

Long-Term Development Programme of Sovcomflot Group

The PAO Sovcomflot Long-Term Development Programme (LDP) intended for the period up to 2025 was approved by the Company's Board of Directors in March 2021 after coordination with relevant agencies and review at a meeting held with the participation of representatives of the Government of the Russian Federation. Basic goals and objectives of the PAO Sovcomflot LDP for the period up to 2025 correspond to the goals and objectives of Strategy 2025, as the document was developed to specify the current development strategy of Sovcomflot Group.

Main activities carried out to implement the Company's LDP in the reporting year:

- commissioning of new vessels (see the **Implementation of the shipbuilding programme** section);
- repair and modernisation of vessels to comply with international environmental protection standards.

The main quantitative targets established by the LDP were formulated as a set of financial and industry-specific key performance indicators (KPIs), with the targets approved for each of them for the effective term of the programme.

The results of implementation of the Sovcomflot Group LDP are subject to independent review. Information on the main conclusions contained in the report on the review shall be disclosed in the Annual Report.

LDP 2020 results were reviewed by AO KPMG. The report containing a positive opinion was received on 7 April 2021. According to it, the report on the implementation of LDP is prepared, in all material respects, in conformity with the applicable regulations, and is free from material misstatement.

Strategic decision-making structure

Organisational and strategic decision-making structure is shown in the diagram below.

Organisational and strategic decision-making structure

