

# Board of Directors of PAO Sovcomflot

## Composition of the Board of Directors

An important role in the organisation of an effective corporate governance system is played by the PAO Sovcomflot Board of Directors, which is responsible for the strategic leadership of the Group's activities and determines the vision, mission, and strategic development of the Group.

The PAO Sovcomflot Board of Directors operated in two different compositions during the reporting period:

[The Board of Directors elected by the Extraordinary General Meeting of Shareholders dated 23 September 2019 \(Instructions No. 592-r of the Federal Agency for State Property Management dated 23 September 2019\) as follows:](#)

- Alexander Abramov (government appointee)
- Ilya Klebanov (government appointee)
- David Moorhouse (government appointee)
- Lyubov Nisenboym (government appointee)
- Pavel Sorokin (government appointee)
- Oksana Tarasenko (government appointee)
- Igor Tonkovidov (government appointee)
- Sergey Frank (government appointee)
- Yury Tsvetkov (government appointee)
- Alexey Klyavin (independent director)
- Walid Chammah (independent director)
- Andrey Sharonov (independent director)

[The Board of Directors elected by the Annual General Meeting of Shareholders dated 4 August 2020 \(Instructions No. 297-r of the Federal Agency for State Property Management dated 4 August 2020\) as follows:](#)

- Alexander Abramov (government appointee)
- Viktor Ivanov (government appointee)
- David Moorhouse (government appointee)
- Pavel Sorokin (government appointee)
- Oksana Tarasenko (government appointee)
- Igor Tonkovidov (government appointee)
- Sergey Frank (government appointee)
- Yury Tsvetkov (government appointee)
- Alexey Klyavin (independent director)
- Walid Chammah (independent director)
- Andrey Sharonov (independent director)

11 persons were elected to the Board of Directors in the reporting period, which meets the statutory requirements as well as the Company's needs. The personal composition of the Board was determined by a general meeting of shareholders (a decision of the sole shareholder). Members of the Company's Board of Directors were elected following a review of the candidates by the commission for selecting candidates to the governing bodies of companies with state participation, formed annually by the Federal Agency for State Property Management with the participation of the Russian Ministry of Transport and PAO Moscow Exchange, which enables the shareholder to receive information about the candidates necessary to get an idea of their personal and professional qualities.

In accordance with the PAO Sovcomflot Board of Directors decisions dated 24 September 2019 (Minutes No. 184) and 12 August 2020 (Minutes No. 196), Sergey Frank was elected as the Chairman of the Board of Directors.

Independent directors have been elected to the Board of Directors of PAO Sovcomflot annually since 2008, in accordance with the criteria established in the current Corporate Governance Code and in Russian Government Resolution No. 738. Three independent directors were elected to the Board of Directors (as at 31 December 2020): Alexey Klyavin<sup>1</sup>, Walid Chammah, and Andrey Sharonov.

<sup>1</sup>. Due to a formal affiliation of Alexey Klyavin with PAO Sovcomflot according to the Moscow Stock Exchange Listing Rules, pursuant to the PAO Sovcomflot Board of Directors decision dated 14 September 2020 (Minutes No. 198) it was decided to recognize Alexey Klyavin as an independent director. This decision is posted on the Company's website.

Key competencies of the Board of Directors members<sup>1</sup>

Competency areas	Sergey Frank	Alexander Abramov	Viktor Ivanov	Ilya Klebanov	Alexey Klyavin (i.d.)	David Moorhouse	Lyubov Nissenboym	Pavel Sorokin	Oksana Tarasenko	Igor Tonkovidov	Yury Tsvetkov	Walid Chammah (i.d.)	Andrey Sharonov (i.d.)
strategic planning	+	+	+	+	+	+	+	+	+	+	+	+	+
international cooperation/ conduct of business	+	+	+	+	+	+	+	+	+	+	+	+	+
risk management	+	+	+	+	+	+	+	+	+	+	+	+	+
corporate governance	+	+	+	+	+	+	+	+	+	+	+	+	+
operating activities	+	+	+	+	+	+	+	+	+	+	+	+	+
industry	+	+	+	+	+	+	+	+	+	+	+	+	+
analysis of financial statements	+	+	+	+	+	+	+	+	+	+	+	+	+
HR management and motivation systems	+	+	+	+	+	+	+	+	+	+	+	+	+
innovations and information technology	+	+	+	+	+	+	+	+	+	+	+	+	+

## Information on members of the PAO Sovcomflot Board of Directors (as at 31 December 2020)

<b>Sergey Frank</b>  Chairman of the PAO Sovcomflot Board of Directors	<p><b>Born in</b> 1960.</p> <p><b>Education:</b> Admiral Nevelskoy Far Eastern Higher Marine Engineering College, specialising in Maritime Navigation; Far Eastern State University, specialising in Jurisprudence.</p> <p><b>Academic degree:</b> Candidate of Technical Sciences.</p> <p>In October 2004 Sergey Frank was elected as Chief Executive Officer of OAO Sovcomflot and joined its Board of Directors. He held this position until September 2019, when he was elected as Chairman of the Company's Board of Directors.</p>
<b>Alexander Abramov</b>  Member of the PAO Sovcomflot Board of Directors	<p><b>Born in</b> 1957.</p> <p><b>Education:</b> Moscow Institute of Railway Engineers; Institute of Retrain-ing and Advanced Training under the Government of the Russian Federation.</p> <p>From 2016: Chief Adviser to the Chairman of the Council of the Central Union of Consumer Societies of the Russian Federation (Centrosoyuz of Russia). He has been a member of the PAO Sovcomflot Board of Directors since 2019.</p>
<b>Viktor Ivanov</b>  Member of the PAO Sovcomflot Board of Directors	<p><b>Born in</b> 1950.</p> <p><b>Education:</b> Bonch-Bruевич Leningrad Electrotechnical Institute of Communications, specialising in Radio Communications.</p> <p>Academic degree: Doctor of Juridical Sciences.</p> <p>At present he serves as President of the Association Russian House of International Scientific and Technical Cooperation. He was elected to the Board of Directors of PAO Sovcomflot in 2020.</p>
<b>Alexey Klyavin</b>  Member of the PAO Sovcomflot Board of Directors (independent director)	<p><b>Born in</b> 1954.</p> <p><b>Education:</b> Kaliningrad Higher Engineering Maritime School, specialising as Engineer-Navigator.</p> <p>From 2013: President of the Russian Chamber of Shipping. He has served on the PAO Sovcomflot Board of Directors as an independent director since 2012.</p>

<sup>1</sup> Members of the Board of Directors elected in 2019 and 2020 by decisions of the Company's shareholder.

<b>David Moorhouse</b>  Member of the PAO Sovcomflot Board of Directors	<b>Born in</b> 1954. <b>Education:</b> Kaliningrad Higher Engineering Maritime School, specialising as Engineer-Navigator. From 2013: President of the Russian Chamber of Shipping. He has served on the PAO Sovcomflot Board of Directors as an independent director since 2012.
<b>Pavel Sorokin</b>  Member of the PAO Sovcomflot Board of Directors	<b>Born in</b> 1985. <b>Education:</b> Plekhanov Russian Academy of Economics, specialising in World Economy; University of London, degree in Finance and Financial Law. In March 2018 he was appointed as Deputy Minister of Energy of the Russian Federation. He has been a member of the PAO Sovcomflot Board of Directors since 2019.
<b>Oksana Tarasenko</b>  Member of the PAO Sovcomflot Board of Directors	<b>Born in</b> 1983. <b>Education:</b> Lomonosov Moscow State University, specialising in Juris-prudence; Lomonosov Moscow State University, field of studies: Man-agement. Academic degree: Candidate of Juridical Sciences. Oksana Tarasenko has been Deputy Minister of Economic Development of the Russian Federation since December 2018. She was first elected to the Board of Directors of PAO Sovcomflot in 2018.
<b>Igor Tonkovidov</b>  Member of the PAO Sovcomflot Board of Directors	<b>Born in</b> 1964. <b>Education:</b> Odessa Institute of Marine Engineers, specialising as Mechan-ical Engineer; University of London (U.K.), Master's degree in Financial Management; INSEAD Business School (France), AVIRA programme for top managers. In 2012, he took the position of Executive Vice President and Chief Technical Officer of PAO Sovcomflot. In 2019 he joined the Board of Directors and became the President and Chief Executive Officer of the Company.
<b>Yury Tsvetkov</b>  Member of the PAO Sovcomflot Board of Directors	<b>Born in</b> 1965. <b>Education:</b> Admiral Makarov Leningrad Higher Maritime Engineering School, specialising in Maritime Navigation; the Academy of National Economy under the Government of the Russian Federation, professional retraining programmes «Enterprise Economics and Management» leading to Master of Management, and Economics and Public Finance; Maastricht School of Management (the Netherlands); Columbia Business School (USA). During the reporting period he served as Deputy Minister of Transport of the Russian Federation. He joined the Board of Directors of PAO Sovcomflot in 2019.
<b>Walid Chammah</b>  Member of the PAO Sovcomflot Board of Directors (independent director)	<b>Born in</b> 1954. <b>Education:</b> American University in Beirut, Bachelor of Business Administration; American Graduate School of International Management, Master of International Management. At present he is Partner at Chammah & Partners. He has served on the PAO Sovcomflot Board of Directors as an independent member since 2015.
<b>Andrey Sharonov</b>  Member of the PAO Sovcomflot Board of Directors (independent director)	<b>Born in</b> 1964. <b>Education:</b> Ufa Aviation Institute, specialising in Aviation Instrument Making; Russian Academy of Civil Service under the President of the Russian Federation, specialising in Jurisprudence. Academic degree: Candidate of Sociological Sciences. From 2016: President of Moscow School of Management SKOLKOVO. He joined the Board of Directors of PAO Sovcomflot in 2014 as an independent director.

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.

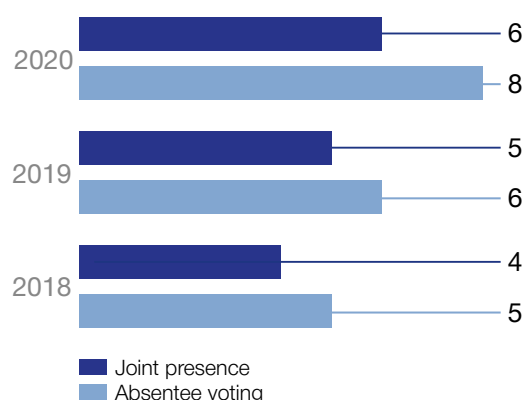
## Activities of the Board of Directors in 2020

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)<sup>1</sup>.

### 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;

<sup>1</sup>. 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.