

Supporting employees amid the COVID-19 pandemic

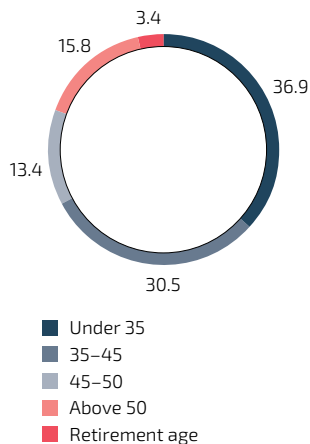
- In 2020, the Company introduced remote working for over 115 thousand employees in no time, while keeping their jobs and taking security measures.
- The Group provided its employees with personal protective equipment and carried out disinfection measures in line with recommendations issued by the Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing (Rosпотrebnadzor).
- To protect employees performing the most specific railway functions, we organised their transportation by company vehicles.
- Russian Railways set up a 24-hour hotline to advise company staff on issues related to the spread of the coronavirus infection and created volunteer teams to support our veterans and employees in need.
- Railway workers took an active part in the immunisation programme: by late 2021, more than 88% of employees at Russian Railways were vaccinated, herd immunity exceeded 93%, 22% of employees underwent revaccination.

Personnel structure and turnover

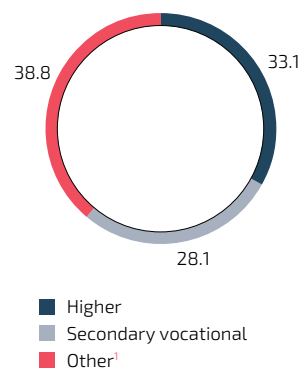
GRI 102-8

As at the end of 2021, Russian Railways had 696.3 thousand employees. The share of employees under 35 years of age was 36.9% of the total headcount, which is in line with the targets of Russian Railways Human Capital Development Programme until 2025. The share of employees with higher education was 33.1%, those with secondary vocational education – 28.1%, and employees with secondary (complete and incomplete) and first-level vocational education – 38.8%.

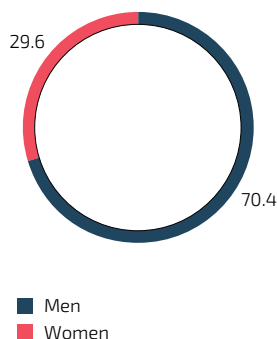
Age structure | %



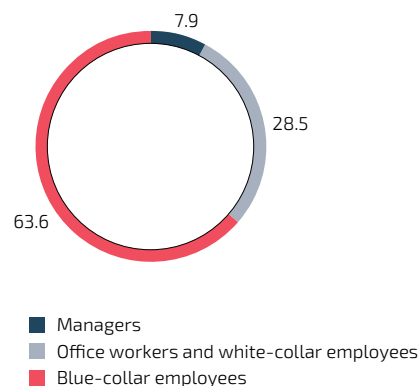
Education | %



Gender composition | %



Personnel categories | %



¹ Incomplete secondary, complete and first-level vocational education.

In 2021, 80.3 thousand people were hired, including 6.7 thousand graduates of industry higher and secondary vocational education institutions, as required by Russian Railways' branches.

The staff turnover rate is one of the key performance indicators for the Company's officers.

The staff turnover threshold is set at 8% as per the internal calculation methodology. The indicator is consistently below the threshold: in 2021, it was within the set target values and amounted to 7.7%.

Russian Railways monitors employee turnover by separate unit on an ongoing basis. In addition, the Company carries out a detailed analysis of the reasons behind staff turnover in the first year of employment, by personnel category, and by age group (under 35 years of age). Questionnaires filled out by quitting and dismissed employees are used to collect data on staff turnover causes and develop roadmaps and retention programmes.

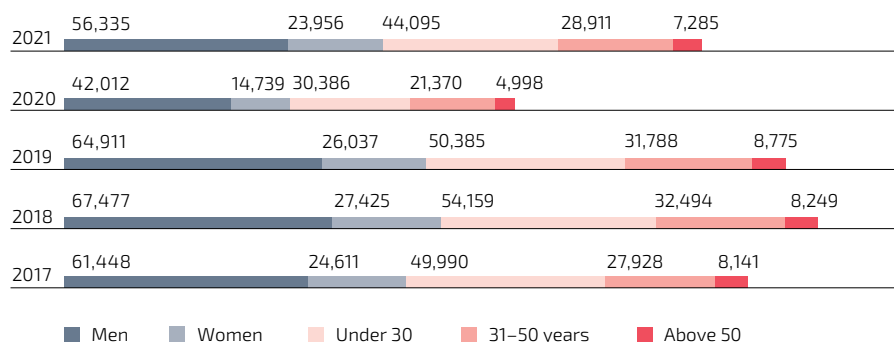
Remuneration and incentive system

As part of its social policy, the Company takes an ongoing, focused effort to improve its remuneration and incentive system. This results in increased labour productivity and higher operating performance, while also helping us retain highly qualified personnel.

In 2021, in accordance with the collective agreement and given the high rate of inflation, the Company indexed employee salaries three times: by 1.3% starting 1 March, 2.4% starting 1 August, and 1.4% starting 1 October.

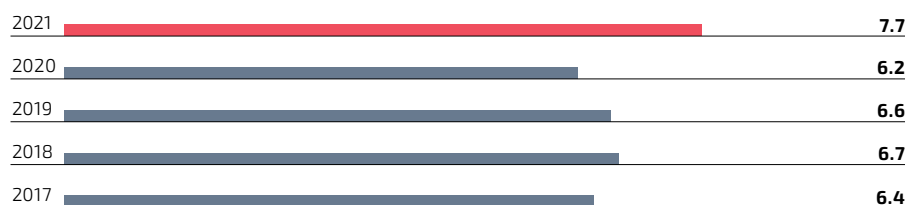
New hires by gender and age | persons

GRI 401-1



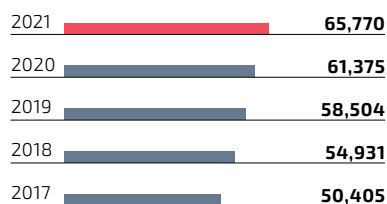
Personnel turnover

GRI 401-1



Salary

Average monthly salary across all operations | RUB.



In 2021, the average monthly salary across all Russian Railways operations amounted to RUB 65,800, up 7.2% compared to 2020. Real salaries increased by 0.5%.

The Company offers wages 15% above the national average and the highest pay level across Russian regions¹.

The Company's approach to the financial incentive system is a classic combination of regular remuneration and bonuses. The former is aimed at financially motivating employees to achieve both individual and collective KPIs, while bonuses serve to laser-focus personnel on specific tasks.

¹ Except for the Yamal-Nenets Autonomous Area and the Sakhalin Region, Moscow, and St Petersburg.