

MARKETING POLICY PLANS

A new product, Business Pass, was launched on 1 July 2018 together with the Directorate for Higher-Speed Services, a branch of Russian Railways, for Strizh higher-speed trains travelling between Moscow and Nizhny Novgorod. The Business Pass concept offers a new type of prepaid fares used in electronic travel cards. The pass will have a limited number of trips and a validity date.

The product offer is planned to be extended to other routes in 2019.

Pursuant to Federal Law No. 73-FZ On Amendments to Article 83 of the Federal Law on the Railway Transport Charter of the Russian Federation, dated 18 April 2018, carriers are allowed to sell non-refundable tickets in the deregulated segment of rail passenger services (first-class, second-class, deluxe) as of 1 January 2019. Relevant amendments have been made to the passenger transport rules¹.

These novelties provide passengers with an option to book non-refundable long-distance fares (tickets) if such option is enabled by the carrier.

A regulatory framework enabling sales of non-refundable tickets was thus established in 2018.

In view of the above, FPC will develop a list of trains in 2019, for which a non-refundable ticket option will be available.

The 2019 objectives of the Company's Marketing Policy include further roll-out of marketing campaigns and special fares to make passenger services more affordable and enhance transport mobility

of the population. These efforts are an important milestone in the delivery of the Marketing Strategy of JSC FPC to 2030, developed in 2018. The Strategy sets long-term marketing targets to support the Company's further growth, including development of the product offering, marketing and sales digitalisation, and a shift in the communication paradigm to personalised customer experience driven by the customer's preferences and budget.

Apart from that, the Company has set 2030 marketing targets for specific strategic areas including product portfolio, pricing, sales, promotion, the loyalty programme, and the marketing digitalisation.

96

work tickets

were sold in 2018

OPERATIONS IN THE TRANSPORT MARKET

SELECTED PROJECTS: NEW TRANSPORT PRODUCTS



Daytime
trains

~15

million

passengers carried
+23% year-to-year

¹ Resolution of the Russian Government No. 111 On Approval of Rules on Rail Transport Services for Passengers, Cargo, Baggage, and Unaccompanied Baggage for Personal, Family, Household and Other Needs Not Related to Conducting Business, dated 2 March 2005; Decree of the Russian Ministry of Transport No. 473 On Approval of Passenger, Baggage, and Unaccompanied Baggage Rail Transport Rules, dated 19 December 2013.

Company Profile

Development
Strategy

Performance
Overview

Corporate
Governance

Sustainable
Development

Appendices