

Russian Railways' Anti-Corruption Action Plan

Russian Railways' Anti-Corruption Action Plan approved for the relevant period in accordance with the National Anti-Corruption Plan¹ and the respective Instructions of the Russian Government is a fundamental document providing a legal and organisational framework for the Company's anti-corruption action.

Key focus areas of Russian Railways' Anti-Corruption Action Plan for 2021–2024²:

- corruption risk management;
- prevention and resolution of conflicts of interest;
- reporting any inducement to corruption to the employer;
- reporting receipt of gifts by the employee;
- anti-corruption compliance in real property management;
- engagement with law enforcement agencies;
- analysis of anti-corruption measures in procurement;
- expert review of draft contracts to identify and eliminate corruption risks;
- assessment of RMICS from an anti-corruption perspective;
- Anti-Corruption Hotline;
- anti-corruption awareness raising;
- staff training and development;
- analysis of anti-corruption whistleblower protection practices;
- improvement of digital technologies in anti-corruption activities;
- social surveys on anti-corruption..

Corruption risk management

Russian Railways' corruption risk management is an integral part of the Company's risk management and internal control system. It is implemented in line with the Guidelines for Corruption Risk Management³ as amended in 2021, Risk Management and Internal Control Policy⁴ and other documents.

Russian Railways' Board of Directors⁵ approved the anti-corruption risk appetite statements under which the Company follows the principle of zero tolerance for corruption in any form or manifestation.

The Company's business units conducted an annual assessment of their corruption risks and compiled registers of such risks for 2021, with mitigation action underway.

To assess the effectiveness of the risk management and internal control system from an anti-corruption perspective, the Company carries out an annual internal audit and regularly reports to the Audit and Risk Committee of Russian Railways' Board of Directors on the results of anti-corruption monitoring and the effectiveness of the implemented anti-corruption

measures. The Code of Ethics for Internal Auditors⁶ establishes main ethical norms and rules, including the objectivity principle, the 'no conflict of interest' principle and the unified mandatory rules of conduct for internal auditors.

In addition, for internal control purposes, Russian Railways' business units and controlled entities managing regional and functional units carried out over 100 anti-corruption compliance audits, with follow-up corrective activity underway.

¹ Approved by the Russian President's Decree No. 478 dated 16 August 2021.

² Russian Railways' Order No. 2106/r dated 28 September 2021.

³ Russian Railways' Order No. 192/r dated 1 February 2021.

⁴ Approved by the Company's Board of Directors (Minutes No. 17 dated 27 May 2019) and enforced by Russian Railways' Order No. 1223/r of 18 June 2019.

⁵ Minutes No. 6 dated 30 November 2021.

⁶ Russian Railways' Order No. 3034/r dated 25 December 2019.