

**Support of initiatives celebrating the 165th anniversary of Vladivostok**

In 2025, Vladivostok celebrated its 165th anniversary. An important transportation hub of the Far East, the city unites sea, rail and road transportation modes, and is therefore closely linked to the history of FESCO Transportation Group.

The celebration aimed to emphasise Vladivostok's status as the city of military glory. FESCO became the City Day's official partner with a significant representation at key venues.

Online and offline formats reached out to more than 50 thousand people.

**Generational bridge**

**The literature heritage of the Far East to the libraries of Vladivostok**

**As part of cooperation with the Vladivostok centralised library system, FESCO acted as a cultural patron and integrator, supporting the donation of unique books created in collaboration with FESCO and closely linked to local history, to the city:**

- Far East. Through Time and Distance – a collection of stories from Far Eastern writers published as part of the literature workshop of the Dom Tvorchestva Peredelkino and the Group;
- The Inception of Dobroflot and Dobroflot. Express Voyages – historical books reprinted by the Russian Geographical Society in partnership with FESCO.

**Initiatives for the senior generation**

In 2025, the Company continued to arrange educational and cultural events for its veterans.

In the Public Space of the State Tretyakov Gallery in Vladivostok, veterans attended a series of various events: film shows, lectures, and interactive exhibitions. In the Vladimir Arseniev Museum of Far East History, FESCO employees and veterans had a private viewing of the Hymns of the City exhibition.

**Integration of partnership programmes and corporate projects into FESCO's corporate culture**

In 2025, FESCO provided its employees with opportunities for cultural development through partnership with Russia's leading museums and cultural institutions. During the year, the Company employees attended over 200 events as part of partnership programmes in the regions of FESCO's operation.

**Additionally, the employees were offered:**

- free visits to events by museums partnering with FESCO;
- guided tours around temporary and permanent exhibitions;
- special terms to organise corporate events for the Company's marketing and commercial units.



# Procurement



FESCO builds relations with suppliers, service providers and contractors based on efficiency, fairness, legality, and sustainability. The Group expects its contractors to comply with applicable laws of the Russian Federation and the countries of operation and share the key principles in the area of labour and environmental protection, human rights, business ethics, and compliance.

GRI 204-1, 408-1, 409-1, MED 8, 9, SPBC 65, 66

## Key 2025 results



As part of procurement activities, Group companies introduce uniform supplier assessment, selection and relations management procedures to ensure transparency, equal terms and no conflicts of interest. Suppliers have access to information on selection criteria and cooperation principles, while the Group acknowledges their right to keep the provided information confidential.

Procurement documents set forth requirements for sufficient human resources with relevant qualifications,

including education and experience, eliminating the risk of cooperation with companies using child or forced labour. At the precontractual stage the security function checks potential suppliers and contractors to minimise potential human rights violations across the supply chain.

FESCO Group conducts its procurement activities in accordance with Rosatom's Unified Industry Procurement Standard, as well as Federal Law No. 223-FZ On Procurement of Goods, Works, and Services by Certain Types of Legal Entities dated 18 July 2011.

**Key FESCO Group's documents related to procurement:**

- [Supplier Code of Conduct of FESCO and its Controlled Entities](#);
- [Unified Industry Procurement Standard of Rosatom State Corporation for FESCO and its Subsidiaries](#);
- [Regulations on Procurement of Goods, Works, and Services for the Needs of VMTP and its Subsidiaries](#);
- [Unified FESCO Service Centre Procurement Standard for other Group companies](#).



<sup>1</sup> Including intra-group procurement.

## Basic principles in organising and conducting procurement

**Openness:** information transparency in procurement.

**Efficiency:** ensuring targeted, economically justified, and efficient spending on the procurement of goods, works, and services (taking into account life cycle costs) and implementation of measures aimed at reducing the costs of FESCO Group companies.

**Competitiveness:** equality, fairness, non-discrimination, and no unreasonable restrictions on procurement participants, prevention of corrupt practices and abuse in the procurement process.

**Justification:** compliance with all legal requirements, collective decision-making with proper documentation, and prohibition of unquantifiable participant requirements that would restrict access to procurement.

**Timeliness:** implementation of procurement processes to provide FESCO Group companies with goods, works, and services in a timely manner and to inform suppliers in advance of planned procurements.

## Procurement in 2024 and 2025

In 2025, the Group's procurement totalled RUB 214 billion, up 5.5% YoY, with the number of procurement procedures down 37%, from

10.4 thousand to 6.6 thousand due to larger lots and long-term contracts making the process more efficient.

### Procurement in 2024 and 2025

Activity	Procurement procedures		Amount, RUB million	
	2024	2025	2024	2025
Investing activities	575	492	10,417.85	5,889.87
Day-to-day operations	9,814	6,050	192,141.31	174,038.67
Financial operations	–	8	–	33,685.38
<b>Total</b>	<b>10,389</b>	<b>6,550</b>	<b>202,559.15</b>	<b>213,613.91</b>

## Support for small and medium-sized enterprises

GRI 204-1

FESCO pays special attention to supporting small and medium-sized enterprises (SMEs). In 2025, it concluded over 4 thousand contracts worth more than RUB 41 billion with SMEs, enabling Group companies whose procurement activities are

governed by Federal Law No. 223-FZ to comply with the requirements for procurement from SMEs (20% and 25%) established by Russian Government's Resolution No. 1352 dated 11 November 2014:

- 87.8% – share of domestic goods, works and services in total procurement in 2025;
- 22.0% – share of SMEs in total procurement from Russian suppliers in 2025.

## Supplier Code

GRI 2-25, 308-2, 408-1, 409-1, 414-2

In 2025, to promote sustainability practices across the supply chain, the Company adopted Supplier Code of Conduct of FESCO and its Controlled Entities.

Joining the Code is voluntary and formalised, with self-assessment required. The supplier fills in a sustainability questionnaire and sends it to the Company within 12 months from joining the Code. On top of that, the Company expects the supplier to introduce the Code's provisions into their own supply chains.

**The Supplier Code requires partners to show responsible attitude in the following areas:**

- environmental safety, adoption of relevant policies and practices, taking into account environmental and climate risks, efficient use of resources, energy saving;
- compliance with labour protection, industrial and fire safety requirements, preventing incidents and occupational diseases, fostering safety culture;
- control of quality and safety of products, works and services;
- providing decent working conditions, respect for human rights, non-discrimination;

- social responsibility and support of local communities;
- compliance with business ethics and fair competition standards, combatting corruption and conflicts of interest;
- maintaining an open dialogue with stakeholders and information disclosure.

Stakeholders can send questions or messages related to compliance with the Code principles via [zakupki@fesco.com](mailto:zakupki@fesco.com). The Group reserves the right to monitor such compliance by conducting regular surveys of current and potential partners.

