



Federal Passenger  
Company

ANNUAL REPORT – 2024



*With all  
the generosity  
of our heart*





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# About the Report

Joint Stock Company Federal Passenger Company (hereinafter, referred to as JSC Federal Passenger Company, JSC FPC, the Company) is the national passenger railway carrier of the Russian Federation and an entity subject to anti-monopoly regulation.

This Annual Report of JSC Federal Passenger Company for 2024 (hereinafter also referred to as the Annual Report, or the Report) contains information on the performance of JSC FPC.

The Report has been prepared based on the analysis of the Company's operating data and RAS financial indicators for the period from 1 January to 31 December 2024.

Based on the results of the audit of the financial and business activities of JSC FPC for 2024, the Auditing Commission confirmed the accuracy of the data contained in the annual accounting (financial) statements and the Company's Annual Report.

The Report was approved by the decision of the Board of Directors of JSC FPC on 27 May 2025 (Minutes No. 16 dated 30 May 2025).

The text of the Annual Report may contain errors in the calculation of shares, percentages and amounts due to rounding. The figures in the Annual Report may differ slightly from the previously published preliminary figures of the operating and financial indicators.

You can read the full text of the Company's Annual Reports for the past three years on the following websites:



<http://disclosure.skrin.ru/disclosure/7708709686>



<https://fpc.ru/ru/7022/page/103290?id=10917#main-header>

This Annual Report was prepared in accordance with the requirements of regulatory legal acts of the Russian Federation, taking into account the recommendations of the Corporate Governance Code recommended by the Central Bank of the Russian Federation (hereinafter, referred to as the Bank of Russia).





# 01

*With all  
the generosity of our heart*  
**offering the  
best**

Our company is the national passenger railway carrier of the Russian Federation. We have been bringing our large nation together with a unified transportation network for 15 years, making travel more comfortable for passengers and enhancing the calibre of our services.

## 112.7

**million passengers**

carried in 2024

**+4%** year-on-year

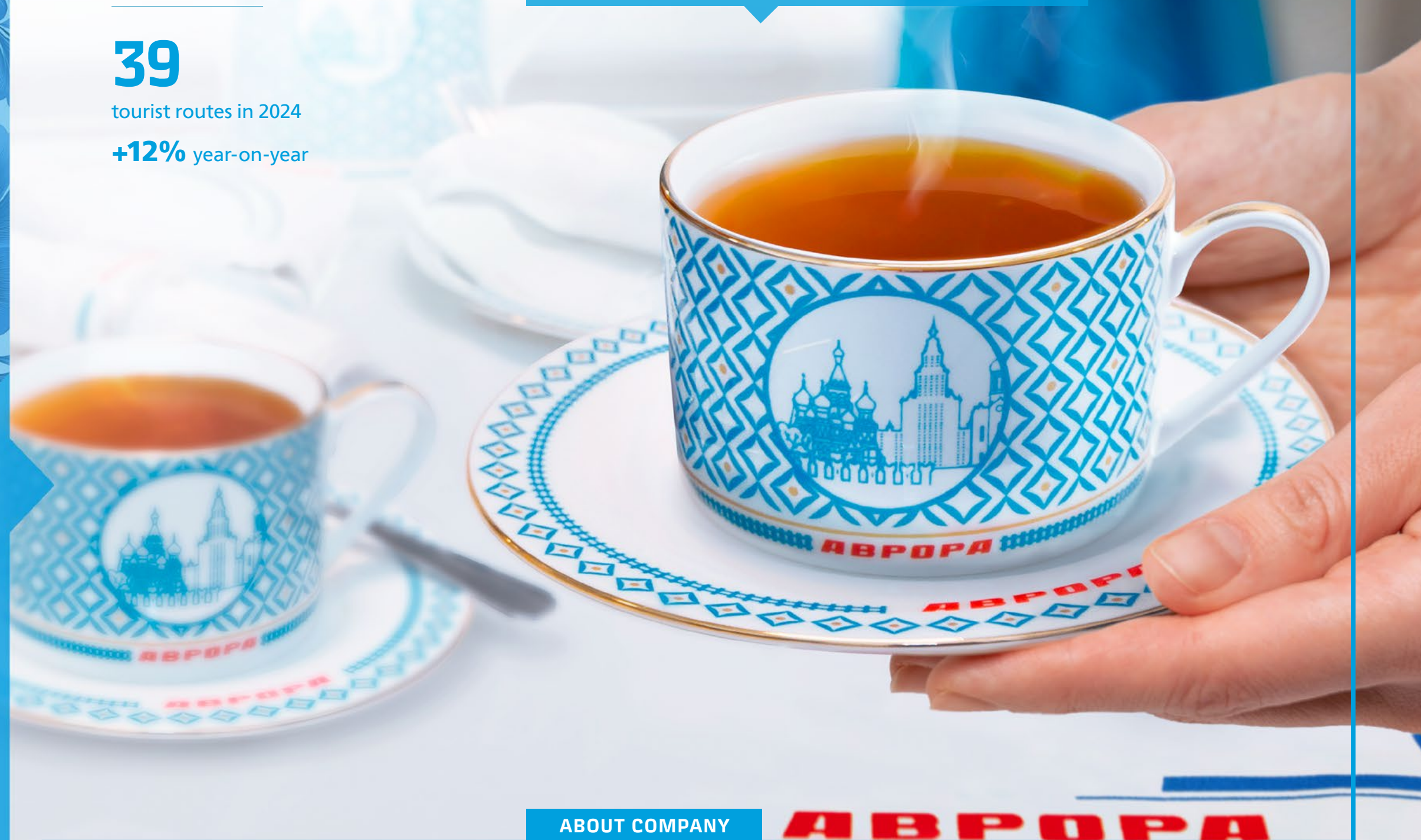
## 39

tourist routes in 2024

**+12%** year-on-year

### Back on track

To mark the Company's 15th anniversary, we are bringing back the Aurora higher-speed train service between Moscow and St. Petersburg. The first passengers have already enjoyed the refurbished rolling stock consisting of 15 double-decker carriages and featuring improved interior design, original gourmet souvenirs in the bistro carriage and history-inspired livery.



ABOUT COMPANY

АВРОРА



# Company Profile

**554** carriages

**purchased, including 154 double-decker ones**

**+4%** year-on-year

**372.9**  
**RUB billion**

**income from operations**

**+18%** year-on-year

**16,600**  
**carriages**

**rolling stock fleet**

## Establishing a unified network to link Russia's cities and regions

JSC FPC is crucial to maintaining nationwide transportation accessibility. Being the major railway passenger service operator, the Company connects major cities with isolated and challenging-to-reach locations. Long-distance train routes cover all federal districts, providing convenient and reliable travel for millions of Russian citizens.

## Making travel comfortable

The Company actively invests in rolling stock renewal, improves passenger service quality, introduces a new catering concept, launches additional southbound trains during the holiday season, and expands its route network.

## Abridging distance

JSC FPC is actively developing multimodal transport service, combining rail services with air, bus and water routes. This makes it possible for people to travel conveniently to areas lacking rail services by using combined train and bus tickets. The launch of higher-speed Sapsan, Lastochka and Strizh trains significantly reduces travel time between the country's largest cities and strengthens the transport connectivity of regions and their economic ties.

## Advancing domestic tourism

JSC FPC is expanding its network of tourist routes to Russia's historical, natural and cultural wonders. Passengers find travelling convenient and reasonably priced thanks to modern carriages, first-rate service, and tourism programs.

## Company's business lines

### Regulated domestic long-distance passenger services:

- third-class open-plan sleeping carriages
- fourth-class seating carriages
- carriages with seats
- motorised carriages

### Deregulated domestic long-distance passenger services:

- deluxe and saloon carriages
- first-class sleeping carriages
- second-class sleeping carriages
- special order services
- tourist trips
- all carriage types in higher-speed trains
- running of third-party carriages on FPC trains

### International long-distance passenger services:

- passenger services on international routes
- running of third-party carriages on FPC trains

### Long-distance baggage, unaccompanied cargo luggage, and mail transportation:

- baggage and unaccompanied baggage transportation
- running of carriages for freight forwarders on FPC trains

### Other business lines:

- repair and maintenance of clients' rolling stock
- value-added services on trains
- leasing of rolling stock
- leasing of fixed property and equipment

## Competitive advantages of long-distance trains

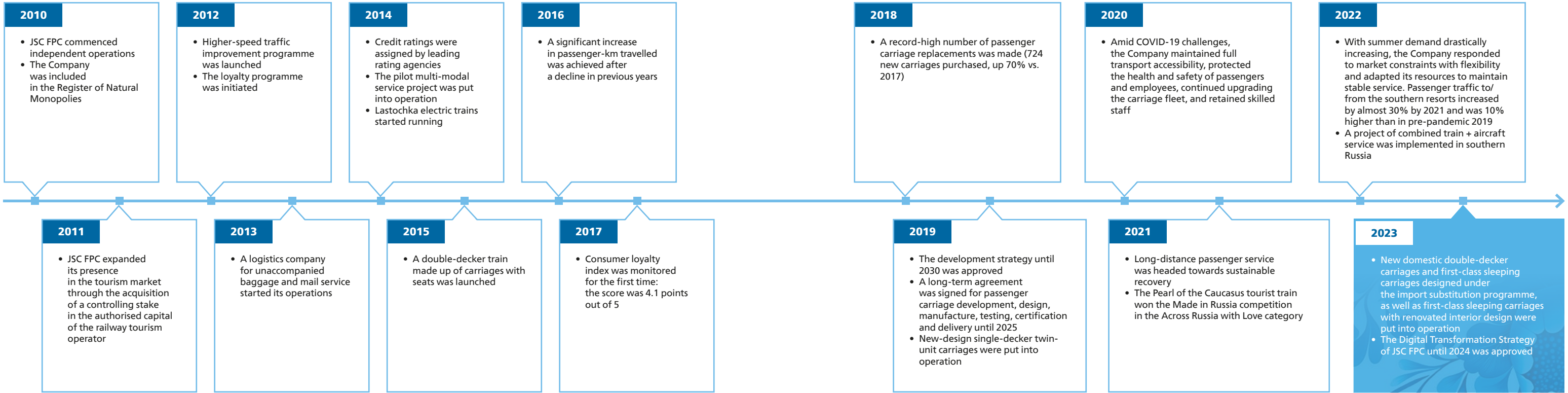
- Safety and low footprint of transport
- Extensive route network
- Train punctuality (~96 %)
- Travelling in any weather
- Comfortable travel
- Possibility of transporting impaired passengers
- Growing share of new carriages in the fleet
- Increased baggage allowance
- Children up to five years old travelling free of charge
- No long check-in procedure and proximity of train stations to city centres and other localities





# Key Developments in 2010–2023

From carriage operator to integrated mobility provider





# Key Developments of 2024

## Record volume of traffic

- The number of passengers travelling on JSC FPC's trains reached 110.9 million people (+4% year-on-year) – this is a record high since the Company's establishment.
- Over 925,000 children were carried as organised groups (+19.6% vs. 2023).
- The tourist train traffic exceeded 110,000 people (+16% vs. 2023).
- The number of passengers carried during the summer period reached 55.7 million (+2.5% compared to 2023). To ensure uninterrupted domestic rail service during the summer holiday period, approximately 1,800 additional trains were scheduled, including 407 southbound trains.
- Over 11.5 million people (+3.0% vs. 2023) opted to travel by rail to places along the Black Sea coast and in the North Caucasus for summer holiday.

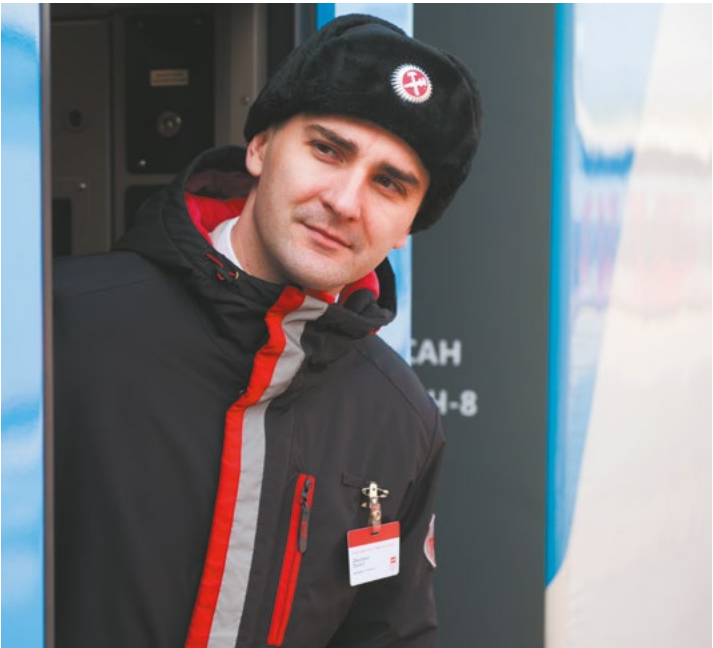


## Expanding the route network

- New routes were launched: Pskov – Murmansk, Arkhangelsk – Kislovodsk, Moscow – Serov, Makhachkala – Adler, and Irkutsk – Abakan featuring a non-stop group of carriages for the Irkutsk – Barnaul leg. Also, non-stop carriages were introduced for the following new routes: Kaliningrad – Murmansk, Bryansk – Kislovodsk, etc.
- The first double-decker train, No. 391/392, Chelyabinsk – Moscow, was launched to improve connection of Moscow with the Urals region of Russia.
- New southbound train routes are now available: between Moscow and Krasnodar, train No. 113/114, and between Adler and Makhachkala, train No. 527/528, connecting the Black Sea and Caspian Sea coasts.
- The number of international higher-speed trains increased: the third pair of higher-speed trains Lastochka (Moscow – Minsk) was allocated.

## Development of tourist train service

- Five new tourist trains were launched: Zhiguly Weekend, the Pearl of the Caucasus (departure from Tyumen), Malakhit, Two Guberniays, and Siberia is Here.
- The tourist train, To Siberia, won the Grand Prix as the Best Railway Cruise Route in the final run of the Eleventh All-Russian Tourist Award – Route of the Year.
- The cruise tourist train called the Pearl of Caucasus took the third place in the nomination Best Passenger Transport Solution of the Eleventh National Award for Achievements in Transport and Transport Infrastructure – Formula of Movement.
- The Blossoming Steppe tourist train was among the runners-up of the Thirteenth International Award in Event Tourism – Russian Event Awards.
- The Sochi Cruise Tourist Train project won the Krasnodar Territory Administration's Tourism Competition as the Best Excursion Project.
- The Pearl of the Caucasus, a tourist train, was upgraded. Both the interior and exterior of the train were refreshed. Now it includes a spa carriage with an infra-red sauna; it is the first train with such a feature in the history of Russian railroads.



## Business development

- A three-year train schedule was introduced for the first time. The 2024–2027 schedule provides for 501 train pairs (+10 pairs compared to the 2023/2024 schedule).
- On 19 December 2024, the Aurora higher-speed train resumed serving the historic route connecting Moscow and St. Petersburg. The updated trains are formed of customised double-decker carriages.
- For the celebration of the 50th anniversary of the Baikal-Amur Mainline, 195 single-decker carriages were updated. Today, the Far-Eastern Branch of the Company has the youngest fleet in terms of average age of carriages<sup>1</sup>, which is 10.6 years.
- The Company expanded the geography of car-carrier routes to the cities of the Black Sea coast and launched new routes: Moscow – Anapa and St. Petersburg – Anapa.
- The Passenger Identification and Service System was further developed in terms of interaction with the Mobility Facilitation Centre of Russian Railways. Train crew personnel now have access to information on paratransit requests in their mobile devices, to provide adequate assistance to such passengers.
- An automated system for evaluating and ranking personnel, carriages and trains based on customer feedback has been introduced. It is designed to collect and analyse customer ratings of the service they receive, from the moment they purchase their ticket to the end of their journey.

- A new 'Waiting List' service was introduced. If there are no vacancies on a train for a given route, passengers can submit a request to be added to the waiting list, and their seats will be automatically reserved when they become available for sale. Since June 2024, more than 457,000 tickets have been purchased using the Waiting List service.
- By the end of 2024, the number of trains using the new catering service increased to 45 (in 76 bistro carriages).
- Launched in March 2023, the project to provide catering services in bistro carriages by the Moscow, Kuibyshev and Volga Directorates for Passenger Catering of JSC FPC was expanded – in April 2024, two passenger catering directorates were established on the basis of the North-Western and Gorkovsky branches of JSC FPC.
- During the overhaul conditioning carried out at the request of JSC FPC, the first carriage with four compartments for passengers with reduced mobility was built and later included as part of Moscow–Kislovodsk train No. 144.
- The range of travel kits given to passengers in premium comfort carriages was totally revamped. For the first time ever, a range of kits for passengers on tourist trains called 'Travel with Russian Railways!' was developed. In 2024, over 10.5 million travel kits were given out to passengers.
- A new model for organising pre-departure quality control of passenger trains is now in place, ensuring continuous assessment of 100% of trains throughout their entire life cycle – incoming, in-service and acceptance inspection with rapid response until the train departs.
- The Poputchik infotainment system got a new functional design and added e-books in a modern, convenient EPUB format, plus an interactive map of Russia with thousands of tourist attractions along train routes. The number of trains equipped with Poputchik grew to 115, and the new first-class sleeping carriages have built-in displays that allow passengers to watch films from the Okko online theatre.

<sup>1</sup> With overhaul reconditioning.



Service quality management

- In order to improve, implement, and control the technological processes that make up the final service for passengers, the Company established a vertical quality structure.
- As part of the seventh annual competition for the best project using process management tools, Business Process Management Project of the Year 2024, JSC FPC won the Special Jury Prize for its systematic approach to improving passenger service quality.

Tariff policy and marketing campaigns

- Loyalty programme is active for 12 years and has over 10 million people signed up.
- As part of the Year of the Family announced by the Decree of the President of the Russian Federation, the Travel with Children campaign was launched: passengers who accompany children receive a 15% discount (Family Tariff) for second-class sleeping carriages within domestic routes.
- The marketing campaign called “15 Years of the Federal Passenger Company!” was pursued, offering a 15% discount for travel in second-class sleeping carriage on domestic FPC trains departing on 3 December 2024 (JSC FPC’s Day Tariff).

- The Company continued to implement the tariff policy for organised groups of passengers travelling by domestic routes. In 2024, the special fixed tariff initiative was expanded to 31 routes (+10 routes), thus covering 75 pairs of regular trains.
- The Travellers Club subprogramme now covers more than 55,000 passengers of tourist trains who are encouraged to save up tourist points and tourist medals, and then exchange them for trips and souvenirs.

HR management

- To improve the sanitary and recreation conditions of employees of JSC FPC’s branches, in 2024 two attendant pool buildings were reconstructed, 31 rooms in attendant pool buildings and six gyms and grounds were renovated.
- A total of 9,143 attendants, which is a record headcount, were hired as permanent staff (+1,361 year-on-year).
- The Company completed the development of the FPC INFO corporate portal, which made HR services available online for JSC FPC’s employees.
- On 14 March 2024, an agreement on cooperation between JSC Russian Railways Medicine and JSC FPC was signed as part of the Empowering JSC FPC’s Women Empowerment Forum.



Improvement of corporate governance

- The Company was assigned the highest class –“AAA+” of the Anti-Corruption Rating of Russian Business as an entity displaying the maximum level of counteraction to corruption.
- Based on the results of monitoring throughout 2024, the Russian Institute of Directors confirmed JSC FPC’s national corporate governance rating of 6++: Good Corporate Governance Practice.
- At the XXVII annual Moscow Exchange Annual Report Competition, JSC FPC’s 2023 Annual Report won an award in the Best Disclosure of Information on Corporate Governance category and was shortlisted in the Best Disclosure by Non-Public Bond Issuers category and Best Annual Report of a Non-Public Company.

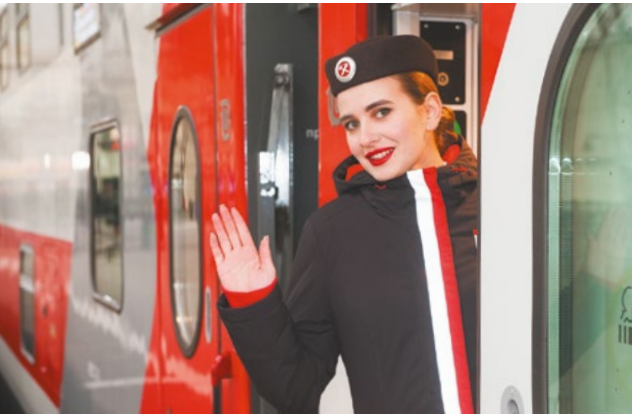
Participation in forums and conferences

SPIEF-2024

- As part of SPIEF-2024, the Company:
- Presented a mock-up of the interior element for the new higher-speed Aurora train.
  - Signed a memorandum with JSC Transmashholding (TMH) on the creation of new passenger carriages for higher-speed services.
  - Entered into an agreement with LLC T1 on joint design engineering and development of digital services based on domestic AI technologies.
  - Entered into a cooperation agreement with S7 Group to develop passenger services by sharing experience and mutually integrating information systems.
  - Entered into a cooperation agreement with X5 Group to expand opportunities for using points acquired under a loyalty programmes.

International Exhibition and Forum “Russia”

- Together with JSC TMH, the Company presented two modern double-decker carriages: a second-class sleeping carriage and a bistro carriage. The display was titled Better Travel through Russia by Train! During the time the exhibition was open, it was visited by about 45,000 people.



XVIII International Forum and Exhibition “Transport of Russia”

- The Company signed a cooperation agreement with the Federal Service for Supervision of Transport.
- Vladimir Pyastolov, General Director of JSC FPC, was awarded a medal “For Cooperation” by the Federal Service for Supervision of Transport.
- The Company presented an interactive installation of a special second-class sleeping carriage for passengers with reduced mobility.

Digitalisation

- The project aimed at providing all attendants of JSC FPC with mobile devices based on the Aurora operating system to verify passengers’ documents, which was commissioned by JSC FPC, won the ComNews Awards as the Best Digital Solution Based on Mobile Operating System for Transportation.
- The Company’s Digital Emergency Management System won the Digital Leaders Awards (category: Automation of Internal and Corporate Business Processes, nomination: Platform of the Year).
- A joint project with TransTeleCom received the Time of Innovation Award in the VR/AR and Mobile Applications category.
- The Company’s plans to replace operating systems and office software of workstations of employees of the management staff and branches of JSC FPC with domestic software were 100% fulfilled.



# Geographic Reach

JSC Federal Passenger Company is a national rail passenger carrier of the Russian Federation and an entity subject to anti-monopoly regulation. JSC FPC's route network is based on the parent company's railway infrastructure (~86,000 km as of the end of 2024) – the world's third-longest railway network.

**~86,000**  
km  
railway infrastructure

**17.5**  
years  
average age of the fleet

**54,000**  
people  
average headcount

**77**  
Russian regions  
covered by JSC FPC's  
route network

## Branches of JSC FPC

- 1

**North-Western Branch**  
St. Petersburg
- 2

**Moscow Branch**  
Moscow
- 3

**Gorkovsky Branch**  
Nizhny Novgorod
- 4

**North Caucasus Branch**  
Rostov-on-Don
- 5

**Volga Branch**  
Saratov
- 6

**Kuybyshev Branch**  
Samara
- 7

**Ural Branch**  
Yekaterinburg
- 8

**West Siberian Branch**  
Novosibirsk
- 9

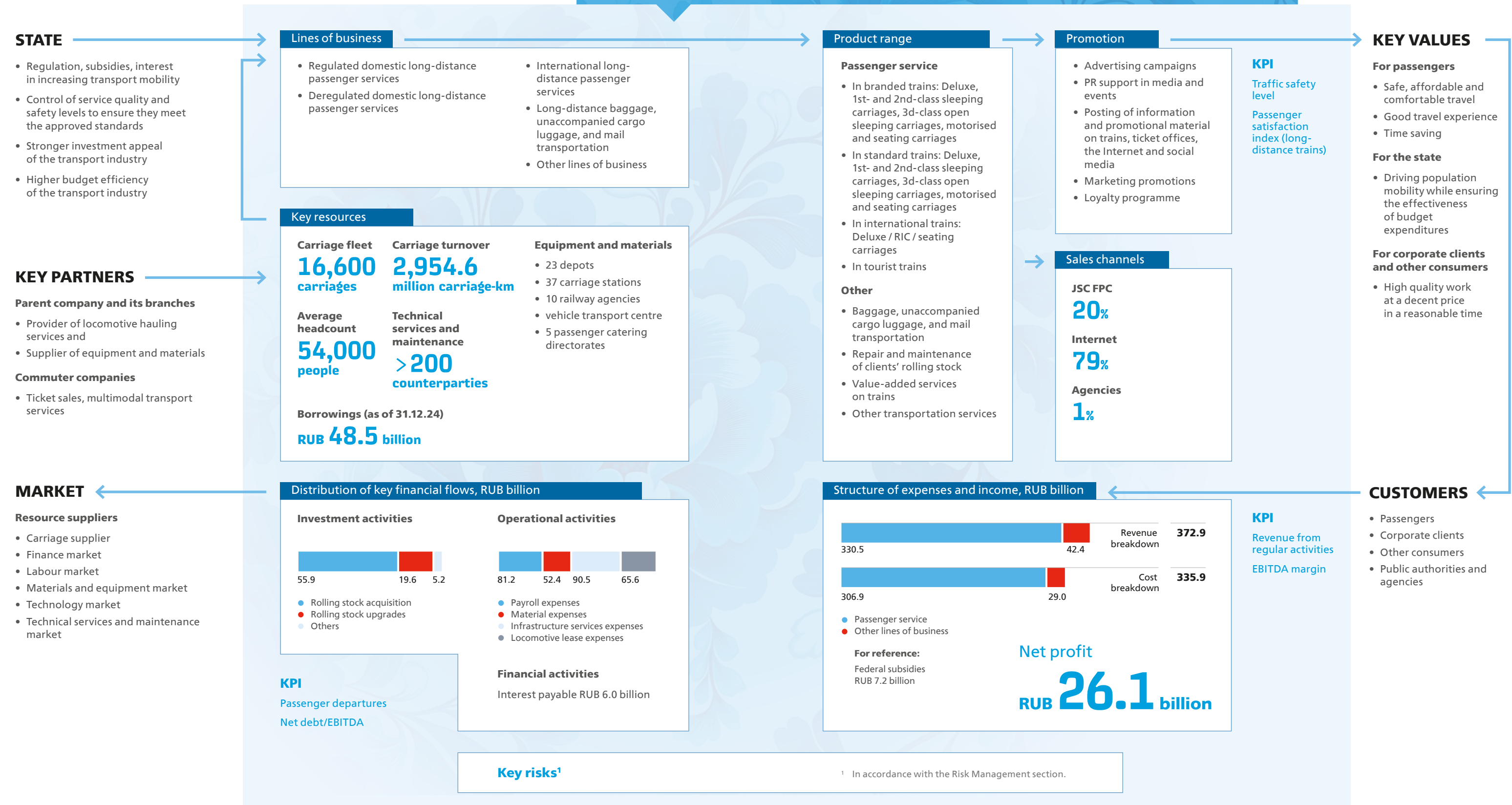
**East Siberian Branch**  
Irkutsk
- 10

**Far-Eastern Branch**  
Khabarovsk

— Parent Company's railway infrastructure — Socially important routes



# Business Model





# Assets of the Company

The main asset of JSC FPC is its passenger rolling stock (92% of the Company's main assets). At the end of 2024, the Company's inventory fleet consisted of 16,600 carriages.

## JSC FPC's assets at the end of 2024 (as of 31 December 2024)

### 1 North-Western Branch

- 287,200 sq.m
- 9,900 sq.m
- RUB 1.6 billion
- 3,200 carriages

### 2 Moscow Branch

- 348,200 sq.m
- 6,200 sq.m
- RUB 1.6 billion
- 1,900 carriages

### 3 Gorkovsky Branch

- 75,200 sq.m
- RUB 0.5 billion
- 1,300 carriages

### 4 North Caucasus Branch

- 202,000 sq.m
- 6,700 sq.m
- RUB 1.2 billion
- 1,900 carriages

### 6 Kuybyshev Branch

- 106,300 sq.m
- RUB 0.8 billion
- 1,300 carriages

### 7 Ural Branch

- 184,100 sq.m
- 4,500 sq.m
- RUB 0.9 billion
- 1,900 carriages

### 8 West Siberian Branch

- 173,400 sq.m
- 10,300 sq.m
- RUB 0.6 billion
- 1,100 carriages

### 9 East Siberian Branch

- 165,000 sq.m
- 2,200 sq.m
- RUB 0.8 billion
- 1,400 carriages

### 10 Far-Eastern Branch

- 65,100 sq.m
- RUB 0.5 billion
- 1,000 carriages

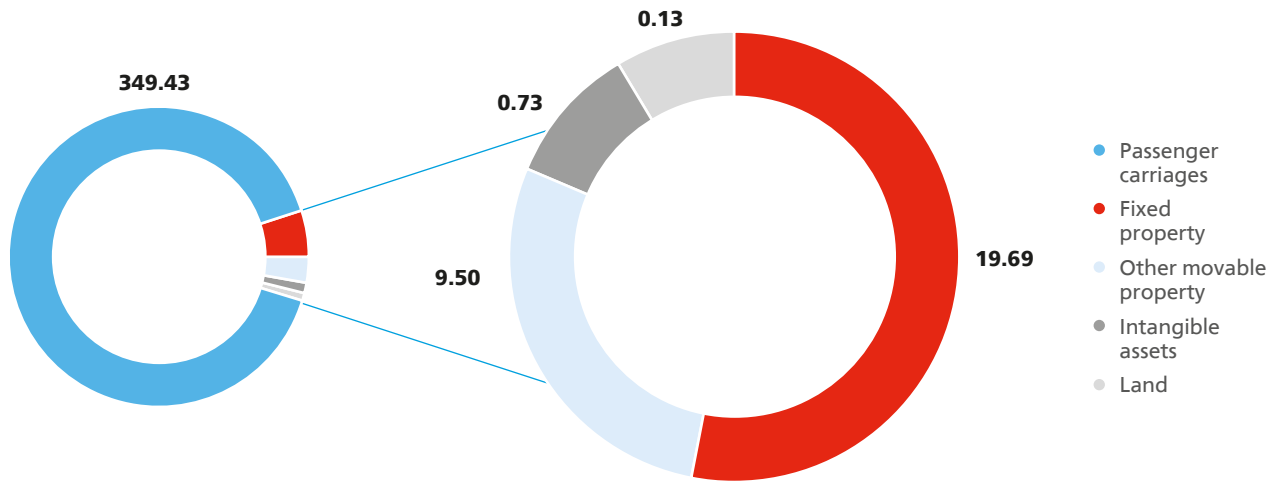
#### Legend

- Fixed property
- Land parcels
- Other property
- Carriage fleet





Structure of the Company’s fixed assets as at 31 December 2024 (book value), RUB billion



The total book value of JSC FPC's assets as of 31 December 2024 is

**379.48**

**RUB billion**

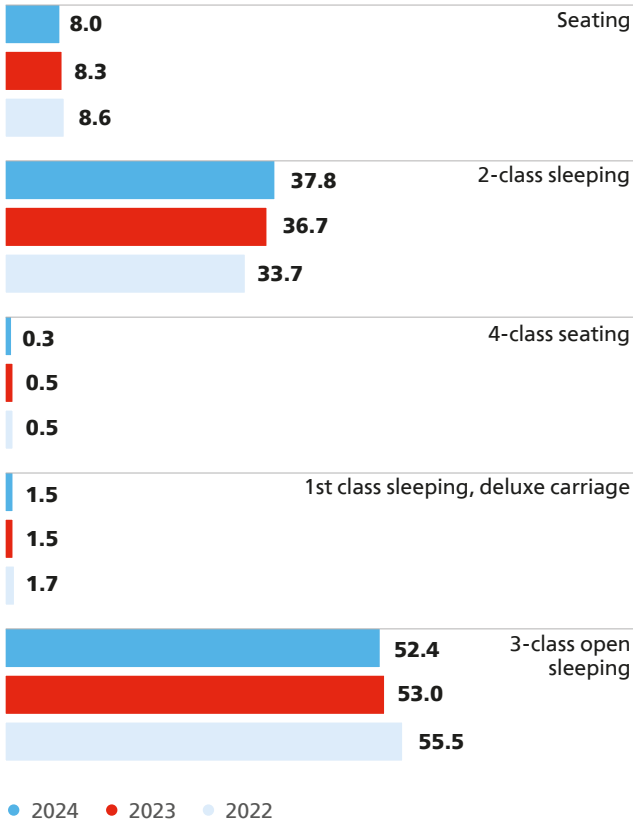


# 2024 Highlights

## Operating indicators

Indicator	2022	2023	2024	Δ 2024/2023, %
Billion passenger-km travelled	81.2	91.4	95.8	104.8
On trains made up by JSC FPC	79.9	89.9	94.2	104.7
Deregulated segment	32.9	39.2	42.1	107.4
• Domestic service	31.2	37.5	40.3	107.4
• International service	1.6	1.7	1.8	108.9
Regulated segment	47.1	50.8	52.1	102.6
On trains made up in the CIS and Baltic States	1.2	1.4	1.6	111.9
Passengers carried, million passengers	95.9	108.1	112.7	104.3
• Deregulated segment	40.5	47.3	50.5	106.7
• Regulated segment	55.5	60.7	62.2	102.5
Average train make-up, carriages (TsO-33 format)	11.9	12.3	12.2	99.1

Passenger-km travelled by carriage type, %



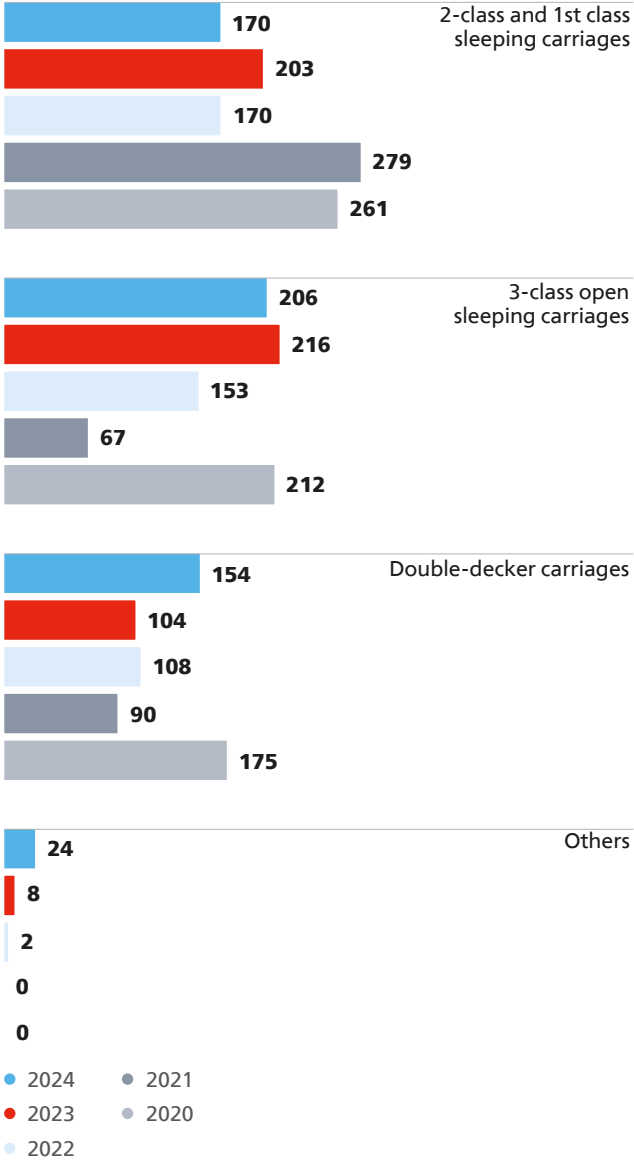
## Drivers behind the change in passenger-km travelled in 2024

- Regulated segment:
- change in transport activity of the population (+2.8% vs. 2023)
  - replacement of single-decker trains with double-decker ones (–0.4% vs. 2023)
  - marketing promotions (+0.2% vs. 2023)
- Deregulated segment:
- change in international rail service (+0.8% vs. 2023)
  - change in transport activity of the population (+4.1% vs. 2023)
  - replacement of single-decker trains with double-decker ones (+0.8% vs. 2023)
  - marketing promotions (+1.9% vs. 2023)



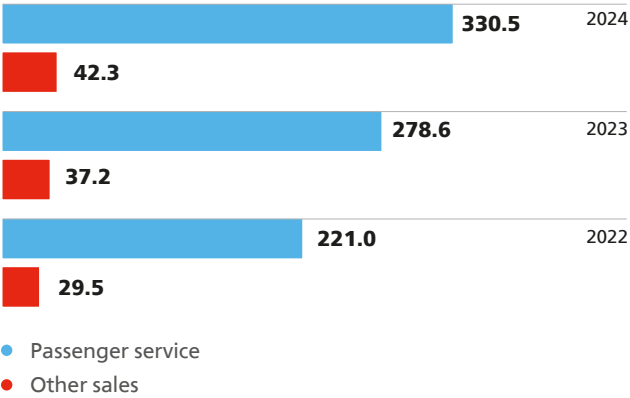


Changes in rolling stock acquired



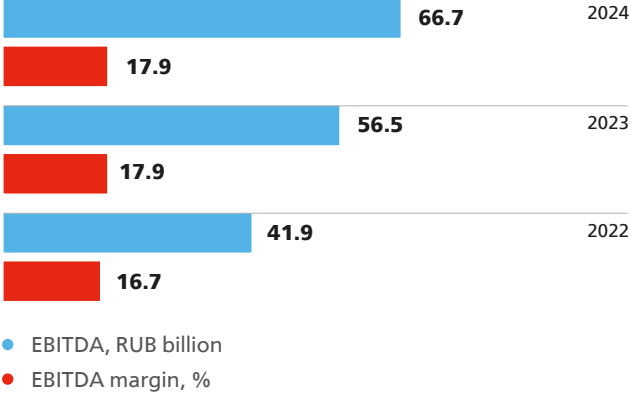
Financial indicators

Income from operations, RUB billion



In 2024, income from operations totalled RUB 372.9 billion (+118.1%). The growth in income from core activities was driven by an increase in traffic volumes, indexation of tariffs and service charges, the rollout of marketing tools, and higher volumes of additional services, goods sold on trains, and repairs and maintenance of clients' rolling stock.

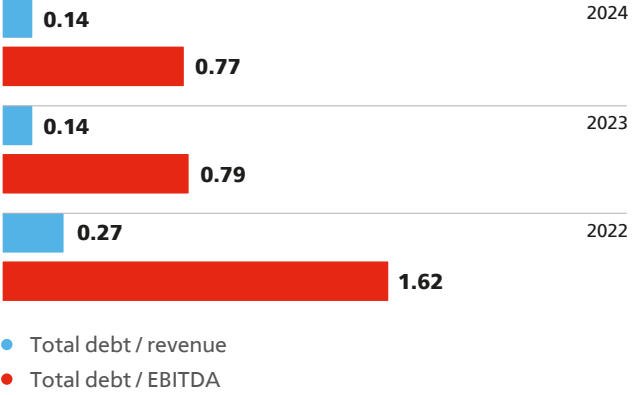
EBITDA and EBITDA margin



EBITDA consequently benefited from the rise in incomes, reaching RUB 66.7 billion by the end of 2024. Meanwhile, the EBITDA margin, which came to 17.9%, also stayed high.



Total debt to revenue and EBITDA ratio



As a result of the increase in passenger-km and EBITDA, the Company's debt burden improved and dropped to a reasonable level of 0.77x in 2024 compared to 2023 results.

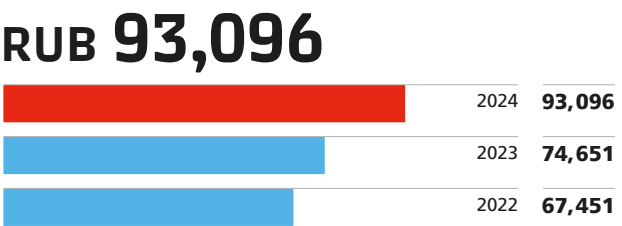


Sustainable development indicators

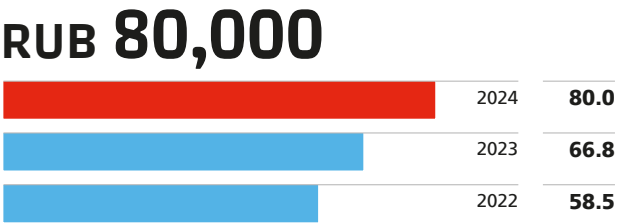
Increase in labour compensations and benefits package

As of year-end 2024, JSC FPC's employees had higher incomes, both in terms of wages and social benefits. The average salary in the Company totalled RUB 93,096, up 24.7% (with wage indexation of 9.2%).

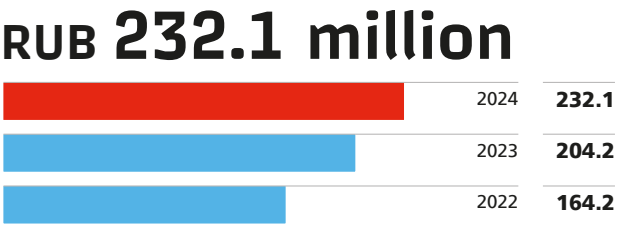
Average employee salary, RUB



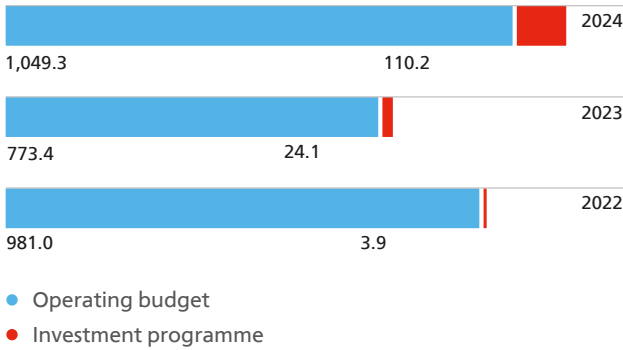
Amount of benefits package per employee, RUB '000



Personnel training and development costs, RUB million



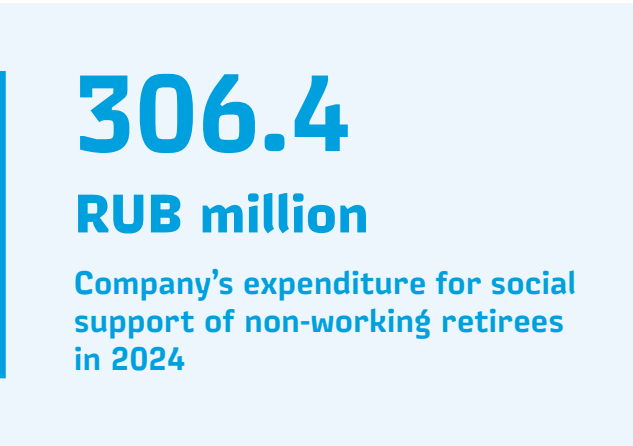
JSC FPC's occupational health and safety costs, RUB million



Caring for employee health



Social support for non-working retirees



Investment Prospects

JSC FPC's investment case

Well-developed production grounds and uniquely large fleet of passenger carriages

Government regulation of tariff for long-distance passenger service and compensation of related revenue losses

High social and strategic importance for the state as the main long- and medium-distance carrier, covering a substantial part of Russia, including regions with extreme natural and climatic conditions and a lack of road and air infrastructure

Assigned grade AAA+ of the Anti-Corruption Rating of Russian Business (organisations with the maximum level of anti-corruption)

Growth of transport mobility of the population

Effective risk management and internal control

High level of corporate governance

Application of sustainability standards

Stable position at the long-distance passenger railway market in Russia

Strategic importance in delivering the long-term objectives of the parent company

Limited competition in the domestic passenger railway market due to high entry barriers and long payback periods

Credit Ratings

ACRA

AA+(RU), with Stable outlook  
by ACRA (JSC), a national rating agency (confirmed in November 2024)



# 02

*With all  
the generosity of our heart*  
**coining new  
traditions**

In addition to continuing to dominate the domestic market, we work hard to uphold our well-earned reputation as a provider of the greatest rail travel experience in the world. For a foreigner, missing out on a train ride means missing out on Russia. After all, we know how to keep people comfortable, and do so in style.

## >9.3

**million passangers**

in 115 trains used  
the Poputchik  
infotainment system in  
2024

### **Russian ballet as the benchmark for classical art**

Russian ballet has been around for over 350 years. Over the centuries, it has found its own unique style. Three of the five best ballet productions of all time were created in Russia. Russian composers who wrote musical masterpieces for ballet performances also made an enormous contribution to the development of ballet.

Inspired by this example, we strive for excellence in our work, and we made great strides in this: Russian trains are yet another world-famous highlight of Russia. For a pleasant travel experience, we introduced the Poputchik system, which allows passengers to entertain themselves, for example, by watching a ballet performance.

DEVELOPMENT STRATEGY



# Message from the Chairman of the Board of Directors

In 2024, JSC FPC confirmed its status as a stable, innovative and socially responsible company.

## Respected shareholders, partners and colleagues,

**The expert community highly appreciated the work of JSC FPC: based on the results of 2024, the Russian Institute of Directors (RID) confirmed the National Corporate Governance Rating (NCGR) at 6++ ‘Good Corporate Governance Practice’. Representatives of the RID noted a number of positive changes. For example, JSC FPC joined the sustainable development policy of JSC Russian Railways. These issues will be overseen by the relevant committee of the Board of Directors.**

This year, the Company will assess its ESG activities and draw up a plan of initiatives for further improvement in the area of sustainable development. This document will be aligned with the objectives approved by the country’s leadership and the strategy of JSC FPC, and will also comply with international best practices.

The Company steadily follows the strategy adopted several years ago, responding promptly to key trends in the transport services market, such as the sustained rise in demand for domestic transportation.

JSC FPC managed to cope with the increased workload without compromising the quality of its services. Passenger traffic went up by almost 5%, with record results for the number of passengers carried: over 110 million for the year and over 55 million during the summer season. The growth of these indicators, as well as the increase in net profit and labour productivity, prove that the strategic management decisions are working.

Improving our product offering, developing an optimal route network and enhancing service quality remain our top priorities.

**550** new  
carriages  
added to the rolling stock

Traditionally, the majority of investments under the investment programme are earmarked for the purchase and upgrade of rolling stock.

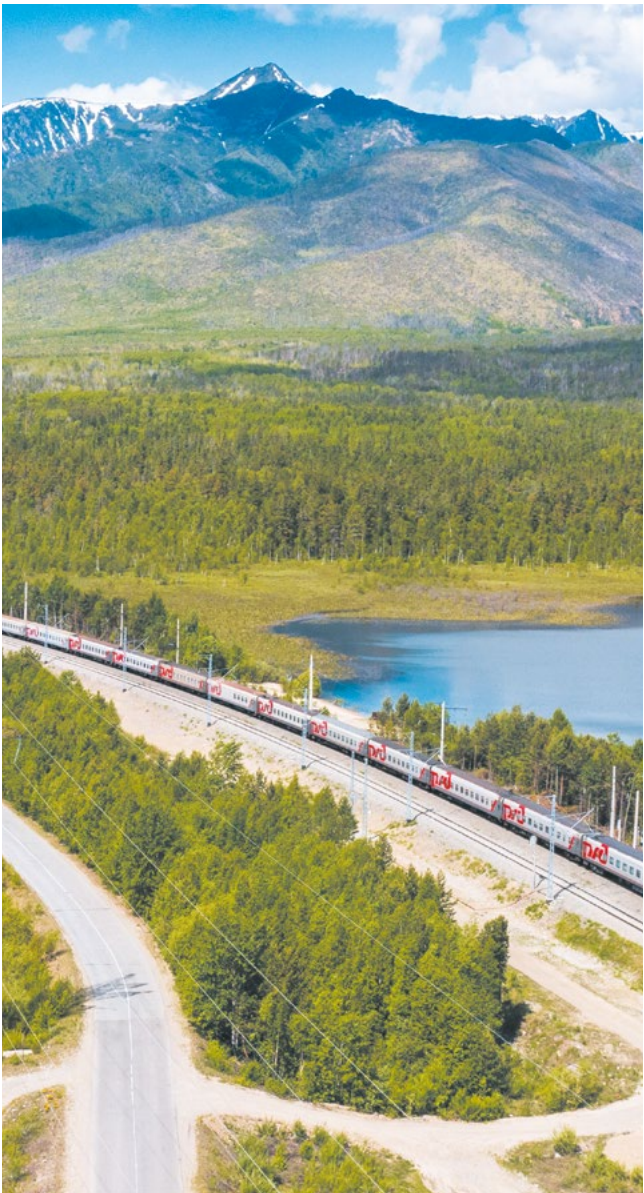
In 2024, 550 new carriages were added to the fleet, and the Company also upgraded its rolling stock through overhaul reconditioning. Specially designed paratransit carriages and spa carriages with infrared saunas made their debut on the country’s railways. The latter runs as part of the Pearl of the Caucasus train, which has rightfully earned its place as the flagship of the Company’s tourist projects. This sector is rising as domestic travel gains popularity. Last year, the rail traffic in ‘hotels on wheels’ grew by 16.5% year-on-year.

In 2025, JSC FPC will offer passengers even more travel routes, and we expect to maintain the positive momentum in tourist train traffic. This, in my opinion, will also be aided by the railway tourism regulation law, which was passed in early 2025.

I want to conclude by saying that I am confident the experience the Company has gathered will help it to build on positive trends and keep moving in the direction of positive transformation for the good of our nation.

Chairman of the Board of Directors,  
JSC FPC

**16.5%**  
increase in the traffic volume of  
‘hotels on wheels’





# Message from the General Director

2024 is a special year for us as JSC FPC celebrated its 15th anniversary. Throughout this time, the Company has remained steadfast in its core principle: passengers come first.

## Respected shareholders, partners and colleagues,

**Great efforts have been made over the last decade and a half, including the renovation of the rolling stock, the renewal of the fleet of carriages, a significant advancement in the development of services, the improvement of the route network, and a revival of railway tourism.**

It is satisfying to know that over 110 million passengers were carried by the Company's trains in this anniversary year, setting a new record.

Noteworthy was the return of the Aurora higher-speed train between Moscow and Saint Petersburg, which began operating in a double-decker configuration. The train is made up of state-of-the-art carriages, mainly with standard and improved seating arrangements. Other routes, such as Moscow to Chelyabinsk and Novorossiysk, and St. Petersburg to Samara, also got new double-decker trains.

JSC FPC continues to develop its product range and introduce new services. In 2024, passengers were given the option to join a waiting list, which allows them to purchase tickets for trains that are already fully booked in case seats become available later (if a carriage is added or someone returns their tickets). We always strive to improve the quality of service for all categories of travellers. Last year, the rules for transporting pets on the Company's trains were revised and came into effect on 1 January 2025.

Our goal is to make the rail service not only comfortable, but also affordable. In this regard, FPC's marketing policy features special tariff plans that provide travel discounts. As part of the Year of the Family declared by the Decree

New record set for number of passengers carried by trains made up of the company-owned carriages

>110 million people

of the President of the Russian Federation, a new campaign called 'Travel with Children' was drawn up for family trips in sleeping compartments in 2024.

The social support system for employees is also being consistently improved. This is an essential component of the Company's activities, determining its sustainable development and attractiveness as an employer.

JSC FPC is prepared to invest resources in creating a favourable production environment, especially for representatives of general trades. Since 2022, more than half of our attendant pool buildings have been renovated. The largest projects were rolled out in 2024 at enterprises in Penza and Moscow. Here, along with traditional sanitary and domestic facilities and production premises, there is a stress relief room and a gym. The technical training room in the Moscow-Yaroslavskaya carriage station's higher-speed pool was equipped with VR-based simulators.

In addition to improving working conditions, an important element of human resources policy is the expansion of tools for attracting and retaining staff. For example, since last year, newstart allowances have been introduced for attendants and workers involved in the repair and maintenance of rolling stock, a system of non-material incentives is being developed, and a transition to a motivational management system is underway.

In conclusion, I would like to express my sincere gratitude to all employees for their commitment and responsible attitude to their work. I am convinced that the results achieved will serve as an impetus for further capacity building, improvement of business processes and customer service.

Our ambitious goals for 2025 centre on enhancing accessibility, convenience, and competitiveness of the rail service. In particular, a new T-gauge carriage is to be put into circulation, which will offer passengers more space and expand the range of services available during the journey. The Company will continue to develop in all key areas, increasing its contribution to the Russian economy and creating comfortable conditions for travel.

We would like to thank the millions of passengers who have used our services and express our sincere gratitude to our partners for their support and fruitful cooperation. Undoubtedly, our joint concerted efforts will further strengthen JSC FPC's leading position in the long-distance passenger rail transport market.

General Director, JSC FPC



# Market Overview

As of year-end 2024, Russian GDP growth amounted to 4.1% year-on-year.

The consumer price index in December 2024 amounted to 101.3% compared to the previous month. Retail trade turnover in 2024 reached the value of RUB 55.6 trillion, or 107.2% in comparable prices against 2023. The growth of paid services to the population in 2024 amounted to 3.3%.

In 2024, the Russian labour market demonstrated stability – there was a high growth of wages and salaries against the background of low unemployment, the level of which in 2024 averaged 2.5%.

Main economic performance indicators<sup>1</sup>, %  
year-on-year

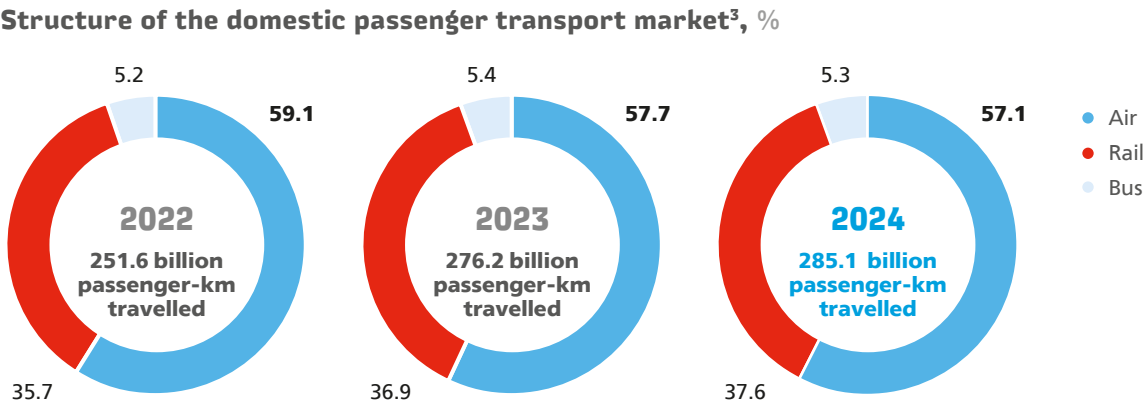
Indicator	2024
GDP <sup>2</sup>	104.1
Consumer price index	108.5
Unemployment rate	2.5
Retail turnover	107.2
Sales of paid retail services	103.3

Wage growth rates increased in November 2024. In nominal terms, its growth amounted to 16.8% compared to the same period of 2023, and 7.3% in real terms.

## Russian long-distance passenger market

FPC’s main competition in the long-distance passenger market is from airlines, coach service operators, and private road transport. In recent years, there has been a significant increase in competitive pressure in the market of long-distance passenger transportation due to the development of aviation, increase in the fleet of personal cars, expansion of the list of modern vehicle

sharing services, active implementation of state support measures for the development of regional aviation, and construction and renovation of new highways and airports. Railway ceased to dominate the long-distance passenger market.



<sup>1</sup> Source: Rosstat (<https://rosstat.gov.ru/>).

<sup>2</sup> Rosstat estimate based on information from the Ministry of Economic Development of Russia (<https://economy.gov.ru/>).

<sup>3</sup> Sources: railway service – statistical reporting by TsO-33, TsO-32, air service – Federal Air Transport Agency ([www.favt.ru](http://www.favt.ru)) and expert evaluation according to Federal Air Transport Agency, bus service – expert evaluation according to Rosstat ([www.gks.ru](http://www.gks.ru)).

Share of long-distance passenger transport market players in total passenger-km travelled, %

Operator	2022	2023	2024
Railway, including	35.7	36.9	37.6
JSC FPC	31.1	31.9	32.4
Directorate for Higher-Speed Services, a branch of Russian Railways	1.8	1.7	1.7
Grand Service Express	2.4	2.8	3.0
Others	0.4	0.5	0.5

The increase in the share of railway passenger turnover from 35.7% in 2022 to 37.6% in 2024 is due to the following factors: increase in transport mobility of the population, reduction in the number of aircraft and close-down of a number of airports in southern Russia since 24 February 2022.

The dynamics of passenger turnover in the long-distance domestic passenger market in 2024 featured 103.2% growth vs. 2023 (and 113.3% vs. 2022).

The 2025 Comprehensive Programme for the Development of the Air Transport Industry of the Russian Federation until 2030<sup>1</sup> provides for a 9.5% year-on-year decrease in passenger traffic on domestic airlines.

The average range of domestic transportation by JSC FPC's trains in 12 months of 2024 was 850 km (3 km more than in 2023).

Currently, FPC dominates the long-distance passenger railway market, but there is growing internal rivalry from companies like Directorate for Higher-Speed Services and Grand Service Express. The Company's share among Russian railway carriers in 2024 was 86.1%, which is insignificantly (by 0.5 p.p.) lower than in 2023. The major causes of JSC FPC's lower share in the railway traffic volume are the development of the route network to locations where there is no service provided by FPC-marshalled trains and the speed-related advantages of rivals' rolling stock.



86.1%

share of JSC FPC  
on Russian railways in long-distance transport services

<sup>1</sup> Order of the Government of the Russian Federation No. 1102-r dated 4 May 2024.



FPC’s peers

Indicator	JSC FPC			DB Fernverkehr (Germany)			SNCF Voyageurs (France)		
	2023	2024	vs. 2023, %	2023	2024	vs. 2023, %	2023	2024	vs. 2023, %
Passengers carried, million people	108.1	112.7	104	140.3	133.4	95	124.0	129.0	104
Revenue, EUR billion	3.4	3.7	109	5.9	5.8	99	9.7	10.2	105

DB Fernverkehr (Germany)

DB Fernverkehr is a Deutsche Bahn Group business unit providing national higher-speed and cross-border long-distance rail passenger services.

Rolling stock repair, maintenance, and management, as well as communications and IT services are provided by specialist companies within Deutsche Bahn Group.

SNCF Voyageurs, Business Unit – TGV-Intercités (France)

TGV-Intercités is the business unit of SNCF Voyageurs – the passenger carriage division of SNCF Holding. It specialises in long-distance passenger servicing in France and other European countries.

Rolling stock repair, maintenance, and management, as well as communications and IT services are provided by specialist companies within SNCF Voyageurs Group.

JSC FPC (Russia)

Unlike the above companies, FPC’s activities cover the majority of important business processes: acquisition, maintenance and repair of rolling stock, sales organisation, revenue collection, as well as management and administration, IT and communications. JSC FPC has 10 regional branches and an extensive network of depots and carriage stations, as well as an ample amount of highly skilled personnel to support all business processes.



Company's Strategy

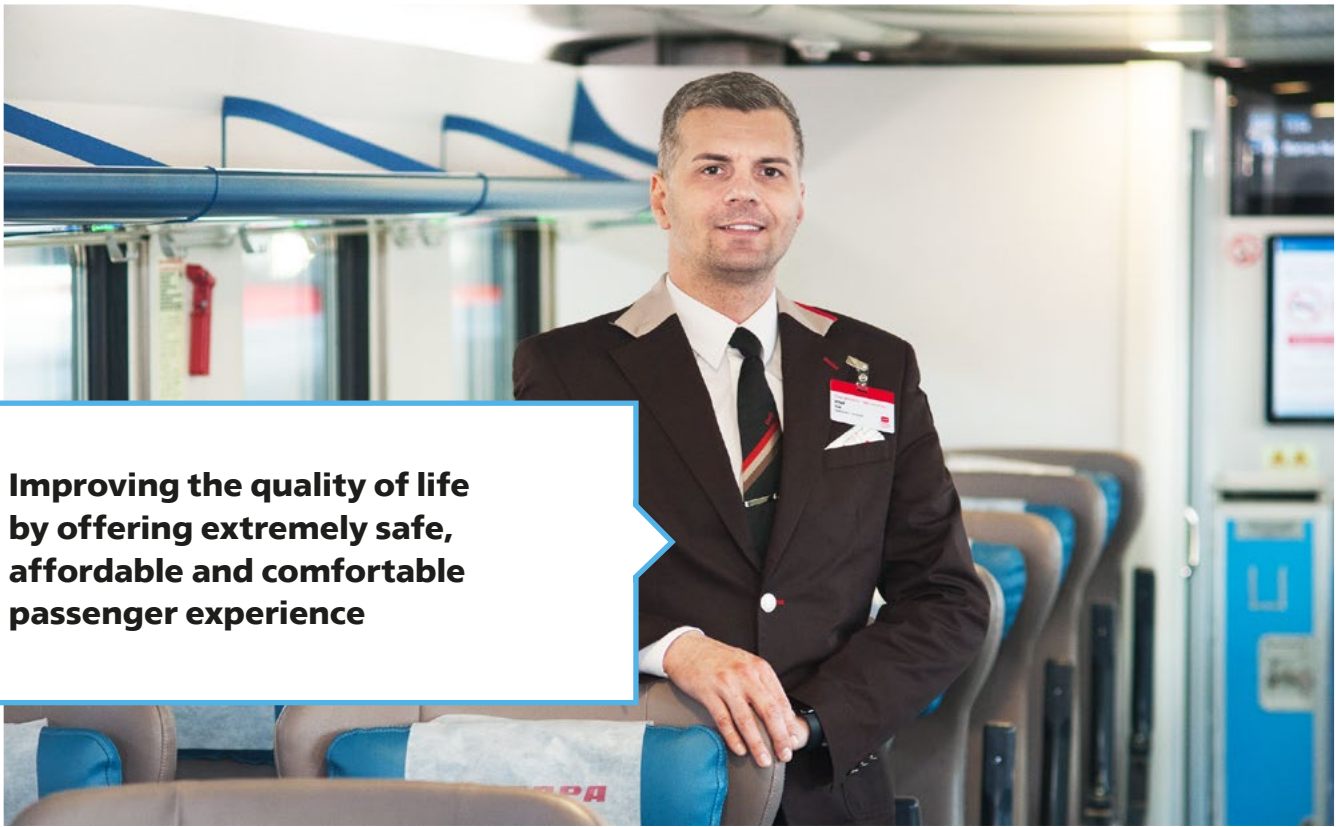
The three main pillars of JSC FPC's strategy are excellent passenger service, long-term financial growth, and social responsibility. These goals are the basis for the Company's successful operations and its contribution to the development of Russia's transport infrastructure.

As a key business unit of the parent company, JSC FPC is mainly focused on the achievement of financial and economic volume targets set out in the Parent Company's Long-Term Development Programme of Russian Railways until 2025 (LDP) approved by the Russian Government.

In 2019, JSC FPC developed and approved the Development Strategy until 2030<sup>1</sup> and set up a framework for its implementation.

The Company also has the Regulations on the System of Key Performance Indicators of JSC FPC<sup>2</sup> in place to motivate the management to achieve company strategic goals through a system of target key performance indicators (KPIs).

Mission



Improving the quality of life by offering extremely safe, affordable and comfortable passenger experience

<sup>1</sup> Approved by the resolution of the Board of Directors of JSC FPC (extract from Minutes No. 11 dated 27 December 2019).  
<sup>2</sup> Approved by the resolution of the Board of Directors of JSC FPC (extract from Minutes No. 9 dated 26 December 2024).



Vision

1 Russia’s leader in passenger mobility

- National carrier providing traditional and higher-speed long-distance rail passenger services both in Russia and abroad
- Leader by passenger traffic in long-distance transport in Russia
- Leader in long-distance ticket aggregation services, offering entire tickets connecting rail passenger services across domestic regions

2 Customer-focused company

- Leader in service quality in long-distance land transport, providing high-quality value proposition and comfortable long-distance travel experience, including transit connections with other modes of transport and multi-modal transport services

3 Socially responsible company

- Sustainable development of mobility across customer segments and regions of Russia

4 Highly efficient, financially stable company

- Maximisation of the financial result and self-sustainability of operations

**JSC FPC is a leader in passenger mobility in the Russian Federation, a highly efficient, financially stable, customer-oriented company focused on ensuring the sustainable development of mobility for all customer segments and regions of the Russian Federation, covering key popular long-distance destinations.**

Quantitative characteristics of JSC FPC’s vision in 2025<sup>1</sup>

Vision of JSC FPC	Reference parameter	Projected value
Russia’s leader in passenger mobility	Passengers carried	118 million people
Customer-focused company	Investment in new rolling stock	RUB 27 billion
Socially responsible company	Passenger-km in the regulated segment:	54 billion passenger-km travelled
Highly efficient, financially stable company	Expected yield	RUB 330 billion

<sup>1</sup> In accordance with the approved Strategy.

Strategic goals of the Company

According to the Strategy, the Company’s main focus is on boosting the average journey speed, developing comprehensive combined transport operations (such as multi-modal transport services), increasing passenger traffic on the key routes in Russia, and improving the competitiveness of our existing services. JSC FPC also continues to act as a public carrier, which means servicing single-mode or socially important routes.

The Strategy’s key targets address changes in the transport market, the competitive situation, evolving customer requirements, and development trends in the passenger transport regulatory environment.

Strategic goals of JSC FPC

Indicator	2025	2030
Passengers carried, million passengers	118	122
Revenues, RUB billion	330	431
EBITDA, RUB billion	53	82
Net debt / EBITDA ratio	2 max.	
Carriage purchase volume	>2,100 carriages (cumulatively in the period from 2025 to 2030)	





## Strategy outcomes in 2024

In 2024, the Company kept up its efforts to maintain and enhance transport accessibility amid airport closures in southern Russia, as well as to increase passenger traffic, stimulate demand for passenger transportation, and optimise costs. JSC FPC carried around 112.7 million passengers in 2024.

To ensure the guaranteed quality of transportation, the Company continued to improve its services, develop new routes and renew its rolling stock.

The tourist train network is being constantly expanded to provide our citizens with a comfortable and secure tourism environment. The trains are made up of modern comfortable carriages.

### Strategic areas of development

#### Network

The following trains are put online to expand the scheduled service of the double-decker trains in 2024:

- No. 741/742, 743/744 St. Petersburg – Moscow ‘Aurora’
- No. 391/392 Chelyabinsk – Moscow
- No. 63/64 Samara – St. Petersburg

#### Rolling stock

In 2024, carriages were purchased under the long-term agreement with suppliers until 2025. According to the agreement, four batches of rolling stock are to be supplied:

- Carriages of existing model range
- Single-decker carriages of late model
- Double-decker carriages of late model
- Innovative single-deckers and double-deckers

The procured rolling stock includes carriages with better design and feature:

- Private space for personal relaxation
- Spacious interior with room to walk around
- Low-floor and barrier-free boarding
- Dedicated baggage areas
- Advanced technology intensiveness

A total of

554  
carriages

(400 single-decker and 154  
double-decker ones)  
purchased in 2024

#### Product offering

The Company is planning a transition to a new unified, high-quality product offering. At the heart of the strategic initiative is a focus on customer needs. The Company crafts an intuitive value proposition for passengers, based around the unification of technical equipment of carriages and standardisation of value-added services. As of the end of 2024, the transition to the new product line has not yet been completed.

#### Multi-modality

In 2024, the Company offered multi-modal service for seven routes: Kostroma – Yaroslavl, Boksity – Serov, Belgorod – Rossosh, Vologda – Yaroslavl, Arzamas – Diveevo, Ussuriysk – Andreevka and Tikhookeanskaya – Livadia.

42,200  
people  
travelled by multimodal  
routes in 2024

### Other business lines and adjacent businesses

To improve market stability, JSC FPC seeks to diversify its operations and develop businesses that increase the profitability of railway service, including:

- On-train passenger services
- Development of rail tourism
- Services involving all modes of transport
- Logistics services (cargo, mail, etc.)

## Key performance indicators

The KPI system is used to evaluate JSC FPC's performance and contribution to the implementation of the parent company's strategic goals. The Regulations on the System of Key Performance Indicators of FPC JSC<sup>1</sup> establish the set of KPIs and the process for determining the extent to which they are met.

JSC FPC's corporate KPIs reflect the performance in the reporting year and are based on the strategic goals and objectives set for the Company.

Developments in this area in 2024:

- Poputchik infotainment system is now available on 115 trains of JSC FPC
- A new service, Waiting List, is introduced to submit a booking request in case of no seats available for a train on a given route but may become available later if a carriage is added to the train or someone returns a ticket
- The map of tourist routes was expanded, with total 39 routes in the reporting year In 2024, 28 tourist trains, including regional projects, were offered to passengers. Over 114,000 people used the service last year

The list of annual corporate KPIs for 2024 includes:

- Passenger satisfaction index (long-distance trains)
- Traffic safety level
- Passenger departures
- Revenue from regular activities
- EBITDA margin
- Net debt/EBITDA

Targets were set for each indicator. As of year-end 2024, all of JSC FPC's corporate KPIs met their targets.

## Key objectives of JSC FPC for 2025

- To consolidate the Company's position in the passenger service market through route network expansion, new level of customer service, rolling stock replacement, and operational infrastructure upgrade and modernisation
- To implement the initiatives outlined in JSC FPC's Development Strategy until 2030, including:
  - Geographic growth of double-decker train service
  - Launch of new trains
  - Competitive growth of the existing product line
  - Renewal of rolling stock
- To ensure guaranteed quality of railway service

- To develop and implement integrated marketing projects for new passenger service offerings
- To bring the long-distance passenger satisfaction index to at least 88.1 points
- To improve the level of traffic safety
- To minimise the adverse environmental impact
- To develop human capital
- To build digital capabilities and actively deploy digital technologies in order to enhance the efficiency of internal processes and improve services
- To ensure transport mobility of the population due to increased passenger traffic to southern destinations

<sup>1</sup> Approved by the resolution of the Board of Directors of JSC FPC (extract from Minutes No. 9 dated 26 December 2024).



# 03

*With all  
the generosity of our heart*  
**fostering a  
culture of  
travelling**

We care about the safety and well-being of our passengers, work out new routes, maximise comfort in transit, and our passengers appreciate it. Their trust is directly reflected in the Company's stable financial performance.

**88.2** of 100  
passenger satisfaction  
with services<sup>1</sup>

**372.9**  
RUB billion  
operating income  
**+18.1%**  
year-on-year

## Fast, tasty, and Russian

The word 'bistro' comes from French, where it was introduced by Russian soldiers in Paris who demanded to be served 'bystro' (quickly). Today, it is associated with a place that serves delicious and affordable food — just like in our bistro carriages, where we offer passengers popular Russian dishes such as red caviar, borscht, pelmeni and pancakes.



<sup>1</sup> Based on a survey of 1.2 million passengers.



# Tariff Regulation

## Regulated transportation segment

Tariff rates for travel in third-class open-plan sleeping carriages and fourth-class seating carriages (with seats) of passenger and higher-speed locomotive-hauled trains and first-, second- and third-class carriages in higher-speed trains of motor-driven rolling stock are established by the Tariff Guide approved by the Federal Tariff Service of Russia (FTS of Russia)<sup>1</sup>, depending on the category of train, type of carriage and distance travelled by passenger, which is indexed by relevant orders of the Federal Antimonopoly Service (FAS of Russia).

In accordance with Order of the FAS of Russia No. 751/23 dated 19 October 2023, these tariffs are indexed by 10.75% effective 1 December 2023.

Effective 1 December 2024, tariffs in this segment were indexed by 11.6%<sup>2</sup>.

Starting from 2003, indices differentiated by calendar periods of the year are applied for tariff rates of domestic public railway service in third-class open-plan sleeping carriages and fourth-class seating carriages (when using locomotive-hauled trains) in long-distance trains of JSC FPC and motor-driven rolling stock. The periods of application of differentiated indices are adjusted depending on holidays and weekends on the basis of the occupational calendar.



This solution is aimed to streamline the demand for long-distance passenger service and reduce the carrier's overall costs of maintaining a reserve fleet of carriages and locomotive crews. This measure helps to accommodate the traffic during peak demand periods and allows passengers to save money during periods of relatively low transport mobility.

Starting from 2021, JSC FPC was granted the right to set differentiated indices to the tariffs subject to calendar periods (hereinafter, referred to as flexible tariff regulation schedule) depending on changes

in demand to ensure that the average annual (within a calendar year) value of tariffs does not exceed 1.0 (recalculated per number of days). The maximum index is 1.2. The flexible tariff regulation schedule is approved by the Company's internal regulatory documents.

Since 2015, JSCFPC has been granted the right to regulate tariff rates for travel in third-class open-plan sleeping carriages within the established allowance, which let the Company run various marketing campaigns in this transport segment.

## Deregulated transportation segment

In accordance with clause 5 of the List of works (services) of natural monopoly entities in the field of railway transportation, the tariffs, fees and charges of which are regulated by the state<sup>1</sup>, the Company has the right to independently set tariffs for passenger transportation in first-class and second-class sleeping carriages.

Price regulation is not applied to passenger public rail service with higher-speed trains in the domestic market. This right is set out in Decree No. 431-t/1 of the FTS of Russia dated 14 December 2010 “On Changing State Regulation of Natural Monopolies in the Context of Domestic Public Rail Passenger Services, as well as Bed Linen Provision Service”.

Thus, in the deregulated segment (in deluxe carriages, first-class sleeping carriages and second-class sleeping carriages, as well as in all types of higher-speed train carriages), JSC FPC sets passenger tariff rates at its reasonable discretion.

The main tariff setting mechanisms in the deregulated segment in force in 2024:

- Dynamic pricing system
- Tariff plans
- Sales promotion

## Dynamic pricing system

Dynamic pricing is a multi-factor tariff setting tool. Tariff rates vary with train category, uneven demand (depending on time of year, day of week, departure and arrival times), seat/berth category (upper or lower berth), depth of sales, etc. At the time of sale, dynamic pricing creates variable tariff rates at the system level by taking into consideration both anticipated demand and a variety of environmental phenomena.

The pricing system helps ensure the balance between the demand for, and cost of, services, ultimately driving up the demand for rail services.

JSC FPC offers various marketing initiatives to stimulate consumer demand in both the deregulated and regulated segments and to defend the Company's position in the passenger market.

<sup>1</sup> Order No. 156-t/1 dated 27 July 2010.  
<sup>2</sup> According to Order No. 863/24 of the FAS of Russia dated 15 November 2024.

<sup>1</sup> Approved by Decree of the Government of the Russian Federation No. 643 dated 5 August 2009.



# Marketing Initiatives

The Company's marketing policy is instrumental in retaining the existing market share and attracting new customers.

JSC FPC is a customer-oriented and socially responsible company. In order to increase passenger satisfaction, attract passenger traffic to rail transport and improve the overall affordability of transportation, the Company actively uses incentives and marketing initiatives aimed at reducing the passenger tariff burden.

In order to better communicate with our passengers, we are continuously refining the tariff policy for long-distance trains.

In an effort to lower the overall cost of transportation in 2024, the Company allowed customers the option to buy travel documents on special tariff plans for several traveller categories:

- On Birthday Better by Train – 10% discount for the birthday person and three caregivers in all types of carriages
- Non-refundable tariff rates – 20% discount when purchasing a non-refundable ticket in the last four-berth compartment of a second-class sleeping carriage
- 50% discount for children aged 10 to 17 in fourth-class seating carriages, second-class open-plan sleeping carriages of double-decker trains, and 2nd- and 3rd-class seating carriages of motor-driven rolling stock
- Entire Compartment – up to a 20% discount on the purchase of an entire compartment in the sleeping carriage
- Single in first-class sleeping carriages – 20% discount when buying the whole compartment
- Big Family – 15% discount in second-class sleeping carriages for families with three or more children
- Travel with Children – 15% discount in second-class sleeping carriages for passengers travelling with a child aged under 17
- For 60+ passengers – 15% discount in second-class sleeping carriages
- For disabled passengers – 50% discount when travelling in a designated compartment for passengers with disabilities and for one caregiver; in second-class and first-class sleeping carriages for passengers with the first-degree disability and one caregiver, disabled children and one caregiver who are members of the Loyalty Programme

- Loyalty Programme for students – 25% discount for full-time undergraduate and postgraduate full-time students participating in the student project of the Loyalty Programme for second-class sleeping carriages of long-distance trains and carriages with seats on higher-speed trains
- Programmes dedicated to Participants and disabled veterans of the Great Patriotic War and Residents of Leningrad Under the Siege – free travel for participants of the Great Patriotic War and those who became disabled as a result of that war and one caregiver, and for holders of the Resident of Leningrad Under the Siege badge and one caregiver.

11

tariff plans

offered in 2024

>2,0

million passengers

were attracted additionally through flexible pricing policy in 2024

About 13 million people were able to travel at a discount thanks to a set of ticket plans intended to increase the affordability and availability of rail travel and to improve population travel behaviour.

# Projects Implemented in 2024

## Tariff products

In 2024 the list of Business Passes<sup>1</sup> has been expanded to 11 destinations: Moscow – St. Petersburg, Moscow – Bryansk, Moscow – Kaluga, Moscow – Kursk, Moscow – Nizhny Novgorod, Moscow – Petrozavodsk, Moscow – Rostov-on-Don, Moscow – Smolensk, Moscow – Cheboksary, Moscow – Yaroslavl, and Khabarovsk – Vladivostok.

Passengers who make frequent journeys are also offered personalised discount cards (10% to 20%), which entitle them to purchase discounted travel tickets (during card validity period) for seating carriages or in compartment carriages on domestic long-distance trains made up by JSC FPC. The amount of the discount depends on the selected tariff plan as specified by the discount card. A total of about 1,800 discount cards were purchased during 2024.



In total, over

6,900

business passes were purchased in 2024

Total for 2024

~13

million passengers used discounts

>6,900

business passes bought

~1,780

discount cards purchased

<sup>1</sup> For reference: in 2018, the first pilot Business Pass e-card was launched on the Moscow – Nizhny Novgorod route.



# Corporate Quality Management System

## Quality Policy of JSC FPC

**JSC FPC’s corporate quality management system (hereinafter – CQMS) is aligned with the parent company’s Quality Management Strategy, the Development Strategy of JSC FPC, and ISO 9001:2015 Quality Management Systems. Requirements.**

The Company’s priorities in respect of quality include the following objectives:

- Meet customer requirements and expectations by continuously improving service quality and ensuring high levels of service, comfort and safety
- Continuously improve the Company’s operational efficiency and performance by enhancing its CQMS and business processes and introducing new technologies for lean production, rolling stock maintenance, and customer service.

To achieve these goals and ensure sustainable development, JSC FPC’s management undertakes to:

- Follow the management’s leadership principle, foster collaboration between employees in achieving goals, enhance employees’ competencies, motivation and corporate relations culture
- Support and develop mutually beneficial long-term relations with suppliers, improve the satisfaction levels among the Company’s customers and all of its stakeholders

- Manage potential corporate risks, prevent recurring and potential inconsistencies, and make decisions based on objective evidence and stakeholder requirements
- Keep its CQMS compliant with ISO 9001:2015 international standard and stakeholder requirements
- Continuously improve its corporate quality management system, enhance operational efficiency and performance through process improvement, innovation and cost optimisation
- Organise the implementation of the Quality Policy, while providing staff with the necessary resources

## Certification of the CQMS and its compliance with ISO 9001:2015 Quality Management Systems. Requirements

In 2023, JSC FPC successfully passed a CQMS inspection for compliance with ISO 9001:2015 Quality Management Systems. Requirements to validate current certificate **No. 210890/A/A/0001/UK/RUS** dated 19 April 2023 with validity period till 17 April 2026 for the core business processes of the Company:

- Transportation of passenger, baggage and unaccompanied baggage
- Passenger assistance, customer service, and carriage servicing and maintenance on long-distance trains
- Issuance and sales of travel and carriage tickets and documents
- Carriage servicing before journey
- Carriage overhaul reconditioning
- Depot repairs (DR) of carriages
- Stage one and two (KR-1 and KR-2) carriage overhauls
- Current repairs of coupled/uncoupled carriages
- Wheelset repairs
- Repairs of carriage components and assemblies

- Carriage maintenance and inspection (TO-1, TO-2, and TO-3).

Key advantages of having the certificate of compliance with ISO 9001:2015 Quality Management Systems.

- Requirements:
- Image of a customer-focused company confirmed by state-level documents
  - Confirmation of JSC FPC’s compliance with global best practices in quality management by an independent certification body
  - Increased passenger satisfaction driven by services provided in line with global quality standards
  - Improved operational efficiency and performance of the corporate governance system
  - Increased share value
  - JSC FPC’s higher score in bids (tenders) for the provision of auxiliary services held by the parent company and other customers





# Key Projects of 2024

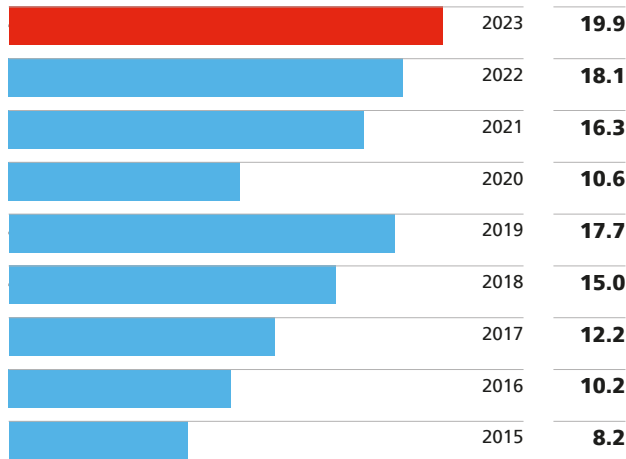
## Daytime trains

As of year-end 2024, 20.0 million passengers were carried by daytime long-distance trains, up 0.6% year-on-year. Daytime service accounted for 18% of the total annual passenger traffic of JSC FPC.

In the 2023/2024 time schedule, there were 67 pairs of daytime trains on 38 routes<sup>1</sup>.

>19.9 million  
passengers at the end of 2024  
+0.6% year-on-year

Passengers carried by daytime trains since 2015, million people



Passengers carried, thousand people



38 routes  
67 train pairs



<sup>1</sup> Including Moscow – Minsk, Moscow – St. Petersburg, Moscow – Nizhny Novgorod, Moscow – Lipetsk, Moscow – Yaroslavl, Moscow – Belgorod, Moscow – Smolensk, Moscow – Kursk, Moscow – Bryansk, Moscow – Voronezh, Moscow – Saransk, Krasnodar – Adler, Krasnodar – Imeretinsky Kurort and others.

## Double-decker trains

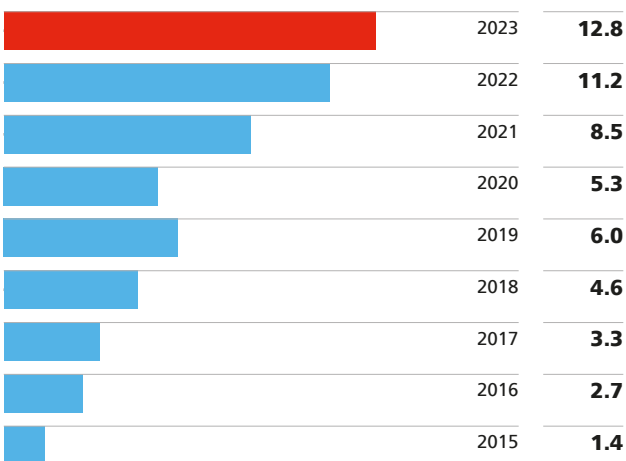
In 2024, double-decker trains carried over 14.3 million passengers, which is 12.1% higher than in 2023. Double-decker service accounted for 12.9% of total annual passenger traffic of JSC FPC.

The 2023/2024 train schedule provides for the operation of 32 pairs of double-decker trains on 22 routes<sup>1</sup>.

As part of the expansion of the double-decker train range, new trains have been scheduled from December 2024: No. 61/62 St. Petersburg – Moscow in common rotation with No. 63/64 Samara – St. Petersburg, No. 265/266 Moscow – Novorossiysk, No. 391/392 Chelyabinsk – Moscow, which is the first among double-decker trains connecting Moscow with the Urals region of Russia, higher-speed double-decker Aurora trains No. 741/742, No. 743/744 St. Petersburg – Moscow.

>14.3 million  
passengers at the end of 2024  
+12.1% year-on-year

Passengers carried by double-decker trains since 2015, million people



Passengers carried, thousand people



22 routes  
32 train pairs



<sup>1</sup> Those include the following routes: St. Petersburg – Moscow, St. Petersburg – Belgorod, Moscow, St. Petersburg – Adler, Voronezh – Moscow, Moscow – Samara, Izhevsk, Penza, and Togliatti, Kislovodsk – Moscow, Petrozavodsk – Moscow, Moscow – Bryansk, St. Petersburg – Murmansk, Moscow to Ulyanovsk, Yoshkar-Ola, and Cheboksary, Moscow – Orsk, Ufa/Samara – Imeretinsky Kurort, Imeretinsky Kurort – Moscow, Petrozavodsk – St. Petersburg, St. Petersburg – Samara, and others.



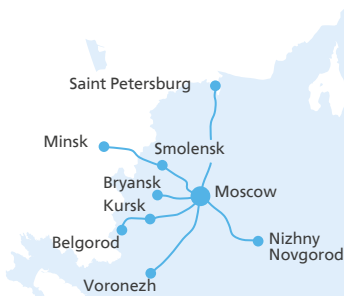
## Higher-speed trains

In 2024, higher-speed trains made up by JSC FPC carried over 11.4 million passengers, which is 6.8% higher than in 2023, accounting for 10.2% of JSC FPC's total annual passenger traffic.

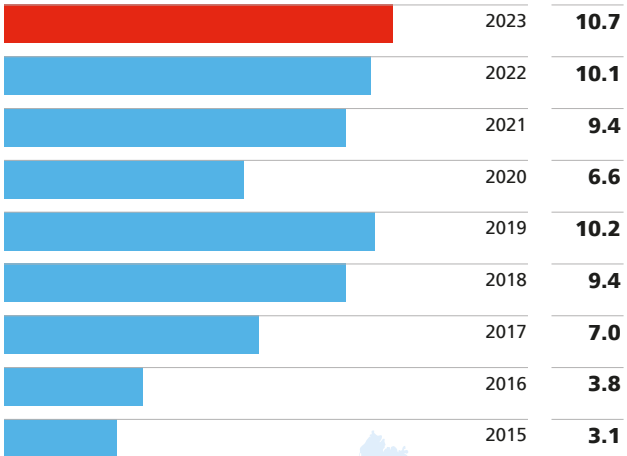
The 2023/2024 train schedule provides for the operation of 28 pairs of JSC FPC's higher-speed trains on eight routes<sup>1</sup>.

The Aurora higher-speed trains (trains No. 741/742 and No. 743/744) resumed serving the Moscow – St. Petersburg route in December 2024 after 14 years.

>11.4 million  
passengers at the end of 2024  
+6.8% year-on-year



Passengers carried by higher-speed trains since 2015, million people



Passengers carried, thousand people



8 routes  
28 train pairs

## Tourist trains

In 2024, the number of JSC FPC's tourist trains increased to 28. Over the year, 114,400 people travelled on tourist trains (+16.5% year-on-year).

Traditionally popular routes include The Pearl of the Caucasus, To Karelia, Sochi, Along the Golden Ring, Winter Fairy Tale, and others.

Passengers were offered new tourist products: Zhiguly Weekend, the Pearl of the Caucasus (departure from Tyumen, Yekaterinburg, and Samara), Malakhit, and Two Guberniays.

Tours to the Republic of Belarus and the Republic of Abkhazia were operated under the projects Belarusian Voyage, Sochi, and Ritsa.

<sup>1</sup> Moscow – Nizhny Novgorod, Moscow – Smolensk, Moscow – Voronezh, Moscow – Kursk, Moscow – Bryansk, Moscow – Belgorod, Moscow – Minsk, Moscow – St. Petersburg.

## Car carriers

In 2024, around 4,900 motor vehicles were transported in JSC FPC's car carriers on the following routes:

- Khabarovsk – Novy Urgal
- St. Petersburg – Adler
- Moscow – St. Petersburg
- Moscow – Adler
- Moscow – Vladivostok

In 2024, the most popular transportation routes were: Moscow – Adler, St. Petersburg – Adler, Vladivostok – Moscow, and Khabarovsk – Novy Urgal.

## Amount of traffic and new trains

In the 2023/2024 standard train schedule, the overall traffic of JSC FPC's passenger trains amounted to 491 train pairs, including 298 pairs of express trains, 165 pairs of passenger trains and 28 pairs of higher-speed trains. In order to improve efficiency and rationalise the use of rolling stock, the 2023/2024 train schedule included 162 pairs of multi-group trains.

162 pairs  
of multi-group trains ran  
in 2023/2024

To enhance transport accessibility of the regions and attract additional passenger traffic, the following trains were assigned to new routes:

- No. 141/142 Smolensk – Arkhangelsk
- No. 265/266 Tyumen – Kislovodsk
- No. 559/560 Volgograd – Rostov
- No. 517/518 Saratov – Murmansk
- No. 143/144 Smolensk – Murmansk
- No. 203/204 St. Petersburg – Belgorod
- No. 27/28 Vladivostok – Blagoveshchensk
- No. 149/150 Samara – Minsk
- No. 117/118 St. Petersburg – Labytnangi
- No. 99/100 Nizhny Novgorod – Labytnangi

In addition, non-stop carriages have been introduced on new routes:

- Elista – Adler
- Perm – Kislovodsk
- Astrakhan – Anapa
- Grozny – Kazan
- Chelyabinsk – Tashkent
- Tyumen – Derbent





International service

3.7 million  
passengers carried internationally  
in 2024

In the reporting year, JSC FPC focused on the development of international passenger traffic with friendly neighbouring countries. The Company provides passenger railway service between the Russian Federation and the Republic of Abkhazia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Tajikistan, the Republic of Uzbekistan, Mongolia, the People's Republic of China (PRC) and the Democratic People's Republic of Korea (DPRK).

Given the capacity of the passenger market between the Russian Federation and the Republic of Belarus, international cooperation in 2024 was focused

on increasing the transportation volumes. In particular, the third pair of Lastochka train No. 719/720, Moscow – Minsk, commenced to run three times a week.

Since December 2024, passenger railway service has been resumed between the capital of the Russian Federation and the capitals of the Kyrgyz Republic (Bishkek) and the Republic of Uzbekistan (Tashkent), and a major industrial and cultural centre of the Republic of Kazakhstan (Karagandy), between the administrative centre of the Novosibirsk Region and the centre of the Republic of Kazakhstan's mining and metallurgical industry (Ridder), as well as between border stations of the Russian Federation (Grodekovo) and the PRC (Suifenhe) and the DPRK (Tumangang).

Now, trains No. 80/79, Kaliningrad – St. Petersburg, and No. 148/147, Kaliningrad – Moscow, which transit through the Republic of Belarus and the Republic of Lithuania, travel daily; also, non-stop groups of carriages were introduced on the following routes: Minsk – Murmansk, Smolensk – St. Petersburg, Kaliningrad – Murmansk, and Kaliningrad – Mineralnye Vody.

The Sub-programme includes a list of imported and import-containing products (spare parts, components and materials) to be purchased and required to be purchased in 2024 for the maintenance and repair of locomotive traction passenger carriages. The list includes 33 items, of which:

- Three items – locomotive traction passenger carriages
- 30 items – spare parts and materials for maintenance and repair of passenger carriages (based on the results of research conducted in 2024, the number of items was reduced to 11)

In 2024, brake tests of double-decker carriages featuring air-suspension bogies with Russia-made units and components (brake disk, calliper unit, anti-skid system) were completed with positive results.

Based on the test results, Russia-made components were introduced into the design documentation for carriages to be purchased, thus strengthening the Company's production independence.

Import substitution

**Under the sanctions policy pursued by unfriendly countries, restrictive measures have been imposed on the transportation industry of the Russian Federation, including railway transport, for a number of years. Due to the restriction of supplies of necessary foreign-made components, there are risks of disrupted transportation of the rolling stock and maintaining its serviceable condition.**

The activities aimed at import substitution (i.e., launching manufacture in Russia) of parts used in passenger rolling stock were initiated by JSC FPC in March 2022 and are being undertaken as part of industry-wide measures conducted by Russian Railways. To manage the import substitution process across the industry, Russian Railways has created

the Import Substitution Automated Information System (AIS), which tracks imported and import-containing products used in the Holding divisions and enables follow-up and selecting analogues of products requiring substitution. Starting from the second half of 2023, the Company was granted access to the said system. As of the beginning of 2024, 334 units of import-dependent products (including 264 units used in the manufacture of new rolling stock and 70 units used in its maintenance and repair) are covered by the AIS. Based on the results of activities undertaken jointly with manufacturers of rolling stock and components for railway equipment, analogues for 301 units of products have been identified.

On 2 July 2024, the Consolidated Programme for Achieving the Production Independence of the Russian Railways Holding for 2024 No. 1625/r was approved; it includes the Sub-programme for Achieving the Production Independence of the Federal Passenger Company as an integral part.







Digital projects

Digital Transformation at JSC FPC

In 2024, digital transformation was carried out at JSC FPC in accordance with JSC FPC's Digital Transformation Strategy (hereinafter, the Strategy), which was developed in accordance with the requirements of Russian laws for joint stock companies with state participation and approved by the resolution of the Board of Directors of JSC FPC<sup>1</sup>. In 2024, the Strategy was updated by the resolution of the Board of Directors of JSC FPC in line with the requirements for full import substitution of certain classes of software and the use of artificial intelligence technologies<sup>2</sup>.

The digital transformation in 2024 saw over 5,000 automated workstations migrated to the domestic Astra Linux operating system and over 9,500 devices for checking the validity of electronic tickets replaced (all devices were migrated to the Russian Aurora operating system), with 7,000 units of radio stations, peripheral, network and server equipment, and 34 out of 38 classes of software used by the Company fully replaced with domestic equivalents.

>5,000

automated workstations were migrated to Astra Linux

>9,500

devices for checking the ticket validity were replaced

>7,000

units of radio stations, peripheral, network and server equipment were substituted

Thanks to the measures aimed at import substitution of software and electronic products, the Company managed to increase its production independence, ensure uninterrupted functioning of business processes, and secure customer comfort and safety.

As part of the Strategy, the following digital transformation projects were implemented in 2024:

- FPC INFO corporate portal allows any employee, regardless of their location, to receive information on their income, vacation, benefits, pension, order various certificates and copies of documents, as well as to use self-education resources and administer their career. The active audience of the FPC INFO corporate portal in 2024 amounted to 39,000 employees.
- An automated system for evaluating and rating personnel, carriages and trains based on customer opinions allows for automated analysis of passenger feedback and the creation of ratings for the Company employees. In 2024, train crew employees received 1.3 million ratings within the system. Based on the information received, ratings are formed and decisions are promptly made to improve customer satisfaction.

- An automated management system for user support of IT services, as well as for planning, implementation, and monitoring of the informatisation programme, allows for the automation of the support procedures and the processes related to shaping and administering JSC FPC's digitalisation programme. Over 700 requests for technical support for users were processed within the system in November and December 2024.

To automate routine operations at JSC FPC, the first software robots were introduced in 2024, including robots to generate reports from the Unified Corporate Automated Financial and Resource Management System, process job applicants' CVs, and automate legal operations. A total of eight programme robots were put into operation.

The implementation of the projects described above has improved the customer experience, increased the transparency of business processes and facilitated more efficient use of the Company's resources.

In the reporting year, JSC FPC's projects were recognised with various prestigious awards in the area of digital transformation:

- Digital Leaders Award 2024 as the Platform of the Year
- Time of Innovation Award as a VR/AR and Mobile Application
- ComNews Awards 2024 as the Best Digital Solution Based on a Russia-Made Mobile Operating System for Transportation

For 2025, it is planned to design and develop information systems and digital services, as well as to continue the transition to Russia-made software and radio-electronic products.

Digital transformation indicators, %

Indicator	2022	2023	2024
Share of expenditures on procurement of Russian software and related works (services) in the total volume of expenditures on procurement of software and related works (services)	56.5	90.3	94.5
Share of expenditures on procurement of Russian radio-electronic products in the total volume of expenditures on procurement of radio-electronic products	70.0	95.9	98.1
Share of revenue through digital channels	69.3	75.0	77.9

<sup>1</sup> Minutes of the meeting of the Board of Directors of JSC FPC No. 21 dated 19 June 2023.  
<sup>2</sup> Minutes of the meeting of the Board of Directors of JSC FPC dated 2 September 2024.



# Customer Service

The Company is relentlessly working on improving the quality of services in order to maintain a high level of passenger service. This is one of JSC FPC's priorities.

## Quality of transportation service

Long-distance passengers receive an email invitation to participate in an online survey that on a regular basis tracks passenger satisfaction with quality of services provided. This survey provides the Company with recent feedback and customer reviews, enabling prompt responses to passenger comments and suggestions.

Personal data of JSC FPC's customers is processed in strict accordance with the rules of Federal Law No. 152-FZ dated 27 July 2006 "On Personal Data", as well as with the specifications of regulatory documents of regulatory agencies (Federal Service for Technical and Export Control, Roskomnadzor, etc.).

- Customer satisfaction index (CSI<sup>1</sup>) is derived from weighted scores on the following parameters:
- Ticketing process (online, in a mobile app or ticket offices)
  - Cost of travel
  - Customer service on-board (travel comfort, technical condition and cleanliness of carriages, safety, attendants' performance, quality of bed linen and travel kit, travel with kids, Poputchik portal)
  - Catering services (prepaid meals, dining carriage services)
  - Loyalty programme

In 2024, the number of respondents who assessed the quality of services provided by JSC FPC was 1.2 million passengers, which is twice as many as in 2023 (about 542,900 respondents); to a large extent, the noticeable increase in the number of passenger responses was due to the automation of mailings, questionnaire completion, and personalisation.

According to the passenger service quality assessment data for 2024, the passenger satisfaction index amounted to 88.2 points on a 100-point scale, which is 0.3 points higher than the target value calculated at the end of 2023<sup>2</sup>.

The NPS<sup>3</sup> index is regularly monitored to promote the customer care and increase competitiveness, as well as to determine the level of passenger loyalty and readiness to recommend the Company.

The 2024 NPS index is 47 and remains unchanged since 2023. The shares of promoters and critics decreased while the share of those with neutral attitude increased.

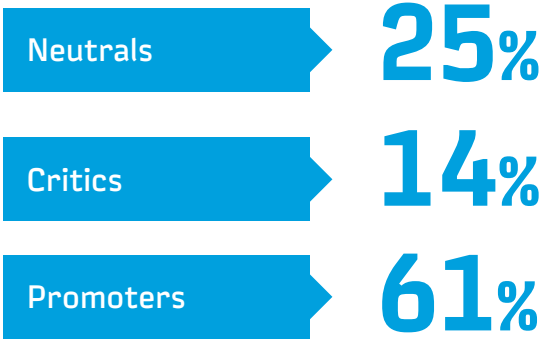
In the leaders of passenger satisfaction evaluation parameters are attendants' work, contents of travel kits, and ticket purchase experience, in the growth zone are comfort level, technical condition, and experience of travelling with children.

### Final CSI and NPS figures in 2024

Satisfaction level CSI  
**88.2** (+0.3)

NPS  
**47** (0)

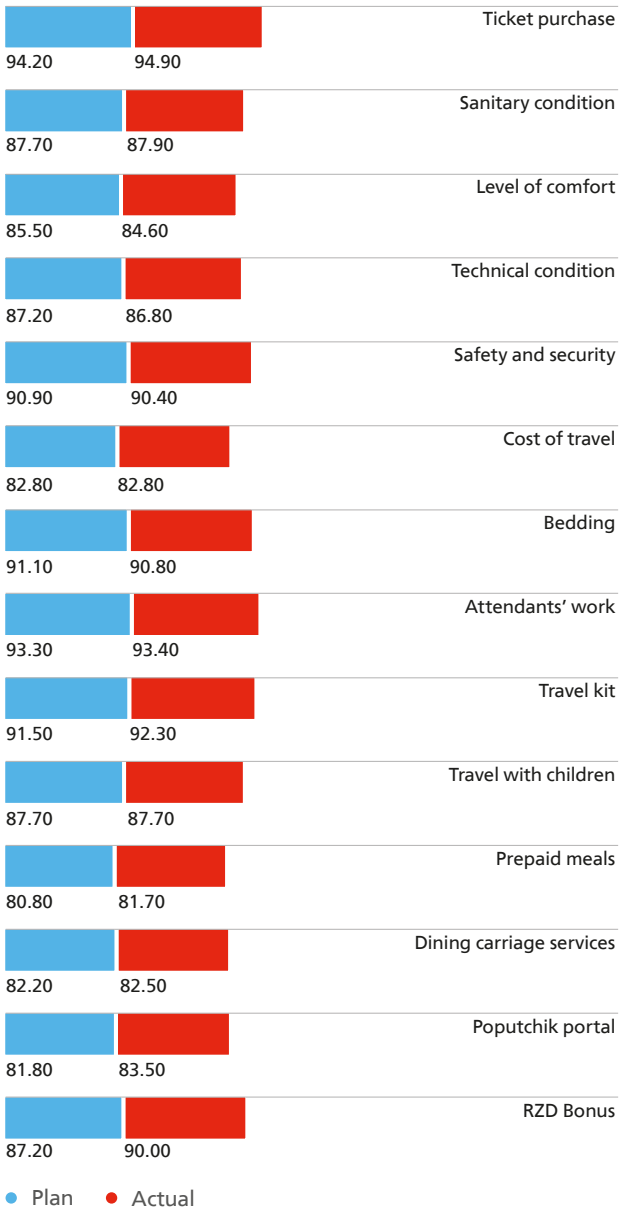
### Passenger loyalty index in 2024



Total respondents  
1.2 million passengers

Method used:  
online survey

### Estimation of the main parameters of passenger satisfaction (CSI) in 2024, %



To improve the quality of service, the algorithm for mailing questionnaires to passengers has been changed. Now most questionnaires are mailed no later than three hours after the trip, and answers to a number of questions related to ticket details are included into the questionnaire automatically. This reduced the time the survey would take to complete. Based on the Trip Review survey data, ratings of personnel, carriages and trains, as well as passenger satisfaction and loyalty indices are calculated.

<sup>1</sup> Customer Satisfaction Index.  
<sup>2</sup> In December 2023, the methodology for determining the passenger satisfaction index was updated.  
<sup>3</sup> Net Promoter Score.

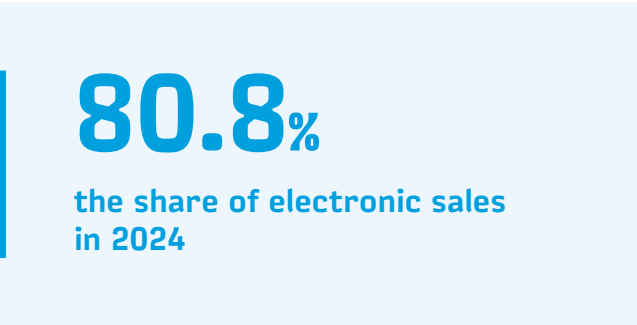


## New in service quality management

In order to improve service quality, the Company has established a competence centre for the improvement, implementation and control of technological processes that shape the final service provided to passengers. A new model for monitoring the quality of pre-voyage maintenance of passenger trains was also introduced, thus ensuring continuous assessment of 100% of trains throughout their life cycle.

In the reporting year, the Company continued to develop and implement digital tools in the area of service quality control. In particular, A digital system (automated workstation) was established to monitor the quality of pre-trip maintenance: the Pre-Trip Control. It allows to accumulate analytics on quality deviations, analyse and eliminate root causes of nonconformities. Furthermore, the Company completed the installation of queue management systems (QuMS) at five railway stations across the Russian Federation. Currently, QuMS's have been implemented at 68 rail stations across the country.

The share of electronic sales of tickets and services is continuously growing. Thus, electronic sales increased from 5.5% in 2010 to 80.8% in 2024.



## Customer service innovations

### Enhancing meal quality

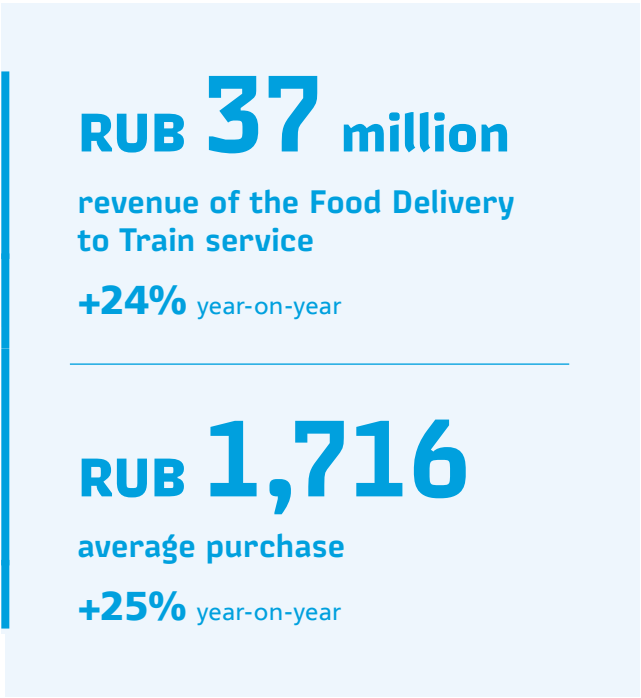
As part of a new model for serving long-distance passenger trains, JSC FPC is implementing the concept of catering in 45 trains (76 bistro carriages). This new method for serving meals to passengers on FPC trains is based on the idea that meals are prepared in factories, allowing for quality standardisation and a reduction in the amount of time it takes to serve passengers. The concept is being put into action by JSC FPC and LLC NTS.

The number of updated administrative carriages with an integrated kitchen module to sale meals of a high degree of preparedness been expanded. Thirteen of such carriages were included in six JSC FPC's trains.

The project launched in March 2023 to provide catering services in bistro carriages by the Moscow, Kuibyshev and Volga Directorates for Passenger

Catering was scaled up. In April 2024, two such directorates were established in the North-Western and Gorkovsky branches of JSC FPC. The catering project covers catering services in 58 bistro carriages and 11 updated administrative carriages, which are included in 36 trains.

Since the launch of the Food Delivery to Train service (December 2019), more than 50,000 passengers have used it. A total of 112 businesses in 74 locations have been connected to the service (+20% and +12% year-on-year, respectively). Additional revenue amounts to RUB 37 million, which is 24% more than a year earlier, and the average purchase increased by 25% to RUB 1,716.





**Making railway service more accessible for different categories of passengers**

In 2024, travel conditions for passengers with reduced mobility were improved. In particular, to improve the quality of service for visually impaired passengers, a Braille catalogue of goods was developed and placed in all compartments dedicated for passengers with reduced mobility. In addition, the Passenger Identification and Service System was further developed in terms of interaction with the Mobility Facilitation Centre of Russian Railways: now the train crew have access to information on requests for paratransits' travel on a mobile device to provide such passengers with situational assistance.

- In the reporting year, the following measures were taken to enhance travelling with animals<sup>1</sup>:
- The Russian Railways website was improved to enable issuing tickets for unaccompanied animals, which led to the increase in the number of animals transported to 80,000 in 2024 (57,500 in 2023)
  - The rules for the transportation of pets on trains were simplified:
    - Now it is allowed to carry pets without buying out all seats in an entire compartment.
    - It became mandatory to issue a transportation document regardless of the type of transportation (whether free of charge or not).
    - The number of passengers is no longer counted when calculating the maximum allowed number of people and pets travelling in a compartment.

**Increasing passenger comfort**

- New comfortable trains were launched in 2024:
- A new higher-speed double-decker Aurora train commenced to serve the St. Petersburg – Moscow route. The train consists of 15 carriages equipped with standard and improved seating arrangements. The seats are equipped with footrests and folding tables, the backrest inclination is adjustable. There is also a second-class sleeping carriage with a seat for a paratransit, a first-class sleeping carriage, and a bistro carriage. In the updated rolling stock of the train, special attention is paid to interior and exterior design; there are branded souvenirs as well. The first-class sleeping carriage features cobalt mesh tableware, which is made especially for the Aurora train at the Imperial Porcelain Factory.
  - The Pearl of the Caucasus, a tourist train, was completely renewed and branded according to an individual project. Uniforms were designed and manufactured for the train crews' employees. The train includes specialised carriages: two dining carriages and those with a bar, a lounge, a shower, a spa, and a power generator. The bar carriage can hosts theatricals and offer karaoke facilities. The lounge carriage houses children's festivals and offers breakfasts for passengers of second-class sleeping carriages. The shower carriage has seven shower cabins. The carriage with power generators maintains comfortable travelling conditions under any circumstances. For the first time in the history of Russian railroads, there is a spa carriage with an infra-red sauna, shower cabins, a bar counter, special areas for relaxation, and equipment for washing and ironing clothes.

In addition, the Travel Kit service was improved in the reporting year. The Company completely renewed hygienic and children's travelling kits provided to passengers of high comfort carriages. For the first time, the Company developed special travel kits for tourist trains operated as a part of the Travel with Russian Railways! project. In total, over 10.5 million travel kits were provided to passengers in 2024.

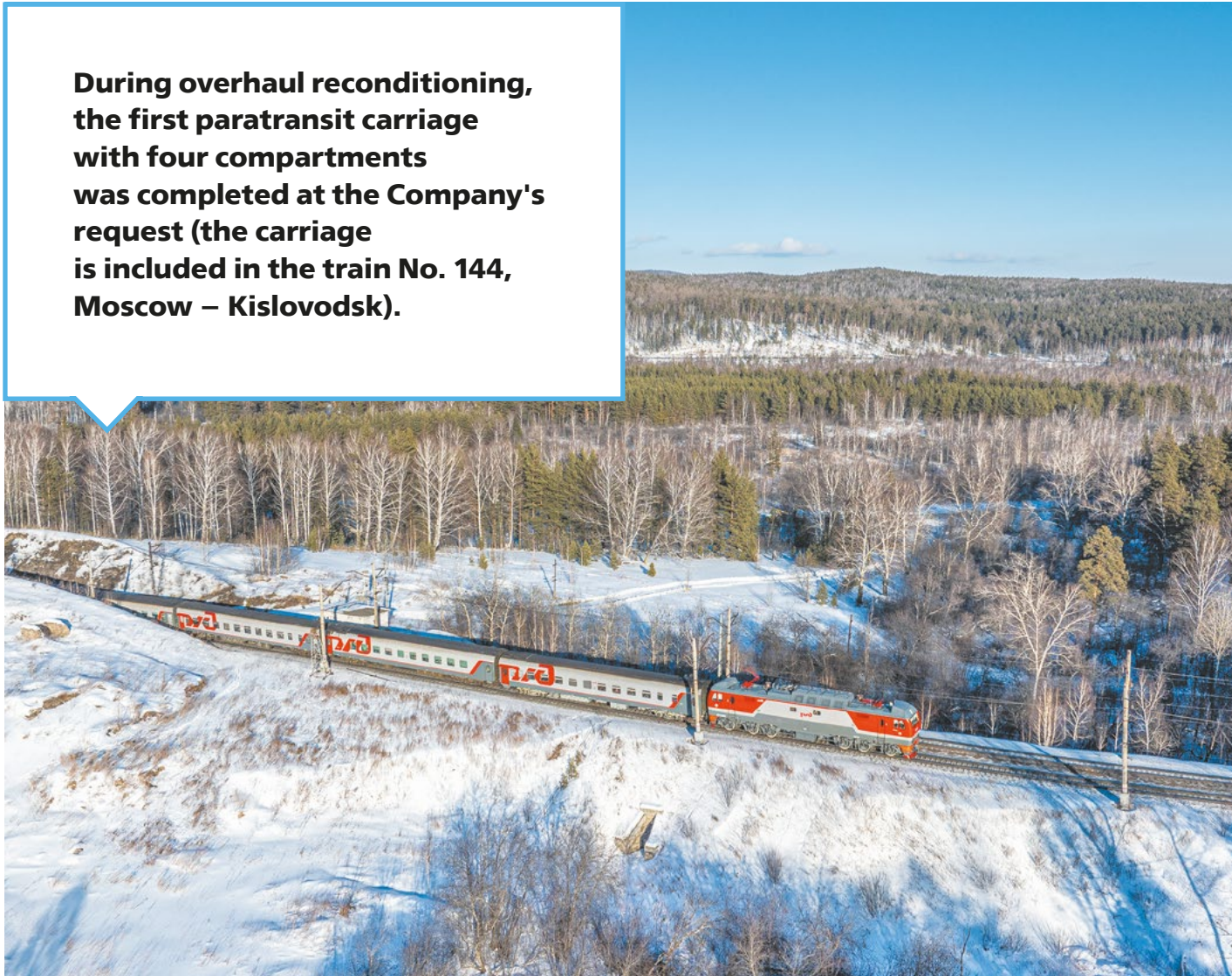
The Poputchik infotainment system (Fellow Passenger) received a new functional design and e-books of EPUB format; it was supplemented with an interactive map of the Russian Federation with several thousand tourist sites along the train routes. The number of trains equipped with Poputchik system reached 115. New first-class sleeping carriages now provide for watching movies through the Okko online cinema platform, directly on built-in screens.

In 2024, within the framework of the seventh annual contest of projects utilising process management tools, BPM Project of the Year, the Company won the Special Jury Prize for its systematic approach to improving the quality of passenger service.

115 trains

equipped with Poputchik system

**During overhaul reconditioning, the first paratransit carriage with four compartments was completed at the Company's request (the carriage is included in the train No. 144, Moscow – Kislovodsk).**



<sup>1</sup> The new rules came into effect on 1 January 2025.



# Improving Working Conditions for Train Crews

## Repair and equipping of sanitary and recreation quarters for the attendant pool

The Company pays much attention to creating comfortable working conditions for employees. In 2024, we continued bringing the infrastructure for JSC FPC's employees to up-to-date standards:

- In March 2024, updated rest rooms and a gym were opened for employees of the Severobaykalsk carriage station of the East Siberian Branch (the building was renovated at a total cost of more than RUB 28 million: three rest rooms with to accommodate up to 18 people were equipped, and rooms for on-duty staff, rooms for taking meals, washrooms, showers, a storage room, dressing rooms, fitting rooms, an ironing room and a make-up room were arranged). The works were carried out as a part of preparation for the 50th anniversary of the Baikal-Amur Mainline.
- A canteen at the Nikolayevka passenger carriage depot that is used by all employees, including train crews of turnaround trains, was updated.

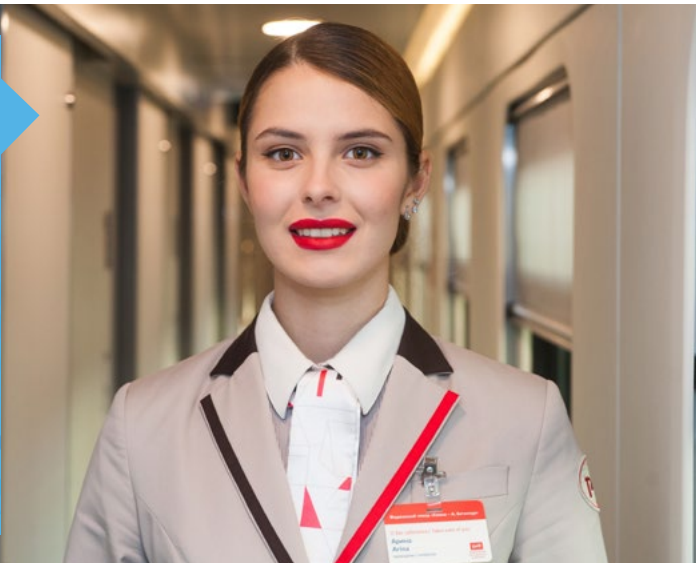
- In May, the renovated attendant pool building at the Penza railway carriage station was commissioned through an appropriate ceremony.
- in June 2024, a higher-speed train attendant pool building was put into operation after the upgrade of the sanitary and recreation building of the Moscow-Yaroslavskaia CS.

A total of 28 buildings and structures are scheduled for reconstruction and repair by the end of 2024 under the capital repair programme to improve working and recreational conditions for employees.

In early 2025, it is planned to open renovated recreation rooms for attendant pool in Tynda and Khabarovsk.

### New uniforms

Starting from 2022, the Company will switch to new uniforms. At present, employees of train crews in all structural subdivisions have fully switched to the new uniforms. The number of employees wearing new uniforms is over 93%.



# Key Operational Highlights

In 2024, JSC FPC's passenger turnover will reach 95.8 billion passenger-km, which will constitute an increase of 4.8% vs. 2023 and 18.0% vs. 2022. In the Company's own trains, the volume of traffic increased to 94.2 billion passenger-km (104.7% vs. 2023 and 117.8% vs. 2022), including 52.1 billion passenger-km in the regulated segment (102.6% vs. 2023 and 110.6% vs. 2022) and 42.1 billion passenger-km in the deregulated segment (107.4% vs. 2023 and 128.1% vs. 2022).

The following factors influenced the growth of passenger traffic volumes:

- Extension of close-down of southern airports
- Switching of passenger traffic from air to railway transport in a number of destinations
- Growth of transport mobility of the population as a result of the strengthening of the economy of the Russian Federation
- Development of relations with the CIS and Baltic countries

The number of passengers carried totalled 112.7 million, including 62.2 million in the regulated segment and 50.5 million in the deregulated segment. The number of passengers carried rose to 104.3% vs. 2023, and to 117.5% vs. 2022.

Passenger turnover on trains operated by the CIS and Baltic countries totalled 1.6 billion passenger-km (111.9% vs. 2023 and 129.8% vs. 2022).

The growth in the volume of international traffic was driven by the increased number of regular passenger interstate trains with the Republic of Belarus. The volume of train services with Mongolia, the Republic of Kazakhstan, the Republic of Uzbekistan, the Kyrgyz Republic and the Republic of Tajikistan was maintained at the level of 2023. In addition, year-round railway service with the PRC and the DPRK was resumed from 15 December 2024.

### Volume-based indicators

Indicator	2022	2023	2024	Δ 2024/2023, %
Billion passenger-km travelled	81.2	91.4	95.8	104.8
On trains made up by JSC FPC	79.9	89.9	94.2	104.7
• Deregulated segment	32.9	39.2	42.1	107.4
• Domestic service	31.2	37.5	40.3	107.4
• international service	1.6	1.7	1.8	108.9
• Regulated segment	47.1	50.8	52.1	102.6
On trains made up in the CIS and Baltic States	1.2	1.4	1.6	111.9
Passengers carried, million people	95.9	108.1	112.7	104.3
• Deregulated segment	40.5	47.3	50.5	106.7
• Regulated segment	55.5	60.7	62.2	102.5

As the passenger-km travelled in trains made up by JSC FPC grew by 4.7% year-on-year, it drove up the carriage-km travelled to 2,897.7 million carriage-km,

or by 4.4% year-on-year. Thus, the space utilisation rate was 74.0%, which is 0.2 p.p. above the 2023 level and 2.1 p.p. above the 2022 level.



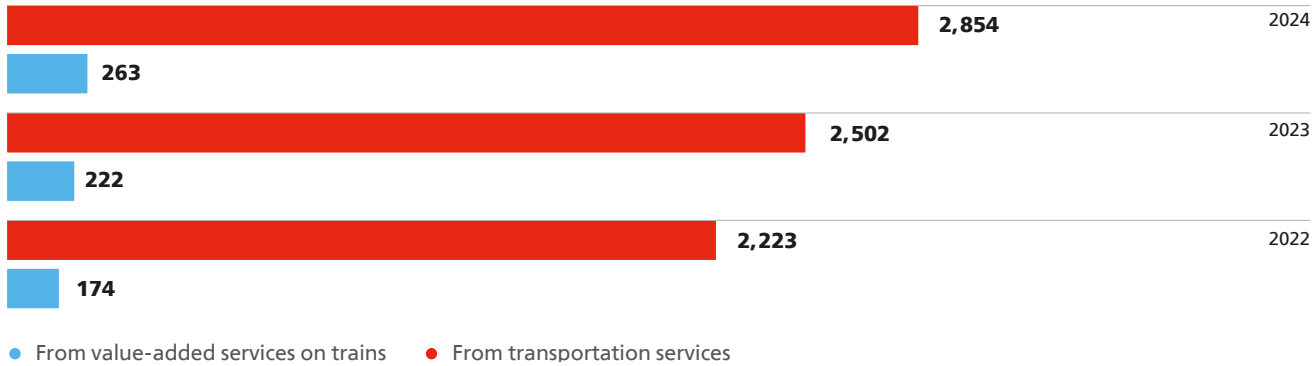
# Financial Results

Financial results<sup>1</sup>, RUB billion

Indicator	2022	2023	2024	Δ 2024/2023	
				+/-	%
Income from operations	250.5	315.8	372.9	57.1	118.1
• Passenger service	221.0	278.6	330.5	51.9	118.6
• Other sales	29.5	37.2	42.3	5.1	113.8
Expenses from operations	236.2	286.0	335.9	49.9	117.5
• Passenger service	215.9	261.4	306.9	45.5	117.4
• Other sales	20.3	24.6	29.0	4.4	117.9
Operating result	14.3	29.8	37.0	7.2	124.1
• Passenger service	5.1	17.2	23.6	6.4	137.4
• Other sales	9.2	12.6	13.4	0.7	105.9
Other income	21.3	15.7	16.4	0.6	104.0
• including federal subsidies	12.1	8.4	7.1	-1.3	84.4
Other expenses	21.8	18.4	21.0	2.5	113.7
Other revenue and expenses	-0.6	-2.7	-4.6	-1.9	169.6
Profit (loss) before tax	13.7	27.1	32.4	5.3	119.5
EBITDA	41.9	56.5	66.7	10.1	117.9
EBITDA margin, %	16.7	17.9	17.9	-	-
Income tax and other similar liabilities	2.7	6.0	6.3	0.3	104.6
Net profit	11.0	21.1	26.1	5.0	123.8
Net profit margin, %	4.4	6.7	7.0	0.3	104.8

## Income

Average revenue per passenger (including VAT), RUB



<sup>1</sup> Under RAS.

Changes in income from operations, RUB billion

Indicator	2022	2023	2024	Δ 2024/2023, %
income from operations, total	250.5	315.8	372.9	118.1
Revenue from passenger service	221.0	278.6	330.5	118.6
• Domestic traffic revenue from passenger service	206.9	261.0	311.1	119.2
• Deregulated segment	116.1	150.7	184.1	122.1
– Domestic passenger service by first- and second-class sleeping carriages	109.7	141.4	173.5	122.7
– International service	6.4	9.4	10.6	113.2
• Regulated segment	104.9	127.9	146.5	114.6
– Domestic passenger service by third-class open-plan sleeping carriages and fourth-class seating carriages	97.2	119.6	137.6	115.1
– Transportation of baggage, unaccompanied baggage and mail	7.7	8.3	8.8	107.1
Revenues from other activities	29.5	37.2	42.3	113.8

## Revenue from passenger service

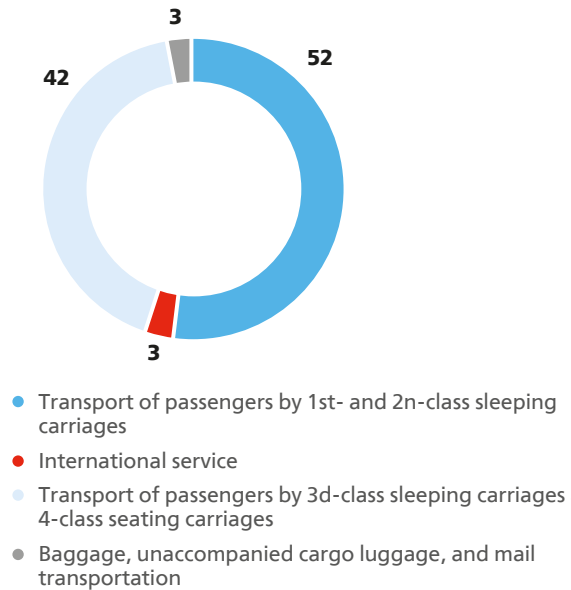
With the continued growth in the transport mobility of the population, in 2024, due to annual tariff indexation, the volume of revenue from passenger traffic totalled

RUB 330.5 billion  
+18.6% year-on-year

In the regulated segment, passenger service by third-class open-plan sleeping carriages and fourth-class seating carriages in 2024 generated RUB 137.6 billion, up 15.1% year-on-year.

Revenues from the carriage of baggage, unaccompanied baggage, and mail totalled RUB 8.8 billion (107.1% vs. 2023).

Structure of revenues from passenger services, %

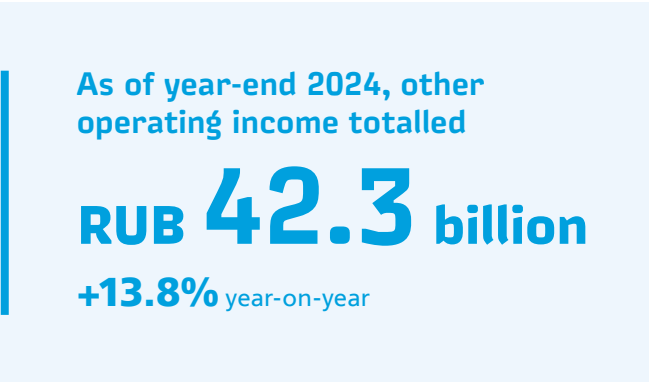


The revenue growth trend may be noted in both segments, regulated and deregulated, but the deregulated segment remains ahead of the regulated one (122.1% vs. 2023): in 2024, revenue from the carriage of passengers in first- and second-class sleeping carriages through domestic traffic totalled RUB 173.5 billion (122.7% vs. 2023), while revenue from international traffic exceeded RUB 10.6 billion (113.2% vs. 2023).



Other operating income

- Other activities of JSC FPC include:
- Repair of clients’ rolling stock
  - Value-added services on trains
  - Lease of movable and immovable property
  - Other services

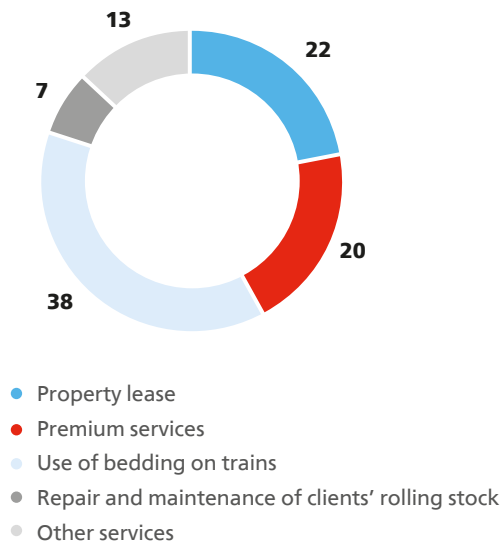


Changes in other operating income, RUB billion

Indicator	2022	2023	2024	Δ 2024/2023, %
Other operating income	29.5	37.2	42.3	113.8
Repair of clients’ rolling stock	2.3	2.6	2.9	109.4
Value-added services on trains	13.9	20.0	24.7	123.5
• Provision of bedding	10.3	14.0	16.3	116.4
• Premium services	3.6	6.1	8.5	139.8
Property lease	9.9	9.8	9.1	92.7
Other services	3.3	4.7	5.6	119.2

- The drivers behind the year-on-year growth:
- In terms of additional services on trains (+23.5% year-on-year) – due to an increase in the amount of passengers served by JSC FPC's own trains and annual tariff indexation
  - In terms of other services (19.2%) – mainly due to the expansion of the range of goods and alcoholic beverages sold, a growth of the sale of supplementary meals to passengers, and an increase in the sale of scrap metal
  - In terms of repair and maintenance of customers' rolling stock (9.4%) – due to additional requests for maintenance and overhaul of carriages

Structure of other operating income, %



Expenses

Transportation expenses

Based on the results of 2024, expenses on transportation activities totalled RUB 306.9 billion, or 117.4% vs. 2023 (142.2 % vs. 2022).

The prime cost of passenger service in 2024 was RUB 32.0 per 10 passenger-km, or 112.0% vs. 2023 (120.5% vs. 2022).

Transportation expenses, RUB billion

Indicator	2022	2023	2024	Δ 2024/2023, %
Total	215.9	261.4	306.9	117.4
Payroll costs	38.3	47.0	57.1	121.6
Social contributions	10.7	13.3	16.3	123.1
Material expenses	25.5	31.5	35.0	111.3
• Materials	6.5	9.1	12.0	132.1
• Fuel	0.6	0.7	0.8	111.0
• Electricity	0.5	0.5	0.5	99.0
• Other	17.9	21.1	21.7	102.6
Other expenses	123.3	148.7	173.5	116.7
• Support services	65.4	76.9	90.5	117.7
• Locomotive lease	45.3	57.0	65.6	115.1
Depreciation	18.1	21.0	25.0	118.9

Other operating expenses

As of year-end 2024, expenses from other activities totalled RUB 29.0 billion, which is 17.9% higher than in 2023.

- The drivers behind the year-on-year growth:
- In terms of additional services on trains (+25.4%) – due to an increase in the amount of passengers served by JSC FPC's own trains

- In terms of other services (+14.0%) – mainly due to the expansion of the range of goods and alcoholic beverages sold and a growth of the sale of supplementary meals to passengers
- In terms of repair and maintenance of customers' rolling stock (+15.9%) – due to additional requests for maintenance and overhaul of carriages, as well as an increase in overhead costs allocated to other activities

Other operating expenses, RUB billion

Indicator	2022	2023	2024	Δ 2024/2023, %
Other operating expenses	20.3	24.6	29.0	117.9
Repair of clients’ rolling stock	1.6	1.9	2.2	115.9
Value-added services on trains	10.2	13.7	17.1	125.4
• Provision of bedding	7.6	9.7	11.3	116.5
• Premium services	2.6	3.9	5.8	147.4
Property lease	5.6	5.3	5.3	101.8
Other services	2.9	3.8	4.3	114.0



Overhauls programme

As of year-end 2024, actual expenses on overhauls of fixed assets were RUB 4.2 billion, or 125.6% year-on-year, including:

- RUB 3.4 billion – overhaul of passenger carriages (133.6% year-on-year)
- RUB 0.8 billion – third-party overhaul of buildings, structures and equipment (101.2% year-on-year)

Changes in expenses on overhauls of fixed assets, RUB billion

Overhauls	2022	2023	2024	Δ 2024/2023, %
Fixed assets, total	2.9	3.4	4.2	125.6
Carriages	2.5	2.5	3.4	133.6
Buildings, structures and equipment	0.4	0.8	0.8	101.2

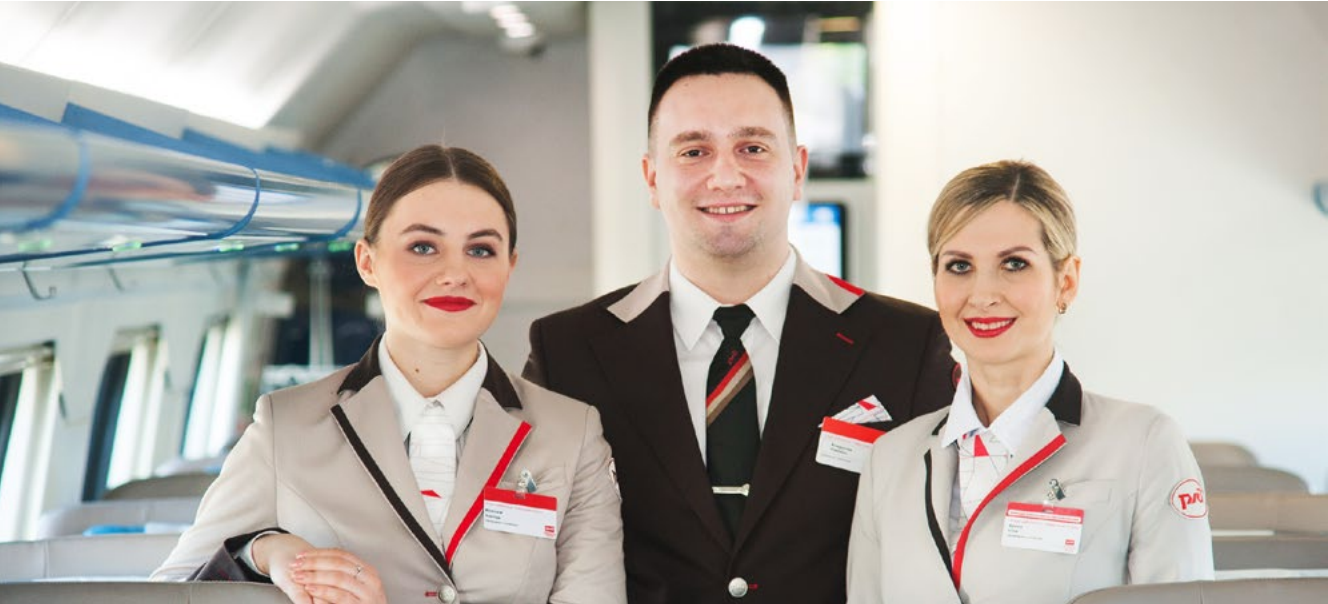
Headcount and labour productivity

Labour productivity grew by 6.0% compared to 2023, due to a 4.7% increase in traffic volumes while the number of employees decreased by 1.2%.

MED 5<sup>1</sup>

Change in headcount and labour productivity

Indicator	2022	2023	2024	Δ 2024/2023, %
JSC FPCs headcount, FTEs	50,499	54,331	53,987	99.4
• Including in rail services	44,827	48,649	48,069	98.8
Labour productivity, thousand passenger-km/FTE	1,783	1,849	1,959	106.0



<sup>1</sup> Hereinafter, MED means the indicator of the guidelines for the preparation of sustainability reporting approved by Order No. 764 of the Ministry of Economic Development of the Russian Federation dated 1 November 2023.

Other revenue and expenses

The financial result from other revenue and expenses in 2024 is negative, with a loss of RUB 4.6 billion, which is RUB 1.9 billion higher than in 2023.

Changes in other revenue and expenses, RUB billion

Indicator	2022	2023	2024	Δ 2024/2023, %
Other income	21.3	15.7	16.4	104.3
Interest receivable	1.2	1.9	1.8	94.1
Proceeds from the disposal of fixed and other assets	1.4	1.1	2.2	197.7
Federal subsidies	12.1	8.4	7.1	84.5
Others	6.6	4.4	5.3	120.6
Other expenses	21.8	18.4	21.0	113.9
Interest payable	6.1	5.3	6.0	114.1
Expenses on the disposal of fixed and other assets	0.7	1.1	1.2	106.2
Cash management services	2.1	2.8	3.4	120.3
Others	13.0	9.1	10.4	114.1

Key revenues received as part of other JSC FPC’s other income were government subsidies allocated as compensation for the revenue shortfall caused by the government regulation of long-distance tariffs for third-class open-plan sleeping and fourth-class seating carriages. In 2024, RUB 7.1 billion in subsidies were received from the federal budget (RUB 8.4 billion in 2022).

The main item in the structure of other expenses is expenses for loan interests: RUB 6.0 billion in 2024 and RUB 5.3 billion in 2023.

Debt policy

As at 31 December 2024, principal repayments were RUB 48.5 billion, including RUB 33.0 billion – for loans and RUB 15.5 billion – for bonds.

There are no liabilities denominated in foreign currencies.

As of year-end 2024, the covenants did not exceed the maximum values.

The value of the Net debt / EBITDA covenant (for the last 12 months before the reporting date) was 0.7x, that of EBITDA / net interest expenses (for the last 12 months before the reporting date) was 15.3x.

Payment of JSC FPC’s principal debt under repayment schedule as of 31 December 2024, RUB billion

Principal repayment	2025	2026	2027	2028
For bonds	5.5	0.0	0.0	10.0
For loans	0.0	0.0	17.0	16.0



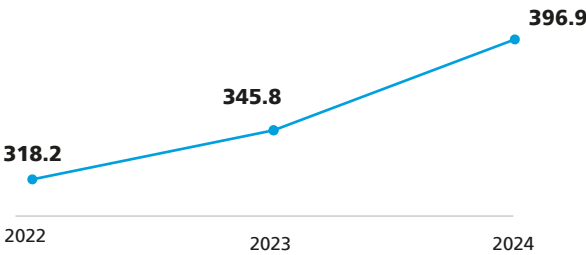
Balance sheet total

Balance sheet total for 2024 increased by RUB 48 billion, or 12%.

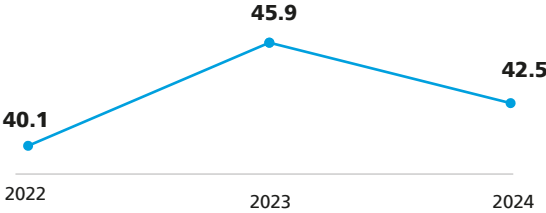
Key balance sheet items, RUB billion

Indicator	2022	2023	2024	Δ 2024/2023, %
Non-current assets	318.2	345.8	396.9	114.8
Current assets	40.1	45.9	42.5	92.6
Assets	358.4	391.7	439.5	112.2
Equity and reserves	250.8	286.9	310.9	108.4
Non-current liabilities	41.6	33.9	46.9	138.2
Current liabilities	65.9	70.9	81.6	115.1
Liabilities	358.4	391.7	439.5	112.2

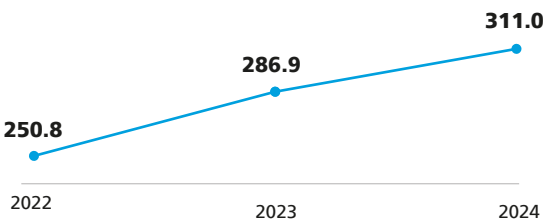
Non-current assets, RUB billion



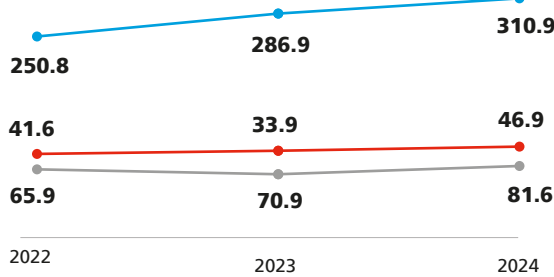
Current assets, RUB billion



Net assets, RUB billion



Changes in liabilities, RUB billion



As at 31 December 2024, JSC FPC’s non-current liabilities totalled RUB 46.9 billion, including RUB 43.0 billion of loans and borrowings.

The size of the Company's authorised capital was RUB 263,588,839 thousand as at 31 December 2024.

311.0

RUB billion

Company's net assets

+8.4% year-on-year

Inventory holdings

As at 31 December 2024, JSC FPC's actual inventory content, excluding inventories not used in the production process, amounted to RUB 9.516 billion, including new materials and fuel (RUB 6.555 billion) and reusable materials (RUB 2.961 billion).

Spare parts of passenger carriages account for the largest part of the production inventory in the amount of RUB 4.792 billion (50% of the total production inventory), including wheel sets of passenger carriages in the amount of RUB 2.291 billion.

In 2024, the structure of wheel sets inventories changed towards an increase in the share of up-to-date models, including those with disc brakes. There is also an increase in the stock of new wheel sets, including due to the launch of in-house production of wheel sets by JSC FPC's facilities in 2024.

Receivables and payables

As at 31 December 2024, the receivables totalled RUB 28.26 billion.

Trade receivables (except for rail service) accounted for 28.8%, or RUB 8.13 billion, of total receivables. The bulk of this debt, RUB 6.12 billion, resulted from the application of the terms of settlements stipulated by the long-term agreement.

Taxes, fees and charges receivable accounted for 54.1%, or RUB 15.29 billion.

The largest share of trade receivables (except for rail service) was for sale of property – 75.3%, or RUB 6.12 billion, and for leasing of rolling stock – 7.9%, or RUB 0.64 billion.

Trade receivables due for passenger service amounted to 8.7%, or RUB 2.46 billion, which is in line with the terms of relevant agreements made.

Advances issued as of the end of December 2024 totalled 4.1%, or RUB 1.17 billion

Receivables as at 31 December 2024, RUB billion

Indicator	2022	2023	2024	Δ 2024/2023, %
Trade receivables (except for rail services)	10.42	8.62	8.13	94.3
Trade receivables (with rail services)	1.88	2.23	2.46	110.3
Advances made	1.21	1.05	1.17	111.4
Taxes and charges	9.71	12.71	15.29	120.3
Other receivables	0.94	0.92	1.21	131.5
Total	24.16	25.53	28.26	110.7

Payables as at the end of December 2024 were RUB 55.95 billion, up 16.1% year-on-year. The largest share of debt is attributable to debts to suppliers and contractors: 46.7%, or RUB 26.11 billion, and advances received for transportation: 33.8%, or RUB 18.91 billion



Payables as at 31 December 2024, RUB billion

Indicator	2022	2023	2024	Δ 2024/2023, %
Trade liabilities	13.09	24.49	26.11	106.6
Payroll payables	2.37	2.92	5.03	172.3
Taxes and charges, social insurance	4.69	3.26	3.10	94.7
Prepayments received for other activities	0.86	0.46	0.26	56.5
Advances received for rail services	10.70	14.91	18.91	126.8
Other receivables	1.90	2.17	2.55	117.5
Total	33.61	48.21	55.95	116.1

As payables are above receivables, the Company can use payables as an additional source of financing. Receivables to payables ratio is 1.98.

Cash flows<sup>1</sup>

Cash balance on accounts of JSC FPC, including short-term deposits, as at 1 January 2024 stood at RUB 9.4 billion.

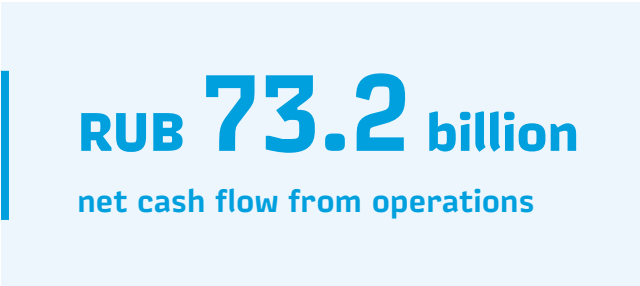
Cash flows from operations

In 2024, the cash flow from operating activities totalled RUB 466.8 billion, including RUB 7.1 billion of federal subsidies. Most of money (72%) was received from passenger service, totalling RUB 334.9 billion excluding transit charges.

Operating expenses amounted to RUB 393.7 billion, including expenses for infrastructure services and locomotive lease totalling RUB 190.8 billion, or 49%.

Cash flows from operations, RUB billion

Indicator	2022	2023	2024	Δ 2024/2023, %
Net cash flow	45.9	65.8	73.2	111.2
Cash received	322.2	395.4	466.8	118.1
Cash used	276.3	329.6	393.7	119.5

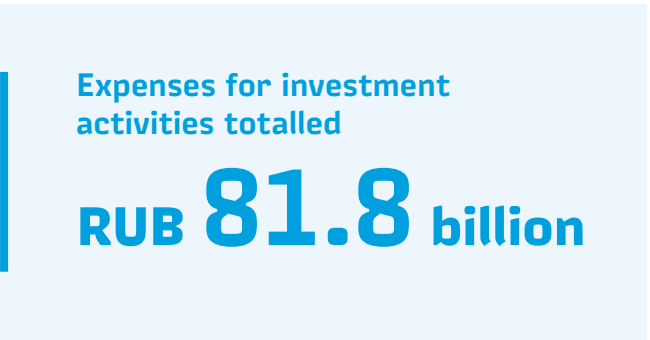


Cash flows from investing activities

In the reporting period, RUB 75.5 billion were allocated for passenger rolling stock replacement and upgrades:

- RUB 55.9 billion for the acquisition of new passenger carriages
- RUB 19.6 billion for passenger rolling stock upgrades

Negative cash flow from investing activities amounted to RUB 80.4 billion



Cash flows from investing activities, RUB billion

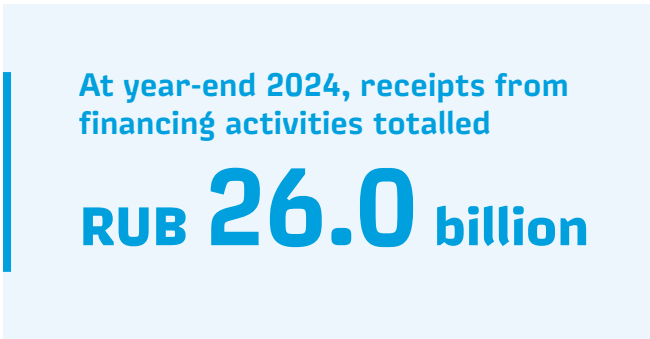
Indicator	2022	2023	2024	Δ 2024/2023, %
Net cash flow	-62.6	-49.6	-80.4	162.0
Cash received	3.0	2.4	1.4	60.6
Cash used	65.6	52.0	81.8	157.4

Financing cash flows

Cash outflow of RUB 25.8 billion resulted from:

- Interest payments on loans and borrowings – RUB 6.0 billion
- Repayment of loans and borrowings – RUB 19.0 billion

Net cash flows from financing activities totalled RUB 0.2 billion



Cash flows from financing activities, RUB billion

Indicator	2022	2023	2024	Δ 2024/2023, %
Net cash flow	22.5	-15.6	0.2	-
Cash received	50.6	33.0	26.0	78.8
Cash used	28.1	48.6	25.8	53.0

JSC FPC’s total negative cash flow for the reporting year was RUB 7.0 billion.

The cash balance including short-term deposits on the accounts of JSC FPC as at 31 December 2024 amounted to RUB 2.4 billion

<sup>1</sup> In accordance with the management accounting data.



Financial review

Financial review

Indicator <sup>1</sup>	2022	2023	2024
Liquidity			
Absolute liquidity ratio	0.13	0.13	0.03
Quick liquidity ratio	0.38	0.41	0.31
Current liquidity ratio	0.49	0.56	0.45
Financial stability			
Leverage ratio	0.70	0.73	0.71
Margins, %			
Sales margin (including subsidies)	14.90	15.21	14.80
Return on equity (ROE)	4.80	7.84	8.73
Return on assets (ROA), including subsidies	8.50	10.19	10.61
Liabilities			
Liabilities in the balance sheet total	0.30	0.27	0.29
Financial leverage (interest-bearing borrowings/equity)	0.27	0.15	0.16
Total debt/EBITDA	1.62	0.79	0.77
Total debt/revenue	0.27	0.14	0.14



The ratio is the most stringent solvency criterion, showing how much short-term debt can be covered by the Company immediately if necessary by the available cash and highly liquid short-term investments.

In 2024, the ratio was 0.03, down 0.1 p.p. year-on-year due to a decrease in cash balances and an increase in short-term liabilities.



The ratio shows how much short-term debt can be covered by the Company if its receivables are fully repaid (where payments are expected within 12 months after the reporting date).

In 2024, compared to the previous period, the ratio declined by 0.1 p.p. due to a reduction in cash balances.



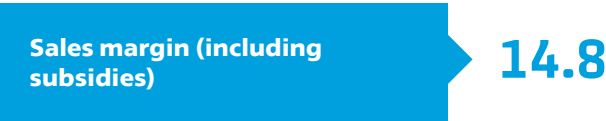
The ratio shows how much short-term debt can be covered by current assets of the Company. In contrast to the absolute and quick liquidity ratios, this indicator shows the Company’s solvency over a relatively longer term.

In 2024, the ratio decreased by 0.11 p.p. year-on-year (0.56 in 2023).



The ratio shows the share of the Company’s assets that are covered by its funds. The higher the ratio, the more financially stable the Company is and the lower its reliance on third-party loans. From an investor or creditor’s perspective, the higher the ratio, the lower the risk of losing investments in the Company or loans extended to the Company.

In 2024, the ratio decreased by 0.02 p.p. (0.73 in 2023).



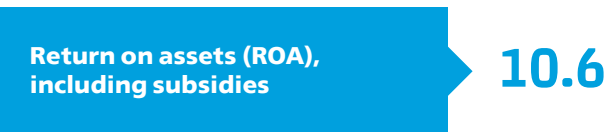
It is an indicator of the Company’s financial performance, indicating the share of profit in the Company’s revenue. Sales margin shows the effectiveness of the Company’s pricing policy and its ability to control costs. It indicates the share of gross profit in the Company’s sales.

In 2024, the indicator dropped by 0.4 p. p. year-on-year (15.2% in 2023).



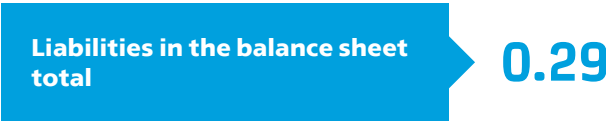
This indicator is one of the key indicators of the Company’s performance, used to evaluate its investment appeal over the longer term and showing how many units of net profit the Company generates with each unit of shareholders’ equity.

In 2024, the indicator improved by 0.9 p. p. year-on-year (7.8% in 2023).



This financial ratio shows the return on all assets used. The ratio indicates the Company’s ability to generate profit without taking into account its capital structure (financial leverage), as well as the quality of asset management.

In 2024, it improved by 0.4 p.p. compared to the previous period (10.2% in 2023).



The lower share of borrowings in the balance sheet total clearly demonstrates the trend towards stronger financial stability of the Company. Accordingly, the higher the share of own funds in the balance sheet total, the better the financial position of the Company.

In 2023, the value of the indicator was 0.27.



Financial leverage indicates the ratio of borrowings to total capitalisation and shows how efficiently the Company uses its equity. It determines the degree of the Company’s reliance on borrowings. The capitalisation ratio is used only in the same industry context and in the context of the Company’s revenue and cash flows (0.15 in 2023).



This indicator shows the Company’s debt burden and its ability to repay existing liabilities (solvency).

In 2024, the indicator dropped by 0.02 p.p. compared to the previous period (0.79% in 2023).



This indicator shows the Company’s debt burden vs. its total revenue (0.14 in 2023).

<sup>1</sup> According to the accounting records for 2024.



Changes in JSC FPC’s net assets, RUB billion

Indicator	2022	2023	2024
1 Authorised capital	248.6	263.6	263.6
2 Net assets	250.9	287.0	311.0
2.1 1. Equity and reserves	250.8	286.9	310.9
• Authorised capital	248.6	263.6	263.6
• Add-on capital	10.1	10.1	9.7
• Retained earnings (accumulated deficit)	−9.5	11.1	34.4
• Other	1.6	2.2	3.3
2.2 2. Deferred income	0.1	0.1	0.1
3 Deviations	2.3	23.4	47.4

The net value of JSC FPC's assets as at 31 December 2024 was RUB 311.0 billion and exceeds the authorised capital (RUB 286.9 billion as at 31 December 2023). This proves the compliance with the mandatory provisions of Federal Law No. 208-FZ dated 26 December 1995 “On Joint Stock Companies” concerning the net asset value of the Company.

Report on net profit use

In accordance with the decision of the Annual General Meeting of Shareholders dated 28 June 2023 (Minutes No. 58 dated 3 July 2024), the net profit for 2023 was decided to be distributed as follows.

Indicator	Percentage of net profit available for distribution	Amount, RUB ‘000
Amount of 2023 net profit to be distributed	100%	21,086,697
Distributed as follows:		
• buildup of reserves	5%	1,054,335
• dividends to shareholders (equity holders)		
• investments		
Remained undistributed until the relevant decision of the general meeting of shareholders (equity holders)		
Other (covering losses of previous years)	95%	20,032,362

According to the results of financial and business operations in 2024, JSC FPC cleared a profit of

RUB  
26,102,729  
thousand

At the end of the financial year, the Annual General Meeting of Shareholders, in accordance with the recommendation of the Board of Directors of JSC FPC, shall decide on the distribution of the Company's net profit.

Investment Management

As an integral component of the Development Strategy, the Company’s Investment Policy establishes investment priorities, structure, criteria, areas and sources.

JSC FPC's Investment Programme for 2024–2026 was approved by the resolution of the Board of Directors of JSC FPC<sup>1</sup>.

Given that the rolling stock is the main means of production for JSC FPC, its renewal is carried out annually to ensure uninterrupted production flow.

Investment ranking

- The projects implemented by JSC FPC are ranked by five types:
- Long-term projects
  - Replacement of retired fixed assets with financial effect
  - Cost-effective projects
  - Replacement of retired fixed assets with technological effect
  - Process-related and social projects

Each project is ranked from 0 to 100. The higher the score, the higher priority is given to the project within the Investment Programme.



<sup>1</sup> Minutes No. 13 dated 19 March 2024.

Investment structure

**RUB 80.7 billion**  
volume of the 2024 Investment Programme

The bulk of FPC’s investments (RUB 75.5 billion, or 93.6%) in 2024 was spent on the renovation of passenger rolling stock, including purchase of new passenger carriages (RUB 55.9 billion) and upgrade of passenger rolling stock (RUB 19.6 billion).

RUB 5.2 billion worth of investments, or 6.4%, was used to upgrade depot facilities and promote IT projects and other initiatives.

Investment programme structure, RUB billion

Indicator	2022	2023	2024	vs. 2023
Rolling stock acquisition	30.5	38.4	55.9	17.5
Rolling stock upgrades	8.7	10.5	19.6	9.1
Depot upgrades	0.7	1.7	2.8	1.1
IT promotion	0.6	1.4	2.1	0.7
Other projects	0.1	0.3	0.3	–
Total	40.6	52.3	80.7	28.4

Renewal and upgrade of passenger rolling stock

Investment costs in 2024 totalled RUB 75.5 billion, including the following costs:

- RUB 55.8 billion – for acquisition of passenger carriages, including:
  - 376 single-decker carriages of 2019 model
  - 20 single-decker carriages of 2018 model
  - 2 second-hand single-storey Luxury carriages and 2 second-hand ancillary carriages,
  - 154 double-deck carriages of 2018 model
- RUB 19.6 billion for passenger rolling stock upgrades

The new rolling stock was purchased to upgrade the fleet and replace retired carriages.

The Company’s carriage procurement programme prioritises rolling stock acquisition to replace retired carriages and upgrade profit-making trains. In 2024, 396 single-decker carriages worth RUB 34.1 billion were purchased for this purpose.

In addition, 154 double-deck carriages worth RUB 21.7 billion were purchased for promising destinations, which feature high demand passenger traffic, to furnish the following routes: No. 25/26, St. Petersburg – Moscow (Smena – A. Betancourt); No. 63/64, Samara – St. Petersburg; No. 391/392, Chelyabinsk – Moscow; and No. 743/744, St. Petersburg – Moscow (Aurora).



Upgrades of passenger rolling stock

Investment costs in 2024 totalled  
**RUB 19.6 billion**

The major share of investments (RUB 19.3 billion, or 98.5%) was allocated for overhaul reconditioning (with service life extension) of 67 carriages, KR-2 overhaul of 711 carriages and KR-1 overhaul of 1,538 carriages.

Depot upgrades

Investment costs in 2024 totalled  
**RUB 2.8 billion**

Investments in depot facilities were primarily used:

- To renovate existing production facilities – RUB 1.2 billion
- To purchase equipment to ensure uninterrupted depot operations – RUB 1.6 billion

IT promotion

Investment costs in 2024 reached  
**RUB 2.1 billion**

The main investment areas:

- Creation of the Digital HR information system
- Development and import substitution of IT infrastructure
- Delivery of equipment for broadcasting audio recordings and recording of official conversations over the radio train communication and radio broadcasting network
- Supply of personal computers, as well as networking, server and peripheral equipment

Other projects

Investment expenditures in 2024  
**RUB 0.3 billion**

Key areas of investment: acquisition of transport safety equipment, development of design documentation, etc.



Priority investment areas

Customer-focused investment

The Company spent RUB 59.2 billion to improve the quality of its services in 2024, including:

- Reduction of transit time, higher transport safety and better passenger experience (purchase of 550 new highly efficient passenger carriages featuring improved performance and passenger comfort) – RUB 55.8 billion
- Overhaul reconditioning of 67 passenger carriages – RUB 3.4 billion

A total of

RUB 2.1 billion

were spent on the information technology innovations

Customer-focused investment

A total of RUB 1.7 billion were used in 2024 to enhance passenger safety and improve the passenger experience:

- Replacement of retired rolling stock – RUB 1.6 billion
- Installation of new frames, bolsters and 1,520-mm gauge bogies during scheduled repairs of carriages – RUB 0.1 billion

Upgraded of fixed assets

To maintain its existing carriage repair and maintenance facilities, JSC FPC invested RUB 1.2 billion in rehabilitation and upgrades of its fixed assets in 2024.

Sources of financing

Sources of financing for the Investment Programme in 2024:

- Internal funds – RUB 63.6 billion
- Borrowed funds – RUB 17.0 billion
- Other – RUB 0.1 billion



Passenger Safety

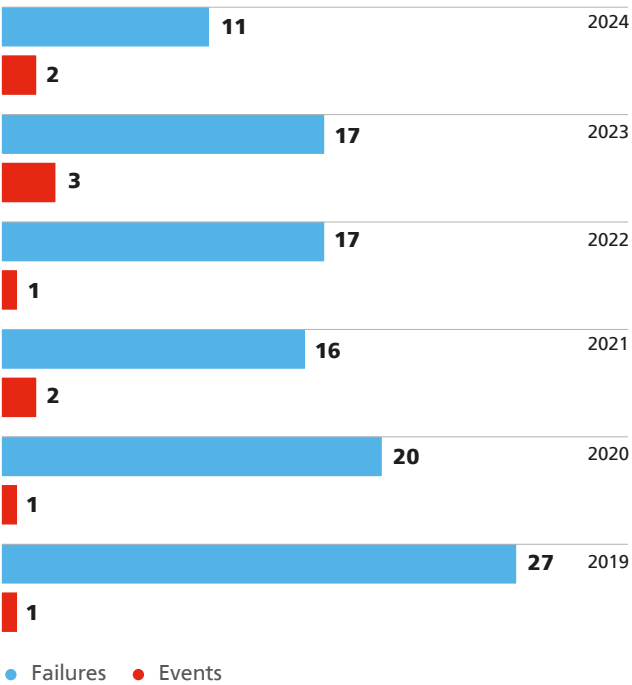
Rail traffic safety

In 2024, the target traffic safety indicator for JSC FPC was met with a 54% improvement and totalled 0.0011 events per 1 million train-km of Russian Railways Holding.

The positive dynamics in traffic safety was achieved through consistent management of the relevant processes:

- Implementation of the programme to reduce the frequency of transport accidents, events, and the severity of their consequences and to achieve the established target traffic safety indicators of JSC FPC for 2024 (No. FPC-17 dated 9 January 2024).
- Implementation of the summary action plan to improve the reliability of technical facilities, reduce failures and their impact on the transportation process at JSC FPC for 2024 (No. FPC-977 dated 20 December 2023), and additions to the consolidated action plan (No. FPC-453 dated 5 June 2024).
- Continued expansion of the annual scope of activities of structural units responsible for technical audits of operating processes and production examinations.
- Adoption of digital capabilities and technologies in traffic safety.
- Maintenance of staff competencies through training, professional development and mentoring.

Number of train safety alerts



Fire safety

In 2024, there were no fires in passenger train carriages of JSC FPC while en route, and no fires were recorded on passenger trains during the same period in 2023.

Over RUB 65.18 million were spent on daily fire prevention measures for JSC FPC’s rolling stock and stationary facilities under the contract with FSE NDS of Railway Transport

Purchase and delivery of materials and fire protection equipment worth RUB 64.71 million, including fire extinguishers, personal respiratory and visual protection equipment, tools, etc.

In 2024, the Company's operational fire safety programme totalled

184.68 RUB million

Number of fires on rolling stock between 2015 and 2024

2024	0
2023	0
2022	1
2021	0
2020	0
2019	1
2018	2
2017	0
2016	1
2015	1



Industrial safety

In 2024, no accidents or incidents were reported at hazardous industrial facilities of JSC FPC.

- The following tasks were accomplished in the reporting year:
- Industrial safety expertise, examination and certification of technical devices, development of emergency localisation plans at hazardous production facilities for RUB 29.0 million (318 measures at 180 hazardous production facilities)
  - Acquisition of removable load-carrying equipment, for an amount of RUB 1.4 million
  - Maintenance of gas equipment and safety devices, as well as other measures in the amount of RUB 8.9 million

Under the Renewal of Industrial Safety Facilities project of the investment programme, JSC FPC replaced equipment at hazardous facilities that reached the end of its standard service life for RUB 106.2 million. A total of 40 projects were implemented under this programme.

In line with Federal Law No. 225-FZ dated 27 July 2010 “On Compulsory Insurance of Civil Liability of the Owner of a Hazardous Facility for Inflicting Damage as a Result of an Accident at the Hazardous Facility”, all FPC’s hazardous facilities are insured.

RUB 39.3 million

was spent on the occupational health and safety programme

Transport safety

Transport security of JSC FPC's passenger trains is ensured by engaged transport security units to protect them from acts of unlawful interference.

Transport security units escort, to the fullest extent, all of the Company's passenger trains travelling to Belgorod, Bryansk, Voronezh, Kursk, and Rostov Regions and the Krasnodar Territory, where medium response level is declared in line with the Decree of the President of the Russian Federation No. 757 dated 19 October 2022 On Measures to Be Taken in the Constituent Entities of the Russian Federation in Connection with Decree of the President of the Russian Federation No. 756 dated 19 October 2022.

To ensure a unified approach to running such activities on all transportation routes, JSC FPC entered into an agreement with the transport security division of LLC RZD-TB, as an interdependent entity, for the provision of services to protect passenger trains in 2025. The spending on engaging such units in 2024 totalled RUB 1.85 billion.

A range of measures is being implemented at all FPC facilities to ensure restricted access and on-site security, preserve property, and prevent attempts to smuggle and plant explosive devices in passenger carriages located at originating stations and train staging bases.

Equipping the Company's sites with security facilities is underway. For example, as part of JSC FPC's Investment Programme, construction and installation work was carried out in 2024 to equip the Belgorod carriage station, a structural subdivision of JSC FPC's Volga Branch, with security facilities at a cost of RUB 48 million. Security facilities include up-to-date video surveillance, access control, and perimeter security alarm systems, automatic barriers, and screening equipment.

A total of 168 transport security drills involving law enforcement officers were held with train crews, during which all participants practised the procedures to respond threats of acts of unlawful interference with passenger trains. In the structural units of the branches, explosion experts of the Federal Service of Troops of National Guard of the Russian Federation (Rosgvardiya) conducted 61 training sessions with employees of various facilities on identifying, recognising and profiling explosive devices.

The Company has established consistent interaction with the Main Directorate for Transport of the Ministry of Internal Affairs of Russia and its territorial subdivisions to exchange information on threats of unlawful interference and offences to take adequate measures to prevent and suppress such activities.

To maintain public order, the Company is engaged in planning police escorts for JSC FPC's passenger trains, including those carrying organised groups of children.

In 2024, over 962,000 people travelling as organised groups of children were transported safely.

RUB 1.85 billion

spent on engaging transport security units in 2024

Participation in training exercises on transport security was taken by

>5,000 employees



# Relations with the State Authorities of the Russian Federation

Below are three main areas of JSC FPC's interaction with state authorities in 2024.

## Compensation for the expenses for carrying evacuees from the DPR and LPR in 2023 and the procedure for compensating such expenses in 2024

Starting from 2023, at the request of the Russian Ministry of Emergency Situations, the Company transports citizens from the affected territories of the Donetsk People's Republic, Luhansk People's Republic and Ukraine to the regions of the Russian Federation, as well as citizens evacuated from the Palestinian-Israeli conflict zone.

The regulatory framework for compensation in 2023 of JSC FPC's expenses incurred for such operations has not been adopted, and the Company has not received funds to compensate those in 2023. This work continued in 2024 as part of the compensation of JSC FPC's expenses actually incurred in 2023 and 2024.

In September 2024, an agreement was signed with the Federal Railway Transport Agency to provide subsidies. The Company received RUB 459.9 million. Carriages in 2023 and 11 months of 2024 were compensated in full.

In 2025, JSC FPC will continue to obtain compensation for expenses incurred for carrying evacuees in 2024 and 2025.

## Allocation of additional subsidies to compensate for losses in the Company's revenue from long-distance transportation in 2024

In 2023, JSC FPC worked with the Russian Ministry of Transport and the Federal Railway Transport Agency to obtain subsidies to compensate for losses in revenue from railing third-class sleeping and forth-class seating carriages within the period from 2024 to 2026 (RUB 7 billion each year) and to and from

the Kaliningrad Region (RUB 2.3 billion, RUB 2.5 billion and RUB 2.6 billion, respectively) in full, within the framework of the Company's budget request on the need for subsidies for the specified period. The funds were allocated from the federal budget and are being received to compensate for losses in transportation revenues.

Given the growth in passenger traffic, the Company, together with Russian Railways and the Russian Ministry of Transport, initiated work to increase the amount of subsidies from RUB 7.2 billion to RUB 8.4 billion in 2023 to compensate for losses of JSC FPC's revenues from transporting passengers in third-class sleeping and fourth-class seating carriages. Thanks to joint efforts, the federal budget provided for the stated amount of subsidies in full through the redistribution of funds between long-distance carriers.

In 2024, similar work was also undertaken jointly with the Russian Ministry of Transport and the Federal Railway Transport Agency to increase the amount of subsidies allocated to compensate for losses in JSC FPC's revenue from railing in third-class sleeping and forth-class seating carriages to RUB 8.8 billion, but no positive decision was made.

## Indexation of tariffs, fees and charges for work (services) related to the carriage of passengers, baggage and unaccompanied baggage in 2025

Taking into account the forecast of social and economic development of the Russian Federation published by the Ministry of Economic Development of the Russian Federation on its official website, JSC FPC submitted an application with proposals for indexation of tariffs in the regulated segment of transportation from 1 December 2024 by 11.6% vs. 2024.

Based on the results of consideration of the application, the Federal Antimonopoly Service of Russia approved the relevant order No. 863/24 dated 15 November 2024.

# International Engagement

## Cooperation with international organisations and foreign railways

In 2024, JSC FPC continued its efforts aimed at strengthening bilateral cooperation with companies resident in friendly countries and cooperation within the framework of the Council on Railway Transport of the Commonwealth Member States and the Organisation for Cooperation between Railways.

During 2024, the Company's managers and specialists took part in 24 specialised events under the auspices of the above international organisations, as well as in 14 bilateral and multilateral meetings with foreign partners on promoting the cooperation in the field of international railway passenger transportation.

In 2024, the Company continued to restore passenger services to the countries whose services were interrupted in 2020 due to the COVID-19 coronavirus pandemic.

In total, in 2024, passenger transportation was provided in communication with nine countries: the Republic of Belarus, the Republic of Abkhazia, the Republic of Kazakhstan, the Republic of Uzbekistan, the Republic of Tajikistan, the Kyrgyz Republic, Mongolia, the PRC and the DPRK.





# 04

*With all  
the generosity of our heart*  
**building  
the best  
company**

We consistently improve our management processes, guided by the principles of transparency, accountability and protection of the interests of all stakeholders. The effectiveness of our corporate governance system is confirmed by independent assessments and recognition from the professional community.

**6++**

(good corporate governance practice)<sup>1</sup>

**99%**

percentage of fully and partially complied with principles of the Corporate Governance Code

**AAA+**

top grade in the Anti-Corruption Rating of Russian Business

<sup>1</sup> National corporate governance rating by the Russian Institute of Directors.

## Tourist routes

We know a thing or two about travel, and the vast expanses of our country offer endless opportunities for exciting trips.

Guided by our experience and the Russian people's love of train travel, we have created a full network of train tourist routes to the most stunning locations in our homeland by combining the excitement of adventure with the luxury of a hotel and generously seasoning it with the joy of recreation.



# Corporate Governance System

Respect for stakeholder rights, information transparency, and safeguarding the interests of its shareholders are the three most crucial corporate governance tenets of JSC FPC.

## Corporate governance principles

### Protection of shareholders interests and rights

The Regulations on Preparing and Holding the General Meeting of Shareholders of JSC FPC<sup>1</sup> provide for the corporate governance rights of shareholders.

Protection of the interests and rights of the Company’s shareholders is ensured through a reliable method for recording their rights to shares – the share register is maintained by an independent entity, JSC STATUS registrar.

In addition to the information required by law, shareholders are provided with additional information during the preparation of the General Meeting of Shareholders.

### Equal treatment of all shareholders

Shareholders have equal and fair rights to share JSC FPC’s profit by receiving dividends. The Regulations on JSC FPC’s Dividend Policy<sup>2</sup> establish a mechanism for determining the dividend amount and paying dividends.

All shareholders are provided with materials required for the General Meetings of Shareholders and have equal access to all required information at the Company’s location.

### Timely disclosure of information

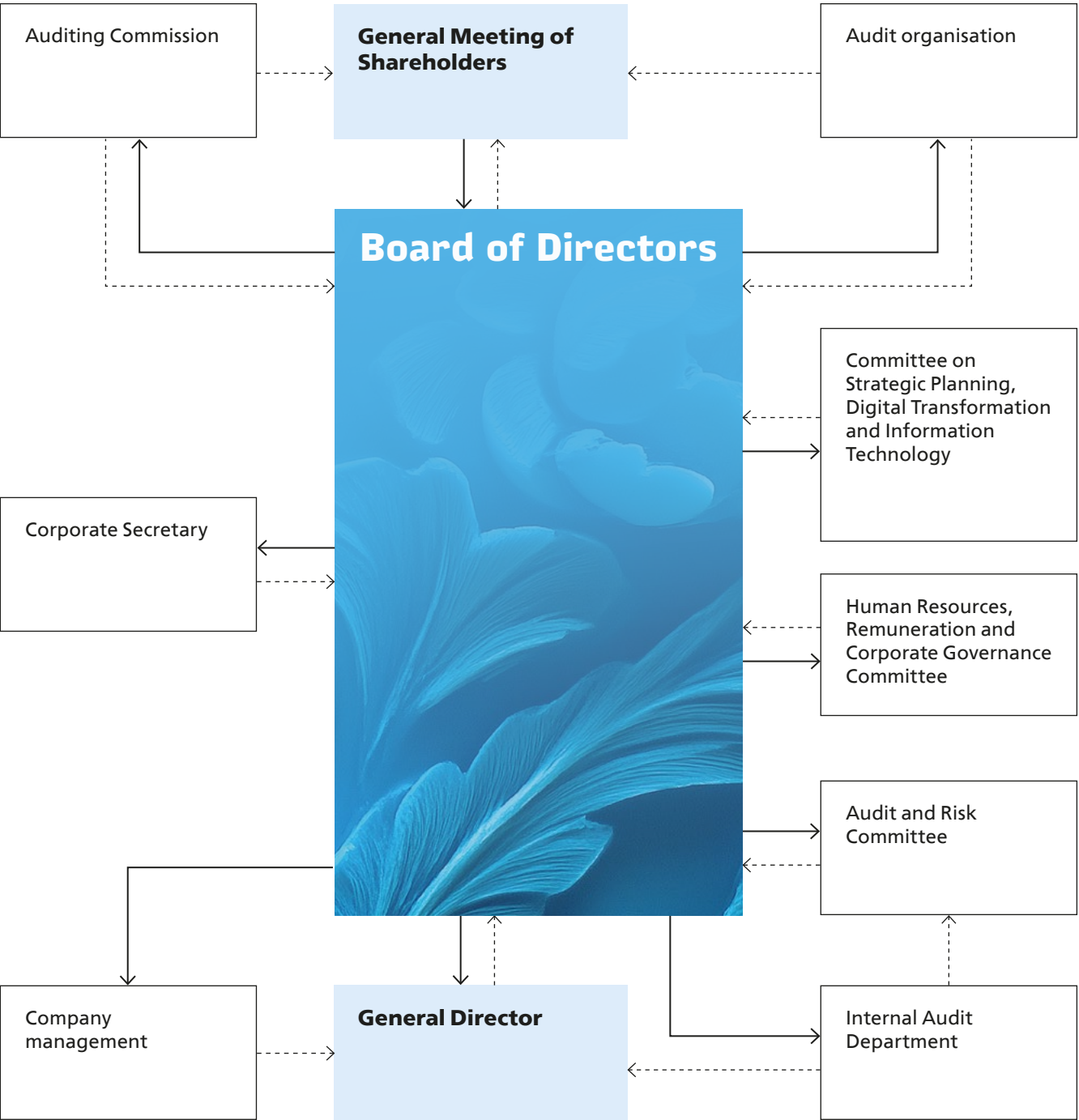
The Company discloses mandatory information in a timely manner on the website and in the newsfeed of SCRIN<sup>3</sup>, an information agency authorised to disclose the information on securities and other financial instruments. Voluntarily disclosed information related to JSC FPC’s activities, which JSC FPC considers important to be taken into account when making decisions by all or certain interested parties, is proactively disseminated through all available communication channels, including the Company’s website.

### Mutual trust and respect for all stakeholders

Relationships between the Company’s shareholders, members of the Board of Directors, and management are based on integrity, trust, mutual respect for legitimate interests, and all parties performing their obligations in good faith.

## Corporate governance model and practice

The Company’s corporate governance model



————> Election/agreement  
-----> Reporting

<sup>1</sup> Approved by the resolution of the Annual General Meeting of Shareholders of JSC FPC, Minutes No. 50 dated 5 July 2022.  
<sup>2</sup> Approved by the resolution of the Board of Directors of JSC FPC, Minutes No. 4 dated 28 August 2020.  
<sup>3</sup> Limited Liability Company Integrated Information and News Disclosure System (LLC SCRIN).

JSC FPC’s corporate governance model is built in line with Russian statutory requirements and is a multi-tier system of relationships between participants in the corporate governance process.

The Company’s bodies include the General Meeting of Shareholders, the Board of Directors and the sole executive body – the General Director, whose activities are governed by General Director’s Articles of Association and by-laws.

The delineation of the competence of the Company’s bodies is set out in [JSC FPC’s Articles of Association](#)<sup>1</sup>.

**Matters reserved to the General Meeting of Shareholders include:**

- Making amendments and addenda to the Company’s Articles of Association and approving a new version of the document
- Reorganising the Company
- Liquidating the Company, appointing a liquidation committee, and approving interim and final liquidation balance sheets
- Determining the number, par value, class (type) of the authorised shares of JSC FPC and the rights granted by such shares
- Making a resolution on the placement of bonds convertible into shares, and other issue-grade securities convertible into shares
- Determining the number of Board members, election of Board members and terminating their powers prematurely
- Making a resolution on the payment of remuneration and/or compensation to the members of the Board of Directors of the Company
- Distributing the Company’s profit (including payment (declaration) of dividends, except for the payment (declaration) of dividends for the first quarter, the first six months, and the first nine months of the reporting year) and loss in the reporting year
- Making payment (declaration) of dividends for the first quarter, the first six months, and the first nine months of the reporting year
- Making decisions whether to grant preliminary consent for related-party transactions<sup>2</sup> in cases when the proportion of independent Board members is less than half of the elected Board members
- Making decisions on preliminary consent to or subsequent approval of major transactions involving property with a value exceeding 50% of the book value of the Company’s assets<sup>3</sup>

- Approving internal documents regulating the activities of the Company’s governance and control bodies
- Taking a resolution on filing an application to the Bank of Russia requesting for an exemption from the obligation to disclose or provide information according to the Russian laws on securities
- Taking a resolution on cancelling or amending previously adopted resolutions of the General Meeting of Shareholders of the Company

The Board of Directors occupies a key position in JSC FPC’s corporate governance system. Its activities are governed by the [Regulations on the Board of Directors of JSC FPC](#)<sup>4</sup> approved by the General Meeting of Shareholders. Information on the activities of the Board of Directors is disclosed in the Annual Report and made available to shareholders.

**The scope of functions of the Board of Directors:**

- Determining the Company’s priority areas of activity, approve its strategy
- Approving the budget, investment programme, major investment projects and their adjustments
- Reviewing the report of the sole executive body on the Company’s performance results for the reporting period, the report on the progress in implementing the Operational Efficiency and Cost Optimisation Programme, the report on the implementation of resolutions of the General Meeting of Shareholders and the Board of Directors
- Determining the number of members of the Auditing Commission of the Company, election of members of the Auditing Commission and early termination of their powers; deciding on payment of remuneration and (or) compensation to the members of the Auditing Commission in accordance with the internal document approved by the General Meeting of Shareholders of the Company
- Appointing the audit organisation (individual auditor), determining the initial (maximum) price of the contract for the provision of services by the audit organisation (individual auditor) of the Company, determining the amount of payment for the services of the audit organisation (individual auditor) of the Company
- Approving the Annual Report, annual accounting (financial) statements of the Company

- Reviewing the results of performance evaluation of the Board of Directors, members of the Board of Directors, committees of the Board of Directors, and the Corporate Secretary of the Company
- Determining key performance indicators (KPIs) for the Company, the sole executive body (temporary sole executive body) of the Company, key management personnel of the Company and approving reports on their fulfilment
- Defining general principles and approaches to organising the risk management, internal control (RM&ICS) and internal audit system in the Company
- Approving the acceptable amount of risks for the Company (risk appetite, preferred risks), including the approach to its determination



For the full list of powers of the Board of Directors, please see [JSC FPC’s Articles of Association](#)

The exclusive competence of the Board of Directors also covers the election of the General Director, early termination of their powers, determination of the terms and conditions of their employment agreement, as well as the person authorised to sign documents on behalf of the Company in the framework of employment relations with the sole executive body. The General Director shall combine positions in the bodies of other organisations, as well as other paid positions held on a part-time basis in other organisations, upon approval of the Board of Directors. The succession of the Company’s executive bodies is ensured by the Board of Directors through an annually approved succession pool for the position of the General Director.

**Three standing committees of the Board of Directors of JSC FPC were put in place for preliminary consideration of the most important issues:**

- Committee on Strategic Planning, Digital Transformation and Information Technology

- Audit and Risk Committee
- Human Resources, Remuneration and Corporate Governance Committee

The committees are governed by relevant [regulations](#) approved by the Board of Directors. The number and personal composition of the committees, as well as candidates for their chairpersons, shall be determined by the Board of Directors. The Committees submit annual reports to the Board of Directors. (For more details on the activities of the [Committees](#)).

The Corporate Secretary ensures effective ongoing interaction with shareholders, coordinates the Company’s efforts to protect their rights and interests, and supports the activities of the Board of Directors. The activities of the Corporate Secretary are regulated by the Regulations on the Corporate Secretary approved by the Board of Directors of JSC FPC. (For more details on the activities of the Corporate Secretary, see the [Corporate Secretary](#) section.)

To provide shareholders with reliable and complete information on the Company’s financial and economic activities, the Board of Directors annually appoints an auditing organisation and elects the Auditing Commission for a period of three years (for more details, please see the [Auditing Commission](#) section).

To assess the reliability and efficiency of risk management and internal control, JSC FPC put an internal audit division in place.

The Board of Directors of the Company approves internal documents defining the company-wide policy in the field of organisation and implementation of internal audit. The Head of the Internal Audit Function is appointed and dismissed by the General Director based on the resolution of the Board of Directors of the Company. The action plan and budget of the internal audit function of the Company, as well as the terms of the employment agreement with its head, including the amount of remuneration, are approved by the Board of Directors of the Company. The Board of Directors also considers a progress report on the internal audit action plan of the Company.

<sup>1</sup> Approved by the resolution of the Annual General Meeting of Shareholders of JSC FPC, Minutes No. 54 dated 5 July 2023.

<sup>2</sup> Except for related-party transactions involving a controlling person of the Company.

<sup>3</sup> In accordance with the Federal Law ‘On Joint Stock Companies’.

<sup>4</sup> Approved by the resolution of the Annual General Meeting of Shareholders of JSC FPC, Minutes No. 58 dated 3 July 2024.



Unique features of JSC FPC's corporate governance model

JSC FPC is a company of strategic importance for national defence and security<sup>1</sup>. Due to the fact that 100% of the parent company's shares are owned by the Russian Federation, JSC FPC's corporate governance has a number of peculiarities:

- The parent company may not pledge, sell or otherwise dispose of the shares of JSC FPC (with transfer of ownership) without the consent of the Government of the Russian Federation<sup>2</sup>.
- In cases provided for by the Articles of Association of the parent company, when acquiring shares (stakes in the authorised capital) in other business entities, JSC FPC shall follow the directives from the Federal Agency for State Property Management<sup>3</sup>.
- JSC FPC is required to carry out certain directives from the Russian Federation's government and, if necessary, to make sure that subsidiaries do the same.

JSC FPC is also on the list of key controlled entities that must obtain the parent company's Board of Directors' permission on matters that are material to their operations.

The material matters include:

- Approving development strategies and monitoring their implementation
- Endorsing the main budget parameters
- Determining the voting position on the most important issues on the agenda of the General Meeting of Shareholders and (or) the meeting of the Board of Directors (liquidation or reorganisation of the Company; election of the Board of Directors and the sole executive body of the Company; increase/decrease in the authorised capital of the Company; settlement of major and other transactions by the Company)



<sup>1</sup> The Company carries out the type of activity specified in Sub-clause 36, Article 6, Federal Law No. 57-FZ dated 29 April 2008 “On the Procedure for Foreign Investment in Business Entities of Strategic Importance for National Defence and Security” (it is a natural monopoly included in the register of natural monopolies in the areas referred to in Clause 1, Article 4, Federal Law No. 147-FZ dated 17 August 1995 “On Natural Monopolies”).  
<sup>2</sup> In accordance with Federal Law No. 29-FZ dated 27 February 2003 “On Peculiarities of Management and Disposal of Railway Transport Property”.  
<sup>3</sup> In accordance with Decree of the Government of the Russian Federation No. 738 dated 3 December 2004 (revised on 31 March 2021, amended on 31 August 2022) “On Management of Federally Owned Shares in Joint Stock Companies and Use of the Special Right of Participation of the Russian Federation in Management of Joint Stock Companies (Golden Share)”.

Assessment of Corporate Governance Quality

External assessment of corporate governance quality

National corporate governance rating (NCGR)

Date of rating	February 2024	February 2025
Assessment period	2023	2024
Rating grade	6++	6++
Characterisation of corporate governance practice	Good Corporate Governance Practice	Good Corporate Governance Practice

The Company received the National Corporate Governance Rating (NCGR®) for the first time in 2024. The Russian Institute of Directors assessed JSC FPC's corporate governance system for 2023 and gave the Company a rating of 6++ ‘Good Corporate Governance Practice’.

In February 2025, based on the Company's 2024 results, the Russian Institute of Directors confirmed JSC FPC's corporate governance rating of 6++.

In accordance with the NCGR scale, the Company follows a number of key recommendations of the Russian Corporate Governance Code and sustainability standards.

JSC FPC has acceptable stakeholder risks related to the quality of corporate governance and sustainability management. Experts noted both positive changes in corporate governance practices over the reporting period and constraining factors. Attention is drawn to the fact that the impact on the rating is related to the continuity of the achieved practices in the future. In building the Company's corporate governance system, symmetry in the development of practices in the Shareholders’ Rights, Information Disclosure, as well as Sustainable Development and ESG components is required. (For more details on the press release, visit the [website](#) of the Russian Institute of Directors.)

In the period between the assignment and confirmation of the rating, the following changes took place in JSC FPC's corporate governance practices:

- The number of independent directors on the Board of Directors was increased from two to three and makes up one third of its numerical composition.
- The Audit and Risks Committee was chaired by an independent director, and the share of Board members in this Committee was increased.
- The share of Board members in the Human Resources, Remuneration and Corporate Governance Committee was increased; the Committee was chaired by an independent director, an expert in ESG practice development.
- The Board of Directors of JSC FPC addressed the matter of approving the succession pool for the position of the sole executive body of JSC FPC.
- At an in-person meeting, the Board of Directors considered the report on compliance with JSC FPC's Information Policy for 2023, and discussed the need to update the Policy.
- The results of the self-assessment of the performance of the Board of Directors, members of the Board of Directors, Chairman of the Board of Directors, Corporate Secretary and committees under the Board of Directors for the 2023–2024 corporate year were reviewed at an in-person meeting.

- The Board of Directors of JSC FPC decided to join Russian Railways Holding's Sustainable Development Policy.
- The Board of Directors approved performance KPIs, including the indicator related to ensuring effective corporate governance practices.
- JSC FPC's Annual Report for 2023 discloses information on the remuneration structure of the audit organisation and the main results of the Board of Directors' performance assessment.

In the reporting year, changes were made to JSC FPC's internal documents as part of the development of corporate governance practices.

**The revised Regulations on the Board of Directors of JSC FPC enshrined:**

- The possibility of regular advanced vocational training by members of JSC FPC's Board of Directors at the Company's expense within the limits of the approved budget
- The Company's obligation to provide a member of the Board of Directors with information they request, including information on controlled companies
- The possibility of electronic voting at meetings of the Board of Directors
- Remote attendance at meetings, as well as the possibility of drawing up minutes in the form of an electronic document signed by an enhanced qualified electronic signature of the Chairman of the Board of Directors and the Corporate Secretary
- The current practice of employing electronic devices to post meeting materials for the Board of Directors on a network resource
- Regular assessment of the performance of the Board of Directors and its committees, as well as the possibility of evaluating the performance of the Corporate Secretary

**The Regulations on the Human Resources, Remuneration and Corporate Governance Committee of JSC FPC's Board of Directors<sup>1</sup> was amended to complement the Committee's competence with:**

- Sustainability and ESG functionality, which includes:
  - Preliminary approval of internal documents related to sustainable development
  - Preparation of recommendations to the Board of Directors on defining the Company's sustainable development activities, reviewing reports on the achievement of such goals, as well as developing functional KPIs in terms of sustainable development and integrating them into the management incentive system
- Responsibilities for building a training and professional development programme for members of the Board of Directors
- Functions to formulate recommendations on performance appraisal of the Corporate Secretary, reviewing their reports, the amount of their remuneration and bonus principles
- The ability to interact on behalf of the Board of Directors with an independent expert organisation during the external evaluation of the Board of Directors and Board Committees of JSC FPC
- Functions aligned with the recommendations of the Russian Corporate Governance Code

Internal assessment of the level of corporate governance

Assessment of corporate governance conducted by the Internal Audit Department

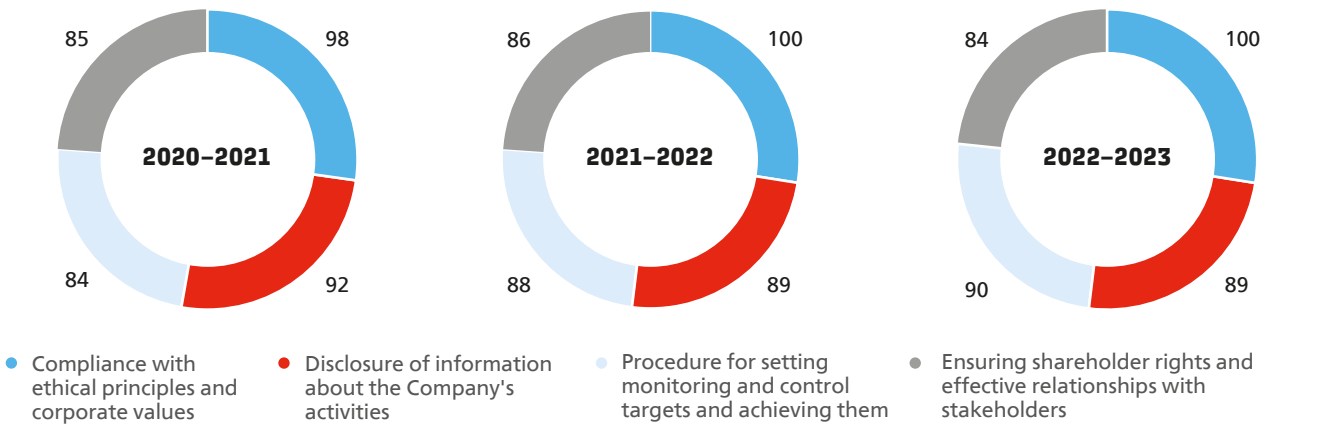
In 2024, JSC FPC's Internal Audit Department conducted the quality assessment of the Company's corporate governance practices for the 2022–2023 corporate year. The results of the assessment confirmed its predominant compliance of the corporate governance practice with the established regulatory requirements, including a number of recommendations of the Bank of Russia Corporate Governance Code applicable to the Company's operations. Certain areas continued to show positive progress in improving the quality of corporate governance, while maintaining encouraging trends. There is still a lower score in the Disclosure of

Information area due to the restrictions in place and the measures taken to minimise sanctions risks. Some shortcomings were noted in the area of ensuring shareholders' rights and the efficiency of relations with stakeholders, such as holding a meeting of the Audit and Risk Committee and a meeting of the Human Resources, Remuneration and Corporate Governance Committee in absentia, which resulted in a lower score.

The Company's Internal Audit Department prepared recommendations for further improvement of corporate governance practices and highlighted the areas for development of corporate governance by JSC FPC's subsidiaries.

The compliance of the Company's corporate governance practice has remained at 90% for the last three years.

Quality of JSC FPC's corporate governance model



Self-assessment of corporate governance quality (compliance with the recommendations of the Bank of Russia Corporate Governance Code)

In the reporting year, progress was maintained in terms of the Company's full compliance with the principles of the Corporate Governance Code recommended by the Bank of Russia. This is attributable to an increase in the share of independent directors on the Board and improvement of the Board of Directors' practices, namely, consideration of the results of the self-assessment of the Board of Directors' performance at

an in-person meeting. The indicator of fully complied principles is also improved on the back of a changed approach to the assessment of two criteria – previously the practice was assessed as 'Not complied with' if the criterion was not applicable to the Company's activities.



For more details on the results of the internal assessment, see the [Report on Compliance with the Principles and Recommendations of the Corporate Governance Code](#)

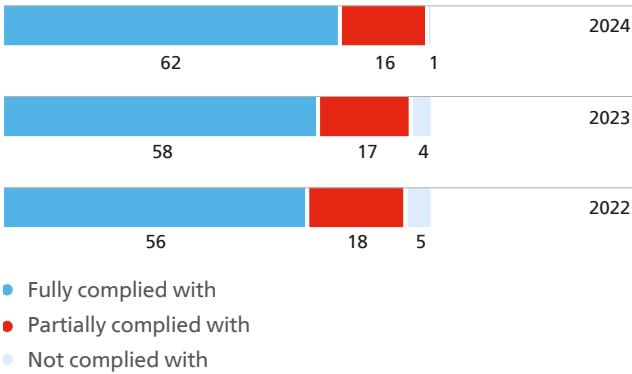
<sup>1</sup> Approved by the resolution of the Board of Directors of JSC FPC, Minutes No. 5 dated 12 November 2024.



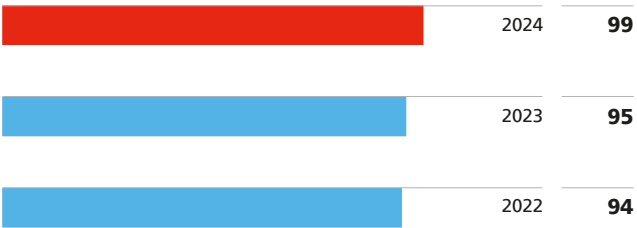
Statistical Data on Compliance with the Corporate Governance Code<sup>1</sup>

Sections	Number of corporate governance principles recommended by the Code	Status of the Company's compliance with the corporate governance principle								
		Fully complied with			Partially complied with			No compliance		
		2024	2023	2022	2024	2023	2022	2024	2023	2022
Shareholder rights	13	10	10	10	3	3	3	0	0	0
Board of Directors	36	28	25	25	7	9	9	1	2	2
Corporate Secretary	2	1	2	1	1	0	0	0	0	1
Remuneration system	10	10	8	7	0	0	1	0	2	2
Risk management system	6	6	6	6	0	0	0	0	0	0
Information disclosure	7	4	3	3	3	4	4	0	0	0
Significant corporate actions	5	3	4	4	2	1	1	0	0	0
Total	79	62	58	56	16	17	18	1	4	5

Changes in assessment of compliance with the principles of the Corporate Governance Code



Share of fully and partially complied principles of the Corporate Governance Code in the total number of principles, %



Improvement of corporate governance

In the reporting year, JSC FPC improved its corporate governance system in three main areas:

- Introduction of digital technologies into the organisation of the work of the Board of Directors and relevant committees
- Development of ESG principles at strategic level and involvement of the Board of Directors in managing the Company's sustainable development
- Upgrade of the corporate governance rating

The following results were achieved in the mentioned areas:

- The regulatory framework for the Board of Directors' use of digital technology was improved.
- The technology has still being introduced that enables Board of Directors members to vote electronically, maintain a personal calendar of company events, track their own productivity, and communicate via chat with the Corporate Secretary and other Board members.
- The Regulations on the Human Resources, Remuneration and Corporate Governance Committee were amended to include new competences of the Committee members in the field of sustainable development.

- The Company launched the process of identifying risks related to climate change.
- The Company started disclosing information on environmental and natural-climate risks in JSC FPC's issuer reports.
- Regulatory documents were amended in accordance with recommendations received following an external assessment of corporate governance practices conducted by the Russian Institute of Directors.

In 2025, the Company will keep advancing its corporate governance practices in line with the provisions set out in the updated internal documents.



<sup>1</sup> In accordance with the Bank of Russia's letter dated 27 December 2021 "On Disclosure of a Report on Compliance with the Principles and Recommendations of the Corporate Governance Code in the Annual Report of a Public Joint Stock Company".

# General Meeting of Shareholders

The General Meeting of Shareholders is the highest governing body of JSC FPC. In 2024, one annual General Meeting of Shareholders and three absentee ballots were held.

Resolutions adopted by the General Meeting of Shareholders in 2024

Date	Type of meeting	Decision-making process	Resolutions taken
12.01	Extraordinary	Absentee voting	The number of Board members was determined
14.03	Extraordinary	Absentee voting	Retained earnings of previous years were allocated for dividend payment Resolution was taken on payment of dividends by property
28.06	Annual	Meeting	Resolution was taken on the distribution of JSC FPC's profits and losses based on the results of the reporting year 2023 Resolution was taken not to pay 2023 dividends Members of the Board of Directors of JSC FPC were elected for the term until the third Annual General Meeting of Shareholders of JSC FPC Resolution was taken to pay remuneration to the previous members of the Board of Directors based on their performance in the 2023–2024 corporate year Revised Regulations on the Auditing Commission of JSC FPC and the Regulations on the Payment of Remuneration and Compensation to Members of the Auditing Commission were approved The revised Regulations on the Board of Directors of JSC FPC were approved
28.06	Extraordinary	Absentee voting	Amendments were made to the previously adopted resolutions of the General Meeting of Shareholders of JSC FPC 'On the distribution of retained earnings from previous years' (the amount of dividends and the amount of retained earnings were adjusted)

JSC STATUS Registrar performed the functions of a counting commission.

# Board of Directors

## Nomination and selection of candidates

In accordance with the Articles of Association of JSC FPC, the Board of Directors is elected by the General Meeting of Shareholders. The quantitative composition of the Board of Directors is determined by the resolution of the General Meeting of Shareholders.

The Board of Directors is built based on the principle of balance, which ensures that the number of independent directors and the knowledge, abilities, and experience of the Board members match the size and nature of the Company's operations.

In June 2024, JSC FPC's Annual General Meeting of Shareholders elected the Board of Directors for the first time for a three-year term. This resolution favours the long-term maintenance of the required collective expertise of the Board of Directors and the continuity of the Company's strategic management process.

OJSC Russian Railways selects and appoints candidates for the Board of Directors of JSC FPC based on the Company's current needs, which are determined, among other things, by the outcomes of the Board of Directors' annual performance self-assessment This procedure helps to analyse the work of the Board of Directors as

a whole, assess the individual contribution and degree of involvement of directors in the work of the Board of Directors, identify areas for development and determine the need for expertise required by the Board of Directors in the future.

Since JSC FPC is a key controlled company of OJSC Russian Railways, including independent directors in the list of candidates is a mandatory criterion in formation of the Board of Directors. JSC FPC's Board of Directors may include the General Director of JSC FPC.

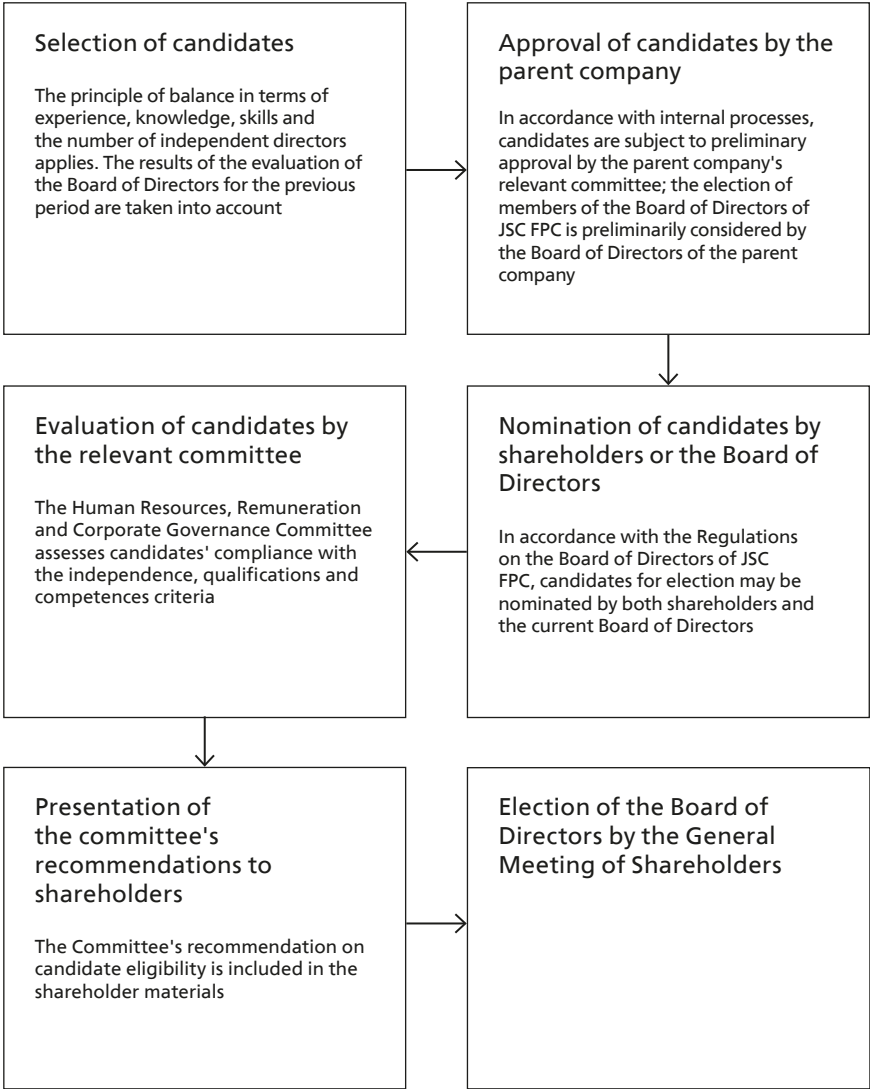
Candidates to the Board of Directors of JSC FPC shall be persons with impeccable reputation, knowledge, skills and experience necessary for making decisions within the remit of the Board of Directors and required for the effective performance of its functions.

The Human Resources, Remuneration and Corporate Governance Committee analyses the professional qualifications and independence of all candidates before the Annual General Meeting of Shareholders. The Committee uses the findings to formulate suggestions for the Board of Directors' vote on candidate elections and shares them with shareholders.





# Election of the Board of Directors



On 22 July 2024, at the first meeting of the newly elected Board of Directors, Board members familiarised with the Company's performance results for 2020–2023. The Company's General Director introduced the participants to the new technologies of higher-speed passenger service, provided information on the renewed rolling stock fleet, new value-added services for passengers and the work done to improve working conditions and create a favourable environment for the Company's employees. All necessary documents of the Company were handed over to the newly elected members of the Board of Directors in electronic form.

In March 2024, the Human Resources, Remuneration and Corporate Governance Committee of JSC FPC's Board of Directors held an offsite meeting as part of the Russia International Exhibition and Forum, which demonstrates the major achievements of our country. Independent directors who are members of the Committee took part in the offsite meeting, where they checked out new double-decker carriages, while JSC FPC's attendants gave them a tour and presented the features of the new carriages, including a ground-breaking bistro carriage.

In addition, the participants visited an interactive display of OJSC Russian Railways and learnt about its achievements.

In November 2024, independent members of JSC FPC's Board of Directors visited the renovated building of the higher-speed attendant pool of the Moscow-Yaroslavskaya passenger carriage station<sup>1</sup>. The employees told about software products to automate the work and training of attendants and train crews. In particular, the independent directors were shown how VR technology works to simulate passenger behaviour in different types and classes of passenger carriages, as well as the arrangement of seats in the business class cabin of the Lastochka higher-speed train.

In October 2024, an independent Board member and Chairman of the Human Resources, Remuneration and Corporate Governance Committee took part in the 14th Youth Conference of JSC FPC, where he spoke at a panel discussion on the role of young people in addressing the strategic objectives of the country, Russian Railways Holding and JSC FPC.

## Role of independent directors in the Company's activities

Independent directors ensure an objective and comprehensive review of matters based on their knowledge, experience and qualifications. Unbiased judgement and constructive criticism by independent directors at meetings of the Board of Directors and relevant committees help to make well-informed decisions.

Independent directors were elected as Chairmen of the Audit and Risk Committee and the Human Resources, Remuneration and Corporate Governance Committee.

The Human Resources, Remuneration and Corporate Governance Committee of the Board of Directors of JSC FPC assesses Board members against the independence criteria set out in the Corporate Governance Code. In 2024, in preparation for the

Annual General Meeting of Shareholders, the Committee formed and presented recommendations to shareholders that contained information on whether the candidates proposed to the Board of Directors as independent directors met all the independence criteria set out in the Code.

In July 2024, the Board of Directors confirmed the independent status of the elected directors based on the results of the evaluation conducted by the Human Resources, Remuneration and Corporate Governance Committee and the declarations of the candidate/Board member recognised as independent. The declarations contain the director's obligations to represent the interests of all shareholders and the Company, despite the existence of a formal criterion/related-party criteria, to inform the Board of Directors about possible appearance of other related-party criteria, occurrence of a conflict of interest and other ethical issues.

## Induction programme

In order to familiarise newly elected members of the Board of Directors with the operational, financial and economic activities of JSC FPC as quickly and efficiently as possible, they are given a special induction course. Taking this course is required by the Induction Programme for newly elected members of the Board of Directors of JSC FPC.

The induction course takes place held at the Company's office and includes meetings of Board members with the General Director and key employees, familiarisation with key documents and presentation materials on the Company's activities and visits to the Company's production facilities.

In order to develop the professional competencies of Board members, the Company encourages them to participate in forums, strategic sessions, conferences and other events dedicated to the specific activities of JSC FPC. Every year, the Company participates in the Transport of Russia International Forum and Exhibition, the main business event of the transport industry. Board members are also invited to participate in the forum, including plenary sessions, working meetings and discussions with representatives of the transport industry and expert community.

<sup>1</sup> It is part of the Moscow branch of JSC FPC.

## Report of the Board of Directors

At the General Meeting of Shareholders of JSC FPC held in January 2024, it was resolved that the Board should consist of nine directors<sup>1</sup>.

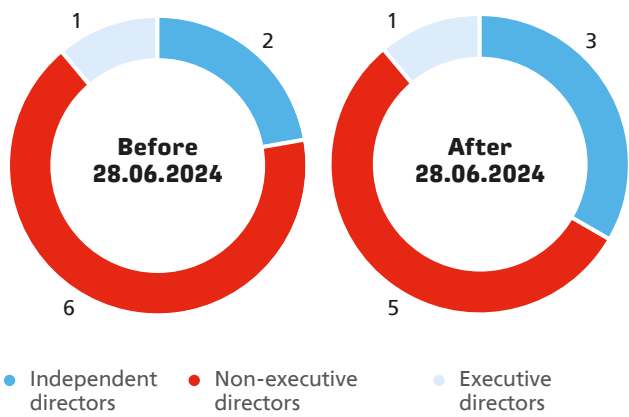
In June 2024, the General Meeting of Shareholders resolved to elect new members to the Board of Directors for a term until the third Annual General Meeting of Shareholders since the election. The current Board of Director include six re-elected members of the previous Board and three new members, including one independent director.

At the end of the seven-year term of independence, one independent director left the Board of Directors. Two non-executive directors resigned due to new personnel appointments at OJSC Russian Railways.

A non-executive director from the newly elected Board of Directors – a representative of the major shareholder, Deputy General Director of OJSC Russian Railways in charge of the railway passenger service system – was elected Chairman of the Board of Directors.

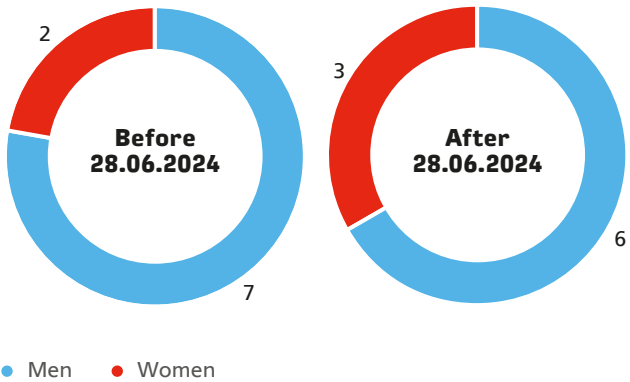
MED 37

Structure of the Board of Directors<sup>2</sup>, people



After the Annual General Meeting of Shareholders held on 28 June 2024, the number of independent members of the Board of Directors increased to the number recommended by the Corporate Governance Code of the Bank of Russia, i.e., at least one third of the total number of directors (three persons).

Gender breakdown of the Board of Directors, people

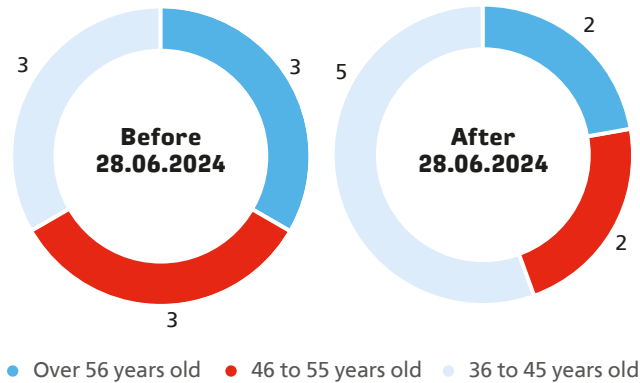


MED 44

The share of female executives on the Board of Directors in 2024 reached

33%

Age breakdown of the Board of Directors, people



The average age of JSC FPC's Board of Directors elected at the Annual General Meeting of Shareholders on 28 June 2024 was

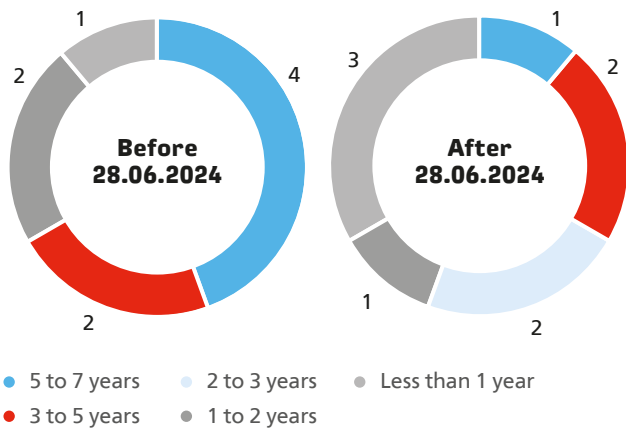
48.9 years

The average tenure of a director on the Board of Directors renewed on 28 June 2024 was

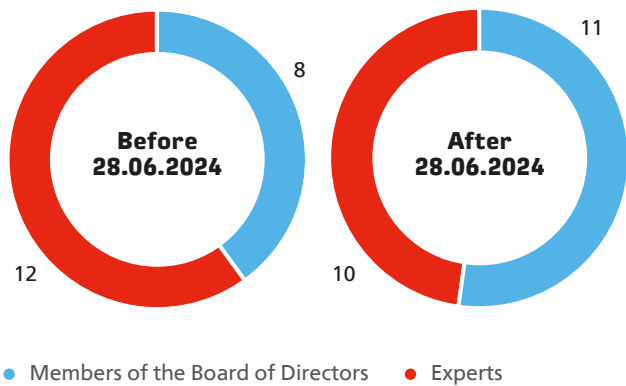
2.5 years

Since the Annual General Meeting of Shareholders held on 28 June 2024, the proportion of JSC FPC's Board members sitting on committees has increased.

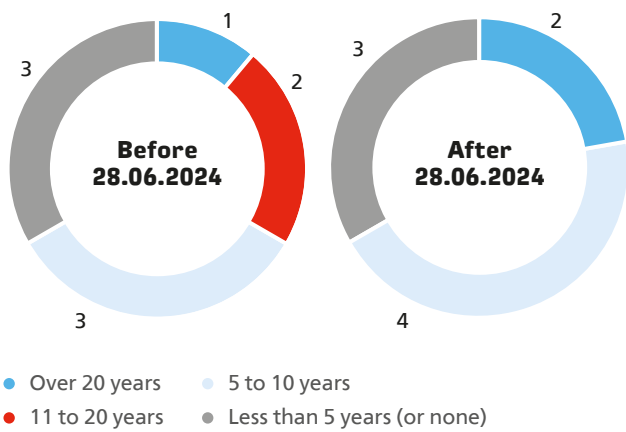
Tenure on the Board of Directors, people



Participation in the work of the Board committees, people



Experience in the transport industry, people



<sup>1</sup> According to the revised Articles of Association of JSC FPC, the quantitative composition of JSC FPC's Board of Directors is determined by a resolution of the General Meeting of Shareholders (previously it was determined by the Articles of Association and comprised nine directors).

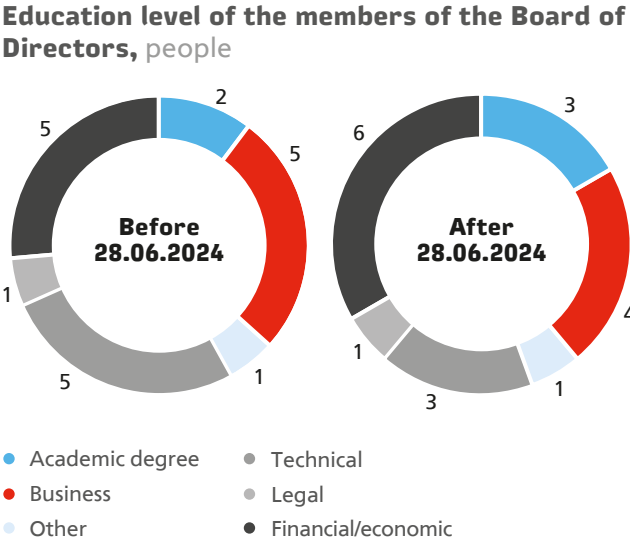
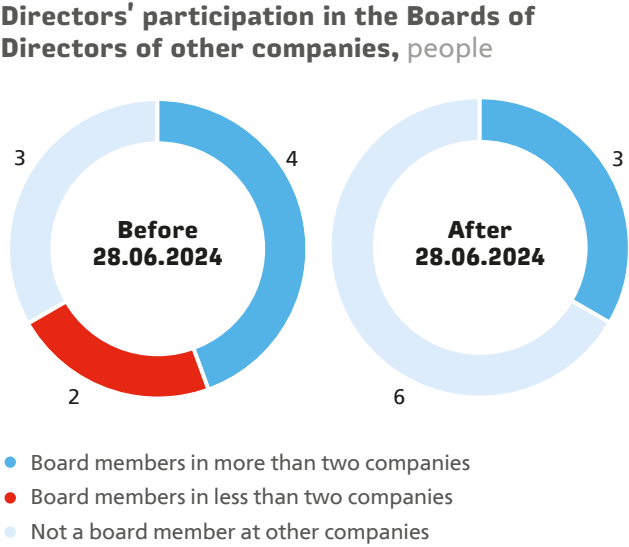
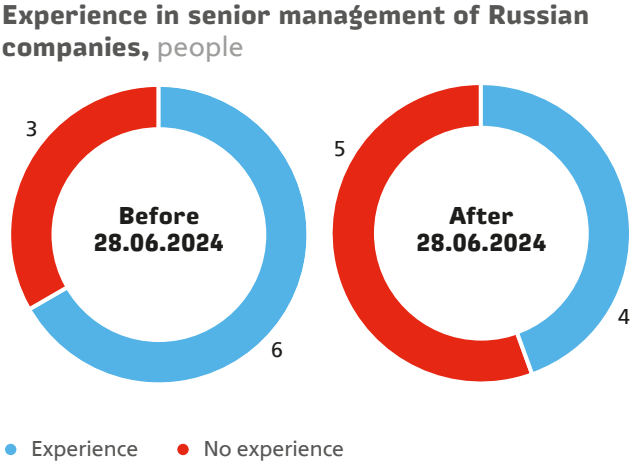
<sup>2</sup> Hereinafter, data are given for the two compositions of the Board of Directors that were in place in 2024 – the first composition was in place before the Annual General Meeting of Shareholders held on 28 June 2024, the second composition was elected at that meeting and is in place as of the date of the Report.



Following the Annual General Meeting of Shareholders on 28 June 2024, a sizable portion of the Board

**67%**

had substantial experience in the railway sector



Six out of nine members of the Board of Directors have two higher education degrees or further education (MBA, advanced training, vocational preparation). Three members of the Board of Directors have an academic degree.

Competency matrix of the members of the Board of Directors<sup>1</sup>

Area of competence	D1	D2	D3	D4	D5	D6	D7	D8	D9	D10	D11	D12
Cooperation with public authorities				●		●			●	●	●	●
Experience in technology, including information technology			●	●				●				●
Corporate governance		●	●		●	●	●	●	●			
Macroeconomic and sectoral analysis	●	●						●		●	●	
Strategic planning, management and development	●	●	●	●	●	●	●	●	●	●	●	●
Finance and audit	●	●		●	●		●			●		
Internal control, audit and risk management					●			●				
Human resources management and social responsibility							●		●			
Building of performance appraisal and motivation systems			●		●			●				
Sustainable development and ESG					●							

D – Director

Additional information about members of the Board of Directors

- Members of the Board of Directors do not hold any shares in the authorised capital of JSC FPC, do not own the Company’s ordinary shares and have not entered into any transactions to acquire shares of JSC FPC or dispose of them during the reporting year.
- No claims were filed against the members of the Board of Directors in connection with the performance of their duties as members of the Board of Directors.
- The Company did not issue loans (credits) to members of the Board of Directors.
- No notices on conflicts of interest were received by the Board of Directors.
- Non-executive and independent directors are not provided with pension contributions, insurance schemes, investment programmes and other benefits and privileges.

Meetings of the Board of Directors

Meetings of the Board of Directors are held on a regular basis in accordance with the annually-approved work plan of the Board of Directors, as well as when necessary, but at least once a quarter. Along with the work plan, the General Director creates and approves a corporate calendar on instructions from the Board of Directors. This gives them more control over the timing of content generation for corporate events. The corporate calendar includes information on scheduled dates of meetings of the Board of Directors and its committees and dates of sending materials for corporate events.

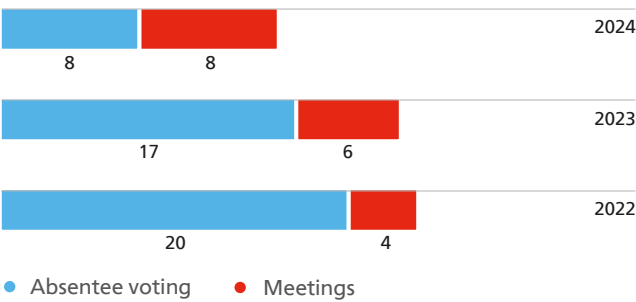
<sup>1</sup> Specifies all directors who were members of the Board of Directors in 2024 (before and after the Annual General Meeting of Shareholders held on 28 June 2024).

MED 36

In 2024, eight absentee votings and the same number of meetings were held. In 2024, the average duration of meetings was 56 minutes. The Board of Directors addressed

119 issues

Form of corporate events of the Board of Directors in 2022–2024

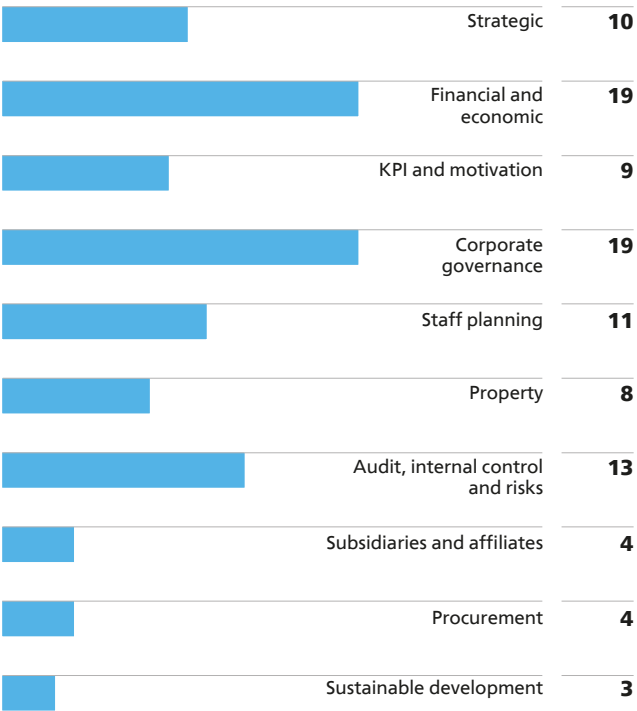


In the reporting year, a balance was maintained between meetings and absentee voting.

**In-person meetings mainly considered the most important issues requiring joint discussion, the list of which is defined by the Regulations on the Board of Directors of JSC FPC, including:**

- Approval of the Company's strategies, budget, Investment Programme and their amendments
- Approval of the Annual Report and annual accounting (financial) statements
- Review of the General Director's report for the reporting period
- Review of the results of performance evaluation of the Board of Directors, members of the Board of Directors, committees of the Board of Directors, and the Corporate Secretary

Structure of issues addressed by the Board of Directors in 2024, %



MED 36

The Board of Directors continues to have a high attendance rate at company events. In 2024, it was 99%<sup>1</sup>. Members of the Board of Directors were offered the option to participate remotely through video-conferencing using domestic software in the event that circumstances prevented them from physically attending a meeting.

MED 36

Information on the participation of members of the Board of Directors of JSC FPC in corporate events of the Board of Directors and committees in 2024<sup>2</sup>

Board member	Board of Directors			Audit and Risk Committee			Human Resources, Remuneration and Corporate Governance Committee			Strategic Planning, Digital Transformation and Information Technology Committee		
Director 1	2(2)/5	4/4	89	2(2)/5	2/2	86	0(2)/3	2/2	80	–	–	–
Director 2	2(6)/8	8/8	100	5(4)/9	3/3	100	–	–	–	–	–	–
Director 3	7(1)/8	8/8	100	5(0)/5	2/2	100	8(0)/8	3/3	100	3(0)/3	1/1	100
Director 4	0(3)/3	3/4	86	–	–	–	–	–	–	0(3)/3	1/1	100
Director 5	5(0)/5	4/4	100	–	–	–	3(0)/3	2/2	100	5(0)/5	0/0	100
Director 6	7(1)/8	8/8	100	–	–	–	–	–	–	5(3)/8	1/1	100
Director 7	2(1)3	4/4	100	–	–	–	5(0)/5	1/1	100	–	–	–
Director 8	3(5)/8	8/8	100	–	–	–	–	–	–	–	–	–
Director 9	4(1)/5	4/4	100	–	–	–	–	–	–	3(0)/5	0/0	60
Director 10	3(5)/8	8/8	100	–	–	–	2(1)/3	2/2	100	–	–	–
Director 11	1(2)/3	4/4	100	–	–	–	–	–	–	3(0)/3	1/1	100
Director 12	8(0)/8	8/8	100	–	–	–	–	–	–	6(2)/8	1/1	100

Meeting    Absentee voting    Share of participation, %

<sup>1</sup> Indicator No. 36 of the guidelines for the preparation of sustainability reporting approved by Order No. 764 of the Ministry of Economic Development of the Russian Federation dated 1 November 2023.  
<sup>2</sup> The data in the table is presented in the format '4(1)/5', which means that the member of the Board of Directors personally attended four out of five meetings and participated in one meeting by submitting a questionnaire.



Key resolutions taken the Board of Directors in 2024

Group of issues	Resolutions taken
Strategic issues	<ul style="list-style-type: none"><li>The Digital Transformation Strategy of JSC FPC until 2024 was updated</li><li>The amended Informatisation Programme of JSC FPC for 2024 was approved</li><li>JSC FPC's budget, Investment Programme and Operational Efficiency and Cost Optimisation Programme for 2024 were approved</li><li>Budget and Investment Programme adjustments were approved based on the results of the first half of 2024</li><li>The parameters of the budget, Investment Programme and Operational Efficiency and Cost Optimisation Programme of JSC FPC for 2025–2027 were preliminarily reviewed</li></ul>
Corporate governance	<ul style="list-style-type: none"><li>The revised Regulations on the Board of Directors of JSC FPC was reviewed:</li><li>Amendments to the regulations on the committees of JSC FPC's Board of Directors were approved</li><li>The status of independent members of the Board of Directors was confirmed</li><li>Decisions were taken on the organisation of activities of the Board of Directors' committees, in particular, to review the committees' report for the 2023/2024 corporate year</li><li>The results of the evaluation of the performance of the Board of Directors, Board Committees, Board members, Chairman of the Board of Directors, and Corporate Secretary for 2023/2024 year were reviewed</li><li>Quarterly reports on the implementation of resolutions of the General Meeting of Shareholders and the Board of Directors in 2024 and a report on the delivery of the Board of Directors' work plan for 2023 were reviewed</li><li>2023 report on compliance with the Company's Information Policy was reviewed</li></ul>
KPIs and motivation	<ul style="list-style-type: none"><li>Revised Regulations on the System of KPIs for Awarding Bonuses to the Executives and the Regulations on the Remuneration System for Executives were approved</li><li>Regulations on the KPI system for determining the variable part of remuneration of the head and employees of the Internal Audit Department were approved</li><li>Target KPIs for executives for 2024 and lists of corporate and functional KPIs for executives for 2025 were approved</li><li>Report on fulfilment of the Company's KPIs for 2023 was approved</li></ul>
Human resource planning	<ul style="list-style-type: none"><li>Candidates for the positions of Deputy General Directors and branch managers of JSC FPC were agreed upon</li><li>The succession pool for the position of the sole executive body for 2025 was approved</li><li>The terms of employment agreements with the General Director, key management personnel and the Head of the Internal Audit Department were determined</li><li>Changes were made to the Company's organisational structure</li></ul>
Audit, internal control and risks	<ul style="list-style-type: none"><li>Audit organisation was appointed to audit JSC FPC's 2024 RAS and IFRS accounting (financial) statements; the amount of payment for its services for 2024 and the initial (maximum) price of the contract for the audit organisation's services for 2025 were determined</li><li>Revised Risk Management and Internal Control Policy of JSC FPC was approved<sup>1</sup></li><li>Revised Regulations on the Auditing Commission of JSC FPC and the Regulations on the Payment of Remuneration and Compensation to Members of the Auditing Commission were reviewed</li><li>Members of the Auditing Commission were dismissed early and elected for a new term</li><li>Risk appetite for 2024 is approved and key risk register for 2024 was reviewed</li><li>JSC FPC's risk monitoring report and the report on the results of the RM&amp;ICS self-assessment for 2023 were reviewed</li><li>Candidate for the position of Head of Internal Audit Department was agreed on</li><li>Progress report on the Internal Audit Department's activity plan for 2023 was reviewed</li></ul>
Sustainable development	<ul style="list-style-type: none"><li>Regulations on the Human Resources, Remuneration and Corporate Governance Committee of the Board of Directors of JSC FPC was supplemented with the functionality on sustainable development and ESG</li></ul> <div>MED 35</div> <ul style="list-style-type: none"><li>Resolution was taken to join Russian Railways Holding's Sustainable Development Policy<sup>2</sup></li><li>Report on interim results of the quality management system integration was reviewed</li></ul>
Soundness of financial and economic activities	<ul style="list-style-type: none"><li>Annual accounting (financial) statements for 2023 were approved</li><li>Revised Budgeting Policy and the Regulations on the Budget Formation and Utilisation Control were approved</li><li>Quarterly reports on budget utilisation, Operational Efficiency and Cost Optimisation Programme were reviewed</li><li>JSC FPC's Insurance Protection Programme for 2025 was approved</li></ul>

Assessment of JSC FPC's Board of Directors performance

The procedure for assessing the performance of the Board of Directors is formalised in the Regulations on Assessing the Performance of the Board of Directors, Committees of the Board of Directors, Members of the Board of Directors and the Corporate Secretary of JSC FPC<sup>1</sup>. It includes annual self-assessment and the possibility of external assessment.

The self-assessment of the performance of JSC FPC's Board of Directors for the 2024–2025 corporate year was conducted in February 2025 through a questionnaire survey of Board members and committee members regarding the performance of the Board of Directors, members of the Board of Directors, the Chairman of the Board of Directors, the Corporate Secretary and Board committees.

The analysis included the review of the needs of the Board of Directors in terms of professional qualifications, experience and business skills of Board members, the number of Board members, and the performance of the Chairman of the Board of Directors, the Corporate Secretary and committees.

The results of the assessment will be reviewed at the Company's Board of Directors meeting in June 2025 in accordance with the Board of Directors' work plan.

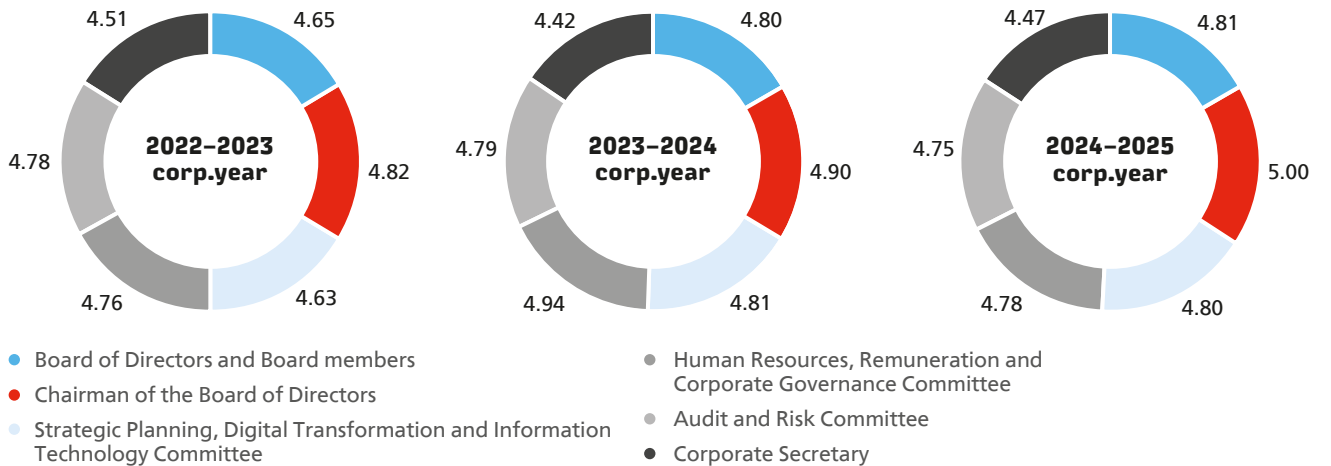
The weighted average performance score was 4.81 out of 5 for the Board of Directors and 5 out of 5 – for the Board Chairman.

The results of the assessment for the 2024–2025 corporate year showed that the situation is in line with best practice for most of the parameters assessed.

Following the assessment results, proposals for improvement were developed and integrated into the Company's practice.

- Key findings from the 2024–2025 assessment:**
- The composition of the Board of Directors is balanced in terms of the ratio of executive, non-executive and independent directors.
  - The number of independent directors on the Board of Directors corresponds to the level of the Company's corporate governance development.
  - The qualitative composition of the Board of Directors (experience and qualifications of Board members) corresponds to the specifics of JSC FPC's business and ensures that the Board of Directors fulfils its functions.
  - The number and regularity of corporate events held by the Board of Directors during the corporate year are sufficient for making the necessary decisions.
  - The number of meetings of the Board of Directors is sufficient to address and resolve the most important issues.
  - The Board of Directors exercises proper control over the implementation of the resolution taken.
  - Work planning facilitates the due performance of their functions by the Board of Directors.
  - Sufficient level of motivation of the Board members and focus on developing constructive solutions.
  - Members of the Board of Directors have the knowledge and experience to effectively fulfil their tasks.

Changes in and analysis of the results of the assessment of the Board of Directors of JSC FPC



<sup>1</sup> Approved by the resolution of the Board of Directors of JSC FPC, Minutes No. 5 dated 12 November 2024.

<sup>2</sup> Approved by the resolution of the Board of Directors of OJSC Russian Railways, Minutes No. 15 dated 27 June 2024.

<sup>1</sup> Approved by the resolution of the Board of Directors of JSC FPC, Minutes No. 23 dated 1 July 2022.

Remuneration of members of the Board of Directors

The motivation principles for Board members, as well as their compensation and reimbursement of expenses, are regulated by the Regulations on Payment of Remuneration and Compensation to Members of the Board of Directors of JSC FPC<sup>1</sup>.

The Regulations include transparent mechanisms to determine 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. Forms of short-term motivation and additional material incentives are not applied.

Remuneration is differentiated depending on the scope of directors’ responsibilities and considers additional time spent on discharging the functions of the Chairman, the Deputy Chairman, and a committee member.

Payments to members of the Board of Directors for discharging extra functions

Function	Payment
Chairman of the Board of Directors	50% of the base part of remuneration
Deputy Chairman of the Board of Directors	25% of the base part of remuneration
Chairman of the Committee	25% of the base part of remuneration
Deputy Chairman of a committee	25% of the base part of remuneration for the meetings where the director acted as Committee Chairman
Committee member	15% of the base part of remuneration

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

Remuneration shall be paid provided that the Board member participated in at least 50% of corporate events (from the moment of their election until the

To calculate the basic remuneration for participation in the work of the Board of Directors, a formula is used based on the fixed part of remuneration adjusted for the attendance at meetings and a coefficient that takes into account the contribution to the work of the Board of Directors as Chairman or Deputy Chairman.

Additional remuneration is payable for serving on a committee of the Board of Directors, which is calculated based on the fixed part of remuneration adjusted for the ration of attendance at committee meetings and an additional factor for discharging the functions of the Chairman, the Deputy Chairman, or a member of a committee.

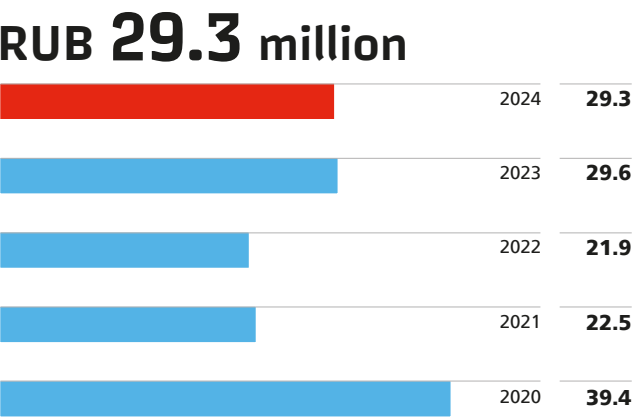
moment of termination of their powers). Additional remuneration shall be paid provided that the Board member participated (either in person or by submitting a questionnaire) in at least 50% of the committee meetings held (from the date of their election until the date of termination of their powers).



Board members get reimbursed for expenses related to participating in corporate events of the Board of Directors (Committee) in the amount of actual expenses confirmed by primary accounting records, including:

- Travel expenses to and from the venue of the meeting of the Board of Directors (Committee)<sup>1</sup> – for an air business-class ticket or for a rail ticket for first-class sleeping carriage
- Travel expenses for a round trip from/to an airport or railway station to/from a hotel
- Accommodation expenses for a single hotel room
- Other expenses related to participation of a Board member in a meeting of the Board of Directors (Committee)

Total remuneration paid to members of the Board of Directors<sup>2</sup>, RUB million



<sup>1</sup> Approved by the resolution of the Annual General Meeting of Shareholders of JSC FPC, Minutes No. 38 dated 3 July 2018.

<sup>1</sup> Including transport insurance of passengers, payment for services related to issuing travel documents.  
<sup>2</sup> These amounts do not include personal income tax or payments related to the performance of duties by the General Director under the employment contract with JSC FPC. Two executive directors waived their remuneration in 2023 and 2024. In 2022, four non-executive directors waived their remuneration.



# Committees of the Board of Directors

In accordance with the recommendations of the Bank of Russia's Corporate Governance Code, the Board of Directors of JSC FPC has established three area-related standing committees for preliminary consideration of the most important issues:

- Audit and Risk Committee
- Committee on Strategic Planning, Digital Transformation and Information Technology
- Human Resources, Remuneration and Corporate Governance Committee



The activities of all committees are governed by separate [Regulations](#) approved by JSC FPC's Board of Directors

### Committee formation principles

Indicator	Audit and Risk Committee	Committee on Strategic Planning, Digital Transformation and Information Technology	Human Resources, Remuneration and Corporate Governance Committee
Quantitative composition	Three people, minimum		
Chairman of the Board of Directors	Cannot be elected Chairman of the Committee	No restrictions	Cannot be elected Chairman of the Committee
General Director	Cannot be elected member of the Committee	No restrictions	Cannot be elected member of the Committee
Committee members	Participation of experts who are not members of the Board of Directors is allowed		
Competences of candidates to Committee members	<ul style="list-style-type: none"><li>• Availability of professional training</li><li>• Current competence in accounting (financial) accounting and IFRS</li><li>• Competences in the field of audit, economics and finance, management</li><li>• Experience in executive positions</li></ul>	<ul style="list-style-type: none"><li>• Availability of professional training</li><li>• Hands-on experience in the area of the Committee's activities</li><li>• Knowledge required to fulfil the duties</li><li>• Competences in the field of management and strategic management</li></ul>	<ul style="list-style-type: none"><li>• Availability of professional training</li><li>• Hands-on experience in the area of the Committee's activities</li><li>• Knowledge required to fulfil the duties</li></ul>

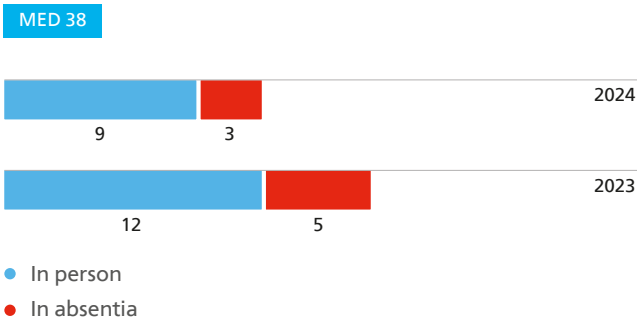
## Report of the Audit and Risk Committee

The Audit and Risk Committee is an advisory and consultative body of the Board of Directors. Its primary goal is to assist the Board of Directors' efficient operation in controlling the Company's financial and business activities<sup>1</sup>. The Committee's resolutions are of an advisory nature.

### Committee's goals and objectives

Area of activity	Competencies
Accounting (financial) statements and management accounting	<ul style="list-style-type: none"><li>• Monitoring the completeness, accuracy and integrity of accounting (financial) statements; reviewing the material aspects of the Company's accounting policy; participating in reviewing material matters and judgements related to accounting (financial) statements</li><li>• Reviewing external audit results</li><li>• Reviewing the rationale behind, and acceptability of, the current accounting methods, accounting (financial) reporting principles, as well as management accounting methods and management reporting principles</li><li>• Previewing the draft Annual Report, budget, Operational Efficiency and Cost Optimisation Programme, and relevant performance reports</li></ul>
Risk management and internal control	<ul style="list-style-type: none"><li>• Monitoring the reliability and effectiveness of the RM&amp;ICS</li><li>• Reviewing the effectiveness of risk management and internal control procedures; preparing proposals for their improvement</li><li>• Reviewing and assessing the implementation of the risk management and internal control policy</li><li>• Reviewing and assessing the implementation of the Conflict of Interest Management Policy</li><li>• Preparing recommendations on acceptable risk levels (risk appetite, preferred risks)</li></ul>
Internal and external audits	<ul style="list-style-type: none"><li>• Ensuring independent and unbiased approach of the internal audit function and reviewing its effectiveness; reviewing the Internal Audit Policy and internal audit plan; considering matters related to the appointment (dismissal) of the head of internal audit unit and the amount of their remuneration</li><li>• Assessing nominees to the Company's external auditor for independence, objectivity and absence of conflicts of interest, in particular, making proposals on the external auditor's appointment, re-appointment and dismissal as well as remuneration and terms of engagement, overseeing external audits and assessing audit quality and auditors' reports</li><li>• Ensuring effective interaction between the internal audit function and the Company's external auditor</li></ul>
Counteraction of malpractice by the Company's employees or third parties	<ul style="list-style-type: none"><li>• Monitoring the performance of the system of alerting on potential fraud being committed by the Company's employees or third parties</li><li>• Overseeing special investigations of potential fraud and misuse of insider or confidential information</li><li>• Monitoring the implementation of measures adopted by the Company in response to reports of suspected fraud or other violations</li></ul>

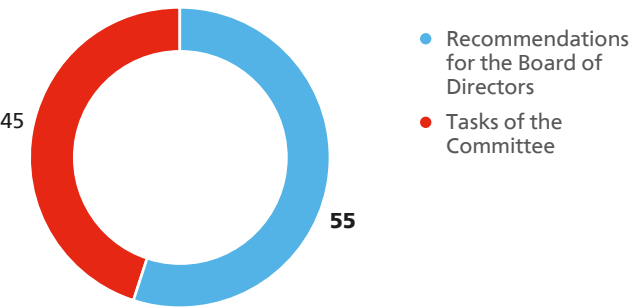
### Statistics on the Committee meetings



In 2024, the Committee held 12 meetings, of which nine were held in person and three in absentia. The Committee addressed 65 issues and issued 36 recommendations to the Board of Directors, which is 55% of the issues considered by the Committee.

<sup>1</sup> The resolution of the Board of Directors (Minutes No. 5 dated 12 November 2024) amended the Regulations on the Audit and Risk Committee of the Board of Directors of JSC FPC in terms of the procedure for holding unscheduled meetings of the Committee and excluding consideration of the Company's Investment Programme from the Committee's scope of duties.

Structure of issues considered by the Committee, %



Key issues and documents considered by the Committee in 2024:

- Annual Report for 2023, budget and Operational Efficiency and Cost Optimisation Programme of JSC FPC for 2025–2027
- Risk management and internal control issues: the Company's risk appetite for 2024 and 2025 (preliminary), revised Risk Management and Internal Control Policy
- Quarterly reports of the General Director on financial and economic activities, progress reports on the Operational Efficiency and Cost Optimisation Programme
- Internal audit issues, including reports on the performance of the Internal Audit Department, approval of candidates for the position of Head of the Internal Audit Department, and consideration of the Regulations on the Internal Audit Unit at JSC FPC and the Regulations on the KPIs of the Internal Audit Department
- External audit issues, including annual accounting (financial) statements under RAS and consolidated financial statements under IFRS for 2023, the auditor's report on accounting (financial) statements, the procedure for determining the auditor in 2024, determination of the initial (maximum) price of the contract for the audit of RAS accounting (financial) statements and IFRS consolidated financial statements for 2025

- Revised Anti-Corruption Policy of JSC FPC, quarterly progress reports on anti-corruption and other unfair practices, and the work of the Company's anti-corruption hotline.

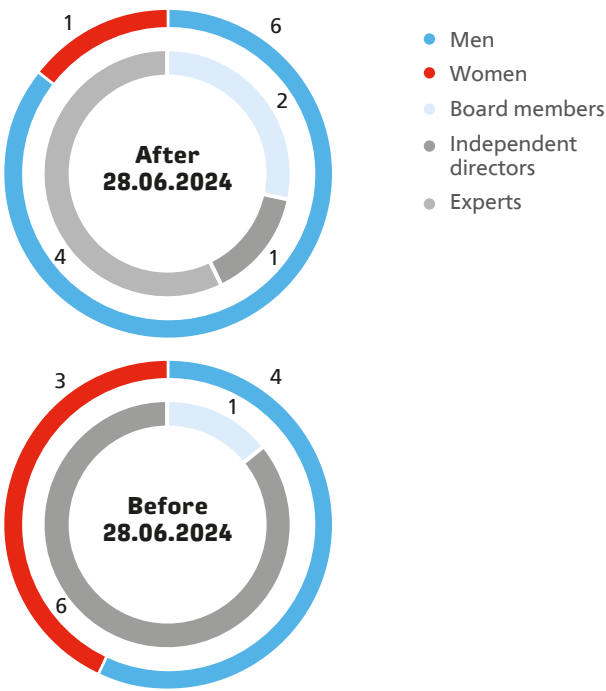
Plans for 2025:

- To review the progress report on the Internal Audit Department's activity plan for 2024
- To review the outcomes of efforts to prevent and combat corruption and other unfair practices within the Company and the work of JSC FPC's anti-corruption hotline for 2024 and the first quarter of 2025
- To review the progress reports on the Operational Efficiency and Cost Optimisation Programme of the Company for 2024 and the first quarter of 2025
- To review the General Director's reports for 2024 and the first quarter of 2025
- To agree on the audit organisation for 2025 and the cost of services to be provided
- To review the results of the assessment of the corporate governance practices of JSC FPC's subsidiaries and affiliates for the 2023–2024 corporate year, as well as the assessment of the reliability and effectiveness of the RM&ICS for 2024
- To review annual accounting (financial) statements for 2024
- To review the Annual Report for 2024

During the reporting period, the Committee had two compositions, each with seven members. The Committee, which operated until the annual General Meeting of Shareholders, consisted of six experts (representatives of OJSC Russian Railways) and one member of the Board of Directors of JSC FPC.

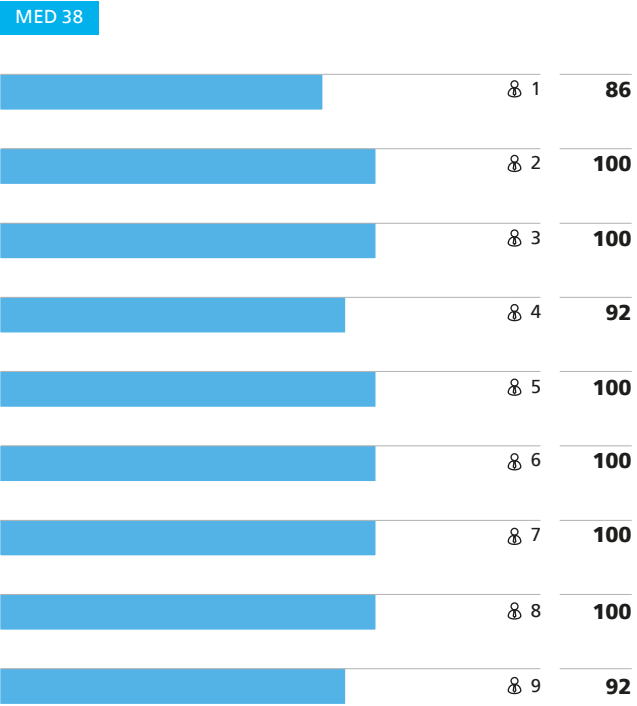
In September 2024, the current members of the Committee were elected<sup>1</sup>, which includes three members of the Board of Directors, including one independent director, and four experts (representatives of OJSC Russian Railways). An independent director was elected as the Chairman of the Committee.

Structure of the Committee, people



Committee members actively participate in the Committee's work. Attendance during meetings is high. When unable to attend meetings in person, Committee members submitted written opinions on agenda items.

Attendance at meetings by Committee members<sup>1</sup>, %



96%

attendance of Committee meetings

<sup>1</sup> Resolution of the Board of Directors dated 2 September 2024, Minutes No. 2.

<sup>1</sup> Show meeting attendance figures for Committee members who were on both Committee compositions, until and since 28 June 2024.



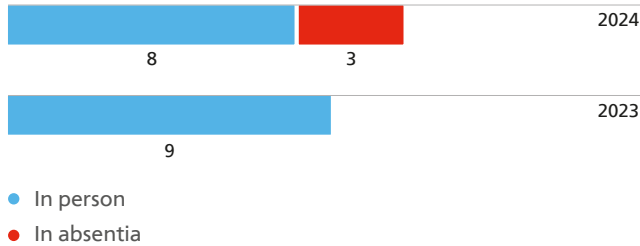
## Report of the Human Resources, Remuneration and Corporate Governance Committee

The Human Resources, Remuneration and Corporate Governance Committee is a consultative and advisory body of the Board of Directors. The Committee’s resolutions are of an advisory nature. The main purpose of the Committee is to assist the Board of Directors in efficiently performing its functions with regard to the development of corporate governance, effective workforce planning and establishing transparent compensation practices in the Company, which is achieved by addressing the tasks within the Committee's competence<sup>1</sup>.

### Committee's goals and objectives

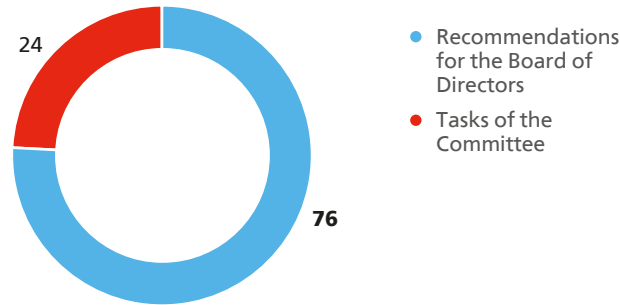
Area	Competencies
Incentive and remuneration systems	<ul style="list-style-type: none"><li>Development and periodic reviews of the Company's policy for remuneration of the members of the Board of Directors, executive bodies and other key executives</li><li>Monitoring the introduction and implementation of the Company's remuneration policy and incentive programmes, performance assessment of the executive bodies and other key executives, including review of the reports on the achievement of key performance indicators</li><li>Preliminary review and preparation of recommendations to the Board of Directors regarding the essential terms of employment contracts concluded with executive bodies and employees holding key management positions, as well as bonuses for executive bodies and employees holding key management positions</li><li>Preliminary assessment of the work of the Company's Corporate Secretary by year-end results</li><li>Development of recommendations to the Board of Directors on determining the amount of remuneration and bonus principles for the Corporate Secretary, as well as on approving an internal document that regulates the procedure for bonus payments to the Corporate Secretary</li></ul>
Human resources policy and succession planning	<ul style="list-style-type: none"><li>Assessment of the Company's Board of Directors in terms of professional expertise, experience, independence and involvement of the Board members; review of the professional qualifications and independence of all Board nominees</li><li>Development of recommendations on the performance assessment system and improving procedures for the same in respect of the Board of Directors and its committees</li><li>Development of recommendations for the induction programme for newly elected members of the Board of Directors</li><li>Analysis of current and anticipated needs of the Company with regard to the professional qualifications of the members of the executive bodies and other key executives</li><li>Succession planning, developing recommendations for candidates for the Company's executive bodies and other key executives</li><li>Formation of a training and professional development programme for members of the Board of Directors that takes into account the individual needs and competencies of its individual members, as well as oversight over the practical implementation of this programme</li></ul>
Corporate governance	<ul style="list-style-type: none"><li>Oversight of corporate governance practices</li><li>Analysis of the compatibility of corporate governance with the Company's goals and objectives, as well as with the scale of its operations and the risks the Company undertakes</li><li>Development of proposals on improvement of corporate governance practices</li><li>Development of recommendations to the Board of Directors regarding reports on the work of the Corporate Secretary and evaluation of their performance, as well as payment of bonuses to them in accordance with the internal document that regulates the procedure for bonus payment to the Corporate Secretary</li><li>Interaction with an independent expert organisation (consultant) on issues related to the external evaluation of the performance of the Board of Directors and Board committees of JSC FPC</li><li>Determination of the level of disclosure in the Annual Report of information on the personal composition of the Board of Directors, individual remuneration of its members and the amount of the General Director's annual remuneration, as well as other sensitive information</li></ul>
Sustainable development	<ul style="list-style-type: none"><li>Preparation of recommendations to the Board of Directors on defining the Company's sustainable development activities and reviewing reports on the achievement of such goals</li><li>Preparation of recommendations to the Board of Directors on the development of functional KPIs in terms of sustainable development and their integration into the motivation system for the Company's managers</li><li>Preliminary approval of internal documents related to sustainable development</li><li>Definition of the format of the sustainable development report and the annual report in terms of sustainable development, preparation of recommendations on the approval of the sustainable development report</li><li>Participation in the process of selecting an independent auditor to certify the sustainable development report and preparation of recommendations on engaging such an auditor</li></ul>

### Statistics on the Committee meetings



The Committee held 11 meetings in 2024, most of which were in person. In the reporting period, the Committee addressed 34 issues and issued 26 recommendations to the Board of Directors, which is 76% of all issues considered by the Committee.

### Structure of issues considered by the Committee, %



### Key issues and documents considered by the Committee in 2024:

- Regulations on JSC FPC's Executive Remuneration System
- Revised Regulations on the System of Key Performance Indicators (KPIs) for Awarding Bonuses to the Executives of JSC FPC
- Reports on the achievement of corporate and functional KPIs for 2023
- Preparation of recommendations on motivation of the General Director and Deputy General Directors based on the KPI achievement results for 2023
- Quarterly reports of the General Director on the Company's social and human resources policy on the implementation of decisions of the Board of Directors and the work plan of the Board of Directors

- Results of the performance assessment of the Board of Directors and members of the Board of Directors, committees of the Board of Directors, Chairman of the Board of Directors, Corporate Secretary for the 2023–2024 corporate year
- Issues on determining the terms of the employment agreement with the General Director and key management personnel
- Approval of candidates for the position of Deputy General Director and the terms of their employment agreement, as well as candidates for heads of JSC FPC's branches
- Revised Regulations on the Board of Directors of JSC FPC
- Results of an internal audit of JSC FPC's corporate governance practices for the 2022–2023 corporate year
- Assessment of nominees to the Board of Directors, as well their compliance with the independence criteria
- Annual Report 2023 in terms of corporate governance and sustainability
- Creation of the succession pool for the position of the sole executive body of JSC FPC for 2025
- Issue of joining the Policy of Russian Railways Holding in the area of sustainable development approved by the decision of the Board of Directors of OJSC Russian Railways

### Plans for 2025:

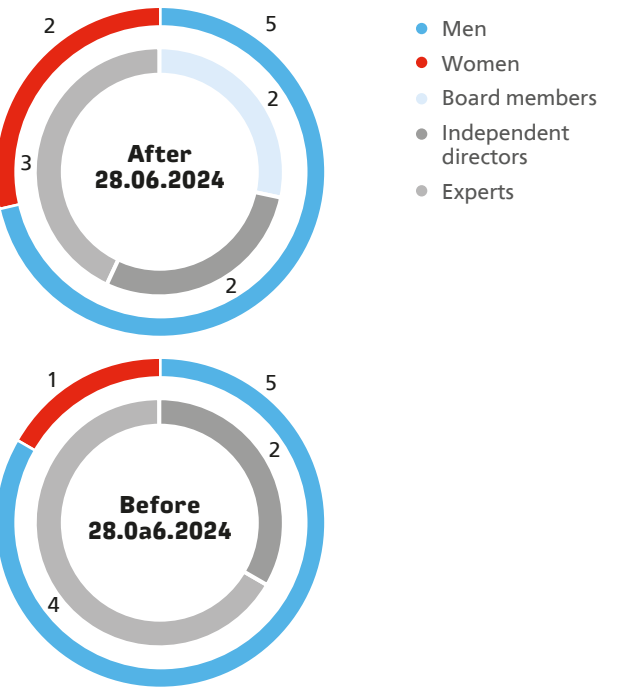
- To review the General Director's report on performance results for 2024 (on HR policy, compliance with the Code of Business Ethics, implementation of resolutions of the Board of Directors and the Board of Directors' work plan)
- To review the results of the performance assessment of the Board of Directors, members and committees of the Board of Directors, the Chairman of the Board of Directors, and the Corporate Secretary for the 2024–2025 corporate year
- To review the results of the assessment of JSC FPC's corporate governance practices for the 2024–2025 corporate year
- To review the KPI Achievement Report for 2024, preparation of recommendations on bonuses for the General Director and key executives based on the results of KPI achievement for 2024
- To review of the report of the Human Resources, Remuneration and Corporate Governance Committee of the Company's Board of Directors
- To review a plan of initiatives to improve sustainable development

<sup>1</sup> By resolution of JSC FPC's Board of Directors (Minutes No. 2 dated 2 September 2024 and Minutes No. 5 dated 12 November 2024), the tasks of the Human Resources, Remuneration and Corporate Governance Committee are aligned with the recommendations of the Corporate Governance Code and are supplemented with functions relating to the motivation of the Corporate Secretary, oversight of the disclosure of information on the remuneration policies and practices of the Board of Directors and executive bodies, and sustainability functions. The relevant amendments were made to the Regulations on the Human Resources, Remuneration and Corporate Governance Committee.

During the reporting period, there were two Committees with different numbers of members: six members on the Committee until 28 June 2024 and seven members on the Committee elected after 28 June 2024.

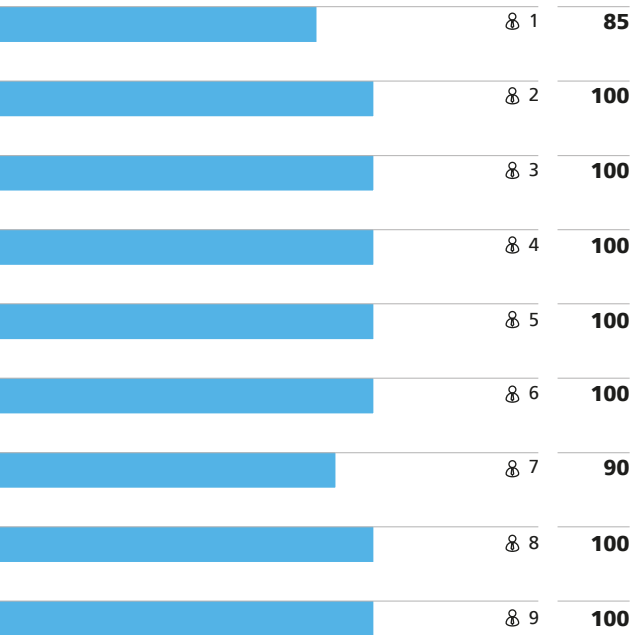
In August 2024, the Board of Directors resolved to elect two independent directors, two members of the Board of Directors and three experts (representatives of the parent company) to the Human Resources, Remuneration and Corporate Governance Committee of JSC FPC. An independent director was elected as the Chairman of the Committee.

Structure of the Committee, people



Attendance during meetings is high; members of the Committee actively participate in its work and, if they are unable to attend meetings in person, submit written opinions on agenda items.

Attendance at meetings by Committee members<sup>1</sup>, %



97% attendance of Committee meetings

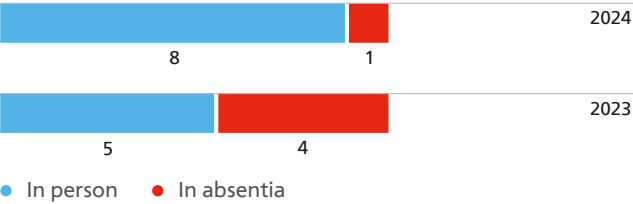
Report of the Committee on Strategic Planning, Digital Transformation and Information Technology

The Committee on Strategic Planning, Digital Transformation and Information Technology is an advisory and consultative body of the Board of Directors intended to improve the Company’s performance in the longer term<sup>1</sup>. The Committee’s resolutions are of an advisory nature.

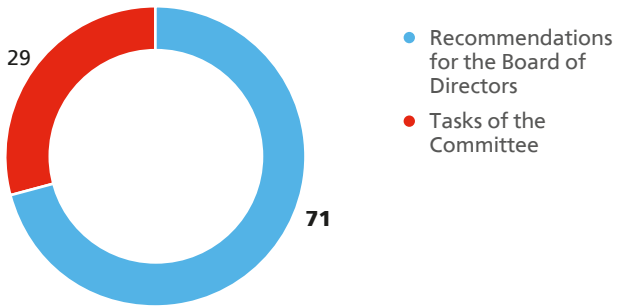
Committee’s goals and objectives

Area	Competencies
Strategic development	<ul style="list-style-type: none"><li>Elaboration of the Company’s priority areas of activities</li><li>Identification of the key performance indicators, assessment of the performance in the longer term</li><li>Consideration of the financial model and the valuation model of the business and its business segments; reorganisation and liquidation of the Company and its controlled entities; changes in the organisational and staff structure of the Company’s management apparatus; consideration of reorganisation of the Company’s business processes and its controlled legal entities</li><li>Preliminary review and preparation of recommendations to the Board of Directors:<ul style="list-style-type: none"><li>on dividend and investment policy</li><li>on approval of major transactions</li><li>on identification of the Development Strategy</li><li>on approval of the budget and the Investment Programme</li></ul></li></ul>
Information technology	<ul style="list-style-type: none"><li>Determination of the Company’s strategic goals</li><li>Participation in the development of the Development Strategy, Long-Term Development Programme and IT Strategy, oversight of their implementation and preparation of recommendations to the Board of Directors for their adjustment</li><li>Oversight of the implementation of the IT strategy, review of its progress reports</li><li>Preliminary review and preparation of recommendations to the Board of Directors on IT projects and the IT budget</li></ul>
Digital transformation	<ul style="list-style-type: none"><li>Preliminary review and preparation of recommendations to the Board of Directors:<ul style="list-style-type: none"><li>on approval of the main focus areas of the digitalisation programmes and products</li><li>on assessment of the impact of the new technologies on the Company’s activities</li><li>on approval and adjustment of the Company’s informatisation and innovation development programmes, as well as approval of the progress report</li></ul></li></ul>

Statistics on the Committee meetings



Structure of issues considered by the Committee, %



In 2024, the Committee held nine meetings, of which eight were held in person and one in absentia. In the reporting period, the Committee addressed 31 issues and issued 22 recommendations to the Board of Directors, which is 71% of the issues considered by the Committee.

Key issues and documents considered by the Committee in 2024:

- Target KPIs for the Company’s operations for 2024, as well as lists of functional KPIs for the General Director and key executives
- Amendments to the Regulations on the KPI System for Awarding Bonuses to the Executives
- Changes to the organisational structure of JSC FPC

- Progress report on the Informatisation Programme for 2023 and progress report on the Digital Transformation Strategy until 2024
- JSC FPC’s adjusted budget and Investment Programme for 2024
- JSC FPC’s budget and Investment Programme for 2025–2027
- Issue of proposing to the extraordinary General Meeting of Shareholders of JSC FPC to approve the conclusion of a major transaction (give consent to the conclusion of such a transaction)

<sup>1</sup> Shows meeting attendance figures for Committee members who were on both Committee compositions, until and since 20 June 2024.

<sup>1</sup> By resolution of the Board of Directors of JSC FPC (Minutes No. 2 dated 2 September 2024), amendments were made to the Regulations on the Strategic Planning, Digital Transformation and Information Technology Committee of the Board of Directors of JSC FPC regarding the procedure for holding unscheduled meetings of the Committee.

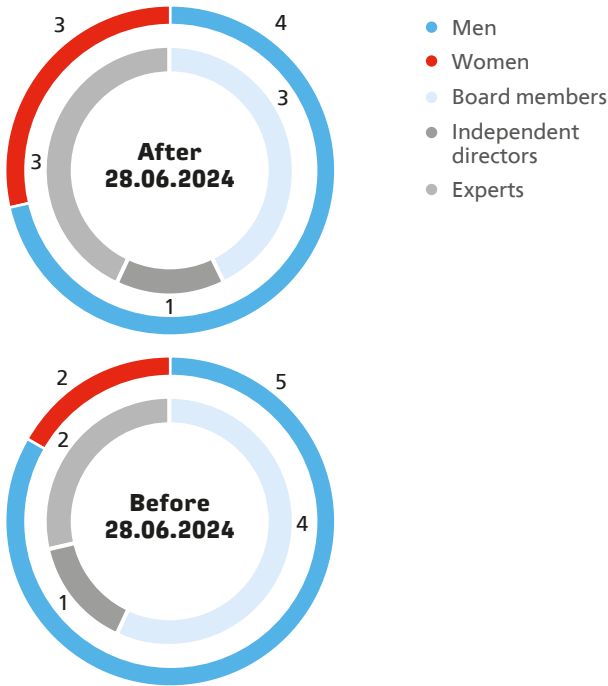


Plans for 2025:

- To review the progress report on the Digital Transformation Strategy
- To review the 2024 report on the Information Policy
- To review the issue of developing recommendations on the amount of dividends on shares and the procedure for their payment according to the results of 2024
- To review the General Director's reports for 2024 and the first quarter of 2025
- To review an integrated report on the new catering model
- To review a report on JSC FPC's communications activities
- To review a report of the Strategic Planning, Digital Transformation and Information Technology Committee of the Board of Directors

During the reporting period, the Committee had two compositions with seven members each. The Committee, which operated until 28 June 2024, consisted of five members of JSC FPC's Board of Directors, including one independent director, and two experts (representatives of the parent company). In August 2024, the Board of Directors resolved<sup>1</sup> to elect four members of the Board of Directors, including one independent director, and

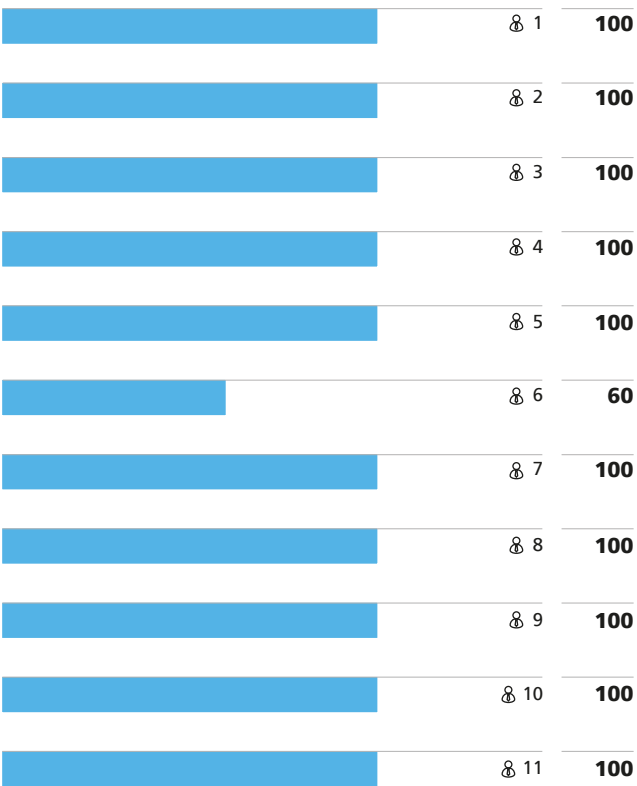
Structure of the Committee, people



three experts (representatives of the parent company) to JSC FPC's Strategic Planning, Digital Transformation and Information Technology Committee. The Chairman of the Board of Directors of JSC FPC (non-executive director) was elected Chairman of the Committee.

Committee members actively participate in the Committee's work. Attendance during meetings is high. When unable to attend meetings in person, Committee members submitted written opinions on agenda items.

Attendance at meetings by Committee members<sup>2</sup>, %



# Corporate Secretary

JSC FPC created a separate position of corporate secretary. The Corporate Secretary is not permitted to do additional duties at JSC FPC in addition to their duties as Corporate Secretary. The Corporate Secretary of JSC FPC reports to the Chairman of the Board of Directors and the Board of Directors.



Their activities are regulated by the relevant [Regulations](#)<sup>1</sup>

The Corporate Secretary ensures efficient ongoing interaction with shareholders, coordinate the Company's efforts to protect shareholder rights and interests, and supports the activities of the Board of Directors. The Board of Directors elects the Corporate Secretary for an indefinite term by a majority vote of the Board's whole membership. The Board of Directors is entitled to re-elect the Corporate Secretary at any time.

The Corporate Secretary performs the duties of secretary to the Board of Directors, the General Meeting of Shareholders, and the committees of the Company's Board of Directors.

Tasks of the Corporate Secretary:

- Organisational and information support for the work of the General Meeting of Shareholders, the Board of Directors and their committees
- Organisation of public disclosure and presentation of information on the Company's activities
- Liaison between members of the Board of Directors, shareholders and the Company's management
- Compliance by the management bodies and employees with the requirements of the legislation of the Russian Federation, the Articles of Association and internal documents of the Company, which ensure the enforcement of the rights and legitimate interests of shareholders
- Development of the corporate governance practices
- Control over execution of resolutions of the General Meeting of Shareholders and the Board of Directors

The Department for Organising the Work of the Board of Directors and Committees of the Corporate Development Department is functionally subordinate to the Corporate Secretary.

Andrey Styopochkin<sup>2</sup> was elected Corporate Secretary of JSC FPC.

<sup>1</sup> Minutes No. 2 dated 2 September 2024.  
<sup>2</sup> Show meeting attendance figures for Committee members who were on both Committee compositions, until and since 28 June 2024.

<sup>1</sup> Regulations on the Corporate Secretary approved by the Board of Directors of JSC FPC, Minutes No. 10 dated 27 December 2021.  
<sup>2</sup> Resolution of the Board of Directors dated 12 October 2018, Minutes No. 6.

**Andrey  
Styopochkin**

**Year of birth, citizenship**  
1977, Russian Federation

**Education**  
Higher, Lomonosov Moscow State University

**Qualification**  
Lawyer

**Positions for the last five years**  
Since October 2018 – Corporate Secretary of JSC FPC

**Share in the authorised capital of the Company**  
None

**Holdings of the Company's ordinary shares**  
None

**Transactions to acquire or dispose of FPC shares during the reporting year**  
None

**Positions in the management bodies of other legal entities held by the corporate secretary for at least five recent years**  
None

The incentive system of the Corporate Secretary is based on the achievement of KPIs, including the indicator pertaining to ensuring effective corporate governance practices. The principles of bonus payment for the Corporate Secretary are based on the recommendations of the Human Resources, Remuneration and Corporate Governance Committee of the Board of Directors and are set out in the Regulations on Bonuses for the Corporate Secretary<sup>1</sup>, which are approved by the General Director.

Results for 2024

52  
corporate events held

260  
issues worked out

4.47 out of 5  
average score

# General Director

JSC FPC's day-to-day operations are managed by its sole executive body, the General Director.

Decisions on election of the General Director, termination of their powers, determination of the term of their tenure and other terms of employment agreement with the General Director of the Company are made by the Board of Directors.

The General Director is accountable to the shareholders and the Board of Directors and submits quarterly reports to the Board on the Company's performance results (budget utilisation and contracting, HR and credit policy, social programmes, insurance coverage, implementation of the Board's resolutions).

The General Director is responsible for timely and consistent budgeting and budget performance at the Company, preparing budget performance reports and organising activities at the Company's branches.

By resolution of the Board of Directors in October 2020, Vladimir Pyastolov was elected General Director of JSC FPC. By resolution of the Board of Directors in September 2023, Vladimir Pyastolov was re-elected General Director for a new term.

The General Director has no shares (stakes) in the Company and its controlled organisations, and has not entered into any transactions with securities (stakes) of these companies.

## Deputy General Directors

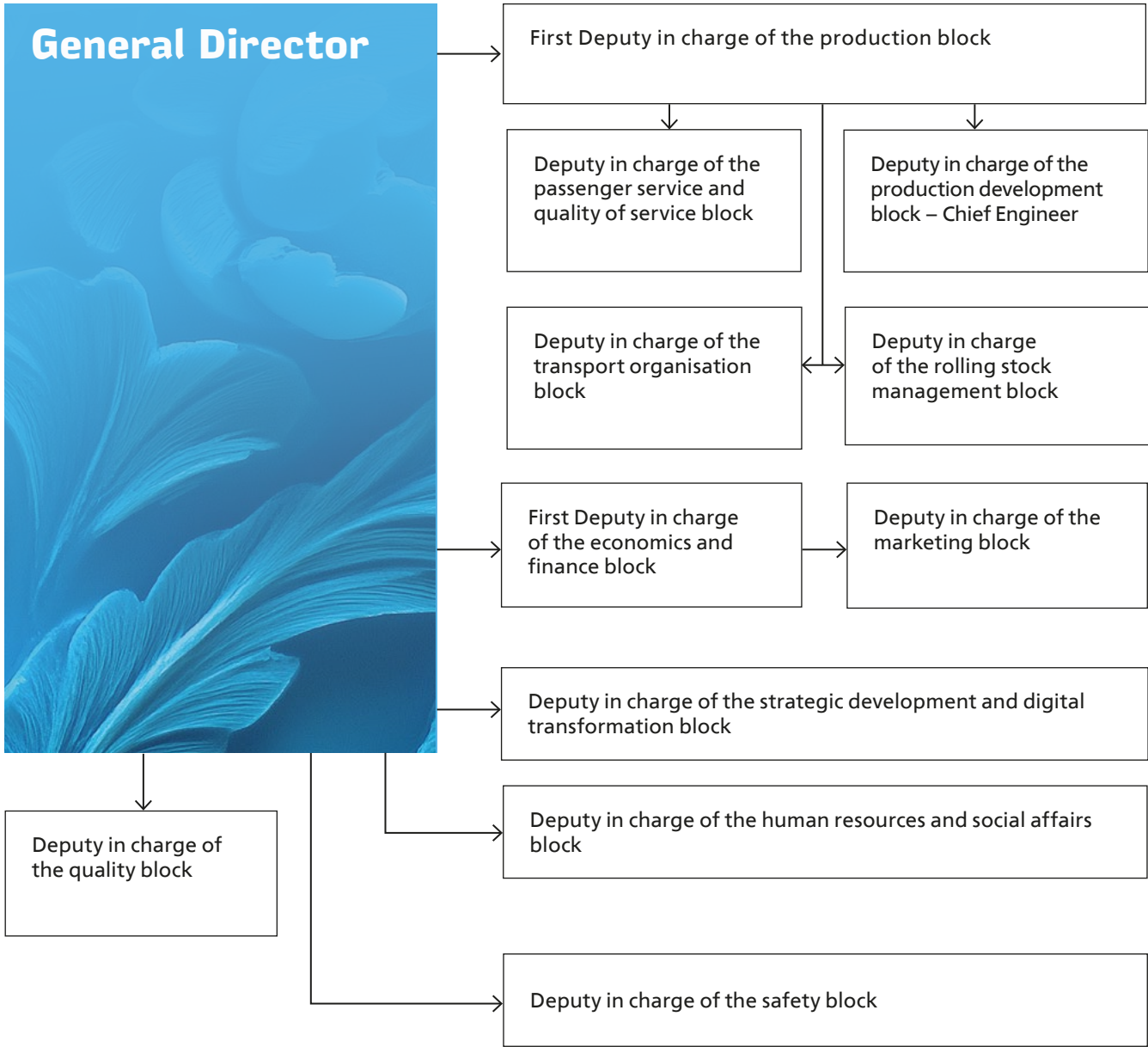
The governance structure of JSC FPC is aligned with core areas of business (functional blocks) and includes 11 Deputy General Directors.

The First Deputy Directors and Deputy Directors in charge of safety, quality, strategic development and digital transformation, human resources and social issues report directly to the General Director.

- The following positions have been created in the Company's governance structure to balance top-level management:**
- First Deputy General Director in charge of the Production Block, who has four subordinate Deputy General Directors in charge of rolling stock, production development, transport organisation, customer service and service quality
  - First Deputy General Director, heading the Economics and Finance Block, to whom the Deputy General Director for Marketing reports.

<sup>1</sup> Approved by JSC FPC's Order No. 574 dated 30 December 2021.





# Key Provisions of the Remuneration and Compensation Policy for the Executive Body and Other Key Employees

The management incentive system aims to improve the efficiency of individual and collective work and is based on the year-end KPI achievement results of the Company. The principles of setting up the KPI system, defining a set of indicators, the procedure for their approval and performance monitoring are set out in the Regulations on the KPI System<sup>1</sup>.

The principles, procedure for remuneration and annual bonus payments to executives are set out in the Regulations on the Executive Remuneration System<sup>2</sup>.

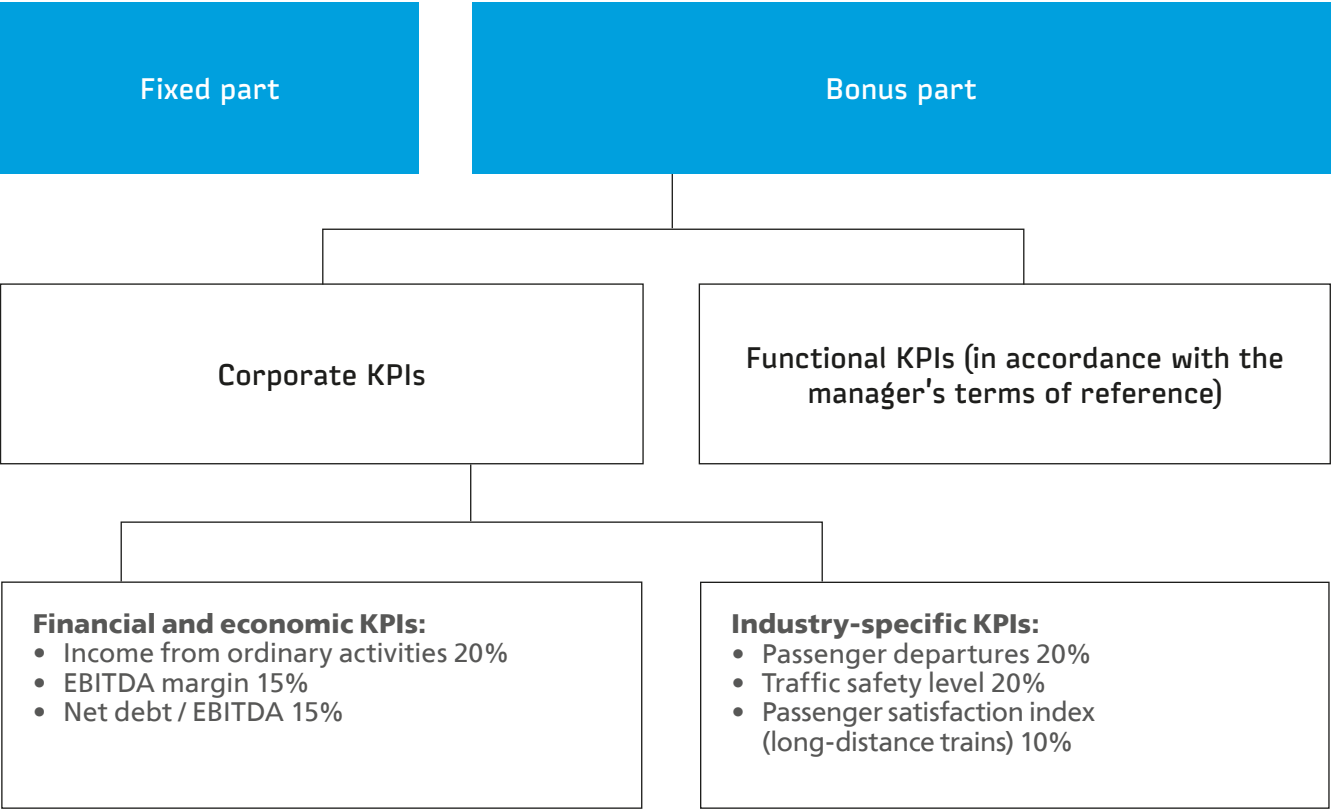
Management remuneration consists of a fixed and a bonus parts. The bonus part depends on the Company's performance for the year and is determined by financial, economic and industry-related indicators. Its size is based on KPIs, the set and target values of which are reviewed annually by the Strategic Planning, Digital Transformation and Information Technology Committee and approved by the Board of Directors. The current incentive system does not provide for long-term incentive programmes for the Director General and their deputies.

<sup>1</sup> Regulations on the KPIs for Awarding Bonuses to the Executives of JSC FPC, approved by the Board of Directors (Minutes No. 9 dated 26 December 2024). The Regulations were developed in pursuance of the Russian Federation Government Order No. 3579-r dated 28 December 2020 "Methodological Recommendations on the Formation and Application of Key Performance Indicators of Joint Stock Companies, the shares of which are owned by the Russian Federation, and certain non-profit organisations for the purpose of determining the amount of remuneration for their management personnel" and the Model Regulations on the System of Key Performance Indicators for the Bonus Payments to Managers of the Parent Company's Controlled Entity, approved by Order of OJSC Russian Railways No. 2659/r dated 29 October 2024 "On approving standard provisions governing the incentive system for managers of companies controlled by OJSC Russian Railways".

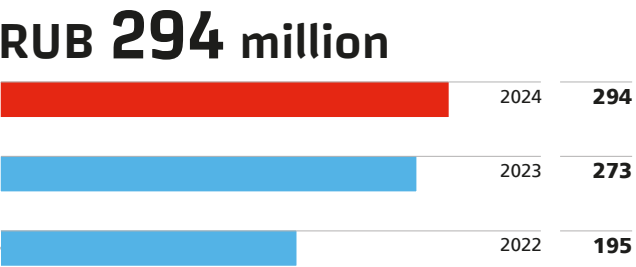
<sup>2</sup> Regulations on the Executive Remuneration System of JSC FPC approved by the Board of Directors (Minutes No. 9 dated 26 December 2024). The Regulations were developed in pursuance of Resolution of the Government of the Russian Federation No. 209 dated 13 February 2023 "On the terms of remuneration of managers, their deputies, chief accountants and members of collegial executive bodies of state corporations, state-owned companies, business entities, shares in the charter capital of which are owned by the Russian Federation" and the model regulation on the system of remuneration of executives of the major shareholder's controlled company, approved by Order of OJSC Russian Railways No. 2659/r dated 29 October 2024 "On approving standard provisions governing the incentive system for managers of companies controlled by OJSC Russian Railways".

The decision on whether to award bonuses to management based on the results for the reporting year is made by the Board of Directors based on the KPI achievement report, the conclusion of JSC FPC's Internal Audit Department and recommendations of the Human Resources, Remuneration and Corporate Governance Committee.

Remuneration of JSC FPC's General Director and key executives of the Company



Total remuneration of the General Director of JSC FPC and key executives of the Company, RUB million



# Controls and Audit

To provide shareholders with reliable and transparent information on the Company's activities, the Board of Directors annually approves an auditing organisation and elects the Auditing Commission for a period of three years. The Company has an internal audit unit to monitor the effectiveness of the RM&ICS.

## External audit

The Board of Directors annually appoints an audit organisation to audit the financial statements prepared under IFRS and RAS.

The audit organisation is selected against the results of an annual competitive procedure – an E-tender in accordance with the Procedure for determining JSC FPC's audit organisation, which is preliminarily reviewed by the Audit and Risk Committee and approved by JSC FPC's order.

The initial (maximum) price of the contract for the audit of accounting (financial) statements is determined by the Board of Directors based on the recommendations of the Audit and Risk Committee. Following the results of competitive procedures, the Audit and Risk Committee makes a recommendation regarding the appointment of the audit organisation by the Board of Directors.

The Audit and Risk Committee of the Board of Directors shall arrange for assessment of independence, objectivity and absence of conflict of interest of the Company's external auditors, supervision of the external audit and assessment of the quality of the audit and auditor's report.

The non-audit services rendered by the audit organisation are subject to JSC FPC's Policy on the Provision of Non-Audit Services<sup>1</sup>.

The Policy allows for the provision of certain audit and non-audit services that will not impair the audit organisation's objectivity or independence.

The provision of non-audit services is monitored by the Audit and Risk Committee. The Policy defines a list of non-audit services that are subject to mandatory approval by the Committee and services that are prohibited to be provided by the auditor and cannot be approved by the Committee.

As part of the reporting review, the audit organisation regularly submits information to the Audit and Risk Committee of the Board of Directors on the presence or absence of facts of unfair practices and conflicts of interest.

For the audit of the Company's RAS and IFRS financial statements for 2024, the Board of Directors appointed the auditing organisation which won the E-tender. No non-audit services were rendered in the reporting year.

The remuneration of the audit organisation for auditing the financial statements for the year ending 2024 amounted to RUB 24 million, including VAT.

<sup>1</sup> Approved by the Board of Directors (Minutes of the Board of Directors of JSC FPC No. 10 dated 7 December 2018).



Description of service	Cost, including VAT (RUB million)
Review of the Company's IFRS interim condensed consolidated financial statements for the first half of 2024	7.2
Review of the Company's IFRS summarised interim condensed consolidated financial statements for the first half of 2024	0.9
Audit of the Company's RAS financial statements for 2024	7.8
Audit of the Company's IFRS consolidated financial statements for 2024	7.2
Audit of the Company's IFRS summarised consolidated financial statements for 2024	0.9
Non-audit services	–
Total	24

Auditing Commission

The Auditing Commission is a permanent elected body of control over financial and economic activities of the Company.

As stipulated by the Company's Articles of Association, the Auditing Commission is to be elected by the Board of Directors for a term of three years. Its quantitative composition is determined by the decision of the Board of Directors and may include three persons minimum. The Auditing Commission is independent of the Company's officers and management bodies. The General Director and members of the Board of Directors may not be elected to the Auditing Commission.

The Auditing Commission shall be guided by the legislation of the Russian Federation, the Company's Articles of Association, the Regulations on the Auditing Commission<sup>1</sup> and other internal documents, as well as decisions of the General Meeting of Shareholders.

The results of audits, proposals to eliminate causes and conditions contributing to violations of financial and economic activities, as well as proposals to improve the internal control system and increase the efficiency of the Company's operations are communicated to the General Meeting of Shareholders, the Board of Directors and the executive bodies.

During 2024, the Auditing Commission conducted:

- Audit of the financial and economic activities of JSC FPC and its branches for 2023
- Confirmation of the reliability of the data contained in the Company's Annual Report

Incentives for the members of the Auditing Commission are established by the Regulations on Remuneration and Compensation for the Members of JSC FPC's Auditing Commission and imply the payment of remuneration for participation in every audit of the financial and business activities of the Company as well as additional remuneration.

In 2024, the aggregate remuneration of the Auditing Commission totalled RUB 1,558,600.

In the course of the audit, the Auditing Commission of JSC FPC identified violations, totalling RUB 912.8 million. To rectify the violations discovered, an appropriate plan was developed<sup>2</sup>, which includes 130 measures, responsible persons were identified and deadlines for corrective actions were set.

Interim progress monitoring showed that the planned measures were fulfilled, violations were rectified by 99.1%. The violation, amounting to RUB 8.4 million (0.9%), are currently being rectified.

Internal audit

To assess the reliability and efficiency of risk management and internal control, JSC FPC put an internal audit division in place.

The main purpose of internal audit is to assist the Board of Directors and executive management bodies in improving the efficiency of the Company's management, improving its financial and business operations through a systematic and consistent approach to the analysis and assessment of the RM&ICS and corporate governance practices as tools for providing reasonable assurance of achieving the Company's goals.

The independence of internal audit at JSC FPC is ensured by delineating the administrative and functional accountability of the Internal Audit Department. The Board of Directors of the Company approves internal documents, which define the policy in the field of organisation and implementation of internal audit. The Head of the Internal Audit Function shall be appointed and dismissed by the General Director based on the resolution of the Board of Directors. The action plan and budget of the internal audit function, as well as the terms of the employment agreement with its head, including the amount of remuneration, are approved by the Board of Directors. The Board of Directors also reviews the progress report on the internal audit action plan.

In 2024, the Board of Directors approved the updated Regulations on the KPI System for the Head and Employees of the Internal Audit Department<sup>1</sup>, which stipulate that a report on the fulfilment of the functional KPIs by the Head of the Internal Audit Department for the reporting year shall be submitted to the Company's Board of Directors for consideration in order to determine the variable part of their remuneration.

**Internal audit at JSC FPC is delegated to the Internal Audit Department, which operates in accordance with the requirements of the regulatory legal acts of the Russian Federation, the by-laws of the parent company and JSC FPC and other documents. The organisation of internal audit at JSC FPC complies with the recommendations of the Federal Agency for State Property Management. It is regulated by the following documents:**

- Regulations on Internal Audit<sup>2</sup>
- Regulations on the Internal Audit Function<sup>3</sup>

- Intra-corporate standards of audit activities of Russian Railways Holding<sup>4</sup>
- Code of Ethics for Internal Auditors<sup>5</sup>
- Quality Assurance and Improvement Programme for Internal Audit<sup>6</sup>

In 2024, the Internal Audit Department conducted internal audits of individual business processes, rated corporate governance, reliability and efficiency of the risk management and internal control processes. The Department also regularly monitored the rectification of violations and deficiencies in the Company's operations discovered during internal audits.

Each year, the internal audit specialists attend conferences, seminars, and other events to advance their knowledge in order to maintain the high quality of internal audits. The bulk of employees have the internal audit certification.

Assessment of the effectiveness of the internal control and audit system

The Company has a regulated procedure for periodic assessment of the quality of internal audit. Its approaches are defined in the relevant programme and other internal regulatory documents.

The quality of internal audit is assessed once a year based on the results of the Internal Audit Department's activity plan and covers all aspects of the internal auditing. Based on the results of the quality assessment, an action plan for further improvement of internal audit is formed.

The assessment involves the questionnaire survey of the members of the Audit and Risk Committee of the Board of Directors, management, as well as completion of a scorecard by employees of the Internal Audit Department (self-assessment).

The Audit and Risk Committee reviews the results of the internal audit quality assessment on an annual basis.

<sup>1</sup> Approved by the resolution of the Annual General Meeting of Shareholders of JSC FPC, Minutes No. 58 dated 3 July 2024.  
<sup>2</sup> The action plan for the elimination of violations identified by the Auditing Commission of JSC FPC for 2023 approved by Order No. 220 dated 8 May 2024.

<sup>1</sup> Minutes No. 7 dated 9 December 2024.  
<sup>2</sup> Approved by the resolution of the Board of Directors of JSC FPC, Minutes No. 12 dated 30 December 2022.  
<sup>3</sup> Reviewed by the Audit and Risk Committee of the Board of Directors, Minutes No. 1 dated 11 September 2024, approved by JSC FPC's Order No. 1025/r dated 30 September 2024.  
<sup>4</sup> Approved by the parent company's Order No. 2327r dated 16 November 2016 and put in practice by the Board of Directors of JSC FPC, Minutes No. 13 dated 28 December 2016.  
<sup>5</sup> Approved by the resolution of the Board of Directors of JSC FPC, Minutes No. 23 dated 11 June 2020.  
<sup>6</sup> Approved by the resolution of the Board of Directors of JSC FPC, Minutes No. 15 dated 5 February 2021.

# Settlement of Conflicts of Interest

The Company has a commission for conflict of interest settlement chaired by the Deputy General Director for Security. The Corporate Security Centre is in charge of reviewing conflict of interest declarations.

In 2024, 32 situations showing signs of conflict of interest were reviewed, which involved the verification of 35 conflict of interest declarations submitted by the persons involved. Conflict of interest was established in 23 cases. The incidents were related to the participation

of the employee or related persons in the activities of commercial entities engaged with JSC FPC, as well as the subordination or controllability of relatives. Executives were subject to 19 verifications (59%). All discovered conflicts of interest were resolved through employee disclaimer of personal interest, restriction of decision-making and control functions, transfer of an employee to another position within the Company, refusal to approve a candidate for a position involving a conflict of interest.



# Anti-Corruption

The Company runs open and honest business, follows the best practices of corporate governance and maintaining business reputation. Anti-corruption issues in the Company are regulated by JSC FPC's Anti-Corruption Policy<sup>1</sup>, as well as JSC FPC's Code of Ethics<sup>2</sup>.

The Deputy General Director for Security was appointed commissioner for the prevention of corruption offences. The business unit responsible for the prevention of corruption offences is the Corporate Security Centre, a structural unit of JSC FPC, which has a corporate communications control and anti-corruption division.

**To collect and process information on possible instances of corruption, the Company uses several communication channels, including the following:**

- JSC FPC's anti-corruption hotline (Email: hotline\_bz@fpc.ru)
- Tel. 8 (495) 988-10-00, ext. 3-11-11#
- virtual reception centre of the General Director of JSC FPC (for corruption-related reports and messages)
- Mailing address: 34 Masha Poryvaeva St., Moscow, 107078, JSC FPC's Corporate Security Centre

Corruption risk management is an integral part of the Company's RM&ICS. It is based on the Methodological Recommendations for Corruption Risk Management at JSC FPC. The Company periodically assesses corruption risks and implements multi-stage internal control procedures. The findings of the corruption risk assessment were used to create a list of JSC FPC's positions prone to corruption risks. The share of employees occupying positions with a high corruption risk is 0.9% of the actual headcount of the Company.

To assess the effectiveness of the RM&ICS in preventing and combating corruption, the Company conducts an annual internal audit, on a quarterly basis informs the Audit and Risk Committee of the Board of Directors of the progress in preventing and combating corruption and of other unfair practices, as well as of the outcomes of JSC FPC's anti-corruption hotline.

In 2024, the Company carried out anti-corruption measures in accordance with JSC FPC's anti-corruption plan for 2021–2024.

**For example, in 2024, the Corporate Security Centre checked 48 divisions of JSC FPC to ensure they comply with the requirements of anti-corruption regulations. In addition, in the reporting year, the Company received reports on possible corrupt practices through various information channels, namely:**

- Five reports to the anti-corruption hotlines of JS FPC and OJSC Russian Railways
- 18 reports received via other communication channels, including virtual reception centres of the General Directors of JSC FPC and OJSC Russian Railways
- 24 notifications of the employer regarding the facts of inducement of an FPC employee to commit a corruption offence, as well as corrupt behaviour
- Eight violations identified during audits of financial and business operations conducted by the Corporate Security Centre of JSC FPC in cooperation with control and supervisory divisions of the Company, the parent company, and law enforcement agencies

<sup>1</sup> Approved by the resolution of the Board of Directors of JSC FPC, Minutes No. 2 dated 1 August 2019.  
<sup>2</sup> Approved by the resolution of the Board of Directors of JSC FPC, Minutes No. 9 dated 22 December 2023.



One of the main principles of the Company's anti-corruption activities is continuous awareness promotion and training of employees in the field of anti-corruption.

As required by JSC FPC's Anti-Corruption Policy, the Company annually familiarises all employees with internal regulatory documents in the area of anti-corruption at the organisational (top) level (JSC FPC's Anti-Corruption Policy and Code of Ethics<sup>1</sup>) and key regulatory documents at the operational level.

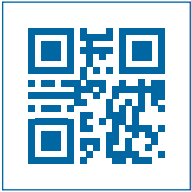
In 2024, 25,671 candidates familiarised themselves with the Anti-Corruption Policy and the Code of Ethics during the recruitment process. A corresponding entry was made in the employment agreement of these employees.

MED 42

More than 32,000 Company employees took an e-course to study the practical guide to the Code of Ethics "Fundamentals of JSC FPC's Business Ethics and Methodological Materials on Business Etiquette", Section 4 (Reliability, Safety and Quality) of which contains materials on anti-corruption policy issues (0.6 hours per employee).

In the reporting year, employees of the Corporate Security Centre conducted 237 interviews with the Company's employees on the prevention of corruption offences.

All of the Company's units and divisions set up thematic anti-corruption stands with reference information on the most compelling issues, information on those responsible for organising anti-corruption work in the division, and communication channels for reporting to JSC FPC's anti-corruption hotline.



An Anti-Corruption section was set up on the [official website](#) of JSC FPC

JSC FPC is a member of the Anti-Corruption Charter of Russian Business. In 2024, the Company took part in the annual Anti-Corruption Rating of Russian Business conducted by the Russian Union of Industrialists and Entrepreneurs. Based on its results, JSC FPC was awarded the highest grade of AAA+ as an organisation with the highest anti-corruption level.

MED 43

In 2024, JSC FPC and its controlled companies were not held administratively liable for offences under Article 19.28 of the Code of Administrative Offences of the Russian Federation<sup>2</sup>.

<sup>1</sup> Approved by the resolution of the Board of Directors of JSC FPC, Minutes No. 9 dated 22 December 2023.  
<sup>2</sup> Improper inducement on behalf of a legal entity.

# Risk Management

Amid constantly changing trends and an unstable external environment, every company needs a well-designed risk management policy. Insufficient information and incorrect calculations can quickly lead to huge losses or even bankruptcy, but competent analysis of large amounts of data, unbiased conclusions and competent management decisions based on them can not only reduce negative trends in the external environment, but also take the company to a new level.

Therefore, identifying risks and making decisions in conditions of uncertainty are important elements of the management process at JSC FPC, the effectiveness of which depends entirely on the means and methods used to identify and assess risks. The conscious use of risk management tools has enabled FPC to withstand external fluctuations, maintain stability, ensure reasonable confidence in the achievement of its goals

and, despite all the limitations, challenges and sanctions, confirm in practice its ability to reliably, efficiently and safely ensure transport accessibility for the population of the Russian Federation.

## Risk management system

Risk management at JSC FPC is a continuous and systematic process embedded throughout the organisation levels, integrated with business processes and aimed at mitigating the exposure to risks and boosting confidence that the objectives and goals of the Company will be achieved.

All units and divisions of the Company are involved in the risk management process within their terms of reference.

Overall coordination and methodological support of the risk management process, preparation and submission of reports to JSC FPCs management, and organisation of risk management training for the Company's employees are provided by the Risk Management Department within the Strategic Development and Risk Management Department.

The following documents serve as the foundation for risk management at JSC FPC:

- JSC FPC's risk management and internal control policies
- Methodological recommendations for determining the acceptable risk profile (risk appetite)
- Methodological recommendations on risk management and internal control
- Regulations on interaction in the risk management and reporting process

In 2024, JSC FPC aligned the corporate-wide risk management with the above-listed documents. Lower-level operational risks were handled with fewer steps and a more straightforward approach.

The Internal Audit Department is responsible for assessing the RM&ICS reliability and effectiveness.

## Principles of risk management

**In accordance with JSC FPC's Risk Management and Internal Control Policy (hereinafter referred to as the Policy), the main objective of the RM&ICS is to provide reasonable assurance the following will be achieved:**

- Strategic objectives
- Operational objectives
- Objectives in the area of compliance with the requirements of regulatory legal acts of the Russian Federation and (or) international legal acts and the Company's by-laws (compliance)
- Objectives in ensuring the reliability, timeliness and quality of all types of reporting

The Policy also stipulates that the organisation and functioning of the RM&ICS at JSC FPC shall be aligned with the following principles:

### 1. Integratedness and comprehensiveness

Internal control is an integral part of the risk management system, and the risk management and internal control system is part of corporate governance. At the same time, risk management is embedded in strategic and operational activities, process and project management and is an intrinsic part of the entire

Company's activities (in part, through risk consideration in planning, organisation of activities, decision-making, development and adoption of regulatory documents). In its risk management process, JSC FPC takes into account the best available information, the balance of opportunities and risks, risk management costs, expected benefits, and maintains stakeholder awareness and knowledge.

### 2. Structuredness

Risk management takes into account unified regulatory and methodological approaches to obtain an insight into the risk universe and risk portfolio to ensure comparability of information, including risk assessment and understanding of their impact on certain parameters (indicators).

### 3. Adaptability and dynamicity

Risk management shall factor in the Company's internal and external environment (including corporate culture and structure), current objectives, accumulated experience and respond flexibly to them, including in the process of continuous improvement of the RM&ICS.



## Main tasks of the risk management and internal control system

**The main tasks of the RM&ICS include:**

- To create infrastructure and regulatory and methodological framework for the implementation of the risk management process, including within the scope of strategic and operational activities, process and project management
- To integrate risk management and internal control procedures into the Company's strategic and operational activities
- To improve the sustainability and efficiency of the Company, projects, and business processes through risk management, including risk-based goal setting and decision-making

The Board of Directors and the General Director are JSC FPC's risk management decision-making centres, for whom the Audit and Risk Committee of the Board of Directors and the Risk Management Committee develop recommendations in the area of risk management.

## Improvement of the risk management and internal control system in 2024

In 2024, in accordance with the Risk Management and Internal Control Policy of OJSC Russian Railways, the Risk Management and Internal Control Policy of JSC FPC was updated and approved. Adopting this document will help the Company, as well as its fundamental systems and processes, become more flexible while also supporting the accomplishment of JSC FPC's goals.

**During 2024, the Programme for the Development of the Risk Management and Internal Control System at JSC FPC for 2024 was carried into effect, aiming to develop and improve the effectiveness of the RM&ICS. The programme's scope:**

- Approaches to identifying, analysing and assessing the Company's risks were upgraded
- Advanced training of risk owners was provided through one of the country's leading educational institutions
- Continued automation of the risk management process, including the development and implementation of an automated information panel for monitoring risk indicators

The Internal Audit Department assessed the reliability and effectiveness of the risk management and internal control process for 2023. The results of the assessment showed an improvement in the performance of

the RM&ICS in 2023 compared to previous periods, while some weaknesses remained, limiting the rise in the RM&ICS efficiency and its development in line with the best practices. In this regard, a number of recommendations for development areas were prepared in 2024 and included in the Risk Management and Internal Control System Development Programmes of JSC FPC for 2024 and 2025.

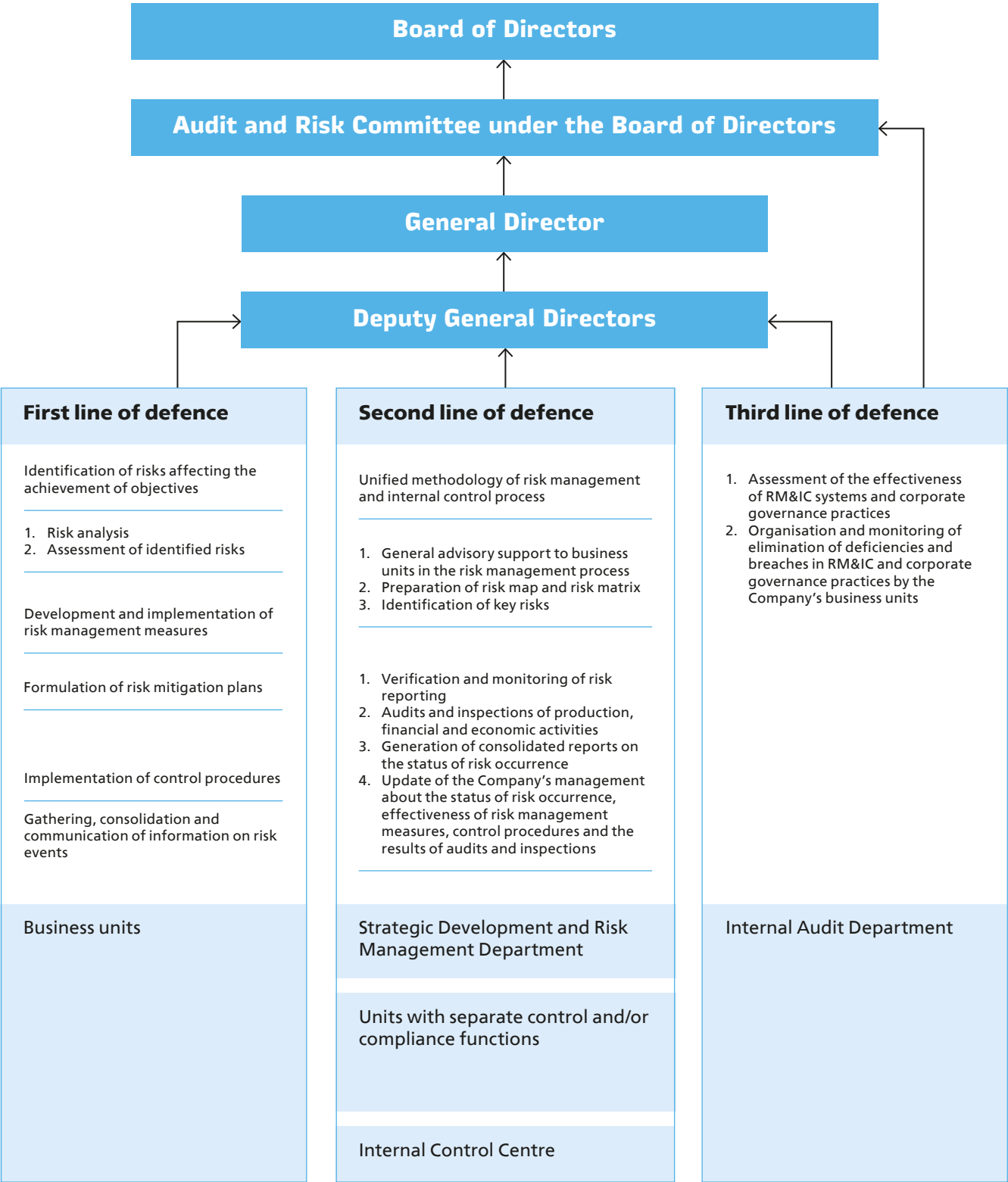
**In 2025, JSC FPC plans to implement the following concepts and measures (projects) in order to improve the RM&ICS:**

- To develop the RM&ICS in line with the delivery of the project to improve and develop the integrated risk management model of OJSC Russian Railways
- To upgrade the skills and expertise of the staff involved at various levels
- To continue the automation of the risk management process
- To further improve approaches to identifying, analysing and assessing the Company's risks



Three lines of defence model

In the normal course of business, JSC FPC uses a three lines of defence model approach, which is based on the allocation of roles and responsibilities. Each of three lines increases the likelihood of JSC FPC successfully achieving its objectives.



Risk treatment methods applied

- The following risk treatment methods are used at JSC FPC:
- **Risk avoidance** – refraining from an activity or project associated with a particular (inherent) risk where other treatment strategies (risk mitigation, risk sharing, risk acceptance) are not economically viable or feasible. This strategy is applicable for managing certain specific risks and (or) new lines of business, projects
  - **Risk mitigation** – risk treatment involving activities to reduce the likelihood of a risk event and/or the potential impact of its occurrence to an acceptable level. Risk mitigation activities may include both the deployment and execution of control procedures and the implementation of other measures (e.g., creating provisions to cover losses caused by a risk event)
  - **Risk acceptance** – a risk treatment method utilising no active risk treatment. It is used when the a is at an acceptable level or when avoiding, minimising and transferring risk is not cost-effective or possible (e.g., political or macroeconomic risks)
  - **Risk transference** – transfer of a risk where the Company's risk mitigation is ineffective, while the level of risk is outside the risk tolerance scope (the risk is unacceptable), but the risk treatment process can use third-party services. Risk transference is mainly aimed at mitigating the impact of consequences rather than reducing the likelihood of risk realisation.



Organisational structure of JSC FPC's risk management

The organisational risk management structure is aligned with JSC FPC’s Risk Management and Internal Control Policy.

Board of Directors	<ul style="list-style-type: none"><li>• Defines general principles and approaches to the organisation of the RM&amp;ICS</li><li>• Approves and revises the Risk Management and Internal Control Policy</li><li>• Examines the organisation, functioning and efficiency of the RM&amp;ICS</li><li>• Approves the risk tolerance (risk appetite), including an approach to its determination</li></ul>
Audit and Risk Committee under the Board of Directors	<ul style="list-style-type: none"><li>• Controls the reliability and efficiency of the RM&amp;ICS, including assessment of the effectiveness of risk management and internal control procedures and preparation of proposals for its improvement</li><li>• Reviews and assesses the implementation of the risk management and internal control Policy</li></ul>
Auditing Commission	<ul style="list-style-type: none"><li>• Reviews and analyses the functioning of the internal control system and the financial and operational risk management system</li><li>• Informs the shareholder, the Board of Directors and the General Director of the Company about proposals for improving the system and internal control</li><li>• Prepares information on the main identified risks with an analysis of the reasons for their occurrence and recommendations on how to mitigate these risks</li></ul>
General Director	<ul style="list-style-type: none"><li>• Ensures fulfilment of the Board of Directors' decisions in respect of the RM&amp;ICS</li><li>• Approves regulatory documents in the field of risk management and internal control</li><li>• Ensures the establishment, maintenance and development of the RM&amp;ICS</li></ul>
Deputy General Directors	<ul style="list-style-type: none"><li>• Organise, within the their purview, work on the improvement and functioning of the RM&amp;ICS</li><li>• May act as a risk owner</li></ul>
Deputy General Director, who coordinates and supervises the activities of the business unit for coordinating risk management and building an internal control system	<ul style="list-style-type: none"><li>• Coordinates the work on improvement and development of the RM&amp;ICS</li></ul>
Business unit in charge of coordination of risk management and internal control system	<ul style="list-style-type: none"><li>• Provides overall coordination and methodological support to the risk management process</li><li>• Develops and updates the general corporate regulatory and methodological framework of the RM&amp;ICS</li><li>• Provides methodological support within the RM&amp;ICS, monitors the application of unified methodological approaches in the field of risk management and internal control in the Company</li><li>• Organises the automation of processes for generating corporate-wide risk reports</li><li>• Co-ordinates the procedure of self-assessment (analysis) of the RM&amp;ICS</li><li>• Prepares summarised information on the Company's risk tolerance (risk appetite)</li><li>• Consolidates information provided by subdivisions and prepares consolidated reporting on the Company's risks, including for submission to management bodies, and analyses the risk portfolio</li><li>• Checks and controls the preparation of the Company's risk reports for compliance with regulatory documents in the field of risk management and internal control</li><li>• If necessary, provides proposals for adjustments, develops and updates the RM&amp;ICS development programme, organises training in the field of RM&amp;ICS</li></ul>
Units in charge of coordination of individual risk management	<ul style="list-style-type: none"><li>• Develop and update the regulatory documents on management of certain types of risks</li><li>• Provide methodological support to the Company's employees as to managing certain types of risks</li><li>• Coordinate the procedure of assessment (self-assessment) analysis of management efficiency for certain types of risks</li><li>• Analyse and report on the management of certain types of risks (including measures to influence them)</li><li>• Organise (coordinate) training in the management of certain types of risks</li></ul>

Business unit of internal audit	<ul style="list-style-type: none"><li>• Conducts systematic and successional assessment of reliability and effectiveness of the RM&amp;ICS</li><li>• Provides independent and objective information to the Board of Directors and executive bodies of the Company on the reliability and efficiency of the RM&amp;ICS</li><li>• Develops proposals and recommendations to improve reliability and effectiveness of the RM&amp;ICS</li><li>• Monitors and controls that the Company's units undertake the measures to eliminate violations and deficiencies identified in the course of internal audit to improve the RM&amp;ICS</li><li>• Provides information to the risk management and internal control unit on risks identified as a result of audits and measures to improve the RM&amp;ICS</li></ul>
Business unit in charge of organising and carrying out subsequent internal control	<ul style="list-style-type: none"><li>• Organises and conducts follow-up internal control aimed at achieving economic stability and financial transparency of the Company and its S&amp;As</li><li>• Informs the Company's management about the state of financial and economic activities, violations, deficiencies and risks identified in the course of control measures</li><li>• Controls over timely elimination of identified violations and deficiencies in financial and economic activities, fulfilment of instructions and decisions taken following the control measures taken</li></ul>
Other units carrying out verification activities	<ul style="list-style-type: none"><li>• Carry out verification activities (including inspections, audits, reviews) and monitoring of the elimination of identified violations (deficiencies), including in terms of the effectiveness of risk management and internal control for certain types of risks, areas (areas) of activity</li></ul>
Risk owners	<ul style="list-style-type: none"><li>• Organise and ensure effective functioning of the RM&amp;ICS (within the scope of their authority and responsibility)</li></ul>
Employees of the Company	<ul style="list-style-type: none"><li>• Implement risk management and internal control procedures (within the scope of their responsibilities and authority), including the implementation of risk impact measures</li><li>• Inform the line manager about identified risks, cases of risk realisation, effectiveness of impact on the risk</li><li>• Provide the line manager with suggestions for improving the effectiveness of the RM&amp;ICS</li></ul>

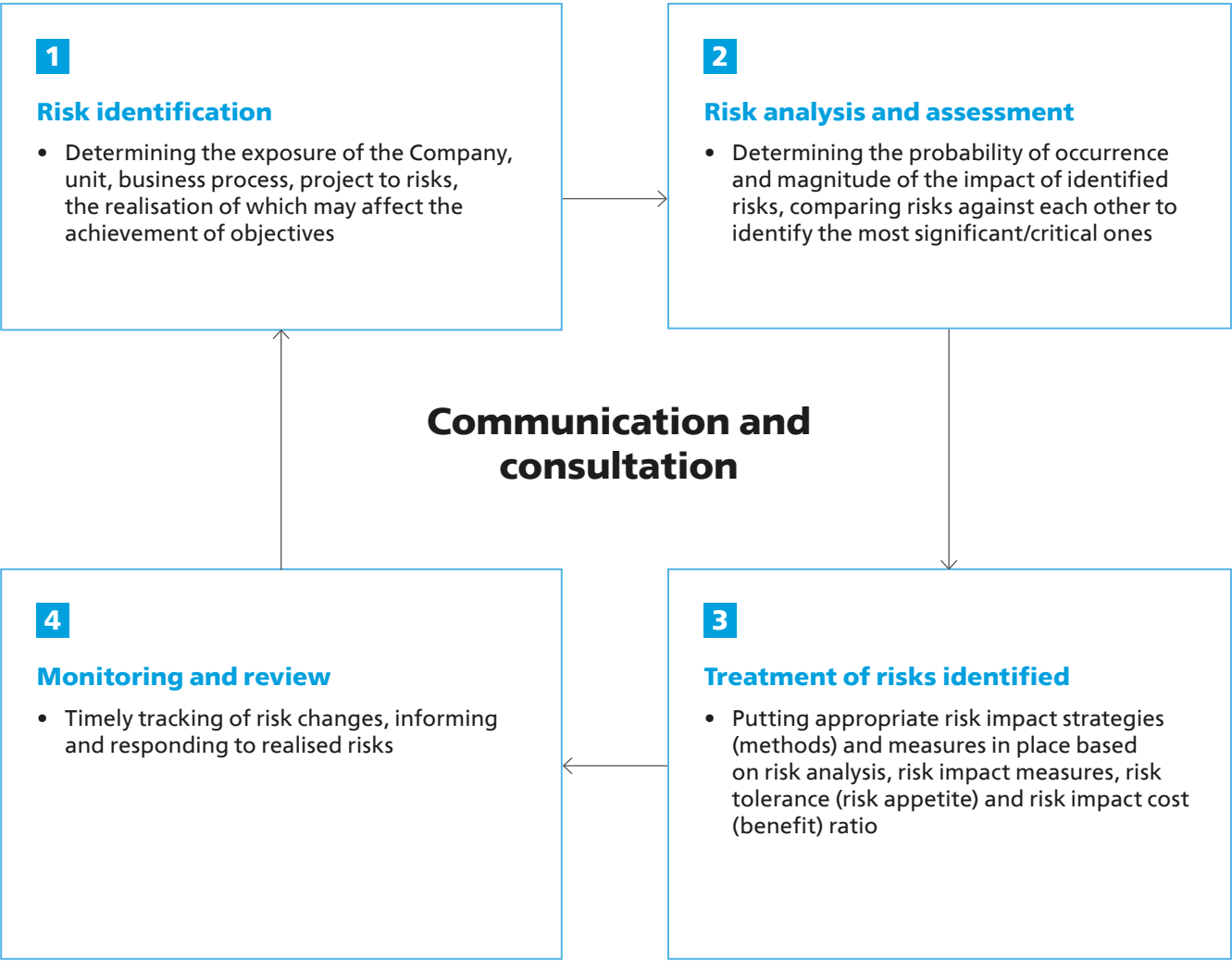


Risk management process stages

In line with the Policy, the risk management process at JSC FPC has the following stages:

- 1. Risk identification
- 2. Risk analysis and assessment
- 3. Treatment of risks identified
- 4. Monitoring and review
- 5. Communication of information and consultation

These processes yield risk information that may be submitted to executive bodies, the Audit and Risk Committee of the Board of Directors, the Board of Directors, and other interested parties. Such information is also provided in documents, plans, programmes and reports, which may include materials for the financial plan, key performance indicators, investment programme, innovation development programme, annual reports, long-term development programme and reports on its implementation, as well as other strategic documents of the Company.



Key risks

In 2024, JSC FPC's Risk Management Committee formed and approved a compliance risk register. A correlation analysis was conducted using the branch data array to identify risk factors affecting passenger satisfaction with the quality of travel, and the architecture for interaction between the Company's management and its branches in the area of the RM&ICS was determined.

**JSC FPC's register of key risks was updated in terms of both quantitative and qualitative composition:**

- Number of risks in the register did not change and amounted to 23 risks
- Number of key risks decreased from 12 to 7 risks
- Number of risk owners remained at the same level and amounted to 15 risk owners

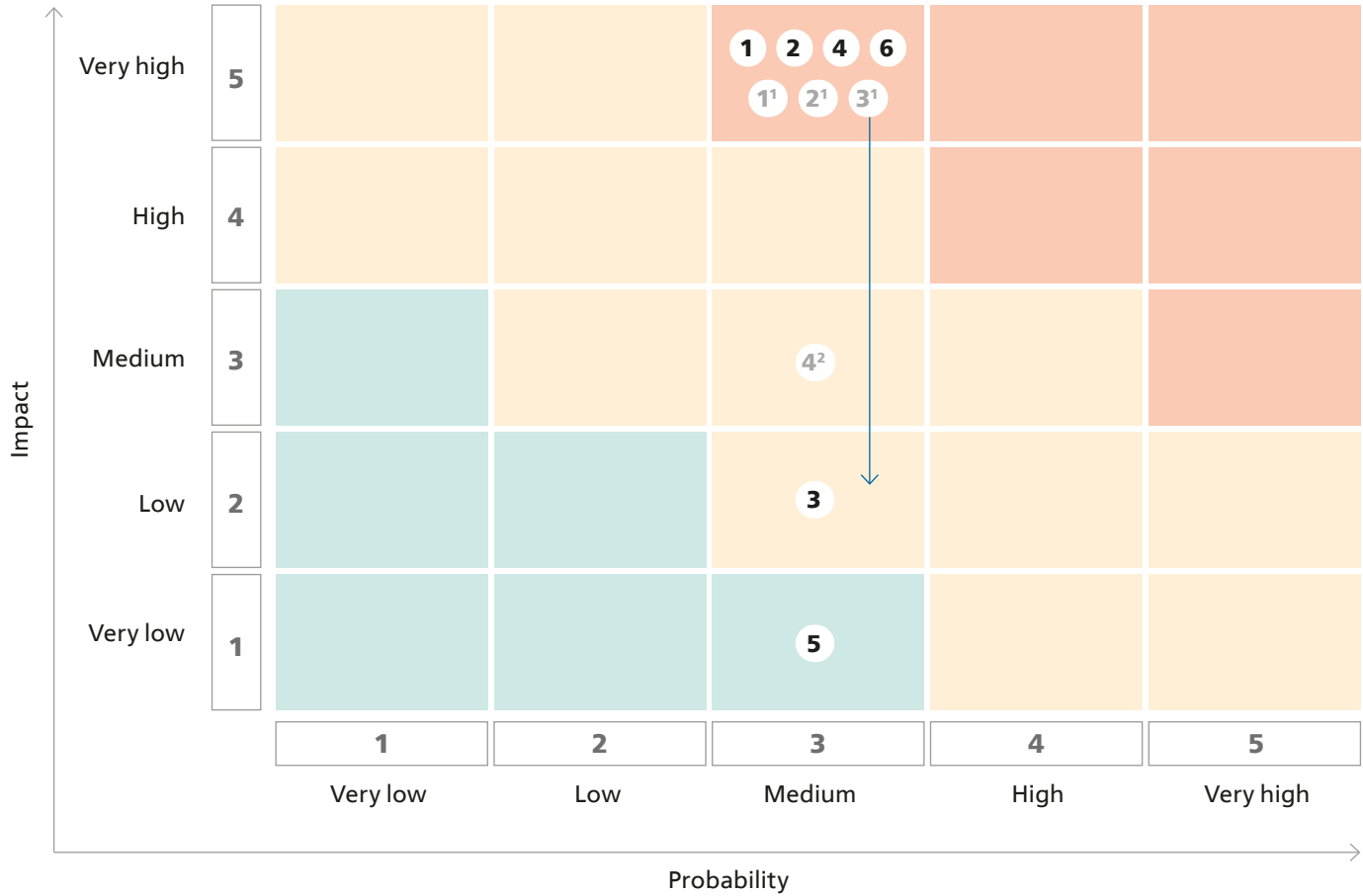
Register of key risks of JSC FPC

Business process	Risk factors	Risk treatment measures
Financial and economic management	<ol style="list-style-type: none"><li>Infrastructural component</li><li>Locomotive component</li><li>Carriage component</li></ol>	<ol style="list-style-type: none"><li>Cost saving due to increased utilisation of rolling stock capacity</li><li>Involvement of ARPO RSS's students<sup>1</sup> for summer and winter service</li><li>Analysis of predicative risk indicators and prompt response to their changes</li></ol>
Marketing	<ol style="list-style-type: none"><li>Lowed appeal of domestic tourism</li><li>Competition with alternative modes of transport</li><li>Shortage of rolling stock</li><li>Emergencies, natural disasters</li><li>Macroeconomic situation</li><li>Capacity deficit not related to rolling stock deficit</li><li>Changes in the amount of JSC FPC's traffic, preparation of the schedule</li><li>Tariff policy</li><li>Cancellation of the airport closure regime, as well as resolution of associated problems related to aircraft operations</li><li>Quality of passenger service on trains</li><li>Availability of staff to provide transport services</li><li>Changes in passenger traffic due to restrictive measures taken during epidemics and pandemics</li></ol>	<ol style="list-style-type: none"><li>Analysis of JSC FPC's passenger train performance indicators and subsequent management decision-making based on the findings</li><li>Implementation of marketing initiatives and tariff management</li><li>Preparation of proposals for the development of passenger train schedules</li><li>Preparation of proposals and approval of make-up schemes for domestic passenger trains</li><li>Development of proposals for optimising indicators based on the analysis of information on passenger traffic slack seasons</li><li>Continued work on the introduction of non-refundable railway tickets</li></ol>
Quality management	<ol style="list-style-type: none"><li>Degradation of CSI<sup>2</sup> by parameters</li><li>Unsound nature of calculations</li><li>Inaccurate information on the level of satisfaction of passengers</li></ol>	<ol style="list-style-type: none"><li>Actions taken to raise the standard of service</li><li>Encouraging passengers to participate in a questionnaire survey to assess the quality of services provided on long-distance trains of JSC FPC</li><li>Monthly monitoring of CSI level by constituent parameters</li><li>More consistent response records in the database</li></ol>
IT control	<ol style="list-style-type: none"><li>Failure of hardware and (or) software parts of automated systems, computing and peripheral equipment, communication and telecommunication devices</li><li>Failure to provide services and goods by third-party organisations</li><li>Expiry of foreign software licences</li><li>Inability to purchase or upgrade equipment</li></ol>	<ol style="list-style-type: none"><li>Timely replacement of equipment with expired service life</li><li>Redundancy of critical infrastructure nodes</li><li>Development of regulations:<ul style="list-style-type: none"><li>Printing of paper boarding lists for the recovering time of information systems (IS)</li><li>Utilisation of alternative ISs and coordination with regional office staff</li><li>Development of procedures for restoring IS operability to reduce downtime</li></ul></li><li>Replacement of foreign software with domestic analogues:<ul style="list-style-type: none"><li>Search for or development of alternative software</li><li>Analyses whether licences are in place or have expired</li></ul></li></ol>

<sup>1</sup> Youth All-Russian Public Organisation "Russian Student Squads".  
<sup>2</sup> Customer Satisfaction Index.

Business process	Risk factors	Risk treatment measures
Management of investment activities	<div>1. Violation of the planned contract term by suppliers (contractors) for the project facilities</div> <div>2. Failure of suppliers (contractors) to fulfil contractual obligations</div> <div>3. According to the results of the tender, the formed price was higher than the expected price (included in the project), the contract was not concluded</div> <div>4. Increase in the price of the contract</div> <div>5. Lack of competitors in railway engineering, passenger carriage building</div>	<div>1. Negotiating with counterparties for timely delivery of rolling stock, agreeing on a schedule for replenishing the backlog (in case of late deliveries)</div> <div>2. Formation of action plans to compensate for the backlog</div> <div>3. Claims management with counterparties</div> <div>4. Setting of realistic deadlines in contracts, examination of the issue of concluding framework contracts</div> <div>5. Automation of the procurement process</div> <div>6. Negotiations with potential contractors to reduce the contract price, announcement of a repeated tender with a higher price</div> <div>Oversight procedures:</div> <div>• Monitoring of delivered carriages in the planned period</div> <div>• Analyses of JSC FPC's existing carriage fleet to ascertain whether there is enough operational fleet to carry passengers during peak periods</div>
	<div>1. Non-fulfilment of contractual obligations by contractors</div> <div>2. Decrease in the quality of scheduled repairs and maintenance of passenger carriages in depot conditions</div> <div>3. Occurrence of transport accidents and other events due to the fault of the train crew</div> <div>4. Collision, derailment of railway rolling stock during shunting, handling or other movements through the fault of JSC FPC's employees</div>	<div>1. Development of JSC FPC's programme of measures to reduce the frequency of traffic incidents and accidents and the severity of their consequences, and to achieve the set targets for traffic safety for 2024</div> <div>2. Handling of claims</div> <div>3. Briefings for train crews on how to fulfil the requirements of regulatory and technical documentation, including how to act in emergencies while trains are en route</div> <div>4. Timely familiarisation of employees of JSC FPC's branches and their structural subdivisions with changes in the procedure for maintenance and operation of trains on non-public railway track, as well as on railway track operated by a functional branch or structural subdivision of OJSC Russian Railways</div> <div>5. Analyses of cases of traffic safety violations, development of corrective action plans for the traffic safety violations</div> <div>Oversight procedures:</div> <div>• Monitoring the fulfilment of target indicators for the reliability of technical facilities, reduction of process disturbances and train-hours lost due to them</div> <div>• Analyses of the reliability and quality of passenger carriages in JSC FPC's fleet</div> <div>• Control over the timing of scheduled repairs and maintenance, including through the use of the automated control system of passenger carriages<sup>1</sup></div>
Safety management	<div>Violations of the requirements of anti-corruption legislation and JSC FPC's anti-corruption regulations by managers and employees of JSC FPC at all levels of corporate governance</div>	<div>1. Measures of JSC FPC's anti-corruption Plan for 2021–2024</div> <div>2. Plans of measures to minimise corruption risks in JSC FPC's divisions</div> <div>Oversight procedures:</div> <div>• Monitoring and analyses of the implementation of measures set out in JSC FPC's anti-corruption plan for 2021–2024, as well as action Plans to minimise corruption risks in divisions</div> <div>• Activities of the Plan of checks of compliance with the requirements of regulatory documents related to prevention and combating corruption for 2024</div> <div>• Monitoring and analyses of corruption-related criminal cases</div>

Map of key risks of JSC FPC for 2024



Sr. No.	Name of business process
1	Financial and economic management
2	Marketing
3	Safety management
4	IT control
5	Management of investment activities
6	Quality management

<sup>1</sup> Automated system for recording the carriage mileage and planning the maintenance and repair.

<sup>1</sup> Key risk groups from the Company's key risk register for 2023.  
<sup>2</sup> Key risks from the Company's key risk register for 2023, grouped by the Compliance business process, not included in the Company's key risk register for 2024.



Relations of key risks and the Company’s strategy

JSC FPC's Development Strategy until 2030 defines the following list of strategic benchmarks:

- number of passengers dispatched
- Revenues
- EBITDA
- Net debt/EBITDA
- Carriage acquisition volume

In 2024, the following factors had the main impact on the achievement of key performance indicators of JSC FPC:

- Improvement of the macroeconomic situation expressed in the above-the-target growth of GDP and increase in the real disposable household income
- Changes in the structure of domestic traffic due to continued restrictions on flights in the south of Russia and reduction in the number of aircraft

The Strategy outlines a list of strategic projects that drive the achievement of the objectives set. The Company implements strategic initiatives while taking into consideration the macroeconomic conditions in the country and making the necessary adjustments to the pace, scale, and resources required.

Since key risks can have a significant negative impact on JSC FPC’s operations, the achievement of strategic goals, the Company pays due attention to risk management. The register of key risks is approved by the General Director based on the resolution of the Board of Directors (taken after the review of the register) and taking into account the opinion of the Audit and Risk Committee of the Board of Directors. The Board of Directors then supervises the treatment of key risks by JSC FPC’s business units.



Sustainable development risks

JSC FPC also identified sustainability risks, determined the possible consequences for the Company in the event of their realisation and developed measures to influence them.

Register of sustainable development risks

Sr.No.	Risk	Possible consequences	Risk treatment
1	Occurrence of transport accidents and other events related to violation of railway transport safety and operation rules	<div>1. Material damage</div> <div>2. Reputational damage</div> <div>3. Threat to the health and life of passengers</div>	<div>1. Development of JSC FPC’s programme to reduce the rate of traffic incidents and events, to mitigate their severity, and to achieve the set traffic safety targets of JSC FPC for 2024</div> <div>2. Handling of claims</div> <div>3. Briefings for train crews on how to fulfil the requirements of regulatory and technical documentation, including how to act in emergencies while trains are en route</div> <div>4. Timely familiarisation of employees of JSC FPC's branches and their structural subdivisions with changes in the procedure for maintenance and operation of trains on non-public railway track, as well as on railway track operated by a functional branch or structural subdivision of OJSC Russian Railways</div> <div>5. Analyses of cases of traffic safety violations, development of corrective action plans for the traffic safety violations</div> <div>Oversight procedures:</div> <div><div>• Monitoring the fulfilment of target indicators for the reliability of technical facilities, reduction of process disturbances and train-hours lost due to them</div><div>• Analyses of the reliability and quality of passenger carriages in JSC FPC’s fleet</div><div>• Control over the timing of scheduled repairs and maintenance, including through the use of the automated control system of passenger carriages</div></div>
2	Decrease in the number of passengers dispatched	<div>1. Decrease in the level of passenger satisfaction</div> <div>2. Decrease in revenues from passenger service</div> <div>3. Decrease in income from other activities</div>	<div>1. Analysis of JSC FPC's passenger train performance indicators and subsequent management decision-making based on the findings</div> <div>2. Implementation of marketing initiatives and tariff management</div> <div>3. Preparation of proposals for the development of passenger train schedules</div> <div>4. Preparation of proposals and approval of make-up schemes for domestic passenger trains</div> <div>5. Development of proposals for optimising indicators based on the analysis of information on passenger traffic slack seasons</div> <div>6. Continued work on the introduction of non-refundable railway tickets</div>
3	Failure to deliver investment projects	<div>1. Shortage of rolling stock for transport operations</div> <div>2. Decrease in the level of passenger satisfaction</div>	<div>1. Negotiating with counterparties for timely delivery of rolling stock, agreeing on a schedule for replenishing the backlog (in case of late deliveries)</div> <div>2. Formation of action plans to compensate for the backlog</div> <div>3. Claims management with counterparties</div> <div>4. Setting of realistic deadlines in contracts, examination of the issue of concluding framework contracts</div> <div>5. Automation of the procurement process</div> <div>6. Negotiations with potential contractors to reduce the contract price, announcement of a repeated tender with a higher price</div> <div>Oversight procedures:</div> <div><div>• Monitoring of delivered carriages in the planned period</div><div>• Analyses of the existing carriage fleet to ascertain whether there is enough operational fleet to carry passengers during peak periods</div></div>

Sr.No.	Risk	Possible consequences	Risk treatment
4	Critical IT infrastructure disruption	Inoperability of automated systems, computing and peripheral equipment, communication and telecommunication devices at JSC FPC's facilities	<div>1. Timely replacement of equipment with expired service life</div> <div>2. Redundancy of critical infrastructure nodes</div> <div>3. Development of regulations:<div>– Printing of paper boarding lists for the recovering time of ISs</div><div>– Utilisation of alternative ISs and coordination with regional office staff</div><div>– Development of regulations for IS performance restoration to minimise downtime</div></div> <div>4. Replacement of foreign software with domestic analogues</div> <div>Initiatives:<div>– Search for alternative software</div><div>– Development of alternative software</div></div> <div>Oversight procedures:<div>– Analyses whether licences are in place or have expired</div></div>

# To Shareholders and Investors

## Authorised capital

As at 31 December 2024, the authorised capital of JSC FPC amounted to

RUB 263,588,838,994

The authorised capital consists of 263,588,838,994 ordinary shares with a nominal value of RUB 1 each.

### Voting shares by type (class) as at 31 December 2024

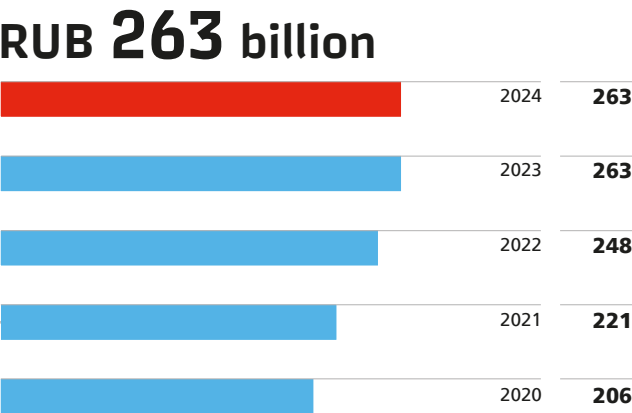
Indicator	Ordinary shares
Number of shares issued	263 588 838 994
State registration details	1-01-55465-E
Par value per share, RUB	1

### Composition of persons registered in JSC FPC's shareholder register as of 31 December 2024

Name of the owner of securities	Number of voting shares	Share of voting shares, %
1-01-55465-E		
Russian Railways	263,588,838,993	99.9999999996
JSC Russian Railways Asset Management	1	0.0000000004
Total	263,588,838,994	100



Changes in the Company’s authorised capital,  
RUB billion



Dividend Policy

The Company has the [Regulations on Dividend Policy of JSC FPC](#) in place. In accordance with the Regulations, when making a recommendation to the General Meeting of Shareholders on the dividend amount, the Board of Directors seeks to ensure that the minimum amount of annual dividends on the Company’s shares should be at least 50% of net profit according to financial statements prepared under the RAS.

**In making a recommendation to the General Meeting of Shareholders on the dividend amount, the Board of Directors is guided by Russian laws, JSC FPC’s Articles of Association and the Regulations on JSC FPC’s Dividend Policy and may take into account:**

- Data from the Company’s accounting statements, budgets (business plans), investment programmes and development programmes
- Free cash flow<sup>1</sup> under RAS
- Target (ceiling) level of debt load and credit covenants in accordance with the Regulations on the Debt Policy of JSC FPC and the terms and conditions of the loan agreements concluded by the Company
- Terms of the shareholders' agreement concluded between the shareholders of JSC FPC

JSC FPC’s Board of Directors decides on the recommended dividend amount, the timing, procedure and form of payment, and the dividend record date, to be submitted to the General Meeting of Shareholders for consideration.

No shares are owned by the Company and its controlled entities. The Company has no information on shareholdings exceeding 5% except for those it has already disclosed.

According to a shareholders' agreement or other arrangement pertaining to the exercise of rights attached to shares, the Company does not have any shareholders with a level of control that is out of proportion to their stake in the authorised capital. No preference shares, including those with different par values, were issued. There are no instruments in the authorised capital of JSC FPC that give holders control over the Company disproportionate to their share in the capital.

**According to the Regulations on the Dividend Policy of JSC FPC, the conditions for payment (declaration) of dividends to shareholders are as follows:**

- Availability of net profit at the Company calculated according to RAS accounting statements and not distributed earlier by the resolution of the General Meeting of Shareholders
- No restrictions on dividend payment (declaration) as established by the legislation of the Russian Federation

The General Meeting of Shareholders, with due consideration of recommendations from the Board of Directors, may decide to direct all net profit less mandatory deductions stipulated by Russian law, the Articles of Association and internal documents to dividend payout to shareholders of JSC FPC.

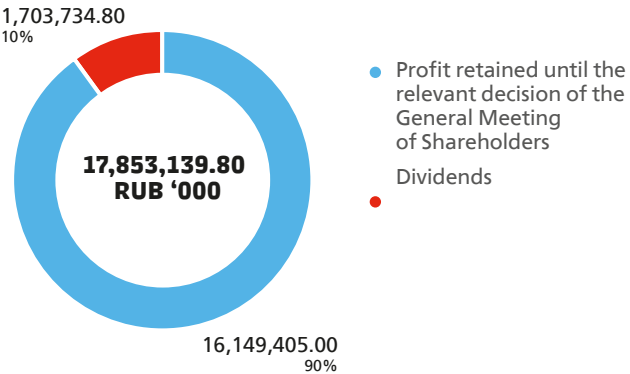
The current dividend policy of JSC FPC, in addition to the payment of dividends in cash, provides for the possibility of deciding to pay dividends on ordinary shares by other property or other property and cash.

Dividend history

The 2021 results show a loss of RUB 5.4 billion. No dividends were paid for 2021.

The 2022 results show a net profit of RUB 11 billion. No dividends were paid for 2022.

Structure of profit distribution in 2024,  
RUB ‘000



The 2023 results show a net profit of RUB 21.1 billion. On 28 June 2024, JSC FPC's Annual General Meeting of Shareholders decided not to pay dividends for 2023.

In 2024, the Company paid dividends from retained earnings of previous years in the amount of RUB 0.006463608 per one ordinary share of JSC FPC, which totals RUB 1,703,734,800.006463608. Dividends were paid by property (rolling stock) with a market value of RUB 1,703,734,800<sup>1</sup> and by cash in the amount of RUB 0.006463608.

According to the accounting records for business activities in 2024, JSC FPC cleared a profit of RUB 26,101,729,000. The resolution on dividend payment will be made following the Annual General Meeting of Shareholders in June 2025.

<sup>1</sup> Free cash flow is cash flow from operations increased by interest receivable less payments under investment activities associated with the acquisition, creation, upgrade, overhaul and preparation for use of non-current assets, and increased by income from participation in other business entities.

<sup>1</sup> Including VAT.





# 05

*With all  
the generosity of our heart  
giving  
our care*

Our success is driven by a team of like-minded people. Our team includes over 50,000 people, and more than 60% of them are those who work directly with passengers. We create an environment where every employee understands the importance of their work and treats new passengers with professional courtesy.

## 93,096

RUB

average salary in the  
Company

**+24.7%** year-on-year

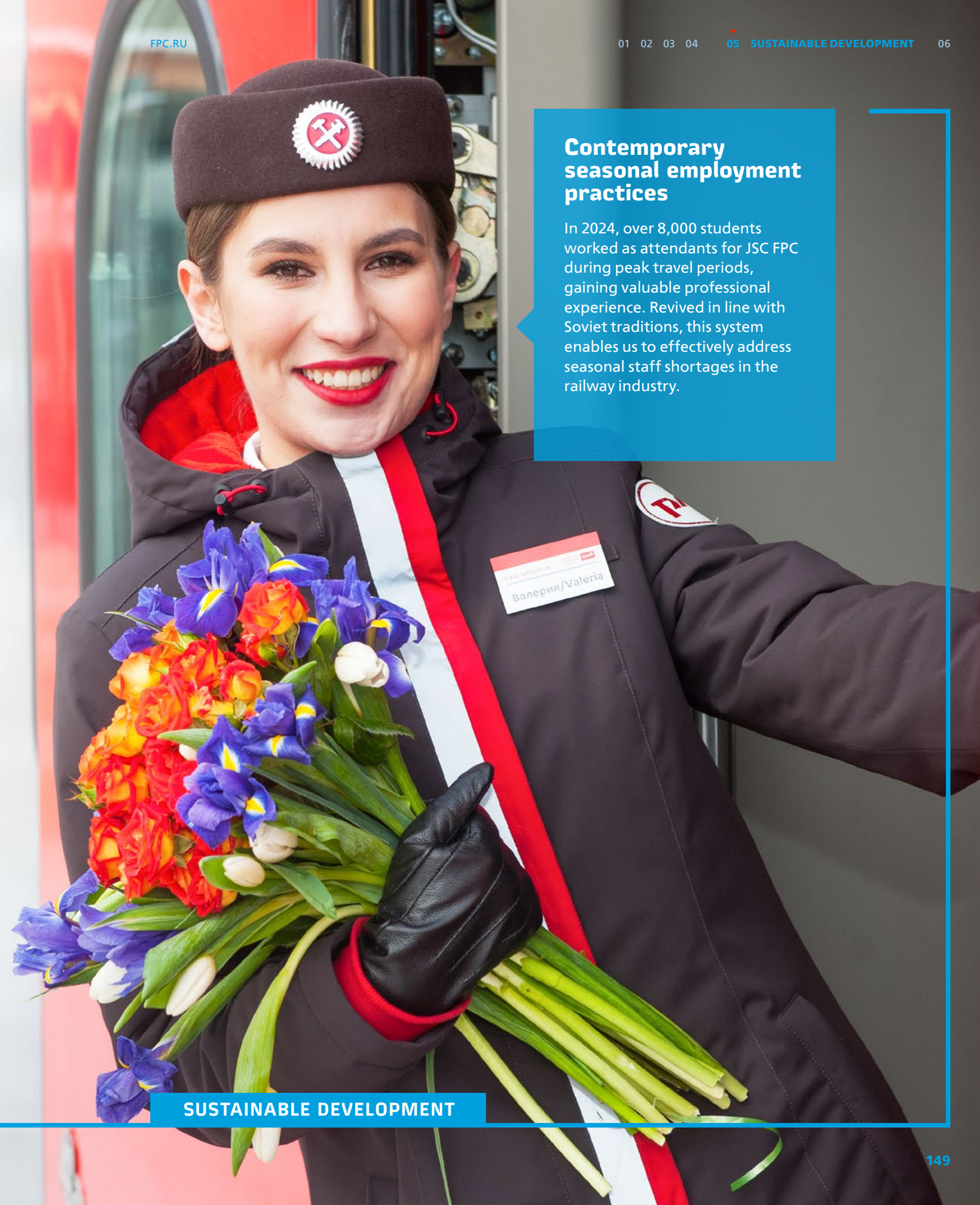
## 605

RUB million

employee VHI costs  
in 2024

### Contemporary seasonal employment practices

In 2024, over 8,000 students worked as attendants for JSC FPC during peak travel periods, gaining valuable professional experience. Revived in line with Soviet traditions, this system enables us to effectively address seasonal staff shortages in the railway industry.



SUSTAINABLE DEVELOPMENT



# Sustainability Development Management

In order to conduct business responsibly and give special attention to sustainable development issues, JSC FPC complies with environmental laws, makes sure that its employees have the best working conditions, enhances its corporate governance system, and considers stakeholder interests in decision-making.

MED 35

In December 2024, the Board of Directors of JSC FPC resolved<sup>1</sup> to join the Sustainable Development Policy of OJSC Russian Railways<sup>2</sup>. In accordance with the provisions of the Policy, JSC FPC recognises its responsibility to a wide range of stakeholders to build a competitive and sustainable business in the regions where it operates that meets the principles of corporate, social and environmental responsibility and creates value for them in the long term. The Company recognises that sustainable development is an integral element of its operations and one of its long-term priorities.

In terms of sustainable development, JSC FPC's primary goal is to support the Holding Company's strategy to establish a dominant position in the market, guarantee the Russian Federation's energy security and efficient use of resources by positively influencing socioeconomic development and adhering to strict environmental and technological safety standards, corporate governance and social responsibility, and protection requirements against both natural and man-made threats.

The policy sets out the following sustainable development objectives:

- Lessening the harm that human activity causes to the environment and to aid in the battle against climate change
- Making efficient and rational use of natural resources
- Respecting and honouring human rights in all business processes

- Ensuring the health, safety, and well-being of internal and external stakeholders while conducting its operations, as well as the safety of production processes and working conditions
- Promoting professional, career and personal growth of employees
- Improving the quality of life and well-being of communities living in the territories of the regions of operations and having a positive impact on their social and economic development
- Creating an effective and transparent system of stakeholder engagement
- Ensuring innovative development in all business dimensions
- Developing and improving internal processes to upgrade the organisation of sustainable development activities
- Combating fraud and corruption, as well as adhering to the principles of fair and ethical business conduct

One key way to put the Policy into practice is by incorporating sustainable development principles into JSC FPC's day-to-day operations.

The sustainable development management system of JSC FPC is an essential component of the Company's general corporate management system, and the decision-making process and operational activities successfully incorporate sustainable development concepts.

## JSC FPC's sustainable development management structure



## Role of the Board of Directors in sustainable development management

The Board of Directors of JSC FPC is responsible for overseeing the Company's sustainable growth within the parameters of its Articles of Association.

The Board of Directors approves the Company's core and functional strategies, monitors their implementation, and approves adjustments if necessary. For example, in the reporting year, the Board of Directors updated JSC FPC's Digital Transformation Strategy until 2024.

The Board of Directors is responsible for approving high-level regulations in such areas as ethics, risks, anti-corruption efforts, and KPI achievement. On an annual basis, the Board of Directors approves the acceptable amount of risks (risk appetite), the register of key risks for the year, and reviews risk monitoring reports.

The Board of Directors annually reviews a set of KPIs for management and sets their target values for the year, with interim monitoring and approval of an annual report on their achievement.

The Board of Directors regularly reviewed the approval of the budget, investment programme, operational efficiency and cost optimisation programme, as well as their progress reports are regularly. If necessary, the Board of Directors decides to amend these documents.

In order to develop a systematic approach to managing the ESG agenda and taking into account JSC FPC's positioning as a socially orientated and socially responsible Company, the Board of Directors decided to expand the scope of functions of the Human Resources, Remuneration and Corporate Governance Committee of the Board of Directors and to give it functions in the area of sustainable development in the following areas:

- Preparation of recommendations to the Board of Directors on defining the Company's sustainable development activities and reviewing reports on the achievement of such goals
- Preparation of recommendations to the Board of Directors on the development of functional KPIs in terms of sustainable development and their integration into the motivation system for the Company's managers
- Preliminary approval of internal documents of JSC FPC related to sustainable development
- Definition of the format of the sustainable development report and the annual report in terms of sustainable development, preparation of recommendations on the approval of the sustainable development report
- Participation in the process of selecting an independent auditor to certify the sustainable development report and preparation of recommendations of the Company on engaging such an auditor

<sup>1</sup> Minutes No. 15 dated 27 June 2024.  
<sup>2</sup> Approved by the resolution of the Board of Directors of OJSC Russian Railways, Minutes No. 15 dated 27 June 2024.

Key sustainable development decisions taken by the Board of Directors in 2024

Decision taken	Impact on the Company's sustainable development	UN SDGs	National goals <sup>1</sup>
JSC FPC Investment Programme for 2024–2026 was approved	<ul style="list-style-type: none"><li>Projects to renew the fleet and modernise existing rolling stock will improve safety performance on the railways. This will be possible due to upgrade of obsolete and less reliable carriage units in order to eliminate equipment failures en route, improve the workflow process of passenger carriage repair and maintenance, introduce more modern and efficient technologies and technical means.</li><li>Digital HR Project, which will increase employee satisfaction with the Company's HR services and improve HR management efficiency by implementing modern IT solutions.</li><li>The Automated Route Network Management System (ARNMS) will improve the efficiency of the route network.</li><li>The efficiency of rolling stock operation and other essential business procedures will be supported by projects targeted at maintaining the infrastructure that supports the company's operations.</li></ul>	<div>3GOOD HEALTH AND WELL-BEING</div> <div>8DECENT WORK AND ECONOMIC GROWTH</div> <div>9INDUSTRY INNOVATION AND INFRASTRUCTURE</div> <div>11SUSTAINABLE CITIES AND COMMUNITIES</div>	<p><b>Goal No. 3 Comfortable and safe environment for living:</b></p> <p>j) To increase the share of public transport fleets in agglomerations and cities with a service life not exceeding the standard one to at least 85 % by 2030</p> <p><b>Goal No. 7 Digital transformation of state and municipal administration, the economy and the social sphere:</b></p> <p>a) To achieve digital maturity by 2030 of state and municipal administration, key sectors of the economy and the social sphere, including healthcare and education, involving the automation of most transactions within unified sectoral digital platforms and a data-driven management model, taking into account the accelerated introduction of big data processing technologies, machine learning and artificial intelligence</p>
Operational efficiency improvement programme for 2024–2026 was approved	<ul style="list-style-type: none"><li>The Company will be able to increase its operational efficiency by involving members of the Russian Student Squads for summer and winter service, as well as through measures to improve energy efficiency and reduce the energy intensity of production activities.</li></ul>	<div>8DECENT WORK AND ECONOMIC GROWTH</div> <div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>13CLIMATE ACTION</div>	<p><b>Goal No. 5 Resilient and dynamic economy:</b></p> <p>i) To establish by 2030 an effective system for training, retraining and upgrading the skills of personnel for priority sectors of the economy, based on projected needs</p> <p><b>Goal No. 4 Environmental well-being:</b></p> <p>b) To gradually halve by 2036 emissions of hazardous pollutants with the most significant negative impact on the environment and human health in cities with high and very high levels of air pollution</p>
A number of corporate governance documents were approved	<ul style="list-style-type: none"><li>Resolution was taken to join Russian Railways Holding's Sustainable Development Policy.</li><li>In order to improve corporate governance and integrate sustainable development principles, a decision was made to include sustainability and ESG functionality in the Regulations on the Human Resources, Remuneration and Corporate Governance Committee of the Board of Directors.</li></ul>	<div>16PEACE, JUSTICE AND STRONG INSTITUTIONS</div>	<p><b>Goal No. 5 Resilient and dynamic economy</b></p>
Risk appetite for 2024 is approved and key risk register for 2024 is reviewed	<ul style="list-style-type: none"><li>The perimeter of the Company's key risks was expanded to include corruption risk, traffic accidents and other events related to violation of railway transport safety and operation rules, decrease in passenger satisfaction with service quality and failure to deliver investment projects. The risk of decrease in passenger satisfaction with service quality has zero deviation from the target value, the other listed risks have zero tolerance.</li></ul>	<div>16PEACE, JUSTICE AND STRONG INSTITUTIONS</div>	<p><b>Goal No. 5 Resilient and dynamic economy:</b></p> <p>c) To increase investment in fixed capital by at least 60% by 2030 compared to 2020 levels through continuous improvement of the investment climate</p>
KPIs for the Company's operations and management are approved	<ul style="list-style-type: none"><li>Corporate ESG-related KPIs include passenger satisfaction index, safe travel, dispatched passengers.</li><li>Ensuring Good Corporate Governance Practice is a functional KPI of General Director.</li></ul>	<div>3GOOD HEALTH AND WELL-BEING</div> <div>16PEACE, JUSTICE AND STRONG INSTITUTIONS</div>	<p><b>Goal No. 5 Resilient and dynamic economy:</b></p> <p>a) To ensure that the country's gross domestic product growth rate exceeds the world average and that it ranks fourth in the world in terms of gross domestic product calculated at purchasing power parity by 2030, including through labour productivity growth, while maintaining macroeconomic stability, low unemployment and a reduction in structural unemployment</p>

Structure of sustainable development management at JSC FPC

Strategic tier			
Board of Directors			
Approval of key policies/documents in the area of sustainable development and control over their implementation: determination of approaches to organisation of the risk management system, reporting on risk monitoring, approval of core and functional strategies, determination of KPIs, approval of budget and investment programme, and operational efficiency and cost optimisation programme			
Committee on Strategic Planning, Digital Transformation and Information Technology handles the following issues:	Human Resources, Remuneration and Corporate Governance Committee handles the following issues	Audit and Risk Committee handles the following issues:	
<ul style="list-style-type: none"><li>• Definition of strategic goals</li><li>• Budget approval</li><li>• KPI definition</li></ul>	<ul style="list-style-type: none"><li>• Identification of areas for sustainable development</li><li>• KPIs, reporting and internal documents in the field of sustainable development</li><li>• Ethics</li><li>• Human capital</li><li>• Occupational safety</li></ul>	<ul style="list-style-type: none"><li>• Anti-corruption</li><li>• Risk management reporting</li><li>• Supply chain management</li><li>• Operational efficiency improvement and cost optimisation</li></ul>	
Management tier			
General Director	First Deputy General Director, Head of the Production Block	First Deputy General Director, Head of the Economics and Finance Block	
Deputy General Director, Head of the Security Block (en route passenger safety issues)	Deputy General Director, Head of the Passenger Service and Quality of Service Block (service quality issues)	Deputy General Director, Head of the Marketing Block (customer satisfaction with the quality of services provided)	
Deputy General Director, Head of the Human Resources and Social Affairs Block (issues related to ethics, human resources and social affairs)	Deputy General Director – Chief Engineer, Head of the Production Development Block (environmental, sustainable development and labour protection issues)		
Deputy General Director, Head of the Quality Block (issues of building a corporate quality management system)			
Operational tier			
Functional areas and divisions			
Ethics and anti-corruption	Human capital	Occupational safety and industrial safety	Environmental responsibility
Corporate Security Centre	Office of Personnel and Social Development	Occupational Safety Department	Industrial, Fire and Environmental Safety Department
Anti-Corruption Committee <a href="mailto:hotline_bz@fpc.ru">hotline_bz@fpc.ru</a>	Personnel Development Centre	Transport Safety Authority	Risk Management Department
Commission for Management of Conflict of Interest	Youth Council	Chief Supervisor for Rail Traffic Safety	Lean Production Department
Office of Personnel and Social Development	Coordination Council on Improving Working Conditions, Recreation and Social Support for Women		
Officer-in-Charge of Business Ethics in JSC FPC <a href="mailto:ethics@fpc.ru">ethics@fpc.ru</a>			
Supply chain management	Customer relations	Stakeholder engagement	
Procurement and Contractual Work Department	Passenger Services Department	Department of Communications and Engagement with Authorities	
Internal Control Centre	Process Monitoring and Quality Management Centre	Carrier Relationship Development and Corporate Sales Organisation Department	

<sup>1</sup> Decree of the President of the Russian Federation No. 309 dated 7 May 2024 on the national development goals of the Russian Federation for the period up to 2030 and the outlook for 2036.



Stakeholder engagement

JSC FPC is aware of its high responsibilities to all stakeholders and strives to maintain an ongoing constructive dialogue with them. The Company is

focused on meeting the expectations of all stakeholders in its integrated sustained economic, social and environmental development.

Stakeholders	Engagement approaches and mechanisms	Key communication channels	Description of engagement activities in 2024	Results of engagement in 2024
Internal stakeholders				
Staff	<ul style="list-style-type: none"><li>Labour relations under the Collective Bargaining Agreement</li><li>Management functions</li><li>Social partnership</li><li>Personnel development</li><li>Corporate surveys</li><li>Reporting to a stakeholder</li><li>Procedure for dispute settlement</li><li>Employee recognition and commendation</li><li>Intra-corporate events for employees</li></ul>	<ul style="list-style-type: none"><li>Addresses from top management</li><li>E-mail</li><li>Corporate publications</li><li>Corporate website</li><li>Social networks, Telegram channels</li><li>By-laws</li><li>FPC INFO corporate portal</li></ul>	<ul style="list-style-type: none"><li>Awareness Day for employees of common vocations with the participation of the General Director of JSC FPC</li><li>Unified employee engagement survey</li><li>XIV Youth Meeting</li><li>Defence of the Fatherland Day celebrations for family members of JSC FPC's employees who are engaged in the SMO</li><li>Corporate Spartakiad</li><li>Empowering JSC FPC's Women Forum</li><li>JSC FPC's Businesswoman Contest, etc.</li><li>Recognition of the Company's employees with corporate awards, development and improvement of the non-material motivation system as part of the implementation of the Collective Bargaining Agreement of JSC FPC</li></ul>	<ul style="list-style-type: none"><li>Boosting of loyalty, satisfaction and involvement of personnel, satisfaction with individual factors of work life (interaction with management +4 p.p., internal communications +4 p.p., training and development +6 p.p.)</li><li>Promotion and preservation of traditional family values, comprehensive support for families of JSC FPC's employees engaged in the SMO</li><li>Improvement of physical fitness of employees and involving them in regular sports activities</li><li>Company's branding through social activity</li><li>Development of the professional and managerial competences of JSC FPC's women</li><li>Growth in the number of Company employees recognised with corporate awards (+1,870 people by 2023), increase in the individual social benefits package per employee (+RUB 13,300)</li></ul>

Stakeholders	Engagement approaches and mechanisms	Key communication channels	Description of engagement activities in 2024	Results of engagement in 2024
Governance and control bodies	<p>Descriptions of governance and control bodies, as well as interaction principles and governance procedures, are set forth in JSC FPC's Articles of Association and other internal documents of the Company.</p> <p>For more details, please see the <a href="#">Corporate Governance Model and Practice</a> section</p>	<ul style="list-style-type: none"><li>Management reporting and financial statements</li><li>Ongoing interaction within business processes</li></ul>	<ul style="list-style-type: none"><li>Quarterly review of the General Director's report on the Company's performance by the Board of Directors</li><li>Provision of the Auditing Commission with all information required to perform an audit of the Company's operations</li><li>Review of reports submitted by JSC FPC's Internal Audit Department by the Audit and Risk Committee of the Board of Directors and the Board of Directors in accordance with the Company's internal by-laws</li></ul>	Fulfilment of the Company's obligations to all stakeholders within the reporting framework
External stakeholders				
Shareholders	<ul style="list-style-type: none"><li>Open communication during general meetings of shareholders</li><li>Reporting to a stakeholder</li><li>Disclosure of material facts of the Company's operations</li></ul>	<ul style="list-style-type: none"><li>Mandatory disclosure, including issuer reports, RAS and IFRS financial statements, statements of material facts, registers of affiliates through an <a href="#">authorised disclosure agency</a></li><li>Voluntary disclosure of additional information on the <a href="#">Company's website</a></li><li>Meetings of the parent company's management with JSC FPC's management</li></ul>	<ul style="list-style-type: none"><li>Timely disclosure of all necessary information in accordance with the requirements of the legislation of the Russian Federation</li><li>Timely disclosure of information on upcoming corporate events (announcement of the General Meeting of Shareholders) in order for the Company to respect the rights of shareholders</li><li>Timely dispatch of all necessary materials and information for such events</li></ul>	The Company was awarded a National Corporate Governance Quality Rating of 6++, which confirms a high level of interaction with shareholders and observance of their rights under the Articles of Association of JSC FPC and the laws of the Russian Federation

Stakeholders	Engagement approaches and mechanisms	Key communication channels	Description of engagement activities in 2024	Results of engagement in 2024
Government authorities and public organisations	<ul style="list-style-type: none"><li>• Performance of cooperation agreements with constituent entities of the Russian Federation in the transportation of passengers, baggage and unaccompanied baggage on long-distance trains</li><li>• Joint participation in image-building ceremonies and business events at the federal and regional levels</li><li>• Responding to enquiries, preparation of proposals to government authorities on the development of railway passenger service</li></ul>	<ul style="list-style-type: none"><li>• Submission of financial, statistical and environmental reports to regulatory authorities</li><li>• Publication of reports on the Company's operations</li><li>• Preparation of official letters stating the Company's position to government authorities on passenger service issues</li><li>• Participation of the Company's representatives as experts in advisory bodies under ministries and agencies, meetings on passenger transportation issues</li></ul>	<ul style="list-style-type: none"><li>• Participation in the XXVII St. Petersburg International Economic Forum and XVII International Forum and Exhibition "Transport of Russia"</li><li>• Processing of incoming requests from the deputy corps on passenger transportation issues</li><li>• Conclusion of information support agreements with regional public authorities</li><li>• Organisation of round tables with the participation of representatives of key public organisations in the field of transportation and public authorities</li><li>• Participation in joint meetings of the Commission on Passenger Transportation Organisation of the Public Council under the Federal Railway Transport Agency, the Commission on Passenger Transportation Development of the Public Council under the Russian Ministry of Transport and the Expert Council of the Association Zheldorrazvitie, as well as joint meetings of the Union of Transport Workers of Russia and the Ministry of Transport of the Russian Federation</li><li>• Regular reporting on the Company's financial and economic situation via the portal of the Ministry of Industry and Trade of Russia, notification of information disclosure as a natural monopoly to the FAS of Russia</li></ul>	<ul style="list-style-type: none"><li>• Conclusion of cooperation agreements with regional and federal government bodies and subordinate organisations</li><li>• Awareness promotion among the general public about JSC FPC's activities</li><li>• Development of joint decisions with public transport organisations and government authorities to promote the Company's legislative initiatives aimed at improving the safety and comfort of passenger travel on long-distance trains</li><li>• Fulfilment of the requirements of legislation and regulatory legal acts of the Russian Federation</li></ul>

Stakeholders	Engagement approaches and mechanisms	Key communication channels	Description of engagement activities in 2024	Results of engagement in 2024
Business partnerships	<ul style="list-style-type: none"><li>• Contractual relations</li><li>• Development and signing of co-operation agreements</li><li>• Regular working meetings</li><li>• Joint working groups with Russian and foreign project partners</li><li>• Participation in conferences and forums</li></ul>	<ul style="list-style-type: none"><li>• Publication of information on the Company's operations on the corporate website and dedicated procurement sites</li><li>• Mass media</li></ul>	<ul style="list-style-type: none"><li>• Participation in the XXVII St. Petersburg International Economic Forum and XVII International Forum and Exhibition "Transport of Russia"</li><li>• Organisation of working meetings with foreign partner railways, participation in the work of relevant international railway organisations (Organisation for Cooperation between Railways, Railway Transport Council of the Commonwealth member states)</li></ul>	<ul style="list-style-type: none"><li>• Development of measures aimed at improving the economic efficiency of passenger rail transport and the quality of passenger service, development of optimal tariffs, approval of train schedules, coordination of rolling stock operation requirements</li><li>• Conclusion of cooperation agreements with such organisations as Transmashholding, T1, C7 Group and X5 Corporate Centre</li></ul>
Customers and consumers	<ul style="list-style-type: none"><li>• Passenger service</li><li>• Catering on trains</li><li>• Passenger satisfaction surveys</li><li>• Marketing campaigns</li><li>• Informing on the Company's operations</li><li>• Charity events</li><li>• Volunteer events</li></ul>	<ul style="list-style-type: none"><li>• Gathering feedback through questionnaires, the Unified Information and Reference Centre, a mobile app, the Company's website and social media</li><li>• Public reporting by the Company</li><li>• Poputchik infotainment system</li></ul>	<ul style="list-style-type: none"><li>• Data collection to assess levels of passenger satisfaction and loyalty through an online survey</li><li>• Targeted marketing mailings (clear audience segmentation allows us to send information of interest to a specific person, e.g., when a new train is launched, the mailing is sent to residents of the regions through which its route passes, or to those who travel from stations located along the route)</li><li>• Questionnaire survey and subsequent quality evaluation of services provided to passengers along the entire customer journey</li><li>• As part of the development of the Poputchik infotainment system: increasing the number of trains featuring this service, improving the quality and expanding the multimedia content of the infotainment system, updating the design of the system</li><li>• Participation in charity and volunteer activities</li></ul>	<ul style="list-style-type: none"><li>• Collection of 1.2 million questionnaires for the passenger satisfaction survey</li><li>• Issuance of 19,000 travel documents for RUB 67 million as a result of marketing mailings</li><li>• Over 40 studies were conducted, the results of which help to debottleneck and make managerial decisions depending on the tasks at hand</li><li>• 9.3 million passengers used the Poputchik access service, with a passenger satisfaction index of 83.5 in 2024</li><li>• Realisation of many charity and volunteer activities</li></ul>



Stakeholders	Engagement approaches and mechanisms	Key communication channels	Description of engagement activities in 2024	Results of engagement in 2024
Media and public organisations	<ul style="list-style-type: none"><li>Press releases and other materials with information on JSC FPC's activities</li><li>Responding to requests from the media</li><li>Media assistance during filming at infrastructure facilities</li></ul>	<ul style="list-style-type: none"><li>Company's website</li><li>Mass media</li><li>Industry-specific media</li><li>Social networks, Telegram channels</li><li>Events for external audiences</li></ul>	<ul style="list-style-type: none"><li>Effective co-operation with the media, processing journalists' requests within the deadlines established by the media law</li></ul>	<ul style="list-style-type: none"><li>Issuance of approximately 500 official press releases and messages in the Company's official Telegram channel</li><li>Preparation of over 200 clarifications, comments and answers to journalists' questions</li><li>Publication of 10 interviews with JSC FPC's executives</li><li>Integrations with 10 bloggers</li><li>110 events involving the media and representatives of the blogging community</li><li>Publication of over 100,000 materials in the media related to JSC FPC's activities, including about 21,000 with direct mention of the Company</li></ul>
Educational institutions	<ul style="list-style-type: none"><li>Targeted admission of students</li><li>Guidance counselling</li><li>Benefits for children of JSC FPC's employees</li><li>Joint research and cultural initiatives</li><li>Participation of JSC FPC's employees in school activities</li></ul>	<ul style="list-style-type: none"><li>Company's website</li><li>Mass media</li><li>Social networks of the Company and educational institutions</li></ul>	<ul style="list-style-type: none"><li>Large-scale promotional work among 1 to 5-year students of railway universities and colleges: JSC FPC's participation in job fairs as an employer, meetings with students</li><li>“FPC Shkolnik” vocational guidance event on the basis of the Personnel Development Centre</li><li>Approval of the schedule of open lessons by Company executives at railway transport educational organisations, hub schools of OJSC Russian Railways and Children's Railways of OJSC Russian Railways to attract, popularise and promote JSC FPC among high-potential young employees</li><li>Expansion of cooperation with specialised railway universities on targeted training, with a focus on creating a system of career guidance activities to attract young people to work with JSC FPC</li></ul>	<ul style="list-style-type: none"><li>81 people enrolled in railway institutions for targeted training from JSC FPC</li><li>160 open classes were held at universities, hub schools of OJSC Russian Railways and Children's Railways of OJSC Russian Railways and attended by over 3,000 people</li><li>Conclusion of nine co-operation agreements with higher education institutions of railway transport</li><li>Participation of the Company's employees in 107 job fairs across Russia</li><li>Opening of an individual training group at the Russian University of Transport (MIIT), allowing to combine training and work at JSC FPC</li><li>981 schoolchildren participated in the FPC Shkolnik event, 41 candidates were selected for the Shkolnik talent pool</li></ul>

Stakeholders	Engagement approaches and mechanisms	Key communication channels	Description of engagement activities in 2024	Results of engagement in 2024
Social partnership actors	Engagement with trade unions in the social protection of employees and non-working retirees	<ul style="list-style-type: none"><li>Meetings</li><li>Corporate events</li><li>E-mail</li></ul>	<ul style="list-style-type: none"><li>Joint meetings of the Company's management, trade union committee and commission for regulation of social and labour relations</li><li>Mini-football tournament of JSC FPC's Russian Professional Union of Railway Workers and Transport Builders (Rosprofzhel), Healthy Lifestyle Month at JSC FPC, etc.</li></ul>	<ul style="list-style-type: none"><li>Sum-up of the results of the fulfilment of the Collective Bargaining Agreement within the framework of joint meetings of the Company's management, the Trade Union Committee and the Commission for the Regulation of Social and Labour Relations</li><li>Upgrade of physical fitness of employees and involving them in regular sports activities, popularisation of a healthy lifestyle in the workforce</li></ul>





# HR Management

## Corporate social responsibility principles

The main goal of the Company's HR policy is to develop human capital. This is achieved through

- Attracting labour resources
- Ensuring continuous training and development of personnel
- Improving the incentives policy
- Caring for employee health
- Ensuring social stability
- Creating a favourable working environment in work teams

The purpose of the HR policy is to build human capital and supply the Company with qualified employees in the appropriate numbers at a cost-effective rate. This is achieved by following a number of principles.

The principles of the HR Policy:

- Areas and priorities of the HR Policy shall ensure the implementation of the Company's strategic goals
- Attraction and retention of personnel
- Systematic training and continuous development of personnel
- Creation of conditions for the employees' personal growth
- Performance pay, stimulating the achievement of the Company's strategic goals

**The Company advocates for personal freedom and human rights and excludes any form of discrimination in a workplace. When it comes to respecting human rights, the Company focuses on occupational safety, wages and prohibition of slave labour and child labour.**

One of the Company's primary goals is to protect the lives and health of its employees. Ensuring safe working conditions in the workplace and at railway transport facilities and preserving the lives and health of employees are the priorities of the HR Policy.

JSC FPC welcomes equal opportunities for all. In accordance with the current legislation, the Company provides equal opportunities for employment, career development, advanced training, and wages to all employees regardless of their religious commitments, sex, age, orientation, marital status, national origin, etc.

The Company pays special attention to gender equality, in particular the availability of new trades for women. Equal pay conditions are ensured for both women and men. Any managerial decisions related to hiring, training and career development are based on the skills and the necessary stack of competencies of a candidate or employee.

Employee satisfaction and social security have a direct impact on the competitiveness and quality of services provided. With this in mind, the Company annually conducts staff surveys and studies, covering thousands of employees. JSC FPC provides decent conditions for employees, including competitive salaries and an extended benefits package (voluntary health insurance, corporate loan programmes, pension plans, health resort recuperation, etc.).

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The Company has a primary trade union organisation, Rosprofzhel. It covers 53,565 people (95% of the actual headcount of the Company). The Collective Bargaining Agreement of JSC FPC for 2023–2025 is also in force and applies to all employees.

## Personnel structure

**56,876**  
**people**

headcount as of  
**31 December 2024**

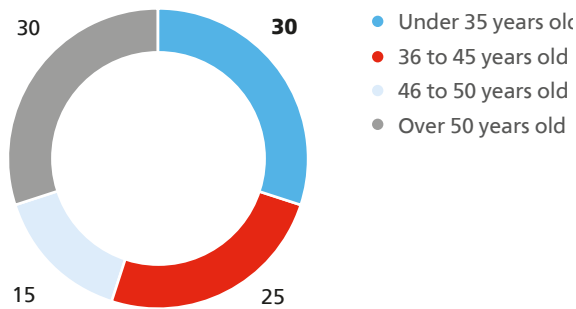
**+3.4%** vs. 2023,

**+4.2%** vs. 2022

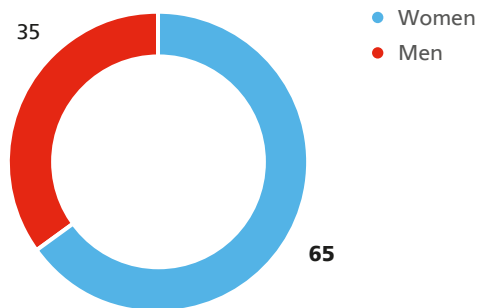
**63%**

of employees are directly  
involved in passenger handling

Personnel structure by age, %

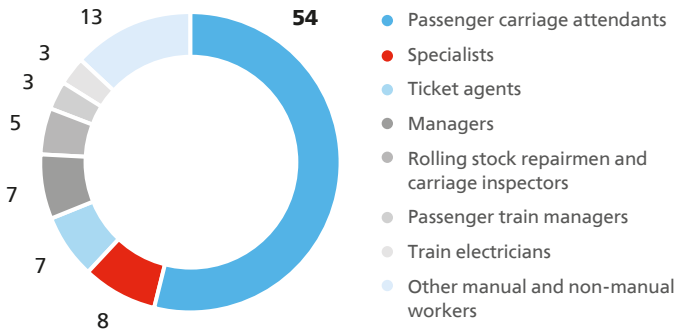


Personnel structure by gender, %



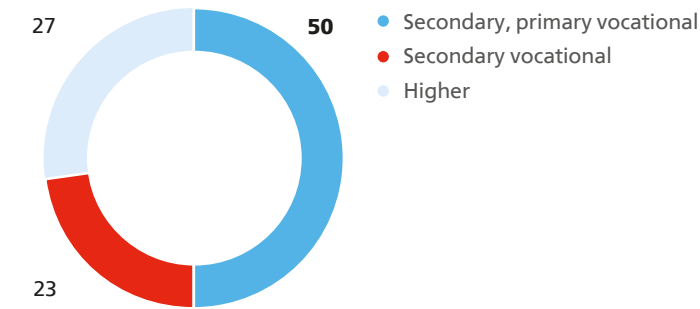


Personnel by position/trade, %



The Company maintains the right balance between young talent and more experienced employees. The average age of JSC FPC's employees is 42 years.

Personnel structure by education level, %



Staff recruitment

Personnel appraisal is an integral part of the Company's HR management system. It is aimed at ensuring the efficiency of JSC FPC's current operations and achieving its strategic goals. By making sound management decisions, the Company builds a highly qualified and motivated workforce and develops corporate culture. The assessment is based on the approved model of corporate competences. When it comes to handling work-related activities, they demonstrate the knowledge, abilities, and personal and professional traits that an employee should possess.



JSC FPC employs 543 employees with disabilities (1% of the headcount). According to their particular rehabilitation regimens, such employees did not require any extra workplace setup. Employees with disabilities are provided with benefits in accordance with the requirements of Russian legislation, the Collective Bargaining Agreement and by-laws of JSC FPC.

Automated systems evaluate competencies using cutting-edge, scientifically based psychometric methods. They involve customised solutions for different job levels and machine learning technologies to improve the validity and practicality of the assessment results. In 2024, about 21,000 employees underwent the assessment of corporate competencies, 91% of them being customer-facing employees.

Personnel training and development

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Training system indicators

Indicator	2019	2020	2021	2022	2023	2024
Total employees trained, people	17,601	14,327	16,651	17,728	21,132 <sup>1</sup>	18,444 <sup>2</sup>
Share of employees trained at JSC FPC's Personnel Development Centre, %	62.4	58.0	61.0	60.0	51.0	55.0
Budget, RUB million	196.6	112.8	134.2	164.2	204.173	232.087

>18,000

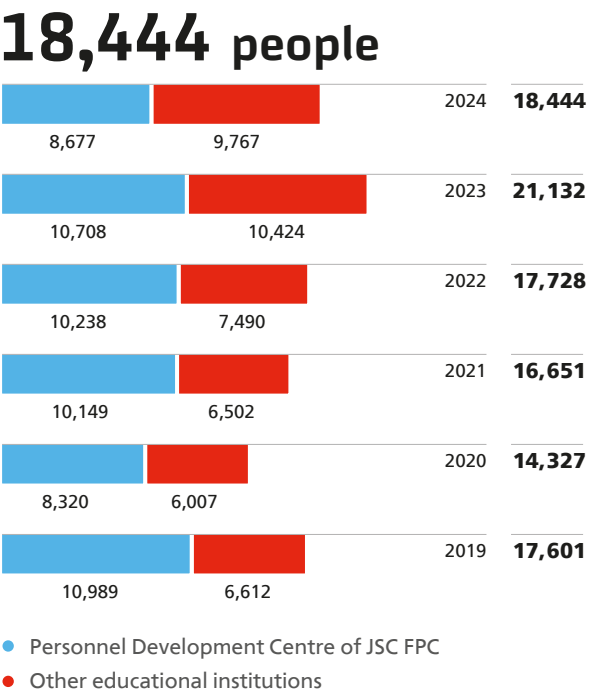
employees received training in 2024

39% of total headcount

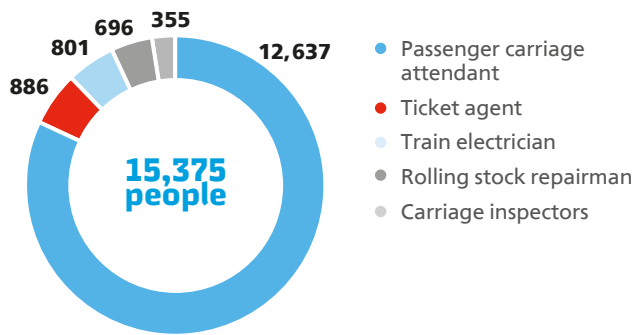
The Company's branches have an ever-growing requirement for training. Over 7,000 people were trained in general blue- and white collar trades, and over 11,000 people completed upskilling courses in the reporting period. The Personnel Development Centre of JSC FPC is the main platform for training in general trades.



Training broken down by training centre, people



Professional training of employees of general trades (initial training and advanced training), people



<sup>1</sup> With occupational health and safety training. 4,500 people were trained (costs totalled RUB 40 million).  
<sup>2</sup> Without occupational safety training, as over 12,000 people were trained in 2024; taking into account the frequency of occupational safety training for permanent staff (costs amounted to RUB 38.425 million).

On 31 July 2024

**45.5**  
**new full-time**  
**equivalents<sup>1</sup> (FTEs)**  
**were added to the**  
**staff schedules of**  
**JSC FPC's branches**  
**to train attendants**  
**at its in-house**  
**facility:**

**37** FTEs of I category teachers

**8.5** FTEs of I category engineers

For 2025

**4,500**  
**people**

**were approved for the training of**  
**passenger carriage attendants on**  
**the basis of the Centre's licensed**  
**offices, which is twice as much as**  
**the number of people trained in 2024**

Employees of main general trades of JSC FPC ensure the safety of passenger transportation and place high demands on the level of personnel competence. Training employees in the main general trades is the primary focus of training.

The Company has the progressive training plan for train crews, which is based on the unified practice-oriented approach to assessing the level

of professional knowledge with gradual transfer of training to the licensed Personnel Development Centre of JSC FPC. In the first 12 months of 2024, 355 people from the succession pool were trained for the position of passenger train manager at JSC FPC's training facility. Personnel training at the Company's own training facility in line with the Company's unified training programmes and regulatory documents allowed us to make the training process as practice-oriented and close to the requirements of production processes as possible.

In order to develop the educational environment of JSC FPC, the Company put in place:

- Regulations on the Pedagogical Forum of JSC FPC (defines the goals, objectives of the event, key points of organisation and format of the event)
- Procedure for holding the teaching skills competition – “FPC Teacher of the Year” (defines the procedure for holding the competition)

The final stage of the teaching skills competition will be held during the Pedagogical Forum.

The Pedagogical Forum and the teaching skills competition are interrelated events aimed at developing the Company's unified educational space and building up the teaching talent pool. The events are held every two years.

In order to determine the level of competency of the working staff, passenger carriage attendants were subject to an assessment of the professional competencies between 1 September 2023 and 1 May 2024.

JSC FPC has 27,551 attendants, 19,925 of them (or 72% of the total number) passed the assessment. In general, the professional competency among passenger carriage attendants was at the PRO level, which means that the employees are capable of solving routine tasks and have the potential to solve unconventional tasks.

The best rating results (Mentor, Pro levels) are among employees of the North-Western, Gorkovsky, and West Siberian branches. Seven attendants showed the best rating possible, receiving the highest score for each of the competences (Mentor level). These are three attendants of the East Siberian Branch (Chita and Krasnoyarsk carriage stations), two attendant of the North-Western Branch (St. Petersburg–Moscow carriage station), and two attendants of the North Caucasus Branch (Adler carriage station).

Based on the assessment results, competence development matrices for passenger carriage attendant of 3 and 4 category were drawn up. The assessment results allow the Company to effectively carry out activities aimed at developing the desired personnel competences.

In 2024, 128 staff members received training in catering services and implementation of the catering concept. In addition, in the reporting year, 20 waiters and managers underwent a new training programme for the passenger catering directorates of JSC FPC's branches. The training involved hands-on lessons on working with cash register equipment and accompanying documentation, as well as a workshop on how to handle equipment in dining carriages and bistro carriages, and the training was held at the Nikolayevka passenger carriage depot of the Moscow Branch. The training was led by instructors from the Personnel Development Centre, with seasoned staff members of the Moscow directorate of catering participating in the experience-sharing sessions. A lecture on workplace hygiene was given by a representative of Federal Service for Surveillance on Consumer Rights Protection and Human Well-Being (Rospotrebnadzor).

In 2024, JSC FPC developed 22 training programmes, including seven accelerated vocational training programmes for OJSC Russian Railways and JSC FPC with some training given in a distance format for such trades as passenger carriage attendant of 3 category, passenger carriage attendant of 3–4 category and passenger carriage attendant of 4 category and train electrician of 5–7 category. In addition, in the reporting year, OJSC Russian Railways developed and approved a standard programme for the trade of passenger carriage attendant of 3 category for schoolchildren who have basic general education and reached the age of 16.

In addition, the Company prepared and submitted to OJSC Russian Railways draft training programmes for such trades as carriage inspector/repairman of 4–7 categories among rolling stock repairman, passenger carriage attendant of 4 category, as well as a professional development programme for heads of passenger carriage depots / carriage stations and employees included in the talent pool.

In 2024, 10 advanced training programmes were developed and approved, including two programmes on catering on long-distance trains for managers, waiters and cooks in bistro and dining carriages of JSC FPC's trains. In addition, based on the regulations for train crews' actions in abnormal situations when in transit, JSC FPC created a special training course on safety in emergency and emergency situations, which will be included in the training and advanced training programmes for these employees.

Work continues in the distance learning system. In 2024, 24 e-courses were designed and updated for two training programmes, five professional development programmes and 17 open e-courses. In addition to these, five more e-courses were prepared and updated: for a tail car attendant, first aid to victims, a video on the train crew actions in abnormal situations, and two e-courses for training occupational safety managers and specialists. A total of 2,986 Company employees received advanced training via the distance learning system.

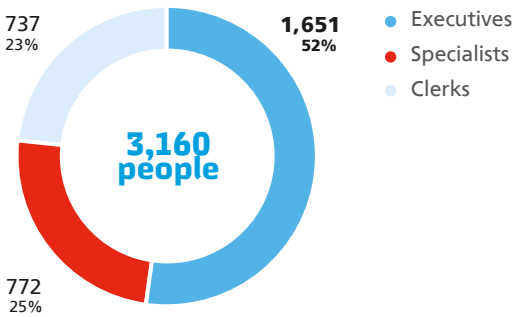
In helping frontline staff members improve corporate skills, the focus is placed on enhancing client communications. Special attention is paid to servicing organised groups of children, customer-oriented service, prevention of emotional burnout and stress, and interaction with passengers in abnormal situations. Psychologists of the structural divisions of JSC FPC's branches held around 7,000 workshops in 2023, with a total number of over 80,000 participants. The training included practical assignments and case studies.

**Advanced training**

In 2024, 2,092 employees of the Company were covered by mandatory vocational and management training for managers and specialists. The plan for the training of managers and specialists in 2024 was fulfilled by 120%.

RUB 232.087 million were JSC FPC's expenses on personnel training and related payments.

**Personnel training in 2024 by position level, people**





Targeted staff training

The Company takes an active part in helping young people figure out their professional path during their higher education. For the purpose of recruitment, JSC FPC signed cooperation agreements with nine speciality railway universities in 2024 to work together on targeted training.

Key measures within the signed agreements:

- Organisation of joint career guidance activities aimed at attracting students
- Education
- Work experience internship
- Formation of year-round student squads
- Employment in the Company, etc.

To implement the above measures, the Company's branches together with higher education institutions established interaction plans.

Over 200 company-sponsored students are enrolled in intramural and extramural higher education programmes. The main specialty occupations include rolling stock of railways (major in passenger carriages), railway operation (major in railway passenger service system, transport business and logistics).

In September 2024, the Russian University of Transport (MIIT) opened a study group of 13 students in the speciality occupation of rolling stock of railways (major

in technology of production and repair of rolling stock) with personalised schedule, where applicants can combine work and study.

Vocational guidance

In 2024, extensive campaigning work was carried out among all students of the Russian University of Transport (MIIT): JSC FPC actively participated in job fairs as an employer and organised meetings with students. The Company's branches were running recruiting drives throughout Russia. Employees of HR departments took part in 107 all-Russian job fairs, including university job fairs.

To attract, popularise and promote JSC FPC among high-potential young employees, schedules are approved annually for managers to hold open lessons at railway transport educational organisations, hub schools of OJSC Russian Railways and Children's Railways of OJSC Russian Railways. In 2024, 160 open lessons were held in educational institutions by the managers of JSC FPC, branches and structural divisions, involving over 2,600 students.

Every year, the Company holds a career guidance event for schoolchildren called FPC Shkolnik timed to coincide with 1 September. The event aims to increase interest in JSC FPC's trades among children as well as to improve the Company's reputation among the younger generation. In 2024, the event was held at the Personnel Development Centre, as well as at all branches of JSC FPC, involving 980 schoolchildren across Russia.



Youth policy

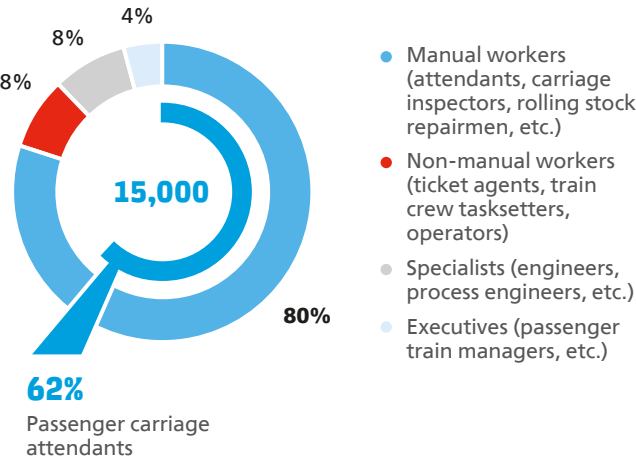
Over 15,000 employees, or 29% of the Company's total headcount, are aged 35 and under. Young managers make up 17% of all managers. The fact that one in three

of JSC FPC's employees are young highlights how crucial it is that the Company's youth policy be implemented effectively.

The young employees of JSC FPC, who have the necessary professional and corporate competencies, are change agents, promoters of modern corporate culture and values, involved as much as possible in solving the Company's current tasks and systematic innovative development.

Youth of JSC FPC Targeted Programme (2021–2025)


The youth of JSC FPC are presented by:



The main tasks and domains for the development of the Company's Youth Policy are defined by the Youth of JSC FPC (2021–2025) Targeted Programme. For its implementation, the Company has 72 youth councils. The programme's activities involve at least 75% of young employees each year and address the following issues:

- Onboarding and retention of young people in the Company
- Stimulation of scientific and technical creativity, innovation and scientific activities of young people
- Improvement of motivation mechanisms for young managers and employees
- Assistance in personal and professional development of young employees with knowledge and skills tailored to JSC FPC's needs, as well as career growth of young people
- Establishment of positive values, maintenance of generational continuity, and strengthening of the image of the workplace among young people





While working with youth, it is important to always be refining techniques used and creating new digital tools that not only solve priority business tasks but also address primary needs of young people.

Youth of JSC FPC Targeted Programme (2021–2025)

JSC FPC's youth policy activities for 2024:

>30  
mandatory network-wide events

>300  
events and projects conducted during the year

>12,000  
young employees are covered by programme activities

Six areas of youth work

1. Youth adaptation system

- The procedure for adaptation of young employees of JSC FPC was updated
- Single adaptation days
- Adaptation courses in the distance learning system were updated

2. Corporate volunteering and healthy lifestyle

- YouMe volunteerFPC volunteer project competition
- Winning the Conductors of Good Deeds grant competition
- Networking and local actions, races and events throughout the year

3. Addressing corporate challenges

- Winning the New Link youth project competition
- 2 victories in the Youth in Action project

4. Comprehensive youth development

- Hi-Po talent pool 2024
- A series of events on career and personal development
- XI Youth Meeting of JSC FPC
- Work with young specialists

5. Comprehensive youth co-operation

- Rosmolodezh grant competitions and forums
- Youth meeting and the Russian Railways Volunteer Forum
- All-Russian competition My Russia is My Country

6. Working with youth involvement

- Social networks FPC.TUT in Vkontakte and Telegram
- Leaders of Change competition among youth councils of business units of FPC's branches
- Meetings with management

Annual cycle of FPC's youth policy for 2024

Onboarding

Engagement

Young professionals

January-December  
Hi-Po talent pool

February  
XX All-Russian Contest of Youth Projects – My Russia is My Country

March  
New Link project competition

April  
Survey of young employees of JSC FPC

June-August  
Youth for Youth summer marathon

May  
Youth for Youth creative contest

April-September  
YouMe volunteerFPC volunteer project competition

September-November  
Single adaptation days at FPC branches

October  
XI Youth Meeting of JSC FPC

December  
Career Route marathon on career opportunities for FPC's general trades





Key projects of 2024

1. Development a system for onboarding and retaining young people in the Company

- The onboarding procedure for young employees of JSC FPC was updated, including the development of a quick reference card (Young Employee Navigator) to be given to young employees and participants of ARPO RSS during employment.
- 18 onboarding courses for the management office and branches of JSC FPC were updated, taking into account the general established form and regional specifics.
- Across the Company, 83 Onboarding Days were held, attended by 3,881 people, which is 76% of the total number of young employees hired in 2024.

2. Higher engagement of the youth

- The FPC.TUT channels on VKontakte and Telegram have over 9,000 subscribers These online youth communities raise awareness of the Company's key events and motivate subscribers to participate in networking, holding-wide and federal events.
- The XIV Youth Meeting of JSC FPC was organised with the participation of 150 young employees and 10 managers of JSC FPC's branches and their structural divisions, as well as the Company's senior management, including General Director, Vladimir Pyastolov. The programme included team-building activities, master classes and lectures by external experts, open dialogue with management, and speeches by the Company's top managers. JSC FPC's 2039 visioning was at the centre the Meeting. Young employees together with their managers worked out the Company's development roadmap for the next 15 years. During the ceremonial part of the event, JSC FPC and the parent company presented awards to active young employees who made a significant contribution to the Company's development and to winners of corporate competitions.
- As part of the youth policy transformation, JSC FPC's Youth Council Regulations were updated as to the approval of the procedure for forming youth councils, their motivation system and functionality, and the development of guidance materials for organising and holding annual youth meetings in JSC FPC's branches, on the basis of which eight meetings were held in 2024.
- The Leaders of Change competition was held among 72 youth councils of JSC FPC. Ten runners-up of the competition presented their 2024 reports at

- the XIV Youth Meeting of JSC FPC. The winner and holder of the Leaders of Change cup in 2024 was the youth council of the carriage station of the Penza Kuibyshevsky Branch of JSC FPC.
- Seven thousand people, or 42% of the total number of young people, participated in a sociological survey of JSC FPC's young employees. The survey revealed the most motivating and demotivating factors for young people in their work, the best formats of interaction, the top 10 interests and hobbies of young people, formed a portrait of a young employee, and developed recommendations to improve the level of awareness of young people.
  - During the summer passenger transport period, a seven-week online marathon titled "Youth in Transit" was held, involving over 1,000 employees. The sociological survey results regarding the interests and pastimes of the Company's young people served as the basis for the marathon.
  - According to the results of the annual unified survey of the Company's personnel engagement, the youth engagement rate rose by 2 p.p. and totalled 57%.

3. Maintenance of conditions for continuous and holistic development of young people

- In order to provide career opportunities for young people, a series of Career Express events were put in place (total coverage – over 2,000 people), involving:
  - High-potential employees (in 2024, the Hi-Po pool include over 40 young employees of all job categories). The Hi-Po development programme included individual development plans, master classes led by experts from JSC FPC, the parent company and the external experts on the topics of Manage Yourself, Manage the Team and Manage the Project, as well as the transfer of managerial experience and skills from the heads of structural divisions. Nineteen graduates who successfully completed the development programme were suggested for special consideration for open positions within the Company. The efficiency rate of the pool was 44% (18 career moves over 2024)
  - Manage Your Career webinar on opportunities for personal and career development of young people
  - Career Route Marathon in Telegram messenger dedicated to career development trajectories for workers and employees of the Company, as well as sharing success stories of heads of structural subdivisions of branches. Each week was dedicated to one of the general trades (passenger carriage attendant, train electrician, ticket agent and rolling stock repairman).

- In 2024, the Career Express project won the 2nd Russian Railways HR Management Award.
- To unlock the creative potential, the Youth for Youth contest was held to design symbols for the Company's youth policy and the XIV Youth Meeting of JSC FPC.

4. Development of corporate volunteering, promotion of healthy lifestyle and sports

Volunteer movement of JSC FPC involves:

>2,000  
active volunteers

>250  
regional volunteer projects since 2018

Every year, the Company's volunteers take part in corporate, holding-wise, all-Russian and international projects, win competitions and participate in major volunteer events, as well as implement their own projects to develop the regions where the Company operates.

- In 2024, volunteers of JSC FPC:
- Traditionally helped the sponsored orphanages and boarding schools
  - Organised environmental campaigns for urban landscaping
  - Participated in projects of volunteer, donor, social and governmental organisations in their regions
  - Organised congratulations on Victory Day, Railway Worker's Day, Senior Citizen's Day, Attendant's Day and other important holidays for the Company

- Promotion of volunteerism in 2024:
- Regulations on holding the YouMeVolunteerFPC volunteer project competition at JSC FPC were updated. Out of 61 socially significant projects announced, 23 project were implemented by volunteer teams.
  - 14 volunteer units of JSC FPC were formed and registered on the Dobro.rf platform.
  - Agreement was signed with the Pochet Charitable Foundation, which enabled the Company's volunteers to participate in network-wide and road events of the parent company, including the Attendants of Good Deeds social grant competition and the 25+ Good Deeds with the Pochet Foundation project. As a result, the Company had two victories and received over RUB 600,000 for volunteer projects by employees of the Northern-West, Kuibyshev and Volga branches.
  - Volunteer Incentive Regulations of JSC FPC were updated, under which the most active volunteers will be awarded gold, silver and bronze badges annually in three areas (Active Participation in Volunteer Activities, Popularisation of the Volunteer Movement and Major Volunteer Project).

5. Involvement of young people in resolving corporate (strategic) tasks, including innovative and scientific activities

Since 2010, the Company's young people have traditionally participated and won youth contests and projects held the parent company and aimed at solving production tasks.

- Systemic efforts were made to popularise the New Link competition of innovative projects and to help participants to prepare for this competition. In 2024, 58 projects were submitted to the competition. The winner in the Passenger Service System category was the team from the management office of JSC FPC with the project on the digital distributed control system for pre-trip preparation of passenger trains.
- The Youth in Action project is aimed at implementing youth initiatives that touch on aspects of operation activities. As part of this project, employees of the East Siberian and Moscow branches of JSC FPC had two victories and won the Made by Youth Award in the categories of comfortable working environment and meeting production challenges.

6. Development of intra-holding, inter-industry and international youth cooperation

- Creating strong horizontal ties between young employees is the key to the efficient and uninterrupted work of the Company. In 2024, young employees of JSC FPC took part in the following events:
- XVI anniversary of the parent company's Youth Meeting, which brought together over 1,000 participants, including young industrial leaders of the country and foreign partners
  - Anniversary V Volunteer Forum of the Parent Company attended by over 400 best volunteers of the Holding
  - XXI All-Russian Contest of Youth Projects – “My Russia is My Country”. An employee of the North-Western branch of JSC FPC won the second degree prize in the Railway Transport. My Country's Routes of Communication category
  - World Youth Festival in Sochi attended by 20,000 people from 190 countries
  - All-Russian Forum of Working Youth in Murmansk, which brought together 300 workers and specialists from the main production sectors
  - Over 1,000 railway events by OJSC Russian Railways, Rosmolodezh, ANO Russia – Land of Opportunities and other external organisers

Building student train attendant squads

The Company has been cooperating with Youth All-Russian Public Organisation “Russian Student Squads” (ARPO RSS) for many years. In 2024, over 8,000 participants of student attendant squads worked during peak passenger traffic. Most of the students (about 93%) worked as attendants during the summer period.

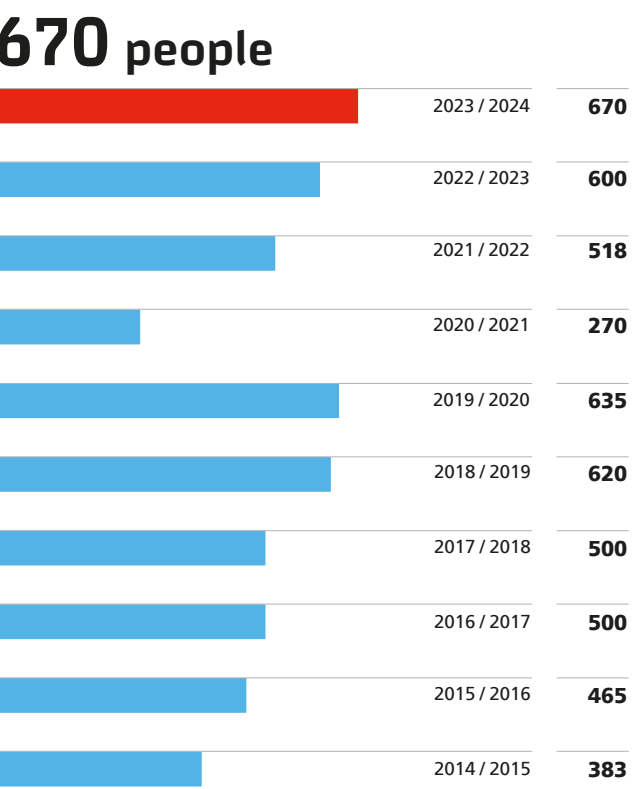
Key liaison arrangements with ARPO RSS in 2024:

- Participation of JSC FPC management in meetings of the Organising Committee chaired by Deputy Prime Minister of the Russian Federation, Tanyana Golikova, as part of the anniversary year of ARPO RSS
- JSC FPC participated in the opening ceremony of the “Labour is Cool” career forum in honour of the RSS Day
- Approval of the updated handbook for a student attendant squad member and its placement in the distance learning system of OJSC Russian Railways
- Participation of RSS members in the professional skills competition of JSC FPC's passenger carriage attendants. The students shared first place with the North-Western branch of JSC FPC
- Formation of the talent pool of JSC FPC's branches from among the members of student attendant squads, which included 217 RSS members (+93 people year-on-year)
- Organisation of a large-scale campaign titled “The train that unites the country – the longest train drawn on asphalt”, together with ARPO RSS and under the sponsorship of VTB Bank (PJSC) on Railway Worker's Day at 33 railway stations in Russia
- Awarding of 973 students (+27% year-on-year) with the badge of the Trouper of the Labour Semester in JSC FPC of the II and III degrees
- The results of the “Best Structural Division of a Branch of JSC FPC in Organising Work with Student Attendant Squads” competition were summed up
- Participation of JSC FPC's management in the All-Russian meeting of student squads at the State Kremlin Palace

On 18 November 2024, a service agreement was concluded with ARPO RSS to form year-round student attendant squads to service four trains of JSC FPC.

In 2024, the structural subdivisions of JSC FPC's branches employed 143 participants of ARPO RSS to work as passenger carriage attendants in year-round student squads.

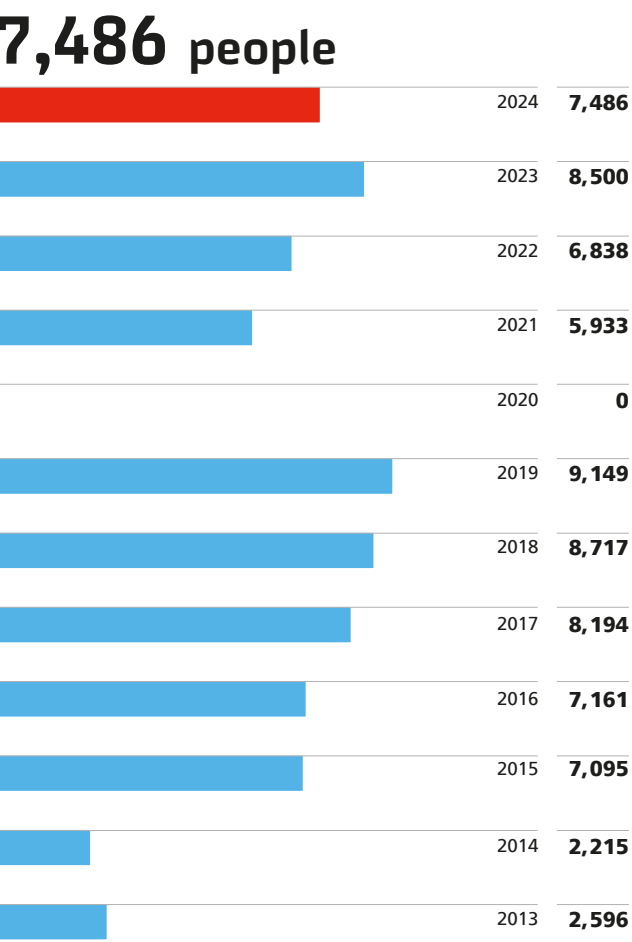
Number of members of student attendant squads involved in winter passenger service, people



Since 2018, JSC FPC has been conducting an annual survey of students' satisfaction with their work at the Company<sup>1</sup>. The survey identifies strengths and growth areas to make prompt decisions to improve the student experience.

In 2024, 4,924 students expressed their opinion (+416 year-on-year), or 65% of the actual headcount. The majority of respondents (89%) are members of the Omsk regional branch of ARPO RSS, 47% previously

Number of members of student attendant squads involved in summer passenger service, people



worked for the Company as attendants. The overall level of student satisfaction with working at JSC FPC was 83% (+5% year-on-year).

<sup>1</sup> With the exception of 2020 during the pandemic.



# Employee Remuneration and Motivation System

The Company has an effective employee incentive system in place. A wide range of social benefits is stipulated by the provisions of the Collective Bargaining Agreement, which covers 100% of employees. All payments, without exception, are regularly indexed and are reviewed taking into account the best practices available on the market, as well as staff opinion, which is formed based on the results of engagement surveys. The non-financial motivation system also includes the best available non-financial incentive practices for personnel.

## Personnel incentives

MED 26

Based on the results of 2024, the average salary of employees in all activities of JSC FPC amounted to RUB 93,096, up 24.7% compared to the same period last year (with a salary indexation of 9.2%).

The Company's remuneration and labour motivation policy is aimed at preserving social guarantees for employees and retaining qualified personnel. To achieve these goals and in accordance with p.p. 3.2.2

of the Collective Bargaining Agreement of JSC FPC for 2023–2025, employee salaries were indexed by 4.0% since 1 February 2024 and by 3.2% since 1 October 2024. The Company also makes all motivational payments envisaged in the Regulations on the Remuneration System for Employees of JSC FPC's branches and their Structural Subdivisions<sup>1</sup>, the concept of targeted motivation for employees of JSC FPC's branches and their structural subdivisions<sup>2</sup>.

## Payments for 2024

- RUB 53.977 million – additional payment for harmful and/or hazardous working environments
- RUB 567.587 million – payment for additional paid annual leave
- RUB 15.622 million – additional remuneration for non-working holidays on which employees (excluding salaried employees) were not engaged in work

In order to ensure staff stability and incentivise continuous employment, employees receive payments upon reaching a certain length of service as a reward for their loyalty to the Company. For 2024, RUB 1,479.679 million was paid.

Individual employees are encouraged to achieve a higher level of professional excellence and promote interest in labour results through the application of the following motivational payments:

- Allowances for professional excellence on average per employee in the amount of RUB 3,604 (6,931 employees)
- Allowances for grade ranking on average per employee in the amount of RUB 5,836 (8,214 employees)
- Personal salaries with an average of RUB 37,466 per employee (712 employees).

JSC FPC's bonus system is aimed at motivating employees to improve the quality of passenger care, travel comfort, train safety, and the quality of carriage repair and maintenance.

For 2024, the following additional bonuses were paid:

- For discovery of hard-to-detect defects and malfunctions of passenger carriages in the average amount of RUB 8,750 per person (122 employees)
- Income from other activities averaged RUB 1,738 per person (49,993 employees)
- Train traffic safety based on the year-end 2023 – the bonus of RUB 34,717 was paid on average per employee (3,604 employees)
- High quality of repair and maintenance of passenger carriages on average per employee in the amount of RUB 32,066 (3,166 employees)
- High quality of passenger care on trains on average per employee in the amount of RUB 64,391 (1,228 employees).

In order to raise the motivation of newly hires and further retention of human resources, the Company established the following payments:

- One-time benefits to employees of structural subdivisions of JSC FPC's branches in the amount of RUB 30,000 upon hiring and after six months of continuous permanent employment with the Company
- lump-sum remuneration for loyalty to the Company in the amount of one monthly tariff rate (official salary) for the white and blue collar categories in case of continuous working life for one and two years.

In 2024, JSC FPC offers additional monetary incentives for personnel:

- Since 1 August 2024, the additional payment to passenger carriage attendants for performing the duties of a temporarily absent employee without release from the main job defined in the employment contract is determined on the basis of 100% of the absent employee's salary, including compensatory and incentive payments.
- Since 1 October 2024, hourly wage rates of blue collars and official salaries of white collars were increased by 10%.
- Since 28 December to 10 January (excluding non-working holidays), passenger carriage attendants, passenger train managers and train electricians are paid a supplement of 100% of the hourly wage rate (official salary) for the time actually worked during the New Year mass passenger traffic period.

In order to motivate personnel taking into account the regional specifics of the labour market, the Company's budget annually provides funds to establish zonal premiums for employees in key trades in regions with high average salaries, as well as in structural subdivisions that experience difficulties with staffing.

Employees of the Company also earn incentive payments for working in non-normal settings because of the geopolitical environment and natural elements.

For example, employees of JSC FPC's divisions located on the Baikal-Amur Mainline have an incentive bonus of 10% of the tariff rate. For employees of train crews who service passenger trains travelling in the Belgorod and Kursk Regions and certain districts of the Bryansk Region, there is a 30% wage premium for the time spent in this region. For employees whose workplaces are located in administrative and territorial areas with extremely difficult operational situation and exposed to direct threats of acts of unlawful interference or other security incidents of terrorist nature, a zonal premiums of 15% is paid (except for Belgorod and Kursk Regions, where the premium is 30%).

<sup>1</sup> JSC FPC's Order No. 365 dated 20 August 2024.  
<sup>2</sup> JSC FPC's Order No. 1305r dated 29 December 2017.

# Social Policy

In 2024, the Company's expenditures to fulfil the obligations under Collective Bargaining Agreement of JSC FPC totalled over RUB 10 billion.

>10  
RUB billion

in expenditures to fulfil  
JSC FPC's Collective Bargaining  
Agreement obligations

In accordance with the Collective Bargaining Agreement, JSC FPC's employees are given free commuter travel from their place of residence to their place of work, study or medical treatment and back, as well as free travel once a year to a place of recreation in the Russian Federation and back in a second-class sleeping carriage on JSC FPC's passenger trains of all categories. The Company's expenses on railway travel for employees and their minor children in 2024 totalled over RUB 1.6 billion.

- Additional benefits and guarantees related to maternity and childhood and stipulated by the Collective Bargaining Agreement are in place:
- Supplement to the maternity allowance paid from the Russian Social Fund to bring the total payment to the employee's average monthly earnings
  - One-off financial aid at the birth of a child – RUB 6,050
  - Monthly child care allowance for employees until the child reaches the age of three – RUB 3,025.

The total expenditures on these payments amounted to RUB 201 million. On average, an individual benefits package in 2024 totalled RUB 80,000.

## Non-financial motivation

The Company has various formats for rewarding employees for both individual and collective contributions to the achievement of corporate goals. The corporate award policy plays an important role in recognising achievements. Employees are also rewarded with state awards.



In 2024, 4,711 employees were recognised for their significant contribution to the development of railway transport, their professional achievements and conscientious work, including:

- State awards of the Russian Federation – 2 employees
- Awards from the Russian Ministry of Transport – 86 employees
- Awards from Russian Railways – 1,171 employees
- Awards from the General Director of JSC FPC – 3,399 employees, including 1,629 people who were awarded the For Loyalty to the Profession of Passenger Carriage Attendant badge of the 1st and 2nd degrees (including 247 people with the 1st degree and 1,382 people with the 2nd degree)

Another way to motivate people is by organising competitions between work teams at JSC FPC. Based on the results of the activities of FPC JSC branches in 2024, the winners of the competition among the teams of the branches and their structural divisions were the teams of the Kuibyshevsky Branch, the Penza Carriage Station of the Kuibyshevsky Branch, the Omsk Passenger Carriage Depot of the West Siberian Branch, the Kotlas Passenger Carriage Depot of the North-Western Branch, and the Far Eastern Railway Agency of the Far Eastern Branch.

## Housing policy

The opportunity to improve housing conditions is extremely important for employees. The Company provides their employees with corporate support (subsidies, mortgage loans) for the purchase of own housing, including non-repayable subsidies to employees of certain categories.

Every month, 281 JSC FPC's employees receive a subsidy to pay accrued interest on mortgage loans. Seven new mortgage subsidies were signed off in 2024. In the reporting period, 17 employees of the Company received non-repayable subsidies, 15 of them – at birth of children during the debt repayment period on purchased or constructed housing.

- Since 4 December 2024, an interest rate of 27.4% p.a. has been set, with the payment burden being shared between JSC FPC and their employee as follows:
- Young specialist – employee rate 11.5%, JSC FPC's subsidised rate 15.9%
  - Other specialists – employee rate 14.0%, JSC FPC's subsidised rate 13.4%.

According to JSC FPC's regulatory documents, certain categories of JSC FPC's employees are reimbursed for the accommodation expenses.

In 2024, JSC FPC's expenses for the housing policy totalled RUB 49.2 million, including RUB 26.4 million paid as non-repayable subsidies.

49.2  
RUB million

expenditures on housing policy  
in 2024

## Health resort rehabilitation

JSC FPC's employees receive a full package of healthcare services at the parent company's private healthcare facilities under the voluntary health insurance (VHI) framework. JSC FPC's VHI costs in 2024 totalled RUB 605 million.

An integral part of the social policy is the programme of health resort treatment, health improvement and recreation for employees, their family members and non-working retirees, which allocated 3,373 health improvement vouchers during 2024.

Short-term health improvement programmes sold 1,737 vouchers, up 9% year-on-year.

The Company is really concerned about the children's health. As a result of the summer health-improvement campaign, 1,668 vouchers to children's camps were given.

605  
RUB million

employee VHI costs in 2024

## Care for psychological health

In order to preserve employees' occupational health, 19 psychological release rooms with special-purpose equipment for diagnostics and reduction of psycho-emotional tension are functioning in the structural subdivisions of the branches.

Informational campaigns and an online marathon, Psychology Week at JSC FPC, were organised to raise awareness of staff health care. The programme included webinars, interactive activities and materials on stress prevention and emotion modulation. This boosted interest in using psychological release rooms and strengthened the company culture. The number of employees who visited psychological release rooms doubled compared to 2023 and exceeded 6,000 people. Over 9,000 sessions were held in total.



Corporate pension system

606.1  
RUB million

expenses on non-state pension benefits for JSC FPC's employees in 2024

Corporate pensions are included in the Company's employees' benefits packages. Over 16,000 employees have pension plans with Blagosostoyanie, a private pension fund. In its commitment to match funding of private pension plans, JSC FPC pays monthly pension contributions until a corporate pension is assigned, and then additional pension contributions once a corporate pension is granted. In 2024, non-state pension costs for JSC FPC's employees totalled RUB 606.1 million.

Upon retirement, employees are paid a lump-sum incentive for conscientious work depending on their length of service in railway transport. The amount of such payment ranges from one to six times the employee's average monthly salary. Expenses for lump-sum dismissal compensations in 2024 totalled RUB 369 million.



Social support for non-working retirees

306.4  
RUB million

Company's expenses for social support of non-working retirees in 2024

Currently, JSC FPC has over 50,000 non-working retirees on record. Social guarantees for them are realised through the Pochet Charitable Foundation.

Non-working retirees who have worked at the Company for over 20 years receive compensation for making and repairing of dentures, high-tech medical care at the parent company's healthcare facilities, free travel on suburban and long-distance trains, and health resort rehabilitation services.

Special attention is paid to the railway workers who took part in the Great Patriotic War (World War II), home front workers, and minor survivors of Nazi concentration camps. On the Victory Day, 901 veterans received additional material aid through the Pochet Charitable Foundation. Veterans are also reimbursed for the purchase of household fuel, health resort recuperation, financial assistance in connection with their difficult financial situation and for the provision of ritual services to the families of the deceased.

During the reporting period, the Company's expenses for social support of non-working retirees amounted to RUB 306.42 million. A total of RUB 253.5 million was allocated for the provision of social benefits and guarantees through the Pochet Charitable Foundation.

Over RUB 52.9 million was allocated for health resort treatment of non-working retirees, payment of financial aid for burial, and assistance to veterans' councils. The average individual benefits package of a non-working retiree in 2024 was RUB 6,100.

Social support for mobilised employees and their family members

To provide social support to the employees of JSC FPC, whose employment agreements were suspended due to their mobilisation for military service or conclusion of a contract on voluntary assistance to the Armed Forces of the Russian Federation, all benefits stipulated by the Collective Bargaining Agreement of JSC FPC for 2023–2025 and local regulations of JSC FPC were preserved for their family members.

For example, mobilised employees of JSC FPC received RUB 61 million in material assistance in 2024.

Nurturing women's leadership

JSC FPC employs 3,958 managers, including 1,847 women (47% of the total number of the Company's managers). For 2024, 25 women were appointed to senior positions, four of whom joined the CEO team. This confirms the Company's commitment to supporting talented employees and promoting equality.

In 2024, the talent pool comprises 70 women, up 2% year-on-year. For the first time, a talent pool was formed for production positions, which includes both men and women. One of them, Tatyana Babenko, was appointed to the position of head of the Bryansk carriage station.

Dialogue with employees

JSC FPC traditionally maintains an ongoing dialogue with its staff. Corporate surveys assist in gaining insight into the situation within the Company from the perspective of the personnel, in assessing the efficiency of the work accomplished, and in identifying the vector of development.

in 2024, over 29,900 Company employees of all job categories shared their opinions. Three key indicators show a positive year-on-year trend:

- Loyalty index – +1
- Satisfaction with work at JSC FPC – 68%
- Staff engagement – 63%.

The loyalty index hit a positive figure for the first time in five years. This shows that the number of employees willing to recommend the Company as an employer is growing every year.

In accordance with the action plan to improve working conditions, recreation and social support for women for 2024<sup>1</sup>, the Empowering JSC FPC's Women Forum was held in March of the reporting year, involving 100 women from all of the Company's branches.

The forum offered educational seminars and trainings aimed at developing professional competences. It also featured the final of the 5th Business Woman contest, which culminated in a presentation of the 10 projects to the central jury. In addition, a panel discussion was held on the promotion of women's leadership in the Company.

On the eve of the 79th anniversary of the victory in the Great Patriotic War, the Company organised the I Remember and I'm Proud contest. After the contest, a film that chronicled the experiences of war veterans and home front workers was produced.

A competition to uphold traditional family values was held in 2024 in honour of the Day of Family, Love, and Fidelity. The winner of the competition was E. Platakova, an attendant of the West Siberian branch of JSC FPC.

Some of the indicators being examined are still trending upward. Employees are most satisfied with their interactions with management (88%), ethics (86%), and social benefits and guarantees (80%). There is a high level of commitment: 58% of respondents are willing to work for the Company for eight years and more.

The survey covers not only full-time employees but also students hired to help during the extensive summer traffic period. Thus, the level of students' job satisfaction in 2024 increased by 5% year-on-year and reached 83% (the survey covered 4,900 students).

All of the above suggests that the measures taken based on the survey results were effective.

<sup>1</sup> Approved on 18 January 2024, No. FPC-24.

## Development of digital services for employees

JSC FPC finished developing its own corporate portal, FPC INFO, in 2024. Over 20 staff online services were developed in the two years of operation and one year of beta testing.

The portal's primary goal is to facilitate the shift to a new Employee – Employer interaction model that is founded on the one-stop concept. All employees are currently in the same information field and are aware of all current and planned events. They can manage their careers, view and respond to job openings, keep a library of regulatory documents at their fingertips, and more.

There are services designed especially for employees of train crews. The running schedule is now available for employees to view and download in real time. Employees can take pre-trip briefings on the portal, monitor clearances, interact with mentors, schedule holidays and more.

The Manager's Personal Account information and functional module was finished during the reporting year as well. This module has evolved into a sort of forum for candid discussions between management and staff.

## Key ethical principles of JSC FPC

### Doing for the country – the basic principle

Every day we work to contribute to the development of the economy, transport hundreds of thousands of passengers. Patriotism and commitment to our country allow us to create a favourable environment for citizens and expand on a nation-wide scale.

### Doing things with respect to people

We always keep in mind that the main thing in any process is a person: a colleague, a client, or a partner. We are committed to constructive dialogue and concern for everyone's well-being. We are respectful of people's opinions and needs, friendly in our communications and do not tolerate any form of discrimination.

### Doing business efficiently while conserving resources

We are persistent in achieving the desired result, while rationally and responsibly using the Company's resources to find the best approach to each task.

### Doing as a team, while achieving a common goal

We are united by a common cause. We act openly and honestly. We trust the professionalism of our colleagues, honour agreements and are always ready to support and help. We are considerate of each team member and work towards a common goal.

### Being reliable

Reliability and safety are the key features of our work. We work responsibly and without interruption. We guarantee high quality of our work and fulfilment of our commitments. Our work impacts people's lives and the world around us. Therefore, we minimise risks and create confidence in our partners through our actions.

### Doing better

We are open to exploring and introducing new ideas, solutions and technologies, creating conditions for their application to improve the quality of our work. We do not dwell on our achievements and strive for continuous improvement. We abandon ineffective working methods and simplify processes and procedures wherever possible, while maintaining safety and sustainability. We lay the groundwork for the team's and individual employee's professional and personal growth.

Values, principles and corporate competences constitute an inseparable whole, the core of our corporate culture.

Brand values	Principles	Corporate competences
Values in people	Doing things with respect to people	<ul style="list-style-type: none"><li>• Development and care for employees</li><li>• Effective communication</li></ul>
Partnership	Doing as a team, while achieving a common goal Being reliable	<ul style="list-style-type: none"><li>• Teamwork and mutual support</li><li>• Customer focus</li><li>• Accountability</li></ul>
Openness to innovation	Doing things efficiently while conserving resources Doing better	<ul style="list-style-type: none"><li>• Innovativeness</li><li>• Workflow organisation</li><li>• Holistic thinking</li></ul>

## Code of Ethics

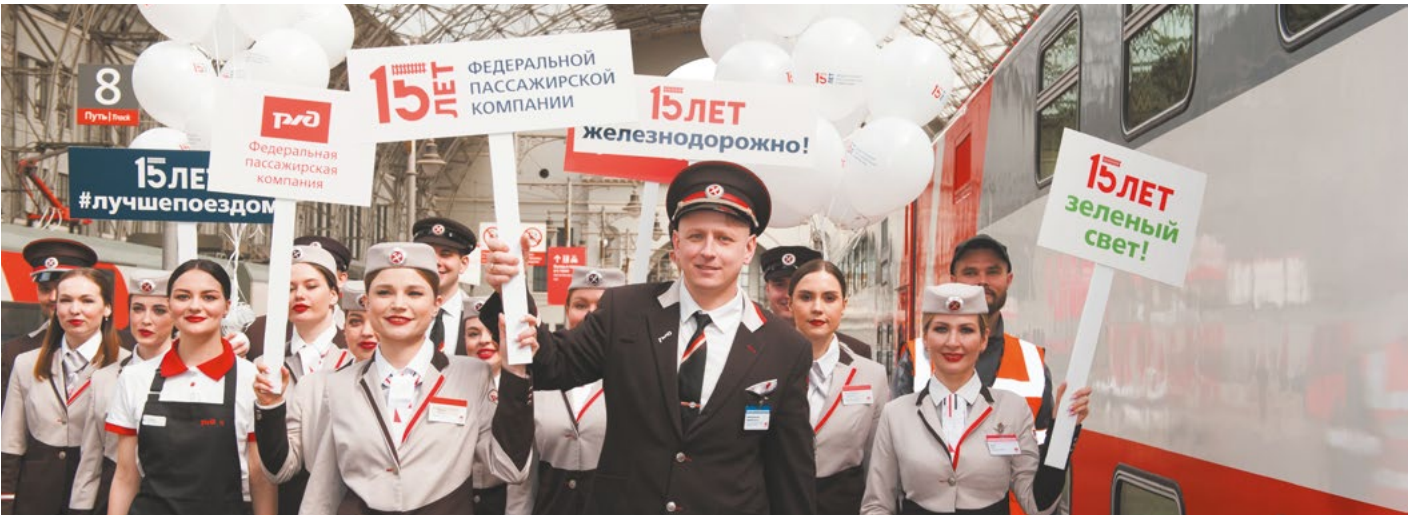
The Company has the Code of Ethics of JSC FPC, which sets out common corporate values, codes and rules of behaviour for personnel.

The following were created and put into operation in 2024 as part of the Code's successful implementation and the growth of corporate culture:

- Practical guidance on the Code of Ethics – Fundamentals of Business Ethics of JSC FPC
- Guidance materials on business etiquette
- Business Communication and Emotional Intelligence webinars.

Interactive tasks and case methods were integrated into employee training, which ensured a deep understanding and practical application of business etiquette rules in occupational situations.

These events helped raise employee awareness of the codes and rules of corporate ethics and strengthen the compliance with JSC FPC's Code of Ethics in the Company's day-to-day operations.





# Occupational Health and Safety

JSC FPC constantly improves occupational safety and strives to prevent work-related injuries.

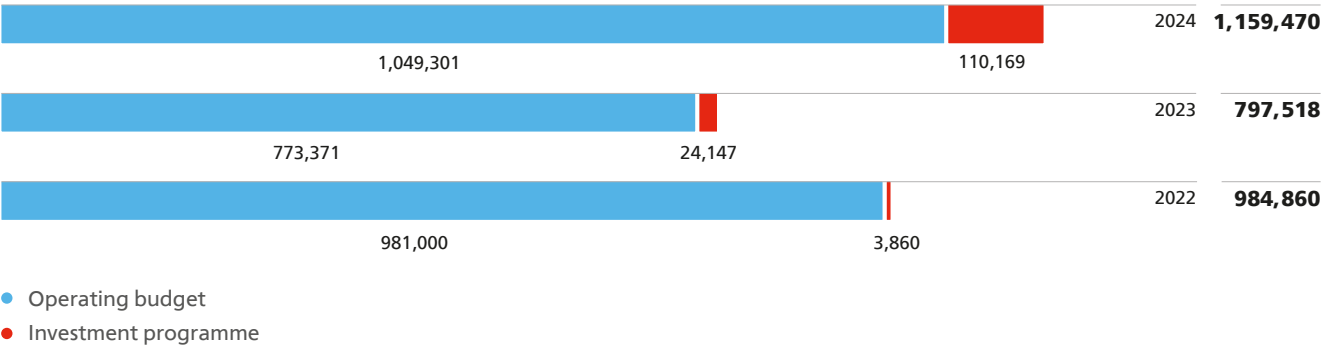
The Company developed the Regulations on the Occupational Health and Safety Management System (OHSMS) to assist in complying with occupational health and safety requirements. The regulations are intended for use by divisions of JSC FPC. The OHSMS is an integral part of JSC FPC's management and production system. The standard on Labour Safety Management System.

General Provisions (STO FPC 1.15.001-2014) and the Regulations on the Occupational Safety Management System at JSC FPC are the fundamental documents defining the principles of occupational health and safety at workplaces at JSC FPC.

MED 27

JSC FPC's occupational health and safety costs, RUB million

RUB 1,159.47 million



# Managing Environmental Impact

JSC FPC is the 'face' of the parent company in long-distance passenger service. While operating in every area of the Russian Federation with railway infrastructure, the Company strives to have as little of an impact on the environment as possible<sup>1</sup>. The targets for environmental impact reduction are given in JSC FPC's Development Strategy until 2030.

### Environmental indicators:

- Year-on-year Increase in waste generation by 3.6% from 92,100 tonnes to 95,500 tonnes
- Reduction of air emissions by 5.9% from 3,400 tonnes to 3,200 tonnes
- Increase in water consumption by 2.1% from 4.6 million m³ to 4.7 million m³
- Increase in water discharge by 6% from 3.1 million m³ to 3.5 million m³.

There are no environmental fines in 2024.

The Company prevents environmental contamination and maintains an adequate level of sanitation at rail infrastructure by acquiring only carriages equipped with environmentally friendly toilet facilities. Such toilet facilities are installed during the overhaul of carriages.



<sup>1</sup> The Company is guided by the environmental legislation of the Russian Federation, the Environmental Strategy of the parent company, the development strategy of JSC FPC until 2030 and JSC FPC's Standard 1.16.001-2016.

MED 13

Environmental indicators

Indicator	2022	2023	2024	vs. 2023, %
Waste generation, thousand tonnes	102.1	92.1	95.5	+3.6
Air emissions, thousand tonnes	3.3	3.4	3.2	−5.9
Water consumption, million m³	5.2	4.6	4.7	+2.1
Water discharge, million m³	3.2	3.1	3.3	+6.0

The Company's goals in the field of environmental protection	Initiatives
To minimise negative environmental impacts	Equipping carriages with environmentally friendly facilities
	Purchasing carriages with centralised power supply and separate waste accumulation systems
	Installing high-voltage heating points at the turnaround and originating stations
To take care of human health and the environment	Revamping treatment facilities
	Retrofitting water recirculation systems to carriage washing facilities
	Developing gas infrastructure for boiler houses
	Upgrading water and sewer networks

Hazardous waste handling

In total, the Company generated 95,500 tonnes of waste of I–V hazard classes in 2024, up 3.6% year-on-year. The waste generation was driven up by the growth of

passenger turnover, as well as the scheduled repairs and maintenance of carriages.

Gross volume of waste generation by hazard class, thousand tonnes

Indicator	2022	2023	2024	vs. 2023, %
Total	102.087	92.137	95.500	+3.5
Hazard class 1	0.009	0.008	0.007	−12.5
Hazard class 2	0.240	0.211	0.513	+58.9
Hazard class 3	0.200	0.158	0.831	+81.0
Hazard class 4	84.561	69.516	69.746	+0.3
Hazard class 5	17.078	22.244	24.403	+8.8

In order to reduce waste generation, the Company implements separate waste collection, isolating recyclable materials and sending them for recycling.

Air protection and climate impact

Total air emissions by the Company in 2024 amounted to 3,200 tonnes.

In the reporting year, the Company's gross air emissions totalled 3,200 tonnes, down 200 tonnes year-on-year.

The main measures for reduction of air emissions in the Company are:

- Gasification of boiler houses

- Construction of high-voltage heating points for passenger carriages at the turnaround and originating stations
- Reduction of coal and fuel oil consumption.

Between 2019 and 2024, work was completed on 18 high-voltage heating points with 55 high-voltage charging points.

Air emissions, thousand tonnes

Indicator	2022	2023	2024	vs. 2023, %
Total pollutants	3.3	3.4	3.2	−5.9
Including:				
• Air emissions from stationary sources	3.0	3.1	2.7	−12.9
• Air emissions from mobile sources	0.3	0.3	0.5	66.7

Sustainable water use

Total water use (water consumption), million m³

Water consumption, million m³	2022	2023	2024	vs. 2023, %
Total	5.2	4.6	4.7	+2.1

Total water discharge, million m³

Water discharge, million m³	2022	2023	2024	vs. 2023, %
Total	3.24	3.14	3.30	+6.0
of these				
• Wastewater discharge into the environment	0.04	0.04	0.03	−25.0
• Wastewater discharge into centralised sewage systems	3.20	3.10	3.30	+6.5

In order to reduce the amount of wastewater that may have a negative impact on the environment and operation of centralised sewage systems, the Company implements programmes for retrofitting treatment facilities and carriage washing facilities by furnishing them with a closed-loop water supply system and local treatment facilities.

In particular, the following works are underway:

- Retrofitting carriage-washing facilities with recycling water supply systems
- Upgrading water supply and sewer networks
- Revamping treatment facilities
- Retrofitting the buildings and structures with water metering units (consumption and discharge).



Utility consumption

To improve energy efficiency and reduce the energy intensity of its operations, the Company takes ongoing efforts to restrict its fuel and energy consumption. In 2024, the following activities were developed and implemented in this area:

- Purchasing new, advanced and energy-efficient rolling stock
- Using energy-saving technologies in the depot and station lighting systems (LEDs and smart control systems)
- Upgrading and converting boilers from liquid fuels to gas
- Retrofitting the Company’s buildings and structures with water consumption and discharge, electricity and heat meters
- Installing high-voltage charging points at passenger train preparation sites



Changes in the use of fuel and energy resources

In nominal terms

Type of resource	2022	2023	2024	Δ 2024/2023, %
Electric energy, million kWh	113.134	114.324	113.664	−0.6
Diesel fuel, thousand tonnes	1.646	1.334	1.496	12.1
Coal, thousand tonnes	84.627	87.365	82.676	−5.4
Fuel oil, thousand tonnes	9.998	9.567	9.826	2.7
Natural gas, million m³	22.744	23.709	25.727	8.5
Petrol, thousand tonnes	0.591	0.568	0.567	−0.1
Briquettes, thousand tonnes	2.575	2.895	2.994	3.4
Pellets, thousand tonnes	0.280	0.165	0.163	−1.0
Firewood, thousand m³	0.080	0.012	0.000	−96.7
Total, thousand TFOE	153.099	155.866	154.725	−0.7

In value terms, RUB million

Type of resource	2022	2023	2024	Δ 2024/2023, %
Electric energy	699.4	787.1	818.6	4.0
Diesel fuel	89.6	78.7	99.3	26.1
Coal	362.4	443.5	461.7	4.1
Fuel oil	205.9	170.1	254.0	49.3
Natural gas	148.3	167.3	191.6	14.5
Petrol	34.0	33.0	36.0	9.1
Briquettes	25.5	31.0	34.7	12.0
Pellets	2.3	2.0	1.7	−14.6
Firewood	0.4	0.0	0.0	−93.9



# Procurement

- JSC FPC’s procurement activities are governed by the Regulations on Procurement of Goods, Works and Services for the Needs of Joint Stock Company Federal Passenger Company<sup>1</sup> based on the following laws and regulations:
- Federal Law No. 223-FZ On Procurement of Goods, Works and Services by Certain Types of Legal Entities dated 18 July 2011
  - Federal Law No. 135-FZ On the Protection of Competition dated 26 July 2006
  - Resolutions and decrees of the Russian Government
  - Other documents adopted pursuant to Federal Law No. 223-FZ

- During procurement, JSC FPC is guided by the following principles:
- Procurement transparency
  - Equality, fairness, non-discrimination, and no unreasonable anticompetitive practices towards bidders
  - Targeted and cost-effective use of funds to procure goods, works and services (using life cycle costing for procurement as necessary), as well as focus on reducing customer expenses
  - Unrestricted access to bidding through the elimination of non-measurable requirements

Single sourcing is only used when expressly allowed by the Regulations on Procurement of Goods, Works and Services for the Needs of JSC FPC.

According to 2024 procurement results, JSC FPC managed to save RUB 1,857.2 million.

- Based on the results of procurement procedures for goods, works and services in 2024, JSC FPC signed 4,464 agreements for a total of RUB 117.933 million, including VAT:
- 2,552 agreements concluded as a result of competitive and contestable procurement procedures, for a total of RUB 63,142.2 million, including VAT
  - 1,391 agreements concluded with a sole supplier (contractor), for a total of RUB 12,546.1 million, including VAT
  - 521 agreements with affiliated parties of JSC FPC, for a total of RUB 42,244.5 million, including VAT

In 2024, in accordance with the requirements of Russian Government Decree No. 1352 dated 11 December 2014 “On the Peculiarities of Participation of Small and Medium Businesses in the Procurement of Goods, Works and Services by Certain Types of Legal Entities” and in order to support and develop small and medium businesses in the Russian Federation, 2,680 agreements were concluded with small and medium businesses for a total amount of RUB 20.6 billion.

## Monitoring suppliers’ adherence to sustainability standards

JSC FPC purchases about 70% of materials and resources on a centralised basis through the parent company’s divisions. The parent company follows the methodology for accounting and assessment of environmental requirements for products, raw materials and materials purchased by business units. This document regulates the fulfilment of additional requirements and contributes to reducing the environmental stress, improving working conditions and raising economic performance through higher energy efficiency and resource conservation.

# Charitable Activities

MED 34

306.2  
RUB million  
allocated for charitable aid and sponsorship

- In 2024, JSC FPC’s commission on processing requests for charitable assistance and sponsorship allocated RUB 306.2 million for charity, including expenses on the following activities:
- Support for employees, their family members and non-working retirees of JSC FPC, including those participating in the SMO – RUB 116.9 million
  - Organisation of transportation of participants and disabled veterans of the Great Patriotic War and their caregivers by JSC FPC’s trains – RUB 29.4 million
  - Support of holding-wide charity projects (volunteering and student squads) – RUB 26.0 million
  - Support of external charity projects (passenger assistance, transportation of humanitarian aid) – RUB 133.9 million

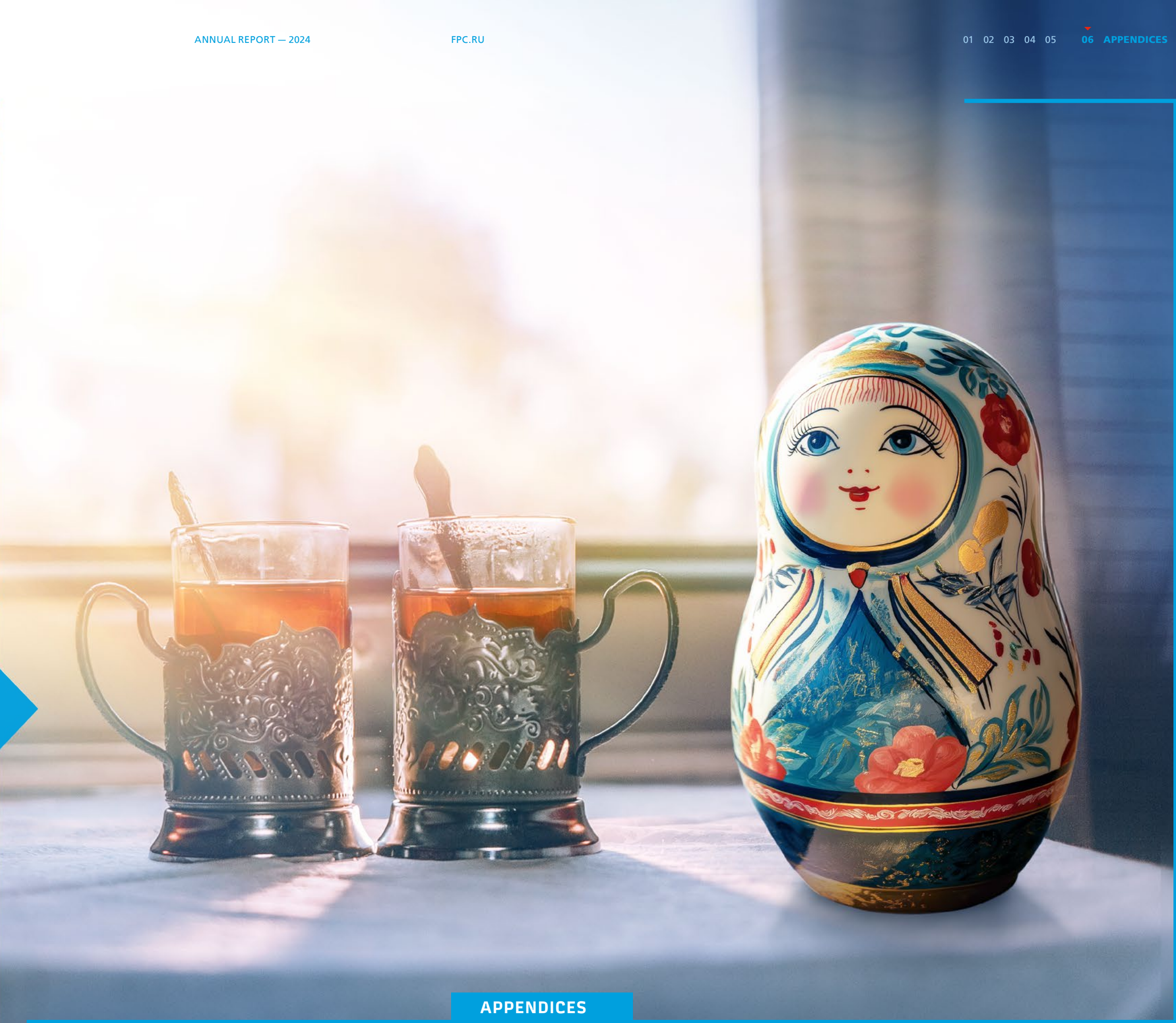
- In total, the commission held 39 meetings, considered 292 applications of legal entities and citizens, and made positive decisions on 149 of them.
- As part of its charitable activities, JSC FPC provided social support to employees, their family members and non-working retirees who experience hardship, including those who suffered from natural disasters, citizens who participated in the Great Patriotic War, people with reduced mobility, children and others in need of preferential/non-repayable travel on JSC FPC’s trains. In addition, the Company provided charitable assistance to the Russian Railways Corporate Volunteering 2023–2030 movement, student squads of the Russian Federation and Youth All-Russian Public Organisation “Russian Student Squads”.
- JSC FPC’s branches aligned their charitable activities with the decisions of commissions for social support of employees and non-working retirees of the branches. The total amount of this social support that the Company’s branches offered was RUB 42.1 million.

<sup>1</sup> Approved by the resolution of the Board of Directors of JSC FPC (Minutes No. 4 dated 1 September 2022 as amended).



# 06

*With all  
the generosity  
of our heart*



APPENDICES



# RAS Financial Statements and Auditor's Report

Balance sheet, RUB '000

Indicator	Line code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
Asset				
I. Non-current assets				
Intangible assets	11100	1,588,412	1,000,827	416,791
Including:				
• intangible assets	11110	733,386	587,024	412,163
• capital investments in intangible assets	11120	811,732	374,137	4,566
• advances made	11199	43,294	39,666	62
R&D results	11200	–	–	43,083
Including:				
• research, development and engineering	11210	–	–	–
• capital investments in research, development and engineering	11220	-	–	43,083
• advances made	11299	–	–	–
Intangible exploration assets	11300	–	–	–
Tangible exploration assets	11400	–	–	–
Fixed assets	11500	391,801,032	339,275,912	311,617,468
Including:				
• fixed assets	11510	378,747,135	327,144,273	297,201,259
including:				
• buildings, machinery and equipment, vehicles	11511	372,994,036	322,433,757	293,215,122
• structures and transmission equipment	11512	3,093,613	3,232,120	3,325,303
• other fixed assets	11519	2,659,486	1,478,396	660,834
• capital investments in fixed assets	11520	12,035,993	11,181,065	11,466,087
• advances made	11599	1,017,904	950,574	2,950,122
Income-bearing investments in tangible assets	11600	–	–	–
Financial investments	11700	1,247,137	1,247,137	1,247,137
Including:				
• contributions to equities (share capitals) of other entities	11710	1,247,137	1,247,137	1,247,137
• loans issued and bank deposits	11720	–	–	–
• other financial investments	11790	–	–	–
• prepayments	11799	–	–	–

Indicator	Line code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
Deferred tax assets	11800	4,623	1,846,369	4,203,962
Other non-current assets	11900	2,280,896	2,475,893	702,169
Total for Section I	11000	396,922,100	345,846,138	318,230,610
II. Current assets				
Inventories	12100	11,399,639	10,333,604	6,049,474
Including:				
• supplies, materials and other similar valuables	12110	11,348,851	10,319,284	6,021,456
• rearers and fatteners	12120	–	–	–
• work-in-progress costs	12130	33,914	6,301	12,678
• finished products and goods for resale	12140	16,874	8,019	6,797
• goods dispatched	12150	–	–	–
• prepaid expenses	12160	–	–	8,543
• other inventories and costs	12190	–	–	–
Value added tax on acquired valuables	12200	16,085	13,784	20,815
Receivables	12300	28,260,085	25,527,314	24,164,222
Including:				
• receivables due in more than 12 months from the reporting date	12310	5,463,260	6,117,570	7,911,712
including:				
• trade receivables (except for rail services)	12311	5,418,419	6,117,570	7,891,672
• trade receivables (for rail services)	12312	–	–	–
• advances made	12313	10,564	–	9,829
• other receivables	12319	34,277	–	10,211
• receivables due within 12 months from the reporting date	12320	22,796,825	19,409,744	16,252,510
including:				
• trade receivables (except for rail services)	12321	2,710,022	2,502,536	2,530,716
• trade receivables (for rail services)	12322	2,463,890	2,226,575	1,883,228
• advances made	12323	1,161,429	1,048,706	1,200,642
• taxes and charges, social insurance and social security	12324	15,289,765	12,714,872	9,708,566
• other receivables	12329	1,171,719	917,055	929,358
Financial investments (excluding cash equivalents)	12400	–	–	–
Including:				
• loans issued and bank deposits	12410	–	–	–
• other financial investments	12490	–	–	–
Cash and cash equivalents	12500	2,433,364	9,397,355	8,811,052
Including:				
• cash on hand	12510	48,065	44,629	36,848
• cash at bank	12520	788,777	552,494	668,114
• cash in foreign currency accounts	12530	182	–	10,368
• cash in special accounts	12540	16,643	771,407	1,704,201
• cash equivalents	12550	–	6,817,476	5,600,000
• other cash and cash in transit	12590	1,579,697	1,211,349	791,522
Other current assets	12600	421,593	584,509	1,087,205



Indicator	Line code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
Total for Section II	12000	42,530,766	45,856,565	40,132,768
Balance	16000	439,452,866	391,702,703	358,363,378
Liabilities				
III. Equity and reserves				
Authorised capital	13100	263,588,839	263,588,839	248,588,839
Treasury shares	13200	–	–	–
Revaluation of non-current assets	13400	–	–	–
Additional paid-in capital (excluding revaluation)	13500	9,735,525	10,054,693	10,076,698
Including:				
• share premium	13510	–	–	–
• contributions to share capital	13520	–	–	–
• other equity	13590	9,735,525	10,054,693	10,076,698
Reserve capital	13600	3,254,433	2,200,098	1,648,168
Including:				
• statutory reserves	13610	3,254,433	2,200,098	1,648,168
• reserves formed in compliance with statutory documents	13620	–	–	–
Retained earnings (accumulated deficit)	13700	34,361,123	11,011,905	(9,502,463)
Total for Section III	13000	310,939,920	286,855,835	250,811,242
IV. Non-current liabilities				
Loans and borrowings	14100	43,000,000	31,500,000	41,500,000
Including:				
• loans maturing in more than 12 months from the reporting date	14110	33,000,000	16,000,000	16,000,000
• borrowings maturing in more than 12 months from the reporting date	14120	10,000,000	15,500,000	25,500,000
Deferred tax liabilities	14200	1,637,205	–	–
Provisions	14300	–	–	–
Other liabilities	14500	2,271,381	2,433,453	146,936
of these:				
• deferred income	14510	42,651	56,296	73,069
• lease liabilities	14520	–	–	–
• debt on capital investments with deferred (instalment) payment terms	14530	–	–	–
• advances received for rail services	14540	–	–	–
Total for Section IV	14000	46,908,586	33,933,453	41,646,936
V. Current liabilities				
Loans and borrowings	15100	5,859,531	10,499,374	25,600,399
Including:				
• loans maturing within 12 months from the reporting date	15110	29,705	23,211	12,020,021
• borrowings maturing within 12 months from the reporting date	15120	5,829,826	10,476,163	13,580,378
Payables	15200	55,947,257	48,207,361	33,610,098
Including:				

Indicator	Line code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
• trade payables	15210	26,107,086	24,487,904	13,091,647
of these:				
• debt on capital investments with deferred (instalment) payment terms	15211	–	–	–
• salaries payable	15220	5,031,780	2,917,306	2,365,428
• taxes and charges, social insurance and social security	15230	3,090,638	3,262,412	4,692,801
• advances received (excluding tail services)	15240	264,270	455,279	861,092
• advances received for rail services	15250	18,906,371	14,913,073	10,698,443
• dividends payable	15260	–	–	–
• other receivables	15290	2,547,112	2,171,387	1,900,687
Deferred income	15300	17,656	16,395	16,401
Provisions	15400	19,227,065	11,724,547	6,001,600
Other liabilities	15500	552,851	466,038	676,702
of these:				
• lease liabilities	15510	–	–	–
• Obligations under supply finance agreements	15520	–	–	–
Total for Section V	15000	81,604,360	70,913,715	65,905,200
Balance	17000	439,452,866	391,702,703	358,363,378

JSC FPC's Annual Report has been prepared on the basis of audited RAS financial statements for 2024.



You can find the annual financial statements and the auditor's report for 2024 on FPC's website – [fpc.ru](https://fpc.ru) in the To Shareholders and Investors section

MED 1

Statement of Financial Results, RUB '000

Indicator	Line code	For January — December 2024	For January — December 2023
Revenue	21100	372,880,151	315,788,825
Cost of sales	21200	323,727,550	274,882,115
Gross profit (loss)	21000	49,152,601	40,906,710
Selling expenses	22100	3	249
Administrative expenses	22200	12,164,112	11,096,332
Profit (loss) from sales	22000	36,988,486	29,810,129
Income from participation in other entities	23100	166,371	88,186
Interest receivable	23200	1,786,989	1,872,791
Interest payable	23300	6,047,281	5,347,070
Other income	23400	14,414,074	13,769,396
Other expenses	23500	14,917,104	13,093,543
Profit (loss) before tax	23000	32,391,535	27,099,889
Income tax	24100	6,690,945	5,999,874
Including:			
• current income tax	24110	3,526,603	3,631,597
• deferred income tax	24120	3,164,342	2,368,277
out of which:			
• recalculation due to rate changes	24121	11,907	–
Other	24600	402,139	13,318
Net profit (loss)	24000	26,102,729	21,086,697
Gain/loss from revaluation of non-current assets, excluded from the net profit (loss) for the period	25100	–	–
Gain/loss from other operations, excluded from the net profit (loss) for the period	25200	–	–
Income tax on transactions that are not included in the net profit (loss) of the period	25300	314,609	–
Out of which:			
• recalculation due to rate changes	25301	314,609	–
Total financial result for the period	25000	25,788,120	21,086,697
For reference			
Basic earnings (loss) per share	29000	–	–
Diluted earnings (loss) per share	29100	–	–

# Summarised Consolidated IFRS Financial Statements and Auditor's Report



You can find the summarised consolidated financial statements and the auditor's report for 2024 on FPC's website – [fpc.ru](https://fpc.ru) in the To Shareholders and Investors section



# Assets of the Company

## Structure and change of assets

Passenger rolling stock is JSC FPC’s key asset, making up 92% of total assets. As at the end of 2024, the Company’s inventory rolling stock totalled 16,600 carriages.

Structure of the Company’s assets as at 31 December 2024, RUB billion

Assets	Book value
Passenger carriages	349.43
Fixed property	19.69
Other movable property	9.50
Intangible assets	0.73
Land parcels	0.13
Total	379.48

Changes in the carriage fleet structure, carriages

Carriage type	Description	Fleet as at 31 December 2023	Acquired	Retired	Fleet as at 31 December 2024
Deluxe	Second-class sleeping carriage (each featuring a shower room, a washbasin and a toilet)	114	–	–	114
First-class sleeping carriages	Carriages with double berth compartments	474	19	4	489
ПИЦ (RIC)	Second-class sleeping carriage, Euro standard size	265	–	6	259
МИКСТ (MIXED)	Carriages with deluxe and first-class sleeping compartments	13	–	–	13
K	Second-class sleeping carriages (with four-berth compartments)	7,424	261	137	7,548
O	Third-class open-plan sleeping carriage	6,795	250	175	6,870
MO	Interregional carriages	513	33	26	520
Б	Baggage carriages	84	–	14	70
P	Dining carriages	621	22	30	613
Others	Power stations and ancillary carriages	46	9	2	53
Total		16,349	594 <sup>1</sup>	394	16,549

<sup>1</sup> Taking into account the commissioning of carriages built in 2023.

North-Western branch –

3,200  
carriages

Moscow Branch –

1,900  
carriages

Gorkovsky Branch –

1,300  
carriages

North Caucasus Branch –

1,900  
carriages

Volga Branch –

1,400  
carriages

Kuibyshev Branch –

1,300  
carriages

Ural Branch –

1,900  
carriages

West Siberian Branch –

1,100  
carriages

East Siberian Branch –

1,400  
carriages

Far-Eastern Branch –

1,000  
carriages

Current condition of the passenger carriage fleet

16,549  
carriages  
JSC FPC's passenger carriage fleet  
as of 31 December 2024

- JSC FPC operates a diverse rolling stock:
- by type and age (average age is about 17.5 years)
  - wear and tear – 53.6%
  - furnished with air conditioners – 92.4%
  - furnished with environmentally friendly toilets – 86%
- One of the key indicators reflecting the technical condition of the passenger carriage fleet is their average age, which as of 31 December 2024 was 17.5 years, including overhaul reconditioning – 12.8 years.

Higher-performance rolling stock

In order to satisfy the growing demand for passenger transportation, reduce travel time and lower the cost of travel, JSC FPC acquires carriages with new specifications and improved interior design. All new rolling stock is equipped with environmentally friendly toilet facilities (bio toilets) and air conditioning units.

Double-decker carriages

1,058  
double-decker  
carriages  
in the Company's inventory  
rolling stock

The fundamental advantage of double-decker carriages is its increased passenger carrying capacity, allowing to carry more passengers on busy routes, especially to southern resorts. Double-decker carriages are on a par with modern conventional carriages in terms of comfort and amenities, and even surpass them in many other respects.

Depending on the class, double-decker carriages have double-berth and four-berth compartments. The carriages are equipped with two air conditioning and heating units to maintain a comfortable microclimate. Environmentally friendly toilet facilities with three cabins allow passengers to use toilets at stops and within resort areas. Slackless couplings and pressure-proof gangways helped reduce noise and vibration in carriages and increase the safety of passengers when moving from carriage to carriage. One of the carriages in each train (administrative carriage) is equipped with special lifts for boarding wheelchair passengers from low platforms, and has a special compartment and a toilet.

In addition to two-berth and four-berth second-class sleeping compartments, the train running on the Moscow – Voronezh route now has double-decker seating carriages in standard and improved interiors. A double-decker seating carriage was designed in the Russian Federation and features curved glass windows on the second deck – used for the first time in the history of Russian carriage building.

- The seating carriages of 61-4492 model received numerous awards and prizes:
- Gold quality mark of the international All-Russian Brand (III millennium). Quality Mark of the 21st Century competition (2015);
  - Silver diploma of the International Display of Railway Equipment and Technologies Expo 1520;
  - Diploma of the All-Russian competition of the 100 Best Goods of Russia programme.

In December 2024, a new double-decker Moscow – St. Petersburg Aurora train was commissioned.

Each train includes one first-class sleeping carriage, one administrative carriage, one dining carriage and first- and second-class seating carriages. The maximum train makeup include 15 carriages. The seating carriages offer travellers comfortable armchairs with folding tables and footrests. Each seat features individual power outlet and USB sockets for charging mobile devices.

In seating carriages (with both regular and upgraded layouts), passengers can easily change the seat back angle (up to 128 degrees).

First-class seating carriages include a separate compartment with a berth and seats that can be rotated 180 degrees.

All carriages of the train are equipped with air conditioning and air disinfection systems, environmentally friendly toilets. Seating carriages have spaces for baggage and hand luggage.

The train's distinctive marking, historically designed in grey and blue colours on a white background, with red Aurora lettering. The armchairs are finished with materials in calm blue, grey and beige tones.

Particular focus was placed on elements intended to establish connections with the two major cities. For instance, the Imperial Porcelain Factory created a tea set just for the Aurora at JSC FPC's request. Passengers in the first-class sleeping carriages have access to this set while en route.

Glass cups (in first-class sleeping carriages) and disposable paper cups have their own thematic design.

The carriage is equipped with new modern rigid slackless couplings and pressure-proof gangways. All carriage signage is translated into Braille for passengers who are blind or visually handicapped.

RIC carriages

200  
RIC carriages  
in the Company's inventory  
rolling stock

RIC type sleeping carriage of 61-4476 model (WLABmz) is intended for international traffic within the International Union of Railways ( Union Internationale des Chemins de fer, UIC) (track gauge – 1,435 mm) and in European part of the Russian Federation, CIS countries and Baltic states (track gauge – 1,520 mm).

The carriage complies with mandatory standards of the Russian Federation (GOST, NB ZhT – Railway Transport Safety Regulations) and the European Community (Technical Specifications for Interoperability, TSI; European Norm, EN, and UIC) in terms of design and build, as well as exterior and interior design.

In order to transition between railway networks with various track gauges, bogies at gauge-changers are replaced suing the equipment that already exists (the Brest gauge changing station).

The maximum operating speed is 200 km/h on 1,435-mm gauge tracks and 160 km/h on 1,520-mm gauge tracks.



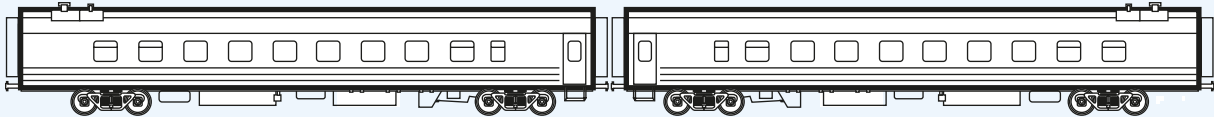
Carriage-2019

1,779  
carriages  
in the Carriage-2019 model range  
in the Company’s inventory rolling  
stock

The carriages are used by all branches of the Company.

The Carriage-2019 model range was designed by the supplier. The model range includes model 61-4516 (third-class open sleeping carriages), model 61-4517 (second-class sleeping carriages), and model 61-4529 (administrative carriages). The carriage designs have incorporated the most advanced features popular with passengers.

- Specific features of the new model range carriages:
- Use of semi-automated customer service technologies with a single service compartment for two carriages



**Twin units:** transition to semi-automated customer service technologies with a single attendant team per two carriages; pragmatic use of the carriage space (including service areas and shower cubicles).

**Single-vestibule body:** reduced labour intensity of carriage equipment maintenance.

- No redundant vestibules, which allows creating additional areas for extra passenger comfort during travel (shower, multifunctional service area with vending machines, hot and cold drinking water purifiers, and other equipment)

This design means that new carriages are included in a train set as twin units: one carriage with a service compartment plus one carriage without a service compartment.

- The design features of the new model range carriages also include:
- sealed intercar walkways
  - full-LED lighting
  - power sockets (220 V) and USB ports at each berth
  - sensor taps, hand driers and baby-changing tables in toilets
  - convertible tables and personal safes for each passenger in compartment carriages
  - automated sliding interior doors
  - renovated interior design

The administrative carriage features a compartment to accommodate two wheelchair users along with their caregivers, a specially designed toilet with shower and boarding lifts in the redundant vestibule. The compartment for a disabled person is equipped with a voice-activated information board (audio is played when a button is pressed).

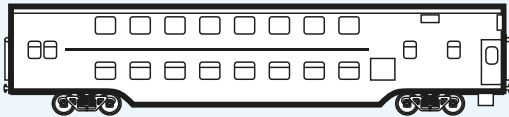
**LED lighting:** reduced energy consumption and operating expenses.

**Autonomous operation of bio toilets:** continued operability of toilet modules, translating into improved equipment reliability.

Modern carriage types

Average carriage life –  
40 years  
minimum

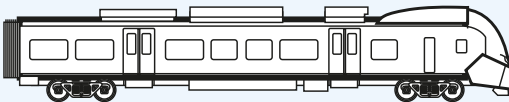
Double-decker compartment carriage with  
berths. Model 61-4465



64 passengers 160 km/h

- Environmentally friendly toilet facility
- Air conditioner
- Water cooler
- Audio and video broadcasting system
- Fire-extinguishing unit connected to the on-board water supply system

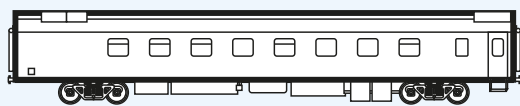
Lastochka higher-speed electric train  
(Desiro RUS)



443 passengers 160 km/h

- Environmentally friendly toilet facility
- Air conditioner (an individual unit in each driving cabin and each passenger compartment)
- Retractable steps for easy boarding/disembarking at low (220 mm) platforms
- Passive safety system for passengers
- Floor-mounted racks for large hand luggage

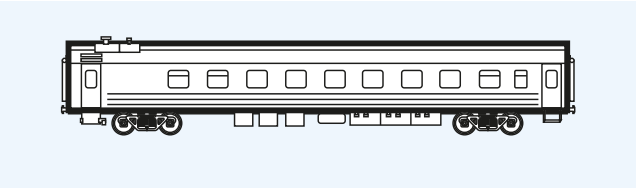
RIC-type sleeping carriage for international  
service. Model 61-4476



32 passengers 160–200 km/h

- Environmentally friendly toilet facility, including a shower
- Climate control (heating, ventilation, cooling)
- Water supply system
- Reading lights
- Power sockets to charge mobile phones or laptops
- Public address system with a volume control
- Fire-extinguishing unit connected to the on-board water supply system

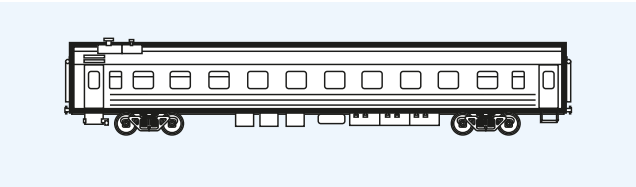
Passenger seating carriage. Model 61-4458



60 passengers 160 km/h

- Environmentally friendly toilet facility
- Air conditioner
- Water cooler
- Audio and video broadcasting system
- Attendant call buttons
- Fire-extinguishing unit connected to the on-board water supply system

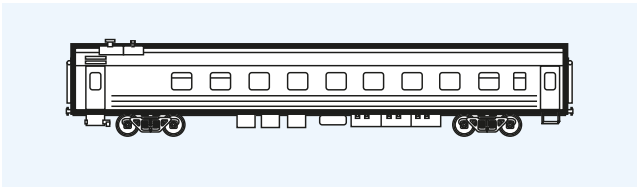
Compartment sleeping carriage for permanent makeup train. Model 61-4462



36 (18) passengers 160 km/h

- Environmentally friendly toilet facility
- Air conditioner
- Water cooler
- Audio and video broadcasting system

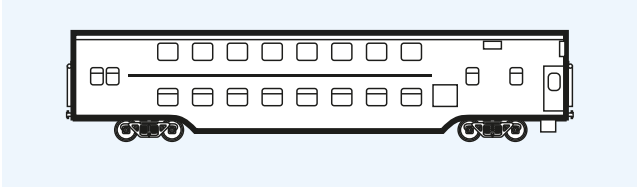
Double-decker carriage with seats. Model 61-4492



60 seats in first-class carriage  
104 seats in second-class carriage  
160 km/h

- Environmentally friendly toilet facility
- Air conditioning and purification system
- Passenger information displays
- Audio and video broadcasting system
- Fire alarm system
- Train security and communication control system
- Fire-extinguishing unit connected to the on-board water supply system

Open sleeping carriage. Model 61-4447



54 passengers 160 km/h

- Environmentally friendly toilet facility
- Air conditioner
- Fire-extinguishing unit connected to the on-board water supply system

Carriage-2020, model 61-4523

115  
of 902 double-decker carriages  
of Carriage-2020 range

Carriage-2020 is a double-deck carriage of new design. The project features:

- Use of twin units
- Increased double-decker height in size Tpr under GOST 9238-2013 (upper outline along the a-b-b1-a2 line), improving passenger comfort on upper berths of the second deck by increasing the distance between the berth and the ceiling
- Refreshed interior and contemporary design
- Bogies with air suspension system (improved smoothness and passenger comfort)
- Next-generation system for detecting potential failures (mechanical parameters monitoring, real-time data transmission to the situation centre, mileage intervals before first maintenance (or TO-1) increased to 10,000 km)
- Semi-automated customer service technologies with a single service compartment for two carriages (improving productivity of train crews)

The following will contribute to the passengers' increased comfort in the carriage:

- Contemporary design developed using international best practices and high-quality finishing materials
- Improved soundproofing and vibration insulation
- Wi-Fi hotspot
- Intercoms for communication with an attendant
- Full-fledged self-service area with vending machines and a purifier
- Convertible tables and personal safes in compartments
- Automated sliding interior doors
- Air temperature regulation in each individual compartment
- Shower cubicle in each carriage

Dining Carriage-2020, model 61-4525

The design of the 61-4525 carriage is based on a comprehensive analysis of the operating experience of the previous carriage model 61-4473.

The ground floor houses the kitchen, washing room, and bar, while the first floor houses the dining room. Some of the equipment, such as induction hobs and dishwashers, has been installed for the first time. There is a lift to move hot food and used dishes between the first and second floors. The sanitary part of the carriage accommodates two environmentally friendly toilet facilities, a shower, and a separate waste collection area.

The dining carriage is designed to operate as a part of double-decker trains, made up of carriages from the new 2020 model range: the 61-4523 and 61-4524 models. For the first time, the double-decker dining car is equipped with air-cushioned suspension that provides smoother riding when the train is in motion. The new dining carriage has a first-ever ticket option for passengers – all seats in the dining room on the first floor are designed as separate seats, are numbered, and the seats are equipped with armrests and the longitudinally arranged seats have a swivel mechanism. The dining room is also fitted with individual lights with adjustable colour and brightness, 220 V and USB sockets, wireless charging points for gadgets and a waiter call button. The dining carriage has baggage racks and a shelf for bulky baggage. The process flow of the installed equipment is selected so to implement the Catering Concept.



Rolling stock improvement in 2020–2025

JSC FPC is continuously working to improve passenger carriage design with a particular focus on the comfort and functionality of a passenger seat.

The Company, together with JSC Transmashholding and JSC Tver Carriage Works, is working on the development of new types of T-gauge carriages. The use of carriages of this gauge enables an increase in the size of passenger spaces and berths, as well as the creation of separate amenity spaces.

Enhancing the comfort of each passenger is the primary goal of these modifications.

The new carriage is larger than the standard 1-BM carriage by 28 cm in width and 73 cm in length. Increasing the overall size of the carriage allowed to enlarge the size of the passenger compartment. It became longer by almost 3 m (16 to 18.9 m).

The VDNKh Exhibition in Moscow displayed the model of the capsule carriage interior to the general public. This carriage accommodates 56 individual capsule seats, with 28 at the top and 28 at the bottom. . The capsules are located along the central aisle of the cabin. For the passenger's comfort, the berth is surrounded by an ergonomically shaped backrest in the form of a chair. A passenger can sit cosily and use the stationary table located next to it, which has recesses for glasses.

USB sockets and light switches are located on the side surface, between the backrest and the table cover. The lighting concept was created especially for the capsule-type carriage. The cornices feature built-in contour lighting that creates atmospheric lighting, as well as a series of brighter diodes that serve as individual light sources.

Between the table and the wall at the passenger's feet, there is a wide space where personal belongings or small luggage can be placed. Another feature of the concept is an adjustable baggage storage system. The traditional option is under the lower capsule. Also, the carriages features a separate baggage compartment. Inside, there are shelves for suitcases and spaces for oversized baggage with special fasteners. This solution accounts for the requests of passengers about accommodating oversized luggage, such as kayaks, skis, and bicycles. This zone can also accommodate a rest compartment for an attendant or a lounge area for passengers.

Special attention is paid to hygiene issues. The carriages will be equipped with a water and air disinfection system (which inactivates 95% of bacteria and viruses), ultraviolet treatment of toilets and showers, touchless taps, soap dispensers, and hand dryers. Antibacterial materials will be used in the interior finishes.

Potential passengers and specialists highly appreciated this concept of prospective open carriage. So, it was accepted for further implementation on the new rolling stock.

The analysis of consumer demands revealed that the conventional third-class open-plan sleeping carriage is still in demand and looks promising for production, subject to the introduction of new materials and technological advancements in terms of space optimisation and increased passenger comfort (curtains, design of tables and stairs, individual light and ventilation, and space for baggage accommodation).

Capsule carriages are of interest to passengers as an addition to current carriage types rather than as a replacement for the traditional open-type carriage, particularly in regional trains on a select few routes with night travel modes. Also, they are attractive to those travelling with small kids who do not occupy a separate seat.

Launching a new type of carriage on a network-wide scale is associated with high financial risks. That is why we consider the option of fine-tuning the carriage layout to accommodate the results of the evaluation with subsequent re-testing of the resultant prototype carriages. Based on the findings obtained, it is planned to take the final decision on their possible purchase and trial operation.

The launch of the rolling stock in the new gauge requires upgrading the infrastructure and the elimination of a number of barrier places, which predetermines the phasing of its introduction. The infrastructure's level of readiness will dictate the commissioning date.

In addition, the change in body dimensions requires large-scale investments in the upgrade of the factory process equipment for the assembly of such carriages. OJSC Tver Carriage Works started refurbishment of production lines without reducing the established production volumes. In the first half of 2025, the second-class sleeping carriage prototype that was developed

at the end of 2024 will finish testing. Following that, a train of these carriages will be manufactured and put through functional testing.

An administrative sleeping carriage is being created as part of the T-size carriage development process. The layout of the administrative carriage includes two

compartments to accommodate wheelchair users, a baggage compartment and a kitchen to provide meals on the train, in accordance with the concept of cooked food from frozen semi-finished products of a high degree of preparedness.

Upgrading the carriages

In addition to new rolling stock purchases, JSC FPC focuses on upgrading and improving the equipment of carriages built earlier.

In 2019, a new concept for a third-class open-plan sleeping carriage was introduced. The concept was applied in a pilot batch of carriages converted from traditional mass-produced carriages while overhaul reconditioning (with service life extended).

The concept's primary feature is the option for each passenger to have their own personal space, which is provided by the aisle's dividers and individual curtains. The refreshed third-class open-plan sleeping carriage provides for a modular replacement of interior elements, which will help reduce repair time and costs and also enable changes to the interior over the service life of the carriage.

In 2020–2021, JSC FPC continued to refresh its fleet of third-class open-plan sleeping carriages. A total of 67 carriages of this type underwent overhaul reconditioning.

Based on the successful projects for overhauls (with service life extension) of third-class open-plan sleeping carriages with interior renewal, a refreshed interior design was developed for second-class sleeping carriages 47K, which are subjected to overhaul reconditioning. All innovations successfully used in the overhauled third-class open-plan sleeping carriages were also utilised for second-class carriages.

In 2021–2024, the programme of overhaul reconditioning refreshed the interiors of 363 second-class sleeping carriages.

To cater for the tourist destination service in 2020–2024, stylised carriages were prepared for the Ruskeala Express, Ural Express, Sochi, Pearl of the Caucasus, Baikal, 20 Years of Russian Railways, and Ded Moroz's Train. The Ruskeala Express interiors were inspired by the famous Nikolayevsky Express carriages, and the Urals Express and Sochi carriages were retro-styled after the 1970s–1980s Soviet Union period. All carriages are built using latest technology and fitted with advanced equipment. Special mention should be made of such projects as a spa carriage for providing recreational services, a children's carriage with a loco-slide, a four-compartment paratransit carriage, animated carriages named Puppet Theatre, Snow Queen, Fairy Tale Village, a stage carriage, as well as observation carriages with forged elements.

According to the new 2022–2024 catering concept, 31 single-deck dining carriages with kitchen equipment were subject to outfitting: microwave ovens, professional baking ovens, dishwashers, additional information lines, coffee machines, heat shelves and the kitchen space for serving and serving dishes was upgraded. Under the same concept, 15 administrative carriages were overhauled: now they have refrigerators and juicers, a new set of electrical equipment, liquid heating, compartments for special needs people with a set of special furniture, a buffet with a set of furniture, microwave ovens and other equipment.

Environmentally friendly toilets are being installed. In 2024, the share of carriages equipped with air conditioning units increased by 1.7%, and the share of carriages with environmentally friendly toilet facilities grew by 2.2% of the assigned fleet.

Group paratransit carriage

A special compartment carriage was created for passengers with reduced mobility and their caregivers. It is based on the second-class sleeping carriage of 47K type in the course of overhaul reconditioning. The work was performed at the Voronezh Carriage Repair Plant.

Its layout is what makes the carriage of (61-949) model stand out. The interior space of the carriage is adapted for passengers with reduced mobility who use wheelchairs.

The renovated car is equipped with four specialised compartments (for four passengers and four caregivers).

The upper berth in the compartment is for the caregiver, and the lower one is for a traveller with reduced mobility. The berths became 60 mm wider than the berths of conventional carriages. Space is also provided to accommodate the passenger's wheelchair and crutches.

Because the berths are positioned parallel to the windows, the compartment and hallway space may be expanded to accommodate wheelchair users.

The compartment also has a table and a place to sit (for the attendant), there are handrails near the berth, in the toilet and in the hallway.

Two specialised compartments out of four are equipped with inflatable descents for emergency exit of passengers.

The area of the lavatory compartment was also increased. For the comfort of passengers with disabilities, the washbasin and mirror are located lower. Additionally, there is a shower head, a spot for attaching the passenger's crutches, and handrails.

The carriage is equipped with automated lifting devices for boarding and disembarking. Information signs and accessibility signs are translated into Braille.

A KEB-4,5/1,5 climatic power unit, produced by LLC Baltic Air Conditioners, is installed in the carriage to maintain hygienic standards even in hot weather.

The carriage has the certificate of conformity No. RU. T2.B.02099/24, passed the paratransit check, and was assessed by a representative of the All-Russian Society of the Disabled for conveniences and improvements.

A total of 14,559 carriages are equipped with sockets for charging gadgets, accounting for 92.1% of the fleet.

JSC FPC completed the project aimed to equip its branded trains with higher-speed data lines, covering a total of 8,233 carriages. The data line is used to provide passengers with access to the Poputchik multimedia portal, as well as for technical purposes – to support the operation of the carriage equipment monitoring and diagnostics system, the CCTV system, and the passenger boarding control system.

The Company also plans to use the data line to provide a voice communication service for the train crew and to deploy the software to replace legacy equipment used in the passenger train security and communication monitoring and control system.

Water and air sanitisers are also being installed, with the share of carriages already equipped with these solutions standing at 47.9% and 57.4%, respectively.

List of single-option routes

JSC FPC provides railway passenger services in **77 out of 89 regions of the Russian Federation**, ensuring transport accessibility and geographical connectivity of the territories. The Company's route network

includes several domestic routes, which have no other alternative modes of transport. These routes are marked on the map. A complete list is provided below.

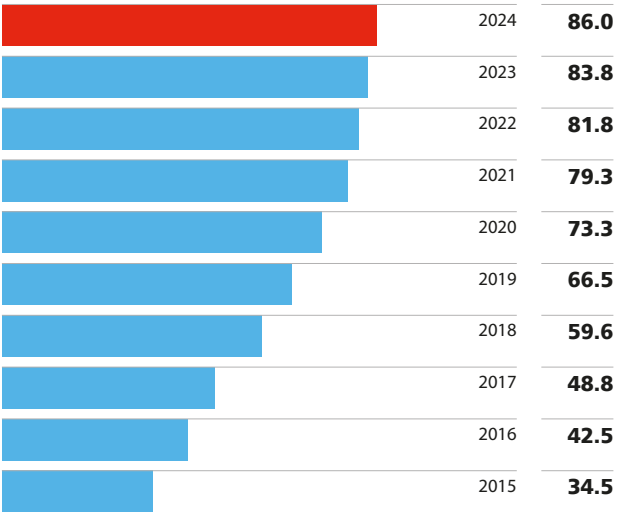
List of trains that have single-option sections on their route

Train	Service
Far-Eastern Branch	
No. 325/326	Khabarovsk – Neryungri
No. 351/352	Vladivostok – Sovetskaya Gavan
No. 364/363	Tynda – Komsomolsk-on-Amur
No. 403/404	Khabarovsk – Chegdomyn
East Siberian Branch	
No. 67/68	Abakan – Moscow
No. 77/78	Abakan – Moscow
No. 124/124	Abakan – Krasnoyarsk
No. 362/361	Irkutsk – Naushki (with trailed Irkutsk – Ulan-Ude carriages)
No. 381/382	Severobaikalsk – Ulan-Ude
No. 401/402	Priargunsk – Chita
No. 406/405	Krasnoyarsk – Karabula
West Siberian Branch	
No. 109/110	Omsk – Rubtsovsk
No. 347/348	Barnaul – Severobaikalsk
No. 402/401	Biysk – Tomsk
No. 409/410	Tomsk – Novokuznetsk
No. 635/636	Tomsk – Bely Yar
Ural Branch	
No. 127/128, No. 351/352	Ekaterinburg – Priobye
No. 403/404	Yekaterinburg – Solikamsk
No. 409/410	Ust'e-Akha – Yekaterinburg

Availability of carriages equipped with air conditioning units and environmentally friendly toilet facilities

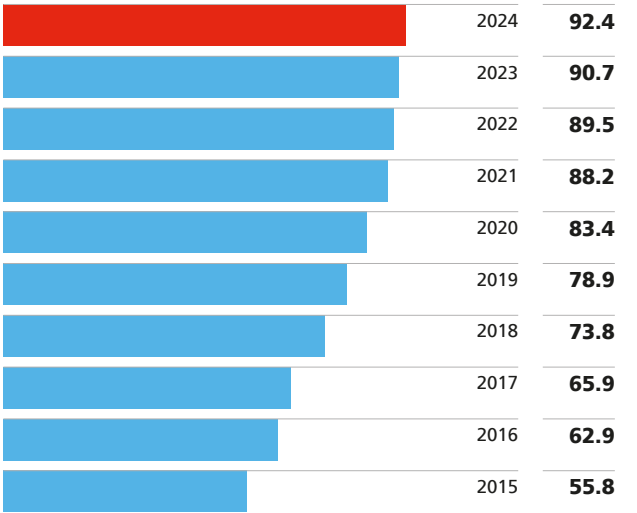
Share of the assigned fleet equipped with bio toilets, %

86.0%



Share of the assigned fleet equipped with air conditioning units, %

92.4%



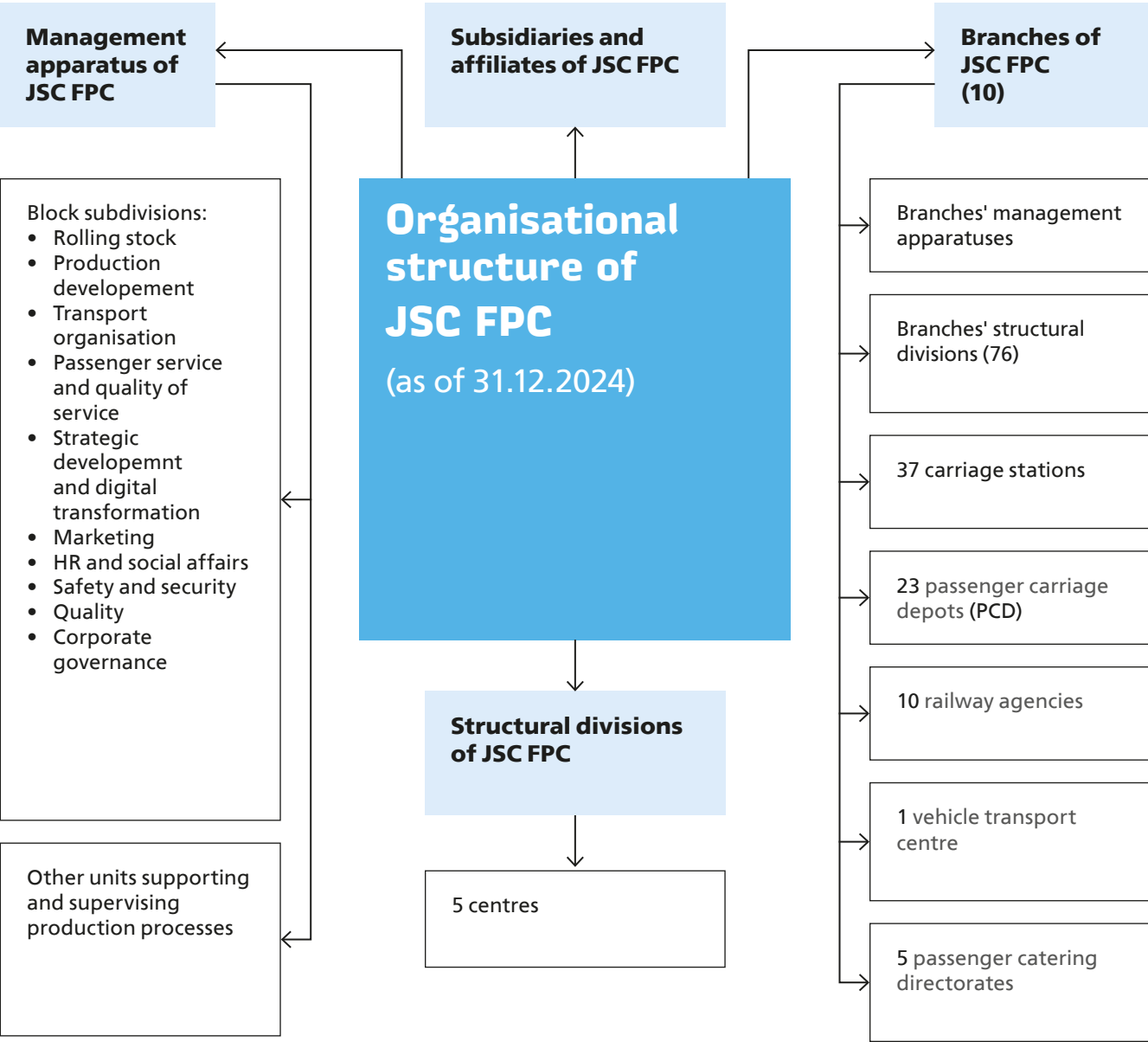


Train	Service
Gorkovsky Branch	
No. 380/379	Moscow – Pervomaisk/Bereshchino
No. 368/367	Kirov – Kislovodsk
Volga Branch	
No. 379/380	Kamyshin – Moscow
Kuibyshev Branch	
No. 613/614	Ufa – Sibai
North Caucasus Branch	
No. 301/302	Grozny – Volgograd
No. 381/382	Grozny – Moscow
No. 697/697	Kavkazskaya – Elista
Moscow Branch	
No. 85/86	Moscow – Klimov
No. 141/142	Moscow – Kursk
No. 143/144	Smolensk – Murmansk
No. 602/601	Moscow – Rybinsk
No. 687/688	Stavropol – Kavkazskaya (a group of Stavropol – Moscow non-stop carriages to train No. 145/146 Nazran – Moscow)
No. 328/329	Vologda – Severodvinsk (group of Moscow – Severodvinsk non-stop carriages to train No. 126/125 Moscow – Cherepovets)
North-Western Branch	
No. 9/10	Pskov – Moscow
No. 53/54	Usinsk – Syktyvkar
No. 77/78	Vorkuta – St. Petersburg
No. 117/118	Sonkovo – St. Petersburg
No. 87/88	St. Petersburg – Smolensk
No. 305/306	Usinsk – Syktyvkar
No. 350/682 – No. 681/349	St. Petersburg – Kostomuksha
No. 375/376	Vorkuta – Moscow
No. 371/371	Kotlas – Arkhangelsk
No. 609/610	Sonkovo – St. Petersburg
No. 643/643	Labytnangi – Vorkuta
No. 412/411	Kineshma – Moscow
No. 637/638	Karpogory – Arkhangelsk
No. 627/628	Koslan – Syktyvkar
No. 680/679	Petrozavodsk – Kostomuksha
No. 681/682	Usinsk – Pechora (for non-stop carriages Adler / Novorossiysk / Moscow / Nizhny Novgorod – Usinsk)
No. 98/376/309/305	Non-stop carriage Syktyvkar – Vorkuta – Syktyvkar

# Organisational Structure

The organisational structure of JSC FPC comprises the management apparatus, five centres, ten regional branches, and seven subsidiaries and other companies with JSC FPC's participation. The branches comprise

23 passenger carriage depots, 37 carriage stations, 10 railway agencies, vehicle transport centre, and three passenger catering directorates.



# Major Transactions

There were no major transactions in 2024.

# Related-Party Transactions

There were no related-party transactions in 2024.

# Disposal of Non-Core Assets

## Information on disposal of non-core assets (passenger carriages)

As at 1 January 2024, the Company had 110 passenger carriages recognised as non-core assets. Criteria of non-profile category: not used in the transportation process for more than 3 years and no prospects for use for core activities of JSC FPC.

The general list included:

- 15 baggage carriages, after JSC FPC terminated its baggage transportation service;
- 77 soft-seated carriages, mainly RIC manufactured in 1980–1994, and carriages intended for international passenger service, not meeting the domestic operating conditions, not in demand due to a decline in international traffic and failing to meet modern requirements;
- 18 carriages of other types, not demanded for transportation due to their design features.

In 2024, 14 carriages were retired, including 12 carriages written off, and two carriages were transferred as dividends of OJSC Russian Railways.

## Information on the sale of non-core assets (immovable property)

Pursuant to the Methodological Recommendations for the Identification and Disposal of Non-Core Assets approved by Russian Government Order No. 894-r dated 10 May 2017, the Programme for the Disposal of Non-Core Assets of JSC FPC was approved (Minutes of the Board of Directors of JSC FPC No. 4 dated 6 October 2023).

The programme regulates the management of non-core assets of JSC FPC only in terms of immovable property with related movable property, as well as shares (stakes) in business entities.

The register of non-core assets of JSC FPC was approved by Minutes of the Board of Directors of JSC FPC No. 9 dated 22 December 2023 and No. 12 dated 12 February 2024.

The action plan for the disposal of non-core assets of JSC FPC for 2024 provides for the disposal of 30 non-core assets with a book (residual) value of RUB 88.28 million.

At the end of 2024, 35 non-core assets were disposed (117% of the annual plan) with a book (residual) value of RUB 64.58 million with proceeds of RUB 283.4 million against the plan of RUB 98.44 million (288% of the annual plan).

The financial result from the sale of non-core assets of JSC FPC for 2024 totalled RUB 162.14 million



Information on disposal of non-core assets (immovable property) for 12 months of 2024 Joint Stock Company Federal Passenger Company

Sr. No.	Real estate assets, including parts of structures such as facilities, land plots (owned by subsidiaries), and movable assets disposed of together with real estate assets	Accounting inventory No.	Book value as at transaction date, RUB '000		Actual cash received (net of VAT), RUB '000	Financial result, RUB '000		Total maintenance costs for the past 12 months, RUB '000	Actual cost of sale vs. book value, RUB '000	Reasons for the deviation of the actual cost of sale from book value
			According to accounting records	According to tax records		Profit (loss) before tax	Net profit (loss)			
1	2	3	4	5	6	7	8	9	10	11
1	Baggage department building located at Smolensk station, Smolensk Region, Smolensk	110000000009/9838/9837	968.81	0.00	4,037.00	3,034.44	2,227.04	109.22	3,068.19	The final price was based on the results of open tenders
2	Single-storey distribution building located at 110 V. Maksimova Ul., Biysk, Altai Territory	010087/9911	0.00	0.00	1,716.67	1,686.77	1,343.43	102.43	1,716.67	The final price was based on the results of open tenders
3	Baggage department of Bureya station located at 3 Vokzalnaya Ul., Bureya settlement, Bureysky district, Amur Region	10010/754G	0.00	0.00	365.00	335.10	262.10	0.00	365.00	The final price was based on the results of open tenders
4	Garage building located at 14 Vokzalnaya Ul., Zima, Irkutsk Region	011026/703G	912.06	964.65	497.00	−444.96	−444.96	0.00	−415.06	The final price was based on the results of open tenders
5	Non-residential building – baggage department located at Privokzalnaya Square, lit. B, Gudermes, Chechen Republic	302G/110000000248/0000	1,646.37	0.00	180.42	−1,499.70	−1,535.79	88.76	−1,465.95	The final price was based on the results of open tenders
6	Administrative building located at 5e Sverdlova Ul., lit. A, A1, A2, Voronezh	0100010_RDOP	22,730.64	1,026.06	10,419.50	−12,344.89	−14,223.58	253.56	−12,311.14	The final price was based on the results of open tenders
7	Building – storage room of the Central Processing Centre located at 12 Dvizhenchesky Per., Vologda Region, Vologda	110000000045	0.00	12.89	3,675.40	3,641.65	2,909.15	0.01	3,675.40	The final price was based on the results of open tenders
8	Administrative building located at Nikolayevsky Tup., house and grounds 1, bld 1, Moscow	100010/9820/9837	0.00	0.00	55,693.33	55,693.33	44,554.66	838.88	55,693.33	The final price is defined by the resolution of the Board of Directors of JSC FPC
9	Building for pre-packing room, shop and confectionery shop located at Nikolayevsky Tup., house and grounds 1, bld 7, Moscow	100130/9820 100050/9820 100040/9820	4,813.03	9.81	51,898.48	47,085.45	36,707.72	2,165.76	47,085.45	
10	Boiler building located at Nikolayevsky Tup., house and grounds 1, bld 6, Moscow	100060/9820	0.00	6.54	2,145.02	2,145.02	1,717.32	64.93	2,145.02	
11	Garage located at Nikolayevsky Tup., house and grounds 1, bld 9, Moscow	10009/9820	0.00	0.00	27,230.17	27,230.17	21,784.14	810.20	27,230.17	
12	Construction group warehouse located at Nikolayevsky Tup., house and grounds 1, bld 11, Moscow	100110/9820	0.00	0.00	12,291.48	12,291.48	9,833.18	319.49	12,291.48	
13	Garage building located at Nikolayevsky Tup., house and grounds 1, bld 5, Moscow	10008/9820	0.00	0.00	8,417.91	8,417.91	6,734.33	251.43	8,417.91	
14	Logistics warehouse located at Nikolayevsky Tup, house and grounds 1, bld 12, Moscow	100070/9820	0.00	0.00	5,803.85	5,803.85	4,643.08	272.17	5,803.85	
15	Logistics warehouse located at Nikolayevsky Tup., house and grounds 1, bld 3, Moscow	100210/9820 100200/9820	0.00	0.00	10,474.09	10,474.09	8,379.27	262.22	10,474.09	
16	Quonset hut located at Nikolayevsky Tup., house and grounds 1, bld 2, Moscow	10022/9820/9837	0.00	0.00	13,312.09	13,312.09	10,649.67	413.39	13,312.09	
17	Garage located at Cherepovets-1 Ul., Cherepovets, Vologda Region	10027/3	750.96	30.98	765.10	−19.61	−166.43	69.54	14.14	

Sr. No.	Real estate assets, including parts of structures such as facilities, land plots (owned by subsidiaries), and movable assets disposed of together with real estate assets	Accounting inventory No.	Book value as at transaction date, RUB '000		Actual cash received (net of VAT), RUB '000	Financial result, RUB '000		Total maintenance costs for the past 12 months, RUB '000	Actual cost of sale vs. book value, RUB '000	Reasons for the deviation of the actual cost of sale from book value
			According to accounting records	According to tax records		Profit (loss) before tax	Net profit (loss)			
18	Garage located at Cherepovets-1 Ul., Cherepovets, Vologda Region	10027/7	244.36	9.85	260.25	–17.86	–67.94	22.63	15.89	The final price was based on the results of open tenders
19	Garage located at Cherepovets-1 Ul., Cherepovets, Vologda Region	10027/4	244.36	10.06	248.50	–29.61	–77.30	22.63	4.14	The final price was based on the results of open tenders
20	Maintenance building of the attendant pool located at Privokzalnaya Pl., lit. Z, entrance 3, Elets, Lipetsk Region	0100230_VCh4_LVChD-8	7,087.60	2,617.29	666.67	–6,454.68	–6,454.68	298.05	–6,420.93	The final price was based on the results of open tenders
21	Sewerage network with wells located at 4a Depovskaya Ul., Lit. Z, Velikie Luki, Pskov Region	0300008/9803/059/052	0.00	0.00	171.00	137.25	103.05	0.00	171.00	The final price was based on the results of open tenders
22	Two-storey machining workshop building located at 1 Zelenaya Roshcha Ul., Barnaul, Altai Territory	010002/9911	8,577.15	591.72	33,198.00	24,590.95	18,069.69	2,539.27	24,620.85	The final price was based on the results of open tenders
23	One-storey garage building located at 1 Zelenaya Roshcha Ul., Barnaul, Altai Territory	010017/9911	3,077.47	0.00	16,854.00	13,746.63	10,375.83	1,261.21	13,776.53	The final price was based on the results of open tenders
24	One-storey timber drier building located at 1 Zelenaya Roshcha Ul., Barnaul, Altai Territory	010004/9911	0.00	0.00	2,643.00	2,613.10	2,084.50	226.28	2,643.00	The final price was based on the results of open tenders
25	Facility – external sewerage networks located at 1 Zelenaya Roshcha Ul., Barnaul, Altai Territory	030004/9911	0.00	0.00	1,414.00	1,384.10	1,101.30	1.49	1,414.00	The final price was based on the results of open tenders
26	External sewerage network with wells located at 1 Zelenaya Roshcha Ul., Barnaul, Altai Territory	030005/9911	0.00	0.00	3,920.00	3,890.10	3,106.10	1.69	3,920.00	The final price was based on the results of open tenders
27	Water pipeline located at 1 Zelenaya Roshcha St., Barnaul, Altai Territory	030009/9911	0.00	0.00	4,286.00	4,222.35	3,398.90	6.82	4,286.00	The final price was based on the results of open tenders
28	Communications line located at 1 Zelenaya Roshcha St., Barnaul, Altai Territory	030023/9911	14.50	0.00	103.00	58.60	38.00	10.65	88.50	The final price was based on the results of open tenders
29	Facility – power line located at 1 Zelenaya Roshcha Ul., Barnaul, Altai Territory	030003/9911	0.00	0.00	275.00	245.10	190.10	3.81	275.00	The final price was based on the results of open tenders
30	Baggage department building located at 21 Ostrovskogo Ul., bld 1, lit. B, Tulun, Irkutsk Region	010009/9923	1,100.63	585.94	142.50	–988.03	–988.03	0.00	–958.13	The final price was based on the results of open tenders



Sr. No.	Real estate assets, including parts of structures such as facilities, land plots (owned by subsidiaries), and movable assets disposed of together with real estate assets	Accounting inventory No.	Book value as at transaction date, RUB '000		Actual cash received (net of VAT), RUB '000	Financial result, RUB '000		Total maintenance costs for the past 12 months, RUB '000	Actual cost of sale vs. book value, RUB '000	Reasons for the deviation of the actual cost of sale from book value
			According to accounting records	According to tax records		Profit (loss) before tax	Net profit (loss)			
31	Charging station with garages located at 25g Vokzalnaya Ul, Lit. A, Pskov, Pskov Region	0100127/9803	0.00	0.00	1,420.60	1,420.60	1,136.48	0.00	1,420.60	The final price is defined under an agreement between the parent company and JSC FPC when concluding an exchange agreement
32	Garage building located at 3a Privokzalnaya Ul., lit. M, Pechora, Komi Republic	100063	0.00	0.00	2,930.70	2,896.95	2,310.81	0.00	2,930.70	
33	Linear passenger service base located at 1/4 Staro-Depovskaya Ul., Tomsk, Tomsk Region	100043/9912	8,370.11	0.00	1,730.22	−6,669.79	−7,015.84	255.34	−6,639.89	The final price was based on the results of open tenders
34	Facility – heating network located at 1/4 Staro-Depovskaya Ul., Tomsk, Tomsk Region	030003/9912	0.00	0.00	29.28	−0.62	−6.48	0.00	29.28	The final price was based on the results of open tenders
35	Baggage department located at 13 Perronnaya Ul., Lit. B, Belorechensk, Belorechensk district, Krasnodar Region	302/10085/9857	4,037.10	951.27	4,177.60	106.75	−538.52	144.34	140.50	The final price was based on the results of open tenders
Total	–	–	64,575.17	6,817.05	283,392.81	217,994.04	162,140.29	10,816.22	218,817.64	–

# Report on compliance with the principles and recommendations of the Corporate Governance Code

This report on compliance with the principles and recommendations of the Corporate Governance Code was reviewed by the Board of Directors of JSC FPC on 27 May 2025 (Minutes No. 16 dated 30 May 2025).

The Board of Directors of JSC FPC confirms that the data in this report contains complete and reliable information on the Company's compliance with the principles and recommendations of the Corporate Governance Code for 2024.

JSC FPC's corporate governance model and practices are based on the current legislation of the Russian Federation, the provisions of the Company's Articles of Association and internal documents, and the principles recommended by the Code. More detailed information on the system and model of corporate

governance, as well as on the specifics of corporate governance practices is given in the Corporate Governance section of the Company's Annual Report.

The methodology by which the Company assessed compliance with the principles of corporate governance is based on the Recommendations on compiling a report on compliance with the principles and recommendations of the Corporate Governance Code (Annex to the letter of the Bank of Russia No. IN-06-28/102 dated 27 December 2021).

No.	Corporate governance principles	Criteria for Assessing Compliance with Corporate Governance Principle	Status of Compliance with Corporate Governance Principle	Explanations of Deviations from the Criteria for Assessing Compliance with Corporate Governance Principle
1.1	The company shall ensure equal and fair treatment of all shareholders in exercising their corporate governance right			
1.1.1	The company ensures the most favourable conditions for its shareholders to participate in the general meeting, develop informed positions on agenda items of the general meeting, coordinate their actions, and voice their opinions on items considered	<div>1. The company provides accessible means of communication with the company, such as a hotline, email, or online forum, to enable shareholders to express their opinions and send questions on the agenda in preparation for the general meeting.</div> <div>These channels of communication were organised by the company and made available to shareholders in preparation for each general meeting held during the reporting period</div>	Full compliance	
1.1.2	The procedure for giving notice of, and providing relevant materials for, the general meeting enables shareholders to properly prepare for attending the general meeting	<div>1. In the reporting period, the notice of the general meeting of shareholders was posted (published) on the company's website no later than 30 days before the date of the general meeting, unless a longer period is stipulated by law.</div> <div>2. The notice of the meeting lists the documents required for admission to the venue.</div> <div>3. Shareholders were provided with access to information on the persons being initiators of the agenda items and nominating the candidates for the board of directors and the auditing commission (if establishment of the same is stipulated by the company's articles of association)</div>	Partial compliance	<div>1. Partial compliance.</div> <div>In the reporting period, the notice of the General Meeting of Shareholders was posted (published) on the Company's website less than 30 days before the date of the General Meeting of Shareholders, however the rights of the shareholders were not violated.</div> <div>2. Full compliance.</div> <div>3. Full compliance.</div>
1.1.3	In preparation for the general meeting and during the general meeting, shareholders were enabled to receive information about, and all materials related to, the meeting, put questions to executive bodies and members of the board of directors, as well as communicate with each other, in an unobstructed and timely manner	<div>1. In the reporting period, shareholders were given an opportunity to put questions to members of executive bodies and members of the board of directors during the annual general meeting and in its preparation.</div> <div>2. The position of the board of directors (including dissenting opinions entered in the minutes) on each item on the agenda of general meetings held in the reporting period was included in the materials for the general meeting of shareholders.</div> <div>3. The company gave duly authorised shareholders access to the list of persons entitled to participate in the general meeting, as from the date when such list was received by the company, in all instances of general meetings held in the reporting period</div>	Full compliance	
1.1.4	Shareholders did not encounter unjustified difficulties in exercising their right to request that a general meeting be convened, to nominate candidates to governing bodies, and to make proposals for the agenda of the general meeting	<div>1. The company's articles of association stipulate a deadline for shareholders to submit proposals for inclusion on the agenda of the annual general meeting of shareholders; such deadline should be at least 60 days after the end of the relevant calendar year.</div> <div>2. In the reporting period, the company did not reject proposals for the agenda or candidates to governing bodies due to misprints or other insignificant flaws in the shareholder's proposal</div>	Full compliance	
1.1.5	Each shareholder was enabled to freely exercise their voting right in the simplest and most convenient way	<div>1. The company's articles of association provide for the possibility of completing the electronic form of the ballot on the website (its address is specified in the notice of the general meeting of shareholders)</div>	Full compliance	



No.	Corporate governance principles	Criteria for Assessing Compliance with Corporate Governance Principle	Status of Compliance with Corporate Governance Principle	Explanations of Deviations from the Criteria for Assessing Compliance with Corporate Governance Principle
1.1.6	The general meeting procedure established by the company equally enables all persons attending the meeting to voice their opinions and ask questions	<div>1. When general meetings of shareholders were held in the reporting period in the form of a meeting (joint presence of shareholders), sufficient time was provided for reports on agenda items and time for discussion of these issues, and shareholders were given the opportunity to express their opinions and ask questions of interest on the agenda.</div> <div>2. The company invited candidates to the management and control bodies of the company and took all necessary steps to ensure their participation in the general meeting of shareholders, at which their nominations were put to a vote. The nominees to the management and control bodies of the company who were present at the general meeting of shareholders were available to answer questions from shareholders.</div> <div>3. The sole executive body, the accounting officer, the chairman or other members of the audit committee of the board of directors were available to answer questions from shareholders at the general meetings of shareholders held during the reporting period.</div> <div>4. In the reporting period, the company used telecommunication means for remote access of shareholders to participate in general meetings, or the board of directors made a reasonable decision that there was no need (possibility) to use such means in the reporting period</div>	Partial compliance	<div>1. Full compliance.</div> <div>2. Partial compliance.</div> <div>The controlling shareholder entitled to nominate candidates to the Company's governing bodies conducts all necessary interviews with candidates when preparing respective proposals.</div> <div>3. Partial compliance.</div> <div>4. Full compliance.</div>
1.2 Shareholders have equal and fair rights to share profits of the company by receiving dividends				
1.2.1	The company has developed and introduced a transparent and clear mechanism for determining the dividend amount and paying dividends	<div>1. The company's regulation on the dividend policy was approved by the board of directors and disclosed on the company's website.</div> <div>2. If the dividend policy of a company submitting the consolidated financial statements uses the company's reporting figures to determine the dividend amount, then the respective provisions of the dividend policy shall take into account the consolidated financial statements.</div> <div>3. Justification of the proposed distribution of net profit, including the payment of dividends and the company's own needs, and assessment of its compliance with the dividend policy adopted by the company, with explanations and economic justification of the need to direct a certain portion of net profit to its own needs in the reporting period were included in the materials for the general meeting of shareholders, the agenda of which includes an item on profit distribution (including the payment (declaration) of dividends)</div>	Partial compliance	<div>1. Full compliance.</div> <div>2. Partial compliance.</div> <div>JSC FPC's Dividend Policy uses the Company's reporting figures to determine the dividend amount, and the respective provisions of the Dividend Policy take into account the RAS financial statements.</div> <div>3. Full compliance.</div>
1.2.2	The company does not resolve to pay out dividends if such resolution, while formally remaining in line with statutory restrictions, is not economically feasible and may lead to a false representation of the company's performance	<div>1. The regulations on company's dividend policy, in addition to the statutory restrictions, defines the financial/economic circumstances the company should not decide to pay dividends under</div>	Full compliance	
1.2.3	The company does not allow the dividend rights of its existing shareholders to be impaired	<div>1. In the reporting period, the company did not take any actions causing a deterioration in terms of dividend rights of existing shareholders</div>	Full compliance	
1.2.4	The company strives to prevent shareholders from using other means of obtaining profits (income) at the expense of the company, apart from dividends and liquidation value	<div>1. During the reporting period, other methods of obtaining profits (income) by persons controlling the company at the expense of the company, apart from dividends (for example, through transfer pricing, unjustified provision of services to the company by the controlling person at inflated prices, through internal loans to the controlling person and/or its controlled entities that are equivalent to dividends) were not used</div>	Full compliance	
1.3 Corporate governance system and practices ensure equal treatment for all shareholders owning the same type (class) of shares, including minority and non-resident shareholders, and their equal treatment by the company				
1.3.1	The company has created conditions for fair treatment of each shareholder by the governing bodies and the company's controlling entities, including conditions that prevent abuse by major shareholders against minority shareholders	<div>1. During the reporting period, the company's controlling entities did not abuse their rights in relation to the company's shareholders, there were no conflicts between the company's controlling entities and the company's shareholders, and if any such conflicts arose, the board of directors gave them due attention</div>	Full compliance	
1.3.2	The company does not take any actions that lead or may lead to an artificial redistribution of corporate control	<div>1. There are no quasi-treasury shares or they did not participate in voting during the reporting period</div>	Full compliance	
1.4 Shareholders are provided with reliable and effective means of recording their rights to shares, as well as the opportunity to freely and easily dispose of their shares				
1.4.1	Shareholders are provided with reliable and effective means of recording their rights to shares, as well as the opportunity to freely and easily dispose of their shares	<div>1. The technologies used by the company registrar and the terms and conditions of the services provided meet the needs of the company and its shareholders, ensure the recording of rights to shares and the exercise of shareholders' rights in the most effective manner</div>	Full compliance	

No.	Corporate governance principles	Criteria for Assessing Compliance with Corporate Governance Principle	Status of Compliance with Corporate Governance Principle	Explanations of Deviations from the Criteria for Assessing Compliance with Corporate Governance Principle
2.1	<b>The board of directors exercises strategic management of the company, determines the basic principles and approaches to the organisation of the risk management and internal control system within the company, supervises the activities of the company's executive bodies, and performs other key functions.</b>			
2.1.1	The board of directors is responsible for making decisions related to the appointment and dismissal of executive bodies, including in connection with the improper performance of their duties. The board of directors also ensures that the company's executive bodies act in accordance with the approved growth strategy and along the company's core lines of business	<div>1. The board of directors has the authority stipulated in the articles of association to appoint and remove members of executive bodies and to set out the terms and conditions of their contracts.</div> <div>2. During the reporting period, the nominations (appointments, staff) committee reviewed the compliance of the professional qualifications, skills and experience of the members of the executive bodies in respect of the current and expected needs of the company as dictated by the approved strategy of the company.</div> <div>3. In the reporting period, the board of directors reviewed the report(s) by the sole executive body or members of the collective executive body (if any) on the implementation of the company's strategy</div>	Full compliance	
2.1.2	The board of directors defines the main long-term targets of the company's operations, assesses and approves its key performance indicators and key business goals, as well as the strategy and business plans for the company's core lines of business	<div>1. In the reporting period, the board of directors reviewed at its meetings matters related to the progress in the implementation of the strategy and its updates, approval of the company's financial and business plan (budget), and consideration of the implementation criteria and performance (including interim criteria and performance) of the company's strategy and business plans</div>	Full compliance	
2.1.3	The board of directors determines the principles of, and approaches to, organising a risk management and internal control system in the company	<div>1. The principles of and approaches to the organisation of the risk management and internal control system in the company are determined by the board of directors and stipulated in the company's internal documents, which determine the risk management and internal control policy.</div> <div>2. During the reporting period, the board of directors approved (revised) the acceptable level of risk (risk appetite) of the company, or the audit committee and/or risk committee (if any) considered the advisability of submitting the issue of revising the company's risk appetite to the board of directors for consideration</div>	Full compliance	
2.1.4	The board of directors determines the company's policy on remuneration and/or reimbursement of expenses (compensation) to members of the board of directors, executive bodies of the company and other key management personnel of the company	<div>1. The company developed, approved by the board of directors and implemented a policy (policies) on remuneration and reimbursement of expenses (compensation) of members of the board of directors, executive bodies of the company and other key management personnel of the company.</div> <div>2. In the reporting period, the board of directors reviewed the matters related to the said policy (policies)</div>	Full compliance	
2.1.5	The board of directors plays a key role in preventing, identifying and settling internal conflicts between the company's bodies, shareholders and employees	<div>1. The board of directors plays a key role in preventing, identifying and settling internal conflicts.</div> <div>2. The company set up a system for identification of transactions involving a conflict of interest, and a set of measures to resolve such conflicts</div>	Full compliance	
2.1.6	The board of directors plays a key role in ensuring the company's transparency, the timeliness and completeness of its information disclosures, and unhindered access to the company's documents for shareholders	<div>1. The company's internal documents define the persons responsible for implementing the information policy</div>	Full compliance	
2.1.7	The board of directors controls the company's corporate governance practices and plays a key role in its significant corporate events	<div>1. During the reporting period, the board of directors reviewed the results of a self-assessment and/or an external assessment of the company's corporate governance practices</div>	Full compliance	
2.2	<b>The board of directors is accountable to the company's shareholders</b>			
2.2.1	Performance of the board of directors is disclosed and made available to the shareholders	<div>1. The company's annual report for the reporting period includes the information on attendance at board of directors and committee meetings by every member of the board of directors.</div> <div>2. The annual report contains key results of assessment (self-assessment) of the board of directors' performance in the reporting period</div>	Full compliance	
2.2.2	The chairman of the board of directors is available to communicate with the company's shareholders	<div>1. The company has a transparent procedure in place to ensure that shareholders can send their enquires to and receive feedback from the chairman of the board of directors (and, where applicable, the senior independent director)</div>	Full compliance	
2.3	<b>The board of directors manages the company in an efficient and competent manner and makes fair and independent judgements and decisions in line with the best interests of the company and its shareholders</b>			
2.3.1	Only persons with impeccable business and personal reputation, possessing the knowledge and expertise required to make decisions falling within the authority of the board of directors and to essential performing its functions efficiently are elected to the board of directors	<div>1. In the reporting period, the board of directors (or its nomination committee) assessed nominees to the board of directors in terms of having the required experience, knowledge, business reputation, absence of a conflict of interest, etc.</div>	Full compliance	



No.	Corporate governance principles	Criteria for Assessing Compliance with Corporate Governance Principle	Status of Compliance with Corporate Governance Principle	Explanations of Deviations from the Criteria for Assessing Compliance with Corporate Governance Principle
2.3.2	The company's directors are elected via a transparent procedure, enabling shareholders to obtain information on nominees sufficient to judge on their personal and professional qualities	1. Whenever the agenda of a general meeting of shareholders held in the reporting period included the election to the board of directors, the company provided its shareholders with biographical details of all nominees for the board of directors, the results of the assessment of their professional qualifications, skills and experience for the compliance with the current and expected needs of the company (such assessment to be carried out by the board of directors (or its nomination committee)), as well as information on whether the candidate met the criteria of independence as set forth in recommendations 102–107 of the Code and the written consent of the nominees for election to the board of directors	Full compliance	
2.3.3	The board of directors is balanced, including in terms of qualifications of its members, their experience, knowledge and business qualities, and has the trust of shareholders	1. During the reporting period, the board of directors analysed its own needs in terms of professional qualifications, experience and skills and identified the competencies required by the board of directors in the short and long term	Full compliance	
2.3.4	The company has a sufficient number of directors to organise the board of directors' activities in the most efficient way, including the ability to set up committees of the board of directors and enable the company's substantial minority shareholders to elect a nominee to the board of directors for whom they vote	1. During the reporting period, the board of directors considered whether the number of the board of directors' members meets the company's needs and the interests of shareholders	Full compliance	
2.4	The board of directors includes a sufficient number of independent directors			
2.4.1	An independent director is a person of sufficient professionalism, experience and self-reliance to form their own opinion, able to make impartial judgements in good faith independent of the company's executive bodies, particular groups of shareholders or other stakeholders.  It should be noted that under normal circumstance a nominee (elected director) cannot be considered independent if he/she is related to the company, its substantial shareholder or counterparty, the company's competitor, or the government	1. In the reporting period, all independent directors met the independence criteria set out in recommendations 102–107 of the Code, or were deemed independent by resolution of the board of directors	Full compliance	
2.4.2	The compliance of nominees to the board of directors with the criteria for independence is assessed, and a regular review of compliance of independent directors with such criteria is performed. Substance prevails over form in such assessments	1. In the reporting period, the board of directors (or the nomination committee of the board of directors) formed its opinion on the independence of each nominee to the board of directors and presented respective opinions to shareholders. 2. During the reporting period, the board of directors (or the board of directors' nomination committee) reviewed the independence of the current board of directors' members at least once (after they were elected). 3. The company developed procedures defining the actions to be taken by a member of the board of directors if they ceases to be independent, including the obligation to timely notify the board of directors thereof	Full compliance	
2.4.3	Independent directors make up at least one third of the elected board of directors	1. Independent directors make up at least one third of the board of directors	Full compliance	
2.4.4	Independent directors play a key role in preventing internal conflicts within the company and ensuring that the company takes significant corporate actions	1. In the reporting period, independent directors (who did not have a conflict of interest) carried out a preliminary assessment of significant corporate actions implying a possible conflict of interest, and the results of such assessment were presented to the board of directors	Full compliance	No significant corporate actions related to a possible conflict of interest were performed in the reporting year.
2.5	The chairman of the board of directors facilitates the best performance of assigned duties by the board of directors			
2.5.1	The board of directors is chaired by an independent director, or a senior independent director is chosen from among the elected independent directors to coordinate the activities of independent directors and enable the interaction with the chairman of the board of directors	1. The board of directors is chaired by an independent director, or a senior independent director is appointed from among the independent directors. 2. The role, rights and duties of the chairman of the board of directors (and, if applicable, of the senior independent director) are duly set out in the company's internal documents	Partial compliance	1. No compliance.  The Chairman of JSC FPC's Board of Directors is not an independent director. The candidate for the position of Chairman of the Board of Directors of JSC FPC shall be agreed with the Board of Directors of the parent company.  Independent directors do not require additional coordination, and there is no provision for a senior independent director.  2. Full compliance.
2.5.2	The chairman of the board of directors maintains a constructive environment at meetings, enables free discussions of agenda items, and supervises the execution of resolutions passed by the board of directors	1. The efficiency of the chairman of the board of directors was assessed as part of the procedure for assessing (self-assessing) the performance of the board of directors in the reporting period	Full compliance	

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2.5.3	The chairman of the board of directors takes all steps necessary for the timely provision to directors of information required to pass resolutions on agenda items	1. The company's internal documents set out the duty of the chairman of the board of directors to take all steps necessary for the timely provision to directors of full and reliable information regarding items on the agenda of the board meeting	Full compliance	
2.6	Directors act reasonably and in good faith in the best interests of the company and its shareholders, relying on sufficient information, exercising due care and prudence			
2.6.1	Directors make decisions based on all information available, without conflict of interest, subject to equal treatment of the company's shareholders, and assuming normal business risks	1. The company's internal documents provide that a director should notify the board of directors if he/she has a conflict of interest in respect of any item on the agenda of the board meeting or the board's committee meeting, prior to the discussion of the relevant agenda item. 2. The company's internal documents stipulate that a director should abstain from voting on any item in connection with which they have a conflict of interest. 3. The company has in place a procedure enabling the board of directors to get professional advice on matters within its remit at the expense of the company	Full compliance	
2.6.2	The rights and obligations of directors are clearly defined and set out in the company's internal documents	1. The company has adopted and published an internal document clearly defining the rights and duties of directors	Full compliance	
2.6.3	Members of the board of directors have sufficient time to perform their duties	1. Individual attendance of the meetings of the board of directors and committees, as well as sufficient time to work on the board of directors, including its committees, is analysed as part of the procedure for assessment (self-assessment) of the board of directors' performance in the reporting period. 2. In accordance with the company's internal documents, directors inform the board of their intentions to joint management bodies of other organisations (except for entities controlled by the company), or of the relevant appointment made	Full compliance	
2.6.4	All directors have equal access to the company's documents and information. Newly elected directors are furnished with sufficient information about the company and performance of the board of directors as soon as possible	1. In accordance with the company's internal documents, the members of the board of directors have the right to obtain information and documents necessary for the members of the board of directors to perform their duties relating to the company and its controlled entities, and the executive bodies of the company should ensure that relevant information and documents are provided. 2. The company implements a formalised induction programme for newly elected directors	Full compliance	
2.7	Meetings of the board of directors, preparation for such meetings and participation of directors ensure efficient performance by the board of directors			
2.7.1	Meetings of the board of directors are held as needed, taking into account the scale of operations and goals of the company at a particular time	1. The board of directors held at least six meetings in the reporting year	Full compliance	
2.7.2	The company's internal regulations formalise a procedure for arranging and holding meetings of the board of directors, enabling members of the board of directors to prepare for such meetings properly	1. The company has an approved internal document that describes the procedure for arranging and holding meetings of the board of directors and sets out, in particular, that the notice of the meeting shall be given, as a rule, at least five days prior to such meeting. 2. During the reporting period, the members of the board of directors who were not present at the meeting venue were given the opportunity to participate in the discussion of agenda items and vote remotely via conference calls and video conferencing	Full compliance	
2.7.3	The format of the meeting of the board of directors is determined taking into account the importance of items on the agenda. The most important matters shall be dealt with at meetings of the board of directors held in person	1. The company's articles of association or internal documents stipulate that the most important issues (including those listed in recommendation 168 of the Code) should be considered at in-person meetings of the board of directors	Partial compliance	The Regulations on the Board of Directors of JSC FPC contain a recommendation to the Board of Directors to deal with the most important matters at meetings held in person. The list of such issues is 41% compliant with recommendation 168 of the Code.



No.	Corporate governance principles	Criteria for Assessing Compliance with Corporate Governance Principle	Status of Compliance with Corporate Governance Principle	Explanations of Deviations from the Criteria for Assessing Compliance with Corporate Governance Principle
2.7.4	Resolutions on the most important matters related to the company's operations are passed at a meeting of the board of directors by a qualified majority or by a majority of all elected directors	1. The company's articles of association provide for resolutions on the most important matters (including those set out in <u>recommendation 170</u> of the Code) to be passed at a meeting of the board of directors by a qualified majority of at least 3/4 or by a majority of all elected directors	Partial compliance	<p>In accordance with para. 18.7 of the Articles of Association, resolutions of the Company's Board of Directors on including the persons nominated by shareholders or the Company's Board of Directors in the list of members of the collegial executive body or the Company's Auditing Commission and electing the person acting as the sole executive body of each company created through reorganisation in the form of merger, division or spin-off, as well as on the issue specified in subpara. 3, para. 15.1, Article 15 of the present Articles of Association and in cases stipulated by the Federal Law "On Joint Stock Companies", are passed by a majority of at least three quarters of the total number of Directors.</p> <p>The votes of the retired members of the Board of Directors of the Company shall not be taken into account when the Board of Directors of the Company adopts resolutions stipulated by this clause. The criteria for recognising a member of the Board of Directors of the Company as retired shall be determined by the Regulations on the Board of Directors of the Company.</p> <p>In accordance with para. 18.8 of the Articles of Association, resolutions of the Company's Board of Directors on matters listed in subpara. 1, 12, 21, 24, 26, 36, 42, 43, 45 of para. 15.1, Article 15 of the present Articles of Association, as well as on approving the Company's Dividend Policy are passed by a majority of the members of Company's Board of Directors.</p>
<b>2.8 The board of directors sets up committees to preview the most important matters related to the company's operations</b>				
2.8.1	To preview matters related to controlling the company's financial and business activities, it is recommended to set up an audit committee comprised of independent directors	1. The board of directors set up an audit committee comprised solely of independent directors. 2. The company's internal documents set out the tasks of the audit committee, including those listed in <u>recommendation 172</u> of the Code. 3. At least one member of the audit committee represented by an independent director has experience and knowledge of preparing, analysing, assessing and auditing accounting (financial) statements. 4. Meetings of the audit committee were held at least once a quarter during the reporting period	Partial compliance	<p>1. No compliance.</p> <p>Before the Annual General Meeting of Shareholders, the Audit and Risk Committee included members of the Board of Directors and experts representing the parent company; after the Annual General Meeting of Shareholders, the Audit and Risk Committee includes one independent director (Chairman), members of the Board of Directors and experts representing the parent company.</p> <p>2. Full compliance. 3. Partial compliance.</p> <p>The Audit and Risk Committee, elected after the annual General Meeting of Shareholders, is chaired by an independent member of the Board of Directors.</p> <p>4. Full compliance.</p>
2.8.2	To preview matters related to adopting an efficient and transparent remuneration scheme, a remuneration committee was set up, comprised of independent directors and headed by an independent director who is not the chairman of the board of directors	1. The board of directors set up a remuneration committee comprised solely of independent directors. 2. The remuneration committee is headed by an independent director who is not the chairman of the board of directors. 3. The company's internal documents determine the tasks of the remuneration committee, including but not limited to the tasks covered by <u>recommendation 180</u> of the Code, as well as the conditions (events), upon the occurrence of which the remuneration committee considers revision of the company's remuneration policy for the members of the board of directors, executive bodies and other key executives	Partial compliance	<p>1. Partial compliance.</p> <p>The Company established the Human Resources, Remuneration and Corporate Governance Committee consisting of two independent directors, representatives of the shareholder and the Company's management.</p> <p>2. Full compliance. 3. Partial compliance.</p> <p>The Regulations on the Human Resources, Remuneration and Corporate Governance Committee do not include the tasks contained in para. 4 of recommendation 180 of the Corporate Governance Code, and also do not envisage the revision of the Company's policy on remuneration of members of the Board of Directors, executive bodies and other key executives.</p>
2.8.3	To preview matters related to talent management (succession planning), professional composition and efficiency of the board of directors, a nomination (appointments, human resources) committee was set up, predominantly comprised of independent directors	1. The board of directors has set up a nomination committee (or its tasks listed in <u>recommendation 186</u> of the Code are fulfilled by another committee) predominantly comprised of independent directors. 2. The company's internal documents set out the tasks of the nomination committee (or the tasks of the committee with combined functions), including those listed in <u>recommendation 186</u> of the Code. 3. In the reporting period, in order to form the board of directors that best meets the company's goals and objectives, the nomination committee organised interaction with shareholders, not limited to the largest shareholders, in the context of selecting candidates to the board of directors of the company, either individually or jointly with other committees of the board of directors or the company's authorised subdivision in charge of relations with shareholders	Partial compliance	<p>1. Partial compliance.</p> <p>JSC FPC set up the Human Resources, Remuneration and Corporate Governance Committee of the Board of Directors of JSC FPC. The functions of this Committee are enshrined in the Regulations on the Committee for Human Resources, Remuneration and Corporate Governance of the Board of Directors of JSC FPC and comply with the recommendations of the Corporate Governance Code regarding the remuneration committee and the nomination committee.</p> <p>Two independent directors were elected to the Human Resources, Remuneration and Corporate Governance Committee, one of whom chairs the committee.</p> <p>2. Full compliance. 3. No compliance.</p> <p>Given the existing structure of JSC FPC's authorised capital, i.e., the presence of a single shareholder in the share capital structure, this criterion is irrelevant for the Company.</p> <p>For selection of candidates to the Company's Board of Directors, the Human Resources, Remuneration and Corporate Governance Committee presented the Committee's recommendations to shareholders on the candidates' compliance with the criteria of independence, qualifications, competences and experience.</p>
2.8.4	Taking into account the company's scope of business and level of risks, the company's board of directors made sure that the composition of its committees is fully in line with the company's business goals. Additional committees were either set up or not deemed necessary (strategy committee, corporate governance committee, ethics committee, risk management committee, budget committee, health, safety and environment committee, etc.)	1. In the reporting period, the company's board of directors considered whether the structure of the board of directors is appropriate to the scope, nature, business goals, needs, and risk profile of the company. Additional committees were either set up or deemed unnecessary	Full compliance	

No.	Corporate governance principles	Criteria for Assessing Compliance with Corporate Governance Principle	Status of Compliance with Corporate Governance Principle	Explanations of Deviations from the Criteria for Assessing Compliance with Corporate Governance Principle
2.8.5	Committees are composed so as to enable comprehensive discussions of matters under preview, taking into account the diversity of opinions	<ol style="list-style-type: none"><li>The audit committee, remuneration committee, and nomination committee (or the relevant committee with a combined function) were chaired by independent directors in the reporting period.</li><li>The company's internal documents (policies) include provisions stipulating that persons who are not members of the audit committee, the nomination committee (or the relevant committee with a combined function) and the remuneration committee may attend committee meetings only by invitation of the chairman of the respective committee</li></ol>	Partial compliance	<ol style="list-style-type: none"><li>Partial compliance.  During the reporting period, the Human Resources, Remuneration and Corporate Governance Committee was chaired by an independent director.  In the period before the General Meeting of Shareholders, the Audit and Risk Committee was chaired by a non-executive director; after the General Meeting of Shareholders, the Audit and Risk Committee was chaired an independent director.</li><li>Full compliance.</li></ol>
2.8.6	Committee chairmen inform the board of directors and its chairman on the work of their committees on a regular basis	<ol style="list-style-type: none"><li>During the reporting period, committee chairmen reported to the board of directors on the work of committees on a regular basis</li></ol>	Full compliance	
2.9	The board of directors ensures performance assessment of the board of directors, its committees and members of the board of directors			
2.9.1	The board of directors ensures the assessment of performance of the board of directors, its committees and members of the board of directors, whether their work meets the company's development needs, as well intensifying the work of the board of directors and identifying opportunities for the improvement of its performance	<ol style="list-style-type: none"><li>The company's internal documents stipulate the procedures for assessing (self-assessing) the board of directors' performance.</li><li>The assessment (self-assessment) of the board of directors' performance carried out in the reporting period included an assessment of the work of the committees, an individual assessment of each member of the board of directors and the board of directors as a whole.</li><li>Results of assessment (self-assessment) of the board of directors' performance carried out in the reporting period were reviewed at the in-person meeting of the board of directors</li></ol>	Full compliance	
2.9.2	The performance of the board of directors, committees and members of the board of directors is assessed on a regular basis at least once a year. An external organisation (consultant) is engaged at least once every three years to carry out an independent assessment of the board of directors' performance	<ol style="list-style-type: none"><li>The company engaged an external institution (advisor) to conduct an independent assessment of the board of directors' performance at least once over the last three reporting periods</li></ol>	No compliance	No independent assessment of the performance of the Board of Directors was conducted during the reporting period.
3.1	The company's corporate secretary ensures efficient ongoing interaction with shareholders, coordinate the company's efforts to protect shareholder rights and interests, and supports the activities of the board of directors			
3.1.1	The corporate secretary has the knowledge, experience and qualifications sufficient to perform their duties, as well as an impeccable reputation and the trust of shareholders	<ol style="list-style-type: none"><li>The company's website and the annual report contain biographical information on the corporate secretary (including information on age, education, qualifications, experience), as well as information on positions in management bodies of other legal entities held by the corporate secretary for at least the last five years</li></ol>	Full compliance	
3.1.2	The corporate secretary is sufficiently independent of the company's executive bodies and has the powers and resources required to perform their tasks	<ol style="list-style-type: none"><li>The company has adopted and published an internal document – regulations on the corporate secretary.</li><li>The board of directors approves the candidate for the position of corporate secretary, terminates their powers and considers the payment of additional remuneration to them.</li><li>The company's internal documents stipulate the corporate secretary's right to request and receive company documents and information from management bodies, subdivisions and officers of the company</li></ol>	Partial compliance	<ol style="list-style-type: none"><li>Full compliance.</li><li>Partial compliance.  Due to approval of the revised Articles of Association, payment of remuneration to the Corporate Secretary is referred to the competence of the General Director.</li><li>Full compliance.</li></ol>
4.1	Remuneration payable by the company is sufficient to attract, motivate and retain people with competencies and qualifications required by the company. Remuneration payable to directors, executive bodies and other key managers of the company is in compliance with the approved remuneration policy of the company			
4.1.1	The amount of remuneration paid by the company to the members of the board of directors, executive bodies and other key managers creates sufficient incentives for them to work efficiently while enabling the company to engage and retain competent and qualified specialists. At the same time, the company avoids unnecessarily high remuneration, as well as unjustifiably large gaps between remunerations of the above persons and the company's employees	<ol style="list-style-type: none"><li>Remuneration of members of the board of directors, executive bodies and other key executives of the company is determined based on the results of a comparative analysis of remuneration levels in comparable companies</li></ol>	Full compliance	
4.1.2	The company's remuneration policy is devised by the remuneration committee and approved by the board of directors. The board of directors, assisted by the remuneration committee, ensures control over the introduction and implementation of the company's remuneration policy, revising and amending it as required	<ol style="list-style-type: none"><li>During the reporting period, the remuneration committee reviewed the remuneration policy (policies) and (or) practices of its (their) implementation, assessed their efficiency and transparency, and, if necessary, submitted respective recommendations to the board of directors for revision of the said policy (policies)</li></ol>	Full compliance	



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4.1.3	The company's remuneration policy includes transparent mechanisms for determining the amount of remuneration due to directors, executive bodies and other key managers of the company, and regulate all types of expenses, benefits and privileges provided to such persons	1. The company's remuneration policy (policies) includes (include) transparent mechanisms for determining the amount of remuneration due to directors, executive bodies and other key managers of the company, and regulates (regulate) all types of expenses, benefits and privileges provided to such persons	Full compliance	
4.1.4	The company defines a policy on reimbursement (compensation) of costs, detailing a list of reimbursable expenses and specifying service levels that members of the board of directors, executive bodies and other key managers of the company can claim. Such policy can make part of the company's remuneration policy	The remuneration policy (policies) defines (define) the rules for reimbursement of costs incurred by directors, executive bodies and other key managers of the company	Full compliance	
4.2	Remuneration system for directors ensures alignment of financial interests of directors with long term financial interests of shareholders			
4.2.1	The company pays fixed annual remuneration to directors. The company does not pay remuneration for attending selected meetings of the board of directors or its committees.  The company does not apply any form of short-term motivation or additional financial incentive for directors	1. In the reporting period, the company paid remuneration to the members of the board of directors in accordance with the remuneration policy adopted by the company. 2. In the reporting period, the company did not apply any forms of short-term motivation or additional material incentives to the members of the board of directors, the payment of which depends on the results (indicators) of the company's performance. No remuneration was paid for participation in individual meetings of the board of directors or the committees under the board of directors	Full compliance	
4.2.2	Long-term ownership of company shares contributes most to aligning the financial interests of the members of the board of directors with the long-term interests of shareholders. At the same time, the company does not link the right to dispose of shares to performance targets, and directors do not participate in stock option plans	1. If the company's internal document(s) – the remuneration policy (policies) – stipulate(s) (stipulate) provision of the company's shares to directors, clear rules for share ownership by directors shall be defined and disclosed, aimed at stimulating long-term ownership of such shares	Full compliance	The approach to assessing the criterion was revised.  The Company's internal remuneration document does not provide for the granting of Company shares to members of the Board of Directors.
4.2.3	The company does not provide for any extra payments or compensations in the event of early termination of directors' mandates resulting from the change of control or any other reasons	1. The company does not provide for any extra payments or compensations in the event of early termination of directors' mandates resulting from the change of control or any other reasons	Full compliance	
4.3	The company considers its performance and the personal contribution of each executive to the achievement of such performance, when determining the amount of a fee payable to members of executive bodies and other key managers of the company			
4.3.1	Remuneration due to members of executive bodies and other key managers of the company is determined in a manner providing for reasonable and justified ratio of the fixed and variable parts of remuneration, depending on the company's results and the employee's personal contribution	1. In the reporting period, annual performance indicators approved by the board of directors were used to determine the amount of the variable part of remuneration due to members of executive bodies and other key managers of the company. 2. During the latest assessment of the system of remuneration for members of executive bodies and other key managers of the company, the board of directors (remuneration committee) made sure that the company applies efficient ratio of the fixed and variable parts of remuneration. 3. When determining the amount of remuneration payable to the members of executive bodies and other key executives of the company, consideration is given to the risks borne by the company in order to avoid creating incentives for taking excessively risky management decisions	Full compliance	
4.3.2	The company has in place a long-term incentive programme for members of executive bodies and other key managers of the company with the use of the company's shares (options and other derivative instruments where the company's shares are the underlying asset)	1. If the company has introduced a long-term incentive programme for members of executive bodies and other key executives of the company using company shares (financial instruments based on company shares), the programme stipulates that the right to sell such shares and other financial instruments shall not arise earlier than three years after provision of the same. The right to dispose of such shares or other financial instruments is linked to the company's performance targets	Full compliance	The approach to assessing the criterion was revised.  Not applicable to the Company's operations, as motivation of executive bodies and other key management personnel of the Company is regulated by the Russian Government Order No. 3579-r dated 28 December 2020 and Russian Government Resolution No. 209 dated 13 February 2023.  For more details, see <a href="#">p. 123-124</a>
4.3.3	The compensation (golden parachute) payable by the company in case of early termination of powers of members of executive bodies or key managers at the company's initiative, provided that there have been no actions in bad faith on their part, does not exceed the double amount of the fixed part of their annual remuneration	1. In the reporting period, the compensation (golden parachute) payable by the company in case of early termination of the powers of executive bodies or key managers at the company's initiative, provided that there have been no actions in bad faith on their part, did not exceed the double amount of the fixed part of their annual remuneration	Full compliance	

No.	Corporate governance principles	Criteria for Assessing Compliance with Corporate Governance Principle	Status of Compliance with Corporate Governance Principle	Explanations of Deviations from the Criteria for Assessing Compliance with Corporate Governance Principle
5.1	<b>The company has in place an effective risk management and internal control system, providing reasonable assurance in the achievement of the company's goals</b>			
5.1.1	The company's board of directors determined the principles of, and approaches to, organising a risk management and internal control system in the company	1. Functions of different management bodies and units of the company in the risk management system and internal control are clearly defined in the company's internal documents/relevant policy approved by the board of directors	Full compliance	
5.1.2	The company's executive bodies ensure establishment and continuous operation of an efficient risk management and internal control system in the company	1. The company's executive bodies ensured the distribution functions, powers and responsibilities related to risk management and internal control between the heads (managers) of units and departments accountable to them	Full compliance	
5.1.3	The company's risk management and internal control system ensures an objective, fair and clear representation of the current state of the company and its future prospects, the integrity and transparency of the company's reporting, as well as reasonable and acceptable risk exposure	1. The company has the anti-corruption policy approved. 2. The company has arranged for safe, confidential and accessible means (hotline) of notifying the board of directors or the board's audit committee about violations of the law, the company's internal procedures and code of ethics	Full compliance	
5.1.4	The company's board of directors takes necessary measures to make sure that the company's risk management and internal control system is consistent with the principles of, and approaches to its setting up determined by the board of directors, and that the system is functioning efficiently	1. During the reporting period, the board of directors (audit committee and/or risk committee) (if any) organised an assessment of the reliability and effectiveness of the risk management and internal control systems. 2. During the reporting period, the board of directors reviewed the results of the assessment of the reliability and efficiency of the company's risk management and internal control systems; information on the results of the review is included in the company's annual report	Full compliance	
5.2	<b>The company performs internal audits for regular independent assessment of the reliability and effectiveness of the risk management and internal control system, as well as corporate governance practices</b>			
5.2.1	The company set up a separate business unit or engaged an independent external organisation to carry out internal audits. The functional and administrative reporting lines of the internal audit unit are delineated. The internal audit unit functionally reports to the board of directors.	1. To perform internal audits, the company has set up a separate internal audit business unit functionally reporting to the board of directors, or an independent external organisation with the same line of reporting is engaged	Full compliance	
5.2.2	The internal audit unit assesses the reliability and effectiveness of the risk management and internal control systems as well as the corporate governance, and applies generally accepted internal auditing standards	1. During the reporting period, internal audit assessed the reliability and effectiveness of the risk management and internal control system. 2. During the reporting period, internal audits assessed corporate governance practices (individual practices), including information exchange procedures (including on internal control and risk management) at all levels of the company's management, as well as interaction with stakeholders	Full compliance	
6.1	<b>The company and its business are transparent for shareholders, investors and other stakeholders</b>			
6.1.1	The company developed and adopted an information policy ensuring an efficient exchange of information between the company, its shareholders, investors and other stakeholders	1. The company's board of directors approved an information policy developed in accordance with the Code's recommendations. 2. During the reporting period, the board of directors (or one of its committees) considered the efficiency of information exchange between the company, shareholders, investors and other stakeholders and the expediency (need) to revise the company's information policy	Full compliance	
6.1.2	The company discloses information on its corporate governance system and practices, including detailed information on compliance with the principles and recommendations of the Code	1. The company discloses information on its corporate governance system and general principles of corporate governance applied in the company, including disclosure on a website. 2. The company discloses information on the composition of executive bodies and the board of directors, independence of the board members and their membership in the board's committees (as defined in the Code). 3. If the company has a controlling entity, the company publishes a memorandum of the controlling entity setting out the latter's plans for the company's corporate governance	Partial compliance	1. Full compliance. 2. Partial compliance: information on the sole executive body – General Director is disclosed, Section 4.4 of the Report provides qualitative characteristics of the Board of Directors without disclosure of personal data. 3. No compliance. A memorandum is not available.
6.2	<b>The company makes timely disclosures of complete, updated and reliable information to allow shareholders and investors to make informed decisions</b>			
6.2.1	The company discloses information based on the principles of regularity, consistency and promptness, as well as availability, reliability, completeness and comparability of disclosed data	1. The company established a procedure that ensures coordination of work of all subdivisions and employees of the company who are related to disclosure of information or whose activities may result in the need to disclose information. 2. If the company's securities are traded on foreign regulated markets, the company ensures concerted and equivalent disclosure of material information in the Russian Federation and in the said markets in the reporting period. 3. If foreign shareholders hold a significant amount of the company's shares, during the reporting year, information was disclosed not only in the Russian language, but also in one of the most widespread foreign languages	Full compliance	1. Full compliance. 2. The Company's securities are not traded on foreign organised exchanges. 3. JSC FPC has no foreign shareholders.



No.	Corporate governance principles	Criteria for Assessing Compliance with Corporate Governance Principle	Status of Compliance with Corporate Governance Principle	Explanations of Deviations from the Criteria for Assessing Compliance with Corporate Governance Principle
6.2.2	The company avoids a formalistic approach to information disclosure and discloses critical information about its operations even if such disclosure is not required by law	<ol style="list-style-type: none"><li>1. The company's information policy defines approaches to disclosure of information on other events (actions) which have a significant effect on the value or quotation of its securities, while disclosure of which is not required by law.</li><li>2. The company discloses complete information on its capital structure, as stated in <u>recommendation 290</u> of the Code, in its annual report and on the corporate website.</li><li>3. The company discloses information on controlled entities that are significant to the company, including key areas of their activities, mechanisms for ensuring accountability of controlled entities, the authority of the company's board of directors to determine strategy and assess performance of controlled entities.</li><li>4. The company discloses non-financial reports – a sustainability report, an environmental report, a corporate social responsibility report or another report containing non-financial information, including factors related to the environment (inter alia, environmental and climate change related factors), society (social factors) and corporate governance, except for the report of the issuer of equity securities and the annual report of the joint stock company</li></ol>	Partial compliance	<ol style="list-style-type: none"><li>1. Full compliance.</li><li>2. Full compliance.</li><li>3. Full compliance.</li><li>4. Partial compliance.</li></ol> <p>The company discloses non-financial reports — a sustainability report, an environmental report, a corporate social responsibility report or another report containing non-financial information, including factors related to the environment (including ecological factors and factors related to climate change), society (social factors) and corporate governance only in the Annual Report.</p>
6.2.3	The annual report, as one of the most important tools of information exchange with shareholders and other stakeholders, contains information enabling assessment of the company's performance in the reporting year	<ol style="list-style-type: none"><li>1. The annual report of the company contains information on the results of the assessment by the audit committee of the effectiveness of the external and internal audit process.</li><li>2. The company's annual report contains information on the company's environmental and social policy</li></ol>	Partial compliance	<ol style="list-style-type: none"><li>1. Partial compliance.</li></ol> <p>The Audit and Risk Committee of the Board of Directors annually assesses the quality of internal audits conducted by JSC FPC's Internal Audit Department.</p> <ol style="list-style-type: none"><li>2. Full compliance.</li></ol>
6.3	<b>The company provides information and documents as per the requests of shareholders in compliance with principles of fairness and ease of access</b>			
6.3.1	Shareholders can exercise their right of access to company documents and information without unnecessary difficulties	<ol style="list-style-type: none"><li>1. The company's information policy (internal documents defining the information policy) defines a convenient procedure for providing access to the company's information and documents, upon shareholders' requests.</li><li>2. The information policy (internal documents defining the information policy) contains provisions stipulating that if a shareholder requests information on organisations controlled by the company, the company shall make the necessary efforts to obtain such information from the relevant organisations controlled by the company.</li></ol>	Full compliance	
6.3.2	When providing information to shareholders, the company ensures reasonable balance between the interests of particular shareholders and its own interests, consisting in preserving the confidentiality of important commercial information which may materially affect its competitiveness	<ol style="list-style-type: none"><li>1. In the reporting period, the company did not refuse shareholders' requests for information, or such refusals were justified.</li><li>2. In cases defined by the information policy, shareholders are warned of the confidential nature of the information and undertake to maintain its confidentiality.</li></ol>	Full compliance	
7.1	<b>Actions that significantly impact or may significantly impact the authorised capital structure or financial condition of the company and, respectively, shareholders position (significant corporate actions) are fairly executed providing observance of rights and interests of shareholders and other stakeholders</b>			
7.1.1	Significant corporate actions include restructuring of the company, acquisition of 30% or more of the company's voting shares (takeover), execution by the company of significant transactions, increase or reduction of the company's authorised capital, listing or de-listing of the company's shares, as well as other actions which may lead to material changes in the rights of shareholders or violation of their interests. The company's articles of association define a list of transactions or other actions classified as significant corporate actions pertaining to the competence of the company's board of directors	<ol style="list-style-type: none"><li>1. The company's articles of association define a list (criteria) of transactions or other actions that constitute significant corporate actions. Resolutions on significant corporate actions are referred to the jurisdiction of the board of directors, according to the company's articles of association. When execution of such corporate actions is expressly referred by law to the jurisdiction of the general shareholders meeting, the board of directors presents relevant recommendations to shareholders</li></ol>	Partial compliance	<p>The Company's Articles of Association define a list (criteria) of transactions or other actions that constitute significant corporate actions.</p> <p>In accordance with the current Articles of Association of JSC FPC, decisions to take significant corporate actions fall within the competence of the General Meeting of Shareholders and the Board of Directors. Issues referred to the competence of the General Meeting of Shareholders are subject to preliminary consideration by the Board of Directors in order to form an appropriate recommendation. The Board of Directors also determined the criteria of major transactions subject to compliance with which such transactions are subject to approval by the Board of Directors (disposal of immovable property, transactions related to receipt and issue of loans and sureties by the Company, issuance of guarantees by the Company (including on behalf of the Company), conclusion of loan agreements, borrow agreements, pledge agreements, transactions with promissory notes).</p>
7.1.2	The board of directors plays a key role in making decisions or working out recommendations regarding significant corporate actions, relying on the opinions of the company's independent directors	<ol style="list-style-type: none"><li>1. The company has in place a procedure enabling independent directors to express their opinions on significant corporate actions prior to approval thereof</li></ol>	Full compliance	

No.	Corporate governance principles	Criteria for Assessing Compliance with Corporate Governance Principle	Status of Compliance with Corporate Governance Principle	Explanations of Deviations from the Criteria for Assessing Compliance with Corporate Governance Principle
7.1.3	<p>When taking significant corporate actions affecting the rights and legitimate interests of shareholders, equal terms and conditions are ensured for all shareholders of the company, and, in case of insufficient statutory mechanisms for protecting shareholder rights, additional measures are taken to protect the rights and legitimate interests of the company's shareholders.</p> <p>In doing so, the company is guided by the corporate governance principles set forth in the Code, as well as by formal statutory requirements</p>	<ol style="list-style-type: none"><li>1. The company's articles of association, taking into account the peculiarities of the company's operations, stipulate that the competence of the board of directors shall include approval of other transactions that are significant to the company, in addition to those provided for by law.</li><li>2. In the reporting period, all significant corporate actions were duly approved before they were taken.</li></ol>	Full compliance	
7.2	<b>The company performs significant corporate actions in such a way as to ensure that shareholders timely receive complete information about such actions, allowing them to influence such actions and guaranteeing adequate protection of their rights when performing such actions</b>			
7.2.1	Information about significant corporate actions is disclosed with explanations of the grounds, circumstances and consequences	<ol style="list-style-type: none"><li>1. If the company performed significant corporate actions during the reporting period, the company disclosed information on such actions in a timely and detailed manner, including disclosing the reasons, conditions and consequences of such actions to shareholders</li></ol>	Full compliance	
7.2.2	The rules and procedures related to significant corporate actions are set forth in the company's internal documents	<ol style="list-style-type: none"><li>1. The company's internal documents provide for the cases and procedure for engaging an appraiser to determine the value of the property disposed of or acquired pursuant to a major transaction or a related-party transaction.</li><li>2. The company's internal documents set out the procedure for engaging an appraiser to assess the value of the company's shares at their repurchase or redemption.</li><li>3. If there is no formal interest of a member of the board of directors, the sole executive body, member of the collegial executive body of the company or an entity being a controlling entity of the company or an entity entitled to give instructions binding on the company in transactions of the company, but if there is a conflict of interest or other actual interest, the internal documents of the company provide that such entities shall not participate in voting on approval of such transaction</li></ol>	Partial compliance	<ol style="list-style-type: none"><li>1. Partial compliance.</li></ol> <p>The Company's internal documents stipulate the procedure for engaging an independent appraiser to determine the market value of the disposed immovable property.</p> <ol style="list-style-type: none"><li>2. Partial compliance.</li></ol> <p>When approving major transactions by the General Meeting of Shareholders, JSC FPC is guided by the provisions of the Federal Law "On Joint Stock Companies" and JSC FPC's Articles of Association. Thus, in order to respect the rights of shareholders to buy back shares in major transactions, JSC FPC engages an independent appraiser to assess the market value of the shares to be bought back, and the results of such assessment are reviewed by the Company's Board of Directors.</p> <p>In internal documents, the Regulations on the General Meeting of Shareholders stipulate the submission of a share appraisal report to shareholders in the event of significant corporate actions.</p> <ol style="list-style-type: none"><li>3. Partial compliance.</li></ol> <p>Section 3.3 of the Regulations on the Board of Directors of JSC FPC (approved on 3 July 2024, Minutes of the Annual General Meeting of Shareholders No. 58) stipulates that a member of the Board of Directors who has a conflict of interest must immediately notify the Board of Directors, through its Chairman or the Company's Corporate Secretary, of both the existence of a conflict of interest and the grounds for the conflict. Such notification shall in any case be made prior to the discussion of the matter on which such member of the Board of Directors has a conflict of interest at a meeting of the Board of Directors or its committee with the participation of such Board member.</p> <p>The Board member may not participate in decision-making if there is a conflict of interest. They should abstain from voting on matters in respect of which they have a conflict of interest.</p> <p>Where the nature of the matter under discussion or the specifics of a conflict of interest so requires, the Board of Directors shall have the right to propose that the member of the Board of Directors with the relevant conflict of interest not attend the discussion of such matter at the meeting.</p>



# Disclaimer

This Annual Report of Joint Stock Company Federal Passenger Company (hereinafter referred to as the Company) for 2024 (hereinafter referred to as the Annual Report) was prepared using information available to the Company at the time of its preparation.

The Annual Report contains information on the Company’s performance results in 2024 and projection data, forward-looking statements, opinions or current expectations of the Company regarding its business performance, financial position, liquidity, growth prospects, strategy, as well as the development of an industry in which Company operates.

By their nature, such forward-looking statements are characterised by risks and uncertainties, since they relate to events and depend on circumstances that may not occur in the future.

The Company does not give any direct or implied representations or warranties and does not bear any responsibility in case of losses that individuals or legal entities may incur as a result of using the forward-looking statements of this Annual Report, for any reason, directly or indirectly. These individuals shall not fully rely on the forward-looking statements contained herein, as they are not the only possible scenario.

The sum of the parts of a whole is not always equal to the total due to arithmetic rounding. Except as provided for by the laws of the Russian Federation, the Company does not undertake to revise or confirm expectations and estimates, as well as publish updates and changes to forecast statements presented in the Annual Report in connection with subsequent events or the receipt of new information.

# Contacts

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Joint Stock Company Federal Passenger Company

**Abbreviated name of the Company**  
JSC FPC

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**Website**  
[www.fpc.ru](http://www.fpc.ru)

## Registrar details

Protection of the interests and rights of the Company’s shareholders is ensured through a reliable method for recording their rights to shares – the share register is maintained by an independent entity, JSC STATUS.

On 28 April 2014 (Minutes No. 15), the Board of Directors of JSC FPC approved Joint Stock Company Registrar Society STATUS as the registrar of JSC FPC and approved the terms and conditions of the contract with this registrar.

**Full name of the registrar**  
Joint Stock Company STATUS Registrar Society

**Abbreviated name of the registrar**  
JSC STATUS

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