

## **Dividend Policy REGULATIONS of JSC TransContainer**

### **1. General**

1. These Regulations shall define key principles of dividend policy of JSC TransContainer (hereinafter the ‘Company’), the procedure for making decisions regarding the payment (announcement) of dividends, procedure for calculation, accrual and payment of dividends.

2. These Regulations are developed in accordance with the laws of the Russian Federation, the Articles of Association and internal documents of the Company.

3. The following definitions shall be used for the purposes of these Regulations:

**payment of dividends** — crediting of relevant amounts to the bank account of a person entitled to receive dividends or delivery of cash to a person entitled to dividends;

**person entitled to dividends** — a shareholder that holds shares of relevant category (type) as of the date of issue of the register of persons entitled to participate in the General Meeting of Shareholders that has made a decision regarding the payment (announcement) of dividends on shares of the said category (type), and other persons registered in the shareholders’ register system that are provided with relevant rights on the shares. The said persons shall be included in the special document – register of persons entitled to receive dividends;

**decision to pay (announce) dividends** — a resolution of the General Meeting of Shareholders creating the obligation of the Company to pay dividends to holders of shares of certain categories (types);

**dividend payment period** — the date for performance of the obligation to pay dividends or the time period during which the obligation must be performed. The obligation shall be performed on that date or at any time within the said period.

### **2. Key Dividend Provisions**

1. The dividend is a revenue received by a shareholder from the Company when distributing the profit after taxes (net profit) on shares held by the

shareholder pro rata to the share of the shareholder in the authorized capital of the Company.

2. The Company shall pay only announced dividends. If there is not decision to pay (announce) dividends, the Company may not pay and shareholders may not demand the payment of dividends.

3. Dividends shall be paid in cash form in the currency of the Russian Federation.

4. Shares of the Company that are a underlying asset of any derivatives – depository receipts shall provide to their holders a right to receive dividends in full.

### **3. Principles of the Company's Dividend Policy**

1. The dividend policy of the Company shall be based on the following principles:

- if there is a net profit, the Company shall use a part of the profit for payment of dividends on annual basis using the remaining profit retained by the Company predominantly for performance of the investment program of the Company and payment of financial obligations of the Company payable in the next period;

- observance of the balance of interests between the Company and its shareholders;

- intention to increase the capitalization of the Company and its investment attractiveness;

- observance of rights of shareholders provided for by the laws of the Russian Federation and the best practice of corporate conduct;

- transparency of procedures for defining the amount of dividends and their payment.

2. When defining the amount of dividends recommended to the General Meeting of Shareholders, the Board of Directors shall be based on net profit indicators defined according to data in accounting statements of the Company at the end of the reporting year issued in accordance with requirements of the laws of the Russian Federation in the accounting area.

3. The amount of dividends recommended to the General Meeting of Shareholders shall be defined by the Board of Directors based on financial performance of the Company upon results of the year.

4. The target level of the Company's net profit payable in the form of dividends shall be 25% of the Company's net profit calculated in accordance with

the Russian accounting standards (excluding revenues earned from re-evaluation of financial investments). However, the actual share of the Company's net profit payable in the form of dividends may be less or more than 25% depending of the financial and business performance plan of the Company and recommendations of the Board of Directors of the Company.

5. When preparing recommendations with respect to the size of dividends, the Board of Directors shall take into consideration financial and business performance plans of the Company, the investment program of the Company, the financial obligations performance schedule, and the free cash flow of the Company.

#### **4. Procedure for Making Decisions to Pay Dividends**

1. Decisions to pay (announce) dividends, including decisions regarding the amount of dividends and form of their payment, shall be made by the General Meeting of Shareholders. The amount of dividends may not be less than recommended by the Board of Directors of the Company.

2. The Company may make a decision to pay (announce) dividends on issued shares upon results of the first quarter, six months, nine months of a financial year and/or results of a financial year, unless otherwise prescribed by the Federal Law 'On Joint-Stock Companies'.

3. The resolution to pay dividends shall define:

- category (type) of shares on which dividends are announced;
- amount of dividends per one share of certain category (type) excluding withheld taxes;
- period of payment;
- form of payment.

4. When defining the recommended amount of dividends, the Board of Directors shall be governed by the laws of the Russian Federation, Articles of Association of the Company, these Regulations, and recommendations from committees of the Board of Directors in accordance with their competence.

#### **5. Procedure for Calculation and Accrual of Dividends**

1. The source for payment of dividends shall be the profit of the Company after taxes (net profit) and undistributed profit of previous periods. The net profit of the Company shall be defined based on data of accounting statements of the Company issued in accordance with requirements of the laws of the Russian Federation in the accounting area.

2. Costs relating to the payment of dividends shall be provided for in the budget of the Company for a regular financial year.

3. The dividend shall be set in Russian rubles per one share.

4. The dividend amount shall be defined with the accuracy of one kopeck (to be approximated in accordance with mathematic approximation rules). For these purposes, the mathematic approximation rules shall be understood as an approximation methods when the value of even kopeck (even kopecks) shall not change if the first digit after the approximated one is from 0 to 4 and shall change increasing by one unit if the first digit after the approximated one is from 5 to 9).

5. The amount of dividends accrued to a shareholder shall be defined separately for each category (type) of shares by multiplication of the dividend payable per one share by the number of shares held by the shareholder.

6. No dividend shall be accrued and paid on outstanding shares of the Company owned by the Company and in other events prescribed by the laws of the Russian Federation.

## **6. Dividend Payment Period**

1. The dividend payment period shall be defined by a resolution of the General Meeting of Shareholders. The dividend payment period may not exceed 60 days from the date when it is decided to pay dividends. If no dividend payment period is defined by a resolution of the General Meeting of Shareholders, it shall be 60 days from the date when it is decided to pay dividends. The Company may not provide privileges with respect to the dividend payment period to some holders of shares of one category (type). Announced dividends on shares of each category (type) shall be paid simultaneously to holders of all shares of such category (type).

2. If the last day of the dividend payment period is a non-business day, the final date of the period shall be the next business day.

3. The Company may performed the obligation to pay dividends earlier.

4. The Company may perform the obligation to pay dividends on any day during the interest payment period.

5. If announced dividends are not paid within the prescribed period, a shareholder may initiate a lawsuit to collect from the Company the amount of dividends payable to it and the interest for delay in performance of payment obligation based on Article 395 of the Civil Code of the Russian Federation. The

interest shall be accrued for a period of such delay in payment of dividends counting from the date following the final date of the dividend payment period.

## **7. Dividend Payment Procedures**

1. Based on the list of persons entitled to receive revenues from securities, as provided by the registrar, the Company shall ensure the performance of its obligations to pay dividends via crediting relevant amounts to bank accounts of persons entitled to receive revenues from securities.

2. A person registered with the register of shareholders of the Company shall inform the registrar of the Company in due time of any changes in data contained in the register of shareholders. If such person fails to provide information about changes in its data, the Company and the registrar shall not be liable for losses caused in this connection.

## **8. Dividend Payment Limitations**

1. When making a decision to pay (announce) dividends on shares and paying dividends on shares, the Company shall be governed by limitations prescribed by the laws of the Russian Federation.

2. If there are any circumstances provided for by the laws of the Russian Federation, when the Company may not pay dividends declared on shares, the Company shall suspend the payment of dividends. The suspension of the payment in the said events shall not deprive shareholders of the right to receive announced dividends after termination of circumstances preventing from their payment. After termination (elimination) of such circumstances, the Company shall pay announced dividends to shareholders within a reasonable time.

## **9. Notification of Shareholders Regarding the Payment of Dividends**

1. The Company shall publish at the website of the Company on the Internet:

- dividend policy of the Company;
- decisions of the General Meeting of Shareholders to pay dividends;
- information about the amount, period and form of dividend payment.

2. The Company shall also disclose information about the announcement and payment of dividends in the form of notices of material facts.