Personnel development

HR management

Approach to HR management

GRI 103-2, 103-3

A key focus of Russian Railways' social and HR policy is to develop human capital. The Company runs projects promoting continuous training, employee motivation and occupational health, as well as projects aiming to shape a stable and favourable working environment.

Russian Railways provides jobs for more than 1% of employed Russian citizens, which makes it the largest employer in the country and imposes high requirements on its social and HR policy.

The Company's HR management system is based on seven key principles:

- respect: for employees, the Company's business units, and the state:
- feedback: constant monitoring of feedback from employees and business units:
- efficiency: prompt response to business unit requests and external challenges;
- proactivity: providing employees with proactive services;
- engagement: involving managers in HR management processes;
- innovation: using advanced technologies and practices;
- digitalisation: focus on maximum digitisation of routine operations and increased process efficiency.

Underlying HR management documents

International and domestic documents:

- UN Universal Declaration of Human Rights
- UN Global Compact
- International Labour Organisation (ILO) conventions
- Labour legislation in the countries of operation

 Social Charter of the Russian Business developed by the Russian Union of Industrialists and Entrepreneurs (RSPP)

Corporate documents:

- Russian Railways Group's 2030 **Development Strategy**
- Russian Railways' Human Capital Development Programme until 2025¹
- Russian Railways' Collective **Bargaining Agreement**
- Russian Railways' Code of Business Ethics
- Russian Railways' Programme on Employee Development and Training System Improvement until 2025³
- Programme of Russian Railways' Interaction with Railway Universities until 2025
- Russian Railways' Youth Target Programme for 2021–2025⁵
- Regulation on Private Pension Schemes for Employees of Russian Railways
- Russian Railways' Housing Policy Framework
- Regulation on Professional Training at Russian Railways⁶
- Russian Railways' Framework for Promotion of Professional Guidance until 20257

- Approved by Russian Railways' Order No. 58 dated 22 January 2020.
- Approved by Russian Railways' Order No. 2767/r dated 15 December 2020. Approved by Russian Railways' Order No. 907r dated 17 April 2013.
- Approved by Russian Railways' Management Board (Minutes No. 9 dated 11 February 2019).

Approved by Russian Railways' Order No. 2757/r dated 14 December 2020.

Approved by Russian Railways' Order No. 1143/r dated 6 May 2015. Approved by Russian Railways' Order No. 2827/r dated 18 December 2020.

HR management

Progress against strategic HR

management goals is monitored by

Russian Railways' Board of Directors.

The Human Resources, Remuneration

and Corporate Governance Committee

under the board of directors at Russian

structure

key human capital management

responsibilities are allocated among

the business units of the Company's

Executive Office, including the HR

Remuneration and Performance

Motivation Department, Social

Central Healthcare Directorate.

Department, Labour Management,

Development Department, and the

About the Company

Sustainable Development Management

Managerial Aspect

BOARD OF DIRECTORS Jſ PERSONNEL AND REMUNERATION COMMITTEE CHIEF EXECUTIVE OFFICER - CHAIRMAN OF THE Permanent attendee of meetings MANAGEMENT BOARD DEPUTY CEO FOR HR MANAGEMENT, SOCIAL DEVELOPMENT AND HEALTHCARE **EXECUTIVE OFFICE OF RUSSIAN RAILWAYS HR DEPARTMENT** LABOUR MANAGEMENT, SOCIAL DEVELOPMENT REMUNERATION DEPARTMENT Pursue unified corporate policies AND PERFORMANCE • Determine staffing requirements • Develop social policies and ensure MOTIVATION DEPARTMENT and sources compliance Oversee employee engagement • Draft and implement the Make arrangements for pension and improve labour efficiency remuneration policy plans, housing and charity Manage recruitment, talent pool, • Improve the employee programmes and employee training • Provide leisure activities and remuneration framework · Ensure non-financial incentives for • Make working arrangements and health resort treatment for employees manage the work-life balance employees, their families and Russian Railways' veterans • Hold cultural, sporting and other events CENTRAL HEALTHCARE DIRECTORATE • Draft and implement the policy on healthcare, medical support for traffic • Provide methodological guidance for healthcare institutions and exercise

Railways' subsidiary is primarily designed

Directors in setting up governance bodies

and developing transparent remuneration

to assist Russian Railways' Board of

Russian Railways' Deputy CEO for HR

Healthcare is in charge of managing

human capital in the Group, whereas

Management, Social Development and

policies for their members.

- safety, medical care and health resort treatment
- control over them

Subordination Reporting