

Sovcomflot stimulates professional development among its staff and encourages employees to pursue additional education in order to gain in-depth knowledge of modern technologies in fleet management. SCF's engineering staff have very high scientific capabilities: currently,

15 seafarers, who have completed post-graduate studies and received the title of Candidate of Technical Sciences or are preparing to defend their theses, work in the Group's fleet.

The Sovcomflot Training Centre in St. Petersburg became the first in Russia to provide training for crews of ships subject to the IGF Code (International Code of Safety for Ship Using Gases or Other Low-flashpoint Fuels) under a programme developed by this centre by taking into account the experience in operating Aframax tankers of the 'Green Funnel' series.

Personnel motivation

Incentive and motivation programmes broken down by personnel categories

| Fleet employees | Onshore personnel |
|---|---|
| Long-term contracts for officers on gas carrier crews | Non-material and material incentives for the performance of particularly important assignments |
| Corporate pension programme | Corporate pension programme |
| Incentives in the form of state, departmental, regional, and corporate awards | Incentives in the form of state, departmental, regional, and corporate awards |
| Material incentives in connection with the receipt of state awards | System of annual bonuses based on KPI performance |
| Programme for developing core competencies of seafarers | Long-term motivation programme for the Company's Executive Board members based on deferred compensation; long-term motivation programme for middle management |

Social support for personnel

The social policy of the Group is implemented in accordance with the approved local regulations. The main goal of SCF Group's social programmes is to attract and retain personnel, and enhance the reputation of Sovcomflot as a socially responsible employer.

The management companies belonging to Sovcomflot Group regularly conclude collective bargaining agreements with the Seafarers' Union of Russia (SUR). A collective bargaining agreement is one of the basic tools of the personnel management system guaranteeing employees a decent wage and safe working conditions meeting state and international standards.

Sovcomflot Group cooperates with the trade union in the following areas:

- Increasing wage levels;
- Preserving jobs;
- Ensuring safe working conditions;
- Insuring the fleet personnel of Sovcomflot Group against accidents during periods between voyages;

- Support programme for pensioners (one-time financial assistance, vouchers for health resort treatment, certificates of merit, and memorable gifts).

Non-government pension programme

The Pension Programme designed for Sovcomflot seafarers has been functioning since 2007, and is being implemented jointly with Insurance Company Ingosstrakh Life. Sovcomflot Group companies make monthly contributions from their own funds for seafarers in proportion to the length of service on a ship.

Upon reaching retirement age, the programme participants may receive the accumulated funds at any time, either in full or in monthly payments.

At present, rank and file staff are covered by another pension programme implemented by the Company in cooperation with the Seafarers' Union of Russia.

About 97% of the Group's employees are covered by collective bargaining agreements (including 100% of seafarers).

4,834
shipboard
employees

of SCF Group were
Pension Programme
participants at the end
of 2020

Since the beginning of the Programme, 625 seafarers have received pension payments totalling more than 169 million roubles.