



Sovcomflot Group is a reliable and stable employer, which complies with the legal requirements and strictly fulfils its financial obligations to employees. This is appreciated by our personnel, as evidenced by a consistently high retention rate in the fleet: in 2019 it was about 95.6% for officers and 94.3% for ratings. The retention rate for senior officers in 2019 was 98.2%. This shows that Sovcomflot Group is viewed as an attractive employer, and is able to retain skilled staff.

Sovcomflot Group pays special attention to the career growth and development of its employees. A performance appraisal of the Group's employees based on key performance indicators is regularly conducted. Based on the results of this appraisal, 631 employees were promoted to a higher rank, including 126 senior officers, 273 junior officers and 231 ratings.

The Group has developed a programme to promote the most talented first officers and second engineers to the positions of master and chief engineer respectively.

6.2.2. PROFESSIONAL DEVELOPMENT

A shipping company's performance largely depends on the skills of the seafarers entrusted with the navigation of high-tech vessels. Therefore, Sovcomflot actively participates in professional development of its employees.

The Group regularly organises seminars for fleet officers to exchange professional experience. In the reporting year 655 fleet officers participated in these seminars.

In 2019, 2,054 people completed 5,948 refresher courses at the company expense in accordance with the STCW convention and SCF's requirements.

The SCF Group's operating specifics create the need for subject matter specialists. As part of staff training and retraining, training is organised both through cooperation with state maritime educational institutions and at in-house training centres.

Cooperation with maritime educational institutions

In order to attract young skilled specialists, Sovcomflot Group fosters cooperation with Russian maritime educational institutions.

The cooperation agreements previously concluded with the country's three main maritime universities: Admiral Ushakov Maritime State University (Novorossiysk), Admiral Makarov State University of Maritime and Inland Shipping (Saint Petersburg), Admiral Nevelskoy Maritime State University (Vladivostok) and Captain Varukhin Maritime Centre (Velikiy Novgorod) continued to be in effect in 2019.

Sovcomflot Group participates in the preparation and training of future specialists, provides support for teaching staff, helps organise navigation practice for cadets and internships for teachers on an annual basis, and takes part in renewing and modernising the material and technical base of universities.

As part of agreements on mutually beneficial collaboration with universities, Sovcomflot continues allocating funds to educational institutions, primarily for equipping classrooms and purchasing additional teaching aids, and supporting post-graduate students and young teachers.



425

PEOPLE

were hired
by Sovcomflot Group
in 2019

Main types of cooperation with maritime educational institutions

Type of cooperation	Nature of cooperation	Results of practical training
Navigation practice for cadets	Cadets and trainees from maritime universities receive hands-on training at sea on board the Group's vessels. HR Department specialists recruit the most promising graduates based on the results of pre-graduation practical training, the average degree score, and the characteristics of the academic institution.	In 2019, 175 cadets of maritime universities and 8 trainees from secondary vocational education institutions received practical training on board the SCF ships.
Targeted training of fleet specialists	SCF Group implements targeted training programmes for young fleet officers in collaboration with leading Russian maritime universities. The dedicated group of cadets at Admiral Makarov State University of Maritime and Inland Shipping in 2019 consisted of 18 people: 10 navigators, 5 ships engineers and 3 electrical officers. A similar dedicated group of 20 people was formed from third-year cadets at Admiral Nevelskoy Maritime State University.	In 2019 all cadets from dedicated groups received practical training on SCF Group vessels. 59 graduates of higher and secondary educational institutions were employed by SCF Group.
	As part of a joint project between SCF Group and Admiral Ushakov Maritime State University, a targeted enrolment programme for cadets within the quota for training funded from the federal budget has been operating at the University since 2014.	In 2019, 56 cadets from the targeted enrolment groups received practical training on board the SCF Group vessels.

5,755

SEAFARERS

received training in the SCF in-house training centres in all areas of training in 2019

In February 2019 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 program developed by this centre by taking into account the experience in operating Aframax tankers of the 'Green Funnel' series.

Sovcomflot personnel training system

Sovcomflot Group has created an in-house training system for fleet personnel meeting the highest international standards.

This system includes two in-house training centres:

- The Sovcomflot Training Centre in St. Petersburg, which provides training covering the whole range of maritime operations in the Arctic, including training on the skills needed for servicing oil platforms, navigation in northern latitudes, navigation in ice – both independently and accompanied by icebreakers, etc. The centre has been certified by classification society Russian Maritime Register of Shipping (RS) to ISO 9001:201 («Quality Management»).
- The Novoship Training Centre in Novorossiysk, which has been operational for more than 15 years and today is one of Russia's leading maritime educational institutions. The centre has been certified by RS to ISO 9001:2015 («Quality Management») and under the STCW 78 Convention, as amended («Quality Standards System»). According to the latest estimate by the auditors of the Centre, the Novoship Training Centre occupies 6 % of the domestic market for specialised training.

Sovcomflot Group stimulates professional development among its staff and encourages employees to pursue additional education in order to gain in-depth knowledge of modern technologies used in fleet operations. SCF's engineering staff have very high scientific capabilities: currently, 33 seafarers, who completed post-graduate studies and received the title of Candidate of Technical Sciences or are preparing to defend their theses, work in the Company's fleet.