

Executive Bodies

Accountability

is one of the underlying principles of the Company's corporate governance framework. The Company's executive bodies (the Executive Board and the CEO) report to the general meeting of shareholders and the Board of Directors. The CEO provides regular reports on the Company's operational efficiency and performance, while the Board of Directors reports to TransContainer's general meeting of shareholders.

Role of the Executive Bodies

The Company's executive bodies are the Chief Executive Officer (CEO) and the Executive Board, which are responsible for managing the Company's ongoing operations.

The executive bodies play a key role in managing the Company, ensuring:

- achievement of strategic goals and objectives as defined by the Company's Board of Directors;
- implementation of the Company's long-term plans and programmes;
- implementation of resolutions adopted by the Board of Directors and the general meeting of shareholders;
- development and support of an efficient risk management and internal control system;
- personnel management, motivation and incentives, HR planning;
- management of the Company's branches and subsidiaries.

Accountability of Executive Bodies

The CEO and the Executive Board report to the general meeting of shareholders and the Board of Directors and provide regular reports on their activities helping to assess the performance and efficiency of the Company's executive bodies.

To ensure accountability of the Company's executive bodies, the Board of Directors:

- elects the Company's CEO;
- determines the number of the Executive Board members;
- elects members of the Executive Board as proposed by the Company's CEO;
- determines the term of office for the Company's executive bodies;
- determines the terms and conditions of employment contracts with the CEO and the Executive Board members;
- approves overlapping and other paid positions held by the CEO and members of the Executive Board in the executive bodies of other organisations;
- reviews reports on performance of the executive bodies.

Petr Baskakov has been the CEO of TransContainer from 2006 to 27 June 2018. His authorities were prematurely terminated by the Board of Directors resolution dated 28 June 2018 (Minutes No.3 dated 29 June 2018).

Since 29 June 2018, Vyacheslav Saraev is the Company's CEO elected for 1 year, to 1 July 2019.

The Executive Board of TransContainer was established in November 2014. For the current membership of the Company's Executive Board see p. 98.

Vyacheslav Sarayev, the Company's CEO, acts as the Chairman of the Executive Board.

The responsibilities of the Company's Executive Board and CEO are set out in the Charter, Regulation on the Executive Board and Regulation on the CEO of TransContainer.

Report on the Executive Board's Performance

In 2018, the Company's Executive Board held 31 meetings and reviewed a total of 139 matters.

The Executive Board sticks to the approved six-month action plan, which is aligned with the action plans of the Board of Directors and its committees, and proposals of the Company's management.

Given the sheer size of TransContainer's footprint, its extensive branch network and holding structure, and constant development and enhancement of a process-based approach to business activities, the top priorities of the Company's Executive Board in 2018 were to oversee operations of the Company's subsidiaries and to improve business processes across the Company's lines of business. In 2018, the Executive Board reviewed eight reports on the performance of companies controlled by TransContainer and 14 reports submitted by business process owners.

The Chairman of the Executive Board also invites the heads of subsidiaries to participate, either in person or through a video conference, in Executive Board meetings reviewing the performance of such subsidiaries.

In 2018, the Executive Board also reviewed some other matters within its remit, including:

- pre-approval of the Company's budget for 2019;
- approval of the establishment of a wholly owned freight forwarding company to cover container transportation in Mongolia;
- approval of the Company's terminal development prospective plan at the Moscow transport hub;
- approval of 2018 transactions involving the provision of bank guarantees to the Federal Customs Service;
- approval of 2018 KPIs for the Company's management.

Meetings of both the Executive Board and the Board of Directors are held using the automated information system (AIS) designed to offer greater convenience for members of the Executive Board during preparation for the meetings and consideration of items on the agenda.

EXECUTIVE BOARD





Vladimir
Drachev

Ekaterina
Burtseva

Vyacheslav
Saraev

Sergey
Kazakov

Pavel
Polyakov

Viktor
Markov