

BOARD OF DIRECTORS' REPORT

STRUCTURE 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 February 2018, FPC's extraordinary General Shareholders Meeting resolved on early termination of the mandates of all the directors and elected a new Board as follows: Pavel Burtsev, Vladimir Gaponko, Olga Gnedkova, Vera Evseġneeva, Serġey Zemlyansky, Petr Ivanov, Serġey Maltsev, Dmitry Peġov, and Alla Saltykova.

The mandates of the following directors were terminated: Maxim Shneider, Serġey Kust, and Irina Kostenets.

From 5 March to 29 June 2018, Dmitry Peġov acted as Chairman of the Board of Directors, and Vera Evseġneeva acted as Deputy Chairwoman of the Board of Directors.

In June 2018, the following directors were elected to FPC's Board of Directors by the annual General Shareholders Meeting: Mikhail Beskhmel'nitsyn, Vladimir Gaponko, Olga Gnedkova, Vera Evseġneeva, Serġey Zemlyansky, Petr Ivanov, Serġey Maltsev, Dmitry Peġov, and Alla Saltykova.

Pavel Burtsev's mandate was terminated.

In July 2018, Dmitry Peġov was elected Chairman of the Board of Directors, and Vera Evseġneeva was elected Deputy Chairwoman of the Board by a unanimous vote of directors.

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 2018 against members of the Board of Directors in relation to their performance of duties as directors.

FPC did not extend any loans to members of the Board of Directors.



Dmitry PEGOV

No conflicts of interest were identified at the Board level.

Members of the Board of Directors provided timely information to the Board about the circumstances that could potentially lead to a conflict of interest, including information about interests related to any given transaction.

To avoid potential conflicts of interest, members of the Board of Directors are guided by the Regulations on the Board of Directors of JSC FPC and do not vote on transactions in which they have an interest.

COMPOSITION OF FPC'S BOARD OF DIRECTORS IN 2018

FROM 1 JANUARY TO 15 FEBRUARY	FROM 15 FEBRUARY TO 29 JUNE	FROM 29 JUNE TO 31 DECEMBER
Dmitry Peġov	Dmitry Peġov	Dmitry Peġov
Olġa Gnedkova	Olġa Gnedkova	Olġa Gnedkova
Serġey Maltsev	Serġey Maltsev	Serġey Maltsev
Petr Ivanov	Petr Ivanov	Petr Ivanov
Serġey Zemlyansky	Serġey Zemlyansky	Serġey Zemlyansky
Alla Saltykova	Alla Saltykova	Alla Saltykova
Maxim Shneider	Vera Evseġneeva	Vera Evseġneeva
Serġey Kust	Vladimir Gaponko	Vladimir Gaponko
Irina Kostenets	Pavel Burtsev	Mikhail Beskhmel'nitsyn

Company Profile

Development
Strategy

Performance
Overview

Corporate
Governance

Sustainable
Development

Appendices

FPC's Board of Directors performs efficiently due to a balanced composition of members in terms of their age and gender: the Board includes three women and six men from different age groups, allowing directors to gain a deep insight into agenda items.

Independent directors play an important role in the Board, and their fresh insight helps improve the quality of management decisions. FPC meets the recommendations of the Corporate Governance Code as to membership of the Board of Directors: the share of executive directors is less than 1/4, and the share of independent directors is 1/3.

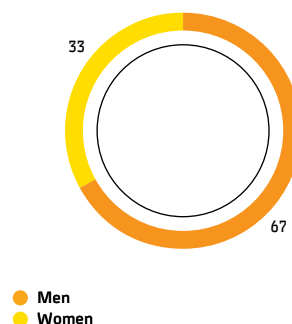
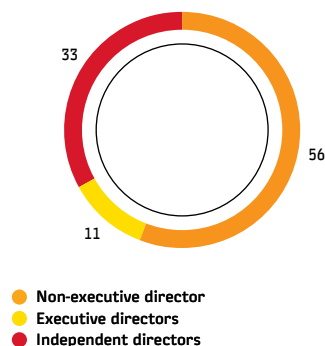
In 2018 the Human Resources, Remuneration, and Corporate Governance Committee assessed nominees to the Board of Directors against the independence criteria. Based on the questionnaires submitted to the Committee, the following directors were considered independent: Sergey Maltsev, Sergey Zemlyansky, and Alla Saltykova.

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

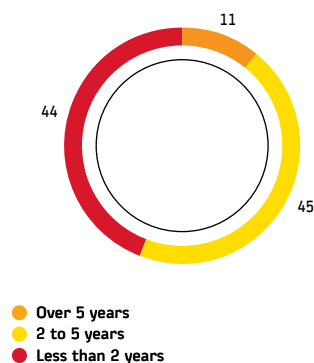
To gain a prompt and efficient insight into FPC's operating, financial, and business activities, new members of the Board of Directors take an induction training course under the Induction Programme for Newly Elected Members of JSC FPC's Board of Directors approved by the Board.

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

STRUCTURE OF THE BOARD OF DIRECTORS (UNCHANGED FOR ALL THREE BOARDS), %



STRUCTURE OF THE BOARD OF DIRECTORS BY LENGTH OF SERVICE, %

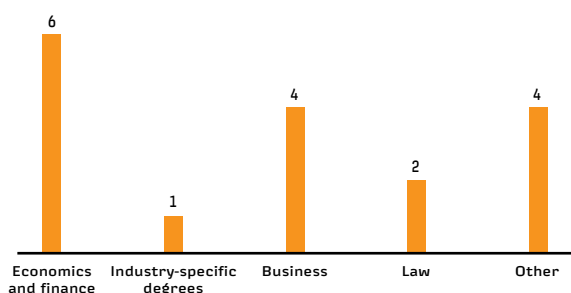


In 2018, 25 meetings of FPC's Board of Directors were held, including 13 meetings in absentia and 12 meetings in person. The Board reviewed 133 matters during 2018.

EDUCATIONAL BACKGROUND, SKILLS, AND EXPERIENCE OF THE BOARD MEMBERS

The Board of Directors has a balanced composition in terms of directors' qualifications, experience, knowledge, and competencies, and has the trust of shareholders.

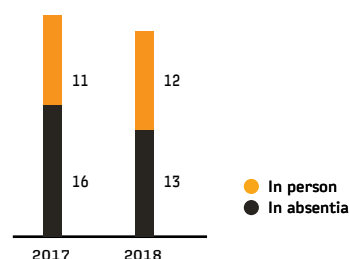
EDUCATIONAL BACKGROUND¹, PEOPLE



MEETINGS OF THE BOARD OF DIRECTORS

A sufficient number of meetings of the Board of Directors are held on a regular basis in line with the approved activity plan.

STATISTICS OF MEETINGS OF THE BOARD OF DIRECTORS OF THE COMPANY



Company Profile

Development
Strategy

Performance
Overview

Corporate
Governance

Sustainable
Development

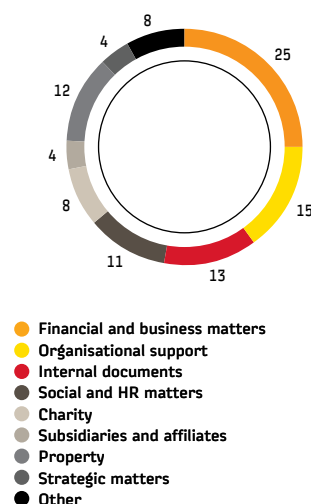
Appendices

¹ Directors Petr Ivanov, Sergey Zemlyansky, and Mikhail Beskhamelnitsyn each have two or more higher education degrees. Directors Olga Gniedkova and Mikhail Beskhamelnitsyn have academic degrees.

KEY RESOLUTIONS OF THE BOARD OF DIRECTORS IN 2018

- Approved the Operational Efficiency and Cost Optimisation Programme for 2018–2020.
- Approved the Action Plan to Achieve the Target State of the Corporate Governance System.
- Approved the General Director's report on the results of JSC FPC's Cost Optimisation Programme for 2017, on procurement in 2017, and on the implementation of JSC FPC's IT Programme for 2017.
- Approved quarterly reports by FPC's General Director.
- Reviewed the matters of designing an internal audit system, approved the Regulations on JSC FPC's Internal Audit Organisation, Regulations on JSC FPC's Internal Audit Unit, and the Activity Plan of the Internal Audit Unit.
- Approved JSC FPC's Budget for 2018 and the main parameters of JSC FPC's Budget for 2019–2020.
- Approved JSC FPC's Risk Management Policy.
- Approved the reports of the committees of FPC's Board of Directors for the 2017/2018 corporate year.
- Approved the adjustment to JSC FPC's Investment Programme for 2018.
- Reviewed the matters of designing FPC's risk management system, approved the amendments to JSC FPC's Risk Management Policy.
- Approved the new version of the Regulations on JSC FPC's Treasury Control.
- Approved JSC FPC's Policy on the Provision of Non-Audit Services by the External Auditor.
- Approved the Regulations on JSC FPC's Information Policy.
- Approved candidate Deputy General Directors and Heads of FPC's Branches; approved changes to FPC's organisational structure.

STATISTICS OF THE MATTERS REVIEWED BY THE BOARD OF DIRECTORS IN 2018, %



ATTENDANCE AT MEETINGS BY MEMBERS OF THE BOARD OF DIRECTORS IN 2018

NAME	IN-PERSON BOARD MEETING ²	IN-ABSENTIA BOARD MEETING	%
Mikhail Beskhamelnitsyn	5 (1)/6	7/7	100
Pavel Burtsev	4/5	3/3	88
Vladimir Gaponko	7(4)/11	10/10	100
Olga Gnedkova	7(3)/12	9/13	76
Vera Evseĭneeva	9(1)/11	9/10	91
Sergey Zemlyansky	9(3)/12	12/13	96
Petr Ivanov	10(2)/12	13/13	100
Irina Kostenets	0(1)/1	3/3	100
Sergey Kust	0(0)/1	2/3	50
Sergey Maltsev	5(6)/12	12/13	92
Dmitry Peĭgov	11/12	13/13	96
Alla Saltykova	9(2)/12	12/13	92
Maxim Shneider	0(1)/1	3/3	100

² The format "A(B)/C" or "A/C" in the table means that the concerned director personally attended A of C meetings, and participated in B meetings by submitting a written opinion (from his/her election to the mandate termination).

REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS

The principles regarding motivation for members of FPC's Board of Directors, as well as payment of compensation/reimbursement of expenses to members of the Board of Directors are set out in the Regulations on Remuneration and Reimbursement for Members of JSC 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 directors' attendance at meetings and a factor of a director's contribution to the performance of the Board of Directors as its Chairman or Deputy Chairman.

Additional remuneration is provided 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 directors' attendance at committee meetings and an additional factor of discharging the functions of the Chairman, the Deputy Chairman, or a member of a committee of the Board of Directors.

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

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 mandate termination).

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 mandate termination).

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:

- expenses incurred when travelling to the venue of the Board meetings (committee meetings) and back (including passenger insurance and service fee) by plane in business class, or by train in a first-class sleeping carriage
- expenses incurred when travelling from the airport or the railway station to the hotel and back
- expenses incurred when staying at a hotel in a single room
- other expenses incurred when attending the Board meetings (committee meetings).

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

The remuneration paid to members of the Board of Directors in 2018 totalled RUB 40,099,510¹.

PAYMENTS TO MEMBERS OF THE BOARD OF DIRECTORS FOR THE PERFORMANCE OF ADDITIONAL 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

¹ This amount does not include personal income tax, or payments related to Petr Ivanov's discharging the functions of FPC's General Director.

REPORT OF THE AUDIT AND RISK COMMITTEE



The Audit and Risk Committee is a consultative and advisory body of the Board of Directors, whose resolutions are of an advisory nature. The Committee's main goal – to assist the Board of Directors' efficient operation in controlling FPC's financial and business activities – is achieved through addressing the following tasks.

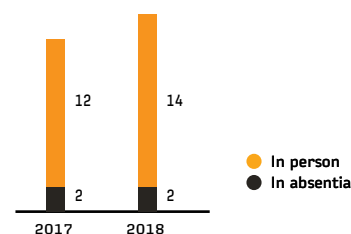
Alla SALTYSKOVA

The Committee's goals and objectives

ACCOUNTING (FINANCIAL) STATEMENTS		Monitor the completeness, accuracy, and integrity of FPC's accounting (financial) statements; review the material aspects of FPC's accounting policy; participate in reviewing material matters and judgements relating to FPC's accounting (financial) statements Approve the draft budget, Investment Programme, and relevant performance reports
RISK MANAGEMENT AND INTERNAL CONTROL		Monitor the risk management and internal control system for reliability and effectiveness Review the effectiveness of risk management and internal control procedures; prepare proposals for their improvement Review and assess the implementation of the risk management and internal control policy
INTERNAL AND EXTERNAL AUDIT		Ensure independent and unbiased approach of the internal audit function, and review its effectiveness; review the Company's internal audit policy and internal audit plan Assess candidates for the Company's auditor and make proposals on the auditor's remuneration Oversee external audits and assess audit quality and auditors' reports
COMBATING MALPRACTICE BY FPC'S EMPLOYEES OR THIRD PARTIES		Monitor the performance of the system of alerting on potential fraud being committed by FPC's employees or third parties Oversee special investigations of potential fraud, misuse of insider or confidential information Monitor the implementation of measures taken by the Company in response to reports of suspected fraud or other violations

Statistics on the Committee meetings

In 2018, the Audit and Risk Committee held 16 meetings: 14 meetings in person and two meetings in absentia, and discussed 113 agenda items.



Key items discussed by the Committee

Reviewed the auditor's independence and the schedule of the provision of services and submission of information for 2018 by the auditor to FPC, as well as a draft regulation on the provision of non-audit services by the auditor

Reviewed the Regulations on JSC FPC's Internal Audit Unit and the new version of the Regulations on JSC FPC's Internal Audit Organisation

Reviewed issues relating to risk management, risk management policy, and risk identification and assessment

Reviewed a report on eliminating identified violations for 2017 prepared by FPC's Audit Commission, as well as a report on the implementation of the external auditor's recommendations

Reviewed issues relating to the audit of RAS accounting statements for 2017 and IFRS consolidated financial statements, a report on the review of FPC's interim IFRS consolidated financial statements for 6M, significant risks, IFRS accounting policy issues, and the auditor's recommendations

Reviewed progress on FPC's anti-corruption and corruption prevention efforts

Reviewed reports on the operation of FPC's Control and Audit Centre and quarterly internal audit reports

On a quarterly basis, reviewed reports on the Company's financial and business activities prepared by FPC's General Director

The Committee's plans for 1H 2019

1. Review the General Director's report on FPC's financial and business performance in 2018 and Q1 2019, and the draft annual report.
2. Review FPC's RAS accounting (financial) statements and IFRS consolidated financial statements for 2018 and audit reports on them.
3. Provide an opinion on whether and how FPC's net profit for 2018 can be distributed.
4. Review a report on Internal Audit Unit's activities and plan for 2019.
5. Review performance reports on FPC's risk management system, internal control, and combating malpractice by the Company's employees or third parties, as well as plans for 2019.
6. Review FPC's Key Risk Map and proposals on FPC's risk appetite for the key risks.

Company Profile

Development
Strategy

Performance
Overview

Corporate
Governance

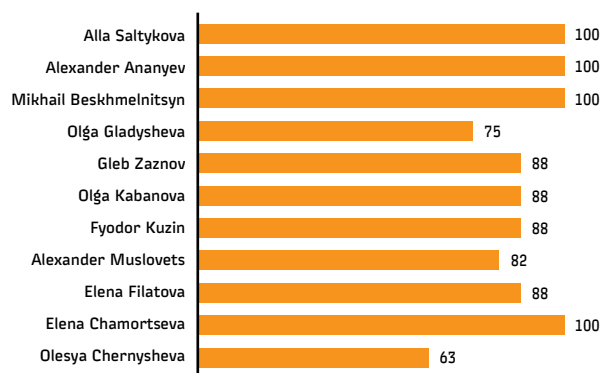
Sustainable
Development

Appendices

CHANGES IN THE COMMITTEE'S MEMBERSHIP IN 2018¹

JANUARY–FEBRUARY	MARCH–JUNE	JULY–DECEMBER
Alla Saltykova, Chairwoman of the Committee, Deputy Executive Director of the Forum Analytical Centre, Independent Director	Alla Saltykova, Chairwoman of the Committee, Deputy Executive Director of the Forum Analytical Centre, Independent Director	Alla Saltykova, Chairwoman of the Audit and Risk Committee of FPC's Board of Directors, Independent Director of FPC
Alexander Ananyev, Deputy Head of the Department of Economics, Russian Railways	Alexander Ananyev, Deputy Head of the Department of Economics, Russian Railways	Alexander Ananyev, Deputy Head of the Department of Economics, Russian Railways
Gleb Zaznov, Head of the Risk Management Development and Outsourcing Centre, a structural unit of Russian Railways	Mikhail Beskhmel'nitsyn, Head of the Control and Analytical Service of the CEO – Chairman of the Management Board, Russian Railways; Deputy Chairman of the Committee	Mikhail Beskhmel'nitsyn, Head of the Control and Analytical Service of the CEO – Chairman of the Management Board, Russian Railways; Deputy Chairman of the Committee
Fyodor Kuzin, Head of the Subsidiary Relations Unit at the Subsidiaries and Affiliates Management Department, Russian Railways	Gleb Zaznov, Head of the Risk Management Development and Outsourcing Centre, a structural unit of Russian Railways	Ol'ga Gladysheva, Head of the Centre for Risk Management Coordination and Internal Control System Development, Russian Railways
Alexander Muslovets, Deputy General Director, FPC	Fyodor Kuzin, Head of the Subsidiary Relations Unit at the Subsidiaries and Affiliates Management Department, Russian Railways	Ol'ga Kabanova, First Deputy Head of the Main Control Department of the City of Moscow
Elena Filatova, Advisor to the Economics and Finance Director, Russian Railways	Alexander Muslovets, Deputy General Director, FPC	Fyodor Kuzin, Head of Unit at the Subsidiaries and Affiliates Management Department, Russian Railways
Elena Chamortseva, Deputy Head of Zheldorkontrol Internal Control Centre, a structural unit of Russian Railways	Elena Filatova, Advisor to the Economics and Finance Director, Russian Railways	Alexander Muslovets, Deputy General Director, FPC
Olesya Chernysheva, Head of the Accounting Department, Russian Railways	Elena Chamortseva, Deputy Head of Zheldorkontrol Internal Control Centre, a structural unit of Russian Railways	Elena Filatova, Advisor to Deputy CEO – Chairwoman of the Management Board, Russian Railways
	Olesya Chernysheva, Head of the Accounting Department, Russian Railways	Olesya Chernysheva, Head of the Accounting Department, Russian Railways

STATISTICS ON INDIVIDUAL ATTENDANCE OF THE COMMITTEE MEETINGS IN 2018, %



In 2018, remuneration paid to the members of the Audit and Risk Committee of FPC's Board of Directors totalled RUB 5,830,710.²

¹ Positions as at the date of election to the Committee.

² This amount does not include personal income tax or payments made to members of the Committee who are employed by FPC. No remuneration for serving on the Committee was allocated or paid to Ol'ga Kabanova due to restrictions on remuneration for public servants.

REPORT OF THE HUMAN RESOURCES, REMUNERATION, AND CORPORATE GOVERNANCE COMMITTEE



The Human Resources, Remuneration, and Corporate Governance Committee of FPC's Board of Directors is a consultative and advisory body of the Board of Directors, whose resolutions are of an advisory nature. The Committee's main goal – to assist the Board of Directors' efficient operation in developing corporate governance, efficient HR planning, and effective and transparent remuneration practice at FPC – is achieved through addressing the following tasks.

Sergey ZEMLYANSKY

The Committee's goals and objectives

EFFECTIVE AND TRANSPARENT REMUNERATION PRACTICE



Develop and regularly review the Company's policy on remuneration of members of the Board of Directors, executive bodies, and other key managers; make recommendations on the levels of remuneration and reimbursement for members of the Boards of Directors and Audit Commissions of FPC and its subsidiaries and affiliates; define material terms of contracts with FPC's executive officers
Authorise FPC's General Director to serve on governing bodies or hold other paid positions in other companies
Oversee the disclosure of information on remuneration levels, policy and practice, and on shareholdings in the Company by members of the Board of Directors and members of collective executive bodies in the Annual Report and on the FPC website

HR PLANNING



Develop an induction programme for newly elected members of the Company's Board of Directors and oversee its implementation; develop a training and development programme for members of the Board of Directors and oversee its implementation
Analyse the current and anticipated needs of the Company regarding the professional qualifications of members of its executive bodies and other key managers, and ensure succession planning for these positions
Discuss, review, and make recommendations to the Company's Board of Directors as to appointments of the Company's representatives to supreme governing bodies of its subsidiaries and affiliates, and nominate candidates to the boards of directors and audit commissions of the Company's subsidiaries and affiliates
Approve candidates to positions of the Company's executive officers and to certain positions in the Company's administration as determined by FPC's Board of Directors

DEVELOPMENT AND IMPROVEMENT OF THE CORPORATE GOVERNANCE PRACTICE



Monitor compliance with the Company's information policy
Monitor reliability and effectiveness of the corporate governance system; review the effectiveness of the corporate governance practice and make proposals for its improvement
Monitor procedures which ensure FPC's compliance with Russian laws on corporate governance
Define the conflict of interest management policy and review and assess its implementation

Company Profile

Development Strategy

Performance Overview

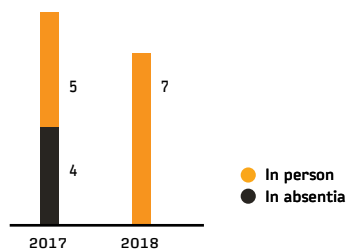
Corporate Governance

Sustainable Development

Appendices

Statistics on the Committee meetings

In 2018, the Human Resources, Remuneration, and Corporate Governance Committee held seven meetings, all of them in person, and discussed 48 agenda items.



Key items discussed by the Committee

- Approved candidates to the positions of heads of FPC's branches
- Approved the Plan to Achieve the Target State of the Corporate Governance System and the Regulations on JSC FPC's Information Policy
- Approved amendments to the terms of the employment contract with FPC's General Director
- Approved candidates to the governing bodies of FPC's subsidiaries and affiliates

Reviewed proposed changes to the organisational structure of the Company's administration

Reviewed quarterly reports by FPC's General Director on the Company's social and HR policy and the implementation of resolutions of FPC's Board of Directors

Provided recommendations on the incentives for FPC's General Director

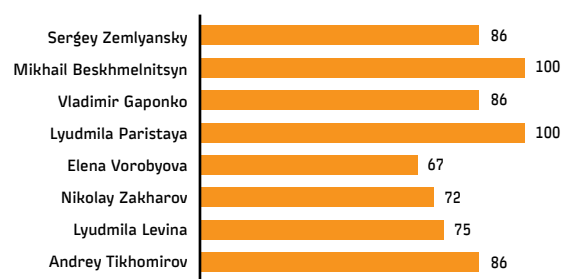
The Committee's plans for 1H 2019

1. Review the General Director's report on FPC's performance in 2018 and Q1 2019.
2. Draft proposals on FPC's customer focus and passenger satisfaction KPIs.
3. Determine the levels of remuneration for members of FPC's Audit Commission and Board of Directors.
4. Review the report on the Committee's performance in the 2018/2019 corporate year.
5. Identify actions needed to prepare for the annual General Shareholders Meeting, including assessment of nominees to FPC's Board of Directors appointed by shareholders.

CHANGES IN THE COMMITTEE'S MEMBERSHIP IN 2018

JANUARY–FEBRUARY	MARCH–JUNE	JULY–DECEMBER
Sergey Zemlyansky , Independent Director, FPC; Chairman of the Committee	Sergey Zemlyansky , Independent Director, FPC; Chairman of the Committee	Sergey Zemlyansky , Independent Director, FPC; Chairman of the Committee
Lyudmila Paristaya , Deputy General Director, FPC; Deputy Chairwoman of the Committee	Vladimir Gaponko , Head of the Economics Department, Russian Railways; Deputy Chairman of the Committee	Mikhail Beskhmel'nitsyn , Head of the Control and Analytical Service of the CEO – Chairman of the Management Board, Russian Railways; Deputy Chairman of the Committee
Andrey Vyatkin , Advisor to the General Director of VEB-leasing	Nikolay Zakharov , First Deputy Head of the Personnel Management Department, Russian Railways	Elena Vorobyova , Deputy Head of the Subsidiaries and Affiliates Management Department, Russian Railways
Nikolay Zakharov , First Deputy Head of the Personnel Management Department, Russian Railways	Lyudmila Levina , Head of Unit at the Subsidiaries and Affiliates Management Department, Russian Railways	Vladimir Gaponko , Head of the Economics Department, Russian Railways
Lyudmila Levina , Head of Unit at the Subsidiaries and Affiliates Management Department, Russian Railways	Lyudmila Paristaya , Deputy General Director, FPC	Nikolay Zakharov , First Deputy Head of the Personnel Management Department, Russian Railways
Andrey Tikhomirov , First Deputy Head of the Employment, Remuneration, and Motivation Department, Russian Railways	Andrey Tikhomirov , First Deputy Head of the Employment, Remuneration, and Motivation Department, Russian Railways	Lyudmila Paristaya , Deputy General Director, FPC
		Andrey Tikhomirov , First Deputy Head of the Employment, Remuneration, and Motivation Department, Russian Railways

STATISTICS ON INDIVIDUAL ATTENDANCE OF THE COMMITTEE MEETINGS IN 2018, %



In 2018, remuneration paid to members of the Human Resources, Remuneration, and Corporate Governance Committee of FPC's Board of Directors totalled RUB 2,510,530¹.

Company Profile

Development
StrategyPerformance
OverviewCorporate
GovernanceSustainable
Development

Appendices

¹ This amount does not include personal income tax or payments made to members of the Committee who are employed by FPC.

REPORT OF THE STRATEGIC PLANNING COMMITTEE



The Strategic Planning Committee is a consultative and advisory body of the Board of Directors, set up to enable the Board of Directors to improve the Company's long-term performance, whose resolutions are of an advisory nature.

Dmitry PEGOV

The Committee's goals and objectives



Determine strategic goals of FPC's activities; participate in the development of the Company's Strategy, and monitor its implementation; make recommendations to the Board of Directors on adjustments to the Company's existing Strategy



Determine the Company's business priorities



Preview, and make recommendations to the Board of Directors on:

- the Company's dividend policy
- the Company's investment policy, including the establishment of key principles for the development of the investment policy
- the Company's membership in other entities (including direct or indirect acquisition and disposal of interests in the share capitals of such entities and imposing a charge on shares or interests)
- approval of, and adjustments to, the Company's annual budget and investment programme, and approval of the relevant performance report
- determining the amount of dividend on shares
- approval of the Company's material transactions



Assess the Company's long-term performance



Assess voluntary and mandatory offers for the Company's securities



Review the Company's financial model and a model for valuation of its business and business segments



Consider reorganisation or liquidation of the Company and its controlled entities



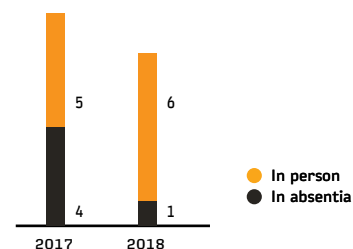
Consider changes to the organisational structure of the Company and its controlled entities



Consider reorganisation of business processes in the Company and its controlled entities

Statistics on the Committee meetings

In 2018, the Strategic Planning Committee held seven meetings: six meetings in person and one meeting in absentia, and discussed 28 agenda items.



Key items discussed by the Committee

Reviewed FPC's Annual Report for 2017 and proposals on the payout (declaration) of the full year dividend for 2017

Reviewed a report on the implementation of the Stabilisation and Development Plan for JSC FPC-Logistics

Reviewed activities of FPC's subsidiaries and their development prospects

Reviewed the adjustment to JSC FPC's Investment Programme

Approved JSC FPC's Budget for 2019–2021 and Investment Programme for 2019–2021

The Committee's plans for 1H 2019

1. Assess the performance of the dynamic pricing system.
2. Review the results of the programme to improve operational efficiency and investment performance in 2018.
3. Review FPC's draft Annual Report for 2018.
4. Consider payment of the full year dividend for 2018.

Company Profile

Development
Strategy

Performance
Overview

Corporate
Governance

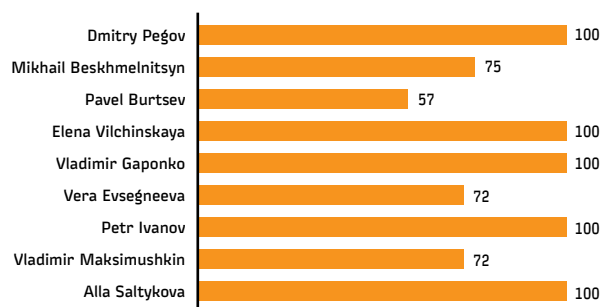
Sustainable
Development

Appendices

CHANGES IN THE COMMITTEE'S MEMBERSHIP IN 2018

JANUARY–FEBRUARY	MARCH–JUNE	JULY–DECEMBER
Dmitry Pečov, Passenger Transportation Director, Russian Railways; Chairman of the Committee	Dmitry Pečov, Passenger Transportation Director, Russian Railways; Chairman of the Committee	Dmitry Pečov, Deputy CEO – Chairman of the Management Board, Russian Railways; Chairman of the Committee
Sergey Kust, member of FPC's Board of Directors; Deputy Chairman of the Committee	Pavel Burtsev, Head of the Passenger Services Management Department, Russian Railways	Mikhail Beskhmel'nitsyn, Head of the Control and Analytical Service of the CEO – Chairman of the Management Board, Russian Railways
Vladimir Maksimushkin, First Deputy Head of the Economic Environment and Strategic Development Department, Russian Railways	Elena Vilchinskaya, Advisor to the Head of Moscow Metro on Legal Matters	Pavel Burtsev, Head of the Passenger Services Management Department, Russian Railways
Aleksey Mastyaev, Advisor of the Department for the State Regulation of Tariffs, Infrastructure Reforms, and Energy Efficiency of the Russian Ministry of Economic Development	Vladimir Gaponko, Head of the Economics Department, Russian Railways	Elena Vilchinskaya, Head of Unit at the Central Directorate for Multiple Unit Trains, a branch of Russian Railways
Alexander Muslovets, Deputy General Director, FPC	Vera Evseġneeva, Head of the Subsidiaries and Affiliates Management Department, Russian Railways; Deputy Chairwoman of the Committee	Vladimir Gaponko, Head of the Economics Department, Russian Railways
Alla Saltykova, Independent Director, FPC	Petr Ivanov, General Director, FPC	Vera Evseġneeva, Head of the Subsidiaries and Affiliates Management Department, Russian Railways
Maxim Shneider, member of FPC's Board of Directors	Vladimir Maksimushkin, First Deputy Head of the Economic Environment and Strategic Development Department, Russian Railways	Petr Ivanov, General Director, FPC
	Alla Saltykova, Independent Director, FPC	Vladimir Maksimushkin, First Deputy Head of the Economic Environment and Strategic Development Department, Russian Railways
		Alla Saltykova, Independent Director, FPC

STATISTICS ON INDIVIDUAL ATTENDANCE OF THE COMMITTEE MEETINGS IN 2018, %



In 2018, remuneration paid to members of the Strategic Planning Committee of FPC's Board of Directors totalled RUB 1,803,330¹.

¹ This amount does not include personal income tax or payments made to members of the Committee who are employed by FPC.