

2. Supplementary Agreement No. 7 dated 29 December 2018 to the Contract dated 29 June 2012 between PAO Sovcomflot (the «Customer») and OOO SCF Arctic (the «Contractor») amending Clause 5.1 of the Contract, under which the monthly cost of works under the Contract shall amount to RUB 4,438,000 (four million four hundred thirty-eight thousand roubles) plus VAT at the rate stipulated by Russian legislation.

All rights and obligations of the parties not affected by the said Supplementary Agreement shall remain unchanged and the parties shall be governed by the Contract taking into account the said Supplementary Agreement.

Supplementary Agreement No. 7 to the Contract dated 29 June 2012 entered into force upon signature and applies to the relations between the Parties as from 1 January 2019.

3. Supplementary Agreement No. 4 dated 28 March 2019 to the Sublease Agreement dated 10 December 2015 between PAO Sovcomflot (the «Lessor») and OOO SCF GEO (the «Lessee»), under which the parties agreed to extend the lease of the Premises and consider the Sublease Agreement extended for the period from 1 April 2019 to 29 February 2020 on the previous terms.

In all matters not covered by the said Supplementary Agreement the Parties shall be governed by the terms of the Sublease Agreement and current legislation of the Russian Federation.

Supplementary Agreement No. 4 to the Sublease Agreement dated 10 December 2015 entered into force upon signature and applies to the legal relations between the Parties as from 1 April 2019.

5. INFORMATION ON LITIGATIONS INVOLVING PAO SOVCOMFLOT

As a global shipping company, the Company operates in various jurisdictions and is involved in court/arbitration proceedings relating to cargo transportation by sea. The Company's third-party liability is, as a rule, insured with international mutual insurance clubs, which assist the Company in the settlement of court/arbitration disputes.

In addition, in carrying out its activities the Company is governed by the requirements of anti-corruption laws and the highest corporate and ethical standards, the principles of fair and faithful conduct of business, and expects compliance with such standards from its business partners.

As part of the policies and procedures applied by the Company to counter fraud and corruption in any form, during the period between 2005 and 2007 the Company initiated certain legal proceedings. In particular, in late 2005 the Group investigated a number of transactions which involved the former management of Novoship (UK) Ltd ("NOUK"). NOUK and its subsidiaries filed claims at the Commercial Court in London in December 2006. Judgment was handed down on 14 December 2012. The Group was initially successful on all claims in the court of first instance, but after appeal unsuccessful on some claims against certain defendants. In 2014 those defendants have indicated an intention to pursue the Group for damages in respect of \$90 million of security provided during the litigation. No claim has yet been filed for damages.

On 23 April 2018, the Dorogomilovo Court of Moscow adjudged Yuri Nikitin, Dmitry Skarga and Tagirlzmaylov guilty of having committed a number of crimes during the period 2000-2005 and causing damage to the Group amounting to over \$300 million. The guilt of the accused for the crimes charged was fully proved during the trial and the accused were sentenced to long terms of imprisonment. In addition, the property of the convicted is subject to confiscation.

After reviewing the appeals filed by the convicted persons, on 2 April 2019 the Moscow City Court issued an appellate ruling upholding the sentence imposed by the Dorogomilovo Court of Moscow on 23 April 2018. The sentence has entered into legal force.

Investigation into other illegal acts by Yuri Nikitin, Dmitry Skarga and Tagirlzmaylov against SCF Group companies, which have not yet been subjected to judicial review, continues. The Company is taking all necessary actions to protect its interests.

6. INFORMATION ON THE RESULTS OF IMPLEMENTING ORDERS OF THE RUSSIAN PRESIDENT AND THE RUSSIAN GOVERNMENT

No	Subject	Order	Shareholder's directives	Results of implementation
1	On implementing the Corporate Governance Code	Russian Government Order No. ISh-P13-5859 dated 31 July 2014	Russian Government Directives No. 1113p-P13 dated 26 February 2015 (Russian Government Order No. ISh-P13-5859 dated 31 July 2014); Russian Government Directives No. 5667p-P13 dated 2 September 2014	1. Meeting of the PAO Sovcomflot Board of Directors dated 30 September 2014 (Minutes No. 138); 2. Meeting of the PAO Sovcomflot Board of Directors dated 9 April 2015 (Minutes No. 143); 3. Meeting of the PAO Sovcomflot Board of Directors dated 10 November 2015 (Minutes No. 149); 4. Meeting of the PAO Sovcomflot Board of Directors dated 10 April 2018 (Minutes No. 171); 5. Information is posted on the Interdepartmental Portal for State Property Management (hereinafter referred to as the «ID Portal»).
2	On approval and audit of the Long-Term Development Programme	Sub-clauses 32, 33 and 34, Clause 1 of List of Orders of the President of the Russian Federation No. Pr-3086 dated 27 December 2013	Russian Government Directives No. 5667p-P13 dated 2 September 2014	1. Meeting of the Board of Directors dated 30 September 2014 (Minutes No. 138); 2. Meeting of the Board of Directors dated 19 November 2014 (Minutes No. 139); 3. Meeting of the Board of Directors dated 10 December 2019 (Minutes No. 187); 4. Information is posted on the ID Portal.
3	On including the main parameters of requirements for labour resources in the long-term development programme, including for engineering and technical professions, necessary to carry out the main activities of the programme	Sub-clause b, Clause 2 of List of Orders of the President of the Russian Federation No. Pr-1627 dated 1 July 2014	Russian Government Directives No. 4955p-P13 dated 17 July 2014	1. Meeting of the Board of Directors dated 19 November 2014 (Minutes No. 139); 2. Meeting of the Board of Directors dated 10 December 2019 (Minutes No. 187); 3. Information is posted on the ID Portal.
4	On ensuring the adoption of KPIs to assess the performance of management	Clause 5 of List of Orders of the President of the Russian Federation No. Pr-1474 dated 5 July 2013	Russian Government Directives No. 7439p-P13 dated 5 November 2014	1. Meeting of the Board of Directors dated 19 November 2014 (Minutes No. 139); 2. Meeting of the Board of Directors dated 7 August 2015 (Minutes No. 147); 3. Meeting of the Board of Directors dated 10 December 2019 (Minutes No. 187); 4. Information is posted on the ID Portal.