

ENVIRONMENTAL PROTECTION

One of the TransContainer's main strategic objective with regard to environmental protection is to ensure the environmentally-friendly and sustainable development of the Company while also minimising the environmental impact of its activities.

The main principles of the Company's environmental activities are:

- ensuring compliance of the Company's activity with the Constitution of the Russian Federation, federal laws and other regulations of the Russian Federation, international regulations governing environmental protection and sustainable use of natural resources, and strict compliance with the rules intended to ensure personnel, community and environment safety by all employees;
- constantly improving and enhancing our environmental performance and environmental management system;
- prioritising activities set to reduce the impact of hazardous operations on people and the environment;
- staying alert and taking immediate action to prevent and manage any environmental accidents, incidents, occurrences, disasters or other emergencies;
- taking a consistent and holistic approach to ensuring environmental safety.

The following regulations were developed in 2020:

- maximum permissible emissions (MPE) for a 5-year term;
- maximum permissible discharges (MPD) for a 3-year term;
- standards for waste generation and disposal limits.

Since 1 January 2016, 64% of the Company's road vehicles use Euro-5 fuel, ensuring reduced harmful air emissions.

In 2019, PJSC TransContainer was certified for compliance of the environmental management system for transportation and logistics services for delivery and freight forwarding of cargo with requirements of GOST R ISO 14001-2016 (ISO 14001:2015). The registration number of the Compliance Certificate is OLIMP.RU.0001.C000090 dated 26 July 2019. In 2020, the auditor of the certification body decided to confirm the effect of this Certificate of Compliance of the Environmental Management System based on the inspection audit.



ENVIRONMENTAL IMPACT MANAGEMENT

Breakdown of expenses for environmental measures in the container terminals of PJSC TransContainer (RUB thousand)

Target area (terminal)	Event	Expenses
Gorky Branch		
Kirov-Kotlassky terminal	Construction of rain storm sewers	2,200.0
North Caucasus Branch		
Rostov-Tovarny, Skachki, Vladikavkaz, Krasnodar	Measuring pollutants at emission sources	40.5
Agency at Abinsk electromechanical plant	Waste certificates of I-IV hazard classes have been developed	47.0
	Projects of emission limits have been developed	55.0
Rostov-Tovarny	Maintenance (pothole repair) of the asphalt road pavements	830.5
Krasnoyarsk branch		
Bazaikha	The Company set up temporary sites for waste storage	27.0
Total		3,200.0

In the West Siberian branch, amount of RUB 1 mln for the design and exploration work on the reconstruction of the building of mechanical workshops of the container terminal Kleshchyha is planned to switch from diesel heating to gas.

Breakdown of environmental expenditures in 2020 (RUB thousand)

Field	Expenses
Waste management and emission treatment	129.0
Environmental impact prevention	3,030.5
Third party services for environmental management system	40.5
Total	3,200.0

Environmental expenditures in 2020 (RUB mln)

Period	Expenses
2020	3.20
2019	6.00
2018	28.32

Currently, all branches are complying with the legislation of the Russian Federation in the field of environmental protection. Significant capital investments and investment costs were not provided.

SOLID WASTE

In 2020:

- In accordance with Article 1 of the Federal Law of the Russian Federation No. 89-FZ date 24 June 1998 "On Production and Consumption Wastes", the Company executed temporary storage of waste in places (on sites) arranged in accordance with the requirements of the legislation of the Russian Federation in the field of environmental protection and legislation of the Russian Federation in the field of sanitary and epidemiological welfare of the population, in order to use, dispose, locate, transport them later;
- in accordance with Clauses 4 and 5 of Accounting Procedure in Terms of Wastes approved by the order of the Ministry of Natural Resources and Environment of the Russian Federation, the Company kept records

in the field of waste management based on actual measurements of the amount of waste used, disposed, transferred to others or received from others. All types of wastes of I–V hazard classes generated, used, disposed, transferred to others or received from others, as well as those placed during the Company's operations during the accounting period are to be accounted;

- in accordance to Clause 20 of the Accounting Procedure the Company has ensured the completeness, continuity and reliability of the accounting of the waste generated, used, disposed, transferred to others or received from others, as well as the waste placed.

WASTE BY TYPE AND TREATMENT METHOD GRI 306-2

Generation of wastes by hazard classes (ton)

Hazard class	Volume
I	0.50
II	2.15
III	15.21
IV	649.00
V	5,144.71
Total	5,727.21

Waste treatment (ton)

Treatment method	Volume
Re-used	0.18
Disposed	0.60
Transferred to others	5,806.74
Received from others	0.00
Placed on a landfill	0.00

ENERGY EFFICIENCY

In 2020, the Company conducted a wide-over analysis of energy sources rational use. The terminals were measured in terms of the light standards of container sites and insulation resistance of electrical installations, equipment and buildings. The discrepancies identified have been corrected.

Due to the pandemic, energy consumption decreased compared to 2019. Thus, consumption of electricity decreased by 9%, gasoline - by 43%, heat - by 66%, which in monetary terms amounted to about RUB 24 mln.

REMOTE TERMINAL MONITORING

In order to increase fuel control in some of the Company's branches (Kuibyshev, West Siberian, East Siberian), as well as in the executive office, remote monitoring of vehicles is provided. The system of vehicles remote monitoring is used for a more efficient and seamless operation of vehicles – from dispatch and traffic to fuel consumption control. Smart vehicle route planning and installation of fuel level sensors translate into a significant reduction in empty mileage and fuel consumption. At the moment, the project of introducing the unified system of monitoring of the Company's main assets (vehicles, stackers, gas stations, diesel generators) in the amount of 193 units is under agreement.

Energy consumption in 2020

Energy type	Physical volume	Volume in monetary terms (RUB thousand)	Volume (tons of equivalent fuel)
Electricity, total (thousand kW · h)	15,681.51	76,222.15	1,928.83
Diesel fuel (tons)	3,400.18	149,785.10	4,930.26
Petrol (tons)	109.75	5,093.29	163.53
Natural gas (thousand m3)	53.63	886.89	61.89
Heat (Gcal)	9,712.53	18,100.39	1,388.89

Energy savings in 2020

Energy type	Physical volume	Volume in monetary terms (RUB thousand)	Volume (tons of equivalent fuel)
Electricity, total (thousand kW · h)	404.17	1,715.26	49.71
Diesel fuel (tons)	33.08	1,455.06	47.96
Petrol (tons)	8.54	344.79	12.73
Natural gas (thousand m3)	5.15	32.14	5.94