

The Chairman and members of the Board of Directors did not own shares in PAO Sovcomflot during the reporting period. No transactions for the acquisition or disposal of Company shares were made by the Board of Directors members listed above.

Since 2006 PAO Sovcomflot has taken out liability insurance for members of the Board of Directors.

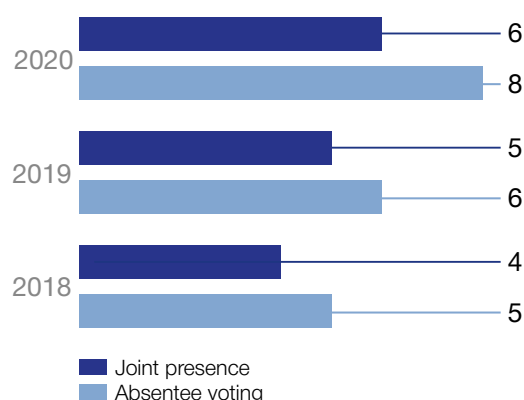
Activities of the Board of Directors in 2020

The procedure for convening and holding meetings of the Board of Directors is determined by the Regulations on the Board of Directors. The work of the Board of Directors is performed in accordance with its competence, as determined under the Federal Law on Joint-Stock Companies and the PAO Sovcomflot Charter.

Given the strategic nature of the Board of Directors' activities, meetings of the Board of Directors are held on a scheduled basis. An annual schedule of meetings is adopted at the first meeting following the election of the Board of Directors. The schedule includes matters that require regular consideration according to statutory requirements and the Company's Charter. The Board of Directors also considers other matters at its meetings according to the requirements of the Company's Charter and/or the law.

14 meeting of the PAO Sovcomflot Board of Directors were held in 2020 (including 6 meetings in the form of joint presence, including through video conference, and 8 meetings held by absentee voting)¹.

Number of Board of Directors meetings, 2018-2020



Number of issues considered by the Board of Directors, 2018-2020



In 2020 the PAO Sovcomflot Board of Directors considered 55 issues in the following main areas:

- Strategic management of Sovcomflot Group, including results of implementation of the long-term development programme in 2019 and preliminary results of the implementation of the PAO Sovcomflot strategy up to 2025, review of quarterly reports on the implementation of the long-term development programme, and issues related to the updating of the long-term development strategy up to 2025;
- Notification of significant issues in PAO Sovcomflot operations;
- Preparation of PAO Sovcomflot for entry into public capital markets, including making amendments to the decision on an additional issue of securities and securities prospectus, determination of the placement price of the shares, making amendments to the Charter of PAO Sovcomflot and other decisions related to the submission of an application for the listing of shares;

¹. Date of the meeting and number of the minutes: 29 January 2020, Minutes No. 189 (absentee voting); 20 February 2020, Minutes No. 190 (absentee voting); 27 March 2020, Minutes No. 191 (absentee voting); 7 April 2020, Minutes No. 192; 24 April 2020, Minutes No. 193 (absentee voting); 19 May 2020, Minutes No. 194; 22 June 2020, Minutes No. 195 (absentee voting); 12 August 2020, Minutes No. 196 (absentee voting); 27 August 2020, minutes No. 197; 14 September 2020, Minutes No. 198; 6 October 2020, Minutes No. 199; 21 October 2020, Minutes No. 200 (absentee voting); 18 November 2020, Minutes No. 201 (absentee voting); 9 December 2020, Minutes No. 202.

- Approval of the financial plan (budget) of PAO Sovcomflot and Sovcomflot Group, summarizing performance for the reporting period, preparations for holding the General Meeting of Shareholders, preliminary consideration of issues before submitting them to the General Meeting of Shareholders (for a shareholder decision);
- Supervision over the activities of PAO Sovcomflot executive bodies, including approval of performance targets for 2020 and the results of their attainment by the executive bodies for the reporting period and for 2019;
- Consideration of issues related to compliance with Instructions issued by the President of the Russian Federation and the Government of the Russian Federation;
- Review of internal audit reports and approval of internal audit plans on a semi-annual basis, consideration of the results of an external assessment of the internal audit function;
- Approval and updating of internal documents, including the Regulations on Dividend Policy, Regulations on the Compensation of Personnel, Regulations on the Corporate Secretary, Regulations on the Internal Audit Department, and updating of internal documents related to non-core assets and procurement procedures.
- Support of the organisational activities of the Board of Directors and formation of the Board of Directors committees.

At the first meeting following its formation, the Board of Directors, as a rule, elects a Chairman, whose powers are defined in the Regulations on the PAO Sovcomflot Board of Directors, and forms its committees.

Information on the most significant issues was disclosed by PAO Sovcomflot as material facts.

The report on the work of the Company's Board of Directors and its committees in 2020 is scheduled to be considered in the second half of 2021.

The Regulations on the PAO Sovcomflot Board of Directors stipulate that Board of Directors meetings shall be held in joint presence of the Board members. By a decision of the Chairman of the Board of Directors, decisions of the Board of Directors, depending of the significance of agenda items, may be adopted by absentee voting.

Decisions on issues that require preliminary assessment by the relevant committee of the Board of Directors are adopted taking into account recommendations of such committee.

Information about members of the Board of Directors and its activities is disclosed by PAO Sovcomflot on its official website in the Corporate governance section according to statutory requirements, provisions of the Corporate Governance Code recommended by the Bank of Russia, and the [Company's Information Policy](#).

