

YOUTH POLICY OF THE COMPANY

The youth policy is an integral part of working with the HR resource of PJSC TransContainer. In 2020, the Company implemented a number of measures to establish and maintain the status of PJSC TransContainer as an attractive employer supporting the interest of the new generation in the field of rail container transportation, which in the future will become an asset of the Company.

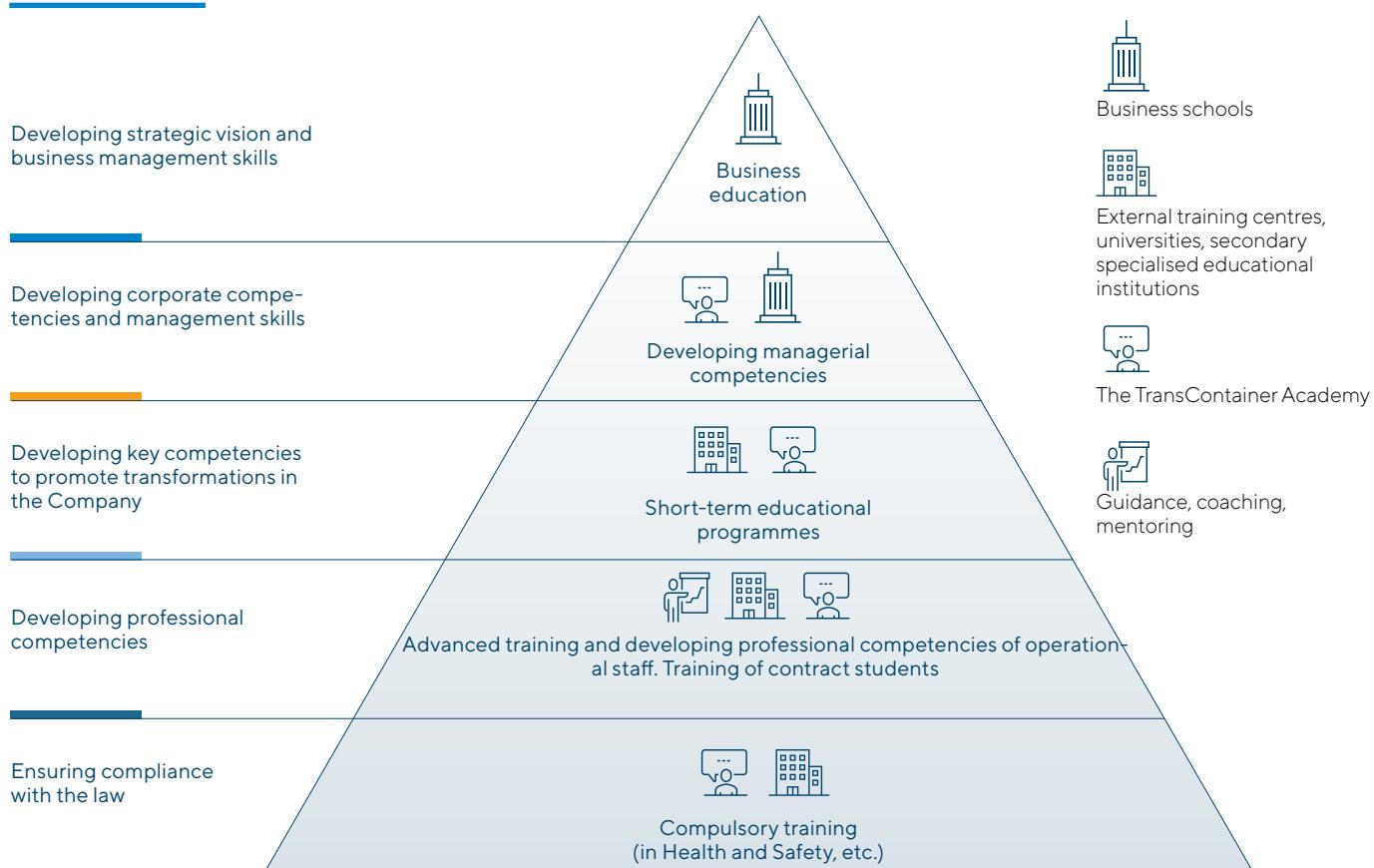
There are activities that have become systemic under the Company's youth policy: participation of managers

of PJSC TransContainer in the state examination commissions of specialised universities, working with students during practical training and mentoring for young specialists, open online meetings with students of specialised universities.

In 2020, PJSC TransContainer took part in the career day of the Russian University of Transport (MIIT). The event was held in a new digital format, more than 70 students took part in the broadcast organised by the Company.

TRAINING AND PROFESSIONAL DEVELOPMENT

GENERAL APPROACH TO STAFF TRAINING AND DEVELOPMENT



THE TRANSCONTAINER ACADEMY: INTERNAL DISTANCE TRAINING AND TESTING

TransContainer Academy is a modern unified HR platform for adaptation, training and development of employees. Its main goal is to improve the efficiency of the Company's activities through the creation of a system of continuous training, assessment and development of the staff.

The main task of the TransContainer Academy is to involve managers in the development of their subordinates, and to motivate the subordinates themselves to achieve a common result. A big step within this task was the development of the school of internal coaches. Within the school, the Company selected internal experts and trainers able to provide training of any complexity for the employees of the Company, i. e. to give them functional knowledge and form necessary skills for the work, as well as to inform about the corporate rules adopted in the Company, methods of work and the instruments used.

Internal trainers and experts from among experienced employees and functional managers are actively involved in the creation of a corporate knowledge base. All distance courses in 2020 were developed by means of the Company's own resources. They reflect the needs and specifics of the business as much as possible.

Electronic courses library of the TransContainer Academy has more than 50 courses in various fields: professional subjects, software, management and personal efficiency. 2020 the TransContainer Academy launched new courses that were completed by more than 500 people.

On the TransContainer Academy platform, employees can undergo professional testing and assess their level of competencies.

In 2020, more than 30 professional tests have been developed, updated and placed:

- tests by profession (rolling stock repair mechanic, crane driver, forklift driver and other working specialties);
- health and safety tests;
- tests on knowledge of business process regulations;
- tests on topic "Services and service procedures of PJSC TransContainer".

Tests can identify bottlenecks in the knowledge of employees and allow to arrange required training and development programmes. In total, more than 1.9 thousand employees have been tested on professional competences in 2020.

EXTERNAL TRAINING, ADVANCED TRAINING AND RETRAINING

In order to improve the level of professional competence and development of the personal and business qualities of employees, the focus of PJSC TransContainer is on the issues of professional development and systematic updating of the knowledge and skills of the employees at external events - trainings, seminars, specialised conferences. In 2020, 2,375 people upgraded their qualification and participated in external information and consultation activities.

Distribution of Budget Funds in 2020 for Training and Development in the Areas

Training area	% of the total budget for training	Quality of trained employees
Advanced training and development training	23.91	163
Obligatory training	72.44	2,212
Receiving the second higher education by employees of the Company, higher education in specialised universities for students	3.65	3

Total training hours (h)

Employee category	2018	2019	2020
Managers	30,514	37,953	37,282
Specialists	19,597	19,513	18,384
Workers	36,283	51,515	24,082
Male	55,835	79,012	50,520
Female	30,603	29,985	29,228
Total	86,438	108,997	82,370

Average number of training hours per one employee per year GRI 404-1

Employee category	2018	2019	2020
Managers	53.88	57.43	42.08
Specialists + workers	41.96	51.93	38.82
Male	59.16	66.50	43.61
Female	48.56	57.16	36.29
Total	53.87	61.88	45.13

Investments in the training and development of employees (RUB, thousand)

2016	2017	2018	2019	2020	2020/2019 (%)
14,223	24,306	20,920	49,478	6,393	12.92

STAFF ASSESSMENT

The main goals and objectives of assessing the capacity and professional competencies of employees remain important for maintaining the staffing HR potential of the Company and improving standards of work. The results of the assessment are used for decisions on appointment, displacement of employees, effective planning of training and development activities.

In 2020:

- more than 70 employees were assessed in terms of their leadership and management potential by the method of testing at the formation of the HR reserve. Strengths and development zones have been identified, individual development plans have been formed and recommendations for competence development have been made on the basis of the assessment results;
- at hiring/appointment, the procedure of assessing corporate and professional competences by experts/managers has been carried out – more than 100

candidates have been assessed for compliance with the profile of the position;

- tests are being set up for internal re-appointments to new positions to assess professional competence. More than 100 tests have been automated.

For example, the following courses are prescribed for a new Call centre employee with mandatory testing:

- client-oriented approach;
- service standards and appeal processing systems;
- services and service procedures.

The managers of a new employee include courses and tests in adaptation plans.

1,974 thousand employees have been tested on professional competences in 2020.

INCENTIVES

FINANCIAL INCENTIVES

PJSC TransContainer values its employees and aligns their remuneration and incentivisation with the Company's Strategy aimed at higher container transportation volumes and margins, excellent quality of freight forwarding services, and stronger performance.

Staff remuneration terms and procedure are set out in the Regulation on TransContainer's Staff Remuneration.

Employees' salaries are set on the basis of an approved staffing schedule and are indexed in accordance with the TransContainer Collective Agreement:

- the salary ranges for managers and specialists are differentiated in view of the complexity and importance of the work functions performed and the importance in the organisational structure of TransContainer's management;

- workers are paid by hourly rates determined on the basis of the tariff grid of wages.

The bonus system implies payment of remuneration based on the Company's operating and financial results, as well as employees personal contribution. Bonus payment performances are established in the context of the business units, professions and job positions. We have developed and are continuously improving the scheme which links the bonus amount to the achievement of target KPIs.

To attract and retain qualified staff, the Company pays one-off loyalty bonuses. In addition, in 2020 the wage indexation of 3% for all employees was implemented pursuant to the TransContainer's Collective Agreement.