

Glossary

2PL, 3PL and 4PL — Logistics service levels (PL stands for Party Logistics); particle outsourcing of logistics services, comprehensive outsourcing of logistics services, integrated outsourcing of logistics services.

GEFCO S.A. — Subsidiary of JSC “RZD”. On December 20, 2012 JSC “RZD” acquired 75% of shares of Gefco, a French logistics operator, from PSA Peugeot Citroen worth 800 million euros.

1520 mm — Official gauge of railways in the CIS and Baltic countries, Mongolia and Finland. It's total length in the “1520 space” is over 150 000 km. 1520 mm gauge is called “a wide gauge”. 1520 space means territories served by “wide” gauge of railways.

JSC “NK “Kazakhstan Temir Zholy” (KTJ) — National Company “Kazakhstan Railways”

State Association “Belorussian Railways” (BR) — State Association “Belorussian Railways”

JSC “UBZD” — Ulan Bator Railway

Rail freight turnover — Volume of freight traffic activity. Measurement unit is tonne-kilometer. Calculated by summation of the weight of transported cargo in tonnes multiplied by transportation distance in kilometers.

SAF — Subsidiaries and affiliates of JSC “RZD”

TEU — Twenty equivalent unit - a standard measurement unit of quantitative characteristic of traffic flows, container terminal capacity or carrying capacity of transport. Equivalent to the size of an ISO container 20 feet (6.1 m) long.

RIC — Road Implementation Center

Common Economic Space (CES) — Economic and political integration of three CIS States: Russia, Kazakhstan and Belarus

Intermodal transportation — Successive transportation of cargo by two or more modes of transport in the same transportation unit or vehicle without handing the cargo itself while changing transport modes.

UNECE ITC — Inland Transport Committee of the European Economic Commission

BGC — Benefits, guarantees and compensations provided to current and retired staff of JSC “RZD” in accordance with the Collective Agreement.

Logistics expenses — The cost of performing logistics operations (warehousing, transportation, collection, storing and transferring data on orders, inventory, supplies, etc).

Shipment routing — The system of organizing transportation of cargo along routes (by a dedicated train) from one or several railway stations to detraining points (a station, a port) located in one area.

International Union of Railways (UIC) — An international organization uniting national railway companies to jointly address the challenges of railway transport development.

Combined Transport and Logistics Company (CTLC) — A joint project of JSC “RZD”, “Belorussian Railways” and JSC “NK “Kazakhstan Temir Zholy” aimed at creation of an integrated logistics operator.

Organization for Railways Cooperation (ORC) — An international organization aimed at development of international freight and passenger transportation services, creation of an integrated railway transportation space in the Eurasian region, raising competitiveness of transcontinental railway routes as well as assistance to growth of technology and scientific and technical cooperation in the field of railway transport.

Fleet of in-house and third-party carriages — Gondola cars fleet of JSC “RZD” rented from JSC “FGK” under a contract “Renting gondola cars” dated January 26, 2012 as well as Regulation of the Government of the Russian Federation No 1051 “On the procedure of renting by JSC “RZD” of railway 205 Glossary vehicles for freight and on setting special pricing procedures for freight in the said railway vehicles”. Legal status of the in-house and third-party carriages fleet is similar to that of the carrier fleet, but allowing for the tariff regulation established by order No 444-т/4 of the FTS of Russia dated December 27, 2011.

Passenger traffic — Volume of passenger traffic activity. Measurement unit is passenger-kilometer. Calculated by summation of the number of passengers for each transportation point multiplied by transportation distance in kilometers.

Pervaya Gruzovaya Kompaniya (OJSC “PGK”) — The largest rail freight operator in Russia.

Transportation (dispatch) of passengers — Volume of passengers transportation. Evaluated by the number of tickets sold and issued free of charge in the reporting period taking into account a number of trips by group tickets, cargo documents, subscription and other types of tickets within the period.

Handling (dispatch) of cargo — Weight of cargo accepted for rail transportation, in tonnes. Index value is calculated as the sum of all the dispatched shipments accepted in the reporting period for transportation in the territory of the country directly from shipping parties, from other transport modes for further transportation and from foreign railways.

Federal Freight Company (OJSC “FFC”) — Till November 13, 2012 - JSC “Vtoraya gruzovaya kompaniya”, JSC “VGK”. Subsidiary of JSC “RZD”, founded following the decision of the Board of Directors of JSC “RZD” on August 26, 2010 and is one of the largest rail freight operators in Russia.

Federal Passenger Company (JSC “FPC”) — Subsidiary of JSC “RZD” providing passengers and cargo distant transportation services by rail.

SPC — Suburban passenger companies.

RCCG — Regional centers of corporate governance.

Safety of traffic management system (STMS) — A management system for administration and management of JSC “RZD” in relation to safety of traffic.

Maintenance and repair — Set of operations to support operability and good condition of equipment during its operation, storage and transportation.

CU — Customs Union of the Russian Federation, the Republic of Kazakhstan and the Republic of Belarus.

FTS of Russia — Federal Tariff Service, a federal executive agency dealing with natural monopolies regulation; performs state regulation of prices (tariffs), in particular, on rail transport in accordance with the legislation of the Russian Federation.

CIM — Unified rules applied to the Contract of international rail freight

AIGTR — Agreement on International Goods Transport by Rail

CIM/AIGTR railway bill — Unified railway bill

UN ESCAP — Economic and Social Commission for Asia and the Pacific