time enable full examination of the rock samples. In 2022, 400 meters of full-scale exhibition core samples taken from three recently drilled wells at the Lunskeye and Piltun-Astokskoye fields were delivered to Yuzhno-Sakhalinsk in scope of this project, which was an important event for the geological and geophysical community.

**Alexander Sheykin, HR Director: “Due to changes in the global geopolitical environment, company employees are facing new challenges in all production areas. Learning process is not an exception. This geological excursion is an outstanding example of seamless teamwork in the development of professional competencies and promotion of geological knowledge and skills among employees. The management will continue rendering active support to initiatives aimed at team building and team development.”**

Another core-related initiative was the development of the internal training course in sedimentology that includes an advanced theoretical part and a series of field trips to study rocks that form our fields as well. The Geological and Geophysical Service of the Technical Directorate and the HR Business Operation, Learning and Development Division contributed to this initiative.

We also invited Evgeny Baraboshkin, a famous Russian expert in sedimentology, stratigraphy and palaeontology, professor of the Regional Geology and Earth History Department of the Faculty of Geology of the Lomonosov Moscow State University, PhD in Geology and Mineralogy, to take part in the training course. Enormous practical experience and extensive knowledge of the professor and his competence in presenting the material straightforwardly made it possible to develop quite a unique course.

Geological excursions themselves is nothing new to Technical Directorate employees. Such nature tour

**Timur Gafarov, Technical Director: “Sedimentology training combined with the geological excursion is not only an important element of the general competence development programme of the Technical Directorate, but also a striking example of synergy between science and practice. Such events allow us to gain knowledge about specific features of activities of pioneer geologists on the Sakhalin Island. We can imagine ourselves as real geologists wearing boots and holding a hammer, perceive the entire beauty and poetry of geological fundamentals in oil and LNG production standing behind dry figures, and refresh professional and vital interest to work and the environment. I would like to express particular gratitude to our technical expert Alexey Popov who put in a lot of effort to arrange such a nice scientific and educational teambuilding event, which shall be supported and held on a regular basis.”**



Sedimentology Enthusiasts



Core samples arrived at the exhibition

is rather a must to find a comprehensive solution to routine tasks. The novelty lies in the format and the location, and first of all, in the broader (non-geological) audience involved in field excursions.

The scope of new knowledge in core studies is astonishing! An oblong rock is just a rock for someone, but, for a competent geologist, it is a sequence of sedimentation processes that describes the formation of the sedimentation basin of our main development fields. The understanding of these processes facilitates precise reserve assessment and hydrocarbon production forecasts, as well as the quality of field development planning.

During the first part of the geological excursion, on the coast of the Sea of Okhotsk (near Starodubskoe village), the specialists studied the sedimentation environment considered during modelling of production layers of our fields, textural features compared with the core, and discovered why this coast is rich with amber collected by locals and visitors. Amber is a fossilized resin of ancient trees buried in the bowels of the Earth millions of years ago. Amber often accompanies coal seams eroded by rivers and seas that come to the surface.

The second part of the excursion continued along the valley of River Nayba (up to Bykovsky rifts). The most complete outcrop of upper cretaceous rocks on the Sakhalin Island of a prolonged age period (from 145 to 66 million years old) is revealed in this area. This area is well-known in the international geological community and always attracts scientific interest.

The excursion team have not only seen mineral flora and fauna used as a reference sample to determine the age of cretaceous rocks, but also discovered giant shellfish fossils (70 million years old) – ammonites and inoceramus bivalve.



70-million-year-old fossil “elders”: on the left – round concretion with footprints of deep-sea worms; on the right – ammonite fossils.

The abyss of time between us is almost unimaginable. As a reminder of enormous intervals in geological time and the lifetime on Earth, some fossils were included as exhibits in the Technical Directorate’s collection.

In order to promote geology studies in wide circles of oil and gas industry specialists, we invited representatives of non-geological disciplines of the Company (development, economics, finance and other) to participate in the excursion. It is worth noting that field conditions unite the hiking team members of a variety of disciplines, and the team spirit improves the prospects of success in resolving routine tasks at the workplace. The Field Development Department has ideas on further development of such initiatives and involvement of students and school children for the purpose of forming professional focus and understanding of occupations in geology.

The lessons learned have proved again that we are a single team with an integrated approach and commitment to any initiative. We are focused on creation and development, which is a cornerstone for sustainable future of the Company.

\* *Studies in sedimentary rocks and their formation processes.*



Geological Excursion Team



continuous improvement

# 5 Steps to Excellence

Benjamin Franklin said: “Beware of little expenses; a small leak will sink a great ship”. These words define the essence of lean production. Ilnur Khuziakhmetov and Dmitry Ten talk about how one of its basic tools – the 5S concept – is applied at the Prigorodnoye production complex.

– **Let’s remind our readers what 5S is.**

Ilnur Khuziakhmetov, Head of Manufacturing Excellence Subdivision: “This system was developed at enterprises of post-war Japan. Its modern interpretation involves compliance with five rules: sorting (clear spatial distribution of tools and materials depending on the frequency of use), keeping order (every item in its place), keeping clean (the workplace must always be tidy), standardisation (creating instructions and other regulations) and improvement (self-education, habit of complying with all established procedures)”.

– **It is my understanding that the 5S principles are already actively used in production. Is practice of their implementation among your priorities?**

**I. Kh.:** “Of course it is. Even though we have only just begun to put the 5S into practice, a lot has already been done, including the ergonomic layout of equipment. And we continue to focus on this programme to accomplish a set of objectives. To give you an example – this year a huge amount of work has been done both in the area adjacent to the repair shop and in the Prigorodnoye workshop itself”.

**Dmitry Ten, Senior Workshop Engineer:** “The implementation of this 5S rule necessitated first and foremost optimising the workshop space to make the most efficient use of it: an audit of all the rooms has been carried out and remodelling has been planned. In addition, we have completed an inventory of around a hundred containers – a total of around 16,000 units have been re-checked, put into storage, handed over for work or repaired! We now have all the equipment on a line.

Another important note: the principles of 5S are not only “convenient”, but also correlate with the regulatory requirements enshrined in Russian legislation in the field of industrial safety.”

**I. Kh.:** “The implementation of such large-scale tasks requires knowledge, experience, the enthusiasm of the performers, as well as a fresh look from the outside. To do this, at one of the stages we invited colleagues from the continuous improvement sector – they analysed our work, understood its features and drew attention to shortcomings”.

– **One of the recommendations you received was to visit Schlumberger’s base and workshop?**

**I. Kh.:** “The visit was very useful – we attended a kind of master class on how to implement 5S practices. We learned about tools that are necessary not only for their successful implementation, but also for continuous improvement in production. After that, we have drawn up a plan and are implementing it consistently”.

– **The 5S is a versatile tool that can be used in any workplace – even in a pharmacy, but there are still certain specifics. Can someone’s experience be copied directly, or will copy-pasting be a problem?**

**I. Kh.:** “Our main point is not to copy, but to work out what is needed to motivate staff to make the system work successfully. After all, it is the staff who play a pivotal role in keeping processes on track. In addition, we looked at how the 5S principles are implemented in practice. Unfortunately, there are times when an initiative is good but no mechanism has been put in place to support it. This is one of the bottlenecks of production”.

– **What experiences did you want to draw on?**

**D. T.:** “For example, a special application with detailed information that every employee can see and analyse in real time. Screens showing safety, performance, efficiency and the number of CI proposals implemented are located at the entrance to a particular premises. In addition, it is common practice to post tablets at the welding station or

laboratory with information on the status of work in progress its next stage. It’s very convenient, you don’t have to approach and distract your colleagues with questions”.

**I. Kh.:** “It is very important that people see their performance, and know where they need to strive. The availability of visual information at the workplace not only encourages employees, but also saves time”.

– **You saw a good example, and...**

**I. Kh.:** “We have placed screens in the corridors, created a plant-wide dashboard and are now aiming to reach workplaces”.

**D. T.:** “I am a pragmatist, so during my visit I paid attention to the arrangement of the workshops. We are currently negotiating the purchase of special mobile racks from a Russian manufacturer for the storage of heavy equipment. In addition, we are planning to make changes to the ventilation system for welding work to make it even safer”.

– **Sometimes staff members do not formalise their initiatives, considering them insignificant – how can you give them a push to do otherwise? After all, even one minute saved for a certain operation plays a huge difference on a plant scale.**

**I. Kh.:** “We have developed a system of rewards and awards as part of the Continuous Improvement Programme. In addition, this year we have simplified the forms for putting forward initiatives. We hope that this will help both qualitatively and quantitatively”.

– **This is the last issue of the Vesti this year. Please try to formulate your wishes using the 5S formula.**

**I. Kh. and D.T.:** “Promoting the Continuous Improvement programme, fresh ideas, independent solutions, self-development and happy events!”

■ Interview by Elena Gurshal



# СОБСТВЕННО



new year's mood

# НОВАЯ ПЕРСОНОЙ



# Success We Are Proud of

## JANUARY

Sakhalin Energy won the annual “Sakhalin Lighthouse 2021” Governor’s Award in the Russian Federation Climate category. The Company described practices to reduce the carbon footprint of the Sakhalin-2 project.

## FEBRUARY

Sakhalin Energy became one of the top 20 major companies in the 2021 Russia’s Best Employer Rating – among the participants in the Energy and Mining sector it was in the top four. At the same time, the Sakhalin-2 project operator is in second place among companies with 1,001 to 5,000 employees. The results of the rating have been issued by HeadHunter, Russia’s largest online recruitment company.

## APRIL

Sakhalin Energy was awarded first place in the All-Russian competition “Best Corporate Media of the Year” held by the Association of Communication Directors and Corporate Media of Russia. The company’s “Time of Achievements” almanac has ranked first in the Client Media: Corporate Calendar category.

## JUNE

Sakhalin Energy was announced as the Grand Prix winner of the All-Russian contest “Leaders of Russian Business: Dynamics and Responsibility 2021” of the Russian Union of Industrialists and Entrepreneurs. This achievement is the result of our day-to-day work, strong commitment to corporate values, ability to change and adapt to the situation while remaining a leader. This approach was demonstrated by the company in all topical areas of one of the most prestigious contests: economic, social and environmental.

## AUGUST

For the sixth year in a row, Sakhalin Energy has been announced the winner of the “Labour Productivity: Russian Industry Leaders 2022” award. With the annual performance of 206.97 mln. RUB/person, the Sakhalin-2 project operator leads the TOP 100 rating, which is the main nomination for labour productivity among Russia’s key enterprises.

## SEPTEMBER

AK&M rating agency confirmed Sakhalin Energy’s ESG reporting rating (RESG 1), which corresponds to the highest level of sustainability disclosure in the organisation’s public reports. The Agency assessed the 2021 Sustainable Development Reporting.

\* \* \*

Sakhalin Energy was named the leader in the Social Performance Rating among oil and gas companies, which was presented by AK&M rating agency. 2022 assessment list included 44 companies with best sustainable development practices that disclose information about



A shot from the corporate film “35 Days of Silence”, which became the winner of the nationwide competition ConTEKst in the field of communication projects of fuel and energy companies



their social and environmental activities to the fullest extent possible.

\* \* \*

The Company was recognised as the winner of ConTEKst, a nationwide competition supported by the Russian Ministry of Energy, the State Duma, the Federation Council, Russian Management Systems Agency (RASO) and the Russian Union of Journalists. Three projects were awarded prizes: a short corporate film “35 Days of Silence”, “Time for Achievement” almanac and “On the Green Wave” project reflecting the Sakhalin-2 project operator’s contribution to addressing climate change.

\* \* \*

Sakhalin Oblast won the Grand Prix at the International Exhibition and Fair “Treasures of the North. Craftsmen

and Artists of Russia 2022.” The main award was given to the exhibition “The Power of Traditions” of the island region, with the “cradle” as one of its key elements, symbolising the connection between generations. The stand’s design pays special attention to the ancestral culture and heritage of indigenous ethnic groups, as reflected in their distinctive ornaments, traditional clothes, and household items. The overall victory is the result of well-coordinated work of all delegation members and partners, one of which was Sakhalin Energy.

## NOVEMBER

The Company’s employees successfully performed at the federal stage of the Best in Profession All-Russian Professional Skills Competition (nomination “Best Electrician – 2022”). Our team scored 92% (313 points) in the overall competition held under the auspices of the Government of the Russian Federation and was ranked in the top 10 (read more on page 11).

## DECEMBER

Sakhalin Energy LLC was included in the top three of the transparency rating of oil and gas companies of the Russian Federation in the field of environmental responsibility. The Sakhalin-2 project operator has been at the top of the World Wide Fund for Nature (WWF) rankings for nine years (read more on page 21).

■ Prepared by Marina Semitko



Sakhalin delegation at the International Exhibition and Fair “Treasures of the North. Craftsmen and Artists of Russia 2022.”

# “Cast Your Mind Back to Your Favourite Teacher and Find the Time to Say Thank You to Them”

*The true aim of everyone who aspires to be a teacher should be, not to impart his own opinions, but to kindle minds.*

F. Robertson



Each of us has their own memories of the school, the first marks and, of course, of the teachers, those respected people who left a trace in our hearts for life. As we approach the Year of Teachers and Mentors declared by the President of Russia for 2023, we met with Anastasia Kikteva, the Sakhalin Oblast Minister of Education.

– **Anastasia, what additional opportunities does the decision of the head of state offer to teachers?**

– First of all, I'd like to turn to the background of the idea to declare the Year of Teachers and Mentors in Russia. One of the Moscow school graduates approached the President with this proposal in 2021. The girl who had received 400 points – the maximum result at the Uniform State Exam – thereby placed the emphasis on the teacher's great contribution to the student's professional guidelines.

In my opinion, this initiative is very indicative. After all, the results of training and education tend to show themselves after a considerable amount of time. They are of prolonged nature. Therefore, it is especially important when children independently comprehend the teacher's contribution to their development as professionals precisely at the stage of school graduation.

This example is in line with another logical aspect: it is fitting that next year we will celebrate the 200th anniversary of the birth of Konstantin Ushinsky, one of the founders of the Russian pedagogy. In my opinion, it is important to mark such dates in everyday life. This allows us to take a new look at the role of a teacher not only for each child, but also for adults and for modern society as a whole.

– **As far as I know, right before the Year of Teachers and Mentors, several decisions have already been made to increase the prestige of this profession.**

– You're right. In Russia, the opinion of teachers is considered at the federal level. For example, the concept of “educational service” has recently been removed from the legislation at their request. After all, learning is a specific process that demonstrates the mutual activity of the student and the teacher.

Moreover, a law was endorsed to reduce teachers' paperwork burden. The law introduces a ban on the preparation of documents outside the approved list. This long overdue measure will make it possible to free up time for teachers' pedagogical skills development, training and education methods improvement, and their creative work with children.

– **Sergey Kravtsov, Minister of Education, asked Russian teachers to submit proposals for holding the Year of Teachers and Mentors in the Russian Federation. Is there a plan already in place for Sakhalin Oblast?**

– Of course, we are preparing and we want the year not only to help improve the image of the profession, but also to expand the educators' capabilities.

Bearing in mind that modern teachers would like something more than only take part in methodological events and professional skills competitions, we have planned several informal activities for them, including sports ones. Thus, we will continue the wonderful tradition of holding the Spartakiad for employees of our educational institutions, which we started this year together with the regional branch of the Russian Olympic Committee.

Apart from that, we will widely practice tourist rallies for teachers, we will talk about pedagogical dynasties, young teachers and participants of the zemstvo rural teacher programme, and we will conduct a Pedagogical Dictation. It is noteworthy that it will be held in the so-called “educational train” format, which is new for the region. It is expected that specialists from the Institute for the Education Development will travel to all municipalities of Sakhalin Oblast to conduct the dictation.

An organising committee was formed to hold the scheduled events. It brought together those ready to be creative and offer interesting activities for our teachers, as well as for those who plan to join their ranks. I mean students majoring in pedagogy. I'm sure that the coming year will be bright and full of various unforgettable events.

– **Schoolchildren, the other party to the educational process, certainly won't sit on the sidelines, will they?**

– Of course, we'll bring the children in to take part in the scheduled events. In particular, we'll hold a drawing competition called My Teacher Is the Best One. As a result, the best children's works will be printed on school buses – this initiative has been implemented in the region for two years straight. For example, last year public transport was decorated with illustrations dedicated to the 75th anniversary of the island region formation, and this year there are drawings dedicated to the road traffic rules. In the Year of Teachers and Mentors, we “brand” our buses with portraits of the best teachers of Sakhalin Oblast – this will be a wonderful gift for them...

– **...And for those determined to become teachers in the future, it is a great motivator. Anastasia, where do we have pedagogical classes?**

– In Yuzhno-Sakhalinsk, Korsakovsky District, Anivsky District, and Kholmsky District. This year, the number of such classes has increased to ten. We will start as many again on 1 September 2023. This activity will cover all areas of Sakhalin Oblast.

We will certainly continue holding pedagogical class forums that popularise our profession among school leavers. The event targets high school students who have decided to dedicate their life to pedagogy. Potentially, they will come to work at school in just four to five years.

I often meet with the folks studying in pedagogical classes and ask them why they have chosen this education profile, and I get completely different answers. It's curious that many see their future in cross-sectoral professions, for example, an educational speech therapist or an educational psychologist. In this sense, teaching is truly multifaceted and provides today's school leavers with massive opportunities to apply their skills.

– **For many, mentor and teacher are synonymous concepts, but still, what is the difference between them?**

– A teacher is a professional whose competences are primarily aimed at passing their knowledge. Moreover,

this pool includes not only subject teachers, but also facilitating teachers or social care teachers.

A mentor is a broader concept, so to speak, a mixed profession associated with supporting personally and professionally both the student and the teacher. For example, when a young teacher comes to work at school, he or she has the same duties and bears the same responsibility as a teacher with many years of experience from the first day of work. He or she cannot do without a wise mentor to guide him or her in this profession.

– **Mentoring has been developing quite actively in Russia lately. In particular, this focus area is included in the federal projects of the Education National Project. Is there a similar trend in the regional education system?**

– In 2022, I signed Regulations on Mentoring. They officially introduce the mentoring system into the professional educational environment. Apart from that, teachers feel the need for mentoring too. Our colleagues who had become winners of the regional stage of the Teacher of the Year competition over the years founded a regional branch of the all-Russian organisation of the same name. This form of mentoring will make it possible for them to share the skills of self-presentation of expertise with those teachers who would like to take part in the professional competition. In my opinion, this is one of the best examples of the fact that the mentoring system in the region is in demand and is developing.

– **Is the mentor responsible for a student, be it a child or a teacher?**

– Certainly yes, since mentoring is a very delicate “intervention” area which involves reflection. In this sense, the mentor improves himself or herself too in the course of activities and grows professionally. This is a mutually beneficial process.

**I.: Today's student is able to acquire knowledge in all subjects from open sources, including from the Internet, a huge “textbook”, which sometimes gets updated faster than a book published in a printing house. Will this change the teacher's role in the future?**

– The fact that teaching is eternal can be proved by the 2020 pandemic, when we all went online. Many parents reconsidered the teacher's role during that time. We felt how important a teacher's function was not only in passing knowledge, but also in arranging the educational process, and the ability to teach children how to effectively master the material.

There is a growing demand for mentoring teachers among schoolchildren and their parents, who is ready to help students develop their abilities, to pass his or her knowledge that students could manage, and focus on the students' strengths. This approach will help students achieve meaningful results in the future. This is not only about academic performance, but also about giving each schoolchild, and potentially each university or vocational school student, the opportunity to fulfil their potential, regardless of living conditions.

– **Anastasia, this issue of Vesti is preceding the New Year's Day, it will be released right before the Year of Teachers and Mentors. What would you like to wish our readers?**

– While reading this interview, may everyone cast their mind back to their favourite teacher and find the time to say thank you to them during the year. Be sure to choose a day to meet or call your teacher, whether it's 8 March, 1 September, or the Teacher's Day. Trust me, this will be the best gift for them and one of the most memorable moments in the Year of Teachers and Mentors.

■ Interview by Marina Semitko



# Well done!

*"Make time for health – it's the only treasure you have in your life."*

Paul Chappuis Bragg

Health is perhaps the most frequent word on wish lists on a variety of occasions. Even a minor cold can force us to stay in bed, making us ignore urgent matters. Health of each employee is one of Sakhalin Energy's priorities. At the end of the year, the Corporate Health Section specialists are making a final assessment of their performance.

## IMMUNE STATUS

COVID-19 has been in our lives for almost three years, but the risk of spreading a dangerous infection among staff is still under strict control at Sakhalin Energy. The company is tackling this challenge by raising the immune status at its production facilities and offices and putting a range of preventive measures in place.

As Andrey Lee, a Senior Specialist of Corporate Health Section, comments, the coronavirus is mutating constantly and selecting a "comfortable" format to coexist with humans, thus reducing lethality and increasing the rate of spread. Now, the omicron virus is the prevailing or even the only variant of the virus, with many sub-variants of more than 300 variants. All had a relatively low case-fatality rate (0.3-0.4%, compared with 3% in the first two years of the pandemic). For comparison: seasonal influenza has a fatality rate of less than 0.1% if the population is widely vaccinated. The highest rates were as high as 0.2% during the most severe epidemic seasons.

"However, the potential for complications from coronavirus should not be underestimated, as the fatality rate is still higher than with the regular influenza we are used to. The long-term health effects from COVID-19 have not been fully investigated. This is why Sakhalin Energy relies on building and maintaining a high level of immunity among its staff," says Andrey Lee.

Since early 2021, it has been studied among pilot groups, and in 2022, Regulation on Entering the

Company's Production Facilities was introduced based on the immune status assessment. Currently, the herd immunity rate exceeds 90%. As a result, no cases of a serious form of COVID-19 disease or related complications were reported at the facilities in 2022.

## INFLUENZA VACCINATION

Every year before the start of the epidemic season, Sakhalin Energy runs an influenza prevention campaign. Influenza in Russia usually begins to increase rapidly in December, with a significant boost in the second half of January. The peak level falls on February and drops to a minimum by the beginning of April.



"These figures can vary, shift, or be spread apart in different years, thus creating a number of peak periods. The main thing to remember at all times is that the scale of vaccination coverage has a direct impact on the rate of influenza infection. It is also the safest method of a specific prevention," says Andrey Lee.

## HEALTH CHECKS

All Sakhalin Energy employees undergo regular health checks, which are an integral part of occupational disease prevention. According to Marina Bezruchkina, a Corporate Health Section specialist, 96.4% of employees have already been health checked in 2022, with most of them assigned to the first or second health group. Not a single case of occupational disease was identified.

"Health monitoring is a critical part of the corporate culture, and next year our in-depth health check approach will be extended to the entire Sakhalin-2 project team, not just the shift staff. This solution will enable staff to learn more about personal risks, get medical help if needed or make timely lifestyle improvements," says the specialist.

## CROSSTEAM

A tool to increase physical activity and to regulate emotional state of the project staff is always at their fingertips. This is the CrossTeam application, which is installed on mobile phones and offers users an extensive list of different training courses and other opportunities to spend their spare time in an interesting and rewarding way.

The application includes five webinar recordings, as well as a large number of great tips and tricks. You can also find information on corporate events or become a member of a hobby club (there are currently eight clubs).

By the end of 2022, more than 500 people had registered with CrossTeam. The application is improved on a regular basis and new and interesting content is added. For this reason, the Health Section specialists recommend that those who initially do not find suitable activities here continue to look at the application. In any case, it certainly will not harm your health (and is likely to do you some good!)

## Tea and Sympathy, or an Interview over a Cup of Joe

You would be hard-pressed to find beverages more popular worldwide than tea and coffee. In Russia, they are lobbied by Jack Frost himself – when you meet him, your system will just crave for a mug of something warming, invigorating and, last but not least, harmless. We asked Konstantin Kokorin, Head of the Corporate Health Section, to tell us how well tea and coffee meet these three criteria.



– Konstantin, why do you think tea and coffee are so popular?

– There is no secret here. It's all about the right mix of great taste and health benefits. There are hundreds, if not thousands, of beverage options, and a person can always choose what's right for them. Then, of course,

tea and coffee contain perhaps the most studied and frequently used stimulant in the world: caffeine. Although, when it comes to tea, it is commonly known as theine.

– Why is it so healthy?

– Caffeine improves performance, reduces fatigue, increases stamina, concentration, and mental acuity. In moderate quantities, it prevents the development of dementia and Alzheimer's disease. Consumption of tea and coffee also promotes weight loss, increases insulin sensitivity, and reduces the risk of metabolic syndrome (a metabolic disorder associated with obesity) and fatty liver disease.

– So, caffeine doesn't do you any harm?

– Any substance, even the healthiest one, can cause harm if taken in excess. Too much caffeine can lead to sleep disturbances, increased nervous agitation, and restlessness. There is an increased risk of cardiovascular disease: tachycar-

dia, hypertension, and heart failure. If you are sensitive to caffeine but do not want to give it up, switch to tea as it contains less of this substance.

– How much coffee and tea can be considered safe for a person?

– Researchers estimate that, on average, tea contains half as much caffeine as coffee. An adult can safely consume about 300 to 400 mg of caffeine a day. One cup (240 ml) of brewed coffee contains an average of 95 mg of caffeine. A comparable serving of black tea contains 47 mg of it.

– But still, do tea drinkers have an ace up their sleeve over coffee drinkers?

– Tea contains L-theanine, a powerful antioxidant that stimulates brain function. It also has an anti-stress effect, helping you to calm down and relax without feeling drowsy. Coupled with caffeine, this substance helps to keep you focused and improve your attention span. Besides, hot tea can cool your body down in the heat. It raises the body temperature from the inside so the heat is less felt.

But coffee enthusiasts, too, have a trump card to play: for example, coffee contains more dietary fibre than orange juice. So, if you haven't eaten your daily portion of fruit or vegetables, you can

make up for it with one or more cups of this beverage.

– What are the health benefits they have in common?

– Both tea and coffee protect the body against free radical damage and prevent the development of certain chronic diseases. They also contain substances that inhibit the growth of cancer cells.

In addition, those who enjoy these beverages in reasonable quantities can safeguard their cardiovascular system. For example, regular tea and coffee consumption prevents the build-up of atherosclerotic plaques in blood vessels and reduces the risk of heart attacks and strokes.

– Researchers have arrived at an important conclusion: it's not just caffeine that can serve as a pick-me-up, but also the so-called happiness hormones...

– So go for the beverage that you enjoy the most. And, of course, it is best enjoyed in good company. For example, at the New Year's Eve table, surrounded by your nearest and dearest. You will then be guaranteed a surge of positive emotions.

■ The page is prepared by Pavel Ryabchikov



# The Christmas Tree, the New Year and Environment

Decorating the Christmas tree as a family is a good tradition that takes us back to our childhood and immerses us in a real winter fairytale atmosphere. The custom of decorating a Christmas tree dates back to the ancient Celts, who regarded it as a symbol of eternal life and worshipped it as a sacred tree. From the 18th century, this tradition spread to Europe and later to Russia. Today, the ornate tree can be seen not only in the city's central square, but also in almost every home.

If you want the smell of spruce in the house, you don't need to bring in a whole tree - spruce stems are a great substitute. The lower branches can be removed without damaging the tree.

Nowadays, when the green agenda is being actively promoted in Russia and around the world, we assess our daily activities from various perspectives and especially from the point of view of impact on the environment. Therefore, which type of Christmas tree to choose for the New Year is an important question to ensure minimal damage to nature. This topic has been actively discussed for many years, but there are still many "whys".

## ARTIFICIAL CHRISTMAS TREE: NEGATIVE AND POSITIVE ASPECTS

By choosing an artificial Christmas tree, we get a number of advantages:

- **Cost savings:** A high-quality artificial tree will last for many years;
- **Aesthetics:** Live trees are often asymmetrical, while artificial Christmas trees are equally lush, similar to natural trees in colour and structure, keep their shape well, and don't break under the weight of toys or lights;
- **Convenience:** Artificial Christmas trees are easy to set up and put away, no need to pick up fallen needles after the holidays. You don't have to waste time choosing and transporting every year;
- **Hypoallergenicity:** For some people, the smell of pine needles may not be good at all. Good artificial Christmas trees do not cause this problem (although poor quality synthetic trees can cause asthma and allergies);

To compensate for the damage caused to nature, an artificial Christmas tree should be used by its owner for a period of 20 years. But in reality, people do not use a Christmas tree for more than six years on average.

● **Safety:** Only high-quality artificial trees have this feature. A good plastic Christmas tree does not burn but rather smoulders unlike a real tree, which ignites in seconds on contact with a flame.

However, from the environmental perspective, reusable Christmas trees cannot be a good alternative to real trees, because the damage caused by the production, transportation and disposal of artificial Christmas trees is huge. For example, the production in China and delivery to Russia of one 1.5 m artificial spruce produces 57 kilograms of carbon dioxide (CO<sub>2</sub>). An artificial Christmas tree, even if manufactured to the highest quality standards, is made of plastic with other chemical compounds. It is known that the polyvinyl chloride (PVC) most often used for artificial Christmas trees is produced from petroleum based products and is laden with harmful lead compounds. Furthermore, despite its positive features, PVC is the most dangerous of all plastics (scientists say that when heated, PVC releases an analogue of the deadly poison gas phosgene).

## REAL CHRISTMAS TREE: NEGATIVE AND POSITIVE ASPECTS

- Positive:
- **Needles produce a real New Year's smell.** This smell is one of the main attributes of the holidays.
  - **Storage is not required.** After proper disposal, the Christmas tree will not occupy space in the apartment.
- Negative:
- **False savings.** A live spruce up to 1.2 metres tall costs more than 3,000 roubles, and you have to buy the

tree every year. A high quality artificial Christmas tree of the same size will be repaid in two years and will last for at least five years.

● **Cleaning issues.** Every housewife knows how difficult it is to get rid of fallen needles in the apartment. When you take the tree out, you leave behind a wide trail of needles that get stuck in floors, carpets and furniture, and pet hair.

● **Potential illegal origin.** By buying Christmas trees from suspicious sellers, you are supporting poaching and illegal deforestation of coniferous forests.

Despite the significant excess of negative aspects, buying a real Christmas tree from an environmental perspective has a number of advantages. The sale of real Christmas trees is a business involving the special

that cannot be recycled and will not decompose to an environmentally friendly state. Thus, despite the fact that an artificial Christmas tree can be used for more than five years, disposal can cause even more damage than its production.

If a cut down spruce is simply disposed of in a landfill (i.e. thrown into an ordinary waste bin), it will, like any other organic waste, release methane, which affects climate change. A two-metre tree decomposing on a landfill will release 16 kilograms of carbon dioxide into the atmosphere. In the forest, trees also die and fall, but in the natural environment, dead wood becomes a breeding ground for new plants and organisms to grow. So, the best thing you can do is to send your Christmas

## НАСТОЯЩАЯ ИЛИ ИСКУССТВЕННАЯ ЕЛКА?

- АРОМАТ НАСТОЯЩЕЙ ХВОИ +
- НЕ ЗАНИМАЕТ МЕСТО ПОСЛЕ НОВОГО ГОДА +
- МОЖНО ЭКОЛОГИЧНО УТИЛИЗОВАТЬ +
- ПОСАДКА НА ТЕРРИТОРИЯХ, НЕПРИГОДНЫХ ДЛЯ ВЫРАЩИВАНИЯ ПИЩЕВЫХ КУЛЬТУР +

- ОДНОРАЗОВАЯ ✗
- СЛОЖНАЯ УБОРКА ✗
- ПОТЕНЦИАЛЬНО НЕЗАКОННАЯ ВЫРУБКА ✗



- + ЭКОНОМИЧНОСТЬ
- + УДОБСТВО
- + МНОГОРАЗОВАЯ
- ✗ ВЫБРОСЫ CO<sub>2</sub> ПРИ ПРОИЗВОДСТВЕ И ТРАНСПОРТИРОВКЕ
- ✗ РИСК НЕПРАВИЛЬНОГО ПОДБОРА МАТЕРИАЛА ДЛЯ ИЗГОТОВЛЕНИЯ
- ✗ НУЖНО МЕСТО ДЛЯ ХРАНЕНИЯ
- ✗ НЕВОЗМОЖНО ЭКОЛОГИЧНО УТИЛИЗОВАТЬ

planting of spruces on agricultural land unsuitable for the cultivation of vegetable grains and other food crops. Foresters plant conifers that have been growing for five to eight years, so that houses have a unique festive atmosphere at New Year's Eve. As they grow, these trees absorb CO<sub>2</sub>, which is good for the environment.

## RECYCLING AND DISPOSAL

The only answer to the question of where to dispose of artificial Christmas trees is to throw them in the normal rubbish, because Russia (like the rest of the world) has no recycling facilities. Even if you have a bin designated for plastic, the artificial Christmas tree should be sent to unsorted municipal waste rather than to this bin.

The fact is that most artificial Christmas trees are made of metal and plastic. There is usually no marking indicating the type of polymer on them, so it is impossible to identify the material. Often Christmas trees are made from PVC, which is hardly recyclable.

Some manufacturers produce Christmas trees from bioplastics as well as normal polymers. But when plastic and bioplastic are mixed, the output is still plastic

tree for recycling. The spruce recycled into chips can be used in zoos for animal feed and aviaries, and in agriculture as soil capping for frost and weed control. The recycled product can also be used to develop park areas and create eco-trails.

So the answer to the question of why cut down a live Christmas tree every year when you can buy a plastic tree and save entire forests is not quite so obvious and simple. Buying an artificial tree and saving a living one is not saving nature from harm. An artificial Christmas tree as a metal and plastic structure can cause damage during production, transportation and disposal. If you choose a live spruce, you should first ask the seller for a document certifying the legality of the tree's origin, so as not to become a party to the poaching business. Let's celebrate the New Year not only with a beautiful pine smell, but also with a clear conscience!

■ Prepared by Maxim Bakulin based on open sources

# Top of the Ranking

Sakhalin Energy LLC was included in the top three of the transparency rating of oil and gas companies of the Russian Federation in the field of environmental responsibility. The survey is conducted by the World Wide Fund for Nature (WWF) Russia in partnership with the Creon Group, and supported by ACRA Risk Management rating agency. For nine years, the Sakhalin-2 project operator occupies a leading position in the rating.

The final document, presented at the beginning of December 2022 in Moscow, was prepared on the basis of open data. During the process, the activities of 21 companies from Russia and 16 companies from near abroad countries were analysed for the year 2021.

The organisers of the event noted a reduction in the indicators on specific water consumption and land pollution, the share of recycled and neutralised waste. In general, despite a number of factors that have had a negative impact on industry-wide performance this year, rating participants have maintained a high level of transparency of environmental information.

“Over the years, our rating has earned a reputation of a reliable tool for assessing the environmental openness of companies. This tool is more in demand than ever before, as the oil and gas industry needs to demonstrate its leadership and achievements in sustainability and ESG standards to new partners in

Asia, Africa and the Middle East,” said Fares Kilzie, Chairman of the Board of Directors of the Creon Group.

According to Andrey Oleinikov, Managing Director of Sakhalin Energy LLC, by disclosing information on environmental aspects of its activities, the company confirms the adherence to the principles of sustainable development, HSE policy and commitments: “We strive to ensure maximum stability and safety of production processes. By minimising the impact of the Sakhalin-2 project on various components of the natural environment, we continue to implement measures to conserve biodiversity and reduce the carbon footprint”.

The performance of companies in the rating is assessed against several key indicators. In particular, the experts focus on the amount of funding for biodiversity conservation. The existence of



mechanisms for stakeholder participation in the discussion of programmes addressing the issue and the public availability of research results are taken into account, as well as many other criteria.

For details on the methodology and rating results, please visit the Common Sense website ([zs-rating.ru](http://zs-rating.ru)).

■ Pavel Ryabchikov

# Keeping Transparency

Sakhalin Energy hosted an open public discussion as part of the preparation of the 2022 Sustainable Development Report. The meeting took place on 17 November at the Museum of A. Chekhov's Book "Sakhalin Island".

By using a face-to-face format the event offered broader opportunities to engage stakeholders by inviting those outside the island region to share their views on the content of the corporate document. Regional executive authorities, contractors, social and environmental partners, educational and cultural institutions, northern indigenous communities, and NGOs attended the meeting.

During the dialogue with stakeholders, the Company presented preliminary reports on 2022 performance in key areas. Every one of them is in line with the new theme of the upcoming report Energy: Pioneers, which, among other things, includes innovative development, corporate culture, and environmental and social responsibility.

Evgeny Mikhalyov, Onshore Asset Support Manager, outlined aspects of corporate governance and Russian content development efforts, which is be-

coming increasingly important in the context of global transformations. “In 2022, Sakhalin Energy brought together the resources of the company and those of contractors to form a Unified Integration Centre, a new business management tool to manage the planning and delivery of materials. Such a ‘unifying’ approach through services localisation seeks to develop a resource and competence system independent of global changes, thus allowing for stable operations regardless of the circumstances,” Yevgeny Mikhalyov noted.

The new corporate tool stirred up a lot of interest among the attendees. Nadezhda Nikitina, Head of PSA Implementation Department in the Ministry of Economic Development, suggested that the report should focus not only on the Unified Integration Centre, but on other mitigations enabling the company to remain stable in the current situation. She

## society

also mentioned the training of local workforce for the oil and gas industry and how the Sakhalin-2 project operator contributes to professional development of Sakhalin graduates. “The Company is extensively cooperating with regional educational partners such as Sakhalin State University, including the Sakhalin Technical College, on the one hand, and the Human Capital Development Agency, on the other hand,” said Yakov Pyak, Head of Professional Learning Sub-division.

Andrey Samatov, Head of Corporate Environmental Division, presented information on Sakhalin Energy's continued participation in the regional carbon neutrality experiment since its launch on 1 September 2022, and has actively contributed to setting up the programme for the experiment. He added that, in responding to the global climate challenge, the company began to develop a strategy and an action plan for adapting to climate change.

Alexey Knizhnikov, Head of the Responsible Industry Programme at WWF Russia, noted that despite the external turbulence with many companies now closing their information, especially in the environmental area, Sakhalin Energy remains open and maintains a steady dialogue with all stakeholders.

There were some topics related to company public engagement, including that with the Sakhalin indigenous minorities. Sakhalin Energy's efforts in this area was a special focus of discussion, particularly in the context of ESG aspects used to assess the social responsibility of the business. Ekaterina Koroleva, a member of the Sakhalin Oblast Public Chamber, commended the Sakhalin-2 project operator for systemic efforts during the year of launching the International Decade of Indigenous Languages and the Year of the Cultural Heritage of the Peoples of Russia.

Sakhalin Energy will have a second round of dialogue next February, providing more details on the 2022 performance.

■ Marina Semitko



the international decade of indigenous languages

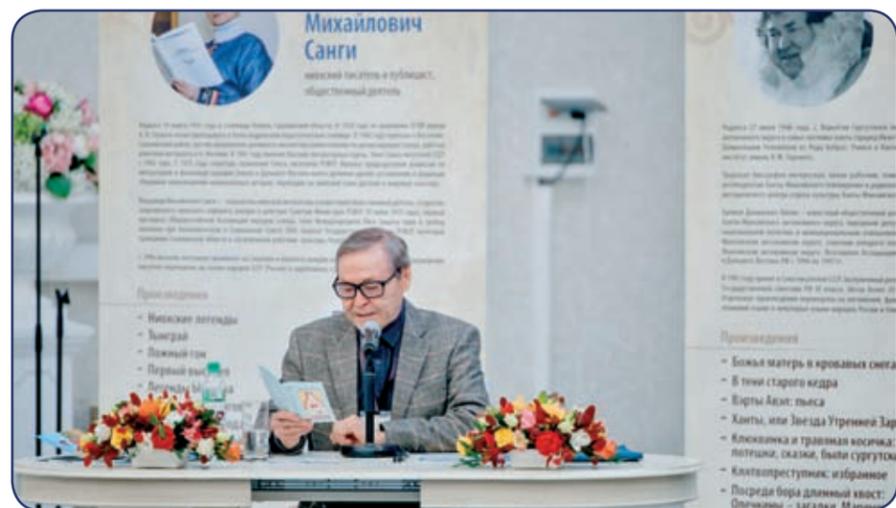
## Anniversary Mother Tongue Conference

The V Mother Tongue Children and Youth Conference in the SIM languages ended in Yuzhno-Sakhalinsk. It was attended by experts, native speakers and representatives of the scientific community.

The anniversary event opened with a meeting with the classical author of Nivkh literature Vladimir Sangi and Khanty writer Eremey Aipin. The writers read their literary works in their native languages accompanied by authentic music and sand animation. The background made episodes of national fairy tales come to life in the minds of the conference attendees – representatives of the Kamchatka and Khabarovsk Krai, Transbaikal Region, Yakutia and Sakhalin Oblast.

session opened by Nonna Lavrik, the Minister of Culture and Archiving of Sakhalin Oblast. “It is wonderful that the conference was expanded in geographical terms this year. We exchange experience with other regions. The culture always unites people. It is important that the Museum of A. Chekhov’s Book launched this initiative and involved a wide range of participants,” noted Nonna Lavrik.

During the plenary session, Evgenia Firsova, the President of the Sakha-



In his greeting of young speakers, Vladimir Sangi recognised the efforts of federal authorities and the President in preservation of the cultural heritage of the peoples of Russia and wished active development of regional cooperation between the government and the community in this area. In the opinion of his spiritual associate, Eremey Aipin, this can be achieved by speaking in the mother tongue not only during official events, but in everyday life: families to sign songs in the mother tongue at home, read fairy tales and ask riddles to children. The author himself focuses on it in his artistic work.

The topic of learning mother tongues was discussed at the plenary

lin Oblast Museums Association, noted that the conference is a space that unites everyone striving to preserve unique languages and culture and opens new opportunities in this area. “I am pleased that such projects make it possible to immerse oneself in the culture of the indigenous peoples of the North of Sakhalin and the Far East. For five years, we have managed to motivate the youth, and not only the representatives of indigenous peoples, to continue learning native languages. Throughout several years, many young people give their speeches in scope of the conference and come back to participate when they enrol to universities,” added Evgenia Firsova.

“We are sincerely happy that we contribute to preserving native languages and literature of Sakhalin peoples in scope of various projects. It is an integral part of collaborative work with the government and indigenous peoples that is also important for the development of communication skills among children,” noted Yulia Zavyalova, the Lead Specialist of the Sakhalin Energy Social Performance Subdivision, a partner of the event.

This year, under the supervision of teachers and elders, the speakers presented 19 research projects in Nivkh, Uilta, Evenki, Ulch, Koryak and other languages. The participants presented a wide range of topics: their genealogy trees, national cuisine and leading

linguists. For example, Antonina Kilik (11 years old) provided detailed reasons of children not wishing to speak Koryak language. The school student said that she speaks Koryak with her parents who had been reading fairy tales to her from an early age. “This is the easiest way to learn a language, which is very useful later on. Today, I like reading books by Vladimir Koyanto and Ketsai Kekketyn myself. They allow me to keep my native tongue deep in my heart,” said Antonina Kilik.

“Thus, the art, the beauty in different forms, either folk literary works and artworks or music, shall help to learn native language,” believes Lyudmila Missonova, Cand. Sc. History, Lead Researcher of the N.N. Miklukho-Maklai Institute of Ethnology and Anthropology of RAS. “It helps understand the deepest philosophic concepts of a language, the people’s beliefs of the universe,” added the expert.

Outside science, the Mother Tongue programme included cultural and entertainment parts: young representatives of Sakhalin Indigenous Minorities visited the Bear Museum and a tutorial lesson on the importance of learning endangered languages in the XXI century, and participated in the Around the World quest and the Scrabble team game.

All conference participants received memorial prizes and diplomas. The award ceremony was a part of the closing ceremony of the Year of Folk Art and Intangible Cultural Heritage of Peoples of Sakhalin, in scope of which the anniversary Mother Tongue conference was arranged.

■ Marina Semitko



# Folklore Is the Life Itself

The IV International Folklore of the Paleo-Asian Peoples Conference was held in Yuzhno-Sakhalinsk.

For two days, on 10–11 November, ethnographers, linguists and specialists in national culture presented their speeches in the Sakhalin Regional Folk Arts and Crafts Centre on folklore traditions of the Nivkh, Ainu, Koryak and other ethnic groups for everyone interested in this topic.

**The event was initiated by the Ministry of Culture and Archiving of Sakhalin Oblast. The event was arranged by the Sakhalin Regional Folk Arts and Crafts Centre and Sakhalin Energy.**

Representatives of Krasnoyarsk, Kamchatka and Khabarovsk Krai, Leningrad and Novosibirsk Oblast, the Republic of Sakha (Yakutia) traditionally participate in the conference. However, this year, the conference geography was not limited to Russian regions, but also attracted China and Finland. Elena Lyubimova, the

Lead Consultant of the Sakhalin Indigenous Minorities Subdivision, greeted everyone on behalf of the Sakhalin Oblast Government. “We are pleased that, for the second time, Sakhalin Island becomes a centre to exchange the experience and research in preservation of Paleo-Asian culture that require special attention of the scientific community,” emphasised Elena Lyubimova and wished further development of the event.

Yulia Zavyalova, the Lead Specialist of the Sakhalin Energy Social Performance Section, noted that the company has been providing support to indigenous minorities of the Sakhalin Island for many years, and respects their traditions. “It is emblematic that, in the nation-wide Year of Cultural Heritage declared by the President’s order, together we are taking another step in preserving fragile original traditions of ethnic groups. I am sure that, during the conference, everyone will be able to dive into the Paleo-Asian culture and open new horizons,” added Yulia Zavyalova.

The main event of the first day, the plenary session, was opened by Oksana Dobzhanskaya, PhD in Art History, professor of the Art History Department of the Arctic State University of Culture and Arts, expressed her gratitude to the participants for their sincere attitude to the preservation of national folklore. “This topic receives

vital feedback on the Sakhalin Island where the regional catalogue of intangible ethnic and cultural heritage assets is being created. Thereafter, a part of the best documented Sakhalin assets will be included into the federal register,” said Oksana Dobzhanskaya.

In the expert’s opinion, indigenous Sakhalin peoples preserve vital ethnic and cultural traditions in verbal folklore, performing arts, festivities and ceremonies, traditional knowledge and technologies. It is important to pass on these traditions to next generations.

The conference continued in two sections: Folklore and Ethnography of Paleo-Asian Peoples: Challenges in Collection, Research and Publication, and Preservation Experience of Intangible Cultural Heritage of Paleo-Asian Peoples by Cultural and Education Institutions. About 20 speeches were presented in both topics.

The event results were summarised at a round table attended by the representatives of legislative and executive authorities of the region, and the scientific community. The participants discussed the opportunities in cooperation and strengthening interregional relationships to apply the best practices for preservation of the cultural heritage of Paleo-Asian peoples.

■ Marina Semitko



# Land of SAFETY

The XII Regional Celebration of Safety Day, an annual safety competition for school-age children, was held on Sakhalin.

In his welcome address to the attendees of the event opening ceremony, Igor Yakumov, Head of the Central Office of Sakhalin Oblast Emercom, noted that the programme served as a perfect impetus for further development for many young people on Sakhalin. “I am sincerely urging you not to remain complacent and always keep going forward. This will open up new opportunities for personal growth and, of course, make your life much safer,” he added.

This year, sixteen teams that won the district competitions will be fighting for the title of the best expert on the rules of safe behaviour at the Vostok Training Centre – about 100 people in total. During several days, the participants demonstrated their theoretical and practical knowledge of safe behaviour in forests, during fires, on water and on the road, on the internet, in emergencies and in many other situations.

“It is difficult to know with certainty when this information will come in handy. But there is no doubt that it can save lives and protect against big problems. I learned this from my own experience when I was able to prevent a house fire a few years ago. That is why I always remind my friends and acquaintances of Senya’s motto: Everybody should know about it, safety is important!” – said Victoria Pyatakova, a sixth-grader from school №1 in Nogliki.

**The event is organised as part of the Safety Is Important! partnership programme. It is jointly implemented by the regional Ministry of Education, the Sakhalin Oblast Ministry of Emergency Situations and Sakhalin Energy LLC.**

According to Elena Klinova, Lead Consultant of the Sakhalin Oblast Ministry of Education, the organisers of the Safety Day event do their best to make it more interesting and useful for young Sakhaliners every year, while enhancing competition stations and tasks.

The team received points upon completion of every stage. The evaluation is based not only on the correctness of answers, but also on the speed of completing tasks, as well as the participants’ efficiency and teamwork.

Children’s knowledge was assessed at different stages by experts including representatives of the Central Office of Sakhalin Oblast Emercom, Polyakov Search

and Rescue Team, Sakhalin Inspection of Small Vessels, Far Eastern Children’s Railway, MTS, all-Russian Volunteer Firefighter Society, Russian Rescue Union and others. The event lasted for 4 days, during which the young participants were guided by Senya and Vaska the Cat, the characters of the Safety Is Important! programme.

Tatyana Derivedmid, Deputy Head of Sakhalin Energy’s Corporate Affairs Division, reminded that Senya celebrated his birthday on 9 November : “ Born in 2005, he has been teaching safety rules for seventeen years now, enabling children to make the right decisions in difficult situations. Today, the children’s favourite character is again showing the way to the wonderful land of SAFETY for the competitors. I truly believe that after the event, every participant will become an ambassador for this land, telling their friends and acquaintances about safe behaviour.”

The absolute winner of the Safety Day Regional event was the EcoGuardians team from a secondary school in Uglezavodsk, Dolinsk district. It was followed by Signal team from school № 30 of the regional centre. The third place went to Lightning team, representing secondary school № 6 in Korsakov.

■ Pavel Ryabchikov



# Entertaining Event or Growth Point?

What is charity? Should we talk about it in kindergarten or primary school? Definitely. It is at this age that such qualities as compassion, responsiveness and readiness to do good deeds are formed in a child. The annual charity fair in the Zima Highlands residential complex already has its history, but this year it was the first joint project of the Children's Centre and Sakhalin Energy's corporate school.

The teachers were happy to take the initiative for the traditional event, get involved in the joint planning and engage students and their parents. This year, more than 150 people participated in the fair.

The idea of a charity was discussed with the children beforehand. During the conversation, the students talked about who needs to be helped: remembered that some have no parents, that there are elderly people in a nursing home, and that there are stray animals outside that need to be fed. When the question arose as to how the children could help, they offered to make something with their hands for the fair, reasoned about what they could sell profitably and what people might not buy. The outcome can be summed up with a line from one of the children: "For example, I buy a doughnut, eat it, and my money goes to charity? No problem. I'm ready to participate."

**The corporate school for the children of company employees teaches according to state educational standards. Several projects are being implemented here:**

- primary school (Grades 1 to 4);
  - after-school care groups "Neuroki" (Grades 1 to 6);
  - language courses with teachers, native speakers (for children aged 12-16).
- Additional education (after-school care groups "Neuroki") is organised according to the principle of integrating different areas (theatre, programming, visual arts, media, engineering, design, etc.) and creating a single, so called "seamless" developmental space. This is ensured by flexible thematic lesson planning in all areas of additional education. Teachers design activities together so that the children can apply all acquired skills crosswise. To practise this knowledge, the children develop an idea for a joint creative project, allocate roles independently and plan their activities to implement it, and then present the resulting product to their parents.**

One of the features of the Children's Centre and the corporate school is the emphasis on development and collaborative, productive activities. In planning the event, the teachers focused on children's initiative, thus encouraging independence and responsibility in the students. The children came up with ideas for master classes, speculated on what materials they would need, made their own "risk" registers, and designed their own venues. Teachers helped children to move from concept to its implementation.

The master classes were not only a spectacular example of children's initiative and independence, but also contributed to the transfer of knowledge to their



peers and even to adults. For example, in the "Potions-Making Department", the overworked but satisfied participants were creating a lava lamp that glows in the dark.

At the fair, the children were able to showcase their talents and demonstrate the ability to create their own products. The photo exhibition "School in the Lens" delighted visitors with themed autumn postcards based on photographs taken by the school's students.



The street performance caused a storm of excitement, as the children took to the makeshift stage to perform a song of their own and play along on their musical instruments. The young talents then signed autographs for their fans.

The key educational value of the event was the joint activities of children and parents, who happily responded to the invitation to participate in the fair. They helped the children make and sell sweets and decorate tables, while helping the teachers to keep an eye on safety.

In preparation for the fair, the students were enthusiastic about creativity, and afterwards – in literature classes and tutor "circles" – there was a reflection. The children parsed the meaning of the words "charity" and "mercy". The children and their teachers read and discussed Alexander Kuprin's story "The Miraculous Doctor", and participated in a debate on "Should the weak be helped?"

In the course of the discussion they came to the conclusion that "moral support is sometimes more valuable than material support", "charity is more important for the person doing it rather than for the person receiving it – it is how one develops, becomes better and kinder". Together with the children, it was decided that the money raised would be used to help homeless animals. The schoolchildren plan to buy the necessary materials for the shelters and visit those shelters.

The result of clever joint planning between the children and adults was a vibrant event that stimulated children's initiative, strengthened links between parents and educational institutions, and formed a point of growth for all involved.

■ Based on the conversation with Viktoria Dumcheva, Head of the Primary School Department of the Eureka Educational Centre



СПЕШИТЕ  
ДЕЛАТЬ  
ДОБРО



HURRY UP  
FOR GOOD  
DEEDS



БЛАГОТВОРИТЕЛЬНАЯ АКЦИЯ  
**«ЖАР-ПТИЦА ДОБРА»**

СОБИРАЕМ СРЕДСТВА ДЛЯ ДЕТСКИХ САДОВ, КОТОРЫЕ ПОСЕЩАЮТ ДЕТИ  
 ИЗ СЕМЕЙ, ОКАЗАВШИХСЯ В СЛОЖНОЙ СИТУАЦИИ

**С 25 НОЯБРЯ  
 ПО 27 ДЕКАБРЯ**

ПОДДЕРЖАТЬ ПРОЕКТ МОЖНО:

- 1 Наличными в ящики для пожертвований.
- 2 Банковским переводом на счет партнера акции — фонда «Будущее вместе» по QR-коду.

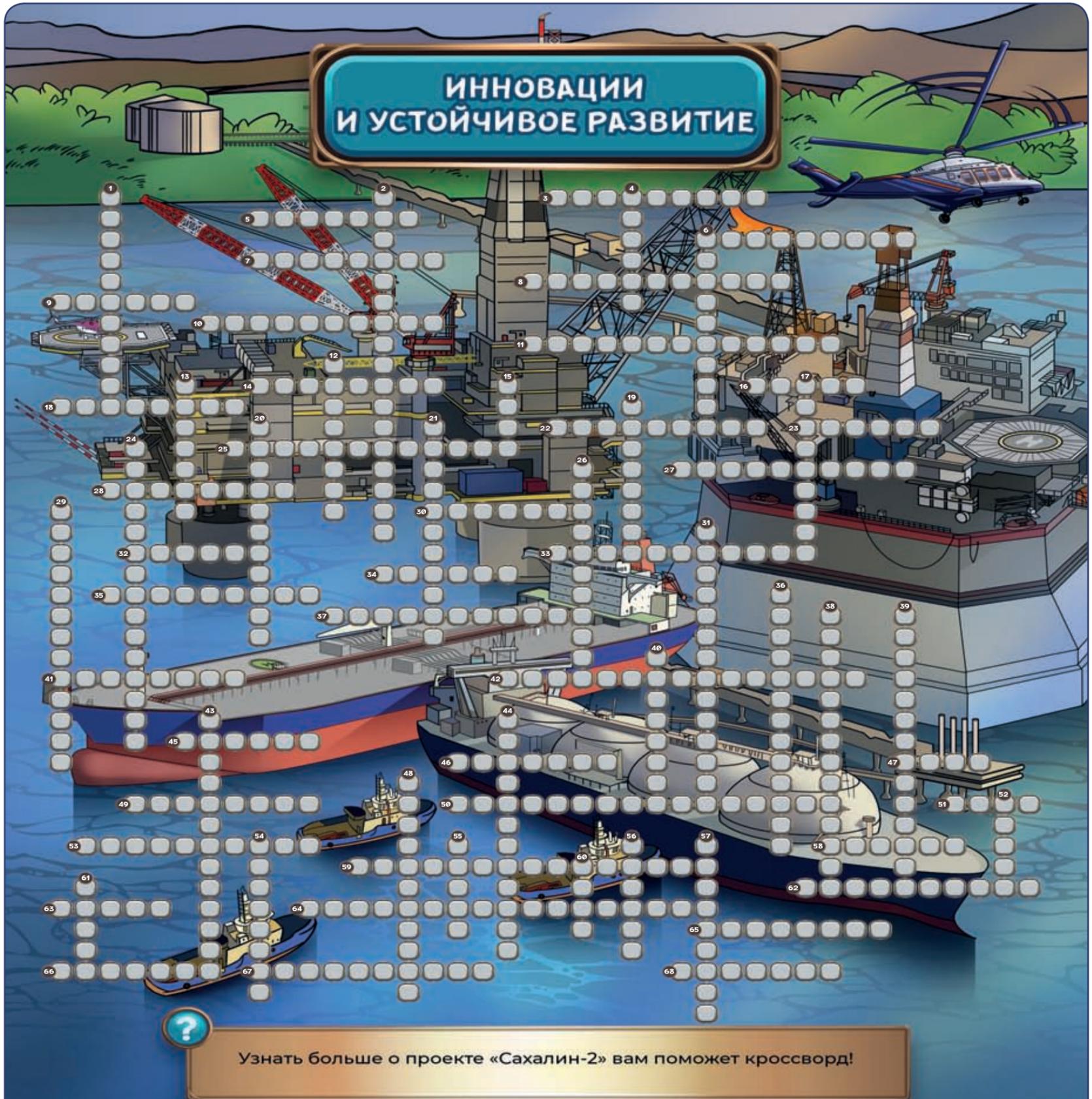


ДОПОЛНИТЕЛЬНАЯ ИНФОРМАЦИЯ:  
[SELLC-VOLUNTEERS@SAKHALIN2.RU](mailto:SELLC-VOLUNTEERS@SAKHALIN2.RU)



# Counting Days Professionally

A perfect calendar is not only useful and pleasing to the eye – it also gives food for thought and broadens the mind. That was the goal of the team that worked on Sakhalin Energy's calendar for 2023. The corporate publication invites you on a fascinating journey through the Sakhalin-2 project and introduces you to the professions without which its successful implementation is impossible. During a "walk" through the pages of the calendar, you are invited to use your wits to solve puzzles or complete quests. Try your hand now by completing the first task (the answers to the crossword puzzles will be published in the next edition of the newsletter).



## По вертикали

- Губернатор Сахалинской области, много сделавший для запуска сахалинских шельфовых проектов.
- Спирт, добавляемый в морские трубопроводы для защиты от образования гидрата метана.
- Судно для перевозки наливных грузов.
- Система постоянного наблюдения за явлениями и процессами.
- Проверка или наблюдение с целью проверки.
- Система мнений, воззрений о чём-либо.
- Рисованный персонаж с крылатой фразой «Безопасность — это важно!».
- Имидж, реноме.
- Обследование местности с целью обнаружения полезных ископаемых.

## По горизонтали

- Морской комплекс для бурения скважин и добычи углеводородного сырья.
- Одно из двух месторождений проекта «Сахалин-2».
- Организация производства и сбыта продукции.
- Всё видимое вокруг наблюдателя пространство.
- Комбинация навыков, знаний и опыта.
- Производственно-добывающий комплекс, добывший первую шельфовую нефть России.
- Исследование, проводимое компетентным лицом.
- Первооткрыватель, пионер.
- Процесс создания необходимой инфраструктуры, добычи и транспортировки нефти и газа.
- Река, в честь которой назван один из газозовов проекта «Сахалин-2».
- Цилиндрический ствол, пробуренный в пластах земляных и горных пород и предназначенный для добычи либо разведки нефти и газа.
- Общий, недетализированный план, охватывающий длительный период времени.
- Пирс, пристань.
- Реконструкция, усовершенствование.

- Внедрение новых идей.
- Взаимоотношения между участниками совместной деятельности для продвижения взаимных интересов.
- Высокий уровень мастерства.
- Первый в России порт по экспорту СПГ.
- Полезное действие, отдача.
- Контакт, связь.
- Залежь.
- Процесс обмена знаниями и опытом между опытным сотрудником и новичком.
- Один из разделов разведочной геофизики.
- Тонкая прослойка нефти между газовой шапкой и водоносным слоем.

- Капиталовложение.
- Первая в России морская нефтедобывающая платформа.
- Районный центр — база освоения сахалинского шельфа.
- Молодой специалист на испытательном сроке.
- Производство продукции первоначально иностранного происхождения на своей территории.
- Основная общая цель организации.
- Способность объединять и мотивировать других.
- Органическое соединение, состоящее из атомов углерода и водорода.
- Часть материальной и духовной культуры, созданная прошлыми поколениями и передающаяся будущим.
- Процесс передачи корпоративных, управленческих и профессиональных знаний и навыков, культурных ценностей и традиций компании от одного поколения руководителей к другому.
- Процесс извлечения полезных ископаемых из недр или с поверхности земли при помощи технических средств.
- СПГ-танкер.
- Древний народ, некогда проживавший на обширной территории Дальнего Востока от Японии до Камчатки.

- Изложение чего-либо сложного в простой доступной форме.
- Защищённость.
- Сооружение для передачи на расстояние жидкости или газа.
- Один из коренных народов Сахалина.
- Важность, значимость, польза, полезность чего-либо.
- Устройство для сжижения газа, используемое на промышленных предприятиях.
- Количество полезного ископаемого в недрах.
- Стационарный сосуд для жидкостей и газов.
- Простое механическое грузоподъёмное устройство.
- Основной компонент природного газа.

- Наука, изучающая взаимоотношения человека, животных, растений и микроорганизмов между собой и с окружающей средой.
- Стратегия замещения товаров иностранного производства отечественными.
- Небесное тело, созвучное с названием одной из морских платформ проекта «Сахалин-2».
- Объединение частей в целое.
- Процесс выбора подрядчика на конкурсной основе.
- Всёвозможное разнообразие форм жизни.
- Бережливое отношение к чему-либо для предотвращения исчезновения.
- Прибрежная мелководная зона океана.
- Улучшение.
- Прогресс, эволюция.
- Одно из основных свойств материи.
- Метод, способ.
- Гипотетический отрезок линии времени, множество событий, которые ещё не произошли, но могут произойти.

## Traditions for Cosiness and Warmth

Those who wondered which animal would be the symbol of the New Year – the Cat of the Rabbit – we can surely say: for the next 365 days, both of these animals will be leading. Many astrologists have already declared 2023 to be the year of family values. Get ready to spend a lot of time with family and fill your home with cosiness. Family traditions can help you start your own and unique New Year's Eve.

### 1 MAKE TIME TO BE GRATEFUL

It is good to practice gratitude – it helps us to enjoy all the good things in our lives and to look at the world in a positive way. Such a skill is the evidence of habits of happy people. We suggest paying attention to it on New Year's Eve. Go around the table and ask each family member to say what they liked best about the past year, remembering the best moments together. Ask your children what they value. This will bring your family closer together and strengthen your love for each other.

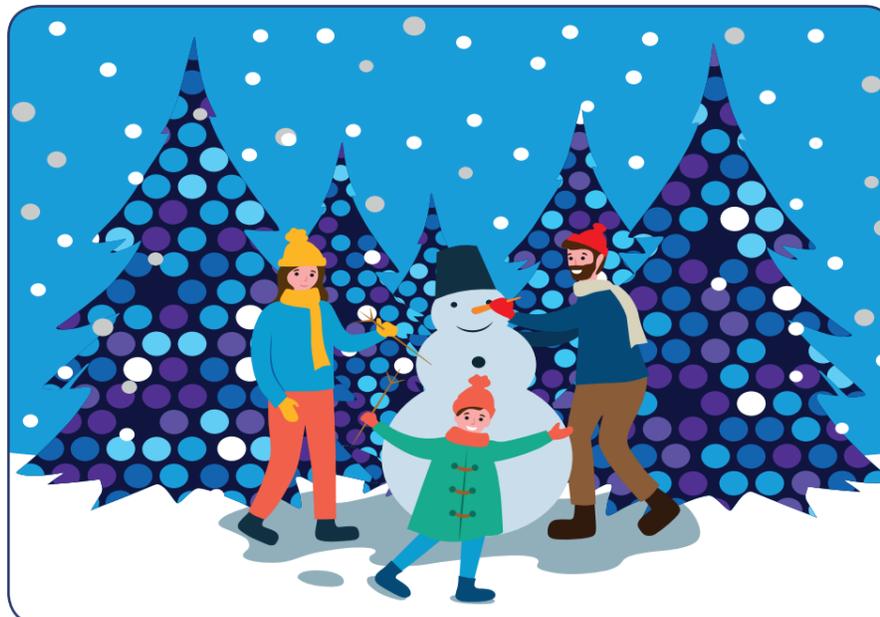
### 2 MAKE A TIME CAPSULE

On New Year's Eve, together with your family, you can make a time capsule – a collection of important items packed in a box, for example. This is a great activity because it stimulates memory and thoughts about relationships over the past year. It is up to you to decide what shape the capsule will be and where

it will be stored. It could be a photo album or a nice Christmas jar of small things and notes where you and your family can write about the things that brought you joy. You don't have to bury your time capsule in the ground – you can keep it on a shelf in your wardrobe and review it the following New Year.

### 3 COOK FOR THE FESTIVE TABLE TOGETHER

Even if you are not a good cook, don't give up on the idea on New Year's Eve. Explore new recipes with your family and try new experiments. Make it a New Year's Eve tradition to prepare the menu together. To make the process more fun, cook to your favourite New Year's Eve songs. Don't forget the delicious baked goods like gingerbread or biscuits. Once they are ready, they can be placed in a bag and guests can take out a gingerbread cake each: what comes out is what awaits them in the coming year.



### 4 MAKE A SNOWMAN AND PLAY SNOWBALLS

Go to the forest – it is incredibly beautiful in the snowy season outside the city. Psychologists say it is good to make snowmen. It is not just the opportunity to bring the family closer together. Making sculptures develops thinking, imagination and motor skills. You can also tell a lot about the maker of the snowman by looking at it. Snowmen taller than a man are sculpted by people with high ambitions, creative people like to paint

Father Frost's assistant, and optimistic people like to make medium-sized or small snowmen.

### 5 HUG AND SAY: I LOVE YOU

In the daily routine, we forget about simple things. We are always in a hurry, and with time we miss valuable moments that we won't be able to get back. At New Year's Eve 2023, stop and hug your loved ones. This wonderful New Year's Eve tradition brings you even closer together and fills your home with harmony.

## Tasty and Healthy

Already thinking about what to cook for the New Year's Eve dinner? We present to you the food preferences of the upcoming year's symbols in recipes by Alexander Fokin, chef at the Hub restaurant.

### CARROT ROLLS

For 5–6 servings, you will need:

- no-yeast puff pastry, 500 g
- smoked chicken fillet, 60 g
- tomatoes, 70 g
- cucumber, 90 g
- eggs, 90 g
- hard cheese, 50 g
- carrots, 100 g (for juice)
- mayonnaise or yoghurt, 70–90 g
- tomato paste, 20 g
- lettuce (frillice or rocket), 50 g
- salt and pepper to taste

You will also need parchment paper, gauze and cone moulds (you can make them out of foil on your own).

Peel the carrots and fine grate or crush them in a blender; you can also use a juicer. Use gauze to squeeze the juice from the grated carrots. Add tomato paste to the carrot juice and mix well.

Cook the eggs (for 10 minutes after bringing them to a boil) and chill them in cold water.

Roll out the puff pastry into a rectangular sheet 3–5 mm thick and cut it into strips 2–2.5 cm wide. Wrap the pastry strips



around the cone moulds with overlap and pinch the edges well. The cones should be about 9 cm in length. Put them on a baking tray covered with parchment paper. Spread the tomato paste and carrot juice mix over the pastry. Put the baking tray in the oven preheated to 180 degrees and bake the tubes for 25 minutes.

Prepare the stuffing. Fine grate the cheese. Shell and fine grate the eggs and add them to the cheese. Pare the cucumber, and remove the seeds from the tomatoes. Cut the tomatoes and the cucumber into very small cubes. Cut the chicken into very small cubes too. Add vegetables and chicken into the bowl with cheese and eggs. Salt and

pepper to taste. Add mayonnaise or yoghurt and mix.

Cool the baked puff pastry. Take out the cone moulds. Put the stuffing into a pastry bag or into a thick plastic bag and cut off the edge. Stuff the carrot-pastries. Make green tops for the "carrots" from lettuce and serve.

### SALMON IN SHORTCRUST PASTRY WITH FRAGRANT BUTTER

For approximately 4 servings, you will need:

- salmon, 800 g
- chopped dill, 50 g
- soft butter, 60 g
- chopped basil, 15 g
- lemon, 100 g
- wholegrain mustard, 15 g
- For pastry:
- salt, 1 tsp
- ice water, 5 tbsp
- flour, 225 g
- cold butter, 140 g
- yolk for brushing, 1 pc.



Sift the flour and salt into the food processor bowl. Add the butter and beat for 10 seconds until coarse crumbs form, then

transfer the mixture to a deep dish. Pour 4 tbsp of cold water into crumbs and carefully mix the water into the pastry with a knife. If necessary, add another spoonful of water (the main thing is not to put in too much). Quickly knead the pastry (it should be very hard and non-plastic), wrap it in a film and put it in the fridge for 30 minutes.

Prepare the fish: cut off the costal bones, remove the skin, divide it into two fillets and take out all the bones.

Prepare the green butter: finely chop the greens, grate and add the required amount of lemon zest (you can add the juice of the same lemon). Mix with softened butter.

Spread the green butter over one fillet and spread the mustard over the other.

Roll out the pastry evenly, transfer the fish fillet to the rolled out pastry, and brush the empty edges with the yolk. Make it a turnover, cut off the extra parts and pinch the edges well. Place it in a mould covered with foil seam facing down, brush the top with yolk, and put it in the oven preheated to 200 degrees for about 25 minutes. The pastry should get well browned. Let it cool slightly (for 15 minutes) and cut without putting extra pressure. When cutting, it is best to use a special knife or a sharp enough one so that the pastry does not crumble.

As a garnish, you can use boiled vegetables seasoned with some lemon juice and olive oil.

■ The page is prepared by Marina Semitko, Alla Priimich

