

COMPLIANCE STATEMENT ON MARINE INSURANCE COVERAGE OFFERED BY INGOSSTRAKH

About

As one of Russia's most respected and reliable insurers, Ingosstrakh has a longstanding history of underwriting diverse risks across industries. With over 75 years of experience, Ingosstrakh has been a trusted partner in the international maritime insurance market, serving as a stabilizing force in global trade through its commitment to regulatory compliance and risk management.

The bulk of Ingosstrakh's business centers around providing retail insurance (property insurance, including auto insurance, medical insurance and other)— solidifying its position as a diversified, multi-line insurer known for integrity and financial strength. For decades of its business activity on international market Ingosstrakh has earned an impeccable reputation in the world.

Ingosstrakh is 100% privately owned by Russian and foreign shareholders.

P&I Insurance

Ingosstrakh is highly regarded in the maritime insurance sector, where it has provided high-quality insurance solutions that comply with international standards for decades. Ingosstrakh is recognized worldwide as a financially stable and experienced provider of reliable insurance services.

Ingosstrakh's marine insurance policies play a particularly critical role in maintaining maritime safety and environmental protection. The company offers a full range of insurance services for maritime transportation. Ingosstrakh insurance safeguards international waters and sensitive environments around the world by providing industry leading protections against catastrophic loss. The company's Protection and Indemnity (P&I) insurance complies with relevant international conventions, including those set by the International Maritime Organization (IMO). Ingosstrakh's marine insurance goes beyond standard coverage, addressing important global issues such as pollution liability, wreck removal, and worker safety. Without Ingosstrakh in the maritime market, the number of uninsured or underinsured vessels increases dramatically. The company plays a vital role in safeguarding maritime operations, ensuring ships are covered for unexpected risks and that international shipping standards are maintained.

Compliance

Ingosstrakh operates in many jurisdictions and is strongly committed to complying with all applicable local and international regulations. The company's comprehensive compliance framework ensures that it meets the highest standards, reducing risk and protecting its clients' interests.

To support its global operations, Ingosstrakh dedicates significant resources to its compliance programs, aligning its practices with international laws and best practices. The company takes a proactive approach to ensure its operations follow all relevant regulatory requirements, especially in areas like sanctions compliance, environmental protection, and maritime safety.

The company continuously monitors and responds to evolving regulations, maintaining its reputation as a trusted and responsible insurer.

Although Ingosstrakh as a Russian private entity is not obliged to comply with sanctions regime enacted for the companies incorporated in the EU, the USA or the UK, nevertheless, Ingosstrakh remains steadfastly committed to international maritime safety standards. Ingosstrakh has in place stringent due diligence and monitoring checks to ensure compliance with applicable international law and standards. In keeping with industry best practices, Ingosstrakh does not insure any sanctioned vessels or vessels engaged in sanctionable activities.

In 2022-2024, Ingosstrakh has canceled or denied coverage to over 100 vessels, underscoring its commitment to responsible underwriting practices.

Compliance with International Maritime Regulations

Ingosstrakh operates under strict compliance guidelines, adhering fully to international maritime regulations. As a trusted partner in the international P&I market, Ingosstrakh mandates that all vessels it insures are seaworthy and meet global safety standards. Ingosstrakh's Shipowners' Liability Insurance Policy (P&I) exceeds International Maritime Organization (IMO) compliance requirements, including all compulsory financial responsibilities set forth by the following conventions:

- 2007 Nairobi Wreck Removal Convention
- 2006 Maritime Labour Convention
- 1992 International Convention on Civil Liability for Oil Pollution Damage
- 2001 International Convention on Civil Liability for Bunker Oil Pollution Damage.

Ingosstrakh offers marine insurance coverage that is functionally identical to the coverage offered by International Group P&I Clubs.

The terms of the P&I Insurance Policy offered by Ingosstrakh were reviewed by a reputable US-based law firm, which confirmed in its legal memorandum that Ingosstrakh's scope of available coverage allows it to operate in line with IMO Conventions' requirements. The Insurance Policy includes shipowner liability coverage that either meets or even surpasses the IMO Conventions' compliance requirements by providing an Insured with coverage in compliance with the compulsory financial responsibilities required by the Nairobi Convention, the MLC, the CLC, and the Bunker Convention.

Seaworthiness clause and safety standards

Ingosstrakh provides P&I insurance to a wide range of vessels and is interested in long-term relations with clients that adhere to high safety and operational standards. The company's commitment to safe operations is reflected in Ingosstrakh's own high standards for ensuring safety and regulatory compliance across all vessels the company insures. Ingosstrakh insures only those vessels that meet or exceed global safety protocols, minimizing environmental risks and ensuring safe transport across international waters.

Insured vessels are required to undergo continuous checks to ensure they meet international standards, including IMO conventions. Ingosstrakh's underwriting practices include a thorough risk assessment process, and any vessel insured by the company is expected to comply with these high standards.

Under the terms of our policies, shipowners are required to ensure vessel's seaworthiness in all respects at the inception of and throughout the period of insurance. Like other reputable insurance companies, Ingosstrakh requires that all insured vessels demonstrate proof of seaworthiness by being classed with a recognized Classification Society throughout the period of insurance coverage. Shipowners are required to comply with any requirements or restrictions imposed by the vessel's Classification Society, which relate to the Vessel's seaworthiness or to her maintenance in a seaworthy condition.

Ingosstrakh does not hesitate to cancel coverage with respect to any vessel in relation to which it would be established that the latter is in breach of its obligations under the seaworthiness warranty or whose class is withdrawn by the Classification Society.

Sanctions exclusion clause – in line with the industry best practice

International insurers that extend their coverage worldwide are vulnerable to potential sanctions risks in various jurisdictions. It is the industry best practice and most reliable approach for insuring global

compliance without the risk of violating applicable sanctions law is an explicit contractual exclusion for risks in case there is a violation of applicable sanctions law. In particular, a standard sanctions exclusion clause of Lloyd's Market Association (LMA3100) is widely used by insurers and reinsurers internationally since 2010.

The legal effect of this exclusion is to prevent the extension of coverage to activities, entities or individuals that may violate sanctions under applicable law. Such practice goes in line with the recommendations for industry participants, and specific guidance for maritime insurers by official regulators in various jurisdictions.

The terms of the company's policies are similar to those offered by the leading P&I Clubs and international insurers. The 'Sanction Exclusion Clause' contained in Ingosstrakh's maritime insurance contracts was developed with the engagement of reputable US and international legal advisors which ensures that it is consistent with the industry practice and the guidance issued by respective regulatory bodies for maritime shipment industry. Under the 'Sanction Exclusion Clause', Ingosstrakh does not provide coverage to clients involved in certain "uninsurable activities".

The company recognizes that various regulations may under certain conditions apply to the business of its clients in various jurisdictions and remain committed to upholding international maritime regulations, safety standards and applicable law.

Commitment to Paying Claims

The company believes that the public interest is best served by having as many reputable and capable insurers as possible protecting the interests of third parties and covering potential environmental risks that may be inevitably associated with the transportation of dangerous goods that are consumed in the world economy. Ingosstrakh's financial stability has proven for over 75 years to strengthen its ability to provide long-term insurance coverage. The company has a proven record of fulfilling its obligations under its policies, contributing significantly to the safety and security of maritime transportation.

As one of Russia's most reputable insurers, Ingosstrakh is financially robust. Nevertheless, the company diversifies its reinsurance arrangements across multiple partners, including international ones, ensuring financial stability and risk-sharing. This allows Ingosstrakh to perform its claims obligations regardless of the political or regulatory challenges facing any single reinsurer.

The company's financial stability and prudent risk management practices enable it to pay claims independently, ensuring injured parties are protected — even in complex or high-profile cases. Ingosstrakh is an important player in facilitating global trade, takes every opportunity to contribute towards economic stability.

Compliance contacts and whistleblowing

The company continuously analyzes all available data and invites feedback from anyone with credible information about potential compliance violations, so Ingosstrakh can assess and take immediate action as appropriate.

For any compliance-related inquiries, please contact us at compliance@ingos.ru.