

APPROVED

By decision of the of the Board of Directors
PJSC «TransContainer»
of 21.01.2015 (minutes no. 7)

REGULATION
on the Internal Audit Service
PJSC «TransContainer»

1. General provisions

1.1. The Regulation on the Internal Audit Service has been elaborated in accordance with the laws of Russian Federation, Articles of PJSC «TransContainer» (hereinafter referred to as Company), Regulation on the Board of Directors of PJSC «TransContainer» (hereinafter referred to as Board of Directors), Regulation on the Audit Committee of PJSC «TransContainer» (hereinafter referred to as Audit Committee).

1.2. This Regulation determines the scopes, objectives and authorities of the Internal Audit Service of PJSC «TransContainer» (hereinafter referred to as Service), the rights and liabilities of the Service officers and the subordination of Service.

1.3. The Service is a structural subdivision of Company.

1.4. The Service is instituted by the Company Director General based on the decision of the Board of Directors in order to assist the Board of Directors and the executive bodies in raising the efficiency of management, improvement of its financial-economic activity by systematic and successive approach to the analysis and evaluation of risk management and internal control systems and corporate management systems in order to provide reasonable confidence in attaining the Company's scopes.

1.5. In its activity the Service shall be guided by the principles of independence and objectiveness, by thus Regulation, by the laws of Russian Federation, by the Regulation on the Audit Committee of PJSC «TransContainer», decisions Of the General Assembly of Shareholders and of the Board of Directors, by the Company's internal normative documents, by the activity standards of internal auditors determined by the International Professional Standards of Internal Audit and Ethic Code of the Institute of Internal Auditors.

2. Service functions

2.1. The Service performs the following functions:

2.1.1. Evaluation of efficiency of Company's internal control system and its subsidiary companies (hereinafter referred to as SC) and elaboration of respective recommendations based on the results of such evaluation.

Evaluation is done in the following directions:

Efficiency and results of Company's financial-economic activity;

Integrity of Company's assets;

Authenticity of Company's financial reports;

Compliance of Company's activities with the laws of Russian Federation, internal organizational and dispositive documents and standards.

2.1.2. Evaluation of efficiency of Company's risk management system and its SC, elaboration of relevant recommendations based on the results of such evaluation;

2.1.3. Evaluation of Company's corporate management;

2.1.4. Providing assistance to the executive authorities and Company officers in the elaboration and monitoring of procedures and activities relating to the improvement of risk management, internal control and corporate management systems in the Company;

2.1.5. Coordination of activities with the Company's external auditor and the persons providing consulting services in risk management, internal control and corporate management;

2.1.6. Elaboration and submission of activity reports to the Board of Directors and executive bodies (including reports containing information on significant risks, gaps, results and efficiency of measures aimed at eliminating the identified risks, progress of activity plan, results of evaluation of existing situation, reliability and efficiency of risk management, internal control and corporate management systems in the Company);

2.1.7. Elaboration and submission of proposals for examination to the Company Director General on the elimination and prevention of identified drawbacks in the production and financial-economic activity, as well as proposals on bringing the responsible persons to disciplinary, material and other liability in the manner provided in the applicable laws of Russian Federation and the Company's internal normative documents;

2.1.8. Participation in workgroups, commissions, committees and other consulting activities organized in the Company with no voting rights;

2.1.9. Elaboration of draft annual activity plans for the Service, including the plans of verification of production and financial-economic activity (taking into consideration the recommendations of Company Director General) and their submission to the Audit Committee for coordination and to the Board of Directors for approval;

2.1.10. Execution of certain tasks of the Audit Committee, of the Board of Directors and Director General within its limits of competence.

3. Rights of the Service

3.1. For the proper exercise of its functions the Service shall have the following rights:

3.1.1. to request from the Company's officers and employees and/or SCs any information on the Company's activities and/or the activities of SCs necessary for the proper performance of job duties by the Service officers;

3.1.2. to access freely any of the Company assets, documents, accounting records and other information relating to the Company's activity and activity of its

SCs (except for the cases expressly provided by the applicable laws of Russian Federation, articles and internal normative documents of Company (SCs));

3.1.3. to involve the Company's officers and external experts in the audits, as agreed with the Director General;

3.1.4. to apply for consultations to the Company's external auditor, except for the cases expressly provided by the applicable laws of Russian Federation, by the Company's Articles and internal normative documents;

3.1.5. to inform the Director General and the Audit Committee of any obstacles imposed by the Company's officers and employees impeding the proper exercise of job duties by the Service officers.

4. Accountability and assurance of independence. Organizational structure of Service

4.1. The Service is headed by the Service chief.

4.2. In order to provide for the principle of independence and objectiveness the Service is accountable to the Audit Committee, Board of Directors and is administratively subordinated to the Company's Director General.

4.3. The Service chief is appointed and removed from office by the decision of the Board of Directors adopted by a majority of its votes present at the meeting, based on the recommendation of the Audit Committee.

4.4. The labor contract with the Service chief is signed by the Company Director on the conditions determined by the Audit Commission.

4.5. The Service chief shall submit quarterly reports on the results of its activity during the reported period and on the status of internal control and risk management systems in the Company.

4.6. The Service chief shall participate in the meetings of the Audit Committee if invited by the Chairman of the Audit Committee.

4.7. In the absence of the Service chief or in case of his/her incapacity to act his job duties shall be exercised by the deputy chief of Service.

4.8. The staffing scheme and the organizational structure of Service are adopted by the order of Company at the recommendation of the Audit Committee.

4.9. The Service chief and the Service officers shall meet the following requirements:

a) impeccable reputation;

b) higher economic (financial) and/or higher legal education;

c) not shareholders of Company;

d) not holders of any other offices (except for the offices in the Service) in the Company or any other organizations competing with the Company;

e) not participants to any other activity capable of affecting the impartiality of their evaluations;

e) have no unserved or uncancelled convictions, not subject to administrative sanctions in the form of disqualification.

4.10. Upon appointment of Service chief and officers in their offices one must take into consideration their education, professional experience in the matters of internal control and risk management, as well as other knowledge necessary for the Service chief and officers for the proper exercise of job duties.

4.11. The Service chief must have at least 5 years of professional working experience in his domain of education (law, economics, finance, internal control and/or audit). The Service officers must have at least 3 years of professional working experience in their domains of education.

4.12. The Service officers are appointed in their offices by the Company's Director General based on the recommendations of the Service chief.

5. Responsibility of the Service

5.1. The Service chief and officers when exercising their rights and job duties shall act in the Company's best interests, reasonably and in good faith.

5.2. The Service chief and officers shall not divulge the Company's confidential information and commercial secrets to any third parties or use in their private interests or in the interests of third parties, or any manner prohibited by the applicable laws of Russian Federation.

5.3. The Service chief and officers shall bear the liability provided by the applicable laws of the Russian Federation for the proper exercise of their job duties herein provided, in accordance with the relevant job instructions and Company's internal regulations.
