Passenger transportation
The primary objective of Russian Railways is to provide all Russian regions with affordable passenger transportation. Along with suburban transportation comprising multimodal routes, the Company is developing long-haul passenger services, including high-speed and ultra high-speed transportation between metropolitan areas. Russian Railways carries out long-haul and suburban transportation in 77 and 66 regions of Russia, respectively.

Key initiatives for the long-haul passenger transportation development:
- building an efficient route network and train schedule;
- developing high-speed rail transportation through operation of Lastochka and Strizh trains as well as trains with double-decker railcars;
- providing customers with high quality product offerings;
- digitalising customer services and business processes;
- offering innovative products in trains;
- improving the customer experience;
- introducing the world’s best practices for the development of multimodal transport.

Key initiatives for the suburban passenger transportation development:
- integrating suburban transport into the urban transport environment of metropolitan areas;
- ensuring long-term mutual obligations of all participants of suburban transit systems under the regional tariff and budgetary policies of the Russian Federation;
- adopting regulatory decisions aimed at securing equal opportunities for the development of the suburban passenger transportation vs other transport modes;
- launching multimodal transportation (with the possibility of building an integrated route network for several transport modes) along with the comprehensive development of a bus transportation services within the Group;
- defining economic incentives for upgrading rolling stock and infrastructure facilities;
- introducing suburban transportation standards for accessibility, quality and safety of passenger transportation;
- enhancing the Central Transport Hub;
- reducing the interval between passenger trains on certain routes, including the Moscow Central Circle.

Key initiatives for the railway station development:
- creation of multifunctional intermodal and transport interchange hubs integrated with the modern urban environment and infrastructure;
- efficient use of railway station areas (including synergies and cooperation with bus stations).
Many of the decisions made in 2020 in response to the novel coronavirus infection outbreak became an essential part of our business and management processes enabling the Company to ensure a full and reliable passenger service.

Dmitry Pegov
Deputy CEO of Russian Railways

Key achievements in 2020

In 2020, the Company transported 872 m people.

Moscow Central Diameters were named the best regional infrastructure project winning the 7th Formula for Movement national award for accomplishments in transportation and transport infrastructure.

New rolling stock hit the rails on suburban routes in 21 regions. Sakhalin had its entire rolling stock upgraded.

We launched 20 new suburban routes.

In 2020, we continued to renew our passenger rolling stock and procured 1,051 cars, with Russian Railways purchasing 371 cars, Federal Passenger Company buying 648 cars, including 175 double-deckers, and SPCs acquiring 32 cars, including 8 RA3 cars and 24 locomotive traction cars.

We developed a new open sleeping car concept to enhance the customer experience.

Russian Railways continued to expand its high-speed long-haul network by launching new Lastochka routes.

The Company renovated and repaired 184 facilities as part of its railway station development programme.

Russian Railways opened new Smart Hotels at 25 railway stations and innovative Priority Pass lounges at 6 stations.

The RZD Passengers mobile app has been downloaded over 5 m times and earned high scores from the Apple and Google stores (4.9 and 4.5, respectively). In December 2020, the mobile app became the best performing sales channel, occasionally accounting for 50% of all e-tickets sold for Russian Railways’ trains.
Passenger transportation in 2020

In 2020, passenger transportation performance was affected by the epidemiological situation in Russia, national border closures, cancellation of all international flights and the consequences of restrictions and lockdowns. In April through early May, the passenger transportation collapsed by more than 75% y-o-y (with suburban and long-haul transportation plummeting by 65% and 79.8%, respectively). In October, the passenger transportation dropped by 36.2% y-o-y (with suburban and long-haul transportation declining by 24.4% and 41.1%, respectively). In total, 2020 saw the passenger transportation fall by 41.4% y-o-y to 78.1 bn pkm (with long-haul and suburban transportation going down by 46.0% and 28.1%, respectively).

In 2020, the Company transported some 872 m people (down 27.2% y-o-y), with long-haul and suburban transportation contracting by 42.1% and 25.6%, respectively.

### Russian Railways’ passenger transportation highlights

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Change y-o-y, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passenger turnover, bn pkm</td>
<td>124.5</td>
<td>122.9</td>
<td>129.4</td>
<td>133.4</td>
<td>78.1</td>
<td>−41.4</td>
</tr>
<tr>
<td>Long-haul transportation</td>
<td>93.5</td>
<td>91.0</td>
<td>96.3</td>
<td>99.1</td>
<td>53.5</td>
<td>−46.0</td>
</tr>
<tr>
<td>Suburban transportation</td>
<td>31.0</td>
<td>31.9</td>
<td>33.1</td>
<td>34.3</td>
<td>24.7</td>
<td>−28.1</td>
</tr>
<tr>
<td>Passengers transported, m people</td>
<td>1,037.0</td>
<td>1,117.9</td>
<td>1,157.2</td>
<td>1,197.8</td>
<td>872.0</td>
<td>−27.2</td>
</tr>
<tr>
<td>Long-haul transportation</td>
<td>101.4</td>
<td>102.2</td>
<td>110.3</td>
<td>116.5</td>
<td>67.4</td>
<td>−42.1</td>
</tr>
<tr>
<td>Suburban transportation</td>
<td>935.6</td>
<td>1,015.7</td>
<td>1,046.9</td>
<td>1,081.3</td>
<td>804.5</td>
<td>−25.6</td>
</tr>
</tbody>
</table>

### Suburban passenger transportation

Suburban transportation services are provided by 24 suburban passenger companies (SPCs), with Russian Railways, regional executive authorities, private investors, Aeroexpress and Central SPC among the co-founders. Russian Railways holds more than 50% in 19 SPCs. The 2020/2021 schedule provides for 3,963 pairs of suburban trains per day (up 2.3% y-o-y).

In 2020, most regions opted not to increase rail fares.

### Progress on multimodal routes and hubs in 2020

In line with international best practices, the most successful approach to the integration of urban passenger systems is the creation of transport interchange hubs that link together different modes of transport, including railway, underground and land transit systems. Such hubs are designed to ensure seamless passenger experience and efficiency of the transportation systems both in terms of technology and economics. Multimodal suburban routes are currently provided by 14 SPCs.¹
### Suburban passenger turnover by category, bn pkm

<table>
<thead>
<tr>
<th>Year</th>
<th>Commercial</th>
<th>Federal</th>
<th>Regional</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>16.5</td>
<td>3.7</td>
<td>2.7</td>
<td>24.7</td>
<td>34.3</td>
</tr>
<tr>
<td>2019</td>
<td>21.7</td>
<td>5.7</td>
<td>4.2</td>
<td>31.9</td>
<td>33.1</td>
</tr>
<tr>
<td>2018</td>
<td>22.2</td>
<td>4.0</td>
<td>4.1</td>
<td>27.3</td>
<td>31.9</td>
</tr>
<tr>
<td>2017</td>
<td>21.8</td>
<td>3.0</td>
<td>3.1</td>
<td>27.9</td>
<td>31.9</td>
</tr>
<tr>
<td>2016</td>
<td>20.7</td>
<td>1.2</td>
<td>4.0</td>
<td>25.9</td>
<td>31.0</td>
</tr>
</tbody>
</table>

- **Moscow Central Diameters**

Moscow Central Diameters (MCDs) is the largest project of the Central Transport Hub seeking to develop high-capacity commuter rail lines connecting Moscow suburbs with the city centre. This is a joint project by Russian Railways, the Ministry of Transport of the Russian Federation, and the governments of Moscow and the Moscow Region, which aims to combine suburban routes and the Moscow Metro.

The first two diameter routes from Odintsovo to Lobnya and from Nakhabino to Podolsk were launched in late 2019. The next two diameter routes from Zelenograd to Ramenskoye and from Aprelevka to Zheleznodorozhny are set to be launched by late 2025.

**MCD hallmarks:**
- operating hours: from 5:30 am to 1:00 am without breaks;
- travel intervals: 5–6 minutes during peak hours;
- integrated ticket offering for city and suburban routes;
- free transfers between MCC and the Moscow Metro during a 90-minute ride;
- new comfortable Ivolga 2.0 trains;
- new infrastructure: continuous welded rails for a smooth ride;
- new railway platforms featuring a barrier-free environment, heated pedestrian crossings, vending machines, lifts and escalators;
- enhanced customer experience (climate control, free Wi-Fi, charging ports for mobile devices, infotainment services, kids areas, etc.).

The launch of MCD 1 and MCD 2 made a real difference for more than 4 m residents of the Moscow agglomeration in terms of new fares, cutting-edge trains, travel intervals and transfer opportunities.

The Russian Government launched a new federal project titled the Development of Railway Infrastructure of the Central Transport Hub. The project aims to increase the passenger transportation of the Central Transport Hub to 850 m passengers annually by 2030 (vs 578.7 m passengers in 2020).

Under the project, 2020 saw:
- 5 new transport stops launched at MCD 1, MCD 2, the Kiyevsky route and the October Railway and 9 transport stops renovated at MCD 1 and MCD 2;
- train service launched on the Reutovo–Balashikha junction and the second main track at the Reutovo–Strayka section of the Gorkovsky route;
- infrastructure upgrade completed at the Yaroslavsky route, with suburban train service launched on the fifth main track at the Moscow–Mytishchi section, the fourth main track at the Mytishchi–Pushkino section and the third main track at the Mytishchi–Podlipki-Dachnye section;
- a new railway bridge across the Moscow River put into operation at the Testovskaya–Fili section, which was built to enhance MCD 1 operations and further develop the road network around Moscow-City.

### Moscow Central Circle

Moscow Central Circle (MCC) is an urban passenger rail line partially integrated with the Moscow Metro in terms of fares and transfers. This is a joint project by Moscow Metro, Russian Railways and Moscow Ring Railway launched in 2016. In October 2020, MCC welcomed its 500-millionth passenger. In 2020, MCC serviced 115.3 m passengers, with total passenger transportation since its launch amounting to 530.4 m people. The daily average traffic stood at 314,900 people, rising to 464,700 people on weekdays. As of the report date, trains arrive every four minutes. In 2020, MCC launched an R&D project to provide for a transition to a three-minute interval service.
### Moskov central diameters

<table>
<thead>
<tr>
<th>Moskov central diameters</th>
<th>MCD 1 Odintsovo–Lobnya (Belorussko–Savelovsky Diameter)</th>
<th>MCD 2 Nakhabino–Podolsk (Kursko–Rizhsky Diameter)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Length</td>
<td>52 km</td>
<td>80 km</td>
</tr>
<tr>
<td>Travel time</td>
<td>1 h 27 min</td>
<td>2 h</td>
</tr>
<tr>
<td>Number of stations</td>
<td>24 (28 in 2024)</td>
<td>33 (28 in 2024)</td>
</tr>
<tr>
<td>Number of transfers</td>
<td>8 (12 in 2024)</td>
<td>11 (15 in 2024)</td>
</tr>
</tbody>
</table>

#### During Transport Week 2020
Annual business event held by Ministry of Transport of the Russian Federation, which includes a series of nationwide and international events focused on transport issues. Moscow Central Diameters were named the best regional infrastructure project winning the 7th Formula for Movement national award for accomplishments in transportation and transport infrastructure.

#### Long-haul passenger transportation
Long-haul transportation services are provided by seven carriers:
- Federal Passenger Company;
- Grand Service Express TC;
- Tverskoy Express;
- TransClassService;
- Sakhalin Passenger Company;
- Kuzbass Suburb;
- High-Speed Transportation Directorate (branch of Russian Railways).

In 2020, the combined share of long-haul transportation services provided by Russian Railways’ subsidiaries and affiliates and private carriers was as high as 94.3% (including 4.1% controlled by private ones), while that of High-Speed Transportation Directorate stood at 5.7%.

Passenger trains achieved a 98.8% adherence to their schedules (up 0.79 pp y-o-y).

#### Federal Passenger Company’s performance
Federal Passenger Company is Russian Railways’ subsidiary, which provides long-haul passenger and freight luggage transportation services. In 2020, Federal Passenger Company’s passenger turnover totalled 48.2 bn pkm, down 48.5% y-o-y due to the COVID-19 restrictions. The company transported some 59 m people (down 44.2%), including 58.2 m passengers (down 44.2%) by trains made up by Federal Passenger Company and 0.8 m people (down 82%) by those made up in the CIS and the Baltics.

In 2020, Federal Passenger Company’s income from core operations amounted to RUB 130.9 bn (down 44.7% y-o-y), including RUB 114.6 bn from passenger transportation (down 46.3%), mainly driven by lower passenger turnover due to deteriorating mobility of people and snowballing cancellation of international transport services.

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1 Annual business event held by Ministry of Transport of the Russian Federation, which includes a series of nationwide and international events focused on transport issues.

**International transportation**

In 2020, besides the CIS and the Baltics, Federal Passenger Company served direct and transit routes to eleven countries of Europe and Asia – Germany, France, Poland, Austria, the Czech Republic, Monaco, Italy, Finland, China, Mongolia, and North Korea.

In response to the COVID-19 outbreak, the governments of Russia and foreign countries imposed national emergency measures in February through March 2020, with all international passenger transportation by rail being suspended in March.1

In total, 2020 saw 1.2 m passengers transported in the international segment, which accounted for only 19% of those transported in 2019.

**High-speed passenger transportation**

High-speed transportation services are provided by Federal Passenger Company and High-Speed Transportation Directorate (a branch of Russian Railways). Federal Passenger Company’s high-speed trains operate on Moscow to Nizhny Novgorod, Smolensk, Voronezh, Belgorod, St Petersburg, and other routes. Russian Railways serves Moscow–St Petersburg, Nizhny Novgorod–Moscow–St Petersburg, St Petersburg–Bologoye, Moscow–Ivanovo routes.

In 2020, high-speed and ultra high-speed passenger turnover totalled 5.01 bn pkm (down 36.2% y-o-y). The number of passengers transported declined to 11.08 m (down 35.3% y-o-y), including 6.6 m people served by Federal Passenger Company (down 35.8% y-o-y). High-Speed Transportation Directorate saw its passenger transportation fall by 28.6%.

In the reporting year, Russian Railways continued to expand its high-speed long-haul network by launching new Lastochka routes: Rostov–Anapa, Rostov–Imeretinsky Kurort,


**Rolling stock renewal**

In 2020, the Company continued to renew its passenger rolling stock and procured 1,051 cars:
- 371 cars purchased by Russian Railways, including 196 Lastochka cars, 20 EP3D cars, 34 EP2D, 92 locomotive traction cars, 29 RA3 railbus cars;
- 648 passenger cars bought by Federal Passenger Company, including 175 double-deckers;
- 32 cars acquired by SPCs, including 8 RA3 cars and 24 locomotive traction cars.

**Development of railway station infrastructure**

In 2020, the Company renovated and repaired 184 facilities, including railway stations in Ivanovo, Petrozavodsk, Ulan-Ude, Chany, Tatarskaya, Sosnogorsk.

Ivanovo boasts its unique railway station, Russia’s seventh largest hub and most prominent constructivist landmark. The project aimed to preserve its architectural design, while also turning it into a tech-savvy and comfortable transport environment accessible to all categories of passengers, including people with reduced mobility.

Sosnogorsk now features Russia’s first modular building as a passenger railway station that was designed using Building Information Modelling (BIM) technology with digital representations of its architectural, structural and engineering specifications. The new building accommodates a homely waiting space with rest areas and ticket offices, as well as retiring rooms for passengers with children.

**Accessibility for people with reduced mobility**

Russian Railways focuses on making a growing number of stations and trains fully accessible. As at the end of 2020:
- 103 railway stations were fully accessible, which accounts for 8% of all railway stations, with other railway stations partially accessible;
- long-haul trains included administrative locomotive traction cars specifically designed for passengers with disabilities, with 88% of administrative cars accessible to such people;
- up to 20% of suburban electric trains were adapted for people with reduced mobility;
- 100% of high-speed and ultra high-speed passenger trains were fully accessible.

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1 Russian Government’s Order No. 763-r dated 27 March 2020.
Customer service

The Company aims to offer its customers a new level of service quality in a timely manner. Russian Railways Unified Information Service Centre provides information on the Company’s passenger services. In 2020, the Centre handled 9.8 m queries (down 7% vs 2019).

Benefits of the Centre:
• single entry point across the entire railway network;
• uniform quality standards on par with global benchmarks;
• key communication channels automated;
• remote ticket refund option available to passengers aged 65 or older.

In 2020, the Company put an emphasis on developing contactless digital services and expanding ticket issuing channels. Integrated ticket offering for city and suburban routes is available in St Petersburg, Rostov-on-Don, Ufa, Samara, Nizhny Novgorod and Moscow.

Given the growing demand for domestic tourism in 2020, Russian Railways started promoting new tourist routes combining a rail ride and an excursion, as well as rail tours by hotel trains. The Russian Railways Group currently offers over 50 tourist routes, including the Ruskeala Mountain Park, a ride along the Trans-Siberian Railway, weekend retro trains departing from Moscow, St Petersburg and Irkutsk, New Year trips to Veliky Ustyug and Kostroma, and many more.

The quality of passenger services provided by Russian Railways is measured by the customer satisfaction index (CSI), which is based on opinion surveys conducted by both the Company’s own resources in line with the approved methodology and by VCIOM, resulting in an all-round assessment.

Due to the pandemic, the Company conducted three surveys in 2020. In Q4 2020, Russian Railways’ consolidated customer satisfaction index across eight focus areas rose to 83.2 points in long-haul transportation (vs the target of 81.3 points) and 81.3 points in suburban transportation (vs the target of 75.3 points).

1 The Integrated Methodology for Evaluating Passenger Satisfaction in Rail Transportation (approved by Russian Railways’ Order No. 227/r dated 7 February 2018).
RZD Bonus loyalty programme

RZD Bonus is Russian Railways’ loyalty programme that enables long-haul passengers to earn points by making trips and exchange them for tickets. The programme currently covers 6 m users.

In 2020, the Company revised its scope with a view to including suburban transportation and other passenger services.

Russian Railways’ mobile app for passengers

The RZD Passengers mobile app has all a traveller would need and more:
• long-haul and suburban train schedules;
• ticket sold for long-haul and suburban trains;
• refund for tickets purchased via the website or mobile app;
• help information about railway stations;
• actual train information;
• Russian Railways’ help information and news.

The RZD Passengers mobile app is one of the Company’s best IT products. By now, it has been downloaded over 5 m times and earned high scores from the Apple and Google stores (4.9 and 4.5, respectively). In December 2020, the mobile app became the best performing sales channel, occasionally accounting for 50% of all e-tickets sold for Russian Railways’ trains.