

Glossary

1520 mm – the official track gauge of railways within the Commonwealth of Independent States, Baltic countries, Mongolia and Finland. The total length of the tracks within the '1520 space' exceeds 150,000 km. It is referred to as the 'broad' gauge. The '1520 space' is the territory served by the 'broad' gauge railways.

2PL, 3PL and 4PL – levels of logistics service (PL-Party Logistics): partial logistics outsourcing, comprehensive logistics outsourcing and integrated logistics outsourcing.

CIT (International Rail Transport Committee) – an international non-governmental organisation (association) whose objectives include drafting international law concerning rail transportation based on conventions.

Common Economic Space (CES) – the economic and political integration of three nations: Russia, Kazakhstan and Belarus.

Federal Freight Company (FFC) (Second Freight Company prior to 13 October 2012) – a subsidiary of Russian Railways established in accordance with the decision of the Russian Railways Board of Directors dated 26 August 2010

and one of the largest railway freight transportation operators in Russia.

Freight One – a major operator of railway freight transportation in Russia.

Federal Passenger Company (FPC) – a subsidiary of Russian Railways that provides long-haul passenger and luggage transportation by railways.

Freight turnover – the volume of work to transport freight measured by tonne-kilometres. It is calculated by adding the multiplied value of the freight transported in tonnes by the distance travelled in kilometres.

Federal Tariffs Service (FTS) – The federal executive authority in charge of regulating natural monopolies; handles the government regulation of prices (tariffs), in particular on railway transportation, in accordance with the legislation of the Russian Federation.

GEFCO S.A. – a subsidiary of Russian Railways, which concluded a transaction on 20 December 2012 to purchase a 75% of shares in the French logistics operator GEFCO from PSA Peugeot Citroen for a cost of EUR 800 mln.

Handling (freight shipment) – the weight of freight in tonnes accepted for transportation via the railway network. The value is calculated as the sum of all shipments accepted during the reporting period for transportation within the country directly from shippers, from other types of transportation for further transportation and from foreign railways.

HSTD – High-Speed Transportation Directorate – branch of Russian Railways.

HSR – high-speed railway.

IAMCS – integrated automated marshalling control system.

IFRS – international financial reporting standards.

International Union of Railways (UIC) – (French – Union Internationale des Chemins de fer) – an international organisation that unites national railway companies in order to jointly resolve problems involving the development of railway transportation.

MCR – Moscow Central Ring.

MLRR – Moscow Little Ring Railway.

Multimodal transportation – shipments using two or more types of transportation based on a single contract.

MU (multiple units) – railway rolling stock with motorised railcars. MU include electric trains (including high-speed electric trains), diesel trains and motor railcars.

NC Kazakhstan Temir Zholy – National Company Kazakhstan Railways.

Organisation for Cooperation between Railways (OSJD) – an international organisation whose objectives include developing international freight and passenger transportation and establishing a common railway transportation space in the Eurasian region.

OTIF (Intergovernmental Organisation for International Carriage by Rail) – an international organisation established in accordance with the Convention concerning International Carriage by Rail.

Passenger turnover – the volume of work to transport passengers measured by passenger-kilometres. It is determined by adding the multiplied value of the number of passengers for each transportation category by the distance travelled in kilometres.

Passenger transportation (dispatch) – the volume of work performed to transport passengers as determined by the number of tickets sold and issued free of charge in a particular reporting period taking into account the passenger trips made attributable to this period based on group tickets, freight documents, commuter tickets and other tickets.

Process and price audit (PPA) – an expert assessment of the feasibility of an investment project, the selection of the projected technological and cost solutions for building facilities as part of an investment project, the compliance of the solutions with market practices and international analogues as well as the reliability of construction costs and operating expenses to implement the investment project during the process of its life cycle.

RAS – Russian Accounting Standards.

RCGC – Regional Corporate Governance Centre.

ROR – the railway operating rules of the Russian Federation.

RZD International – a specialised engineering company set up within the Russian Railways Group to centralise

the functions of strategic planning of foreign economic activities and to manage infrastructure projects abroad.

SPC – suburban passenger companies.

S&A – subsidiary and affiliate companies of Russian Railways.

UBR – Ulan Bator Railway.

UNECE ITC (UN Economic Commission for Europe Inland Transport Committee) – the UN Economic Commission for Europe body that regulates international cooperation in the transportation sector.

UNESCAP – the United Nations Economic and Social Commission for Asia and the Pacific.

United Transportation Logistics Company (UTLC) – a joint project by Russian Railways, Belarusian Railway and NC Kazakhstan Temir Zholy to establish a single logistics operator.