

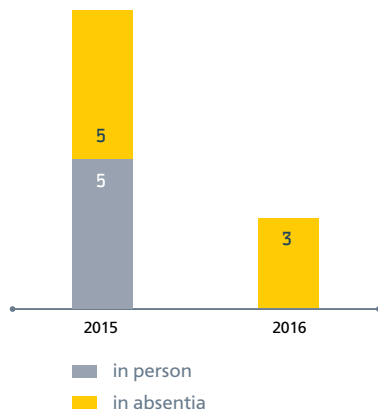


Report of the Strategic Planning Committee



Statistics on the Committee meetings

In 2016, the Committee held three in person meetings and discussed ten agenda items.



Roles of the Committee

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

Determine the Company's business priorities

Preliminary consideration and making of 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; and
- approval of the Company's material transactions.

Evaluate long-term performance of the Company

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



Key items discussed by the Committee

1. Reviewed a draft version of the updated FPC's Development Strategy until 2030;
2. Reviewed the Investment Programme for 2017–2019 and adjustments for 2016.
3. Reviewed the budget for 2017–2019 and adjustments for 2016.
4. Reviewed drafts of FPC's Financial Plan for 2017 and forecasts for 2018–2019.
5. Approved the approach to running the Innovative Mobility project.

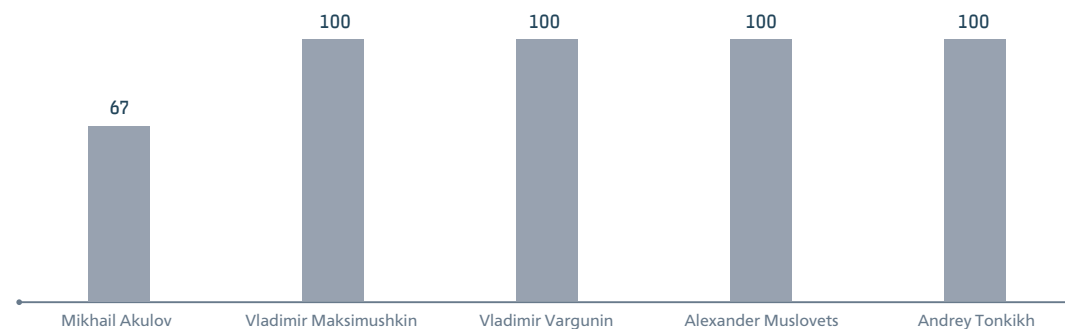
The Committee's plans for 2017

1. Review a Progress Report on FPC's Strategy implementation in 2016.
2. Review the General Director's Report on FPC's performance in 2016.
3. Review FPC's draft Annual Report for 2016.
4. Consider payment of the full year dividend for 2016.

The Committee's membership in 2016

In September 2016, FPC's Board of Directors resolved to reduce the number of Committee members from nine to five.

Statistics on individual attendance of the Committee meetings in 2016, %



The remuneration paid to members of the Committee in 2016 totalled RUB 269,452.



CHANGES IN THE COMMITTEE'S MEMBERSHIP IN 2016

Members of the Committee in January–March 2016

Valery Veremeev, Member of FPC's Board of Directors, Chairman of the Committee

Maxim Artemov, Deputy Head of the Passenger Services Management Department, Russian Railways

Vladimir Vargunin, First Deputy Head of the Transport and Logistics Management Department, Russian Railways

Vladimir Maksimushkin, First Deputy Head of the Economic Environment and Strategic Development Department, Russian Railways

Vadim Mishanin, Deputy General Director for Strategic Development and Corporate Governance at FPC

Yuri Saakyan, CEO at the Institute of Natural Monopolies Research, Independent Director

Vasily Shipilov, Deputy Director of the Department for the State Regulation of Tariffs, Infrastructure Reforms and Energy Efficiency, Russian Ministry of Economic Development

Igor Zyablitsky, Head of the Economics and Finance Directorate, Federal Agency for Railway Transport

Aleksandr Romanov, Deputy Head of the Corporate Finance Department, Russian Railways

Members of the Committee in September–December 2016

Mikhail Akulov, Vice-President of Russian Railways, Member of FPC's Board of Directors, Chairman of the Committee

Alexander Muslovets, Deputy General Director, FPC

Vladimir Vargunin, First Deputy Head of the Transport and Logistics Management Department, Russian Railways

Vladimir Maksimushkin, First Deputy Head of the Economic Environment and Strategic Development Department, Russian Railways, Deputy Chairman of the Committee

Andrey Tonkikh, Head of the Department of Business Project Management, Russian Railways