

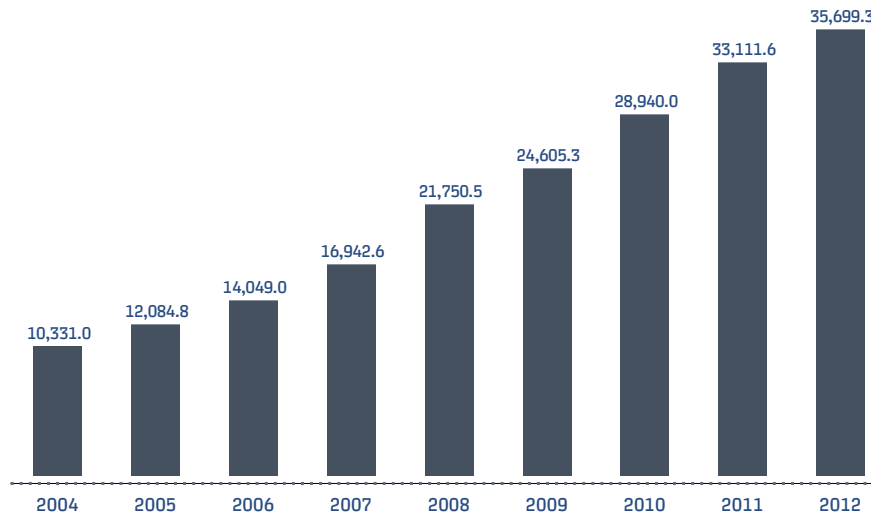
Improvement of the remuneration and incentive system

The main innovation of 2012 in the Company's incentive system is the possibility to give Company awards to nearly all employees of JSC "RZD" subsidiaries and affiliates. Successful co-operation and active contribution to improve JSC "RZD" performance is rewarded. Bonuses by incentive types were increased for Company employees.

TOTAL NUMBER OF AWARDEES



AVERAGE MONTHLY SALARY OF EMPLOYEES ENGAGED IN ALL ACTIVITIES, RUR.¹



- average monthly salary of employees, RUR
- wage increase in real terms (adjusted for inflation)

¹Gain is specified in comparable conditions

The Company rewards employees both for personal and corporate-wide achievements:

- ▶ up to 50% of project savings are given to the employees who have introduced lean production standards;
- ▶ employees and managers of efficiently run areas are rewarded from the "master fund";
- ▶ up to 50% of the amount saved on fuel and energy resources is spent on employee rewards;
- ▶ employees of car depots who have found hard-to-find defects are rewarded;
- ▶ loyalty bonuses are paid to employees with a long transport service record.

