

Strategic areas of development

Network

Continuous rail network optimisation is planned:

- In the under 1,500 km route segment:
 - Accelerate trains
 - Increase capacity
- In the over 1,500 km route segment:
 - Improve efficiency
 - Implement a hub-based model
 - Develop high-speed lines

Fleet

3,400 carriages will be replaced between 2021 and 2025. The innovative rolling stock will make up approximately 23% of the total rolling stock by 2025.

The carriages will be purchased under the long-term contract signed with JSC TVZ, valid until 2025 and providing for the supply of rolling stock in four batches:

1. Existing model range
2. New models of single-decker carriages
3. New models of double-decker carriages
4. Innovative single-deckers and double-deckers

The rolling stock will feature an improved carriage design characterised by:

- personal space and privacy for relaxation
- spacious interior with room to walk around
- low floors and barrier-free environment
- dedicated baggage areas
- advanced technical equipment
- IT-driven development.

Product offering

The Company is planning transition to a new unified high-quality product offering which includes:

- four train types:
 - daytime express trains – quick travel within a business day, travel time – up to 6 hours, target distances – under 600 km
 - night express trains – a comfortable ride providing for a good night's sleep, travel time – up to 12 hours, target distances – under 1,500 km
 - regular trains – a low-cost and convenient way to travel long distances, travel time – more than 12 hours, target distances – above 1,500 km
 - tourist trains – special comfortable trains for travelling along a pre-planned tourist route (deluxe carriages offering five-star hotel-grade service; unique branded trains, e.g. Red Arrow, Rossiya)
- service classes optimisation.

The principle underlying the implementation of a strategic initiative is based on customer-centricity. An intuitive value proposition is being developed for passengers, based around the unification of technical equipment of carriages and standardisation of value-added services by service class.

In each service class, the passenger will be provided with a clear set of services and the rolling stock of the stated condition and equipment level.

Multimodality

In 2020, the Company offered multimodal transport services to 11 destinations.

Due to lower demand for passenger services caused by COVID-19 restrictions, seven multimodal routes (Stary Oskol–Valuyki, Vologda–Yaroslavl, Arzamas–Diveyevo, Nizhny Novgorod–Arzamas, Nizhny Novgorod–Cheboksary, and Nizhny Novgorod–Gorodets) out of the eleven routes operated before the pandemic were cancelled as from April 2020.

The four existing multimodal routes, Belgorod–Rossosh–Adler/Kislovodsk, Kostroma–Yaroslavl–Saint Petersburg, Boksity (Severouralsk)–Serov–Yekaterinburg, continued to operate.

32,800 passengers travelled on multimodal routes in 2020.

FPC is planning to further expand its multimodal services and improve the performance of the existing routes.

Other business lines and adjacent businesses

FPC's sustainability will be further enhanced by diversifying its operations as well as developing businesses that improve the profitability of passenger services, in particular:

- on-train passenger services
- development of rail tourism
- services involving all modes of transport
- logistics services (cargo, mail, etc.).

¹ The scope of replacement can be adjusted.

² Two coach routes were operated between Nizhny Novgorod and Gorodets.

³ Two coach routes were operated between Belgorod and Rossosh.