

HEALTH AND SAFETY

PJSC TransContainer's health and safety system is regulated by labour protection legislation and internal regulations:

- Enterprise Standard STP TK.001-2008 "Health and Safety Management System in PJSC TransContainer";
- Regulation on Monitoring Health and Safety in PJSC TransContainer;
- Process Regulation RP TK B.17-60-2021 "Work Safety and Environmental Protection in PJSC TransContainer";
- other local regulations of the executive office and branches of the Company.

The Company's activities in the field of health and safety are aimed at preserving life and health of employees, as well as improving working conditions in the workplace, safety of equipment, fire-fighting condition of facilities.

The Company strives for zero injuries in its production activities. In recent years, there has been a clear positive trend in injury rates. In 2018-2020, the Company avoided fatal accidents. In 2020, the rates of mild-severity injuries also improved.

Injury Rates in 2019–2020

Severity	2019	2020
Mild	3	1
Heavy	1	0
Fatal	0	0

Breakdown of Health and Safety Costs (RUB mln)

Use of funds for health and safety activities	2019	2020
Amount spent on health and safety activities not considering individual protective equipment	45,022	48,558
Including		
Activities on labour conditions improvement	27,098	30,365
Activities on injury reduction	17,924	18,193
Individual protective equipment (IPE)	18,756	14,231
Total	63,800	62,800

In 2020, the Company allocated RUB 62.789 mln to health and safety improvement.

In accordance with the Collective Agreement, TransContainer's annual health and safety expenses account for at least 0.3% of costs attributable to the cost of revenue. This serves as a basis for the Company's branches to plan their occupational safety measures. In 2020, health and safety expenses, net of IPE expenses,

amounted to RUB 48.558 mln against the annual target of RUB 47.281 mln (around 0.31% of costs attributable to the cost of revenue). The funds were used to purchase hand-held radio units, sets of tools with insulated handles for electric works, fire extinguishers, prohibitory, information and mandatory safety signs and fire doors, to measure the insulation resistance of electric equipment, and carry out a number of process control initiatives.

The Company spent RUB 30.365 mln to improve working conditions and prevent occupational diseases (up 12% year-on-year). For better microclimatic conditions, the Company installed heaters, air conditioning systems, ionisers, and window blinds. TransContainer also purchased labour-saving devices to reduce workload and physical effort. As part of its efforts to enhance employee welfare, the Company furnished individual lockers, electrical appliances, and bottled water.

At TransContainer, we pay special attention to providing employees of business units with cutting-edge and

high-quality personal protective equipment. There are special acceptance boards in place responsible for the quality and timely delivery of protective clothing.

As part of preventive measures to avoid the spread of the new coronavirus infection (COVID-19), additional measures were provided to disinfect the premises and purchase individual protective equipment (protective masks, gloves, disinfectant wipes, skin antiseptics for hand treatment, disinfectants).

TRAINING AND ASSESSMENT

To prevent workplace injuries, PJSC TransContainer organises annual scheduled training for managers and specialists. In 2020, 279, 57 and 49 people were trained in occupational, industrial and electrical safety, respectively, with approximately RUB 2.4 mln allocated for the purpose.

In 2020, the Company conducted a special assessment of working conditions at 19 workplaces across the Company's branch offices.

Working conditions at 83 workplaces have been improved. The costs for improvement of working conditions at workplaces with harmful factors amounted to RUB 0.71 mln, including the purchase of state-of-the-art tools, machines, and other production equipment. Also, we installed new air filters and air conditioning systems to improve the microclimate in our premises.

As part of the planned health and safety activities, the following pilot projects/activities have been implemented in the Ural branch:

- Regulation on Behavioural Safety Audit (BSA) has been developed and put into effect. The BSA system is new to the Company. The aim of the system is to create a culture of conscious safety among employees and prevent industrial injuries, accidents and incidents at

container terminals;

- work has been carried out to assess the operational risks of key professions at the container terminals of Ekaterinburg-Tovarniy Station and Chelyabinsk-Gruzovoi, with the involvement of experts of the specialised organisations; the Regulation on System of Assessment and Management of Professional Risks has been developed and approved.

Pursuant to the Collective Agreement and the special assessment results, employees exposed to harmful and/or hazardous environment factors receive compensations. The employees get bonuses in addition to standard wages and extra leave days.