

Russian Railways has put in place procedures to identify and resolve conflicts of interest.

The conflict of interest procedures for the members of Russian Railways' Board of Directors are outlined in the Regulation on the Board of Directors of Russian Railways.

Pursuant to this Regulation, the members of the Company's Board of Directors, acting reasonably and in good faith, are expected to make decisions considering all available information, in the absence of a conflict of interest. The members of the Company's Board of Directors may not use their official position and information about the Company's operations for their personal advantage or allow using the same for the personal advantage of other parties. Directors have a duty to disclose to the Board of Directors any matter under consideration by the Board of Directors in which they have a personal interest before the discussion of such matter begins and a duty to abstain from voting on any such matter.

Besides, there is a procedure in place obliging the members of the Board of Directors to inform the Audit Commission and the Company's auditor about any legal entities, in which they independently or jointly with their affiliated person (persons) own 20 or more percent of voting shares (interests, stakes), as well as about their participation in the governance bodies of legal entities, any known or proposed transactions, in which they may be considered as interested parties, and about an intention to establish or hold interest in any entities competing with the Company.

The requirement to disclose conflicts of interest also applies to Russian Railways' employees.

The Company has established a Conflict of Interest Commission.

The Commission is tasked with identifying and eliminating causes of and conditions conducive to the emergence of conflicts of interest, ensure an objective and timely consideration and resolution of conflicts of interest, protect the legitimate interests of the Company and the rights of its employees, and pursue anti-corruption efforts.

The Commission works in close collaboration with the Anti-Corruption Centre and other units of the Company.