

# 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.

