

Anti- corruption

Russian Railways' anti-corruption policy¹ enables the Company to achieve its sustainability goals and is based on a set of interrelated principles and procedures designed to prevent and combat corruption and respond to corruption risks. It is intended to ensure that the Company's managers and employees, as well as its directors, the investment community and other stakeholders, are aligned around the idea of zero tolerance to corruption.

Russian Railways' anti-corruption policy outlines the following priorities:

- to ensure that the Company's employees, directors and stakeholders have a uniform understanding of the zero tolerance approach to corruption in all its forms and manifestations;
- to communicate the importance of compliance with the principle of publicly declared zero tolerance for corruption and bribery in business;
- to maintain compliance of Russian Railways' activities with the Russian anti-corruption legislation.

Russian Railways' anti-corruption policy is underpinned by the following principles:

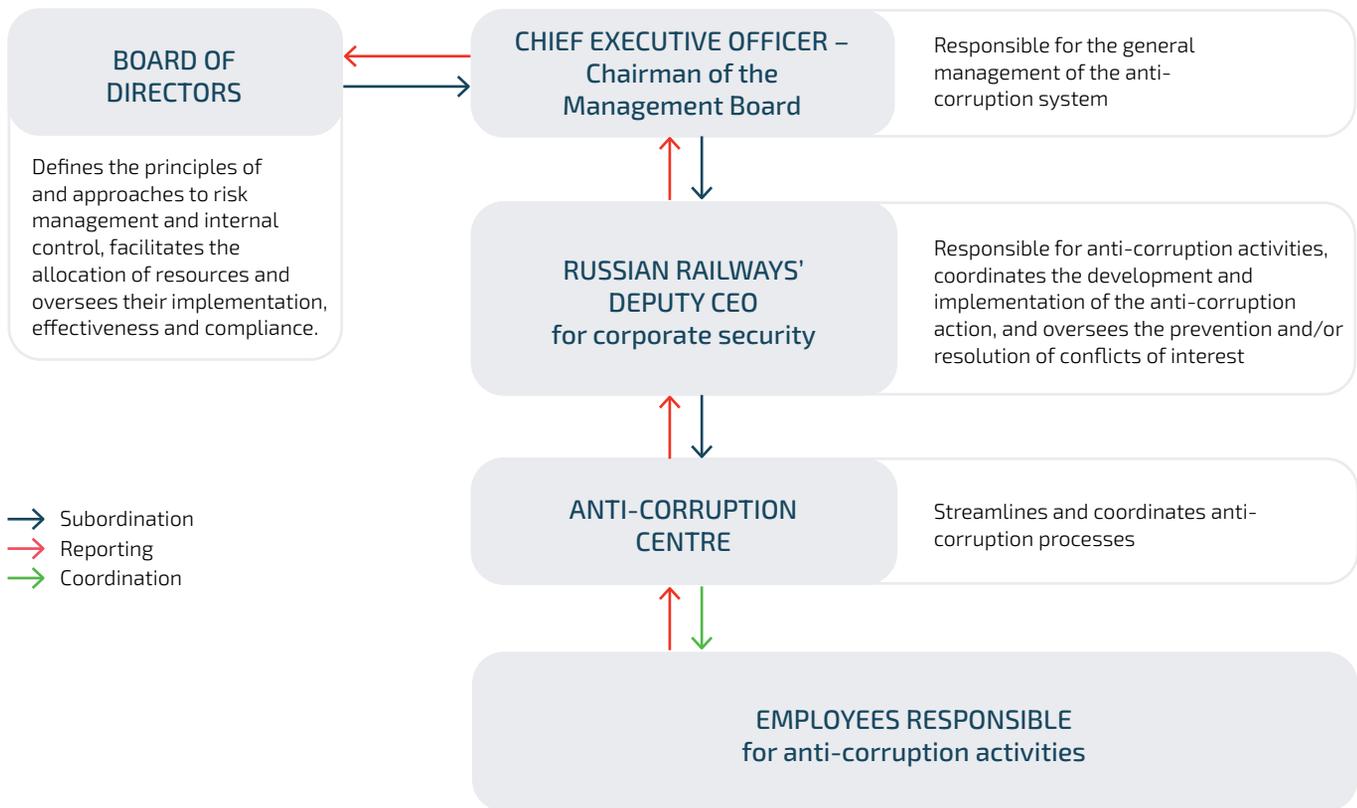
- the Company declares zero tolerance for corruption and its commitment to compliance with local laws;
- the Company takes a systematic approach to assessing corruption risks as a way to inform an adequate response to corruption;
- the Company regularly monitors the effectiveness of its anti-corruption practices;
- the Company exercises due diligence in all its activities and management decision-making;
- the Company's employees receive regular training in anti-corruption.

The principle of zero tolerance for corruption set out in Russian Railways' anti-corruption policy prohibits Russian Railways' directors, employees and counterparties, acting directly or through third parties, from engaging, or procuring anyone to engage, in corruption, whatever the business practices are in any particular country.

A set of preventive measures are based on the Company's anti-corruption standards that establish responsibilities, limitations and prohibitions. These are included in model employment contracts and are binding on employees and directors at all levels. In accordance with law, the Company's employees may be subject to disciplinary, administrative and criminal liability for committing corruption offences.

Each year, Russian Railways carries out a scheduled audit of internal control and risk management systems to identify potential corruption vulnerabilities at its business units.

¹ Russian Railways' Order No. 472r dated 24 February 2015 (as amended by Russian Railways' Order No. 2277r dated 8 November 2017).



Governance structure

To address and prevent corruption, the Company has a vertically integrated organisational and functional structure with designated officers responsible for streamlining work at all corporate governance levels. Over 6,500 employees are involved in these activities¹.

As part of its efforts to ensure a uniform approach to implementing the anti-corruption policy, in 2021 the Company developed criteria for identifying Russian Railways' controlled entities that are required to comply with the Company's anti-corruption regulations and approved the list of such companies and the list of the binding regulations².

¹ Russian Railways' Order No. 2051/r dated 16 September 2019.

² Russian Railways' Order No. 2063/r dated 22 September 2021.