

MESSAGE FROM THE CHAIRMAN

Dear shareholders and colleagues,

Last year put the resilience of the entire passenger segment of Russian railways to the test. Among other market players, Federal Passenger Company, Russia's largest long-distance rail passenger carrier, bore the brunt of the pandemic.

International services were suspended due to restrictions aimed at curbing the spread of COVID-19.

With borders closed not only between countries, but also between regions, the Company had to pivot its operations and optimise business processes to ensure the stability of services and passenger safety.

2020 has changed the way millions of Russians lead their lives. In our country, long-distance trains have become more than just a means of travel: as restrictions were gradually lifted, many decided to rediscover their country, neighbouring regions and nearby towns and cities. Domestic tourism has found a new lease on life. Many Russians chose to travel by rail: for them, the train is now a comfortable and safe way to travel to amazing places far away from the megacities, such as Karelia, Lake Baikal, the lands of the northern lights or the seaside.

RZD Holding and Federal Passenger Company worked with travel agencies to develop unique rail offerings for tourists, including hotel and train weekends, vintage steam train rides and rail cruises. We have developed offerings that have been met with strong demand. Throughout the year, tourists were offered an opportunity to purchase discounted tickets: over 10 million passengers took advantage of these special marketing offers from FPC.

An important highlight of 2020 was the launch of tourist train No. 927/928 Sochi, which runs along the Black Sea coast to connect Tuapse, Sochi and Gagra, Russia's famous southern seaside resorts. Some elements of the carriages' interior design are stylised in the Soviet era fashion, making tourists feel as if they are travelling back in time.

Open Samara, an integrated rail tourist project, was established on the banks of the Volga River, with tourist programmes launched in Izhevsk and Penza. Throughout the year, we actively developed our multimodal train/bus services, offering comfortable rides to resorts in the Kaliningrad Region.

In addition, special tourist train routes to Veliky Ustyug and Kostroma were designed in the run-up to the New Year holidays, and a New Year Express train was launched to run between Saint Petersburg and Yaroslavl.

Looking ahead, I am confident that demand for rail travel in Russia will only grow stronger. Considering this trend, coupled with our commitment to consistently



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improving passenger comfort and security on our long-distance trains, Federal Passenger Company continues to renew its rolling stock. For example, 533 new passenger carriages were added to our passenger fleet in 2020, including 175 double-deckers. We also continue to expand the route network of our double-decker trains. State-of-the-art trains were launched between Murmansk and Saint Petersburg, and between Moscow and Smolensk.

We have adapted our passenger services to a challenging situation, while gaining unique experience that will propel us forward.

Federal Passenger Company has confirmed its status as a socially responsible carrier that provides safe and comfortable passenger services across Russia every day of the year.



Chairman of the Board of Directors

Dmitry PEGOV
