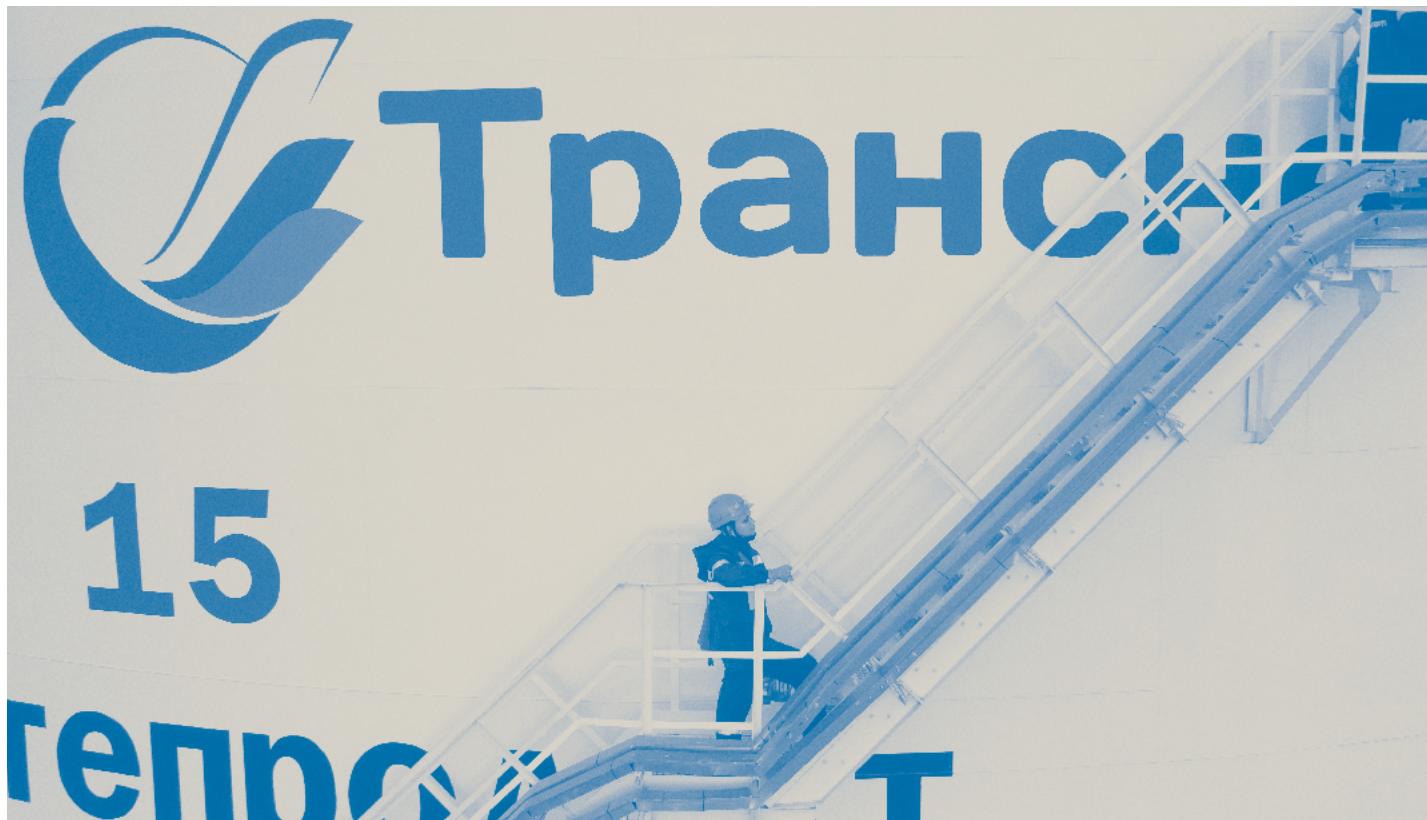


7.1. ADDRESS ON BEHALF OF THE BOARD OF DIRECTORS ON THE CORPORATE GOVERNANCE PERFORMANCE IN THE REPORTING YEAR



Avant-garde in detail

TRANSNEFT

Annual report 2020

DEAR SHAREHOLDERS, INVESTORS AND PARTNERS!

The Company strives to bring the corporate governance system in line with best international practice and recognises that an effective and transparent system of relationships between its management bodies, shareholders, investors and stakeholders will allow it to achieve its strategic goals and objectives, strengthen reputation, increase investment attractiveness and increase capitalisation of the Company.

Transneft is constantly improving its corporate governance practices, both at the level of the Company itself and at Transneft Group subsidiaries. In the past

year, work was actively carried out to develop a dialogue with investors, disclose information for investors, including in the field of environment, social policy, industrial safety and corporate governance (ESG).

The priority for corporate governance development in 2020 was to ensure a high level of satisfaction of investors and stakeholders.

For further improvement of the internal control system, the Anti-Corruption Policy was updated, the Company's internal documents on countering illegal use of insider information were approved and updated, and an external assessment of the Risk Management System of Transneft was carried out.

In 2021, we intend to further improve the corporate governance system of Transneft: it is planned to conduct an external assessment of the work of the Board of Directors for the 2021/22 corporate year.