

Occupational health and safety

Safety management system and service quality

The fleet is operated as part of an integrated safety management system (ISMS).

The system is based on advanced methods of technical operation of vessels and vessel equipment as well as personnel management, approved in accordance with the requirements of the International Safety Management Code (ISM Code), the ISO 9001:2015 (Quality Management System) and ISO 14000:2015 (Environmental Management System) standards, the Ship Safety Management System based on the ISM Code, as well as the requirements of the Flag Administration, and best industry practices.

Sovcomflot Group works with high-profile charterers, leading oil & gas companies and traders who care about their reputation and are demanding in the selection of their carriers. To meet customer expectations, the Company strives to exceed standard requirements, as evidenced by the results of external inspections. The best proof of Sovcomflot Group's high level of reliability and qualification as a carrier is the willingness of key customers to sign long-term contracts with it. Today, SCF's ships operate under time charter contracts with most of the major global oil & gas companies.

2.16 - the average number of observations related to navigational safety and quality made during one inspection of SCF's vessels by oil majors, which is significantly better than the industry average (2.70) according to Q88 data.

Sovcomflot devotes much attention to raising the safety culture, which directly influences the number of incidents attributed to human factor. The company continuously monitors safety culture dynamics in the fleet, conducts specialised training sessions for seagoing personnel based on modern sociology science research to develop adequate skills in responding to emergencies with ship equipment.

The safety culture in the SCF fleet is based on augmenting Russian maritime traditions.

Respect for knowledge and the experience accumulated over decades provides an undisputed competitive advantage. SCF Group's training centres in St. Petersburg and Novorossiysk, where SCF crews receive regular training and refresher courses, have become an important element in the system of professional development of marine personnel (for more details [see the Professional development section](#)).

Sovcomflot Group's specialists conduct research on the features of Arctic shipping, provide support for innovative projects, and participate in discussions of industry regulations as part of working groups. To improve the safety and efficiency of ice escort operations in the Arctic, Sovcomflot employees regularly conduct joint seminars with Atomflot for seagoing and onshore personnel. In addition, company specialists participate in meetings of the Maritime Safety Committee of the Russian Chamber of Shipping as well as meetings with representatives of the International Maritime Organization (IMO) and develop manuals on ISM Code implementation in collaboration with the International Chamber of Shipping (ICS).

Navigational safety and occupational health and safety issues are considered at various levels of Sovcomflot Group management. The Committee for Innovative Development and Technical Policy of the PAO Sovcomflot Board of Directors conducts a preliminary review, analysis, and elaboration of recommendations for improving the safety and service quality management system. The PAO Sovcomflot Executive Board has set up the Committee for the Safety of Navigation, Environmental Protection, Quality and New Technologies, which is responsible for establishing the areas, goals and objectives of the Group's policy related to occupational health and safety.

In the SCF Group companies responsible for technical management of the fleet, occupational health and safety issues are administered by special HSSE (Health, Safety, Security, Environment) services. Navigation safety superintendents and occupational safety specialists control compliance with the occupational health and safety regulations in the fleet.

Company vessels have occupational health and safety committees, whose task is to assist in implementing the Company's safety management system procedures related to occupational health and safety, raising the safety culture on the ship and involving crew members in occupational safety management. These committees serve as a special venue for the dialogue between fleet employees and management: by a decision of the committee, applications and recommendations are submitted to the Company on behalf of the crew via the captain. These committees hold meetings at least once per month, which must be attended by all crew members not on watch, with those on watch being subsequently notified of the results of the meeting on a mandatory basis. The committees are authorised to decide on any issues related to safety on the ship, including by studying reports on potential threats of incidents, and analyse the need for additional personal protective equipment and emergency rescue equipment.

Key occupational safety indicators

Sovcomflot Group has been steadily retaining mid-positions in rankings compiled by the International Association of Independent Tanker Owners (INTERTANKO) and Q88 in terms of occupational health and safety indicators, which is a good result and confirms quality of management and compliance with high safety standards.

The Lost Time Injury Frequency (LTIF) for the Group's fleet in 2020 was 0.37, 18% down on 2019 (the LTIF for the global tanker fleet, according to INTERTANKO data for 2020, averages 0.47).

The Total Recordable Case Frequency (TRCF) was 0.80, which is also lower by 12% compared to 2019 (the TRCF for the global tanker fleet, according to INTERTANKO data for 2020, averages 1.1).

In 2020 there were no accidents in the SCF fleet that resulted in partial or total disability. The Company considers this to be a significant achievement and thanks the captains and crews of vessels for their commitment to the safety culture and compliance with the requirements set out in safety management system manuals.



The LNG carrier *Grand Aniva* transporting LNG from the Sakhalin-2 project

SCF Management Services (Dubai) responsible for the technical management of the SCF Group fleet is certified by Green Award - an international environmental organisation that was the first in the world to introduce an environmental assessment system for ships based not only on the ship's technical characteristics, but also on the professional competence of the crew and management level. Sovcomflot Group has been participating in the Green Award scheme since 1996. Green Award auditors visit SCF's ships and offices annually. Obtaining approval requires that international conventional requirements governing navigation safety, quality and environmental protection are not just met, but substantially exceeded. At the end of 2020, 19 SCF Group's ships had Green Award certificates (which is warranted by the specifics of the region of operation).

0.37

the LTIF value
(vs. 0.45 in 2019)

0.80

the TRCF value (vs.
0.91 in 2019)