

THE CORPORATE GOVERNANCE CODE COMPLIANCE REPORT INCLUDED IN THE TRANSCONTAINER'S ANNUAL REPORT FOR 2020

No.	Corporate governance principles	Criteria for evaluating compliance with corporate governance principles	Status ¹ of compliance with corporate governance principles	Explanations ² of deviations from criteria for evaluating compliance with corporate governance principles
1.1.	The Company must ensure equal and fair treatment of all shareholders as they exercise their right to participate in the governance of the Company.			
1.1.1	The Company shall create the most advantageous conditions for shareholders to participate in the General Meeting of Shareholders; conditions to enable the development of well-founded positions on agenda items at the General Meeting of Shareholders; coordination of their actions; and the opportunity to express their opinion on the issues under consideration.		Compliant	
		1. The Company's internal document approved by the general meeting of shareholders that governs the procedures for conducting the general meeting is openly available.	Compliant	
		2. The Company provides an accessible means of communicating with the Company such as a hotline, an email address or an internet forum, through which shareholders can express their opinion and submit questions on the agenda during preparations for the general meeting. The Company took these actions on the eve of each General Meeting held during the reporting period.	Compliant	
1.1.2	The procedure for notification of the general meeting and for submitting information to the general meeting shall enable shareholders to prepare properly for participation in it.		Compliant	
		1. The notification of the general meeting of shareholders was posted (published) on the website at least 30 days before the date of the general meeting.	Compliant	
		2. The notification of the General Meeting indicated the location of the meeting and the documents necessary for admission to the premises.	Compliant	
		3. Information on who proposed agenda items and who nominated candidates for the Company's Board of Directors and Revision Commission was provided to shareholders.	Compliant	

¹ The "Compliant" status is indicated only if the Company meets all the criteria for assessing compliance with corporate governance principles. Otherwise, the "Partially compliant" or "Not compliant" status is indicated.

² These statuses are assigned for each criterion that is used to assess compliance with corporate governance principles if the Company meets only part of the criteria or does not meet any of the criteria for assessing compliance with the principle. If the Company has indicated the "Compliant" status, then no further explanations are required.

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1.1.3	During preparations for the general meeting of shareholders and at the meeting itself, shareholders were given timely and unhindered access to information and materials on the meeting, and the opportunity to submit questions to the Company's executive bodies and members of the Board of Directors and to communicate with each other.		Compliant	
		1. During the reporting period, shareholders were able to submit questions to the Company's executive bodies and members of the Board of Directors before and during the annual general meeting.	Compliant	
		2. The positions of the Board of Directors (including special opinions included in the minutes) on each agenda item for general meetings conducted during the reporting period were included in the materials for the general meeting of shareholders.	Compliant	
		3. The Company provided access to the list of persons having the right to participate in the general meeting to all entitled shareholders, from the date on which this list was received by the Company, in all cases where general meetings were held during the reporting period.	Compliant	
1.1.4	The exercising by a shareholder of the right to call a general meeting, to nominate candidates for executive bodies and to make suggestions for inclusion on the agenda for a general meeting shall not entail undue difficulties.		Compliant	
		1. During the reporting period, shareholders were able to submit proposals for inclusion on the agenda of the annual general meeting for at least 60 days after the end of the relevant calendar year.	Compliant	
		2. During the reporting period, the Company did not refuse to accept proposals from a shareholder on the agenda or candidates for corporate bodies due to typographical errors or other insignificant shortcomings in the shareholder's proposals.	Compliant	
1.1.5	Each shareholder shall be able to exercise their right to vote simply and conveniently without impediment.		Compliant	
		1. The Company's internal document (Internal Policy) contains provisions according to which each participant in a general meeting may request a copy of the ballot, which he/she filled out, certified by the Ballot Committee, before the end of the meeting.	Compliant	

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1.1.6	The procedure established by the Company for conducting a general meeting shall ensure that all persons present at the meeting have the equal right to express their opinion and ask questions of interest to them.		Compliant	
		1. At general meetings of shareholders held during the reporting period in the form of a meeting (with shareholders jointly present), sufficient time was provided for listening to reports on agenda items and discussing these items.	Compliant	
		2. Issues outside the scope of the Work Schedule included preliminary consideration of nominees to the subsidiaries' governance bodies, structure of management remuneration, market research to determine management remuneration levels among transport sector peers, and participation of members of the Board of Directors in professional development programmes for Directors.	Compliant	
		3. When making decisions relating to preparing for and holding general meetings of shareholders, the Board of Directors examined the issue of using telecommunications technologies to provide shareholders with remote access to general meetings during the reporting period.	Compliant	
1.2	Shareholders shall be provided with equal and fair opportunities to share in the Company's profits by receiving dividends.			
1.2.1	The Company has developed and introduced a transparent and understandable mechanism for determining and paying dividends.		Partially compliant	
		1. A Dividend Policy has been developed by the Company, approved by the Board of Directors and disclosed.	Compliant	
		2. If the Company's Dividend Policy uses the Company's reporting indicators to determine the amount of dividends, the corresponding provisions of the Dividend Policy account for consolidated financial statement indicators.	Not compliant	The TransContainer's Dividend Policy provides for dividend payouts as a percentage of the Company's net profit under RAS (net of income from the revaluation of financial investments). The Dividend Policy had been developed by the Company before the issue of the Corporate Governance Code recommended by the Bank of Russia and was in line with dividend calculation practices adopted by Russian Railways. The target dividend payout ratio is 25% of the Company's net profit under RAS, but in the reporting period, a total of 78.4% of net profit for 2020 was paid out as dividends, which is more than 85% of net profit under IFRS.
1.2.2	The Company makes no decisions to pay dividends, if such a decision, although not formally in violation of legal requirements, is not economically justified and may lead to a false impression of the Company's operations.		Compliant	
		1. The Company's Dividend Policy contains clear instructions on the financial and economic circumstances, under which the Company shall not pay dividends.	Compliant	

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1.2.3	The Company does not permit the degradation of the dividend rights of existing shareholders.	1. During the reporting period, the Company did not take actions leading to the degradation of the dividend rights of existing shareholders.	Compliant	
1.2.4	The Company will strive to prevent the use of methods for gaining profit (earnings) by shareholders at the Company's expense other than dividends and liquidation value.	To prevent the use of methods for gaining profit (earnings) by shareholders at the Company's expense other than dividends and liquidation value, the Company's internal documents have established controls that ensure timely identification and a procedure for approval of transactions with persons affiliated (associated) with significant shareholders (persons entitled to cast votes attached to voting shares) in cases where the law does not formally recognise such transactions as related party transactions.	Not compliant	Since no transactions have been identified in the course of audits and reviews of the Company, its internal documents do not provide for controls that ensure timely identification and a procedure for approval of transactions with persons affiliated (associated) with significant shareholders (persons entitled to cast votes attached to voting shares) in cases where the law does not formally recognise such transactions as related party transactions. In transactions with persons affiliated (associated) with significant shareholders (persons entitled to cast votes attached to voting shares), the Company complies with the Russian law. Currently, the Company does not recognise the need for setting up this mechanism. Going forward, if it is reasonably needed, the Company is ready to consider establishing such a mechanism.
1.3	The Corporate Governance system and practice ensure equal conditions for all shareholders – owners of shares of one category (type), including minority shareholders and foreign shareholders, and equal treatment of them by the Company.			
1.3.1	The Company has created conditions for fair treatment of each shareholder by the Company's management and supervisory bodies, including conditions that prevent abuse of minority shareholders by majority shareholders.	1. During the reporting period, procedures for managing potential conflicts of interest among significant shareholders were effective, while the Board of Directors paid proper attention to conflicts between shareholders if such existed.	Compliant	
1.3.2	The Company does not take actions that lead or may lead to an artificial redistribution of corporate control.	1. There was no quasi-reacquired stock, or it was not involved in voting during the reporting period.	Compliant	
1.4	Shareholders have been provided with reliable and effective means for accounting for rights to shares, as well as the opportunity to dispose of the shares belonging to them freely and without encumbrance.			
1.4.1	Shareholders have been provided with reliable and effective means for accounting for rights to shares, as well as the opportunity to dispose of the shares belonging to them freely and without encumbrance.	1. The quality and reliability of the work carried out by the Company's registrar to maintain a register of owners of securities conform to the requirements of the Company and its shareholders.	Compliant	

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2.1				
			Compliant	
2.1.1	The Board of Directors shall be responsible for making decisions about appointments to and dismissals from executive bodies, including due to failure to perform. The Board of Directors shall also exercise control to ensure that the Company's executive bodies act according to the approved Development Strategy and main areas of operations of the Company.	1. The Board of Directors has powers defined in the Charter to appoint, dismiss and determine the terms and conditions of contracts for members of executive bodies. 2. The Board of Directors reviewed the report(s) of the sole executive body and members of the collegial executive body on fulfilment of the Company's strategy.	Compliant	Compliant
2.1.2	The Board of Directors shall define the benchmarks for the Company's operations over the long term; evaluate and approve key performance indicators and the primary business goals of the Company, and assess and approve the Strategy and Business Plans for the Company's primary operations.	1. Issues relating to the fulfilment and updating of the Strategy, approval of the Company's financial and business plan (budget), and criteria and indicators (including intermediate indicators) for implementation of the Company's Strategy and Business Plan, were reviewed at meetings of the Board of Directors during the reporting period.	Compliant	Compliant
2.1.3	The Board of Directors shall define the principles and approaches to the Company's risk management and internal control system.		Compliant	
2.1.3		1. The Board of Directors has defined the principles and approaches to the Company's risk management and internal control system. 2. The Board of Directors has evaluated the Company's risk management and internal control system during the reporting period.	Compliant	Compliant
2.1.4	The Board of Directors shall define the Company's policy on remuneration and/or reimbursement of expenses of the members of the Board of Directors, executive bodies and other key managers of the Company.	1. The Policy (policies) on remuneration and reimbursement of expenses of the members of the Board of Directors, executive bodies and other key managers of the Company was developed, approved by the Board of Directors and introduced. 2. Issues relating to this Policy (policies) were reviewed at meetings of the Board of Directors during the reporting period.	Compliant	Compliant
2.1.5	The Board of Directors shall play a key role in preventing, identifying and regulating internal conflicts between the Company's bodies, shareholders and employees.		Compliant	
2.1.5		1. The Board of Directors plays a key role in preventing, identifying and regulating internal conflicts. 2. The Company has created a system for identifying transactions involving a conflict of interest and a system of measures aimed at resolving such conflicts.	Compliant	Compliant

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2.1.6	The Board of Directors shall play a key role in ensuring the transparency of the Company, timely and complete disclosure of information by the Company and the unhindered access of shareholders to the Company's documents.		Compliant	
		1. The Board of Directors has approved the Regulations on information policy.	Compliant	
		2. The Company has assigned the persons responsible for implementing the information policy.	Compliant	
2.1.7	The Board of Directors shall exercise oversight of Corporate Governance practice in the Company and play a key role in significant corporate events.		Compliant	
		1. The Board of Directors has reviewed the issue of Corporate Governance practice in the Company during the reporting period.	Compliant	
2.2 The Board of Directors shall be accountable to the Company's shareholders.				
2.2.1	Information on the work of the Board of Directors is disclosed and provided to shareholders.		Partially compliant	
		1. The Company's Annual Report for the reporting period includes information on the attendance of individual Directors at meetings of the Board of Directors and its Committees.	Compliant	
		2. The Annual Report contains information on main results of the assessment of the Board of Directors' work conducted during the reporting period.	Not compliant	Due to the change in the shareholding structure in the reporting year and the subsequent complete renewal of the Company's Board of Directors before the end of the corporate year, the performance of the Board of Directors has not been evaluated. Self-assessment of the work of the Company's Board of Directors for 2020/2021 corporate year is planned in 2021
2.2.2	The Chairman of the Board of Directors shall be accessible for communication with the Company's shareholders.		Compliant	
		1. The Company has a transparent procedure enabling shareholders to submit questions and their positions on them to the Chairman of the Board of Directors.	Compliant	
2.3 The Board of Directors is an effective and professional management body of the Company, capable of making objective, independent judgements and decisions meeting the interests of the Company and its shareholders.				
2.3.1	Only persons with impeccable business and personal reputations, having the knowledge, skills and experience necessary for making decisions under the purview of the Board of Directors and required for the effective performance of its functions shall be selected as members of the Board of Directors.		Compliant	
		1. The Company's procedure for evaluating the performance of the Board of Directors includes an assessment of the professional qualifications of the Board members.	Compliant	
		2. During the reporting period, the Board of Directors (or its Nomination Committee) evaluated candidates for the Board of Directors from the viewpoint of whether candidates possess the necessary experience, knowledge, business reputation, lack of conflicts of interest, etc.	Compliant	

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2.3.2	Members of the Company's Board of Directors shall be elected by a transparent procedure that enables shareholders to obtain sufficient information on the candidates to gain an idea of their personal and professional qualities.	At all general meetings of shareholders during the reporting period for which the agenda included items regarding the election of the Board of Directors, the Company provided shareholders with biographical information on all candidates for the Board of Directors, the results of the evaluation of such candidates conducted by the Board of Directors (or its Nomination Committee), and information about whether the candidates met the independence criteria, according to recommendations 102-107 of the Code and the written consent of the candidates for the Board of Directors.	Compliant	
2.3.3	The membership of the Board of Directors shall be balanced, including in terms of the qualifications of its members, their experience, knowledge and business qualities, and have the trust of the shareholders.	1. As part of the procedure for evaluating the work of the Board of Directors during the reporting period, the Board of Directors has analysed its own needs in terms of professional qualifications, experience and business skills.	Not compliant	Due to the change in the shareholding structure in the reporting year and the subsequent complete renewal of the Company's Board of Directors before the end of the corporate year, the performance of the Board of Directors has not been evaluated. Self-assessment of the work of the Company's Board of Directors for 2020/2021 corporate year is planned in 2021. However, the analysis of professional qualifications, experience, knowledge and business qualities was carried out as part of the consideration of including candidates nominated by TransContainer shareholders in the list of candidates for voting
2.3.4	The quantitative composition of the Company's Board of Directors shall make it possible to organise the activity of the Board of Directors in the most efficient manner, including the ability to establish Committees of the Board of Directors, and shall also enable significant minority shareholders of the Company to elect the candidate they vote for to the Board of Directors.	1. As part of the procedure for evaluating the Board of Directors carried out during the reporting period, the Board of Directors has reviewed the issue of the conformity of the quantitative composition of the Board of Directors to the needs of the Company and the interests of its shareholders.	Not compliant	Due to the change in the shareholding structure in the reporting year and the subsequent complete renewal of the Company's Board of Directors before the end of the corporate year, the performance of the Board of Directors has not been evaluated. Self-assessment of the work of the Company's Board of Directors for 2020/2021 corporate year is planned in 2021.

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2.4	The Board of Directors shall include a sufficient number of independent Directors.			
2.4.1	An independent Director is a person who has sufficient professionalism, experience and independence to determine his or her own position, who is capable of making objective and conscientious judgements that are independent of the influence of the Company's executive bodies, groups of shareholders or other interested parties. It must be noted here that, under normal conditions, a candidate (elected member of the Board of Directors) who is connected to the Company, a significant shareholder, significant contractual counterparty or competitor of the Company, or who has connections to the Government, cannot be deemed independent.		Compliant	
		1. During the reporting period, all independent members of the Board of Directors met all criteria indicated in recommendations 102-107 of the Code or were declared independent by the decision of the Board of Directors.	Compliant	
2.4.2	The conformity of the candidates for the Board of Directors to the independence criteria shall be evaluated, and the conformity of independent members of the Board of Directors to the independence criteria shall be analysed regularly. Content must take precedence over form when conducting such an evaluation.		Compliant	
		1. During the reporting period, the Board of Directors (or the Nomination Committee of the Board of Directors) formed an opinion of the independence of each candidate for the Board of Directors and submitted its conclusions to the shareholders.	Compliant	
		2. During the reporting period, the Board of Directors (or the Nomination Committee of the Board of Directors) reviewed the independence of the current members of the Board of Directors, whom the Company lists as independent Directors in the Annual Report, at least once.	Compliant	
		3. The Company has developed procedures defining the necessary actions of a member of the Board of Directors in the event that he or she ceases to be independent, including the responsibility to inform the Board of Directors of this fact in a timely manner.	Compliant	
2.4.3	At least one-third of the elected members of the Board of Directors shall be independent Directors.		Not compliant	
		1. At least one-third of the members of the Board of Directors shall be independent Directors.	Not compliant	In 2020 the Company's Board of Directors included four independent Directors. By the decision of the sole shareholder dated 25 November 2020, a new Board of Directors of the Company was elected. It included two members of the Board of Directors meeting the criteria of independence

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2.4.4	Independent directors shall play a key role in preventing internal conflicts in the Company and in material corporate actions by the Company.	1. Independent directors (who have no conflict of interest) assess in advance material corporate actions involving potential conflicts of interest, and the results of this assessment are submitted to the Board of Directors.	Partially compliant	As no material corporate actions involving potential conflicts of interest were identified, independent Directors did not perform this procedure in the reporting period. If they arise, independent Directors will be able to assess material corporate actions involving potential conflicts of interest in advance and provide the results of such an assessment to the Board of Directors. In practice, independent Directors state their opinion on the approval of material corporate actions before and at the meeting of the Board of Directors. Material corporate actions are also considered at meetings of the Board Committees, which include independent Directors. Currently, the Company does not recognise the need for setting up this mechanism. Going forward, if it is reasonably needed, the Company is ready to consider establishing such a mechanism.
2.5	The Chairman of the Board of Directors shall promote the most efficient exercise of the functions assigned to the Board of Directors.			
2.5.1	An independent Director shall be elected as the Chairman of the Board of Directors, or a senior independent Director shall be determined from among the elected independent Directors to coordinate the work of the independent Directors and interact with the Chairman of the Board of Directors.	1. The Chairman of the Board of Directors is an independent director, or a senior independent director has been determined from among the independent Directors.<3>	Compliant	On 27 November 2020, the Board of Directors deemed two directors to be independent ones and determined the senior independent director. The number of independent directors allowed to elect a senior independent director among them. The Chairman of the Board of Directors is a representative of a substantial shareholder of the Company
		2. The role, rights and responsibilities of the Chairman of the Board of Directors (and the senior independent Director, if applicable) are properly defined in the Company's internal documents.	Compliant	
2.5.2	The Chairman of the Board of Directors shall ensure a constructive atmosphere for conducting meetings, free discussion of the issues on the meeting agenda and oversight of the fulfilment of decisions made by the Board of Directors.	1. The performance of the Chairman of the Board of Directors has been evaluated as part of the procedure for evaluating the performance of the Board of Directors during the reporting period.	Not compliant	Due to the change in the shareholding structure in the reporting year and the subsequent complete renewal of the Company's Board of Directors before the end of the corporate year, the performance of the Board of Directors has not been evaluated. Self-assessment of the work of the Company's Board of Directors for 2020/2021 corporate year is planned in 2021.

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2.5.3	The Chairman of the Board of Directors shall take the steps necessary to provide members of the Board of Directors with the information required to make decisions on agenda items in a timely manner.		Compliant	
		1. The obligation of the Chairman of the Board of Directors to take the steps necessary to provide members of the Board of Directors with the information required to make decisions on agenda items for a meeting of the Board of Directors in a timely manner is specified in the Company's internal documents.	Compliant	
2.6	The members of the Board of Directors shall act conscientiously and reasonably in the interests of the Company and its shareholders on the basis of sufficient information, and act with due diligence and prudence.			
2.6.1	Members of the Board of Directors shall make decisions on the basis of all information available, without conflicts of interest, with consideration of the equal treatment of the Company's shareholders, within the scope of normal business risk.		Compliant	
		1. The Company's internal documents specify that a member of the Board of Directors is obliged to notify the Board of Directors if he or she has a conflict of interest concerning any agenda item of a meeting of the Board of Directors or Committee of the Board of Directors before discussion of the applicable agenda item begins.	Compliant	
		2. The Company's internal documents specify that a member of the Board of Directors must abstain from voting on any issue with which he or she has a conflict of interest.	Compliant	
		3. A procedure has been established in the Company, which enables the Board of Directors to obtain professional advice on issues under its jurisdiction, at the Company's expense.	Compliant	
2.6.2	The rights and responsibilities of members of the Board of Directors are clearly stated in the Company's internal documents.		Compliant	
		1. The Company has adopted and published a regulation that clearly defines the rights and responsibilities of members of the Board of Directors.	Compliant	
2.6.3	Members of the Board of Directors shall have sufficient time to fulfil their obligations.		Partially compliant	
		1. Individual attendance at meetings of the Board and its Committees, as well as the time devoted to preparing for participation in meetings, have been considered in the process of evaluating the Board of Directors in the reporting period.	Not compliant	Due to the change in the shareholding structure in the reporting year and the subsequent complete renewal of the Company's Board of Directors before the end of the corporate year, the performance of the Board of Directors has not been evaluated. Self-assessment of the work of the Company's Board of Directors for 2020/2021 corporate year is planned in 2021.
		2. According to the Company's internal documents, members of the Board of Directors are obliged to notify the Board of Directors of their intent to become members of governance bodies of other entities (other than entities controlled by the Company and its subsidiaries), as well as of the fact of such appointment.	Compliant	

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2.6.4	All members of the Board of Directors shall have equal access to the Company's documents and information. Newly elected members of the Board of Directors are provided with sufficient information on the Company and on the work of the Board of Directors as quickly as possible.	1. According to the Company's internal documents, members of the Board of Directors have the right to access documents and to ask questions about the Company and its subsidiaries, while the Company's governance bodies are obliged to provide the applicable information and documents. 2. The Company has a formalised induction programme for newly elected members of the Board of Directors.	Compliant	
2.7	Meetings of the Board of Directors, preparation for them and participation in them by members of the Board of Directors shall ensure the effective functioning of the Board of Directors.			
2.7.1	Meetings of the Board of Directors shall be held as necessary, depending on the scale of operations and the tasks facing the Company in a given period.	1. The Board of Directors held at least six meetings in the reporting year.	Compliant	Compliant
2.7.2	The Company's internal documents shall define the procedure of preparing for and holding meetings of the Board of Directors ensuring that the members of the Board of Directors are able to prepare for them properly.	1. The Company has approved an internal document on the procedure for preparing for and holding meetings of the Board of Directors specifying, among others, that notification of a meeting shall be usually provided at least five days in advance.	Compliant	Compliant
2.7.3	The format of the Board of Directors' meeting shall be determined taking into account the importance of the agenda items. Decisions on the most important issues shall be taken at in-person meetings.	1. The Company's Charter or a regulation stipulates that the most important issues (according to the list provided in Recommendation 168 of the Code) shall be reviewed at in-person meetings of the Board.	Compliant	Compliant
2.7.4	Decisions on the most important issues of the Company's operations shall be made at meetings of the Board of Directors by a qualified majority or majority of votes of all elected members of the Board of Directors.	1. The Company's Charter stipulates that decisions on the most important issues listed in Recommendation 170 of the Code shall be made at meetings of the Board of Directors by a qualified majority of at least three-quarters of the votes, or by a majority of the votes of all elected members of the Board of Directors.	Compliant	Compliant

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2.8	The Board of Directors shall establish Committees for a preliminary review of the most important issues of the Company's operations.			
2.8.1	The Audit Committee consisting of independent directors shall be created for a preliminary review of matters related to the financial and business operations of the Company.		Partially compliant	
		1. The Board of Directors has created the Audit Committee consisting of independent directors only.	Not compliant	Before 27 March 2020, the Audit Committee had three independent directors. As at the end of 2020, the Company's Audit Committee had one independent director. The Board of Directors seeks to maximise the involvement of independent directors in its Committees. While composing its Committees, the Board of Directors takes into account the Director' independence along with expertise, experience, and desire to work in a certain committee, which makes his/her engagement in the Audit Committee's work more effective.
		2. The Company's internal documents define the tasks of the Audit Committee, including the tasks listed in Recommendation 172 of the Code.	Compliant	
		3. At least one member of the Audit Committee, who is an independent Director, has knowledge and experience in preparing, analysing, assessing and auditing the accounting (financial) statements.	Compliant	
		4. Meetings of the Audit Committee were held at least once per quarter during the reporting period.	Compliant	
2.8.2	The Remuneration Committee consisting of independent directors and headed by an independent director who is not the Chairman of the Board of Directors shall be created for a preliminary review of issues relating to the establishment of an effective and transparent remuneration practice.		Partially compliant	
		1. The Board of Directors created the Remuneration Committee consisting of independent directors only	Not compliant	Before 27 March 2020, the Nominations and Remuneration Committee had four independent directors. As at the end of 2020, the Company's Nominations and Remuneration Committee had one independent director. While composing its Committees, the Board of Directors takes into account the Director' independence along with expertise, experience, and desire to work in a certain Committee, which makes his/her engagement in the Nominations and Remuneration Committee's work more effective.

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		2. The Chairman of the Remuneration Committee is an independent director who is not the Chairman of the Board of Directors.	Not compliant	Between 21 May 2020 and 27 November 2020, the independent Director was the Chairman of the Nominations and Remuneration Committee. Since 27 November 2020, the Chairman of the Nominations and Remuneration Committee of the Company was not qualified as an independent director. The Chairman of the Nominations and Remuneration Committee is a non-executive director and is not a Chairman of the Board of Directors. Though the Chairman of the Nominations and Remuneration Committee was not an independent Director, it did not hinder the Nominations and Remuneration Committee from making objective recommendations for the Board of Directors and completing its tasks and functions.
		3. The tasks of the Remuneration Committee, including the tasks listed in Recommendation 180 of the Code, are defined in the Company's internal documents.	Compliant	
2.8.3	The Nominations Committee (appointments, HR), in which the majority of members are independent directors, shall be created for a preliminary review of issues relating to workforce planning (succession planning) and the professional composition and performance of the Board of Directors.		Partially compliant	
		1. The Board of Directors has created the Nominations Committee (or the tasks indicated in Recommendation 186 of the Code are performed by a different committee <4>), in which the majority of members are independent directors.	Not compliant	The Company has created the Nominations and Remuneration Committee, which completes the tasks similar to those of the Nominations Committee (see the comments to para 2.8.2)
		2. The Company's internal documents define the tasks of the Nominations Committee (or the corresponding committee with combined functions), including the tasks listed in Recommendation 186 of the Code.	Compliant	
2.8.4	In view of the activity scope and risk levels, the Company's Board of Directors shall be confident that the composition of its committees fully matches the goals of the Company's operations. Additional committees shall be either created or declared unnecessary (Strategy Committee, Corporate Governance Committee, Ethics Committee, Risk Management Committee, Budget Committee, HSE Committee, etc.).		Not compliant	
		1. In the reporting period, the Company's Board of Directors has considered the issue of its committees' composition compliance with the tasks of the Board of Directors and the goals of the Company's operations. Additional committees were either created or were not deemed necessary.	Not compliant	Due to the change in the shareholding structure in the reporting year and the subsequent complete renewal of the Company's Board of Directors before the end of the corporate year, the performance of the Board of Directors has not been evaluated. Self-assessment of the work of the Company's Board of Directors for 2020/2021 corporate year is planned in 2021.

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2.8.5	The composition of committees shall be determined so as to enable thorough discussion of the issues under preliminary review, with various opinions considered.	1. The Committees of the Board of Directors are chaired by independent directors.	Partially compliant	Between 21 May 2020 and 27 November 2020, the independent Director was the Chairman of the Nominations and Remuneration Committee. Before 27 March 2020, the Audit Committee is chaired by an independent director. As at the end of 2020, the Strategy Committee and the Nominations and Remuneration Committee are chaired by non-executive directors. The Audit Committee is chaired by the Executive Director. The Company's deviation from this recommendation ensues from the fact that while selecting chairs of the committees, the Board of Directors also pays attention to the relevant expertise, skills and experience of Directors pertinent to the respective committee, as well as their desire to work as a chairman of the respective committee, which makes their engagement in the committee's work more effective.
		2. The Company's internal documents (policies) include provisions according to which persons who are not members of the Audit Committee, Nominations Committee or Remuneration Committee may only attend meetings of these committees at the invitation of the Chairman of the respective committee.	Compliant	
2.8.6	Committee chairs shall regularly inform the Board of Directors and its chair about the work of their committees.	1. Committee chairs regularly informed the Board of Directors about the work of their committees during the reporting period.	Compliant	
			Compliant	

No.	Corporate governance principles	Criteria for evaluating compliance with corporate governance principles	Status ¹ of compliance with corporate governance principles	Explanations ² of deviations from criteria for evaluating compliance with corporate governance principles
2.9	The Board of Directors shall evaluate the performance of the Board of Directors, its Committees and members of the Board of Directors.			
2.9.1	The evaluation of the quality of the Board of Directors' work shall be aimed at determining the performance of the Board of Directors, its committees and members of the Board of Directors, the conformity of their work to the Company's development needs, updating the work of the Board of Directors and determining areas in which their performance can be improved.		Not compliant	
		1. The self-assessment or external evaluation of the work of the Board of Directors conducted during the reporting period included a performance evaluation of committees, individual members of the Board of Directors and the Board of Directors as a whole.	Not compliant	Due to the change in the shareholding structure in the reporting year and the subsequent complete renewal of the Company's Board of Directors before the end of the corporate year, the performance of the Board of Directors has not been evaluated. Self-assessment of the work of the Company's Board of Directors for 2020/2021 corporate year is planned in 2021.
		2. The results of the self-assessment or external evaluation of the work of the Board of Directors conducted during the reporting period were reviewed at an in-person meeting of the Board of Directors.	Not compliant	Due to the change in the shareholding structure in the reporting year and the subsequent complete renewal of the Company's Board of Directors before the end of the corporate year, the performance of the Board of Directors has not been evaluated. Self-assessment of the work of the Company's Board of Directors for 2020/2021 corporate year is planned in 2021.
2.9.2	The work of the Board of Directors, its committees and members of the Board of Directors shall be evaluated regularly, at least once per year. An external entity (consultant) shall be hired to conduct an independent evaluation of the work of the Board of Directors at least once every three years.		Not compliant	
		1. The Company has hired an external entity (consultant) to conduct an independent evaluation of the work of the Board of Directors at least once during the last three reporting periods.	Not compliant	An independent assessment of the quality of the Board of Directors' work is stipulated by internal documents (the Regulation on Assessment of Performance of the Board of Directors and committees of the Board of Directors of TransContainer). The assessment was planned for 2020, but due to the introduction of epidemiological restrictions in the Company, the assessment did not take place.
3.1	The Company's Corporate Secretary is responsible for conducting all ongoing communications with shareholders, coordinating actions to protect the rights and interests of shareholders, and supporting effective action by the Board of Directors.			
3.1.1	The Corporate Secretary has sufficient knowledge, experience and expertise to execute his or her duties. This official enjoys an impeccable reputation and the confidence of shareholders.		Compliant	
		1. The Company has adopted and disclosed a regulation listing provisions on the Corporate Secretary.	Compliant	
		2. The Company's website and Annual Report provide biographical information about the Corporate Secretary with the same level of detail that is afforded to members of the Company's Board of Directors and executive management team.	Compliant	

No.	Corporate governance principles	Criteria for evaluating compliance with corporate governance principles	Status ¹ of compliance with corporate governance principles	Explanations ² of deviations from criteria for evaluating compliance with corporate governance principles
3.1.2	The Corporate Secretary is sufficiently independent of the Company's executive bodies and has been invested with the necessary authority and resources to carry out his or her assigned duties.	1. The Board of Directors approves decisions to appoint and dismiss the Corporate Secretary, as well as all decisions to award additional remuneration to the Corporate Secretary.	Compliant	
4.1 The level of remuneration paid by the Company shall be sufficient to enable it to attract, motivate, and retain employees having the required skills and qualifications. Remuneration shall be paid to Board members, the executive bodies, and other key executives at the Company in accordance with the remuneration policy adopted by the Company.				
4.1.1	The level of remuneration provided by the Company to members of the Board of Directors, executive bodies, and other key executives shall create sufficient incentives for them to work effectively, allowing the Company to attract and retain competent and skilled professionals. This enables the Company to avoid having to pay remuneration that is higher than necessary, and it prevents the emergence of unjustifiably large wage gaps between these officials and the Company's employees.	1. The Company has adopted a regulation (regulations) governing the remuneration policy (policies) for members of the Board of Directors, executive bodies, and other key executives, which clearly define the approaches governing the remuneration of these persons.	Compliant	
4.1.2	The Company's remuneration policy shall be determined by the remuneration committee and approved by the Board of Directors. The Board of Directors, with the support of the Remuneration Committee, shall monitor the introduction and implementation of the Company's remuneration policy, and if necessary review and make adjustments to it.	1. During the reporting period, the Remuneration Committee has reviewed the remuneration policy (policies) and how such policies are implemented in practice, and, when necessary, it has presented appropriate recommendations to the Board of Directors.	Compliant	
4.1.3	The Company's remuneration policy shall contain transparent mechanisms for determining the amount of remuneration paid to members of the Board of Directors, executive bodies and other key executives at the Company, and shall regulate all types of payments, benefits and privileges provided to such persons.	1. The Company's remuneration policy (policies) contains (contain) transparent mechanisms for determining the amount of remuneration paid to members of the Board of Directors, executive bodies and other key executives at the Company, and regulates (regulate) all kinds of payments, benefits and privileges provided to such persons.	Compliant	

No.	Corporate governance principles	Criteria for evaluating compliance with corporate governance principles	Status ¹ of compliance with corporate governance principles	Explanations ² of deviations from criteria for evaluating compliance with corporate governance principles
4.1.4	The Company shall define an expense reimbursement (compensation) policy which enumerates the reimbursable expenses and the level of service for which members of the Board of Directors, Executive Bodies and other key executives at the Company may claim. This policy may be an integral part of the Company's remuneration policy.	1. The policy (policies) on remuneration or the Company's other by-laws establish expense reimbursement rules for members of the Board of Directors, executive bodies and other key executives at the Company.	Compliant	
4.2	The system of remuneration for members of the Board of Directors shall ensure that the financial interests of the Directors are in line with the long-term financial interests of shareholders.			
4.2.1	The Company shall pay an annual base salary to the members of the Board of Directors. The Company shall not pay a fee for participation in individual meetings of the Board or of Board Committees. The Company shall not use forms of short-term motivation or additional material incentives for members of the Board of Directors.	1. An annual base salary was the only form of monetary remuneration that members of the Board of Directors received for their work on the Board during the reporting period.	Compliant	
4.2.2	Long-term ownership of Company shares is the best way to ensure the convergence of the financial interests of the members of the Board of Directors with the long-term interests of shareholders. For this reason, the Company shall not make the right to dispose of shares dependent on the achievement of certain performance results, and members of the Board of Directors do not participate in option programmes.	1. If a regulation (regulations) detailing remuneration policy (policies) include a provision allowing Company's shares to be granted to members of the Board of Directors, then clear rules are stipulated and disclosed regulating the ownership by Board members of those shares, intended to promote the long-term holding of such shares.	Compliant	
4.2.3	The Company shall not provide any additional payments or compensation in the event of the early termination of the authorities of members of the Board of Directors in connection with the transfer of control over the Company or other circumstances.	1. The Company shall not provide any additional payments or compensation in the event of the early termination of the authorities of members of the Board of Directors in connection with the transfer of control over the Company or other circumstances.	Compliant	

No.	Corporate governance principles	Criteria for evaluating compliance with corporate governance principles	Status ¹ of compliance with corporate governance principles	Explanations ² of deviations from criteria for evaluating compliance with corporate governance principles
4.3	The system of remuneration for members of the Executive Bodies and other key executives of the Company shall provide for their remuneration to be dependent on the Company's performance and their personal contributions to achieving it.			
4.3.1	Compensation for members of executive bodies and other key executives at the Company shall be determined in such a way as to ensure a reasonable and justified ratio between base salary and variable remuneration depending on the Company's performance and the personal (individual) contribution of each employee to the final result.		Partially compliant	
		1. During the reporting period, the annual performance indicators approved by the Board of Directors were used to determine the amount of variable compensation awarded to members of executive bodies and other key executives at the Company.	Compliant	
		2. In the course of the last evaluation of the remuneration system for members of executive bodies and other key executives at the Company, the Board of Directors (the Remuneration Committee) confirmed that the Company employed an effective ratio of base salary to variable compensation.	Compliant	
		3. The Company has established a procedure that provides for the reclaim of funds wrongfully obtained by members of executive bodies and other key executives at the Company.	Not compliant	<p>The Regulation on Annual Performance Bonuses to managers of TransContainer's Executive Office does not provide for a procedure to reclaim funds wrongfully obtained by members of executive bodies and other key executives, as no such cases have been identified.</p> <p>The Company has a clear mechanism in place to determine remuneration for members of executive bodies and other executives, eliminating the possibility of unreasonable payments. Should the fact be confirmed, bonus payments wrongfully obtained by members of executive bodies (members of the Executive Board and chief executives) and other key executives of the Company are returned under the applicable Russian laws.</p>

No.	Corporate governance principles	Criteria for evaluating compliance with corporate governance principles	Status ¹ of compliance with corporate governance principles	Explanations ² of deviations from criteria for evaluating compliance with corporate governance principles
4.3.2	The Company shall implement a long-term incentive programme for members of the executive bodies and other key executives of the Company using the Company's shares (or options or other derivative instruments whose underlying asset is Company shares).	<p>1. The Company has implemented a long-term incentive programme for members of the executive bodies and other key executives of the Company using the Company's shares (or financial instruments based on Company shares).</p> <p>2. The long-term incentive programme for members of executive bodies and other key executives at the Company provides that the right to dispose of shares and other financial instruments that are granted within the programme shall not be granted earlier than three years after the date that such shares or instruments are awarded. The right to sell shares shall be conditional upon the Company's achievement of certain performance indicators.</p>	<p>Not compliant</p> <p>Not compliant</p> <p>Not applicable</p>	<p>Currently, the Company does not develop any long-term incentive programme for members of the executive bodies and other key executives of the Company using the Company's shares (or financial instruments based on Company shares). In the future, the Company is considering the possibility of developing such a motivation programme</p>
4.3.3	The amount of compensation (golden parachute) that is paid by the Company in the event of the early termination of the authorities of members of the executive bodies or key executives at the initiative of the Company and in the absence of any unscrupulous actions taken by the executives themselves shall not exceed two times the base salary that is paid as part of the annual compensation package.	<p>1. In the reporting period, the amount of compensation (golden parachute) paid by the Company in the event of the early termination of the authorities of members of the executive bodies or key executives at the initiative of the Company and in the absence of any unscrupulous actions taken by the executives themselves did not exceed two times the base salary paid as part of the annual compensation package.</p>	<p>Compliant</p> <p>Compliant</p>	
5.1	The Company has established the efficient risk management and internal control system designed to provide reasonable assurance in achieving the goals of the Company.			
5.1.1	The Board of Directors shall determine the principles and approaches used to shape the Company's risk management and internal control system.	<p>1. The functions that the Company's various governance bodies and units play in the risk management and internal control systems are clearly defined in the regulations / relevant Company policies approved by the Board of Directors.</p>	<p>Compliant</p> <p>Compliant</p>	
5.1.2	The Company's executive bodies shall ensure the establishment and maintenance of an effective system of risk management and internal control at the Company.	<p>1. The executive bodies of the Company have ensured the distribution of functions and authorities for risk management and internal control between their subordinate managers of units and departments.</p>	<p>Compliant</p> <p>Compliant</p>	

No.	Corporate governance principles	Criteria for evaluating compliance with corporate governance principles	Status ¹ of compliance with corporate governance principles	Explanations ² of deviations from criteria for evaluating compliance with corporate governance principles
5.1.3	The Company's risk management and internal control system shall provide an objective, fair and clear view of the current state and prospects of the Company, the integrity and transparency of the Company's reporting, and the reasonableness and acceptability of the risks taken by the Company.		Compliant	
		1. The Company has approved an anti-corruption policy.	Compliant	
		2. The Company provides an accessible way of notifying the Board of Directors or the Board's Audit Committee about violations of the law, internal procedures or the Company's code of ethics.	Compliant	
5.1.4	The Board of Directors shall take the necessary measures to ensure that the Company's current system of risk management and internal control coincides with the principles and approaches determined by the Board of Directors to ensure the effective organisation and functioning of the system.		Compliant	
		1. During the reporting period, the Board of Directors or the Audit Committee of the Board of Directors evaluated the effectiveness of the Company's risk management and internal control system. Information about the main findings of this evaluation is included in the Company's Annual Report.	Compliant	
5.2	The Company shall organise an internal audit to ensure a systematic, independent evaluation of the reliability and effectiveness of the Company's risk management and internal control system and its corporate governance practices.			
5.2.1	The Company shall create a separate structural unit or contract with an independent external organisation to conduct the internal audit. The internal audit unit has been assigned separate functional and administrative reporting relationships. Functionally, the internal audit function is subordinate to the Board of Directors.		Compliant	
		1. The Company has created a separate structural unit to conduct internal audits that is functionally subordinate to the Board of Directors or the Audit Committee, or it has engaged an independent external organisation with the same subordinate status, to conduct internal audits.	Compliant	
5.2.2	The internal audit unit shall evaluate the effectiveness of the internal control system and assess the effectiveness of the risk management and corporate governance systems. The Company shall apply generally accepted standards in the field of internal auditing.		Compliant	
		1. During the reporting period, the effectiveness of the internal control and risk management systems was assessed as part of the internal audit process.	Compliant	
		2. The Company uses generally accepted approaches to internal control and risk management.	Compliant	
6.1	The Company and its operations are transparent to shareholders, investors and other interested parties.			
6.1.1	The Company shall develop and implement an information policy to ensure the effective communication of information between the Company, shareholders, investors and other interested parties.		Compliant	
		1. The Board of Directors has approved the Company's information policy, which is designed to meet the recommendations of the Code.	Compliant	
		2. The Board of Directors (or one of its Committees) has discussed matters related to the Company's compliance with its information policy at least once during the reporting period.	Compliant	

No.	Corporate governance principles	Criteria for evaluating compliance with corporate governance principles	Status ¹ of compliance with corporate governance principles	Explanations ² of deviations from criteria for evaluating compliance with corporate governance principles
6.1.2	The Company shall disclose information on its corporate governance system and practice, including detailed information on compliance with the principles and recommendations of the Code.	<p>1. The Company discloses information about its corporate governance system and the general principles of corporate governance applied at the Company, including on the Company's website.</p> <p>2. The Company discloses information on the composition of the executive bodies and the Board of Directors, as well as the independence of the members of the Board of Directors and their membership on the Committees of the Board of Directors (in accordance with the definitions provided in the Code).</p> <p>3. In the event that a person should assume control of the Company, the Company publishes a memorandum by the controlling person concerning the plans of this person for the corporate governance of the Company.</p>	<p>Partially compliant</p> <hr/> <p>Compliant</p> <hr/> <p>Compliant</p> <hr/> <p>Not compliant</p>	<p></p> <hr/> <p></p> <hr/> <p></p> <hr/> <p>In the reporting period, the Company published no memorandum of the controlling shareholder since the controlling shareholder did not inform the Company of their plans concerning the corporate governance in the Company. If the Company receives from the controlling person any statement of their plans regarding corporate governance in the Company, the Company undertakes to publish the same on its website and in the Annual Report. The Company's business priorities and development prospects, along with planned corporate governance initiatives are described in the Annual Report approved annually by its shareholders.</p>
6.2	The Company shall disclose complete, updated and reliable information about itself on a timely basis to allow its shareholders and investors to make informed decisions.			
6.2.1	The Company shall disclose information in accordance with the principles of regularity, consistency and efficiency, as well as the accessibility, accuracy, completeness and comparability of the data disclosed.	<p>1. The Company's information policy defines approaches and criteria for identifying information that could materially affect the Company's valuation, the value of its securities and the procedures that ensure the timely disclosure of such information.</p> <p>2. If the Company's securities are traded on foreign organised markets, then equivalent amounts of material information shall be disclosed in the Russian Federation and on these foreign markets at the same time during the reporting year.</p> <p>3. If foreign shareholders hold a substantial number of shares in the Company, then during the reporting year, information was disclosed not only in Russian but also in one of the more commonly spoken foreign languages.</p>	<p>Compliant</p> <hr/> <p>Compliant</p> <hr/> <p>Compliant</p>	

No.	Corporate governance principles	Criteria for evaluating compliance with corporate governance principles	Status ¹ of compliance with corporate governance principles	Explanations ² of deviations from criteria for evaluating compliance with corporate governance principles
6.2.2	The Company shall avoid taking a formal approach to the disclosure of information, and shall disclose material information about its activities even when such disclosure is not required by law.		Compliant	
		1. During the reporting period, the Company disclosed its annual and semi-annual financial statements prepared according to IFRS. The Company's Annual Report for the reporting period included annual financial statements that were prepared in accordance with IFRS together with the Auditor's Report.	Compliant	
6.2.3	The Annual Report, which is one of the most important tools for sharing information with shareholders and other interested parties, shall contain information that makes it possible to assess the Company's activities for the year.	2. The Company discloses full information on the capital structure of the Company in accordance with Recommendation 290 of the Code in the Annual Report and on the Company's website.	Compliant	
		1. The Company's Annual Report provides information on the key aspects of the Company's operations and its financial performance.	Compliant	
		2. The Company's Annual Report contains information about the environmental and social aspects of the Company's activities.	Compliant	
6.3	The Company shall provide information and documents at the request of shareholders in accordance with the principle of equal and unhindered access.			
6.3.1	The Company shall provide information and documents requested by its shareholders in accordance with the principle of equal and unhindered access.		Compliant	
		1. The Company's information policy defines a nonburdensome procedure for providing shareholders with access to information, including information about the Company's subsidiaries, at the request of shareholders.	Compliant	
6.3.2	When the Company provides information to shareholders, it shall ensure a reasonable balance between the interests of specific shareholders and the interests of the Company itself, which must protect the confidentiality of important trade secrets and information that may have a material impact on the Company's competitiveness.		Compliant	
		1. During the reporting period, the Company did not refuse to satisfy shareholder requests for information, or if it did deny any requests, then such refusals were justified.	Compliant	
		2. In cases determined by the Company's information policy, shareholders are warned about the confidential nature of the information that is disclosed and assume responsibility to preserve its confidentiality.	Compliant	

No.	Corporate governance principles	Criteria for evaluating compliance with corporate governance principles	Status ¹ of compliance with corporate governance principles	Explanations ² of deviations from criteria for evaluating compliance with corporate governance principles
7.1	Any actions that may materially affect the Company's share capital structure and its financial position and, accordingly, the position of its shareholders ("material corporate actions") shall be taken under fair terms and conditions that ensure that the rights and interests of shareholders as well as other interested parties, are observed.			
7.1.1	Material corporate actions include the reorganization of the Company, the acquisition of 30 percent or more of the voting shares (takeover), material transactions by the Company, an increase or decrease in the Company's share capital, the listing and delisting of Company shares and other actions that may lead to a significant change in the rights of shareholders or a violation of their interests. The Company's charter shall include a list of (or criteria for identifying) transactions or other actions falling within the category of material corporate actions. These actions fall within the purview of the Company's Board of Directors.	<p>1. The Company's Charter shall include a list of transactions or other actions falling within the category of material corporate actions and criteria for their determination. Decisions regarding material corporate actions fall within the purview of the Board of Directors. In cases where the authority to perform these corporate actions is invested by law in the general meeting of shareholders, the Board of Directors provides shareholders with appropriate recommendations.</p> <p>2. At a minimum, the Company's Charter recognises the following to be material corporate actions: the reorganisation of the Company, the acquisition of 30 percent or more of voting shares (takeover), material transactions by the Company, an increase or decrease in the Company's share capital and the listing and delisting of Company's shares.</p>	<p>Compliant</p> <hr/> <p>Compliant</p> <hr/> <p>Compliant</p>	
7.1.2	The Board of Directors shall play a key role in making decisions or making recommendations about material corporate actions. The Board of Directors shall rely on the position of the Company's independent directors.	<p>1. The Company has determined a procedure under which the independent directors declare their positions on material corporate actions prior to their approval.</p>	<p>Partially compliant</p> <hr/> <p>Partially compliant</p>	<p>The Company does not have a special procedure where independent directors state their opinion on material corporate actions before their approval. Material corporate actions are also considered at meetings of the Board of Directors and the Committees of the Board of Directors, which include independent Directors. Materials to the meetings of the Board of Directors and the Committees shall be provided within the term that allows taking a stand on items on the agenda. Thus, independent directors will be able to assess material corporate actions involving potential conflicts of interest in advance and provide the results of such an assessment to the Board of Directors.</p>

No.	Corporate governance principles	Criteria for evaluating compliance with corporate governance principles	Status ¹ of compliance with corporate governance principles	Explanations ² of deviations from criteria for evaluating compliance with corporate governance principles
7.1.3	When carrying out material corporate actions that affect the rights and lawful interests of shareholders, equal conditions shall be afforded to all shareholders. If the mechanisms protecting the rights of shareholders under the law are insufficient, then further measures to protect the rights and lawful interests of the Company's shareholders shall be taken. In doing so, the Company shall be governed not only by compliance with the formal requirements of the law but also by the principles of corporate governance set out in the Code.		Compliant	
		1. Considering the nature of the Company's business, the Company's Charter establishes lower criteria than the minimum provided for under law for classifying the Company's transactions as material corporate actions.	Compliant	
		2. During the reporting period, all material corporate actions were approved before they were carried out.	Compliant	
7.2	The Company shall provide a procedure for material corporate actions which allows shareholders to receive timely and complete information on such actions, provides them with the opportunity to influence decision making about such actions and ensures compliance and an adequate level of protection of shareholder rights in the performance of such actions.			
7.2.1	Information about material corporate actions shall be disclosed together with the reasons, conditions and consequences of such actions.		Compliant	
		1. During the reporting period, the Company promptly and thoroughly disclosed information on the Company's material corporate actions, including the reasons for and timing of such actions.	Compliant	

No.	Corporate governance principles	Criteria for evaluating compliance with corporate governance principles	Status ¹ of compliance with corporate governance principles	Explanations ² of deviations from criteria for evaluating compliance with corporate governance principles
7.2.2	The rules and procedures governing material corporate actions taken by the Company shall be established in the Company's by-laws.	1. The Company's by-laws stipulate the procedure governing the engagement of an independent appraiser to determine the value of the property that is alienated or acquired through a major or a related party transaction.	Partially compliant	The Company's by-laws do not provide for the procedure of engaging an independent appraiser to determine the value of property disposed of or acquired in a major transaction or a related party transaction. Still, if there are grounds for the disposal or acquisition of property, the Company will engage an appraiser to determine its value under the Russian law. Pursuant to the Company's Charter, when approving these transactions, the Board of Directors makes a separate resolution on the price (monetary value) of the property, including based on its market value. The appraiser is engaged by the Company not only in cases provided for by the law but also in other cases under the Company's Charter and/or as per resolutions of the Company's governance bodies. If the market value determination is stipulated by the Law On Joint-Stock Companies and the Company's Charter, the approval of the appraiser's candidacy is carried out by the Board of Directors. The TransContainer's Programme of non-core immovable assets disposal implies the independent assessment during the disposal of non-core immovable assets.
		2. The Company's by-laws stipulate the procedure for engaging an independent appraiser to determine the value of the Company's shares to be purchased or repurchased.	Partially compliant	The Company's by-laws do not provide for the mandatory procedure of engaging an independent appraiser to determine the value of the Company's shares to be purchased or repurchased. In the reporting period and earlier periods, there were no such cases. Still, if there are grounds for the repurchase of its shares, the Company will engage an appraiser for the Board of Directors to determine the repurchase price under the Law On Joint-Stock Companies. Pursuant to the Company's Charter, when approving these transactions, the Board of Directors makes a separate resolution on the repurchase price of shares, including based on their market value. The appraiser is engaged by the Company not only in cases provided for by the law but also in other cases under the Company's Charter and/or as per resolutions of the Company's governance bodies.

No.	Corporate governance principles	Criteria for evaluating compliance with corporate governance principles	Status ¹ of compliance with corporate governance principles	Explanations ² of deviations from criteria for evaluating compliance with corporate governance principles
		3. The Company's by-laws provide for an expanded list of grounds on which the members of the Board of Directors and other persons stipulated by the law are deemed to be interested in the Company's transactions.	Not compliant	The Company's by-laws do not provide for an extended list of grounds on which members of the Company's Board of Directors and other persons specified in the law of the Russian Federation are deemed to be interested in the Company's transactions. When identifying persons interested in transactions, the Company follows the requirements of the law of the Russian Federation. An extended list of grounds on which members of the Company's Board of Directors and other persons specified in the law of the Russian Federation are deemed to be interested in the Company's transactions may be considered in the course of next scheduled updating of the by-laws in 2021-2022

RELATED PARTY TRANSACTIONS AND MAJOR TRANSACTIONS

RELATED PARTY TRANSACTIONS

In line with the effective procedure for notifying members of executive bodies of an impending related party transaction as defined in Article 83 of Federal Law No. 208-FZ dated 26 December 1995 On Joint-Stock Companies, the Company's Board of Directors approved the procedure and form for the Company to send electronic copies of notices of such transactions (from the e-mail address of the Company's Corporate Secretary) to the e-mail addresses of members of the Board of Directors and members of the Executive Board, as well as shareholders of the Company (Minutes No. 10 dated 17 March 2017).

In 2020, two notices were sent.

By virtue of Clause 1, Article 83 of the Law On Joint-Stock Companies, a member of the Company's Board of Directors and Management Board has the right to request that the Board of Directors or the general meeting of shareholders approve a related party transaction before its execution. In this case, the request shall be sent to the Corporate Secretary's e-mail address.

In total, in 2020, the Company consummated six related party transactions.