

The Company's contribution to the achievement of the UN Sustainable Development Goals

Russian Railways contributes significantly to the UN Sustainable Development Goals in accordance with the nature of its business, placing a particular emphasis on 13 out of the 17 SDGs.

3 GOOD HEALTH AND WELL-BEING



To contribute to the SDG, in 2023 the Company:

Protecting the health of the Company's employees is one of the top priorities of the corporate social policy. Russian Railways has maintained a dedicated in-house healthcare system that ensures a comprehensive approach to preserving the health of our workforce. This includes annual medical check-ups for all employees as well as various targeted programmes to address infectious and chronic non-communicable diseases. The Company consistently promotes healthy lifestyle and creates opportunities for sports activities.

- Had 99.1% of its employees undergo annual preventive health examination, with over 60% of employees classified in health groups 1 and 2.
- Maintained the rate of accidents caused by abruptly deteriorating health conditions at zero.
- Designated 2023 as the Corporate Year of Health, organising over 11,800 related events that reached around 7.3 million participants, with the aim of strengthening employee health and increasing the share of those leading healthy lifestyles.
- Conducted a nationwide Health Train: Together Against Diabetes awareness campaign, providing comprehensive health screenings for over 6,400 people at railway stations along the Vladivostok–Moscow route.
- Held more than 320 blood donation events, collecting a total of five tonnes of blood.
- Saw the share of its employees fully adhering to healthy lifestyle behaviours (proper nutrition, increased physical activity, abstaining from smoking and alcohol consumption, and undergoing preventive check-ups) increase to 16.6%.

99.1%
of employees underwent annual preventive health examination in 2023

> 11,800
activities organised in 2023 as part of the Company's Year of Health

4 QUALITY EDUCATION



To contribute to the SDG, in 2023 the Company:

Russian Railways has maintained a unique system of continuous and comprehensive learning, ensuring accessibility and quality knowledge.

The Company is the founder of 98 educational institutions, including 77 kindergartens and 21 Russian Railways lyceums. Additionally, it operates 26 children's railways, featuring six Kvantorium science parks serving as hi-tech training platforms for kids.

- The Company continued with the Programme of Russian Railways' Interaction with Railway Universities to enhance the quality of higher and vocational education, with a total of 173 Russian Railways venues established across partner universities since the programme's launch, including classrooms, branded zones, and simulator rooms.
- Established a total of 12 industry-specific on-site training centres (including two clusters winning the 2023 competition) as part of the Professionalitet federal project, with over 1,600 sponsored students admitted to training in 2023.
- Maintained its distance learning system offering 1,200 diverse courses in a modern and convenient format, and continued with its Knowledge Hour project enabling employees to use one work hour per month for continuous professional learning and skill building through remote resources.
- Leveraged its extensive network of in-house training centres to nurture talent, training over 200,000 individuals in 2023, while offering tuition-free programmes for blue-collar occupations, student scholarships through the entire learning period, and guaranteed post-graduation employment.
- Provided training at its Corporate University to over 102,000 managers and white-collar employees to nurture leaders and high-potential contributors.

> 200,000
individuals trained at the Company's training centres in 2023

> 102,000
managers and office workers completed training at Russian Railways' Corporate University in 2023

5 GENDER EQUALITY 

Russian Railways has zero tolerance for any types of discrimination, including gender discrimination, in recruitment, staff development and promotions.

To contribute to the SDG, in 2023 the Company:

- Sustained the effective functioning of the Coordination Council tasked with improving the conditions of work, leisure, and social support of women.
- Expanded the list of railway jobs available to women, having trained and employed 79 women as train drivers and assistant train drivers by the end of the year.
- Held the 4th Forum to Improve the Conditions of Work, Leisure, and Social Support of Russian Railways' Female Employees, with the resulting proposals already being implemented to enhance production processes, achieve corporate targets, and strengthen social policies and internal communications.

6 CLEAN WATER AND SANITATION 

Russian Railways is implementing a Clear Water investment project to upgrade water supply systems and bring the quality of water supplied to consumers in line with the standards set by Russian sanitation and environmental laws.

- Completed the construction and upgrade of four wastewater treatment facilities at the Khvoynaya, Kurbakinskaya, Penza-1, and Ershov railway stations.
- Implemented measures to rationalise water use, reducing water consumption by 0.4% in 2023.

0.4%
water use reduction in 2023



7 AFFORDABLE AND CLEAN ENERGY 

Russian Railways is working on transitioning to alternative and renewable energy sources to make the railway transport even more environmentally friendly.

To contribute to the SDG, in 2023 the Company:

- Continued electrifying rail sections still featuring diesel traction, particularly those with high freight traffic, as a key measure to increase reliance on low-carbon resources.
- Focused on developing gas-, hydrogen-, and battery-powered locomotives as another pathway for leveraging low-carbon energy resources and reducing harmful emissions.
- Designed and manufactured a prototype four-axle hybrid shunter EMKA2 featuring domestic lithium-ion batteries and an asynchronous traction drive, as part of its efforts to increase reliance on energy storage systems.
- Partnered with the government of the Sakhalin Region, Transmashholding, and Rosatom to develop a project for establishing hydrogen-powered passenger rail service and associated supporting infrastructure on Sakhalin Island.

8 DECENT WORK AND ECONOMIC GROWTH 

Russian Railways is Russia's largest employer, with a total headcount of 685,200 people.

To contribute to the SDG, in 2023 the Company:

- Maintained railway worker salaries across all Russian regions, except the Yamal-Nenets Autonomous Area and the Sakhalin Region, above the average regional wage levels.
- Continued taking steps to reduce youth unemployment, with 34.6% of its employees under age 35 and over 7,000 graduates hired annually.
- Maintained Russian Railways' Collective Bargaining Agreement for 2023–2025, which covers all of the Company's employees, along with corporate support programmes for certain employee groups, including young workers, retirees, those nearing retirement, and members of multigenerational railway families.

> 7,000
graduates hired by Russian Railways annually

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



To contribute to the SDG, in 2023 the Company:

Russian Railways' investment programme for 2021–2023 focuses on developing and upgrading the railway infrastructure and promoting high-speed and ultra high-speed railway transportation. The Company also has in place a Comprehensive Innovative Development Programme until 2025 and a Digital Transformation Strategy.

- Expanded the portfolio of innovative projects under the Comprehensive Innovative Development Programme until 2025 by 16% vs 2022.
- Invested a total of RUB 291.5 bn in innovation projects, including R&D, under the Comprehensive Innovative Development Programme until 2025.
- Received and reviewed over 1,200 innovative and startup project submissions, implemented 142 unique projects, and rolled out 63 projects as part of the comprehensive open innovation support programme.
- Collaborated with Russian regions to conduct six co-financed project competitions, resulting in 13 innovative projects for Russian Railways receiving RUB 34.5 m in external funding for adaptation and refinement.

11 SUSTAINABLE CITIES AND COMMUNITIES



To contribute to the SDG, in 2023 the Company:

The Company, its subsidiaries and affiliates are the main providers of suburban passenger transportation in Russia. They are integrating suburban transport into urban transport systems and actively developing multi-modal routes and transport interchange hubs to enhance the mobility of urban population.

- Launched two new Moscow Central Diameters (MCDs) – the Leningrad–Kazan MCD 3 on 17 August 2023, and the Kaluga–Nizhny Novgorod MCD 4 on 9 September 2023, enabling through routes across the city centre with convenient and free transfers to the Moscow Metro and the Moscow Central Circle.
- Commissioned new infrastructure at 13 transport stops.
- Launched the Urban Commuter Train project in multiple cities across Russia, including Novokuznetsk, Rostov-on-Don, Krasnoyarsk, and more.
- Launched 17 intra-city trains on Sakhalin Island in August 2023 as part of the project to integrate rail transport into the local urban route network.
- Operated 63 multimodal routes involving bus transport across the operating areas of its suburban passenger companies.
- Deployed a new, unique mobile modular design for railway stations enabling their autonomous operation.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



To contribute to the SDG, in 2023 the Company:

Russian Railways leverages waste disposal and neutralisation technologies to mitigate its negative environmental impact, with a voluntary commitment to sort paper (cardboard), glass, plastic, and household aluminium waste, and an active expansion of its network of reverse vending machines.

- Installed 216 reverse vending machines, resulting in the collection of over 1.5 million used bottles and cans and their transfer for further recycling.
- Neutralised 2,613 spent capacitors containing polychlorinated biphenyls (PCBs) (or 135 tonnes) at a specialised landfill in Shikhany, Saratov Region, as part of obligations under the Stockholm Convention on Persistent Organic Pollutants, the first disposal of this kind in the country.
- Maintained a comprehensive waste management system that adheres to circular economy principles and fosters a sustainable environmental culture.

13 CLIMATE ACTION



To contribute to the SDG, in 2023 the Company:

Reducing greenhouse gas (GHG) emissions and transitioning to low-carbon development are among the priority focus areas outlined in Russian Railways' Environmental Strategy through 2030 with an outlook through 2035.

- Implemented ongoing measures to electrify railway sections, procure energy-efficient traction rolling stock, transition heat power facilities to low-carbon fuels, enhance train traffic management technologies, increase the energy efficiency of locomotives and their utilisation rates, and improve the performance of the traction power supply.
- Reduced the carbon intensity of its operations to 77.03 kg of CO₂-eq / 10 thousand gross tkm, down from 77.95 kg CO₂-eq. / 10 thousand gross tkm in 2022; this achievement was largely facilitated by the high degree of electrification across Russian Railways' infrastructure, with more than 51% of the total operating length of railways electrified.

15 LIFE ON LAND



Russian Railways is a major natural resource user operating in Russia. Its environmental impact is associated with the operation of railways, as well as industrial and infrastructure facilities. The Company makes every effort to reduce its environmental footprint, focusing, among other things, on the preservation and rehabilitation of ecosystems.

65 sites with accumulated environmental damage remediated in 2023

To contribute to the SDG, in 2023 the Company:

- Implemented systematic measures to eliminate legacy pollution and remediate sites with accumulated environmental damage, allocating RUB 2.2 bn (excluding VAT) from 2014 through 2023 for remediating 65 such sites.
- Planted 430,000 trees on a territory that equals 110 football fields.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Recognising corruption as unlawful and punishable conduct that poses a significant threat and undermines stakeholder trust, Russian Railways is guided by the principle of zero intolerance towards any forms and manifestations of corruption across all its business activities.

The Company has in place an integrated set of principles and procedures focused on preventing corruption and combating corrupt practices, while also minimising corruption risks and cultivating a culture of ethical behaviour among the Board of Directors, management, and employees.

To contribute to the SDG, in 2023 the Company:

- Earned the highest classification in the Anti-Corruption Rating of Russian Business as a company upholding the strongest anti-corruption standards, and received a special award for the Leadership in Promoting Anti-Corruption Principles in Russian Business.

17 PARTNERSHIPS FOR THE GOALS



The Group's business abroad helps build long-term partnerships with international organisations and associations, and

coordinates interaction with foreign partners with a view to developing infrastructure and promoting sustainable development.

To contribute to the SDG, in 2023 the Company:

- Engaged in ongoing efforts to improve the legally binding IMO/ILO/UNECE Code of Practice.
- Saw its proposals implemented to improve regulatory documents.
- Participated in drafting transportation infrastructure development plans for the European and Asian regions.
- Actively engaged in initiatives addressing environmental impact reduction, social equality, and green financing.

