

Social risks

The Company addresses social risks with regard to its employees and retirees as well as other social partnership entities. As regards the risk of ineffective social policy, we primarily aim at creating sustainable working environment, fulfilling obligations under the Collective Bargaining Agreement and supporting a positive image of Russian Railways to prevent weakening of labour productivity, staff motivation and overall performance, as well as avoid

collective labour disputes and strikes. The key areas of social risks include HR management, compensation and incentives, social development and healthcare.

In 2023, the following measures were taken to mitigate these risks:

- employee training;
- improvement and development of social benefits and guarantees for Russian Railways' employees and retirees;

- revision/update of Russian Railways' regulations;
- analysis of performance under the Collective Bargaining Agreement;
- adjustment of the strategy for the social policy to factor in external and internal factors;
- staff monitoring, continuous information sharing through corporate media, addressing public queries, participation in employee meetings.

Stronger employer brand

The employer value proposition adopted by the Company is "Russian Railways: Empowering Action-Minded Professionals". Russian Railways ensures the consistency of its communications as an employer by conveying its key employer brand benefits such as scale, opportunities, technological sophistication and care.

As part of its employer brand promotion efforts in 2023, the Company implemented dedicated projects and communication campaigns generating more than 115 million touchpoints.

In the lead-up to the 50th anniversary of the start of construction on the Baikal–Amur Mainline (BAM), Russian Railways launched a special project in partnership with NewsMedia to spotlight railway

workers in the BAM regions. This series of short films chronicles the distinctive aspects of life and work along the legendary mainline.

Jointly with the Institute for Internet Development, Russian Railways launched the #BlueCollars media project to popularise in-demand professions on social media. The series of short videos promoting the train driver profession garnered over 15 million views, the most impactful result as part of the project in 2023.

In collaboration with the federal Profession Show project, Russian Railways produced videos spotlighting key railway professions – conductor and train driver. These videos targeted high school students and were distributed across Russian schools, on social media, and on the project's website, amassing over 2 million views.

The Company also partnered with HeadHunter (hh.ru) and launched an interactive game called "World of Railways" on its portal, where users are challenged to match pairs of cards depicting railway professions and their associated attributes.

In 2023, Russian Railways undertook the following initiatives to promote its employer brand among students:

- nationwide and city-level events held at federal venues – Youth Day celebrations in Moscow, Krasnoyarsk, Yekaterinburg, and Vladivostok, as well as the All-Russian Career Day;
- participation as a general partner in the Changellenge Cup Moscow 2023 case competition, with a case study on embedding artificial intelligence in HR management processes;

- career events at leading universities, including nine partner railway transport universities, the Higher School of Economics, Plekhanov Russian University of Economics, and more;
- career guidance meetings with students;
- continued development of the Russian Railways' Student Ambassadors project in its fourth year, with 129 students and 13 curators (selected from among graduates of the previous years' enrollees) representing 15 universities and 20 vocational colleges engaged in 2023. The ambassadors promote

the Group's initiatives, highlight the advantages of working at Russian Railways, and inform students about the worthwhile events and activities.

In 2023, Russian Railways continued promoting its Career Portal (team.rzd.ru) as the key information platform for job applicants, university and school students. Each month the portal posts some 8,000 job openings, with its monthly traffic coming in at over 250,000 users. Total traffic in 2023 exceeded 2.9 million people, while the number of application submissions increased by 22% compared to 2022.

The Russian Railways' Career Portal and the VK community "Russian Railways Team I Work" (over 86,000 subscribers) were recognised as the best among competitors according to a survey of Russian companies' online recruitment efforts conducted by the Gradus and Interium agencies. Additionally, the Telegram channel "Russian Railways Team I Build Your Career" was ranked in the top 10 of the same survey.

The Company continues to strengthen its clout as a leading employer among major Russian companies. In 2023, more than 15 projects of our social and HR division won a number of prestigious awards.

Russian Railways' Awards in 2023



- Excellence in Human Resources Development at Leaders of Russian Business: Dynamics, Responsibility, Sustainability, an all-Russian contest organised by the Russian Union of Industrialists and Entrepreneurs (RSPP).
- Talent Management System and HR Project in Federal and Municipal Administration Organisations according to the Crystal Pyramid awards held on the sidelines of the annual Summit of Russian and CIS HR Directors, an event sponsored by RSPP.
- Event of the Year according to InterComm 2023, the main intracorporate communications and corporate culture award in Russia and the CIS.
- Silver Mercury award for its employer branding project, which involved repositioning of the Company in the labour market.
- Best Project/Programme for Engaging Youth in Positive Changes and Best Practice for Developing Young Talents at the ESG Excellence Award 2023.
- Best Manager for Staff Motivation (Grand Prix), awarded to Yulia Alekseeva, Head of the Social Development Department at Russian Railways.