

## Social support

### Collective Bargaining Agreement

GRI 102-41

Russian Railways' Collective Bargaining Agreement covers 100% of the Company's employees and is an important motivation tool within its recruitment and retention framework.

#### Its key functions include:



social protection of employees



maintaining social stability among employees



boosting Russian Railways' attractiveness as an employer



developing social partnership

Overall, Russian Railways delivered on its obligations for 2021 under the Collective Bargaining Agreement 2020–2022, meaning the Company maintained its status as a socially responsible employer. There were no collective labour disputes. The decisions on securing employment and personnel earnings ensured social stability among employees.

Social projects implemented in 2021 received a number of awards at international and domestic social policy competitions and contests (HR Tech Forum & Award, Russia's Best Social Projects, BRICS Solutions for SDGs Awards, Crystal Pyramid, We are Together, etc.).

### Supporting women

Russian Railways' Coordination Council to Improve the Conditions of Work, Leisure, and Social Support of Women holds regular on-site meetings, online and offline events for female employees and organises video conferences with railway coordination councils. These events are an effective communication tool and a perfect platform to build a dialogue between the company and its female employees.

In late 2020, Russian Railways approved the Action Plan to improve the conditions of work, leisure, and social support of women in 2021–2025.

In 2021, we performed the following activities under the Plan:

- improved sanitary conditions and amenities for women;
- expanded the list of railway jobs available to women;
- carried out the annual survey of the working conditions of Russian Railways female employees. The findings were that 77.5% women were satisfied with their employment at the Company (against 76.7% in 2020);
- transferred over 32,000 women to flexible working hours and remote work to protect them during the COVID-19 pandemic;
- provided a "woman's leave" to over 3,000 female employees (under Russian Railways' Collective Bargaining Agreement, a woman is entitled to an unpaid day off once a month for personal reasons);
- opened 33 rooms for functional and emotional unwinding;
- carried out the How To Be Successful and Happy online corporate social event for female employees and an in-person session at the Zeleny Gai health resort;

- approved the procedure for partial reimbursement of employee expenses on their children's fitness and sports sessions at the Company's social facilities;
- increased the amount of financial assistance for those taking an annual paid leave to 15%;
- made amendments to the rules for issuing transportation certificates of Russian Railways for travel on public railway transport. Children of Russian Railways employees aged three and up can now travel free of charge on an individual seat in long-haul trains using a transportation certificate. Previously, employee children could travel for free from the age of five (since 2019 – from the age of four).

In June 2021, we held the second Forum to Improve the Conditions of Work, Leisure, and Social Support of Women in Yekaterinburg. It was highly praised by the Company's management and female employees and proved to be a useful tool for developing new initiatives.

In total, we held over 4,800 events attracting more than 960,000 participants over the year. Apart from women, the Company's measures cover their families, children and industry veteran.

### Youth policy

Employees under 35 years of age account for 36.9% of Russian Railways' total headcount. This makes social support of young talent even more important.

The reporting year saw over 1,240 activities and projects carried out as part of Russian Railways' Youth targeted programme (2021–2025) in order to ensure comprehensive development of and acquisition of

industry-specific competencies by young employees, engage them in improvement of Russian Railways' operations, and build a youth-oriented corporate culture. About 370,000 young employees from across the Group took part in the events.

The Company adopted the Regulation on Russian Railways Youth Councils, which outlines their goals, objectives and principles. Among the year's major events was the annual Youth Conference of Russian Railways. It brought together around 600 young managers and specialists from across the Russian Railways Group, as well as young railway professionals from 11 countries in Europe and Asia. The conference focused on technological and cultural changes in Russia and the world, employee contributions to managing change, and awareness of their role in the transportation process.

## Corporate pension system

### GRI 201-3

All of the Company's employees can benefit from the corporate non-government pension system. In terms of its goals and purpose, a private (corporate) pension is an additional measure of social support to workers regardless of the state pension system. Its strategic target is to ensure a replacement rate of at least 40% of an employee's lost earnings.

In 2021, the number of the Company participants to the plan totalled almost 568,000. Over 297,000 retired railway workers currently receive corporate pensions in addition to the state ones.

In 2021, pensions were granted to 10,469 Russian Railways employees, and the average corporate pension stood at RUB 9,401.

### Russian Railways' corporate pension is operated by the Blagosostoyanie Private Pension Fund. The key principles of the corporate pension system:



shared employee/ employer contribution to the employee's future pension



full financial security of corporate pensions



lifelong payments under the programme

## Support for retirees

The Company's social responsibility efforts include benefits to senior retirees of railway enterprises not eligible for a corporate non-government pension. They receive social support from the Honour charitable foundation.

In 2021, over 68,700 people received monthly financial aid for a total of RUB 429.5 m, with an average payment currently amounting to RUB 532.

Retirees receive medical care at Russian Railways' corporate health centres in line with local compulsory health insurance programmes, and high-cost treatment according to the list of services stipulated by the Company.

Retirees in need can have their household fuel expenses compensated by the Company. In 2021, we covered RUB 513.8 m in fuel expenses for over 35,900 veterans.

We provide premises, phone connection, and stationery for veteran councils and arrange for car transportation to visit disabled people and lonely retirees.

Chairmen of the veteran councils receive monthly financial aid. In 2021, a total of RUB 155.9 m was allocated to support 4,608 council chairmen and deputy chairmen.

The Company also provides monthly financial aid to keepers of local and site railway museums. In 2021, a total of RUB 16.3 m was paid to 243 keepers.

The Company holds corporate celebrations of the Victory Day and Day of Older Persons, organises trains to visit the sites of labour and battle glory, and holds workshops to exchange field experience between veteran organisations.

In 2021, the Company provided financial support of nearly RUB 19.2 m to 15,400 veterans of the Great Patriotic War, prisoners of concentration camps and home front workers to mark the Victory Day.

All in all, financial support paid to veterans by the Honour charitable foundation exceeded RUB 1.2 bn.

Russian Railways' Veterans targeted programme received RUB 40 m.

## Housing policy

The Company cares about the comfort and well-being of its employees, offering corporate benefits to help improve their living conditions and buy housing:

- a low mortgage rate of 2–4.5%;
- a partial compensation of a subsidised mortgage loan for families with new-born or adopted children;
- corporate housing for employees of rare and sought-after professions;

- a compensation of up to 70% of rental fees for employees hiring third-party housing;
- subsidies to purchase housing for vulnerable population groups: single parents, multichild families, people with disabilities caused by a workplace injury, and employees who lost their housing as a result of an emergency or a natural disaster.

In 2021, 1,936 employees improved their living conditions with the Company's support.

## Health protection

### GRI 403-6

Protecting the health of the Company's employees is one of the top priorities of the corporate social policy. We operate a broad range of healthcare facilities, health resorts and children's recreational camps all across Russia available for all of the Company's employees and their families.

RZD-Medicine system comprises 134 private healthcare facilities, including standalone ones: 104 in-patient (15,663 beds for 24/7 care) providing specialised health services and 144 outpatient facilities providing first medical aid.

These private healthcare facilities serve around 2.4 million patients, including 29.9% of employees and 13.9% of Russian Railways retirees.

Since 29 December 2021, the Company has had a new Voluntary Health Insurance Agreement in place. The

In 2021, doctors made some

# 29,422,692

**VISITS**

agreement term has been extended to five years, and the coverage amount increased by 7%.

### Preventing cardiovascular diseases

In line with the Presidential Decree No. 474 On the National Development Goals of the Russian Federation through 2030 dated 21 July 2020, the Company developed and approved the Plan for Implementing a Risk-oriented Approach to Reducing Cardiovascular Diseases among Russian Railways Employees until 2030.

The Plan sets a target to increase the share of Russian Railways employees with a low or no risk of cardiovascular diseases from 18.1% in 2021 to 20.8% in 2030.

The Plan has four focus areas:

- creating and maintaining a single register of patients with the risk of cardiovascular diseases,
- improving cardiovascular services within the RZD-Medicine system,
- preventing cardiovascular diseases,
- improving the talent pool of the RZD-Medicine system.

The Plan sets measures to help forecast and prevent the disease risks, and reduce morbidity, disability and fatality from cardiovascular diseases.

### Health resort treatment

Health resort treatment, recreation and leisure activities are available at 60 corporate health resorts, holiday hotels, recreational centres and camps across Russia (from Kaliningrad to the Russian Far East).

In 2021, 75,300 employees and their family members received recreational services. When distributing and subsidising the tours for health resort treatment, the Company places a special focus on employees directly responsible for railway traffic safety. For most employee categories, the share of the tour price compensated by the Company may range depending on the quarter of the year when the tour takes place (10–40% for employees and 20–60% for their family members).

### Children's recreational facilities

In 2021, Russian Railways organised children's recreational activities at 60 corporate children's camps, eight third-party children's camps, including two on the Black Sea coast, eight corporate schools and children's railways. A total of 38,000 kids took part in the children's summer recreational campaign.

Due to Rospotrebnadzor's restrictions on the existing capacity utilisation at children's camps, the actual tour price in 2021 was 75% higher than expected for the year. To prevent additional financial burden on employees, the Company decided to keep the tour price at the planned level.

### Healthy lifestyle

The Company implements the Russian Railways' Healthy Lifestyle Concept for 2020–2025 with nine focus areas:

- living tobacco-free,
- reducing alcohol consumption,
- healthy diet at workplace,
- doing more physical exercise,
- maintaining mental health and well-being,
- preventive medicine,
- healthy working conditions,
- raising awareness,
- motivation.

**2025 targets:**

increase the share of Russian Railways employees doing sports and exercising regularly

**TO 55%**

reduce the share of smokers among employees

**BY 10%**

**In 2021, Russian Railways' Healthy Lifestyle Concept project was ranked second at the BRICS Solutions for SDGs Awards in the Good Health and Well-being category.**

In 2021, we held over 18,000 events attracting around 4 million attendees from among the Company's employees, their family members, and industry veterans.

To promote corporate healthy lifestyle culture and motivate our employees to follow it, we organise dedicated events, volunteer campaigns to raise awareness about healthy living, Healthy Lifestyle Week and Summer, health marathons, and the Strong Health programme at children's recreational camps.

We also conduct health training sessions and hold sports events for the Company's employees and their families. Major competitions include championships in cross-country skiing, football, chess, badminton, table tennis, basketball and cross-country running.

In 2021, 850 mass sports events took place bringing together around 54,000 people. Railway sports facilities accommodate over 1,000 clubs for the most popular sports with 23,200 members, of whom 20,800 are railway employees and their family members.

In 2021,

**73,400**

railway workers had their fitness expenses partially compensated.

The Company has sports clubs in place to encourage our employees to exercise regularly. There are currently 591 sports clubs across the railway infrastructure attended by some 26,000 railway workers.

**Employee mental health**

We place a special emphasis on maintaining employees' mental health and well-being as part of the Healthy Lifestyle Concept.

During the Mental Health Week in 2021, we organised over 3,000 activities for more than 100,000 employees, including:

- talks with psychiatrists and addictionists on how to prevent substance abuse,
- team games and lectures with psychotherapists on reducing the risk of emotional exhaustion,
- art therapy,
- a hotline to answer questions about mental health and many more.

Russian Railways branches and business units open dedicated rooms for emotional unwinding. In 2021, we made available 33 such rooms.