

#### 6.4.4. ENERGY CONSUMPTION AND EFFICIENCY

Different types of ship fuel are the main types of energy resources consumed in production activities of the Group.

##### Dynamics of fuel consumption in 2017-2019

Type of fuel	2019		2018		2017	
Fuel oil, tonnes	958,550	70 %	1,025,791	72 %	943,112	75.6 %
Diesel fuel, tonnes	203,754	15 %	231,860	16 %	208,690	16.7 %
Gas engine fuel, tonnes	200,475	15 %	166,741	12 %	96,442	7.7 %
Total	1,362,779	100 %	1,424,393	100 %	1,248,244	100 %

# 15%

*the share of gas engine fuel in the total amount of ship fuel consumed (vs. 12 % in 2018)*



Sovcomflot Group is actively engaged in work to implement a state programme for introducing gas engine fuel in the transport sector. In 2019, the share of gas engine fuel amounted to 15% of the total ship fuel consumption against 12% a year earlier. The increase in this indicator is due to an increase in the intensity of liquefied gas transportation and the addition of new-generation LNG fuelled vessels to the Group's fleet. The SCF fleet includes five LNG tankers equipped with LNG powered internal combustion engines and four LNG tankers that also use gas fuel for the ship power plant (steam turbine). In addition, six dualfuel Aframax tankers using liquefied natural gas as the primary fuel were put into service in 2018-2019.

The consumption of energy resources such as heat, electricity, motor gasoline is associated with the operation of the Group's onshore units. Their consumption volume is insignificant compared to consumption volumes of different types of ship fuel. The Group does not consume any types of energy resources other than those listed above.

#### 6.4.5. ENERGY EFFICIENCY INITIATIVES

Energy consumption reduction is conducive to minimising negative impact on the environment. Sovcomflot Group has developed and implemented an Energy Conservation and Energy Efficiency Programme, aimed at promoting the efficient use of fuel and energy resources and improving the environmental sustainability of the fleet.

Energy audits are conducted regularly on the Group's ships. These make it possible to obtain reliable information on the consumption of fuel and oil and the energy efficiency of ship engines and boilers and to identify opportunities for saving energy and increasing the energy and environmental performance of ship power plants.