CUSTOMER SERVICE

CUSTOMER SERVICE LEVELS

Customers' rising expectations and the growing need for trains to be safe, on schedule, faster, and comfortable (factors now reaching over 80% on the passenger's value board), have driven the demand for shorter journey trains, "hotel trains" (overnight trains), multimodal services, passenger-friendly carriages offering a wide range of high-quality on-board entertainment.

This makes passenger opinion studies and assessment of their satisfaction levels ever more important.

The Company changed its customer interaction focus in 2017 by launching the opros.fpc.ru online survey website as a new direct feedback channel. Passengers can now provide feedback on their experience and grade customer services while still on board. Monitoring customer experience through opros.fpc.ru helps FPC collect relevant data in real time and promptly respond to passenger suggestions and complaints.

The use of this improved feedback technology resulted in an 8x increase in the number of respondents in 2018 year-on-year to 164,500 passengers.

The Company-to-passenger communication channel was established in 2018, with passengers receiving personalised messages thanking them for travelling on FPC's trains and asking to give feedback and assess their experience.

The overall service level score was 4.22 points on the 1 to 5 scale in 2018, up 0.22 points year-on-year. In addition to the overall customer service quality, passengers give grades to its components such as online booking, using a ticket office, technical condition of carriages, removable mattresses, carriage cleanness, attendants' performance, prepaid meals, dining carriage services, travel kits, on-board merchandise, etc.

Monitoring effort and passenger feedback are used to identify customer service gaps, develop initiatives to enhance the customer experience and expand the range of services provided, and introduce innovative customer services on trains and at ticket offices.



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MONITORING CUSTOMER SERVICE LEVELS ON FPC'S TRAINS IN 2018

Overall service level score¹

Overall score



Number of respondents



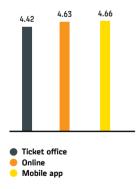
Method used

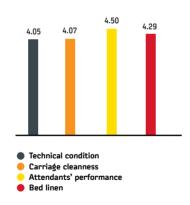


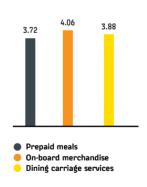
Period



Customer service component scores







 $^{{\}bf 1}$ On the 1 to 5 scale, where 1 stands for "very poor" and 5 for "excellent".

The Company also monitored the Net Promoter Score (up 5 points) using the NPS methodology to assess customers' willingness to travel with FPC again and to recommend it to others. The NPS score was registered at 42 points in 2018 (based on 25,100 responses). At the same time, the NPS score varies for different customer segments.

The survey results helped identify competitive focus areas through enhancing the customer service by improving the performance of relevant business units (KPIs).

We will continue to monitor the Net Promoter Score in order to track changes and assess initiatives implemented to improve customer service levels

FPC's key customer loyalty enhancement initiatives include replacing rolling stock, improving on-board services, including customer service standards, and introducing new service concepts. In addition, as part of its strategic initiative, FPC intends to launch a new Introduction and Development of New Product Offering project, which includes adopting a new product line.

FPC'S PASSENGER NET PROMOTER SCORE IN 2018

NPS score¹

Overall score

NPS

up 5 points from 2017

Number of respondents



Method used



Period

9



November

NPS = Promoters - Detractors -

28%
3,775
7,047
14,345

Critics
Neutrals
Promoters

8

1 NPS (Net Promoter Score) is used for assessment of the customer's loyalty to a product/service or a company (willingness to recommend).

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