

APPROVED BY  
Resolution of the Board of Directors of  
PJSC TransContainer dated  
dated December 20, 2021 (Minutes No. 17)

(Annex No. 8 to the Minutes)

Chairman of the Board of Directors  
PJSC TransContainer

/Signature/ / S.N. Shishkarev

**Regulation  
on Board of Directors' Committees of  
PJSC TransContainer**

**(restated)**

Russian Federation,  
Moscow Region, Khimki  
2021

## **1. General Provisions**

1.1 These Regulations of the Committees of the Board of Directors of PJSC TransContainer (hereinafter referred to as the “Regulations”) have been developed in accordance with the laws of the Russian Federation, the Articles of Association of Public Joint Stock Company Center for Cargo Container Traffic TransContainer (hereinafter referred to as the “Company”), Regulations of the Board of Directors of PJSC TransContainer, the Corporate Governance Code recommended for use by the Bank of Russia, and the Corporate Governance Code of PJSC TransContainer.

1.2. These Regulations determine the status, tasks, functions and procedure for electing the strategy, audit, nominations and remuneration committees of the Company’s Board of Directors (hereinafter collectively referred to as the “Committees”), the procedure for electing members of the Committees, their rights and obligations, as well as the operating procedures of the Committees.

1.3. Committees shall be established by resolution of the Company’s Board of Directors in order to improve the efficiency and quality of the work of the Board of Directors through preliminary consideration of the most important issues related to the Company’s activities.

1.4. The committees shall be consultative and advisory bodies of the Company’s Board of Directors. Resolutions of the Committees shall be advisory in nature for the Board of Directors.

1.5. The committees shall be accountable to and controlled by the Company’s Board of Directors.

1.6. The Committees shall be guided in their activities by the laws of the Russian Federation, the Articles of Association of PJSC TransContainer, the Regulations of the Board of Directors of PJSC TransContainer, these Regulations, other internal regulations of the Company, resolutions of the Company’s Board of Directors.

## **2. Rights and Obligations of Members of the Committee**

2.1. In exercising their rights and performing their obligations, the members of the Committees shall act in the interests of the Company, exercise their rights and perform their obligations in respect of the Company reasonably and in good faith.

2.2. Members of the Committees, when performing the functions assigned to them, shall be entitled to:

2.2.1. Request (through the chairmen and (or) secretaries of the Committees) documents and materials (information) necessary for the Committees to perform their tasks.

2.2.2. If necessary, cause experts and specialists with the necessary professional knowledge to prepare materials and recommendations on agenda items to be involved in the work of the Committees.

2.2.3. Invite employees of the Company, as well as other persons (members of other Committees, the head of the Internal Audit Service, representatives of the external auditor, etc.) to meetings of the Committees, in agreement with the chairmen of the Committees and the President of the Company.

2.2.4. Submit proposals to the activity plans of the Committees.

2.2.5. Introduce issues to the agenda of Committee meetings in the manner prescribed by these Regulations.

2.2.6. Call for Committee meetings.

2.3. Committee members shall:

2.3.1. Comply with the requirements of the laws of the Russian Federation, the Articles of Association of PJSC TransContainer and internal regulations of the Company.

2.3.2. Provide the Board of Directors with substantiated recommendations (conclusions) on issues reserved to the Committees they are members of.

2.3.3 When exercising the powers of a member of the Committee, as well as within one year after the expiration of the term of office of a member of the Committee, comply with the confidentiality requirements in respect of the information received by them in connection with their activities in the

Committee, which is classified as proprietary information or other information protected by law. The concept of information that is not publicly available regarding the Company's activities and its scope shall be determined by the internal regulations of the Company.

2.3.4 Members of the Audit Committee also shall hold meetings with the head of the Internal Audit Service and representatives of the external auditor of the Company in confidence, in the absence of the Company's employees, in accordance with the approved schedule, but at least once a quarter.

2.4. Members of the Committees shall be liable for non-compliance with confidentiality requirements in respect of the information received by them in connection with their activities in the Committee, which is classified as proprietary information or other information protected by law, as well as other requirements stipulated by the Articles of Association of PJSC TransContainer and other internal regulations of the Company in accordance with the laws of the Russian Federation.

### **3. Members of the Committees and their Election**

3.1 The number of members of each Committee shall be determined by the Company's Board of Directors and shall be at least three people.

3.2. The identity of members of the relevant Committee shall be determined by the Company's Board of Directors from among the candidates nominated by the members of the Company's Board of Directors.

3.3. Members of the Committees shall be elected for the term of office of the Board of Directors that elected them. The resolution on election shall be taken by a simple majority vote of the members of the Board of Directors participating in the meeting.

3.4. Members of the Committees must have higher education.

3.5. It is recommended that the Strategy Committee consist of members of the Board of Directors with knowledge and experience in management and strategic governance.

3.6 It is recommended that the Audit Committee consist of members of the Board of Directors with knowledge of RAS or IFRS (US GAAP) accounting (financial) statements, experience in preparing, auditing, analyzing or evaluating accounting (financial) statements.

3.7. It is recommended that the Nominations and Remuneration Committee consist of members of the Board of Directors with knowledge and experience in corporate/HR management.

3.8. The powers of the members of the Committees may be terminated prematurely by the resolution of the Company's Board of Directors.

Chairmen of the Committees, as well as members of the Committees, may resign by sending a letter of resignation to the Chairman of the Company's Board of Directors no later than thirty days before the expected date of termination of powers in the relevant Committee.

The powers of a member of the Committee shall be considered terminated after the Company's Board of Directors resolves to terminate the powers of a member of the Committee.

3.9. The Company's Board of Directors shall, within thirty days from the date of receipt of the letter of resignation from a member of the Committee, resolve on the election of a new member of the Committee or on the removal of the members of the relevant Committee and the election of a new Committee.

### **4. Committee Chairmen**

4.1. The Committees shall be managed and operated by the chairmen of the Committees.

4.2. The chairmen of the Committees shall be elected at the first meeting by a simple majority vote of the members of the Company's Board of Directors participating in the meeting from among the members of the relevant Committees.

4.3. The Company's Board of Directors shall be entitled to re-elect the chairmen of the Committees at any time.

4.4. In the absence of the Chairman of the Committee, his duties shall be performed by the

Deputy Chairman of the Committee, who is elected at the first meeting of the relevant Committee by a majority vote of the members of the Committee participating in the meeting. If both of the Chairman and Deputy Chairman of the Committee are absent, the functions of the Chairman of the Committee shall be performed by one of the members of the relevant Committee elected by a simple majority vote of the members of this Committee present at the meeting.

4.5. Chairman of the Committee:

4.5.1 Convene and conduct scheduled and extraordinary meetings of the relevant Committee.

4.5.2 Approve the agenda of the meetings of the Committee.

4.5.3 Procure that minutes of the meetings of the Committee are kept and signed.

4.5.4. Represent the Committee in interaction with the Company's Board of Directors, other Committees, executive bodies of the Company.

4.5.5. Distribute duties among the members of the Committee.

4.5.6. Develop an activity plan of the Committee involving the Committee's Secretary and submit the plan for approval to this Committee.

4.5.7. Control the implementation of the Committee's activity plan.

4.5.8. Procure that resolutions taken at the meetings of the Committee are complied with.

4.5.9. Organize the correspondence of the Committee, sign letters, requests for information and other documents on behalf of this Committee, subject to the rights granted to the Committee.

## **5. Committee Secretaries**

5.1. Committee secretaries shall be elected by a simple majority vote of the members of the Committees participating in the meeting. Candidates for Committee secretaries may be nominated by the chairmen, members of the relevant Committee, as well as the Corporate Secretary of the Company.

5.2 Committee secretaries shall be accountable to the chairmen of the relevant Committees, shall not be members of the Committees and shall perform the following functions:

5.2.1. Provide organizational and information support for the activities of the Committees.

5.2.2. Prepare activity plans of the Committees in accordance with Clause 7.2. hereof.

5.2.3. Develop and submit for approval to the chairmen of the Committees draft agendas of the Committee meetings in accordance with the activity plans of the Committees and proposals received from the members of the relevant Committee, members of the Company's Board of Directors and the Company's President.

5.2.4. Ensure the preparation and submission of documents (materials) necessary for organizing and holding a meeting of the Committees (notice of the meeting, materials (information) on the agenda of the meeting).

5.2.5. Provide access for members of the Committees to materials on the agenda of Committee meetings in an automated information system designed for holding meetings (hereinafter referred to as the "automated information system").

5.2.6. Prepare requests, including for the provision of information (materials) on the agenda items of Committee meetings to the Company's divisions and inquiries / responses to inquiries on behalf of the relevant Committee.

5.2.7. If necessary, organize the recording (audio recording) of Committee meetings.

5.2.8. Draw up the minutes of Committee meetings and prepare extracts from the minutes of Committee meetings.

5.2.9. Ensure distribution of documents approved by the Committees.

5.2.10. Monitor the implementation of the resolutions of the relevant Committee.

5.2.11. Prepare activity plans of Committees.

5.2.12. Send copies of the minutes of Committee meetings to the members of the relevant Committee and the Chairman of the Company's Board of Directors.

5.2.13. Procure that the instructions of the chairmen of the Committees within their competence

are fulfilled.

5.2.14. Ensure the storage of the minutes of Committee meetings, as well as their transfer in case another person is elected to the position of the Secretary of the relevant Committee.

5.2.15. Exercise other powers in accordance with these Regulations.

5.3. The Secretary of the Committee shall exercise his powers until the relevant Committee resolves to terminate his powers and elect a new Secretary of the Committee.

5.4. If the Secretary of the Committee is unable to participate in the meeting for a valid reason (illness, vacation, business trip, etc.), the functions of the Secretary of the Committee at the meeting may be performed by the Corporate Secretary of the Company or another person elected by the members of the Committee at the meeting.

## **6. Tasks and Functions of the Committees**

6.1. Strategy Committee.

6.1.1. The main task of the Strategy Committee shall be to ensure the efficient operation of the Company's Board of Directors through preliminary consideration and preparation of recommendations on issues reserved to the Board of Directors in terms of:

determining the priority areas and strategic goals of the Company's activities, monitoring the implementation of the Company's development strategy, developing recommendations for adjusting the existing development strategy of the Company.

formation of the budget and investment program of the Company for the year, development of recommendations for their adjustment, control over the implementation of the budget and investment program of the Company.

approval of the dividend policy of the Company.

evaluation of the effectiveness of the Company's activities.

participation of the Company in other organizations (including on the direct and indirect acquisition and alienation of equity interests in organizations, encumbrance of shares, equity interests).

evaluation of voluntary and mandatory offers to purchase the Company's securities.

6.1.2. To implement the assigned tasks, the Strategy Committee shall perform the following functions:

6.1.2.1. When preparing recommendations on issues reserved to the Board of Directors in terms of determining the priority areas and strategic goals of the Company's activities, monitoring the implementation of the Company's development strategy, developing recommendations for adjusting the existing development strategy of the Company:

- 1) form proposals on priority areas of the Company's development;
- 2) participate in the development of the medium-term and long-term development strategy of the Company;
- 3) analyze and evaluate the program for implementing the Company's development strategy;
- 4) form proposals for adjusting the approved strategy of the Company;
- 5) exercise control over the implementation of the Company's development strategy;
- 6) conduct an analysis of investment projects proposed for implementation;
- 7) evaluate achievements of projects and programs carried out as part of the Company's development strategy;
- 8) consider the Company's innovative development programs and reports on their implementation;
- 9) consider draft internal documents regulating the assessment of the effectiveness of investment projects;
- 10) consider the financial model and models for evaluating the Company's business and its business segments.

6.1.2.2. When preparing recommendations on issues reserved to the Board of Directors in terms

of formation of the budget and investment program of the Company for the year, development of recommendations for their adjustment, control over the implementation of the budget and investment program of the Company:

- 1) consider the draft budget and investment program of the Company;
- 2) consider reports on the implementation of the budget and the investment program of the Company;
- 3) form proposals for adjusting the approved budget and investment program of the Company;
- 4) coordinate the redistribution of funds in the areas of the investment program within the budget of the Company approved by the Board of Directors.

6.1.2.3. When preparing recommendations on issues reserved to the Board of Directors in terms of approval of the dividend policy of the Company: the Strategy Committee shall consider the draft Regulations on the Company's Dividend Policy, and also make proposals on the amount of dividend on shares and the timing of dividend payments, on the date on which persons entitled to receive dividends are determined.

6.1.2.4. When preparing recommendations on issues reserved to the Board of Directors in terms of assessing the effectiveness of the Company's activities:

- 1) consider quarterly business reports of the Company in the reporting period;
- 2) consider proposals for the creation and liquidation of branches and representative offices of the Company;
- 3) consider proposals for reorganization and liquidation of the Company;
- 4) consider proposals for reorganization of the Company's business processes.

6.1.2.5. When preparing recommendations on issues reserved to the Board of Directors in terms of the Company's participation in other companies:

1) consider proposals for the Company's participation in other companies, including proposals for changing the equity interest, number of shares, size of units, encumbrance of shares, interests and termination of the Company's participation in other companies;

2) preliminarily consider issues related to the reorganization and liquidation of controlled companies included in the list annually approved by the Company's Board of Directors (hereinafter referred to as "controlled companies"), determining the number, nominal value, category (type) of authorized shares of controlled companies and the rights granted by these shares, changing the authorized capital of controlled companies, placement of securities of controlled companies convertible into ordinary shares, split and consolidation of shares of controlled companies;

3) consider issues of participation of controlled companies in other companies (joining a going concern or setting up a new one), acquisition, disposal and encumbrance of shares and equity interests in the companies, in which controlled companies are interested, change in the equity interest of the relevant company;

4) preliminarily consider transactions involving non-current assets of the Company in the amount of 10 to 25 percent of the book value of these assets of the Company as of the date of the decision to make such a transaction, as well as shares or equity interests of controlled companies;

6.1.3. By resolution of the Company's Board of Directors, other issues, on which the Board of Directors needs the opinion of the Strategy Committee, may be submitted for consideration to the Strategy Committee.

6.2. Audit committee.

6.2.1 The key tasks of the Audit Committee are as follows:

6.2.1.1. In terms of RAS accounting (financial) statements and consolidated IFRS financial statements:

- 1) to control the completeness, accuracy and reliability of the accounting (financial) statements in accordance with RAS and consolidated IFRS financial statements;
- 2) to analyze material aspects of the Company's accounting policy;
- 3) to participate in the consideration of vital issues and opinions with regard to the accounting

(financial) statements in accordance with RAS and consolidated IFRS financial statements;

6.2.1.2. In the area of risk management, internal controls and corporate governance:

1) to control the reliability and efficiency of the risk management and internal control system and the corporate governance arrangements, including to assess the efficiency of the risk management and internal control procedures, the corporate governance practices as well as to prepare the proposals for the improvement thereof;

2) to analyze and assess the implementation of the policy in the field of risk management and internal control;

3) to control the procedures that ensure the Company's compliance with legislative requirements as well as ethical standards, rules and procedures of the Company, and the requirements of stock exchanges;

4) to analyze and assess the implementation of the conflict-of-interest management policy;

6.2.1.3. In the area of performance of the internal and external audit:

1) Assurance of the independence and credibility in the performance of the functions of the internal and external audit;

2) to consider the policy in the field of internal audit (internal audit regulations);

3) to consider the action plan of the internal audit division;

4) to consider the issues on appointment (dismissal) of the head of the Internal Audit Service and the amount of remuneration payable to him/her;

5) to consider the current limitations of powers or budget for the implementation of the internal audit function, which may have a negative impact on the efficient performance of the internal audit function;

6) to assess the efficiency of performance of the internal audit function;

7) to assess the independence and credibility of the Company's external auditors and to ensure there is no conflict of interest, including to assess the candidates for the Company's auditors, to develop proposals on appointment, re-election and suspension of the Company's external auditors, on payment for their services and conditions of their engagement;

8) supervision of the external audit and assessing the quality of the audit and audit reports;

9) to ensure effective interaction between the internal audit subdivision and external auditors of the Company;

10) to develop and control the implementation of the Company's policy which determines the principles of the provision and combination by an auditor of auditing and non-auditing services to the Company;

6.2.1.4. In terms of countering unfair actions of the Company's employees and third parties.

1) to control the efficiency of operation of the system for notification of potential cases of unfair actions of the Company's employees and third parties, as well as of other violations at the Company;

2) to control the carrying out of special investigations concerning potential cases of fraud, unfair use of insider or confidential information;

3) to control the implementation of the measures taken by the Company's executive management based on the facts of provision of the information on potential cases of unfair actions of employees and other violations.

6.2.1.5. The main tasks of the Audit Committee shall also include the preparation of records of performance of the Audit Committee for inclusion in the annual report and other documents of the Company.

6.2.2 To implement the assigned tasks, the Audit Committee shall be vested with the following functions:

6.2.2.1. In terms of RAS accounting (financial) statements and consolidated IFRS financial statements:

1) to control the completeness, accuracy and reliability of RAS accounting (financial) statements and consolidated IFRS financial statements;

2) to consider annual and interim RAS accounting (financial) statements and consolidated IFRS financial statements;

3) to consider auditors' recommendations regarding the procedure for preparing RAS accounting (financial) statements and consolidated IFRS financial statements;

4) to prepare recommendations regarding the annual report of the Company.

6.2.2.2. In the area of risk management, internal controls and corporate governance:

1) to control the reliability and efficiency of the risk management and internal control system and the corporate governance arrangements, including to assess the efficiency of the risk management and internal control procedures, the corporate governance practices as well as to prepare the proposals for the improvement thereof;

2) to prepare recommendations regarding the Corporate Risk Map (register), an action plan to prevent the identified "acceptable" and "critical risks", the level of the Company's holding capacity, as well as risk ranking parameters;

3) to consider reports on the implementation of the action plan to prevent the identified "acceptable" and "critical" risks, as well as reports on the risks realized during the calendar year;

4) to control the management of "acceptable" and "critical" risks;

5) to consider draft internal regulations governing the main goals, objectives, requirements and operating principles of the risk management system in the Company, as well as the processes and participants of the risk management system;

6) to draw up an action plan to improve the Company's risk management system, as well as consider reports on the implementation of the action plan;

7) to prepare proposals for improving the risk management and internal control system;

8) to consider draft internal regulations governing internal control procedures;

9) to consider reports on violations of the Code of Business Conduct, including situations related to conflicts of interest;

10) to consider issues related to the procedures for ensuring the Company's compliance with the requirements of the law, as well as ethical standards, rules and procedures of the Company, requirements of the Bank of Russia, stock exchanges;

11) to prepare recommendations regarding plans to improve the corporate governance system and practice in the Company;

12) to prepare recommendations regarding the issues of regulation of relations between shareholders, the Board of Directors and the executive bodies of the Company, as well as issues of interaction with legal entities controlled by the Company, other parties concerned.

6.2.2.3. In the area of performance of the internal and external audit:

1) Assurance of the independence and credibility in the performance of the functions of the internal and external audit;

2) to prepare recommendations regarding the candidature of the head of the Internal Audit Service;

3) to initiate consideration by the Board of Directors of the issue of terminating the powers of the head of the Internal Audit Service;

4) to determine the terms of the employment contract with the head of the Internal Audit Service;

5) to prepare recommendations regarding the annual activity plan of the Internal Audit Service;

6) to prepare recommendations regarding the draft annual budget of the Internal Audit Service;

7) to monitor the implementation of the annual activity plan and budget of the Internal Audit Service;

8) to assess the operating efficiency of the Internal Audit Service and preliminarily consider reports on the assessment of the efficiency of the Internal Audit Service conducted with the involvement of an independent consultant;

9) to consider cases of unreasonable restrictions on the activities of the Internal Audit Service by the executive governing bodies and other employees of the Company, control the elimination of



such restrictions;

10) to hold closed (without the participation of the President, other officials and employees of the Company) meetings with the Internal Audit Service at least once a quarter;

11) to consider quarterly records of performance of the Internal Audit Service;

12) to prepare recommendations regarding the staffing and organizational structure of the Internal Audit Service;

13) to approve plans for the development of the Internal Audit Service, as well as consider progress reports;

14) to consider draft internal regulations governing the operation of the Internal Audit Service;

15) to organize and hold a competition (tender) in accordance with the internal procedures of the Company for the selection of an external auditor to conduct an annual mandatory audit to verify RAS accounting (financial) statements and consolidated IFRS financial statements;

16) to consider draft auditing services agreements and prepare recommendations on the essential terms of the agreement with the external auditor, including the amount of remuneration to the external auditor;

17) to consider the possibility of the external auditor rendering non-audit services, draft non-audit services agreements, and prepare recommendations on the amount of his/its remuneration;

18) to discuss with the external auditor plans and scope of work for the audit of RAS accounting (financial) statements and consolidated IFRS financial statements;

19) to discuss with the external auditor the audit findings, including violations identified as a result of the audit;

20) to consider and evaluate the opinion of the external auditor;

21) to analyze the recommendations of the external auditor, control the preparation of an action plan to eliminate the comments identified during the audit of the accounting (financial) statements;

22) to control the elimination of comments identified during the audit;

23) to hold closed (without the participation of the President, officials and employees of the Company) meetings with the external auditor at least once a quarter;

24) to consider disagreements between the external auditor and the President of the Company regarding the accounting (financial) statements of the Company;

25) to consider draft internal regulations that determine the procedure for rotation of the external auditor and interaction with him/it in terms of the provision of non-audit services and the competitive selection of the external auditor.

6.2.2.4. In terms of countering unfair actions of the Company's employees and third parties.

1) to control the efficiency of operation of the system for notification of potential cases of unfair actions of the Company's employees and third parties, as well as of other violations at the Company;

2) to control the implementation of the measures taken by the Company's executive management based on the facts of provision of the information on potential cases of unfair actions of employees and other violations.

3) to prepare recommendations regarding the goals, objectives, principles, organization of a system for countering unfair actions of the Company's employees and third parties, including fraud and corruption in the Company;

4) to prepare recommendations regarding the internal regulations of the Company on combating corruption and fraud.

6.2.2.5. By resolution of the Company's Board of Directors, other issues, on which the Board of Directors needs the opinion of the Audit Committee, may be submitted for consideration to the Audit Committee.

6.3. Nominations and Remuneration Committee

6.3.1. The main tasks of the Nominations and Remuneration Committee shall be:

6.3.1.1. Regarding the development of an effective and transparent remuneration practice:

1) to determine the Company's policy on remuneration of members of the Board of Directors,

executive bodies of the Company and other key executives;

2) to supervise the introduction and implementation of the Company's remuneration policy and various incentive programs;

3) to evaluate the work of the executive bodies of the Company and other key executives of the Company;

4) to select an independent consultant on remuneration of members of the executive bodies of the Company and other key executives;

5) to develop remuneration principles for the Corporate Secretary of the Company;

6) to preliminarily evaluate the work of the Corporate Secretary of the Company on a year-on-year basis;

7) to prepare recommendations on bonuses for the Corporate Secretary of the Company;

8) to prepare a report on the implementation of the principles of the remuneration policy for members of the Company's Board of Directors, members of the executive bodies of the Company and other key executives for inclusion in the annual report and other documents of the Company.

6.3.1.2. Regarding personnel planning, formation of the occupational structure and improvement of the efficiency of the work of the Board of Directors, planning of personnel appointments of members of the executive bodies of the Company and other key executives of the Company:

1) to assess the Company's Board of Directors in terms of professional specialization, experience, independence and engagement of its members in its activity, determine the areas of priority to strengthen the composition of the Board of Directors;

2) to select candidates for the Company's Board of Directors;

3) to analyze the professional qualifications and independence of all candidates nominated to the Company's Board of Directors, based on all information available to the Nominations and Remuneration Committee;

4) to prepare and bring to the attention of the Company's shareholders recommendations regarding voting on the issue of electing candidates to the Company's Board of Directors;

5) to describe the individual duties of the members and the Chairman of the Company's Board of Directors, including setting the time to be devoted to issues related to the Company's activities, within and outside the meetings, in the course of scheduled and unscheduled work;

6) to evaluate the performance of the Company's Board of Directors and its Committees;

7) to develop recommendations regarding the improvement of the operating procedures of the Company's Board of Directors and its Committees;

8) to prepare an introductory course program for newly elected members of the Board of Directors in order new directors could familiarize themselves with the key assets of the Company, its development strategy, business practices adopted by the Company, the organizational structure of the Company and key executives of the Company, as well as with the operating procedures of the Board of Directors;

9) to oversee the introductory course for newly elected members of the Board of Directors;

10) to draw up a training and advanced training program for members of the Company's Board of Directors, taking into account the individual needs of its individual members, as well as control the implementation of this program;

11) to analyze the current and expected needs of the Company for the professional qualifications of members of the executive bodies of the Company and other key executives of the Company dictated by the interests of competitiveness and development of the Company, succession planning in respect of these persons;

12) to prepare recommendations regarding candidates for the position of the Corporate Secretary of the Company;

13) to prepare recommendations regarding candidates for the position of members of the executive bodies of the Company and other key executives.

The main tasks of the Nominations and Remuneration Committee shall also include the preparation

of records of performance of the Nominations and Remuneration Committee for inclusion in the annual report and other documents of the Company.

6.3.2. To implement the assigned tasks, the Nominations and Remuneration Committee shall be vested with the following functions:

6.3.2.1. With regard to the formation of an effective and transparent practice of remuneration for members of the Board of Directors, members of the executive bodies of the Company and other key executives:

1) to develop and periodically review the Company's policy on remuneration for members of the Board of Directors, members of the collegial executive body of the Company and the person acting as the sole executive body, supervise putting it in place and its implementation;

2) to preliminarily evaluate the work of members of the collegial executive body of the Company and the person acting as the sole executive body of the Company on a year-on-year basis in accordance with the Company's remuneration policy;

3) to develop conditions for early termination of employment contracts with members of the collegial executive body of the Company and a person acting as the sole executive body of the Company, including all liabilities of the Company and the conditions for their provision;

4) to prepare recommendations to the Board of Directors of the Company for determination of the amount of remuneration and the principles of paying bonuses to the Corporate Secretary (the head of the structural subdivision serving as the Corporate Secretary) of the Company;

5) to monitor the remuneration system for members of the Board of Directors and its Committees, as well as members of the executive bodies of the Company and other key executives of the Company;

6) to consider issues related to the payment of remuneration to members of the Company's Board of Directors;

7) to prepare recommendations for improving the efficiency of the remuneration system for members of the Company's Board of Directors and its Committees;

8) to prepare recommendations for improving the efficiency of the incentive system for members of the Company's executive bodies and other key executives of the Company, including the system for evaluating their performance;

9) to prepare recommendations on bonus payment to members of the executive bodies and other key executives of the Company;

10) to agree on the terms of the tender and summing up the results of tendering procedures for the selection of an independent consultant on remuneration for members of the Board of Directors, members of executive bodies and other key executives of the Company;

11) to prepare recommendations on the terms of the employment contract with persons exercising the powers of the President, Director and members of the Management Board of the Company, including the development of recommendations on the amount of their remuneration and other benefits;

12) to supervise the disclosure of information on the remuneration policy and practice and ownership of the Company's shares by members of the Board of Directors, as well as members of the executive bodies and other key executives of the Company in the annual report and on the Company's corporate website on the Internet.

6.3.2.2. Regarding personnel planning, formation of the occupational structure and improvement of the efficiency of the work of the Board of Directors, planning of personnel appointments of members of the executive bodies of the Company and other key executives of the Company:

1) to conduct an annual detailed formalized procedure for self-assessment or external assessment of the performance of the Company's Board of Directors and its members, as well as Committees of the Board of Directors, determine the areas of priority to strengthen the composition of the Company's Board of Directors;

2) to preliminarily determine the self-assessment methodology and prepare proposals for the

selection of an independent consultant to evaluate the performance of the Company's Board of Directors;

3) to prepare a report and recommendations based on the results of a self-assessment or an external assessment of the performance of the Board of Directors and its Committees;

4) to interact with shareholders (and not just major shareholders) for the purpose of preparing recommendations to shareholders with respect to voting on the issue of electing the candidates to the Company's Board of Directors;

5) to plan staff appointments, including taking into account the continuity of activities, of members of the collegial executive body and the sole executive body, to prepare recommendations to the Board of Directors concerning candidates to the position of the Corporate Secretary (the head of the structural subdivision serving as the Corporate Secretary) of the Company, members of the executive bodies of the Company and other key executives of the Company;

6) to preliminarily assess the members of the Company's Board of Directors for compliance with the independence criteria;

7) to prepare parameters for the selection of candidates for independent directors to the Company's Board of Directors;

8) to control the regular assessment of the performance of the Company's Board of Directors, its Committees and executive bodies of the Company;

9) to prepare recommendations for the approval of candidates for the position of heads of branches and representative offices of the Company, as well as candidates for certain positions of the Company's executive office;

10) to prepare recommendations on nomination to the position of the sole executive body, other governing bodies, control bodies of companies of any business forms in which the Company participates;

11) to consider a report on the implementation of the induction program for newly elected members of the Company's Board of Directors;

12) to agree on the main terms of the liability insurance agreement for directors and officers of the Company;

13) to prepare recommendations on the issue of combining positions by members of the executive bodies of the Company in other companies;

14) to develop recommendations to the Board of Directors on the issues of the personnel policy of the Company.

6.3.3. By resolution of the Company's Board of Directors, other issues, on which the Board of Directors needs the opinion of the Nominations and Remuneration Committee, may be submitted for consideration to the Nominations and Remuneration.

## **7. Operating Procedures of Committees**

7.1. Committee meetings shall be held in the form of joint attendance in accordance with the activity plans approved by the Committees, but at least once a quarter, as well as at the request of the Board of Directors, the President of the Company and members of the relevant Committee.

Committee meetings shall be held using the automated information system.

In exceptional cases, by resolution of the chairman of the relevant Committee, meetings may be held in absentia (by poll).

7.2. The activity plans of the Committees shall be approved at the first Committee meetings and shall be drawn up taking into account the approved activity plan of the Company's Board of Directors, proposals of the Chairman of the Board of Directors, the Company's President and members of the relevant Committee, as well as resolutions of the Board of Directors and the relevant Committee.

7.3. The agendas of Committee meetings shall be prepared in accordance with the approved activity plans of the Committees, resolutions of the Board of Directors and Committees, proposals of

the Chairman of the Company's Board of Directors, members of the relevant Committee and the President of the Company.

7.4. Proposals must be received by the Chairman of the relevant Committee no later than ten business days before the date of the relevant meeting and must contain the wording of the issue, justification for the need to consider the issue at the Committee meeting, as well as accompanying materials and information.

7.5. The proposal must be signed by the person who sent this proposal. At the same time, a copy of the proposal with all attachments in electronic form must be sent to the secretary of the relevant Committee. The Chairman of the Committee shall include the proposed issues in the agenda of the next scheduled meeting of the Committee or convene an extraordinary meeting of the Committee.

7.6. The Chairman of the Committee shall be entitled to refuse to include an issue in the agenda of the Committee meeting if the proposed issue is not reserved to the relevant Committee.

7.7. The resolution to convene a regular and extraordinary meeting of the relevant Committee shall be taken by the Chairman of the Committee or his deputy in accordance with the approved activity plan of the Committee, as well as taking into account the proposals received by him.

7.8. Notice of the meeting of the Committee must be drawn up and sent to the members of the relevant Committee no later than seven calendar days before the date of the meeting.

7.9. The notice must contain the date of the meeting of the Committee, the time, place of the meeting and the agenda of the meeting.

7.10. Materials and information on the agenda items shall be sent to the members of the relevant Committee no later than seven (7) calendar days before the date of the meeting.

7.11. Materials (information) on the meeting agenda items shall include:

An explanatory note on each issue included in the agenda of the meeting.

Draft documents to be brought up for confirmation, coordination or approval of the Board of the Company.

Materials confirming the information set out in the explanatory notes.

Other information materials on issues included in the agenda of the meeting of the relevant Committee.

7.12. Materials (information) on the agenda items of the meeting of the Committee shall be sent to the members of the relevant Committee by one of the following methods: by e-mail (to the address specified in the questionnaire of a member of the Board of Directors) or by posting in the automated information system.

7.13. If any issue is urgent, the period for convening an extraordinary meeting and sending materials (information) on the agenda of such a meeting may be reduced by resolution of the chairman of the relevant Committee.

7.14. Committee meetings shall be prepared by the secretaries of the Committees.

## **8. Procedure of Committee Meetings**

8.1. Committee meetings shall be opened by the chairmen of the Committees.

8.2. The secretaries of the Committees shall determine whether a quorum is present for holding a meeting of the relevant Committees.

8.3. Committee meetings shall be duly constituted (quorate) if attended by at least half of the elected members of the relevant Committee.

When determining the quorum and voting results, the written opinions of the members of the Committees on the agenda items received before the start of the meeting shall be taken into account.

In the absence of a quorum, a repeated meeting shall be convened within five business days with the same agenda.

Members of the Committees who are absent from the meeting of the relevant Committee may take part in the discussion and consideration of agenda items by means of audio and video conference calls,

provided that the use of such means of communication allows them to directly and continuously participate in the meeting. Such participation in the meeting shall be equivalent to personal attendance.

8.4. Employees of the Company and other persons may attend meetings at the invitation of the Committee Chairmen.

8.5. Resolutions at Committee meetings shall be taken by a majority vote of the members of the Committee participating in the meeting.

8.6. When resolving issues at a meeting, each member of the Committee shall have one vote. In the event of an equality of votes, the chairman of the meeting of the respective Committee shall have a casting vote.

8.7. Members of the Committees shall be also entitled to express dissenting opinions, which are attached to the minutes of Committee meetings.

8.8. No member of the Committees may transfer his/her voting right to anybody.

8.9. Voting on the agenda items of Committee meetings may be carried out using the automated information system.

8.10. The results of voting on the agenda items of Committee meetings shall be summed up on the basis of the results of voting at the meetings.

### **9. Decision-Making by Absentee Voting**

9.1. In exceptional cases, by resolution of the chairmen of the Committees, meetings may be held in absentia (by poll).

9.2. To adopt a resolution by absentee voting (by ballot) each Committee member shall, no later than seven (7) calendar days before the end of voting in the automated information system/the deadline for receiving ballots for absentee voting, receive a notice of absentee voting on agenda issues, draft absentee voting ballots and access to materials (information) on the issues included in the agenda in the automated information system.

9.3. The notice of absentee voting shall contain the following data:

9.3.1 Full name and location of the Company.

9.3.2 Formulation of agenda items.

9.3.3 Instructions for conducting absentee voting.

9.3.4. The end date and time of voting in the automated information system / the deadline for receiving absentee voting ballots.

9.3.5. List of information (materials) provided to the members of the Committee.

9.4. Members of the relevant Committee shall be entitled to submit their proposals and/or remarks on the proposed draft resolution of the Committee on issues put to absentee voting no later than two (2) business days before the end of the voting as indicated in the notice of absentee voting.

9.5. The Secretary of the relevant Committee shall draw up an absentee voting ballot, taking into account the proposals and (or) remarks received on the proposed draft resolution of the Committee on issues put to absentee voting, and (or) prepare a draft resolution in the automated information system.

9.6. When filling out the absentee voting questionnaire, a Committee member shall delete all but one variant of vote (either “aye”, or “nay”, or “abstained”). A Committee member shall sign the filled out ballot and indicate his/her full name.

A Committee member may also vote on proposed draft resolutions in the automated information system.

9.7. A questionnaire which is filled out in contravention of the requirements as specified in Clause 9.6 of these Regulations shall be deemed null and void and will not be counted when ascertaining the quorum required for adopting resolution by absentee voting and when calculating the votes.

9.8. The completed and signed ballot must be submitted by a member of the relevant Committee within the period specified in the ballot to the secretary of the relevant Committee and (or) the Corporate Secretary in the original or by e-mail to the address of the Secretary of the Committee /

Corporate Secretary.

Committee members whose ballots were received by the Secretary of the relevant Committee / Corporate Secretary no later than the closing date for the receipt of ballots specified in the notice or who voted on the proposed draft resolutions in the automated information system shall be considered to have taken part in absentee voting.

9.9. Questionnaires received by the Company upon expiration of the term specified therein shall not be taken into account when calculating the votes and determining the results of voting.

9.10. The results of voting on the agenda items of a meeting held in absentia shall be summed up on the basis of ballots filled in and signed by the members of the relevant Committee received by the Company within the time period specified in the notice of absentee voting, as well as on the basis of voting by members of the Committees in the automated information system.

9.11. Based on the received ballots and information reflected in the automated information system, the secretary of the relevant Committee / Corporate Secretary shall draw up the minutes of the meeting of the Committee as prescribed by these Regulations.

## **10. Committee Meeting Minutes**

10.1. The minutes of Committee meetings shall specify:

- place and time of the meeting;
- form of the meeting;
- members of the Committee who took part in the meeting, as well as other persons present at the meeting;
- whether a quorum is present;
- the agenda;
- issues that were put to the vote and voting results;
- resolutions passed.

10.2. Minutes of the meetings shall be drawn up within three business days from the date of the relevant meeting.

10.3. The minutes of the meetings shall be signed by the chairman of the meeting and the secretary of the relevant Committee in one copy.

10.4. The chairmen of the meeting and the secretaries of the Committees shall be responsible for the correctness of the minutes.

10.5. Secretaries of the Committees shall, within three business days after signing, place scanned copies of the minutes in the automated information system or send them by e-mail to all members of the relevant Committee.

10.6. The minutes of Committee meetings shall be available to all members of the Committee and the Company's Board of Directors. At the written request of any member of the relevant Committee or the Board of Directors, as well as at the written request of the Company's management, the secretaries of the Committees shall provide extracts from the minutes of Committee meetings.

## **11. Accountability of the Committees to the Company's Board of Directors**

11.1. At the last meeting of the Board of Directors preceding the annual General Shareholders Meeting of the Company, the Committees shall submit annual records of performance to the Company's Board of Directors that elected them.

The records must contain information on the activities of the Committees during the corporate year.

11.2. Records of the Committees to the Company's Board of Directors shall be submitted by the chairmen of the Committees.

## **12. Financial Support for the Activities of the Committees**

12.1. The Committees shall prepare draft budgets for the corporate year and submit them for approval to the Company's Board of Directors.

12.2. To facilitate the Committees' formation of the expenditure part of the Company's budget, a separate item of expenses shall be provided. The expenses of the Committees shall, in particular, include remuneration of the chairmen, members and secretaries of the Committees, compensation for expenses related to the performance of functions of the chairmen, members and secretaries of the Committees, expenses for external consultants (experts) engaged by the Committees, administrative and other expenses.

12.3. By resolution of the Board of Directors, members of the Committees who are not members of the Board of Directors may be paid an annual remuneration calculated in accordance with the Regulations on Remuneration and Compensation for Members of the Board of Directors of PJSC TransContainer

12.4. The amount of the annual remuneration paid to the secretary of the Committee shall be determined by the relevant Committee based on the evaluation of the performance of the secretary of the Committee for the corporate year.

12.5. The performance of the Secretary of the Committee for the corporate year shall be evaluated by each member of the relevant Committee filling in an evaluation sheet in accordance with the Appendix to these Regulations.

12.6. Annual remuneration of the Secretary of the Committee (*S year*) shall be calculated according to the following formula:

$S year = 20\,000 * Nm * R$ , where

20,000 - the basis for calculating the amount of the annual remuneration.

*Nm* - the number of meetings of the Committee, at which the secretary of the Committee performed his functions.

*R* - ratio considering the aggregated results of the evaluation of the performance of the Secretary of the Committee on the basis of completed evaluation sheets.

The *R ratio* shall be equal to:

1.5 - if the average score obtained as a result of evaluating the performance of the Secretary of the Committee is from 4.5 to 5 points.

1 - if the average score obtained as a result of evaluating the performance of the Secretary of the Committee is from 4 to 4.49 points

0.65 - if the average score obtained as a result of evaluating the performance of the Secretary of the Committee is from 3 to 3.99 points.

0 - if the average score obtained as a result of evaluating the performance of the Secretary of the Committee is 2.99 points or less.

12.7. If a person is a secretary in several Committees, the annual remuneration shall be calculated and paid for work in each Committee.

12.8. Annual remuneration to members of the Committees who are not members of the Board of Directors shall be paid within a month after the meeting of the Board of Directors, at which the relevant decision was made.

12.9. Annual remuneration to the secretaries of the Committees shall be paid within a month after the meeting of the Committee, at which the relevant decision was made.

12.10. The annual remuneration for work in the Committee shall not be paid to the Secretary of the Committee, if he is also the Corporate Secretary of the Company.

12.11. The amount and procedure for spending the Committees' budgets on the involvement of external consultants (experts) shall be determined by the resolutions of the Committees.

12.12. The Committees shall fulfill the budgets of the Committees approved by the Company's Board of Directors, shall be responsible for the timely and high-quality formation of their budget and the targeted use of budgetary funds.



### **13. Final Provisions**

13.1. These Regulations shall be approved by the Company's Board of Directors. Proposals for amendments to these Regulations shall be prepared involving the Committees.

13.2. Amendments to these Regulations shall be made by resolution of the Company's Board of Directors.

Appendix to the Regulations of Committees of  
the Board of Directors of PJSC TransContainer

**Evaluation Sheet for the Performance of the Secretary of the Committee in the Corporate Year**

1) The Secretary of the Committee provides advice and recommendations on issues of corporate governance, legal requirements and internal regulations of the Company to the members of the Committee.

| <i>Points</i> | <i>Evaluation</i>       |
|---------------|-------------------------|
| 1             | <i>totally disagree</i> |
| 2             | <i>disagree</i>         |
| 3             | <i>partly agree</i>     |
| 4             | <i>agree</i>            |
| 5             | <i>absolutely agree</i> |

2) The Secretary of the Committee monitors compliance with the law, principles of corporate governance, the Articles of Association and internal regulations of the Company in the course of activities of the Committee.

| <i>Points</i> | <i>Evaluation</i>       |
|---------------|-------------------------|
| 1             | <i>totally disagree</i> |
| 2             | <i>disagree</i>         |
| 3             | <i>partly agree</i>     |
| 4             | <i>agree</i>            |
| 5             | <i>absolutely agree</i> |

3) The Secretary of the Committee coordinates the operational exchange of information between the members of the Committee, the President, the Corporate Secretary and the heads of the structural divisions of the Company, as well as effective communication within the Committee.

| <i>Points</i> | <i>Evaluation</i>       |
|---------------|-------------------------|
| 1             | <i>totally disagree</i> |
| 2             | <i>disagree</i>         |
| 3             | <i>partly agree</i>     |
| 4             | <i>agree</i>            |
| 5             | <i>absolutely agree</i> |

4) The Secretary of the Committee procures that the meetings of the Committee are prepared and held effectively and efficiently.

| <i>Points</i> | <i>Evaluation</i>       |
|---------------|-------------------------|
| 1             | <i>totally disagree</i> |
| 2             | <i>disagree</i>         |
| 3             | <i>partly agree</i>     |
| 4             | <i>agree</i>            |
| 5             | <i>absolutely agree</i> |

5) The Secretary of the Committee has the knowledge, experience and qualifications sufficient to perform the duties assigned to him.

| <i>Points</i> | <i>Evaluation</i>       |
|---------------|-------------------------|
| <i>1</i>      | <i>totally disagree</i> |
| <i>2</i>      | <i>disagree</i>         |
| <i>3</i>      | <i>partly agree</i>     |
| <i>4</i>      | <i>agree</i>            |
| <i>5</i>      | <i>absolutely agree</i> |

*The final score for this evaluation sheet is calculated as the sum of the scores received on all questions of the evaluation sheet, divided by 5 (five) and is \_\_\_\_\_.*

**Committee Member** \_\_\_\_\_ / \_\_\_\_\_  
(signature) (Full name)