

# BOARD OF DIRECTORS

## Brief biographical details of members of the Board of Directors



### Dmitry PEGOV

#### **Non-Executive Director Chairman of the Board of Directors**

Year of birth: 1973

Nationality: Russian Federation

First elected to the Board  
of Directors in 2017

Chairman of FPC's Board of Directors  
since March 2017

Chairman of the Strategic Planning  
Committee of FPC's Board of Directors

#### **Education**

Emperor Alexander I Saint Petersburg State Transport University  
with a degree in Locomotives (Electric Locomotives and Electric  
Trains)

#### **Experience**

**From 2004 to 2009**, he was Head of the Saint Petersburg–  
Moskovskoye locomotive depot of the Locomotive Directorate,  
a structural unit of the Transcom Suburban Service Directorate  
of the Oktyabrskaya Railway, a branch of Russian Railways.

**In June 2009**, he was appointed Head of the Northwest  
Directorate for Higher-Speed Services, a structural unit  
of the Directorate for Higher-Speed Services, a branch of Russian  
Railways.

**From February 2010 to July 2014**, he was CEO of the Directorate  
for Higher-Speed Services, a branch of Russian Railways.

**From July 2014 to May 2017**, he headed Moscow Metro.

**In May 2017**, he was appointed Director for Passenger Services  
at Russian Railways.

**In December 2018**, he was appointed Deputy to the CEO –  
Chairman of the Executive Board of Russian Railways.

**Also in December 2018**, he joined the Executive Board of Russian  
Railways.

Key professional competencies:

- Macroeconomic and industry analysis
- Government relations
- Strategic planning and development
- Strategic management

Positions held in other companies:

- Member of the Board of Directors at High-Speed Rail Lines
- Chairman of the Board of Directors at OY Karelian Trains Ltd
- Member of the Executive Board at Russian Railways



## Vera EVSEGNEEVA

**Non-Executive Director  
Deputy Chairwoman of the Board  
of Directors**

Year of birth: 1980

Nationality: Russian Federation

First elected to the Board of Directors  
in March 2018

Member of the Strategic Planning  
Committee of FPC's Board of Directors

### Education

Lomonosov Moscow State University with a degree in Economics, holds an MBA from the Russian Presidential Academy of National Economy and Public Administration

### Experience

**From 2012 to 2013**, she acted as Director for Strategic Development at HPC Mosenergo.

**From 2013 to 2017**, she was General Director of VK Consult.

**Since 2017**, she has been Deputy Head, Acting Head, and Head of the Subsidiaries and Affiliates Management Department at Russian Railways.

Key professional competencies:

- Government relations
- Corporate governance
- Strategic planning and development
- Strategic management

Positions held in other companies:

- General Director of VESTA
- Member of the boards of directors at RASCOM, Aeroexpress, TransTeleCom, SC CRC-1, Federal Freight
- Chairwoman of the Board of Directors at JSC RZD Business Asset
- Member of the Supervisory Board at GEFCO S.A.



## Olga GNEDKOVA

### Non-Executive Director

Year of birth: 1960

Nationality: Russian Federation

First elected to the Board of Directors in December 2009 by the founders' meeting

### Education

Novosibirsk Institute of Railway Engineers with a degree in Accounting

PhD in Economics

### Experience

Started her career in railways **in 1981** as an accountant at the West Siberian Railway.

**In 2000**, she was appointed Head of the Financial Service at the West Siberian Railway.

**From 2002 to 2004**, she acted as Deputy Head – Head of the Financial Service at the Moscow Railway.

**In 2004**, she was appointed Deputy Head of Economics and Finance at the Moscow Railway.

**From 2004 to 2005**, she was Head of the Financial Management Department at Russian Railways.

**From 2005 to 2017**, she acted as Head of the Corporate Finance Department and a member of the Executive Board at Russian Railways.

**In 2017**, she was appointed Economics and Finance Director of Russian Railways.

**In March 2018**, she was appointed Deputy to the CEO – Chairman of the Executive Board at Russian Railways.

Key professional competencies:

- Corporate finance and investor relations
- Macroeconomic and industry analysis
- Taxation, strategic planning and development
- Finance and audit

Positions held in other companies:

- Member of the Executive Board at Russian Railways



## Alla SALTYKOVA

### Independent Director

Year of birth: 1970

Nationality: Russian Federation

Elected to the Board of Directors in June 2016

Chairwoman of the Audit and Risk Committee of FPC's Board of Directors and a member of the Strategic Planning Committee of FPC's Board of Directors

### Education

Moscow State Linguistic University, Faculty of English

Holds MBAs from California State University (Hayward, USA) and the Academy of National Economy under the Government of the Russian Federation

Obtained the IoD Certificate in Company Direction under the IoD's Chartered Director global programme for the qualification of directors

### Experience

**Until 2011**, she was Director of the Audit Department at PricewaterhouseCoopers International Network.

**From 2011 to 2014**, she was a partner at Deloitte international network of firms.

**From 2014 to 2019**, she acted as Deputy Executive Director of the non-profit foundation Forum Analytical Centre; in 2019, she served at the Agency for Strategic Initiatives to Promote New Projects.

**Since 2019**, she has acted as Deputy Director of the Institute of Transport Economics and Transport Policy Studies, Faculty of Urban and Regional Development at the National Research University Higher School of Economics.

Key professional competencies:

- Finance and audit
- Internal audit and internal control
- Risk management
- Corporate governance
- Management and optimisation of major investment projects
- Strategic planning and development

Positions held in other companies:

- Independent member of the Board of Directors at SC CRC-1



## Sergey ZEMLYANSKY

### Independent Director

Year of birth: 1968

Nationality: Russian Federation

Elected to the Board of Directors in 2017

Chairman of the Human Resources,  
Remuneration and Corporate Governance  
Committee of FPC's Board of Directors

### Education

Ryazan Higher Airborne Command School with a degree in Armoured Fighting Vehicles Operation and Automotive Engineering

Institute of Advanced Training at the Financial Academy under the Government of the Russian Federation with a degree in Economics in Banking and Insurance

Holds an EMBA from Moscow School of Management SKOLKOVO

Obtained the IoD Certificate in Company Direction under the IoD's Chartered Director global programme for the qualification of directors

### Experience

**From 1993**, he held senior positions and was a member of management boards at several commercial banks.

**From 2012 to 2013**, he was First Deputy President and a member of the Management Board at Novikombank.

**From 2013 to 2017**, he was Deputy Chairman of the Board at RIABANK.

**Since 2007**, he has worked at Stroyholding Stolitsa as Advertising and Marketing Director and as Economics Director.

**From 2018 to 2020**, he served as Senior Vice President at Nefteprombank.

**Since 2020**, he has been Deputy Director at the Corporate and Project Management Research Institute, Vice President of the Federation of Parachute Sport of Moscow and a member of the SKOLKOVO Independent Directors Club.

Key professional competencies:

- Finance and audit
- Strategic planning and development
- Corporate governance
- Strategic management
- HR

Positions held in other companies:

- Member of the Board of Directors at GARANT RAIL SERVICES
- Vice President of the Federation of Parachute Sport of Moscow
- Member of the SKOLKOVO Independent Directors Club



## Vladimir GAPONKO

### Non-Executive Director

Year of birth: 1979

Nationality: Russian Federation

First elected to the Board of Directors  
in 2018

Member of the Strategic Planning  
Committee of FPC's Board of Directors

### Education

Moscow State University of Railway Engineering (MIIT) with a degree in Finance and Credit

Holds an Executive MBA from the University of Chicago Booth School of Business

### Experience

**From 2010 to 2015**, he acted as Head of the Management Accounting and Reporting Department at Russian Railways.

**From 2015 to 2016**, he was Head of the Department of Management Accounting and Methodology of Long-Term Tariff Policy at Russian Railways.

**From 2016 to 2017**, he served as Head of the Management Accounting and Reporting Department at Russian Railways.

**From 2017 to 2020**, he was Head of the Economics Department at Russian Railways.

**On 20 January 2020**, he was appointed Director of Operational Efficiency – Head of the Economics Department at Russian Railways. Member of the Executive Board at Russian Railways.

Key professional competencies:

- Government relations
- IT and telecommunications
- Strategic planning and development
- Finance and audit

Positions held in other companies:

- Member of the boards of directors of Institute of Economy and Development of Transport (IEDT), and Federal Freight
- Member of the Supervisory Board at GEFCO S.A.
- Member of the management boards at Russian Railways and the Russian Railways Corporate University



## Alexey KOMISSAROV

### Independent Director

Year of birth: 1969

Nationality: Russian Federation

First elected to the Board of Directors  
in 2020

Member of the Audit and Risk Committee  
of FPC's Board of Directors

### Education

Moscow Automobile and Road Construction Institute (State Technical University)  
with a degree in Automobiles and Automotive Infrastructure

Holds an MBA from Kingston University (London, UK)

### Experience

**From 1993 to 2011**, he founded Autorepair Systems and was its CEO until 2011.

**From 2011 to 2015**, he was Minister of the Government of Moscow, serving as Head  
of the Department of Science, Industrial Policy and Entrepreneurship of Moscow from 2011  
to 2014 and Advisor to the Mayor of Moscow from 2014 to 2015.

**From 2015 to 2017**, he was Director of the Industrial Development Fund.

**Since 2017**, he has been Vice Rector of the Russian Presidential Academy of National  
Economy and Public Administration and Director of the Graduate School of Public  
Management.

**Since 2018**, he has acted as the CEO of Russia – the Country of Opportunities.

Key professional competencies:

- Government relations
- Corporate governance
- Strategic planning and development
- HR management and corporate social responsibility

Positions held in other companies:

- Independent Director at Yandex N.V. and SIBUR Holding
- Co-chairman of the central headquarters of the All-Russia People's Front
- Founder of the Gennady Komissarov Foundation for the Support of Young Scientists



## Tatiana ORLOVA

### Non-Executive Director

Year of birth: 1978

Nationality: Russian Federation

First elected to the Board of Directors  
in 2020

### Education

Plekhanov Russian Academy of Economics with a degree in Economics

### Experience

**From 2008 to 2011**, she was Deputy Head of Borrowing at the Corporate Finance Department of Russian Railways.

**From 2011 to 2013**, she served as Head of Capital Markets and Investor Relations at the Corporate Finance Department of Russian Railways.

**From 2013 to 2015**, she was Deputy Head of the Corporate Finance Department – Head of Capital Markets and Investor Relations at Russian Railways.

**From 2015 to 2019**, she held the position of Deputy Head at the Corporate Finance Department of Russian Railways.

**In November 2019**, she was appointed Head of the Corporate Finance Department at Russian Railways.

Key professional competencies:

- Government relations
- Corporate finance and investor relations
- Strategic planning and development
- HR management and corporate social responsibility

Positions held in other companies:

- Member of the Supervisory Board at GEFCO S.A.
- Member of the Board of Directors at TransTeleCom



## Vladimir PYASTOLOV

### Executive Director

Year of birth: 1967

Nationality: Russian Federation

First elected to the Board of Directors  
in 2020

### Education

The Ural Electromechanical Institute of Railway Engineers with a degree in Railway Engineering, Operation of Railway Transportation Process

The Ural Academy of Public Administration with a degree in Management

### Experience

Started his career in railways **in 1984** as a traffic department operator at the Zlatoust branch of the South Ural Railway.

**From 1993 to 2008**, he held a number of senior positions at the South Ural Railway, a branch of Russian Railways.

**In 2008**, he was appointed First Deputy Head of the South Ural Railway, a branch of Russian Railways.

**From 2012 to 2016**, he was First Deputy Head of the North Caucasus Railway, a branch of Russian Railways.

**In 2016**, he was appointed Head of the North Caucasus Railway, a branch of Russian Railways.

**In 2020**, he was elected General Director of FPC.

Key professional competencies:

- Government relations
- Strategic planning and development
- Strategic management

Positions held in other companies:

- Member of the Board of Directors at FC Lokomotiv Moscow

## Additional information on Board members

Members of the Board of Directors do not hold a stake in FPC's share capital, do not own the Company's ordinary shares, and were not engaged in any transactions to acquire, or dispose of, FPC shares in the reporting year.

No claims were filed in 2020 against members of the Board of Directors concerning the performance of their duties as directors.

FPC did not extend any loans (credit facilities) to members of the Board of Directors.

No conflicts of interest were reported to the Board of Directors.

Non-executive and independent directors are not eligible for pension contributions, insurance programmes, investment programmes, or other benefits and privileges.

## Board of Directors' report

### Composition of the Board of Directors

The Board of Directors is elected by FPC's Annual General Shareholders Meeting in accordance with the Company's Articles of Association and is composed of nine members.

In June 2020, the following directors were elected to FPC's Board of Directors by the Annual General Shareholders Meeting: Vladimir Gaponko, Olga Gnedkova, Vera Evsegneeva, Sergey Zemlyansky, Petr Ivanov, Alexey Komissarov, Tatiana Orlova, Dmitry Pegov, and Alla Saltykova.

The powers of Mikhail Beskhmelnitsyn and Irina Shytkina were terminated.

In November 2020, FPC's Board of Directors was re-elected by resolution of the Extraordinary General Shareholders Meeting due to the termination of labour relations with the Company's General Director Petr Ivanov and the need to elect FPC's current General Director Vladimir Pyastolov to the Board of Directors.

### Composition of FPC's Board of Directors in 2020

From 1 January to 30 June	From 30 June to 30 November	From 30 November to 31 December
Dmitry Pegov	Dmitry Pegov	Dmitry Pegov
Mikhail Beskhmelnitsyn	Vladimir Gaponko	Vladimir Gaponko
Vladimir Gaponko	Olga Gnedkova	Olga Gnedkova
Olga Gnedkova	Vera Evsegneeva	Vera Evsegneeva
Vera Evsegneeva	Sergey Zemlyansky	Sergey Zemlyansky
Sergey Zemlyansky	Petr Ivanov	Alexey Komissarov
Petr Ivanov	Alexey Komissarov	Tatiana Orlova
Alla Saltykova	Tatiana Orlova	Vladimir Pyastolov
Irina Shytkina	Alla Saltykova	Alla Saltykova

## Structure of the Board of Directors

FPC's Board of Directors performs efficiently due to a balanced composition of members in terms of their qualifications, experience, expertise and competencies as well as age and gender.

The Company meets the recommendations of the Corporate Governance Code that independent directors should make up at least one third of the Board members.

FPC's Human Resources, Remuneration and Corporate Governance Committee assesses nominees to the Board of Directors against the independence criteria set by the Corporate Governance Code. Based on the information submitted to the Committee, the following Board members meet the formal independence criteria: Alla Saltykova, Sergey Zemlyansky, Alexey Komissarov.

The Board includes four women and five men from different age groups, allowing directors to gain a deep insight into agenda items.

The Board members are highly skilled professionals and have the trust of shareholders. The Human Resources, Remuneration and Corporate Governance Committee reviewed the professional qualifications of all nominees to the Board of Directors.

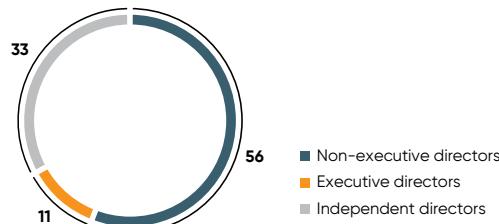
Director Olga Gnedkova has been a continuous Board member since first elected by the founders' meeting in 2009.

## Induction programme and training

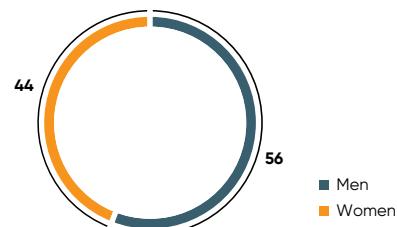
To gain a prompt and efficient insight into FPC's operating, financial and business activities, new members of the Board of Directors take an induction training course under the Induction Programme for Newly Elected Members of FPC's Board of Directors approved by the Board.

As part of the induction training, FPC organises office meetings with the General Director and key managers, provides key documents and presentations about FPC's operations, and arranges for site visits to the Company's facilities.

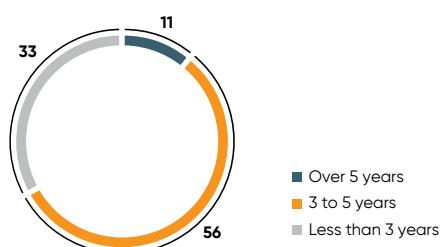
### Breakdown by directors' independence, %



### Breakdown by gender, %



### Breakdown by the length of service, %



### Directors' educational background<sup>1</sup>



<sup>1</sup> Directors Vladimir Gaponko, Vera Evsegneeva, Sergey Zemlyansky, Alexey Komissarov, Vladimir Pyastolov, and Alla Saltykova each have two or more higher education degrees. Director Olga Gnedkova has an academic degree.

In 2020, the induction training was conducted for Alexey Komissarov, an independent director. As part of the induction training, meetings with the General Director and Deputy General Directors were held at the Company's office, and site visits to the Situation Centre and the Company's facilities were arranged.

To enhance the directors' professional competencies, the Company engages them in forums, strategic sessions, conferences and other events relevant to FPC's profile.

## Meetings of the Board of Directors

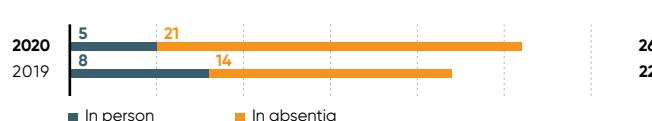
A sufficient number of meetings of the Board of Directors are held regularly in line with the approved activity plan. In 2020, amid the COVID-19 pandemic, the frequency of in-person Board meetings decreased with meetings moved online. At the same time, the meetings were as intensive as in 2019. Directors actively participated in the Board's activities: attendance at meetings was 95%.

In 2020, 26 meetings of FPC's Board of Directors were held, including 21 meetings in absentia and 5 meetings in person. The Board reviewed 136 matters during 2020. The length of in-person meetings averaged 1.7 hours.

### Attendance at meetings of FPC's Board of Directors by its members in 2020

Name	Meetings in person <sup>1</sup>	Meetings in absentia	%
Mikhail Beskhmelnitsyn	2(0)/2	6/11	54
Vladimir Gaponko	3(0)/5	17/21	80
Olga Gnedkova	3(2)/5	21/21	100
Vera Evsegneeva	3(2)/5	21/21	100
Sergey Zemlyansky	5(0)/5	21/21	100
Petr Ivanov	4(1)/5	18/18	100
Dmitry Pegov	5(0)/5	21/21	100
Alla Saltykova	4(1)/5	21/21	100
Irina Shytkina	1(1)/2	11/11	100
Alexey Komissarov	2(1)/3	10/10	100
Tatiana Orlova	0(2)/3	9/10	90
Vladimir Pyastolov	0	3/3	100

### Statistics of meetings of the Board of Directors



### Matters reviewed by the Board of Directors in 2020, %



<sup>1</sup> The format "6(2)/8" in the table means that the concerned director personally attended six of eight meetings, and participated in two in-person meetings by submitting a written opinion.

**Key resolutions of the Board of Directors in 2020**

Group of matters	Resolutions
<b>Strategic matters</b>	<p>Approved JSC FPC's IT Programme for 2020</p> <p>Approved adjustments to FPC's budget for 2020 based on the 1H 2020 performance</p> <p>Resolved to adjust JSC FPC's Investment Programme for 2020–2022</p> <p>Approved the Regulations on the System of Key Performance Indicators of JSC FPC, as well as target values of key performance indicators of JSC FPC for 2020</p> <p>Approved the new version of the Regulations on JSC FPC's Dividend Policy</p>
<b>Securities</b>	Resolved to increase FPC's share capital by placing additional shares and approved the document containing the terms and conditions of placing FPC securities
<b>Corporate governance</b>	<p>Resolved on convening the Annual and Extraordinary General Shareholders Meetings of JSC FPC and making relevant preparations</p> <p>Resolved on the organisation of activities of the Board of Directors' committees, in particular, approved the committees' activity plans for the 2020/2021 corporate year</p> <p>Reviewed reports on the committees' performance in the 2019/2020 corporate year</p> <p>Reviewed the results of performance evaluation of FPC's Board of Directors and its committees</p> <p>Adopted as guidance the Guidelines on Standards for Providing Materials Regarding Items on the Agenda of the General Shareholders (Members) Meeting and on the Agenda of Meetings of the Board of Directors (Supervisory Board) of Business Entities</p> <p>Reviewed the results of evaluation of FPC's corporate governance practice in 2019 conducted by the Internal Audit Unit</p> <p>Reviewed the report on corporate governance practice at business entities in which FPC directly or indirectly holds an interest</p>
<b>Internal audit, internal control, and risk management</b>	<p>Reviewed reports on the performance of the Internal Audit Unit in 2019 and 1H 2020</p> <p>Approved JSC FPC's Code of Ethics for Internal Auditors</p> <p>Reviewed the results of self-evaluation of FPC's risk management and internal control system</p> <p>Reviewed the register of key risks and the Procedure for Determining the Acceptable Risk Levels</p> <p>Reviewed the results of evaluation of the reliability and effectiveness of FPC's risk management and internal control system in 2019 conducted by the Internal Audit Unit</p>
<b>HR</b>	<p>Resolved to elect FPC's General Director</p> <p>Approved candidates to the positions of FPC's Deputy General Director and heads of FPC's branch</p> <p>Reviewed the reports of FPC's General Director on the implementation of measures to counter the negative consequences of the coronavirus pandemic</p>

## Performance evaluation of FPC's Board of Directors

The Company formalised the Board of Directors' performance evaluation procedure in the Regulations on Performance Evaluation of the Board of Directors, Board Members, and Committees of the Board of Directors of JSC FPC, approved by FPC's Board of Directors in October 2015.

In the reporting period, FPC's Board of Directors carried out a self-evaluation through questionnaires filled in by Board members to evaluate the overall performance of the Board of Directors and its committees as well as individual performance of each Board member. The analysis included the needs of the Board of Directors in terms of professional qualifications, experience and business skills of Board members, the number of Board

members, and the performance of the Chairman of the Board of Directors and the Corporate Secretary.

The Board of Directors reviewed the self-evaluation results at its meeting in June 2020.

The weighted average performance score was 4.5 out of 5 for the Board of Directors and 4.8 out of 5 for individual Board members. The evaluation showed that most of the assessed parameters comply with best-practice standards.

The Board of Directors and its committees intend to adhere to the Company's established practices and maintain high performance levels in 2021.

### Key results of performance evaluation

- The Board of Directors has the necessary competencies to drive the Company's growth. Distribution of authority between the Board of Directors and the executive management team can be deemed reasonable.
- The Board of Directors duly monitors the Company's financial position and the work of FPC's executive bodies.
- The Board of Directors' committees are highly effective; their activities are well organised. The committees support the Board of Directors' efficient performance.
- The Chairman of the Board of Directors duly exercises his formalised and non-formalised responsibilities.
- The Board members effectively interact with each other as well as with shareholders, stakeholders and executives.

## Remuneration of members of the Board of Directors

The principles for motivating members of FPC's Board of Directors, as well as paying compensation and reimbursement of expenses to members of the Board of Directors are set out in the Regulations on Remuneration and Compensation Payable to Members of FPC's Board of Directors approved by FPC's Annual General Shareholders Meeting in June 2018.

The Regulations include transparent mechanisms to determine directors' remuneration in line with the recommendations of the Corporate Governance Code. The remuneration paid for the past corporate year is the only form of monetary remuneration payable to members of the Board of Directors. FPC does not apply any form of short-term motivation or additional financial incentive for its directors.

Remuneration of members of the Board of Directors is differentiated depending on the scope of directors' responsibilities and considering additional time spent

on discharging the functions of the Chairman of the Board of Directors, the Deputy Chairman of the Board of Directors, a committee member, and a committee Chairman or Deputy Chairman.

To calculate fixed remuneration for serving on the Board of Directors, FPC uses a formula based on the fixed part of remuneration adjusted for the factor of a director's attendance at meetings and a factor of his/her contribution to the performance of the Board of Directors as its Chairman or Deputy Chairman.

Additional remuneration is payable for serving on a committee of the Board of Directors, which is calculated based on the fixed part of remuneration adjusted for the factor of a director's attendance at committee meetings and an additional factor for discharging the functions of the Chairman, the Deputy Chairman, or a member of a committee of the Board of Directors.

**Payments to members of the Board of Directors for discharging extra functions**

Function	Payment
Chairman of the Board of Directors	50% of the fixed part of remuneration
Deputy Chairman of the Board of Directors	25% of the fixed part of remuneration
Committee Chairman	25% of the fixed part of remuneration
Deputy Chairman of a committee	25% of the fixed part of remuneration for the meetings where the director acted as Chairman of a committee of the Board of Directors
Committee member	15% of the fixed part of remuneration

If a member of the Board of Directors is a member of several committees, additional remuneration is calculated and paid for serving on each committee.

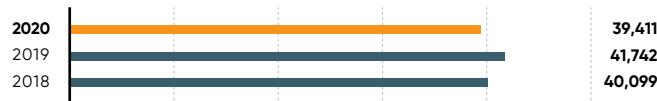
The remuneration for serving on the Board of Directors is only paid if a director attends at least 50% of meetings (from his/her election to the termination of powers).

Additional remuneration is only paid if a director attends (personally or by submitting a written opinion) at least 50% of in-person committee meetings (from his/her election to the termination of powers).

Members of FPC's Board of Directors are reimbursed for expenses incurred when attending the Board meetings (committee meetings) in the amount of actual and documented expenses, in particular:

→ travel expenses for a round trip to the venue of the Board meeting (committee meeting) (including passenger insurance and service fee) by plane in business class or by train in a first-class sleeping carriage

- travel expenses for a round trip from the airport or the railway station to the hotel
- accommodation expenses for a single room in a hotel
- other expenses incurred when attending the Board meeting (committee meeting).

**Total remuneration paid to members of the Board of Directors<sup>1</sup>, RUB thousand**

<sup>1</sup> These amounts do not include personal income tax or payments related to Petr Ivanov's and, since October 2020, Vladimir Pyastolov's discharging the functions of FPC's General Director. Vladimir Gaponko and Olga Gnedkova waived their remuneration in 2020.