

## General Meeting of Shareholders

The supreme governance body of Russian Railways is its General Meeting of Shareholders. As all of the Company's voting shares belong

to the sole shareholder, the Russian Government, all resolutions on matters reserved to the General Meeting of Shareholders are adopted in writing by

the Russian Government and take the form of the sole shareholder's orders and resolutions.

## Board of Directors

The Board's key objective is to ensure the Company's general management and determine its business priorities and development strategy. The Board approves the Company's long-term development plans, core programmes, function strategies, budget and investment programme, while also defining general principles of and approaches to risk management in the Company.

In line with international corporate governance practices, independent directors have been elected to the Board of Directors of Russian Railways since 2008. Independent directors have the professional skills, competencies and experience to form their own opinions and make objective judgements not influenced by the Company's executive bodies and shareholder. Independent directors are members of all committees of the Board of Directors of Russian Railways.

 For more details on the Board of Directors see [Russian Railways' 2021 Annual Report](#), Board of Directors section.

## Remuneration of the Board of Directors

GRI 102-35, 102-36

In 2021, the Annual General Meeting of Shareholders of Russian Railways adopted a resolution to pay remuneration to the Company's directors for the 2020–2021 corporate year in the amount recommended by the Board of Directors in its resolution dated 28 June 2021 (Minutes No. 13) and in the manner prescribed by the Regulation on Remuneration and Compensation Paid to Members of the Russian Railways Board of Directors.

Remuneration of a member of the Company's Board of Directors consists of the basic and additional components. The basic component is calculated depending on the participation of directors in Board meetings. The maximum basic remuneration for a member of the Board is RUB 4,000,000. For taking on additional responsibilities, Board members are paid additional remuneration calculated as the basic portion of remuneration multiplied by the following ratios:

- 3.5 – for the functions performed by the Chairman of the Board of Russian Railways (excluding individuals who perform the functions of the Chairman of the Board of Directors of Russian Railways in their absence);
- 1.5 – for the functions performed by the chairman of a Board committee of Russian Railways;

- 0.5 – for the functions performed by a member of a Board committee of Russian Railways.

Additional remuneration for participation in the work of the Board committees is paid subject to the director personally attending (producing a written opinion for) at least 75% of the in-person committee meetings held over the course of the corporate year.

If a member of the Board of Directors performs the functions of a member and/or the chairman of a Board committee on more than two committees, additional remuneration is paid for the functions performed on two committees only. Additional remuneration is calculated and paid for the period of actual performance of additional functions.

A Board member may waive their remuneration in full or in part. The Regulation on Remuneration and Compensation Paid to Members of Russian Railways' Board of Directors does not apply to directors who are members of the executive bodies of Russian Railways or who are restricted or prohibited by Russian laws from receiving any payments from commercial organisations.

In the reporting year, the Annual General Meeting of Shareholders of Russian Railways resolved to allocate a total of RUB 45.37 m in remuneration to members of the Russian Railways Board of Directors.