

Company's name	Country of incorporation	Equity stake (direct or indirect), %	Core/planned activities
OOO SCF Eco	Russia	100	Ownership and operation of vessels
Sovcomflot Bulk Shipping Inc. and its subsidiaries	Liberia	100	Ownership and management of ship-owning companies
Sovcomflot (UK) Ltd.	United Kingdom	100	Ship agency services
Sovcomflot (Cyprus) Limited	Cyprus	100	Accounting, treasury and financial consulting
SCF Management Services (Cyprus) Ltd	Cyprus	100	Technical management of ships
OOO SCF Management Services (St. Petersburg)	Russia	100	Technical management of ships
OOO SCF Management Services (Novorossiysk)	Russia	100	Technical management of ships
SCF Management Services (Dubai) Ltd.	UAE	100	Management services for ship-owning companies, technical and commercial management of ships
Sovcomflot Training Centre	Russia	100	Professional training and development of marine and river transport specialists
SCF Capital Designated Activity Company	Ireland	100	Financing activities
SCF Marpetrol S.A.	Spain	100	The company is inactive
Sovchart S.A.	Switzerland	100	The company is inactive

PAO Sovcomflot did not conclude major transactions in 2019. During the reporting period the Company made three interested-party transactions. Interested-party transactions made by the Company during the reporting period that do not require consent or approval of the Company's management bodies under the provisions of Federal Law "On Joint-Stock Companies" which entered into force on 1 January 2017.

4. MAJOR AND INTERESTED-PARTY TRANSACTIONS

- a) Information on the interested-party transactions concluded by the Company during the reporting year, including a list of the transactions concluded by the Company during the reporting year which are considered interested-party transactions in accordance with the Federal Law «On Joint-Stock Companies», indicating an interested party (parties) in each transaction, essential terms and the Company's management body which passed the decision on approval of the transaction.
 - b) Information on the major transactions concluded by the Company during the reporting year, including a list of the transactions concluded by the Company during the reporting year which are considered major transactions in accordance with the Federal Law «On Joint-Stock Companies» and other transactions which are subject to the procedure for approving major transactions in accordance with the Company's Charter, indicating essential terms of each transaction and the Company's management body which passed the decision on approval of the transaction.
1. Supplementary Agreement No. 1 dated 28 January 2019 to the Premises Sublease Agreement dated 30 March 2018 between OOO SCF Management Services (St. Petersburg) (the «Lessor») and PAO Sovcomflot (the «Subles-see») amending Clause 5.1. of the Agreement, under which the monthly rent for the subleased premises shall amount to RUB 17,400.00 (seventeen thousand four hundred roubles) plus VAT as stipulated by Russian legislation.

In all other matters not covered by the said Supplementary Agreement the parties shall be guided by the provisions of Premises Sublease Agreement dated 30 March 2018.

Supplementary Agreement No. 1 to the Premises Sublease Agreement dated 30 March 2018 entered into force upon signature and applies to the relations between the Parties which arose since 1 January 2019.

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.