

# AsstrA Sustainability Report

2023





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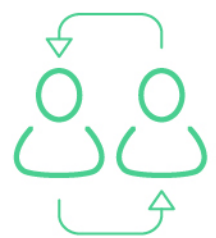


# Message to stakeholders

« 2023 was a successful but at the same time challenging year for our company. Despite all the difficulties on the way to our sustainable future, an unstable global political and economic situation and quickly changing regulations, we were providing our stakeholders with the highest level of services.



Ensuring smooth delivery for our customers by providing them with timely transportation solutions, supporting them with warehouse and customs services, technological solutions, consultation requests and decarbonization solutions.



Maintaining and building new relations with suppliers, always fulfilling our commitments, providing short- and long- term cooperation possibilities.



Having friendly relations with our employees, caring about them, providing them with all the necessary tools and conditions in order to ensure a healthy work-life balance and a favourable atmosphere in the office.

In 2022, we set ambitious strategic targets which guide us through AsstrA's ESG Policy. 2023 year brought us many positive ESG achievements such as reducing employee turnover rate, achieving our short-term CO2 reduction aim, testing of new decarbonization solutions and actively proposing them to our clients, opening new offices and many others.

We are inviting you to read our 2023 report and get to know more about ESG developments made at AsstrA in 2023.





# CEO message

Sustainability has always been a core part of AsstrA's purpose and values. However, in 2022 we took a major step forward by reinventing our approach to environmental responsibility across the entire organization. We developed a comprehensive sustainability framework and accounting methodology to more rigorously measure and manage our environmental and social performance.

This renewed focus on green initiatives is directly aligned with our business strategy. By embedding sustainability into everything we do – from how we service our customers to how we develop our people – we're not only reducing our environmental impact, but also strengthening our competitive edge and creating long-term value for all our stakeholders.



I'm proud to report that in 2023, we made significant progress in executing our sustainability strategy. Our team successfully started transitioning from traditional FTL trucking to more eco-friendly intermodal solutions for our partners.

We also introduced new eco-friendly services such as Hydrotreated Vegetable Oil (HVO) and BIO Liquefied Natural Gas (BIO LNG), which are now being widely adopted by our customers.

Looking ahead, our sustainability strategy until 2030 is centered around 7 key Sustainable Development Goals. Each of these aims has specific, measurable targets that we are laser-focused on achieving. Importantly, these goals span our entire value chain – from minimizing our carbon footprint and protecting biodiversity, to fostering a high-performance culture and delivering transparent governance.



**Dmitry Lagun**

AsstrA Chief Executive Officer, 2023¹ & President of the Board of Directors

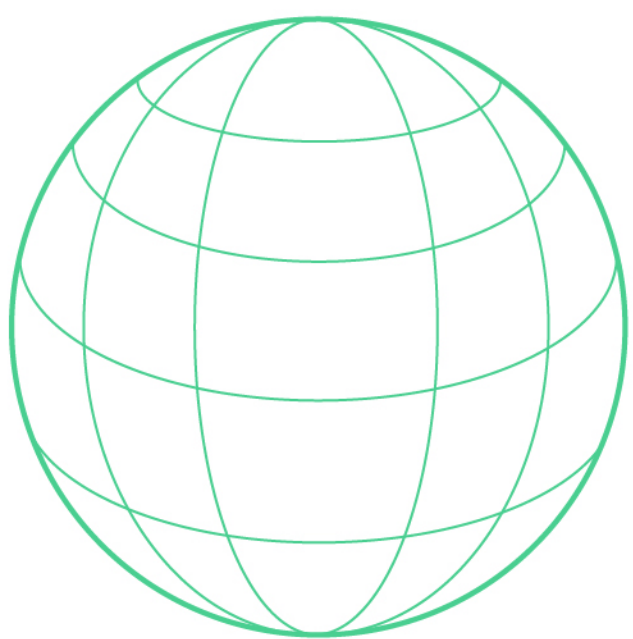
¹ Since 2024, President of the Board of Directors only.



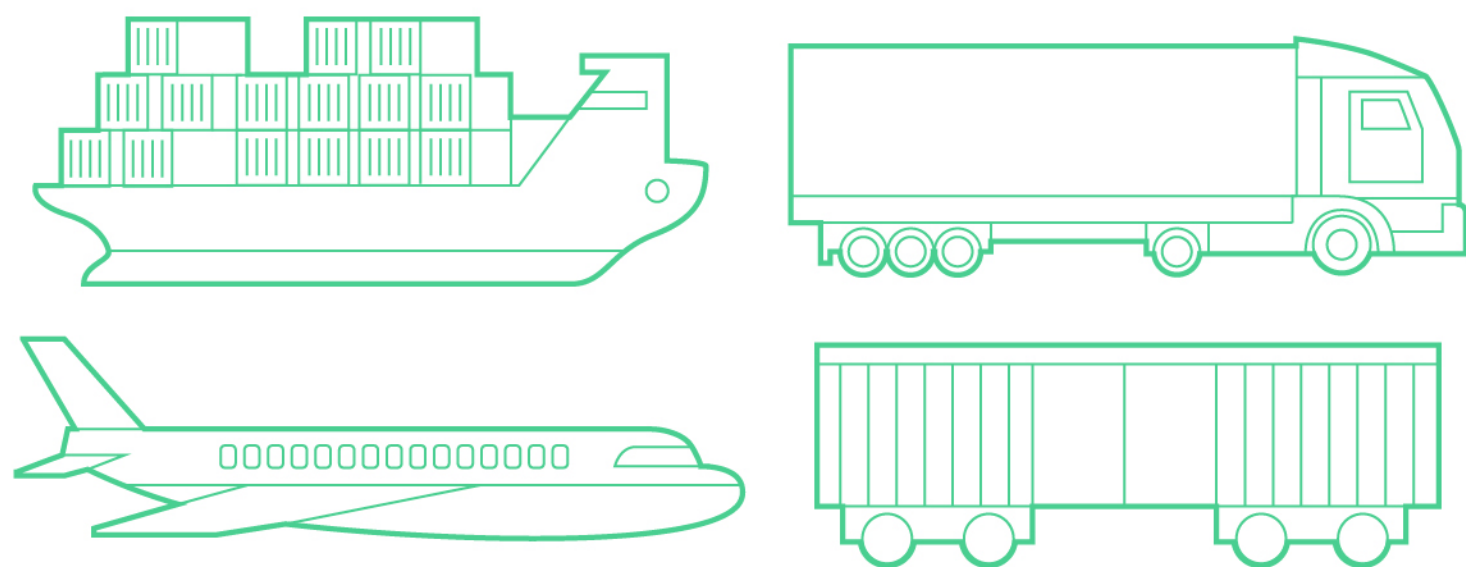
# Our business in 2023

AsstrA has been a reliable partner in the logistics and transportation services market for over 28 years. Being represented in more than 24 countries we offer comprehensive services related to international shipping via all modes of transport, import and export support, consolidation, customs clearance, and cargo insurance. Our highly qualified staff identify the best logistics solutions for each client based on their individual needs. With a wide network of offices and professional subcontractors, we are always close to our partners.

Our customers and employees are the most important elements within our business. AsstrA is strongly committed to the Sustainable business conduct concept which at the very first appeared in the main charter of the company which includes AsstrA’s mission, vision and motto of the company.



Represented  
in more than  
24 countries



Shipping via all modes  
of transport

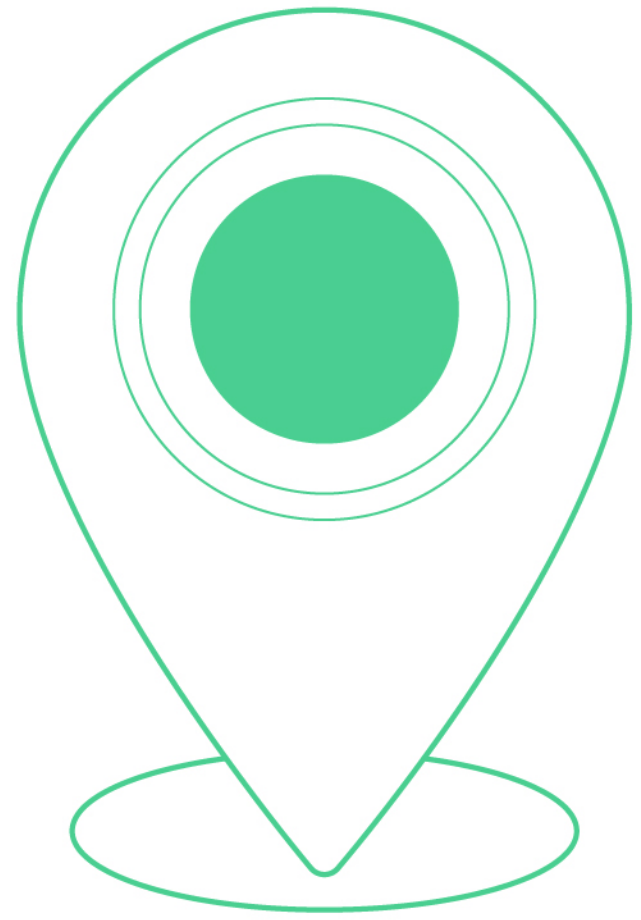
AsstrA as per the company's  
system of values stands for:

Activity  
Stability  
Staff  
Transport  
Reputation  
Alliance<sup>2</sup>

<sup>2</sup>New reinvented system of values is accepted in 2024.



# Our business in 2023



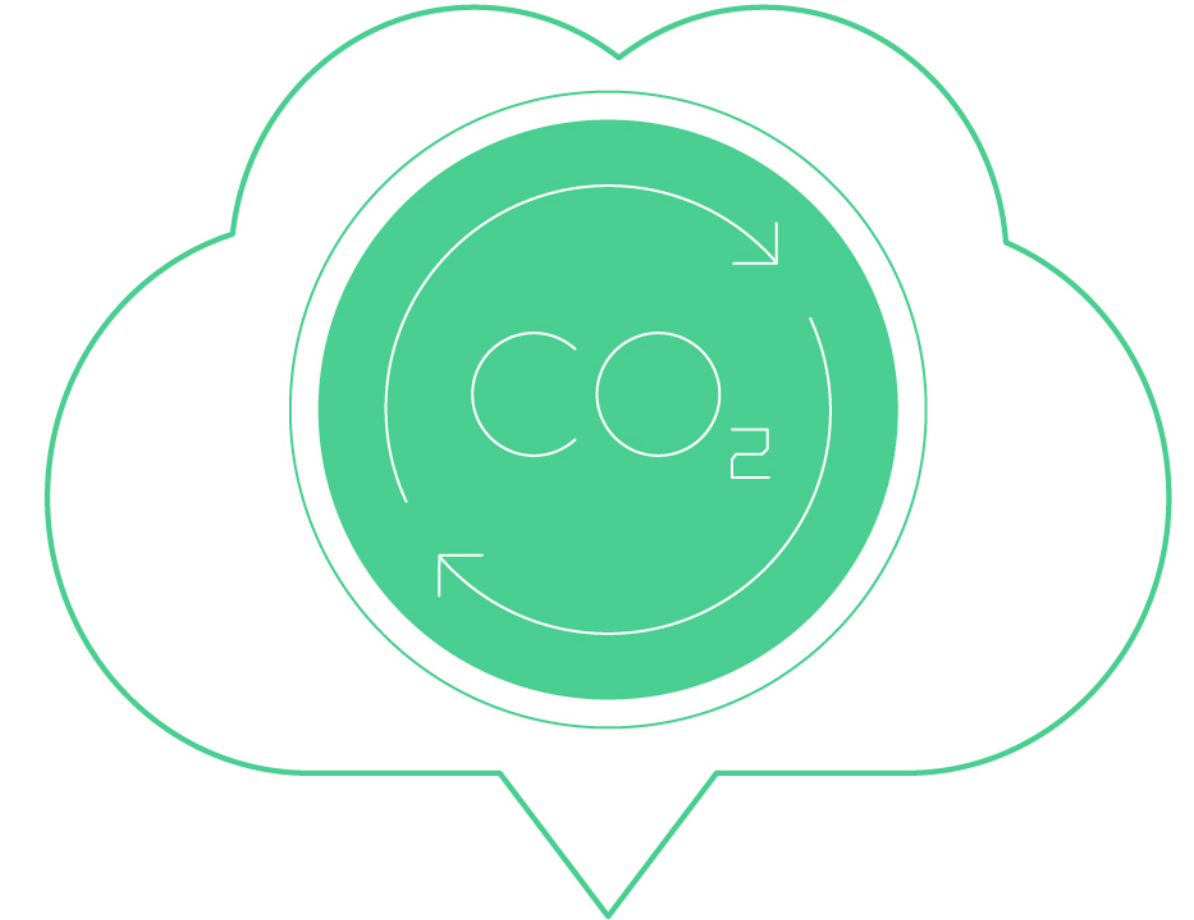
2 new countries  
of presence



132% rise in nominated  
opportunities (vs. 2022)



EcoVadis  
Silver Medal



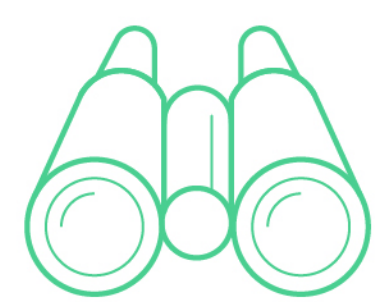
30% CO2 emissions'  
reduction (baseline 2021)

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We invest in our development, new opportunities, projects and our employees to provide high quality service to our customers.



# Our business in 2023



Customer  
focus



Turnkey  
logistics



Support nearby  
– everywhere



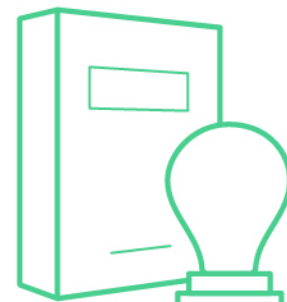
Financial peace  
of mind



Comprehensive  
safety



Coordinated  
Operations



Full Regulatory  
Compliance



Forward-looking  
Solutions

A tailored logistics solution	Expand your business	Do business in your native language	Extra all-risk insurance	Minimized cargo theft risks	Smoothly executed transportation projects	The full security of your cargo	Secure data exchange
Successful execution	Save your valuable time	Strengthen international partnerships	Greater flexibility to increase business efficiency	Full cargo security	Compliance with all transportation terms	Environmentally friendly operations	Up-to-date technologies
On-point advisory	Optimize transport and logistics costs	Develop new markets	Confidence to implement ambitious projects	Transportation to any global destination	Around the clock support	Socially responsible partnerships	Efficient interactions during transportation



# Associations

AsstrA values the exchange of ideas and treats associations and platforms for cooperation as an essential part of its business.

The list of associations and organizations (major ones) in 2023 includes:

- **FIATA** – the International Federation of Freight Forwarders Associations;
- **SFC** – Smart Freight Centre;
- **AIFFU** – the Association of International Freight Forwarders of Ukraine;
- **ZMPD** – the Association of International Road Transport Carriers in Poland;
- **TAPA** – the Transported Asset Protection Association;
- **BVL** – the Federal Logistics Association of Germany;
- **TIACA** – The International Air Cargo Association, uniting participants of air-freight operations from around the world;
- **EBA (Kiev)** – the European Business Association AEO – certificate of authorized entrepreneur;
- **VMVT (Vilnius)** – the State Food and Veterinary Service of Lithuania;
- **IFA** – the International Fertilizer Industry Association;
- **CCTT** – Coordinating Council on Trans-Siberian Transportation;
- **BRITA** – Belt and Road International Transport Alliance;
- **LANDBRIDGE** – Landbridge Logistics Alliance;
- **NCBFAA** – National Customs Brokers and Forwarders Association of America;
- **USER** – The Union of Shipping Companies in Romania;
- **EIC** - Energy Industries Council (UK);
- **BIFA** - British International Freight Association Achilles Oil and Gas Europe;
- **CILT(UK)** - The Chartered Institute of Logistics and Transport;
- **London Freight Club**;
- **WCA** - The World Cargo Alliance.



**Smart Freight  
Centre**

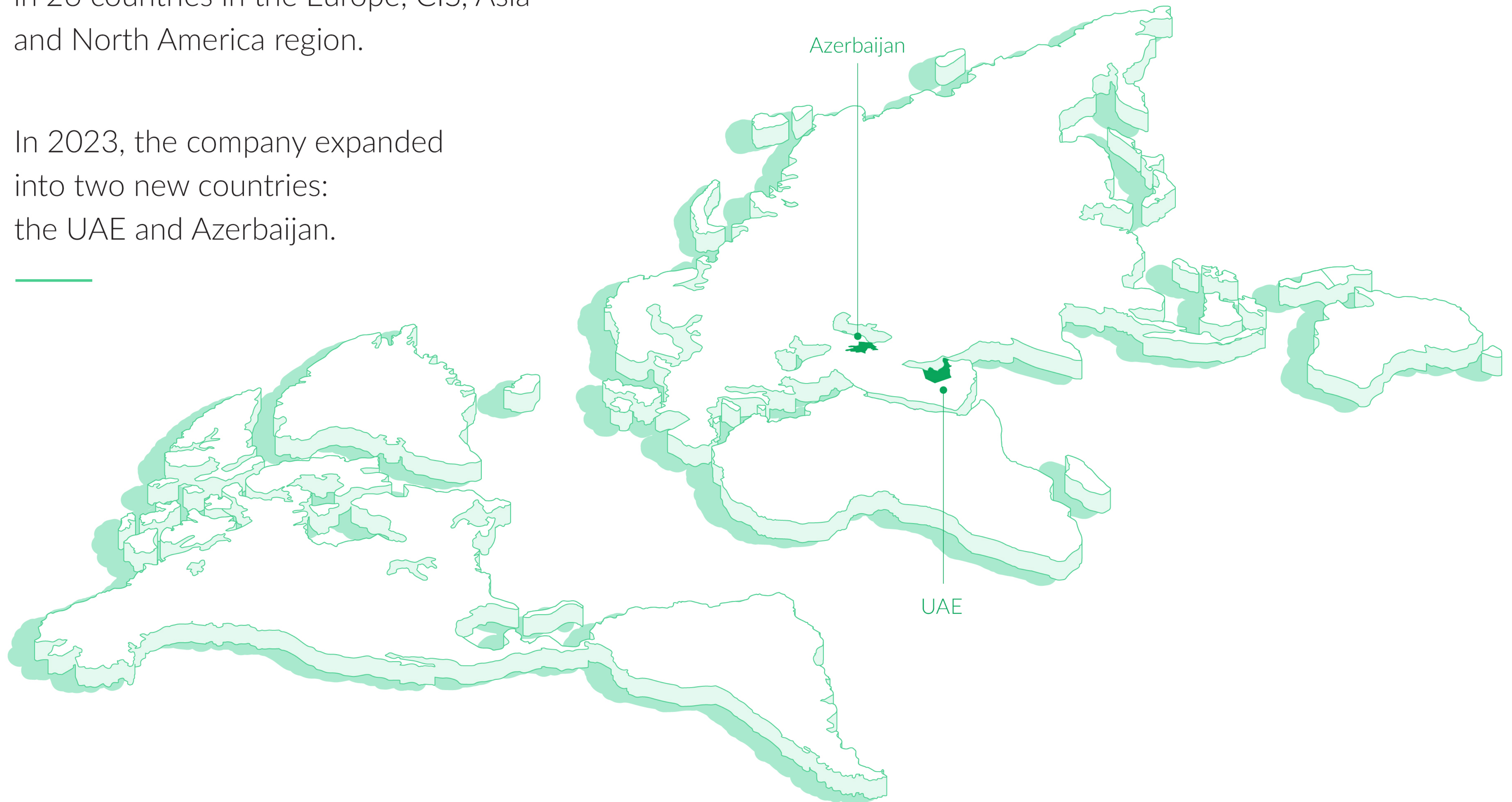




# Geographical coverage

At the end of 2023, AsstrA had a presence in 26 countries in the Europe, CIS, Asia and North America region.

In 2023, the company expanded into two new countries: the UAE and Azerbaijan.





# Integrated management system

AsstrA's Quality Policy is essential for achieving and maintaining the company's vision for the future: AsstrA is a transport and logistics group of companies ranked among the TOP-10 European logistics providers on the basis of volumes of services provided. The Quality policy is aimed at improving business sustainability by respecting the vital interests of customers and other stakeholders.

The company has a certified Quality Management System, Environmental Management System and Occupational Health and Safety Management System (ISO 9001/ ISO 14001 / ISO 45001). Moreover, AsstrA holds ISO 28000, ISO 22000, certificates mentioning compliance with GDP, SQAS reports and other essential certificates compliance with norms and sustainable business conduct.

In addition AsstrA respects legal norms in all the countries of presence. In 2023 no significant cases of law violations were registered and no significant fines were paid. Only a few cases that existed were related to minor disputes tied to the financial regulator.

In regard to staff, AsstrA has implemented the development of staff potential in accordance with the current objectives of the company, consistent and continuous improvement of the professional qualifications of all personnel.

- Use of methods of motivation to enhance the creative activity of personnel, as the main source of creating added value and innovation;
- Formation of customer-oriented corporate culture. Development of a sense of responsibility for quality based on Total Quality Management (TQM) principles.

In regard to society as a whole AsstrA has implemented a Quality management system as per:

- Conducting activities in accordance with the requirements of legislation in the countries of AsstrA presence and other applicable requirements;
- Working and living without compromising the environment and human health. Conservation of natural resources for future generations. General training of personnel in competent ecological and safe behavior;
- Reducing the level of environmental pollution;
- Maintenance of healthy and safe working conditions for people.





# Integrated management system

To achieve the goals in the field of quality, the corporate integrated management system (CI MS) has been introduced and is constantly improving; the system meets:

International and industry standards:



AsstrA other regulatory and legal requirements applicable to the AsstrA activities;

Mutually agreed customers' requirements;

Requirements of the policies connected with the present policy in the field of:

- supply chain security management;
- relations with customers;
- relations with suppliers;
- relations with staff;
- legal support of business;
- risk management;
- information technologies;
- information security.





# Reporting history, scope and restatements?

AsstrA-Associated Traffic AG has been issuing sustainability reports since 2022. 2022 Sustainability report includes information about the company under the three pillars of ESG: Environmental, Social, Economic.

The 2022 report included a report on KPIs for the ESG Strategy 2030 targets, as the ESG Strategy 2030 set KPIs for 2022-2024 as part of the company's planning cycle.

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CO<sub>2</sub>e reporting was done in accordance with the GLEC framework by using the Green Router tool to calculate emissions. In 2022 AsstrA-Associated AG reported Scope 3 emissions (WtW, TtW, absolute, intensity and all types of transport).

The report provides an overview of the main developments within ESG including EcoVadis performance indicators and the main developments happening at AsstrA throughout 2022.





# Reporting history, scope and restatements

The 2023 report includes no restatements of the information provided in the 2022 report.

The 2023 ESG report includes EcoVadis scoring with a Silver medal obtained (Score 60/100). This instrument for scoring sustainability progress in organizations was chosen by Quality and Safety Management Division and approved by Top Management. Every year Quality and Safety team and Sustainability Manager altogether submit the necessary documents and report achievements to EcoVadis for further processing.

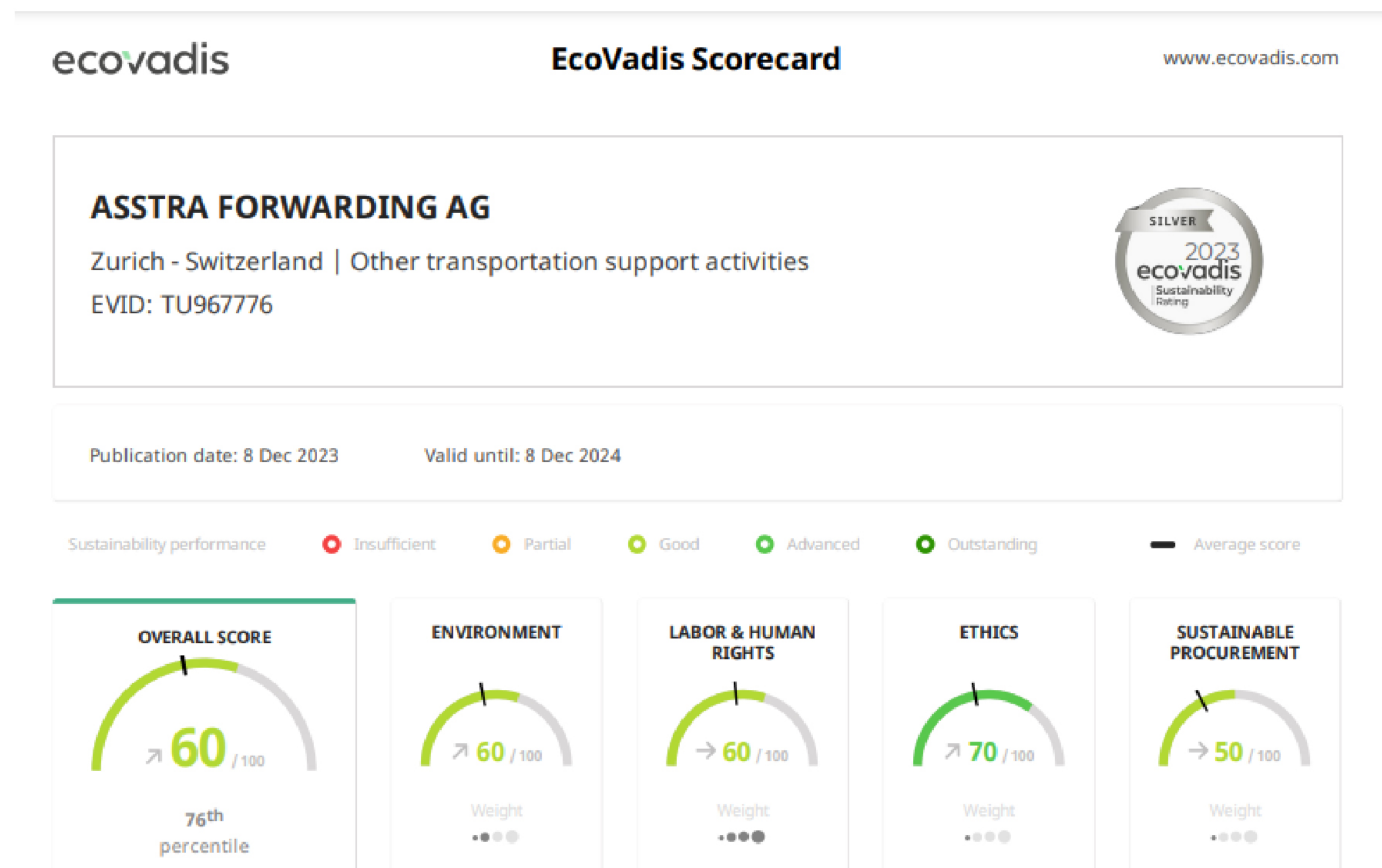


2023 reporting period for the present ESG report is 01.01.2023–31.12.2023

Sustainability information for the 2023 report is provided using GRI standards and supplementary information available at the company level and CO2e reporting in accordance with EN 16258 (Green Router platform). No external assurance of this ESG report was made for the 2023 report:

- GRI reporting includes all mandatory information provided under GRI framework with material topics and additional metrics from GRI topic standards;
- CO2e reporting (Scope 3, WtW, TtW, intensity and absolute emissions) in accordance with EN 16258 by the Green Router platform.

Moreover, Top management undertakes control over sustainability progress on a monthly basis taking into account reports from Sustainability Manager. A process to identify additional external assurance for forthcoming ESG report 2023 is on the way and would be discussed within 2024 alongside the adoption of a new ESG Strategy for 2025-2027.





# 2023 ESG performance and achievements

## Environmental



30% absolute CO2e emission reduced (vs 2021). Scope 3



13% WtW intensity reduction (vs 2021). Scope 3

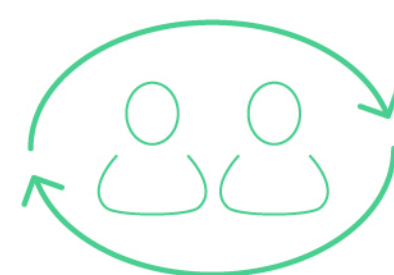


Decarbonization solutions as HVO, BIO LNG and Electric trucks

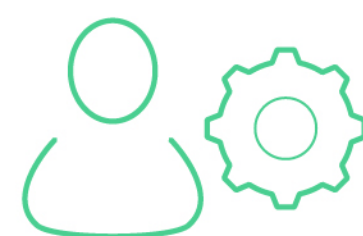


Empty trips for our Dedicated fleet trucks in EU – below 11%

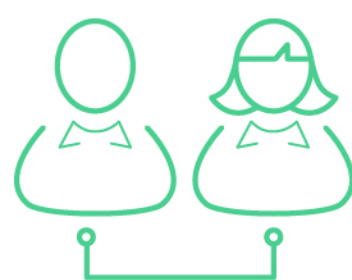
## Social



Employees turnover decreased by 10,94% (vs. 2022)



Employees' engagement increased by 2,3% (vs. 2022)



65 % FTEs are women, 43% women in top management, 35% women in management board, 56% of managers are women

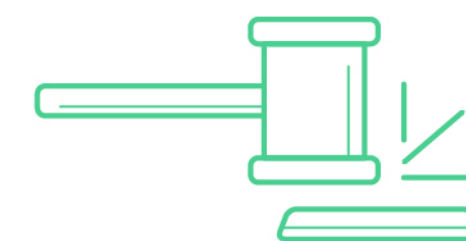


86% of Top management are aged 30-50, 76% of management board are aged 30-50 years



87,65% learning efficiency

## Governance



New tender system launched



NPS index of loyal clients 83%



Increased rail and sea products' share

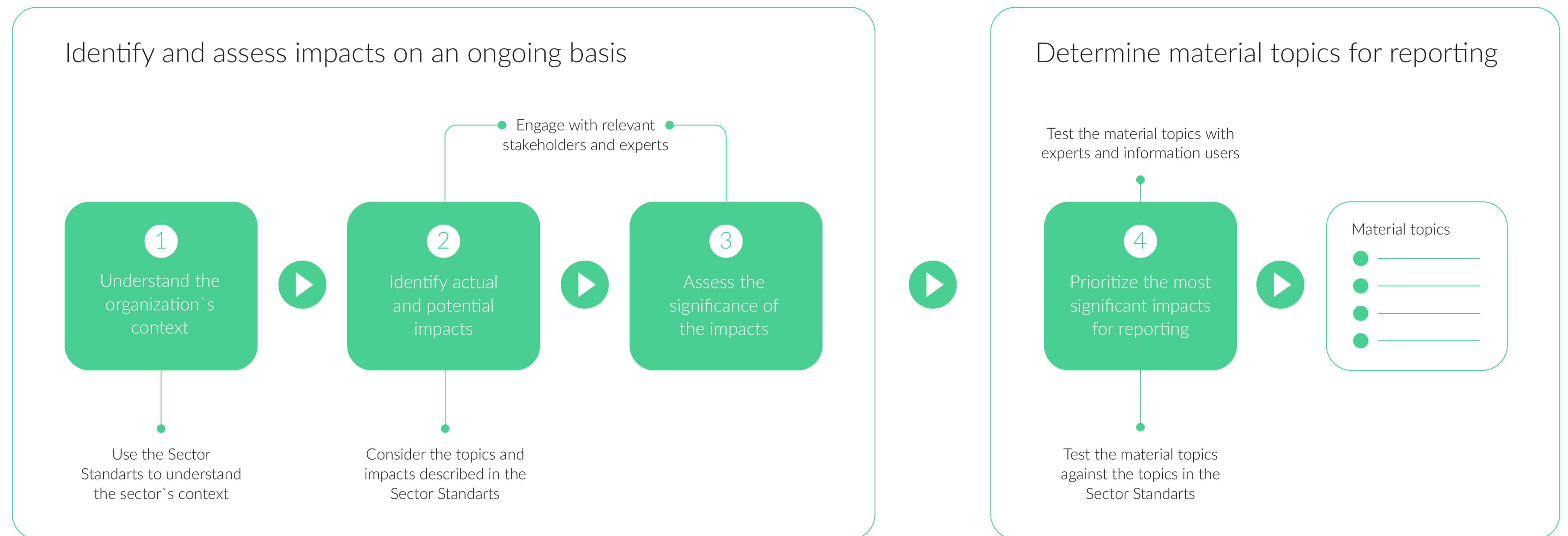


# Materiality analysis and material topics

In 2022, while preparing our first ESG strategy for the period up to 2030, we defined the most important KPIs in relation to our employees, clients, subcontractors and business in general.

The most important topics were determined in consultation with the companies' managers, employees, and through an annual customer expectations/concerns analysis. At the end of 2023, KPIs were supplemented a materiality analysis which included material topics.

They originated from the companies' overall strategy up to 2030, ESG strategy and ESG KPIs. Each material topic has its importance which is determined on a three-point scale: ● – important, ●● - very important, ●●● - extremely important. Moreover, each of it is divided by the type of impact: actual positive, actual negative, potential positive, potential negative.





# Materiality analysis and material topics

Impact category	Type of impact	Impact description	Significance	Level	Activities and stakeholders involved
ESG framework and its integration into business	Actual positive	Establishment of Sustainable development manager position / ESG committee	<div><div></div><div></div><div></div></div>	Systemic	Activities guided by Sustainable Development manager and middle/top management providing inclusion of ESG framework into company's general strategy and its support
	Potential positive	ESG policy guidance and consulting	<div><div></div><div></div></div>	Systemic	
Green services supply and energy transition	Actual positive	Intermodal services expansion	<div><div></div><div></div></div>	Systemic	Plans and KPIs devoted to modal shift, sustainable fuels, electrification and decarbonization in general
	Potential positive	Sustainable fuels services supply	<div><div></div></div>	Localized	
	Potential positive	Electrified transport and electrification	<div><div></div></div>	Localized	
	Actual positive	Wise planning and minimization of empty mileage	<div><div></div><div></div></div>	Systemic	
	Potential positive	Alternative solutions for decarbonization	<div><div></div></div>	Localized	
	Potential positive	CO2e compensation system	<div><div></div></div>	Systemic	
	Potential positive	Unwillingness of clients to buy environmental services in the nearest future due to legislation issues, high prices etc.	<div><div></div><div></div><div></div></div>	Systemic	
Reporting and data availability in relation to ESG	Actual positive	CO2e reports	<div><div></div><div></div></div>	Systemic	Internal and external reporting using world recognized standards
	Actual positive	ESG reports	<div><div></div><div></div></div>	Systemic	
Comfortable, safe and healthy environment for employees	Actual positive	Equal treatment of employees in respect of race/sex/religion/language and other diversity issues	<div><div></div><div></div><div></div></div>	Systemic	HR activities devoted to satisfaction of employees and equal treatment
	Actual positive	Promoting sport activities and actively taking part in them	<div><div></div></div>	Localized	
	Actual positive	Loyalty and satisfaction level of employees (eNPS) and other satisfaction metrics	<div><div></div><div></div></div>	Systemic	
HR management	Actual positive	Employees turnover decrease	<div><div></div><div></div><div></div></div>	Systemic	HR duties devoted to employees development and retention
	Actual positive	Training and development initiatives' growth	<div><div></div><div></div></div>	Systemic	
	Actual positive	Job fairs, internships and other initiatives	<div><div></div></div>	Localized	
Sustainable business development and economic growth	Actual positive	Rise of tender clients	<div><div></div><div></div><div></div></div>	Systemic	Ensuring smooth and effective cooperation in between different units within company resulting in sustainable business growth
	Actual positive	Nominated / quoted efficiency rise	<div><div></div><div></div></div>	Systemic	
	Actual positive	Sales growth (turnover) % rise	<div><div></div><div></div><div></div></div>	Systemic	
	Actual positive	Net earnings	<div><div></div><div></div><div></div></div>	Systemic	
	Actual positive	NPS index of loyal customers (improvement)	<div><div></div><div></div><div></div></div>	Systemic	Actions devoted to effective understanding and fulfillment of customers' needs
Customer centricity and satisfaction	Actual negative	Customers' dissatisfaction with services provided what could impact on our reputation	<div><div></div><div></div><div></div></div>	Systemic	Actions devoted to effective understanding and fulfillment of customers' needs
	Potential negative	Developing solutions what could not be in line with customers' satisfaction	<div><div></div><div></div><div></div></div>	Systemic	
	Actual positive	Principle of one window approach to serve clients	<div><div></div><div></div></div>	Systemic	



# Sustainability policy

AsstrA treats sustainability as one of the most important topics for the whole organization. Since 2022, we have reinvented our approach to sustainability across the whole company which now includes a comprehensive approach to the three pillars of sustainability. Starting from planning to execution we have already made first successes:

- We have successfully switched shipments from FTL to intermodal;
- New services such as HVO and BIO LNG have appeared and were proposed throughout 2023 to our clients.

Our sustainability strategy until 2030 includes 7 Sustainable Development Goals which would be our driving principles for the next years. Each of these aims has its specific objectives and is within a double materiality matrix.



« Having already made many positive things in 2023 we plan to develop our sustainable approach to our business further.

Serving our customers with high quality services, we will be concentrating in 2024 on the following points:

- Every employee as the most important part of our business;
- Environmental protection and CO2e reduction targets including eco-friendly solutions;
- Transparency and business optimization.

Finally, we have already planned to develop in 2024 our strategy for the 2025-2027 planning cycle. It means that our business will approach environmental and social direction with even greater attention than before. With a new and much more sustainable vision.



# Sustainability committee

In May 2022, AsstrA appointed Sustainable Development Manager who is responsible for:



ESG strategy  
and devoted KPIs



Environmental  
protection policy



ESG and CO2e  
reports



Green solutions  
for the supply chain

Sustainable Development Manager directly reports to Business Development Director who later on reports to CEO.

## Sustainability committee in 2023 at AsstrA was comprised of 5 people:



Dmitri Krölov

Sustainable Development Manager

Manages ESG strategy and decarbonization progress at the company, is responsible for the overall ESG progress and decarbonization products development.



Vladislav Lagun

Chief Commercial Officer

Responsible for the main issues related to expenditures on ESG and advising on ESG practices and strategic vision towards ESG and decarbonization for business.



Andrei Lenevich

Business Development Director

Consulting on Business Development Department's vision on ESG and main points to concentrate on.



Natalia Iwanowa-Kolakowska

Deputy Director of EU Region Countries

Number one contact person when it comes to the operational part, interaction with the operations department on development and testing of green solutions in EU countries region.



Vladislav Alejnikov

Head of Quality and Safety Management Division

Interacting within the framework of HSEQ and complying with ethical standards. He also collects feedback on the fulfilment of customer KPIs, ISO certifications, and other quality measures.



# Sustainability committee

« The ESG Policy composition, the most important goals within the ESG framework, its major changes and progress are reviewed and accepted by the Board of Directors as the highest responsible body for such changes.

During 2023 no Board of Directors sessions were devoted to ESG and no decisions were made in relation to it. Minor changes were proposed by Sustainable Development Manager when it comes to specific KPIs and their management for 2024.

Sustainable development manager and the ESG group throughout 2023 were involved into the next activities, projects and discussions:

- ESG strategy, its progress and reporting;
- CO2e reporting and its adjustment to customers' needs and new GLEC framework;
- Elaboration and proposal to customers: sustainable fuels, electric trucks, intermodal shift;
- New regulation in the European Union such as CSRD, CBAM, RED, EU ETS and others;
- Audits and external verifications by our partners and scoring platforms;
- Cooperation schemes, technologies and projects;
- Consultations to internal and external stakeholders alongside with workshops and training modules.

It should be noted that the highest governance body at AsstrA plays an important role in shaping the ESG strategy, approving material topic and giving the “green light” to every ESG report before its publication.





# Business

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# Business Development Director's word

As part of our 2022-2024 strategic plan, we made significant progress in 2023 despite a challenging external environment. We intensified our efforts to diversify and focus on high-potential areas, leading to the opening of new offices in Azerbaijan and the UAE. The company also strengthened its presence in established markets such as Europe, Turkey, China, Central Asia, and the US. In 2023, we increased our involvement in sustainability and green solutions, launching our first intermodal transport service in Europe. Our team remains dedicated to expanding our global ocean freight and project logistics operations.

Facing declining margins and stagnation in key markets, our primary objectives for 2024 include enhancing staff efficiency, forging long-term partnerships with customers and suppliers, developing new services and logistics products, and leveraging new technologies, particularly big data, to improve information management.

According to our annual employee satisfaction survey, the ENPS score increased to 19% (up from 17% in 2022), reflecting growing employee trust and the success of management's efforts to create a safe and promising work environment at AsstrA. We have begun to systematically enhance our corporate culture, including updating our corporate values, establishing acceptable behavior models, and improving internal communication to ensure timely feedback from staff.

2024 marks the year of strategy development for the upcoming 2025-2027 cycle, moving us closer to our long-term goals and vision. AsstrA will continue to prioritize providing door-to-door solutions, improving the quality and safety of our services, expanding our global network, and seeking out the most promising opportunities in the logistics sector, including the adoption of advanced technologies and innovations.

**Andrej Lenevich**

Business Development Director



AsstrA will continue to focus on providing door-to-door solutions for our customers, improving the quality and safety of our services, expanding our network worldwide, as well as constantly looking for the most promising areas of development in the logistics sector, including the use of advanced technologies and innovations.



# Material topics & progress

Impact category	Impact description	Progress 2023	Goal for the next years	SDGs
ESG framework and its integration into business	Establishment of Sustainable development manager position / ESG committee.	Sustainable Development Manager's position and ESG committee established in 2022 and were successfully working throughout 2023 performing its duties	Extension of ESG committee and its functions and covering new dimensions (especially within social context)	   
	ESG policy guidance and consulting	Providing internal and external consultations to stakeholders regarding: ESG, Green services and decarbonization, CO2e reports, European directives.	Further work in this direction, providing customers with transparent and reliable ESG information	
Green services supply and energy transition	Intermodal services expansion	Rail – 9 % rise  Sea – 10 428 TEUs rise Overall expansion in intermodal offer by AsstrA	Share increase of rail transportation: rail – 10% in company's overall traffic in 2024  Share increase of maritime transport according to the strategy: 220KTU for 2021-2024 - 25% of traffic in the company's total traffic by 2024	      
	Sustainable fuels services supply	Started to offer HVO for our clients	Sustainable fuels expansion portfolio – BIO LNG and other options	
	Electrified transport and electrification	Understanding CAPEX and OPEX, first tryouts with clients	Demo tryouts, clients' proposal, service usage	
	Wise planning and minimization of empty mileage	0,8% minimization of empty trips for contracted vehicles. 2023 – 10,6% of empty trips (last 7 months of the year included as after optimization of contracted fleet units)	Trying to achieve 10% of empty trips for our dedicated fleet trucks in 2024 (EU)	
	Alternative solutions for decarbonization	Carbon insetting – new service for our clients	Expanding service portfolio to new services	
	CO2e compensation system	Not inclined as first of all OTM improvements has to be done	CO2e compensation system as a plan to implement after 2024	
Reporting and data availability in relation to ESG	CO2e reports	CO2e reports are available for every stakeholder of company / annual CO2e reports are made with full scope pf information	Reports aligned with new EN and GLEC standards and OTM improvements	
	ESG reports	At the moment 2022 report is available. Report for 2023 is the second one	Prepare ESG report for 2024	
Comfortable, safe and healthy environment for employees	Equal treatment of employees in respect of race / sex / religion / language and other diversity issues	High level of recognition from EcoVadis on ethics issues	A policy on Equal treatment of employees in respect of race / sex / religion / language and other diversity issues	     
	Promoting sport activities and actively taking part in them	AsstrA traditionally takes part in many sport events. Number of events depends on the country where AsstrA is represented	Continue in this direction	



# Material topics & progress

Impact category	Impact description	Progress 2023	Goal for the next years	SDGs
Comfortable, safe and healthy environment for employees	Loyalty and satisfaction level of employees (eNPS) and other satisfaction metrics	2,3% increase in eNPS in comparison with 2022	Further development in this direction	<div> <div>3</div> <div>BETTER HEALTH AND WELL-BEING</div> </div> <div> <div>4</div> <div>QUALITY EDUCATION</div> </div> <div> <div>5</div> <div>GENDER EQUALITY</div> </div> <div> <div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div> </div> <div> <div>12</div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div> </div> <div> <div>13</div> <div>CLIMATE ACTION</div> </div>



# Sustainable business conduct

## Due diligence and respect for human rights

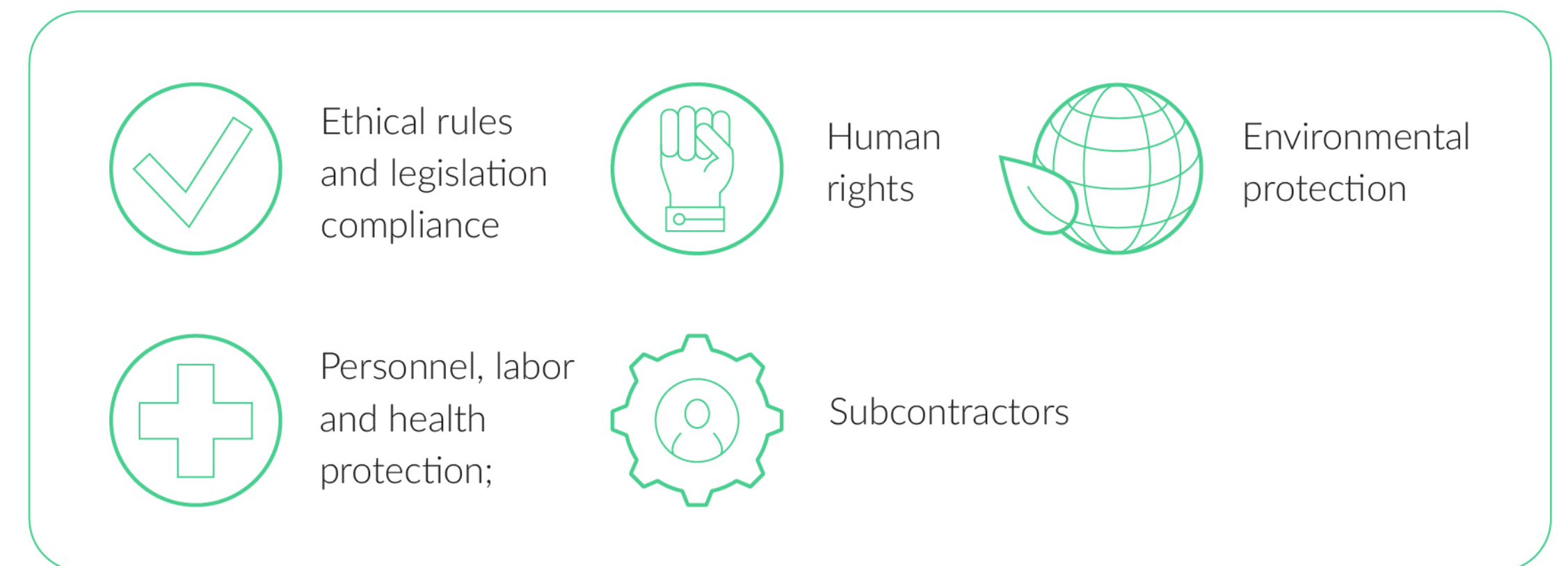
Our ESG strategy and other documents related to it include a due diligence procedure giving us concrete steps in how to deal with unsustainable practices that our business could encounter and how to avoid them. These principles exist at all levels at AsstrA including the most senior ones too. Our documents include globally recognized statements such as, for instance, International labor organization's convention 138 mentioning minimal age for employment and others.

AsstrA group of companies, represented by the Board of Directors in accordance with the Mission and Vision of the company, taking into account the AsstrA Development Strategy to 2030 and based on the principles of:

- Balance between the economy and the public interest;
- Ethics and strict compliance with legislation;
- Social responsibility of businesses;
- Responsibility for the environmental impact of its activities;
- Continuous improvement and sustainable development are long-term activities of the company.

Commitments that we have at AsstrA are closely linked to the respect for human rights and vulnerable groups that we have at our company. Such commitments are an important part of many of AsstrA's documents and processes.

One of the best examples is Code of Business Conduct of AsstrA group – requirements for suppliers which describe the process of how suppliers for AsstrA have to be chosen and covers topics such as:



There are trainings at the company devoted to the respect for human rights, a due diligence process and other information which provide every employee with comprehensive knowledge of responsible business conduct.

Finally, Policy commitments are transmitted to all employees and other stakeholders through internal news portals, through external mass media and could be downloaded from a specially devoted place in the system which provides access to all instructions and commitments at every moment.

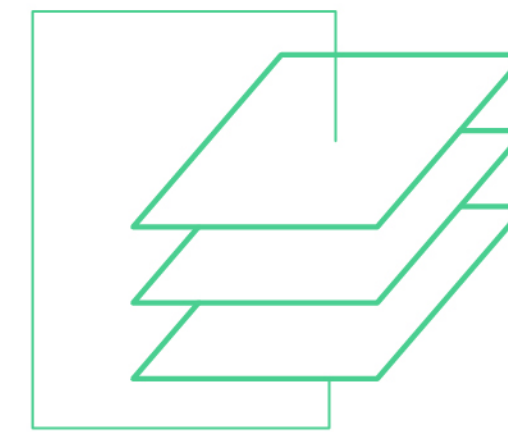


# Embedding Policy commitments

Policy commitments regulating sustainable business conduct at AsstrA are:



Universal for every department in the company



Exist at all levels



Mandatory to follow for every employee

Sustainable business conduct at AsstrA was firstly delivered by AsstrA's main charter, including AsstrA's mission, vision and motto of the company.

« AsstrA's mission statement was to be a perfect partner in logistics for all those working for the development and prosperity of society and the environment<sup>3</sup>.

Sustainable business conduct concept was further developed and expanded in such documents as Ethics policy, ESG strategy, HR documents regulating employment and business routines, strategies for short- and long- term planning cycles. The operational and business strategy of every department at the company includes statements of sustainable business conduct and sustainable business practices.

« Our vision in 2023 was to be one of the TOP 10 LSP (Logistics Service Provider) in Europe in turnover<sup>3</sup>.

The employees of AsstrA company depending on their role at the company had comprehensive training on sustainable business conduct including knowledge of sustainable procurement processes, due diligence and mitigation principles.

<sup>3</sup>Vision and mission are reinvented in 2024.



# Governance structure

## Board of Directors

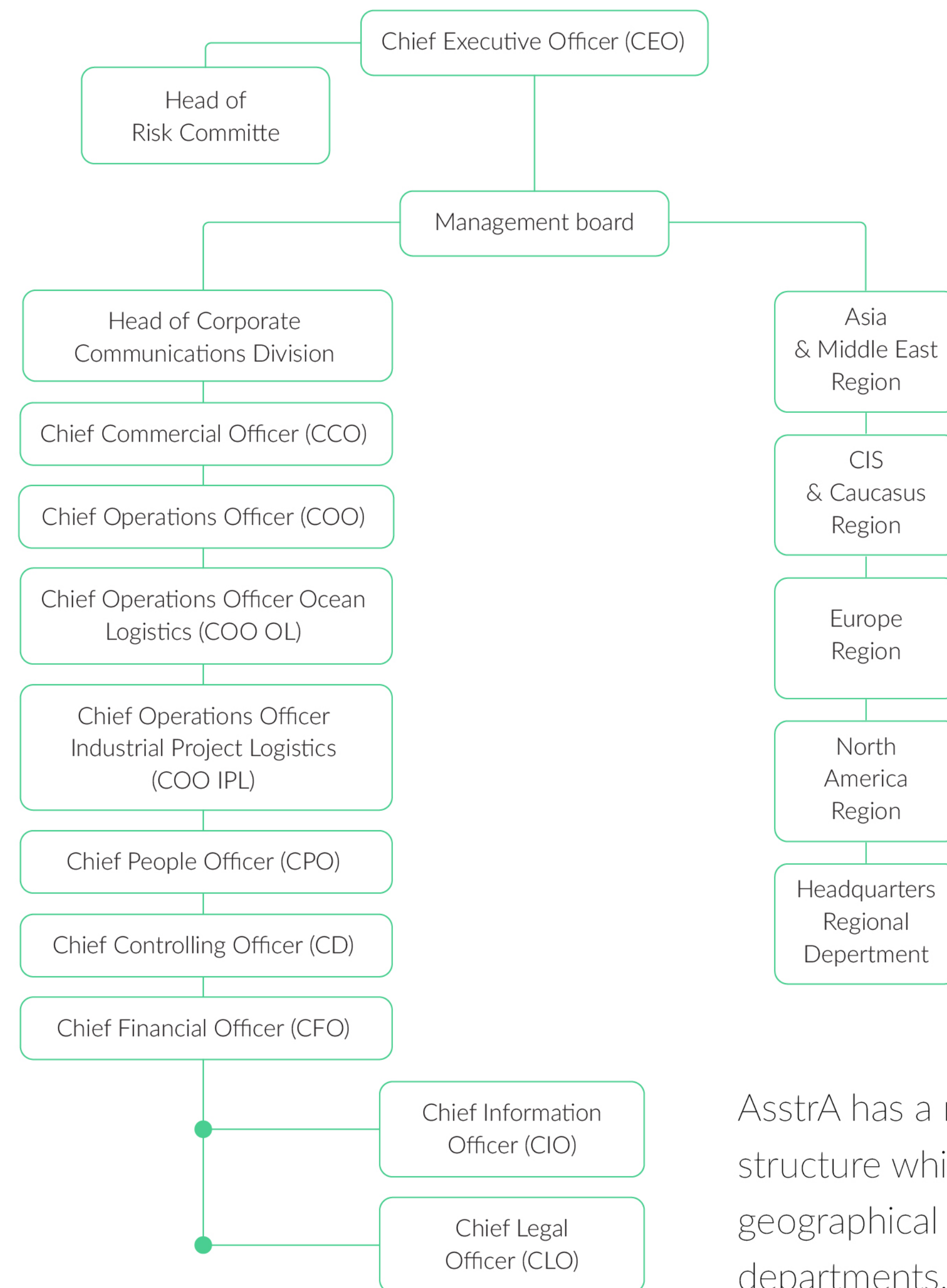
The main strategic decisions at the company are made by the Board of Directors, and Management Board is responsible for strategies review and their implementation.

The Board of Directors (BoD) operates in accordance with the regulations of the Swiss Confederation and other internal company documents as they relate to the activities of the Board of Directors, as approved by the General Meeting of Shareholders (GMS).

The Board of Directors is a permanent collegial governing body of AsstrA, responsible for the management of its activities, with the exception of matters reserved for the competence of the General Meeting of Shareholders.

The Board of Directors is accountable to the General Meeting of Shareholders of the company. Information on the work of the Board of Directors is presented to shareholders at the Annual General Meeting in the form of a report by the Chairman of the Board of Directors on the performance of the Board of Directors.

The Board of Directors is a strategic management body, whose main task is to provide overall management of the company, as well as supervisory and oversight functions. Its responsibilities primarily include critical management issues, such as defining strategy, investment and budget planning, defining the top-level management structure, establishing the management motivation and performance evaluation system, and overseeing the company's assets and the reliability and effectiveness of risk management, internal control, internal audit and corporate governance systems.



AsstrA has a matrix corporate structure which includes both geographical and functional departments.



# Board of Directors

Board of Directors in 2023 had 4 standing committees which play complementary role to BoD meetings. They were:



Investment and strategic planning committee



Risk committee



Appointments and remuneration committee



KYC (know your customers) committee

Members of the Board of Directors are elected by the General Meeting of Shareholders according to the procedure stipulated in these Regulations and the Regulations on the General Meeting of Shareholders, for a term until the next Annual General Meeting of Shareholders. Persons elected to the Board of Directors may be re-elected an unlimited number of times. By decision of the General Meeting of Shareholders, the powers of all members of the Board of Directors may be terminated prematurely

The company's shareholders, who own at least 2 blocks of shares, have the right to nominate candidates to the Board of Directors at least 2 weeks before the date of the Annual General Meeting. Proposals for nomination shall be made to the Corporate Secretary, indicating the candidate's name, arguments in favor of the candidate, information on the position held at the time of nomination, and other information that may influence the candidate's performance of the relevant duties. At the same time, both current and new members of the BoD are allowed to be nominated as candidates.

Based on the proposals received, the Corporate Secretary draws up a list of candidates to be put to a vote on the election of members of the Board of Directors. Based on the approved model of competence for a BoD member, the Corporate Secretary prepares a questionnaire, which, together with a CV for each candidate, is sent to shareholders for evaluation.

The Corporate Secretary sends the results of the assessment to shareholders on the eve of the General Meeting of Shareholders. The results of the evaluation are not a determining factor in selecting the members of the Board of Directors; however, they are considered and taken into account by shareholders when forming a new Board of Directors along with other criteria affecting selection.

The number of shares held by each shareholder is taken into account when making the final decision on selecting the members of the Board of Directors. Shareholders with more than 80% of shares have the right to approve 8 members of the Board of Directors, shareholders with >5%<10% of shares have the right to nominate one candidate from among those who participated in the evaluation procedure, and minority shareholders with <5% of shares have the right to collectively nominate only one common candidate from among those who participated in the evaluation procedure.

The selection should take into account the priority characteristics of the candidates. It is recommended to distribute your votes among the listed candidates for the Board of Directors based on the extent to which they meet the criteria in the AsstrA Board Member Competency Framework. It is recommended to vote "for" those candidates to the Board of Directors whose professional, personal and other characteristics best meet the requirements defined in this document.



# Board of Directors

The Corporate Secretary of the Board of Directors ensures that newly elected members of the Board of Directors are "inducted", have meetings and familiarize themselves with the current operating procedures of the Board of Directors, the organizational structure, internal AsstrA documents, its strategy, the distribution of responsibilities between the management bodies of the company, and provide other information relevant to the proper performance of their duties by members of the Board of Directors.

## Main responsibilities of the BoD are:

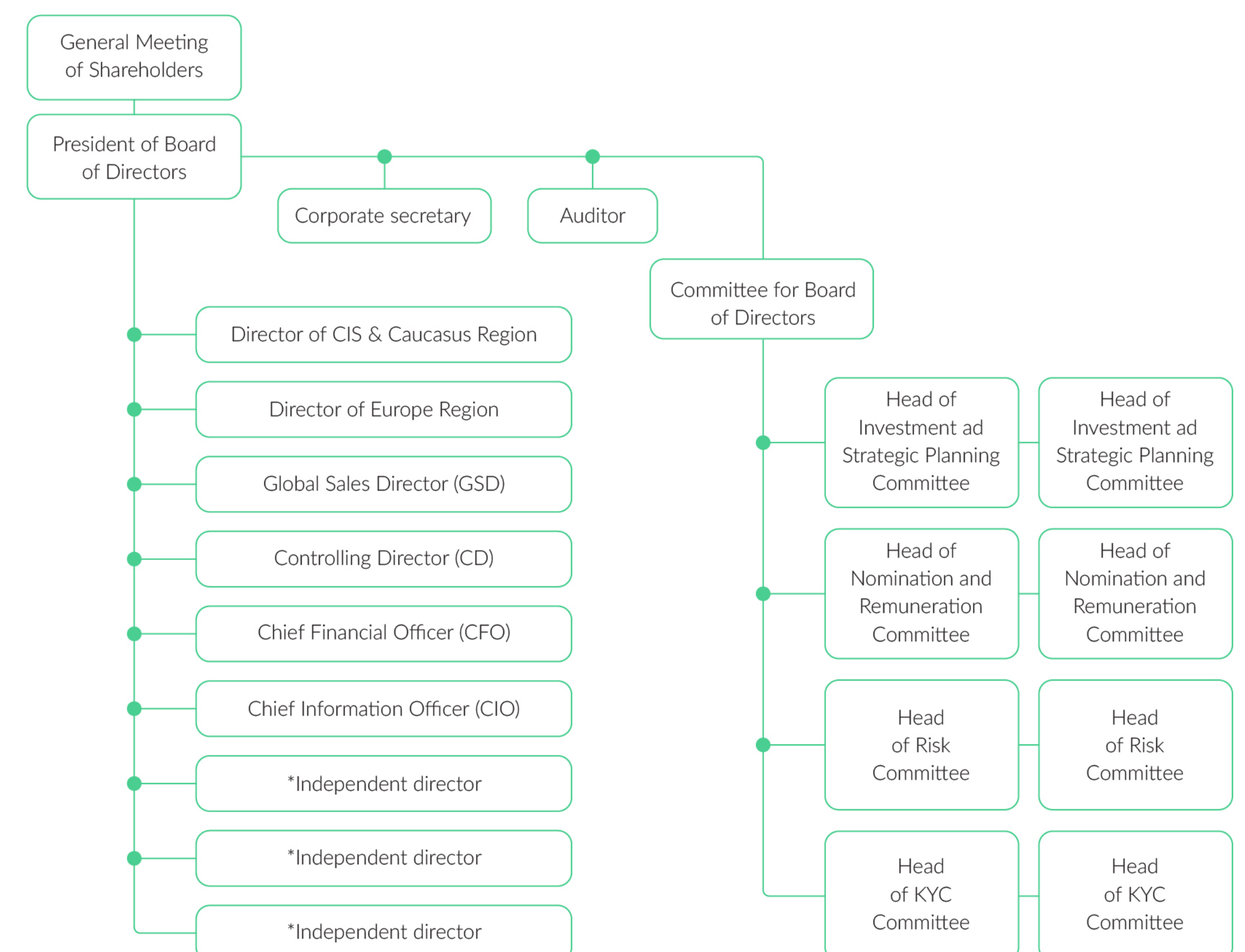
- Appointing the AsstrA CEO, defining his/her tasks, responsibilities and duties, and concluding a contract with him/her, including a system for motivating the CEO;
- Approval of the top-level management structure of the company developed by the CEO of the company, control over the management of the activities of the AsstrA structural units, coordination of activities;
- Establishing branches and opening representative offices;
- Developing and approving the company's core values, mission, vision and their implementation;
- Defining principles and approaches to the organization of the risk management and internal control system at AsstrA, approving the Risk Management Policy, ensuring the objectivity of the company's financial statements, including external audits;
- Development and approval of a system of regulations on the structure and profitability of the use of capital and the principles of its allocation within the company;
- Regulatory enforcement;
- Review of innovative proposals; and others.

ESG at AsstrA is a strategic initiative which has its mid- and long-term aims. All revisions of ESG policy, specific KPIs and other metrics are a matter of Board of Directors acceptance.

If there is a need for immediate actions which are not strategic and do not require any additional financing – all approvals are made by the Sustainable Development Manager in consultation with the ESG working group.

Highest governing body having information on Sustainable Development and ESG progress at the company through monthly reports, on request communication in important cases and annual ESG reports.

The Board of Directors is involved in ESG shaping and has all the needed qualifications and knowledge within ESG and sustainability topics.





# President of the Board of Directors

The President of the Board of Directors (BoD) shall be elected at the GMS from among the members of the Board of Directors.

## Responsibilities of the president of the BoD:

- Organize and ensure the efficient operation of the Board of Directors and its committees, including initiating the nomination of Board members to its committees on the basis of their professional and personal qualities and proposing Board members to form committees;
- Plan the work of the Board of Directors: determine the frequency and duration of meetings, set the rules for preparing questions for them and set the agenda;
- Preside over the meetings of the Board of Directors and ensure that the procedure for AsstrA the meetings of the Board of Directors is observed;
- Ensure the free discussion of agenda points;
- Sign the minutes of the meeting of the Board of Directors;
- Participate in the preparation and running of the GMS;
- Participate in monitoring compliance with the law and protecting shareholder interests in the company's operations;
- Provide the following information to the DMS:
  - Adjusted annual balance sheet and profit and loss statement of the company;
  - General information on the situation and prospects;
  - A report on the BoD's non-legislative duties under Article 707 of the Swiss Confederation Binding Law;
  - Information on the strategic planning and management results of the company;
  - Information on the long-term financial planning of the company;
  - Calculation of the value of the company;
- Participation in other businesses;
- Other materials that may affect the value of the company.

In the absence of the President of the Board of Directors, when an urgent decision is required, the Vice President of the Board of Directors organizes the meetings of the Board of Directors, chairs the meeting and signs the minutes of the meeting. The Vice President is elected by the members of the Board of Directors from among them, by a majority vote of the total number of members of the Board of Directors.

In 2023 the president of the BoD was at the same time CEO of AsstrA Associated AG playing role of the general manager. There is no document at AsstrA which regulates conflicts of interest which could arise from taking simultaneously two positions as CEO and BoD's president. For 2024 it is already planned to have two different persons for the position CEO and BoD's Chairman.

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The Chairman of the Board of Directors shall plan the work of the Board of Directors with the support of the Corporate Secretary. Preparations for Board meetings are made by the Corporate Secretary. The Board meets at least once a quarter.

Meetings of the Board of Directors are held in accordance with the approved Work Plan of the Board of Directors and as necessary. The work plan of the Board of Directors is prepared by the Corporate Secretary based on proposals of the Chairman and members of the Board of Directors. The plan is prepared for twelve months and is approved by the Chairman of the Board of Directors.

Members of the Board of Directors may participate in a meeting of the Board of Directors remotely, by means of electronic (telephone) communications, including through conference and/or video conferencing. Such participation of a member of the Board of Directors in a meeting of the Board of Directors shall be equated to his/her personal attendance.



# President of the Board of Directors

A draft agenda for a meeting shall be prepared by the Corporate Secretary in agreement with the Chairman of the Board of Directors 30 days before the meeting. Issues to be included on the agenda of the meeting are determined based on the initiative of the Chairman of the Board of Directors and proposals from the members of the Board of Directors. The agenda of the meeting is approved by the members of the Board of Directors by a majority vote at the beginning of the meeting. The Board of Directors will normally consider only those matters for which reports have been received by the secretary 5 working days before the date of the Board meeting and only those reports which have been received by the secretary 2 working days in advance. All reports and reports must be published in two languages, Russian and English. Comments and suggestions on the reports and accounts should be submitted to the Corporate Secretary before the date of the Board meeting. To ensure the accuracy of the translation, the materials developer himself/herself shall supervise the translation or he / she shall prepare the material in Russian and English. The Corporate Secretary shall supervise the preparation of materials on agenda items of meetings. Additional (unscheduled) items that may be brought forward by members of the Board of Directors are considered at meetings by majority decision. Adding items to the agenda or calling an extraordinary meeting may be initiated by the Chairman of the Board of Directors or at the request of a member of the Board of Directors.

Notice of the meeting shall be sent to each member of the Board of Directors by letter at least 30 days before the date of the meeting. The notice shall contain:



The date, place and time of the meeting



The agenda of the meeting



The form of the meeting

The communication shall be accompanied by all necessary materials relating to the agenda of the meeting. The Board of Directors may invite third parties to participate in a meeting, including persons directly involved in the preparation of materials (projects) on the agenda of the meeting.

Invited persons shall be entitled to participate in the discussion, make proposals, and express their expert opinion on the substance of the issues under discussion without the right to vote on the issue raised.

Decisions of the Board of Directors are made by a majority vote of the members of the Board of Directors attending the meeting. Each member of the Board of Directors has one vote at a meeting. No member of the Board of Directors may transfer his/her vote to another person, including another member of the Board of Directors. In the event of a tie vote, the President of the Board of Directors shall have the final decision.

A member of the Board of Directors has the right to formulate a dissenting opinion on certain issues in writing, which is attached to the minutes of the meeting. Decisions of the Board of Directors may be taken by absentee voting. The decision to hold a meeting in the form of an absentee vote shall be taken by the President of the Board of Directors. This decision shall determine the following:

- The agenda of the meeting;
- The form and text of the ballot paper;
- The list of materials to be provided to the members of the Board of Directors;
- Address and deadline date for the receipt of completed ballot papers.

Decisions made by the AsstrA Board of Directors by absentee voting, as well as the voting results, shall be communicated to the members of the Board of Directors by sending a copy of the meeting minutes by letter within three business days from the date of the minutes of the meeting of the Board of Directors.



# CEO

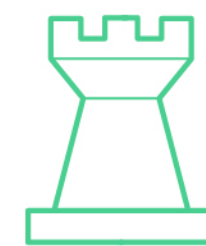
The Chief Executive Officer (CEO) is a key strategic role in the Company. The CEO provides strategic leadership, setting the strategic direction of the Company, ensuring operational excellence, managing risks and driving the company's success and growth in the dynamic and competitive logistics industry.

The CEO collaborates closely with the Board of Directors, Executive Team, stakeholders, and clients to achieve the company's goals.



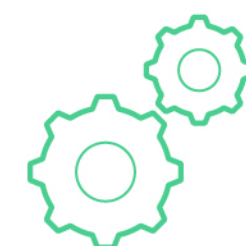
## Mission and Vision:

Create and communicate a compelling vision and mission for the Company. Set a clear direction for the company's growth, align strategies with the vision and mission and ensure that the Company's actions and decisions reflect its stated values. Leading and promoting the mission and vision, inspire and motivate employees, stakeholders, and the Company as a whole.



## Strategic Planning and Excellence:

Develop and execute the company's long-term strategic plans, aligning them with the overall vision and mission in collaboration with the executive team. Identify emerging market trends, evaluate new business opportunities, and make strategic decisions to drive growth and profitability.



## Operational Excellence:

Drive operational excellence by implementing best practices in logistics, supply chain management and customer service. Continuously evaluate operational processes, ensuring high-quality service delivery, cost optimization, and customer satisfaction. Conduct meetings with key carriers and key accounts to ensure effective collaboration as required. Communicate the strategy to all levels of the organization and align operational plans, processes, and resources accordingly. Ensure that the strategy is operationalized throughout the organization.



## Global Market Analysis:

Drives a comprehensive analysis of global market trends, including trade patterns, regulatory changes, and emerging markets. Stay updated on geopolitical developments and economic factors that may impact international logistics operations.



## Risk Management:

Identify and assess potential risks, both internal and external, that may impact the company's operations, reputation, or financial stability. Develop risk management strategies to address international logistics challenges, including geopolitical risks, customs and trade compliance, and supply chain disruptions. Ensure compliance with legal, regulatory, and industry standards. Continuously monitor risks, adapt strategies as needed, and communicate risk assessments and mitigation plans to stakeholders.



# CEO



## Public Relationships:

Represent the company as the face of the company in conferences, events, and other external engagements. Maintain strong company brand. Build positive relationships with key stakeholders and authorities. Enhance the company's reputation and brand visibility.



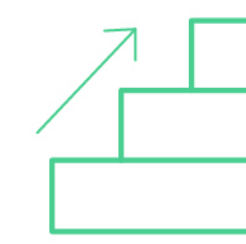
## Financial Excellence:

Drives profitability and creates value for stakeholders. Strategically manages the organization's finances, including planning, reporting, analysis, risk management, and stakeholder communication. Optimize financial performance and ensure. Monitors key financial metrics, manage costs, and drive profitability.



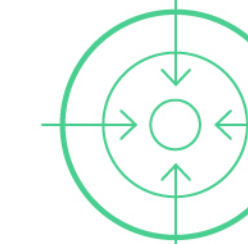
## Change management:

Leads organizational change initiatives to drive operational improvements and align with the vision and mission. Overcome resistance, inspire and motivate employees, and ensure that the necessary resources and support are in place. Ensure smooth transitions during periods of change.



## Continuous Improvement and Innovation:

Foster a culture of continuous improvement and innovation. Stay updated on industry trends and technological advancements. Drive innovation, automation initiatives and digital transformation of the business. Encourage to identify opportunities for process optimization, cost reduction, and service enhancement.



## Strategic Leadership:

Build and lead a diverse and culturally competent high-performing executive team capable of managing international operations. Fostering a culture of collaboration and innovation. Provide guidance, mentorship, and support to the team, promoting professional development. Encourage diversity and inclusion, and foster a culture of accountability and ethical behavior throughout the organization.

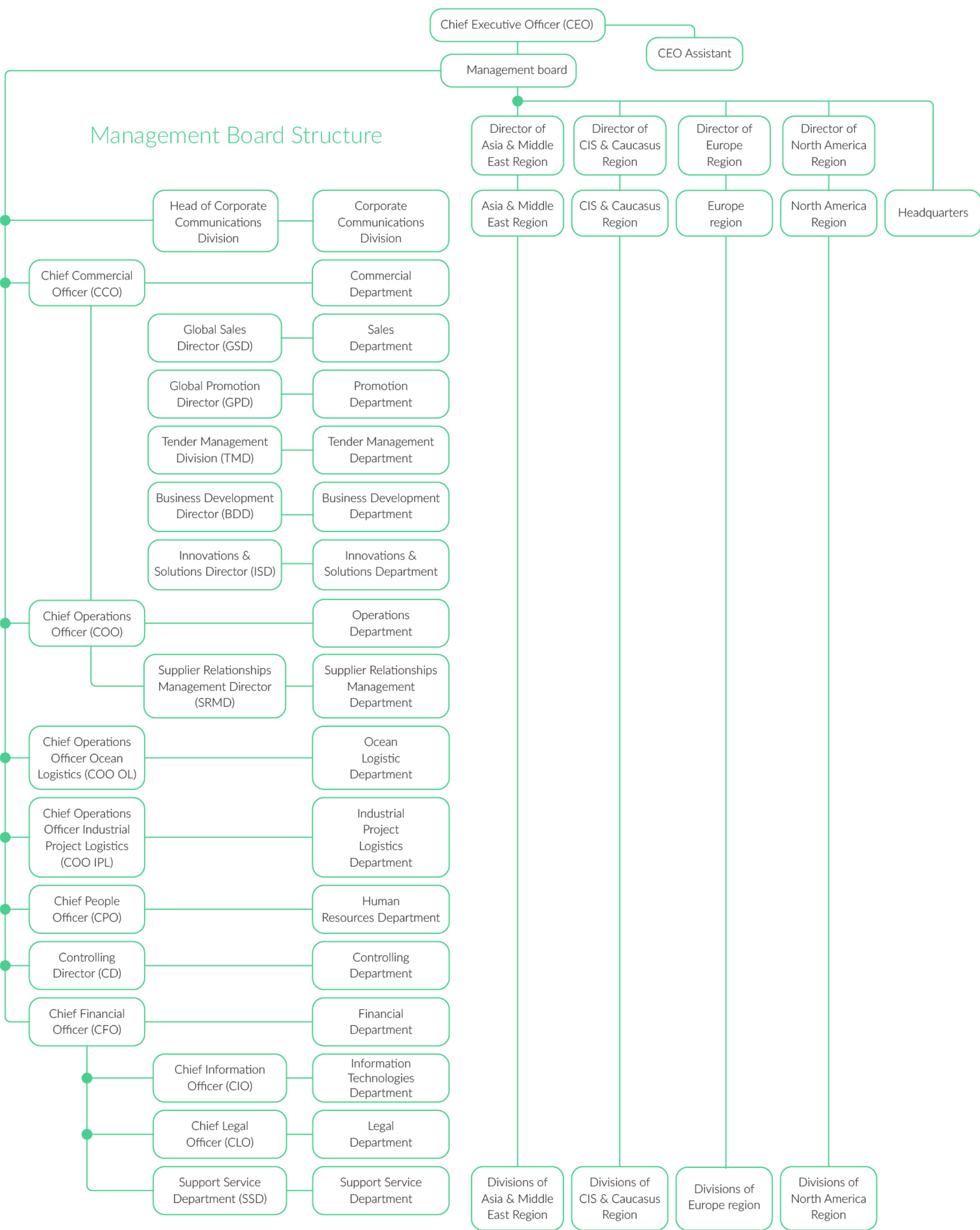
CEO's progress is tracked taking into account the KPIs mentioned below:

- Revenue growth: Achievement of annual revenue targets, gross margin, and return on investment (ROI);
- Value of company growth;
- Net earnings per full-time employee growth;
- Market share: transportation volume, market expansion;
- Net Promoter Score (NPS): assess customer loyalty and satisfaction by measuring the likelihood of customers recommending the company to others;
- Strategic Goal Achievement: achievement of strategic objectives, market position, and competitive advantage;
- Risk Management: risk mitigation success, incident response time, and compliance adherence;
- Employee Engagement: measure employee engagement levels, which can impact productivity, retention, and overall organizational performance. Level of involvement in the change process.



# Management board

In order to have constant performance reviews and undertake immediate actions there is a body named the Management Board which meets every 1-2 weeks.



## Management Board vs. Board of Directors responsibilities

### Board of directors

Strategic planning and direction: setting long-term goals, evaluating the company's strategic initiatives, and assessing potential business opportunities, adapting the strategy, and focusing on the year ahead.

Financial performance: reviewing financial reports, discussing financial strategies, and analyzing key performance indicators

Operational updates: reviewing operational performance, discussing efficiency measures, and addressing any operational challenges.

Risk management: identifying and addressing potential risks to the business, reviewing risk mitigation strategies, and ensuring compliance with regulations. Risks / Opportunities matrix

Investments and capital allocation: evaluating investment opportunities, considering capital allocation strategies, and reviewing major projects or acquisitions. M&A strategy.

Governance and compliance: discussing corporate governance matters, ensuring compliance with legal and regulatory requirements, and reviewing internal controls.

Executive management performance: assessing the performance of key executives, reviewing succession planning, and discussing talent development strategies.

Customer and market insights: understanding market and industry trends, assessing customer satisfaction, and reviewing competitive positioning.

Technology and innovation: discussing technology initiatives, evaluating digital transformation strategies, and exploring innovation opportunities.

Sustainability and corporate social responsibility: reviewing sustainability goals and initiatives, assessing environmental and social impact, and discussing ESG (Environmental, Social, and Governance) matters

### Management board

Overview and implementation of strategic initiatives: assessing the progress of strategic plans, evaluating the implementation of new initiatives and opportunities, addressing issues & obstacles.

Business performance review: analyzing the company's operational performance, reviewing key metrics, and discussing achievements or challenges.

Operational updates: reviewing departmental or functional performance, discussing operational efficiency, and addressing any operational challenges.

Risk management and compliance: identifying potential risks, reviewing risk mitigation strategies, and ensuring compliance with regulations. Risks / Opportunities matrix

Resource allocation: reviewing budget proposals, discussing resource allocation decisions, and prioritizing investments or cost-saving measures. M&A - assessment of progress and proposals for changing the strategy.

Project updates: reviewing the progress of key projects, discussing project timelines, and addressing any issues or risks.

Human resources and talent management: discussing talent acquisition and retention strategies, evaluating employee performance, and addressing workforce development needs.

Market analysis and competition: analyzing market trends, assessing competitive landscape, and discussing market positioning strategies.

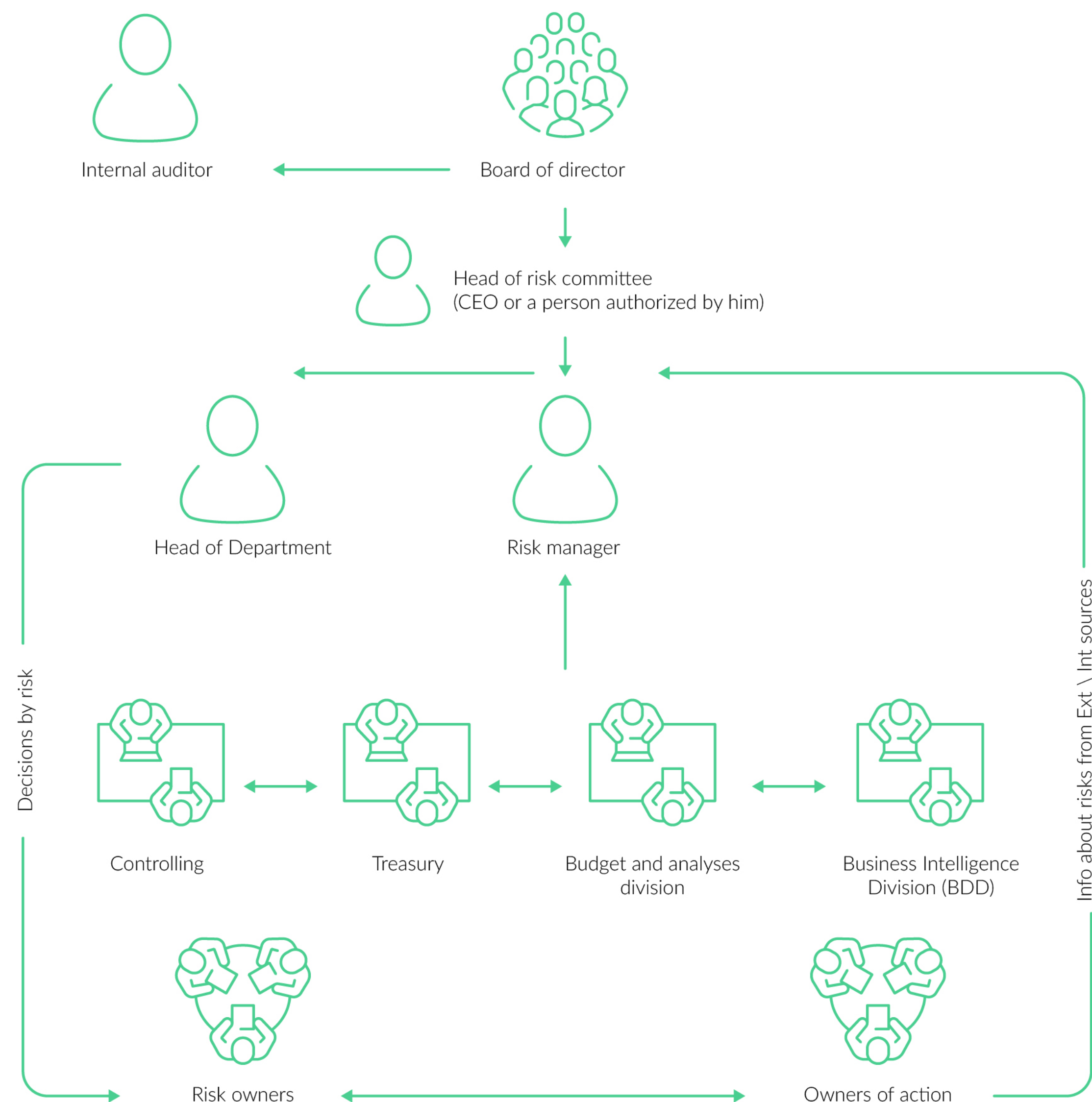
Sales and marketing updates: evaluating sales performance, discussing marketing strategies, and reviewing customer acquisition or retention efforts.

Technology and innovation updates: discussing technology initiatives, reviewing IT infrastructure, and exploring opportunities for innovation and digital transformation.



# Risk management

Risk management plays a significant role at a company allowing it to assess, be prepared or avoid significant risks for the business. The structure of risk management at a company works as follows.



In order to analyze the efficiency and effectiveness of the policy, the Risk Manager provides the following documentation for the BoD:

- AsstrA Significant Risk Map (annually, actualization – quarterly);
- Report on risk management (quarterly);
- Report on risk management for external auditors (on request).

Once a quarter, the Risk Manager analyzes the achievement of goals and plans of risk management procedures through the systematization of risk owners' reports. If during the analysis differences between fact and plan were discovered, the reasons for these differences were exposed, the situation was assessed, then the BoD generates appropriate managerial decisions:

- If non-fulfillment relates to changes in the external environment and tendencies inside the company itself, then decisions on the adjustment of the objectives, policy and other related procedures are made.
- If non-fulfillment relates to the poor organization of work by risk owners, then corrective (managerial) measures/actions are taken.

All decisions are registered in the form of an order document.

Alongside, the most important risks reported to BoD in 2023 were: Staff deficit, Loss of key customers' contracts, Conflicts, Lack of carrying capacity and others.

Risk manager and risk committee successfully performed their functions in 2023



# Participation, business development and negative effects remediation

AsstrA has longstanding mechanisms to remediate negative impacts that occur inside and outside of the company. There is a process which regulates complaints mechanisms, an existing committee which reviews every case and statistics on such cases.

Internally in 2023 there were no significant concerns raised. All complaints were raised on issues tied to personal misunderstanding between employees during fulfilling their duties. All of them were reviewed by the committee and remediation was executed.

Externally every customer could complain to AsstrA about issues such as:

- Non conformity while service execution (damage etc.);
- Inconsistent behavior of AsstrA employee;
- Other issues.

Effective grievance mechanisms and negative effects remediation has always been in AsstrA's code of conduct. It covers all areas of business.

Moreover, every stakeholder at AsstrA group could raise their concerns in relation to sustainable business conduct and other issues he / she considers to be important for the organization and could also seek advice on these issues. Every employee has two managers: functional and regional ones. Most of the issues could be discussed with them and if this is not sufficient, there is a Quality and Safety Management division and Sustainability Manager who could provide such advice and recommendations.

AsstrA regularly organizes feedback sessions to provide a channel of communication with employees. And finally there is a mechanism of a best ideas contest where employees can express their ideas or suggestions for the development of certain areas of business. Best ideas result in implementation and their authors are directly involved in the implementation. If the idea is not a minor thing but a business case or project - the author could even become Project Manager, Head of division or Business Development Manager. Such mechanisms for seeking advice and dealing with business development issues are universal for every employee in the organization.

AsstrA treats stakeholder engagement as one of the most important issues within the company as it believes that business benefits from inviting relevant stakeholders.





# Project Management Office

One of the structural units we have inside the Business Development Department is AsstrA Business Accelerator (in 2024 – Project Management Office). PMO office is a unit having all the necessary competences to drive development projects within the company effectively.

## AsstrA Business Accelerator – our home of innovations and projects

The year 2023 became a productive year for AsstrA Business Accelerator.

Firstly, we focus on transparent project management processes, which enables us to cooperate between all our departments and branches globally, and leads to the clear vision of how to create something new or improve the existing things in the company.

Secondly, we researched and analyzed dozens of ideas and best practices, so as to choose and implement the most prosperous new business solutions for AsstrA.

Thirdly, we have chosen the main development areas and focused on them: technologies, new qualitative services for clients, and reduction of emissions by using transport in a different way.



**Kseniia Tereshkina**  
Head of AsstrA  
Business Accelerator

## Big Data Project leads to the intelligent use of information

The main job of the project during 2023 was the development of the new corporate tender system, so as to improve our tender processes and simplify the work. We had been working on it for several years, and finally we are glad to share that the new tender quotation system was released in August 2023. Prior to the release there was a long period of internal testing with a specially selected group of employees who represented all the roles of our tender process. This testing period resulted in multiple tweaks and improvements thanks to feedback from our focus group. It was made so to minimize any possible mistakes or time consumption.

The main benefits of the new system implementation are:

- Reducing workload and human error probability of quotation specialists, whose role was defined as the bottleneck of the tender process.

Increasing transparency of the tender process thanks to:

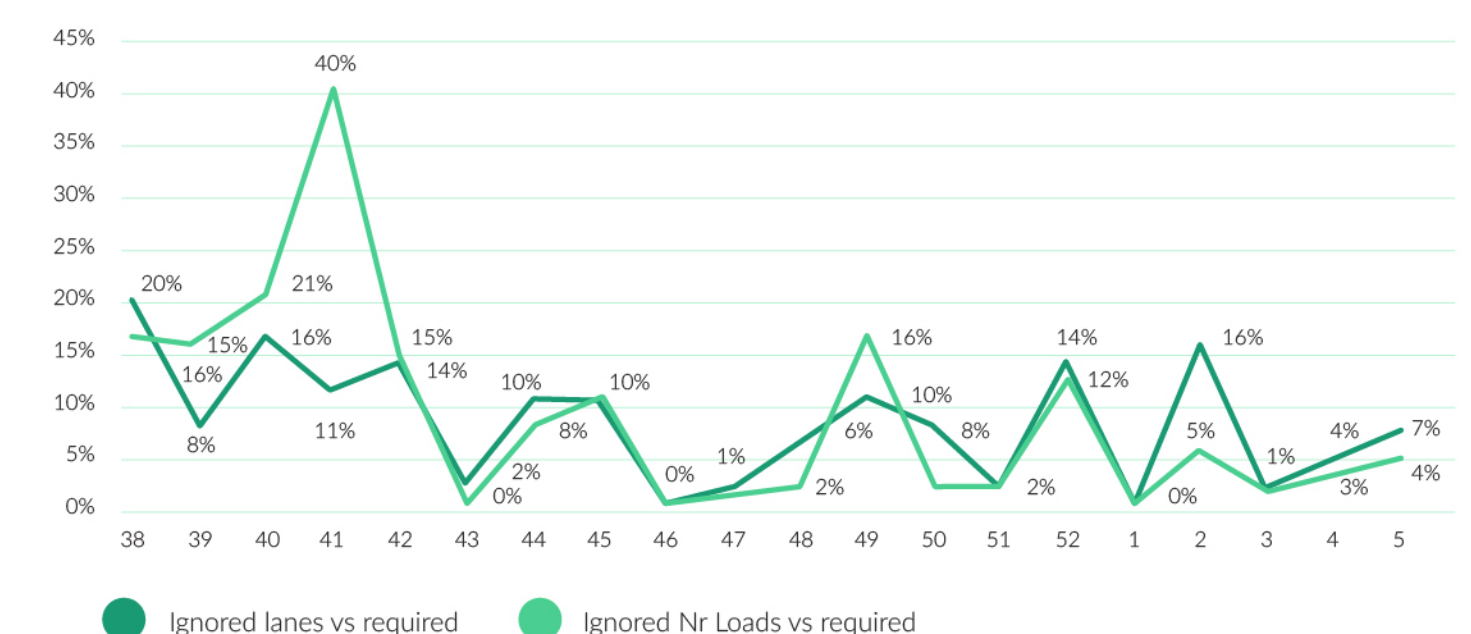
- Reducing workload of analytics thanks to integrations with our internal systems.

The positive impact of the new tender quotation system can be observed on the graph below, which shows the number of non-quoted tender lanes (“ignored”):

Stable decrease % of ignored number of lanes & orders out of required number



**Ivan Akulovich**  
Big Data Manager





# Social

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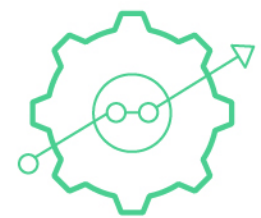




# Chief Human Resources Officer's word

At AsstrA we deeply believe that our employees are our most valuable asset. We strive to create a comfortable and inspiring work environment where each employee can unleash their potential and grow professionally.

Here's what we do for our employees:



Investing in development: We provide opportunities for learning and professional growth through internal training, English courses and participation in professional events.



Creating a comfortable atmosphere: We have comfortable workplaces, modern equipment and a friendly atmosphere where respect and mutual understanding prevail.



Encouraging initiative: We value our employees' ideas and suggestions and provide them with the opportunity to implement their projects (Idea Contest).



Taking care of health: We offer health insurance and the opportunity to participate in sport events aimed at strengthening health.



Ensuring a balance between work and personal life: We understand the importance of personal time and strive to create a flexible work schedule that will allow our employees to effectively combine work with their personal lives.



Offering competitive salaries: We believe that our employees deserve fair and decent pay for their work.

**Irina Yakhno**

Chief Human Resources Officer



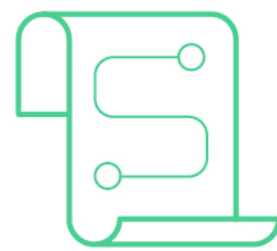
At AsstrA, we strive not just to provide work, but to create conditions for self-realization and the achievement of success. We believe that happy and motivated employees are the key to our company's successful development.



# Here are our 2023 highlights:



We successfully explored new labor markets in Dubai and Baku.

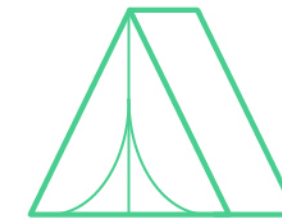


A new HR strategy was accepted to attract, develop, and retain exceptional talent, fostering a culture of inclusivity, growth, and collaboration. To pursue these goals we implemented a new structure with functional teams.



L&D team did huge work on people fostering continuous growth and skill enhancement:

- Provided 180 internal trainings with more than 30 INTERNAL speakers (it's 20% + to 2022);
- Internal courses attendance increased by 20%+;
- Started to provide intensive courses for newcomers weekly and ran 50+ intensive courses;
- Organized 135 External trainings for our Managers and Employees in different locations with local & international business schools (the biggest training was for 80+ employees in Tbilisi) for about 500 of our colleagues;
- Have 249 students who are learning English inside the company;
- Introduced lots of changes to the Corporate English training, such as: increased lesson duration & learning season duration (now the season runs from September till June), changed learning materials;
- Created new courses in English on Business Correspondence, Movie nights with English insights.



AsstrA Summer Camp was organized. This event united 1098 participants across 10 locations. We are far and united!



In the middle of the year, a new health insurance program for employees was successfully launched. It gives AsstrA people equal opportunities to have medical insurance after successfully completing their probationary period.



This year we achieved a successful participation rate of an eNPS survey, with a commendable participation rate of 69.1%. The survey results reflect a modest increase compared to the previous year, indicating a positive trend in employee engagement and satisfaction. Notably, our focus areas for the upcoming year will center on enhancing total rewards and fostering greater collaboration across teams. Moving forward, our next steps will involve formulating a comprehensive action plan in collaboration with the Leadership Team and employees, aimed at leveraging the survey insights to drive meaningful improvements in these key focus areas. We are committed to harnessing the feedback from the survey to further strengthen our organizational culture and drive sustained progress.



# HR management

Throughout its history, AsstrA has placed employees at the centre of its business treating them as the most important asset.

That is why proper HR management is needed in order to understand employees' needs in the right way, qualitatively approach workforce flow and control human resources direction properly.

Statistics play an important role in understanding and defining a strategic approach to HR issues. Employee headcount and other HR issues presented here are taken at the end of the reporting period (31.12.2023).

HR Statistics  
(by 31.12.2023)

1,508

Total head count

396

Employees hired

62

Social Vacation  
and Military Service

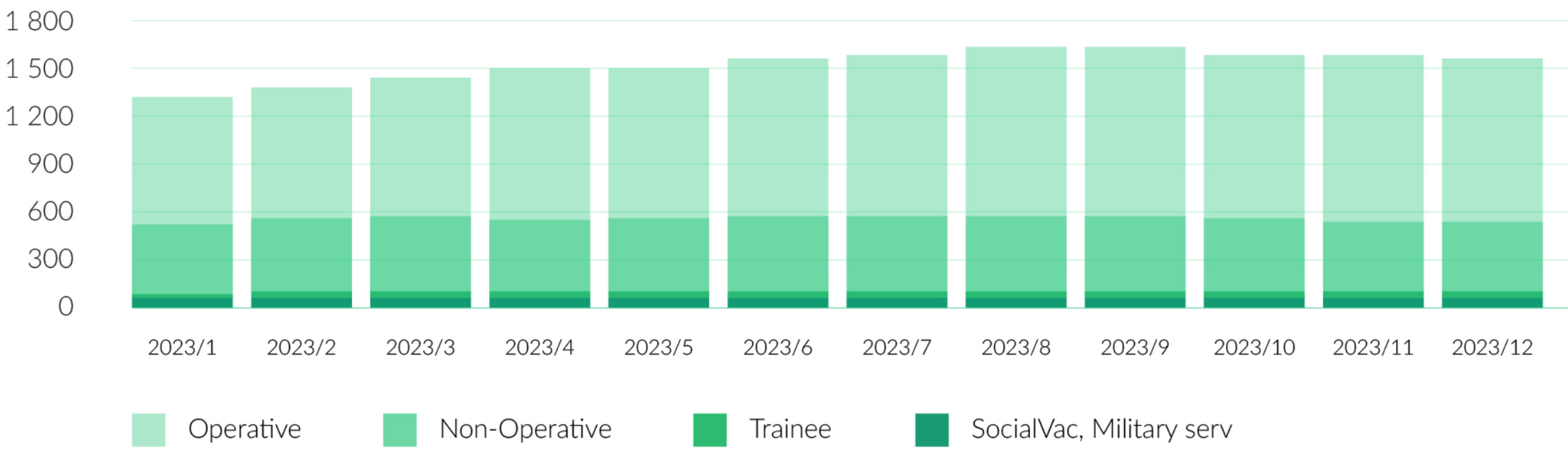
241

Employees Terminated

5

B2B head count

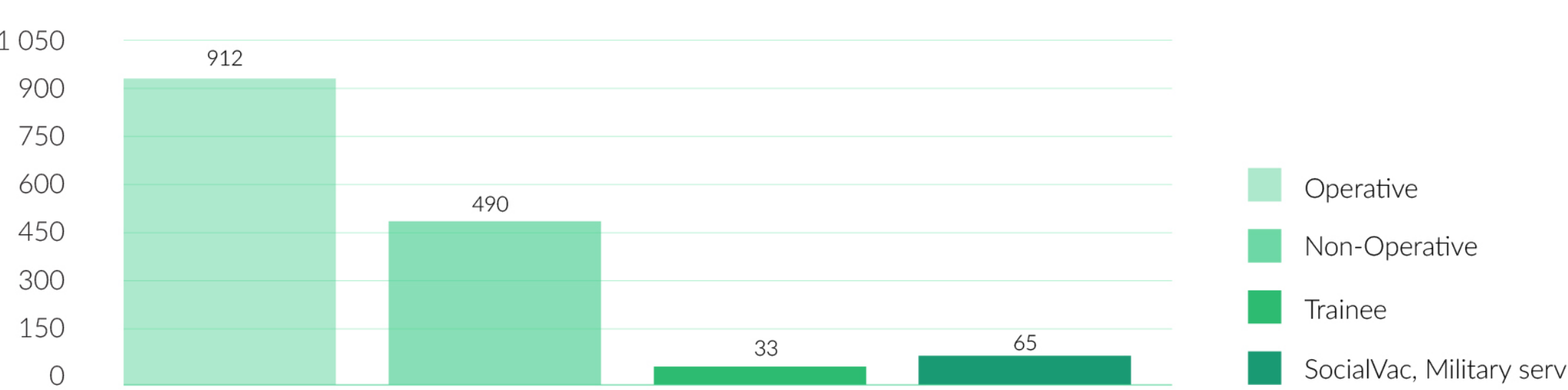
Average employee count from 01/01/2023 to 31/12/2023



Average employee count from 01/01/2023 to 31/12/2023 as per months

2023	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Total Empl. Count	1 385.9	1 417.6	1 455.6	1 473.2	1 491.4	1 510.1	1 526.0	1 540.9	1 547.7	1 547.9	1 542.7	1 544.4
Operative	858.4	873.8	895.2	904.6	911.3	919.9	923.3	927.1	930.1	934.8	934.7	932.4
Non-Operative	446.5	455.3	463.2	471.8	483.4	490.5	500.2	510.2	515.8	514.4	513.4	517.3
SocialVac, MilitaryServ	55.5	58.0	61.0	63.0	66.5	68.0	68.5	68.5	69.0	67.0	67.5	65.5
Trainee	26.5	31.5	37.3	34.8	32.3	33.3	36.0	37.2	35.0	32.8	29.7	31.8

Employee count divided into different groups (31.12.2023)



Composition of males and females at different levels in company (as of 31.12.2023 in persons' count)

	Top Management	Management board	Middle management	Employees	Trainees & contractors
Women	4	7	136	813	20
Men	3	14	109	429	10

Composition of different age groups at different levels in company (as of 31.12.2023 in persons' count)

	Top Management	Management board	Middle management	Employees	Trainees & contractors
Under 30	0	1	19	501	29
30-50	6	16	202	660	0
Over 50	1	4	24	81	1



# HR management

During the reporting period there were no fluctuations in the composition or number of employees in the company. The trend is positive and employees count was growing as per plans of Top management to explore new markets, open new offices, hire people and expand business.

During the whole of 2023 AsstrA has increased head count by 10,3% (1508 vs 1353 employers).

99,67% of employees at AsstrA had full-time working agreements. Only 5 people were employed on the basis of B2B contracts.

There are no specific departments where B2B employees work or no special rule: they could work in every department if such a need was identified from the company's side (specific role, specific functions, etc.).

AsstrA regions	Begin Period All	Hired	Terminated	End Period All	End Period (SocialVac, MilitaryServ)	End Period All (w/o SocialVac, MilitaryServ)	AVG All within period	AVG OP within period	AVG SocialVac within period	AVG All (w/o SocialVac, MilitaryServ)	AVG OP (w/o SocialVac, MilitaryServ)	AVG All (w/o SocialVac, MilitaryServ) (Begin+End)/2	Workforce Turnover	Workforce Turnover Ratio, %	Recovery Ratio	Hire Turnover
	1353	396	241	1508	62	1446	1 473.0	954.0	63.0	1 409.0	906.0	1371.0	0.00	17.09%	1.00	0.00
Asia & Middle East	93	67	33	129	0	129	116.0	93.0	0.0	115.0	92.0	111.0	0.00	28.54%	2.00	0.00
CIS & Caucasus	726	167	115	751	46	705	745.0	421.0	46.0	699.0	389.0	694.0	0.00	16.45%	1.00	0.00
Europe	460	142	81	538	16	522	525.0	405.0	16.0	508.0	390.0	483.0	0.00	15.93%	1.00	0.00
Headquarters	50	7	5	59	0	59	56.0	6.0	0.0	56.0	6.0	54.0	0.00	8.80%	1.00	0.00
North America	24	13	7	31	0	31	29.0	27.0	0.0	29.0	27.0	27.0	0.00	23.63%	1.00	0.00

In 2023 there were no collective bargaining agreements registered at any office of the company's presence, but at the same time AsstrA is a company attentive to employees' needs and based on employees' ideas and proposals implemented the next important changes in relation to its workforce:



30 mins decrease in working time for Polish office



Hybrid mode for all employees



Additional week off for best employees



Ongoing process to review additional bonuses in different geographical locations of the company



# Health and safety issues

« One of the most important values of the AsstrA group of companies is the health and safety of staff.

AsstrA expresses confidence that work activity may be carried out without damaging the life and health of staff and people, without accidents and incidents in the company and among its suppliers. It is promoted by strict compliance with the legal requirements, standards and rules related to labor safety and safety measures, and also by creation of a management system of occupational risks in each workplace and attraction of the main parties of social partnership – employers and employees - in risk management. The main activity principle is the transition from response to insured accidents “post factum” to risk management.

## AsstrA's goals in the field of labor safety:



Ensuring safe working conditions and health protection of AsstrA's staff



Increasing the quality of workplaces and working conditions



Compliance with safety standards of transportation of goods

## Over the last year we have been working collectively on:

1. Doing business in conformity with legal requirements in the countries of operation of the company in the field of labor safety, OHSAS 18001 and with other applied requirements. Improving permanently the management system of labor safety.
2. Identifying hazards in planned types of activity, identifying unsafe behavior of staff, assessing their influence on the health of staff and developing and realizing prevention measures on industrial injuries and occupational illness, on exclusion of incidents and accidents.

3. Maintaining sanitary-hygienic working conditions and creating ergonomic workplaces.
4. Not allowing alcohol intake and drugs by employees and suppliers of the group of companies.
5. In the organization of transportation, adhering to the principles of BEHAVIOUR BASED SAFETY (BBS). Key principles of the BBS process are the active involvement of (higher) management and the effective observation of the behavior of workers during operations.
6. Complying with safety standards during the exploitation, servicing and repairing the vehicles, especially during work with chemical substances and hazardous cargo.
7. Training and conducting advanced training and professional development, instructing and assessment of knowledge of staff in labor safety, ensuring their competence that influences labor safety.
8. Encouraging the initiative of staff in improving labor conditions and labor safety. Staff are invited to observe the behavior of their colleagues to prevent the causes of accidents and injuries. Leaders demonstrate by example the need to convince employees to adhere to the rules of safe behavior.
9. Cooperating with partners and suppliers so that AsstrA's standards in labor safety, especially in safety during work with chemical substances and hazardous cargo, become their standards.
10. Adhering to the openness principle in labor safety for the public, for all external and controlling bodies.



# Health and safety issues

Tasks in the field of safety are an integral part of doing business. Each AsstrA's employee knows and adheres to the health and safety policy in their work. The Company's top management takes the obligation to implement the health and safety policy.

Treating our employees as the most important asset of our organization, AsstrA promotes a healthy lifestyle.

The employees of AsstrA have the following benefits:

- Additional health insurance fully or partly covered by AsstrA (in countries where such options exist in general);
- Sponsoring participation in sport activities for its employees (marathons, competitions, etc.);
- Full or partial refund of sports club membership (in several countries of its presence);
- Invitations to sport events in countries of its presence (marathons with clients, etc.);
- Promoting a healthy lifestyle in all offices.

Moreover, we track the number of injuries associated with occupational duties. In 2023 this number was 0.

In addition, no cases of discrimination on the basis of race, skin color, sex, religion, political opinion, nationality, or social origin were registered in 2023.





# Benefits provided to full-time employees that are not provided to temporary or part-time employees

In countries of its presence AsstrA provides its employees with the following benefits:



Additional vacation leave, such as 1 day for birthday and the possibility to get an additional week of holidays for the best employees in the Swiss Alps



Health insurance (if applicable)



Standard vacation leave



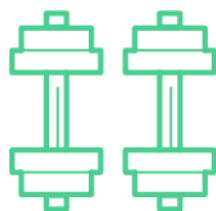
Possibility to work remotely or in hybrid mode



Stock ownership



Parental leave



Reimbursement of fees / partial coverage for sports club membership and / or taking part in sport events



Educational possibilities: including internal and external training



Flexible working hours (in some offices)



Events at offices: games, parties, gatherings etc

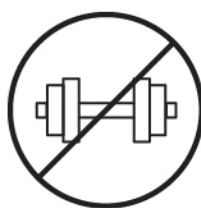
These listed benefits are provided in most of the cases (if available) in the countries/cities of AsstrA's presence which are defined as "significant locations of operations". In many cases, those are offices having more than 10 employees and physical offices.

B2B contracts employees could be subject to the following limitations:

In most of the countries where AsstrA operates part-time employees or temporarily employees have limitations on annual leave (available as per law but not from the very first day of work) or have no additional medical insurance and no reimbursement for sports club membership.



No annual leave / limited annual leave



No reimbursement for sports club membership



No additional medical insurance



# Learning and development

« The Learning & Development (L&D) team strives to create an inspiring and professional environment, where each employee can evolve and develop with the company. AsstrA employees are provided with various training opportunities, which help them to unleash their potential and achieve high results in their professional sphere.



**Anna Belaya**  
Head of Learning  
& Development Division (L&D)

It is not only about professional development, but also about an opportunity for personal growth. Therefore corporate speakers and the company management intend to create a friendly and supportive learning environment, where each employee would feel comfortable, could share their experience, knowledge and expertise.

## The major achievements for the year 2023:



The L&D team arranged 149 external training sessions for our colleagues.



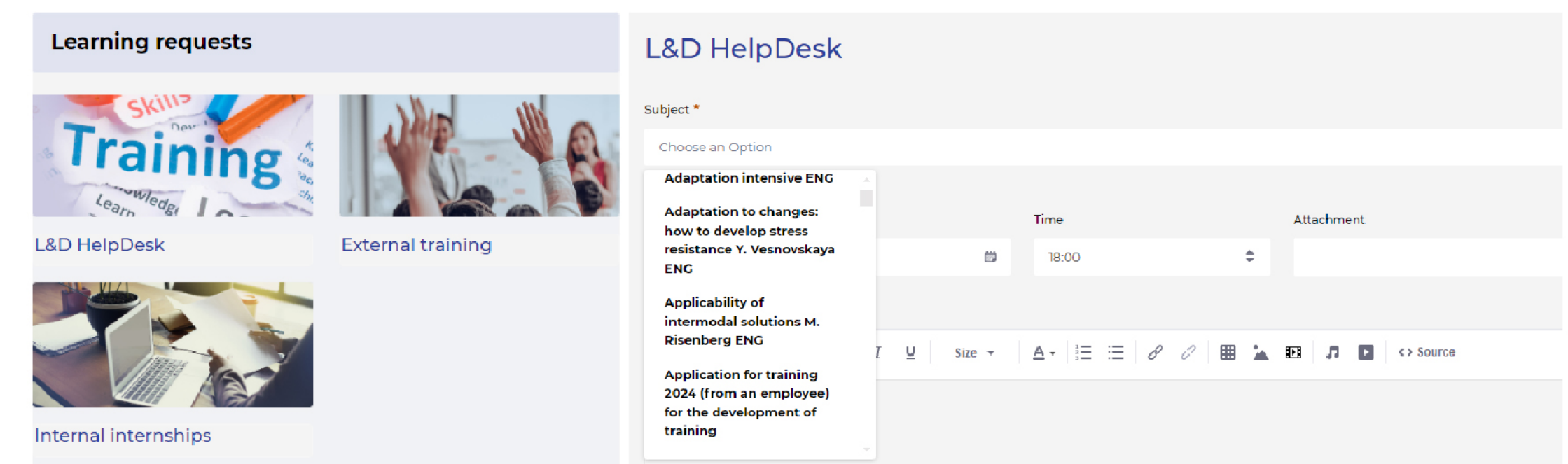
322 training moderations on developing professional skills including 165 intensives for newcomers were conducted.



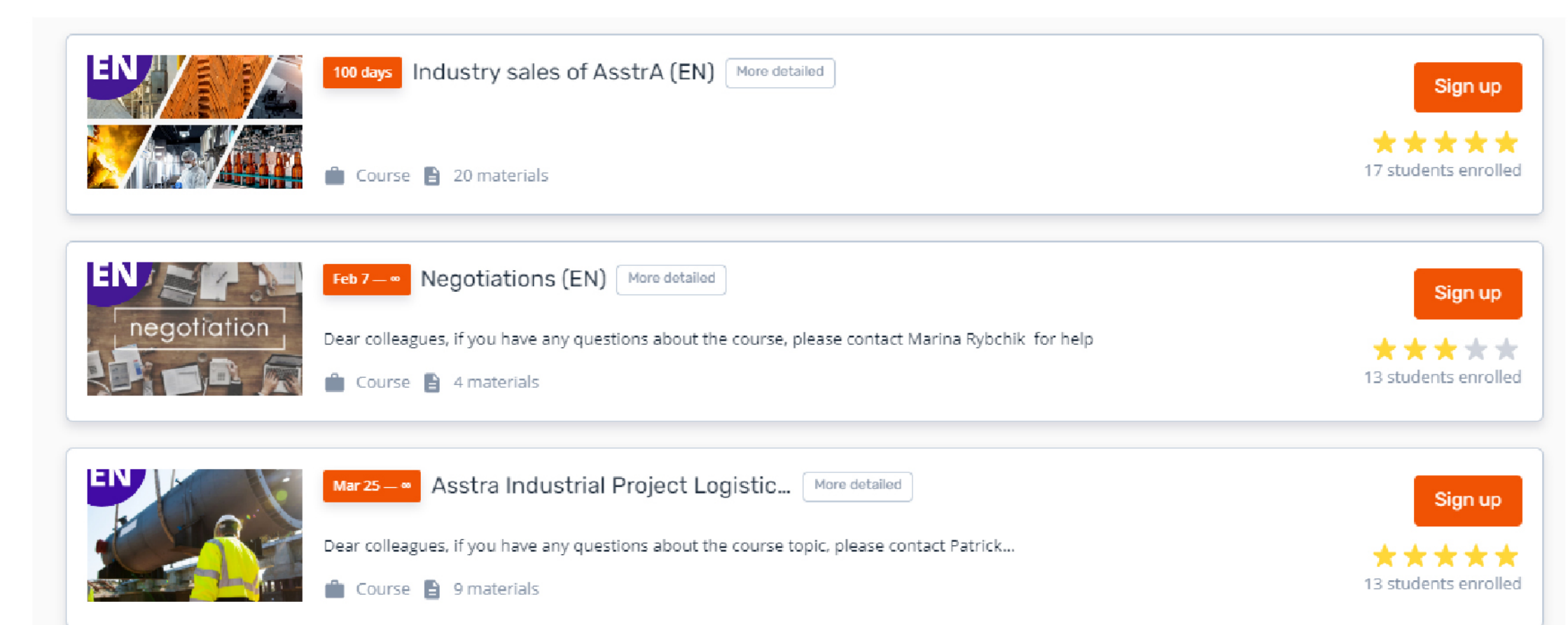
More than 250 employees did the English course and enhanced their English skills.

We are sure that investment in training and development of our employees' hard and soft skills helps them to grow professionally and achieve outstanding results in logistics. It's important to make our colleagues feel how much their growth and success is important for the company. Year 2023 was extremely productive for the L&D AsstrA team.

Thanks to the well-coordinated work of speakers, managers and colleagues from Sales Leap, Business Development Department, Business Controlling Department, Software Coach and other teams, we have achieved significant success.



Traditionally, AsstrA has a big variety of training courses for all kind of employees within company. Every kind of employee depending on their position and level of experience at the company will find something suitable for them. Registration for the training is available through a dedicated helpdesk, so using the corporate portal AsstrA Power every employee could choose which training to attend. Most of the courses held in the company are recorded and later on available on the corporate portal where everybody could watch and listen to them.





# Learning and development



As part of competence development, the following training sessions were held:

- Mastering Business Correspondence;
- Self-Presentation: "Pitch Like a Pro. Mastering an Elevator Pitch";
- Creative Thinking;
- The Fundamentals of Business Processes;
- Emotional Intelligence vs Emotional Burnout;
- Mentoring, etc.

A colleague from the L&D department was actively involved in the organization and conducting of a large-scale project 'AsstrA Mind Games' to bring together all the employees of our multinational company.

Special events in 2023:

- Organization of a visiting session on 'Commerce Management training' for the sales department in Tbilisi;
- Moderation of the global training for all employees of the Operations and Sales Departments on the topic 'Quotation of Tenders in the New Tender Quotation System'.

There are also company transitional programs which provide the opportunity to take sabbatical leave if needed or additional benefits or presents for employees working 5/10/15 or more years (severance pay). For plans for 2024, we have a number of mandatory external training sessions, but the main focus will be on internal training and updating our policies and processes.

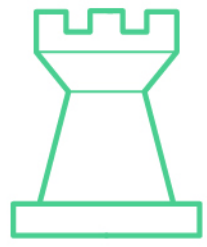
L&D development direction in 2024 lies in 4 areas:

- Updating policies and processes: personnel training policy and L&D division regulations, English Language Training policy, onboarding process & adaptation programs and mentoring system, launching an annual appraisal process.
- The development of managerial and leadership competencies for managers: giving feedback and conducting meetings 1:1, "Critical Strategic Thinking", and strategy sessions to develop the company's strategy for 2025-2027.
- The development of professional competencies: series of training for professional competencies development for the Operations Department, and training of all company employees on Information Security.
- Improving the level of English and other languages for managers and employees of the company.

One more important project for us in 2024 is the creation of a separate page on the corporate portal AsstrA Power, which will bring together all the information employees need, including the ability to sign up for courses, share ideas and find up-to-date policies and documents.



# Ethics and conflict of interest



## Honest business and rejection of corruption

Our policy is to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to Bribery and Corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery. Bribery occurs when one person offers, pays, seeks or accepts a payment, gift, favor, or a financial or other advantage from another to influence a business outcome improperly, to induce or reward improper conduct or to gain any commercial, contractual, regulatory or personal advantage. It can be direct or indirect through Third Parties.

AsstrA Associated Traffic AG conducts regular risk assessment in order to timely monitor business processes potentially exposed to the risk of corruption, violation of legislation and established norms of behavior.

The Company considers any manifestation of corruption in the course of the production, investment and any other activities unacceptable. Zero tolerance of corruption means a strict prohibition for any person acting on behalf of the Company or for the benefit of the Company, directly or indirectly, personally or through any intermediary, to engage in corrupt practices, regardless of the business practice in any country. For more information please refer to Anticorruption policy.



## Fair competition

The Company welcomes fair competition based on quality and price. The Company excludes in its practice the use of unfair competition instruments, such as cartel agreements, dissemination of false information and advertising, misleading customers and other similar instruments.

All public statements by or on behalf of the Company, including in connection with advertising, promotional materials, sales representations should always be truthful and have a reasonable basis in fact and should not be misleading or purposefully made easily susceptible of misinterpretation.

Comparisons of our products or services with the products or services of competitors should be accurate and should be made only where facts support the statements and conclusions drawn.



## Conflict of interest

Conflict of interest is a situation that has the potential to undermine the impartiality of a person because of the possibility of a clash between the person's self-interest and professional or public interest. A conflict of interest exists whenever you have an interest that interferes or conflicts in any way (or even appears to interfere or conflict) with the interests of the Company as a whole. A conflict situation can arise when you take actions or have interests that may make it difficult to perform your work on behalf of the Company objectively and effectively. Conflicts of interest also arise when you or your family, receive improper personal benefits (such as loans or guarantees of obligations) as a result of your position with us.

You should conduct yourself and your activities on our behalf in an honest and ethical manner which complies with this Code and other Politics. You should report to your immediate supervisors all material facts relating to relationships or financial interests which give rise, directly or indirectly, to an actual or potential conflict of interest. For more details please refer to Conflicts of interest policy.



# Ethics and conflict of interest

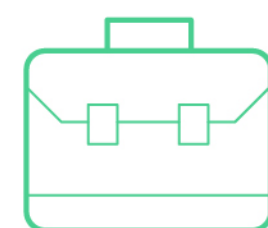


## Unconditional compliance with the law

The requirements of the applicable legislation and internal regulatory and administrative documents shall be observed by all personnel of the Company, regardless of their position, period of work, status and other relations with the Company.

The Company makes all reasonable and lawful efforts for prompt and inevitable prosecution for illegal actions and violations of the requirements of the legislation applicable to the activities of the Company, and internal regulatory and administrative documents, regardless of the size and form of such violations. The Company reserves the right to make public information about persons held liable in accordance with the procedure established by law.

The Company complies with all applicable export control and sanctions laws and regulations, as well as customs laws and regulations, including prohibitions and restrictions.



## Relationships with contractors

The Company prefers to cooperate with business partners who adhere to the same values as the Company.

In order to implement this statement, the Company shall exercise due diligence in attracting counterparties and shall also inform about the requirements of this Code.

For more information please refer to Company's Supplier Code of conduct.



## Participation in charitable and sponsorship activities

The Company does not participate in charity and sponsorship projects, political activities with the direct or indirect purpose of influencing the adoption of public officials and persons associated with the state and public bodies making illegal benefits to the Company.



## Relationships with public officials and persons related to the state

The Company considers it inadmissible to pay or reimburse any expenses of public officials and/or persons connected with the state or public bodies, to provide them or to provide in their interests any property or other benefits, with the direct or indirect purpose of obtaining any illegal advantages in the course of conducting the activities.



## Accounting and management accounting

The Company does not allow business operations without their reflection in accounting, distortion or falsification of accounting, management and other types of accounting or supporting documents.

All financial and economic operations and transactions are accurately, correctly and with a sufficient level of detail reflected in the accounting records, documented and available for inspection in the legally established order.



## The exercise of hospitality expenses and gifts

The Company considers the implementation of hospitality expenses, gift giving and receipt of gifts unacceptable, if such expenses or gifts have a direct or indirect impact on the adoption of decisions on the provision of illegal benefits to the Company by public officials and/or persons associated with the state or public authorities.

Hospitality expenses and business gifts are allowed only if they do not contradict the norms of the legislation applicable to the activities of the Company and the internal regulations of the Company, in particular, the policy in the field of legal support of business and the values of the Company.

For more information please refer to the Company's Anticorruption policy.



# Ethics and conflict of interest



## Relationship with employees

The Company is committed to:

- Guaranteeing equal opportunities and equal treatment of their employees, regardless of their skin color, race, nationality, social status, restrictions on legal capacity, sexual orientation, political and religious views, gender or age;
- Respecting their self-esteem, individual rights and privacy rights;
- Not using forced labor;
- Preventing illegal human traffic;
- Being intolerant of misconduct by employees, such as moral cruelty, sexual harassment or discrimination of any kind;
- Prohibiting inappropriate conduct, including indecent gestures, verbal expressions, physical contact, such as sexual or coercive, use of threats, violence or exploitation;
- Paying fair remuneration for work and comply with all applicable national legislation requirements regarding minimum wages;
- Complying with legal requirements for the maximum number of working hours; Ensuring (in the manner prescribed by law) the exercise of the rights of employees to establish free associations and not to introduce discriminatory measures, as well as not to create preferences with respect to members of such organizations of employees or trade unions;
- Not employing persons under the age of 18, except in cases of education and training provided for by law;
- Being responsible for the safety and health of employees, to ensure healthy and safe working conditions at every workplace,
- Avoiding any form of harassment or ill-treatment of employees;
- Not using in any form public warning (censure) and / or punishment systems.
- Not allowing the use of alcohol and drugs by employees at the workplace and during working hours, except when using medicines prescribed by a doctor.



## Consequences for non-adherence to code provisions and duty to report illegal or unethical behavior & code violations

All of our directors, employees, agents, consultants and representatives must understand and comply with this Code. Violations of the Code will not be tolerated and can result in discipline for directors and employees, up to and including termination of employment. You are responsible for reporting any circumstances that you believe in good faith may constitute a violation of the Code. You are also responsible for reporting what you believe may be violations of other laws and policies, such as those dealing with environmental protection, quality assurance, occupational safety or fraud. If you know of, or reasonably believe there is, a violation of applicable laws, the Code or our related policies and procedures, you must report that information immediately to your manager, supervisor or risk manager. Doing so is not an act of disloyalty. It is an action that shows a sense of responsibility and fairness to your fellow employees, as well as our customers and stakeholders.

Employees may anonymously report potential violations of this Code or other Company's policies by informing your immediate manager, internal auditor, CCO or addressing our ethics form online: <https://asstra.com/business-ethics>. You do not have to reveal your name, title or any other personal information that could easily identify you. We prohibit retaliation against any employee who in good faith provides any information or otherwise assists in any investigation or proceeding regarding any matters of legal or regulatory concern, or violations of this Code. If you feel that you are being subjected to retaliation, you are urged to inform your immediate manager, internal auditor, CCO. All complaints of retaliation will be investigated promptly, and we will take appropriate action to stop and remedy any such conduct. Any person found in violation of this policy is subject to disciplinary action, including discharge, and may be subject to legal and financial liability.



# Environment

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52 Decarbonization with AsstrA

53 Options and their limitations

54 Achieving our goals





# Sustainable Development Manager's word

2023 year was full of new achievements within environmental protection field for AsstrA. We were collectively working to create new solutions to decarbonize the supply chain, making new strategic partnerships, consulting our stakeholders, educating our employees, controlling environmental and other directions of development within ESG. There are main topics on which we were working throughout 2023:

- 2023 gave us an opportunity to approach bigger amount of clients with HVO and start developing BIO LNG solution;
- Calculation of CAPEX and OPEX for electric trucks and first offers to our clients;
- Partnerships with truck OEMs for demo testing and knowledge exchange;
- Reduction of empty mileage for our dedicated trucks;
- Decarbonization and strategic relations with our customers on the topic: consulting, testing, providing;
- Sustainability audits;
- Further development of CO2e calculation tool within company;
- Reporting on ESG and CO2e;
- Carbon insetting and new approach to it;
- Educational modules on ESG and environmental protection to employees;
- New technologies to decarbonize supply chain;
- Financial options;
- Intermodal solutions: first successes on a wide scope.

Of course not all of these new developments and activities were easy and successful but we understand that every scalable transition requires more effort and investment. Failures be they small or big – accompany every transformation but the most important thing is to act, try and not to give up. We believe that we have achieved great success but there will be more in 2024 and in the future.



Sustainability is a key priority for our business and environmental protection is an essential pillar of our ESG strategy. Let's act collectively towards better and sustainable future!

**Dmitri Krölov**

Sustainable Development Manager



# Tracking environmental progress

AsstrA traditionally was known as a company that treated environmental protection as an essential part of its operations.

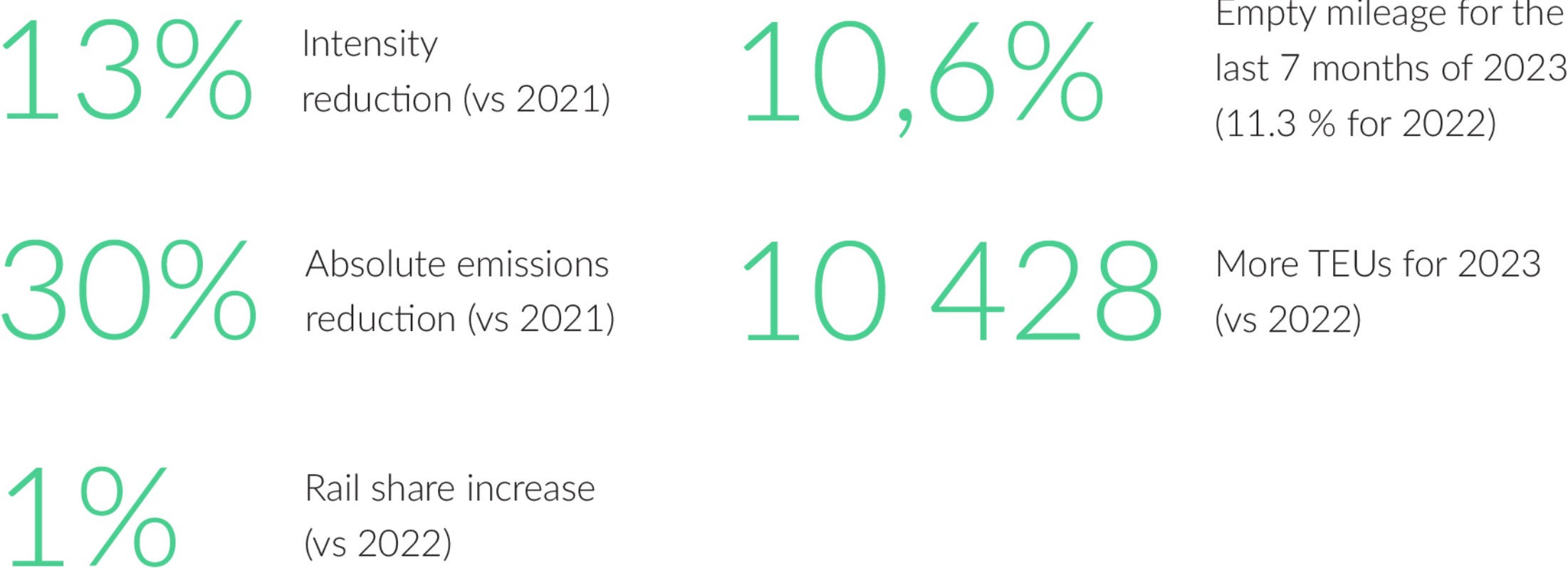
In 2022, the company started a wide transformation taking into account the sustainability context at an absolutely new and more important level.

We have chosen 2021 as our baseline year for CO2e calculations. Since 2021 AsstrA has been gathering fully certified EN 16258:2012 standard based statistics which is generated by taking into account all shipments coming from our OTM system.



Green Router was chosen by AsstrA as a CO2e calculation software provider. AsstrA has an ambitious aim to reduce its emissions by up to 50% by 2030.

As the result of its efforts AsstrA for 2023 has:



**Vladyslav Slastion**  
Project Manager  
for Dedicated fleet

“We understand that the reduction of empty mileage leads to significant savings in price and CO2. That is why for the whole of 2023 we were analyzing our supply chain and optimizing the transport flows of our dedicated fleet trucks. As a result of massive actions taken in the second half of 2023 we have achieved 10,6% empty mileage for dedicated fleet trucks (for the last 7 months of 2023).”



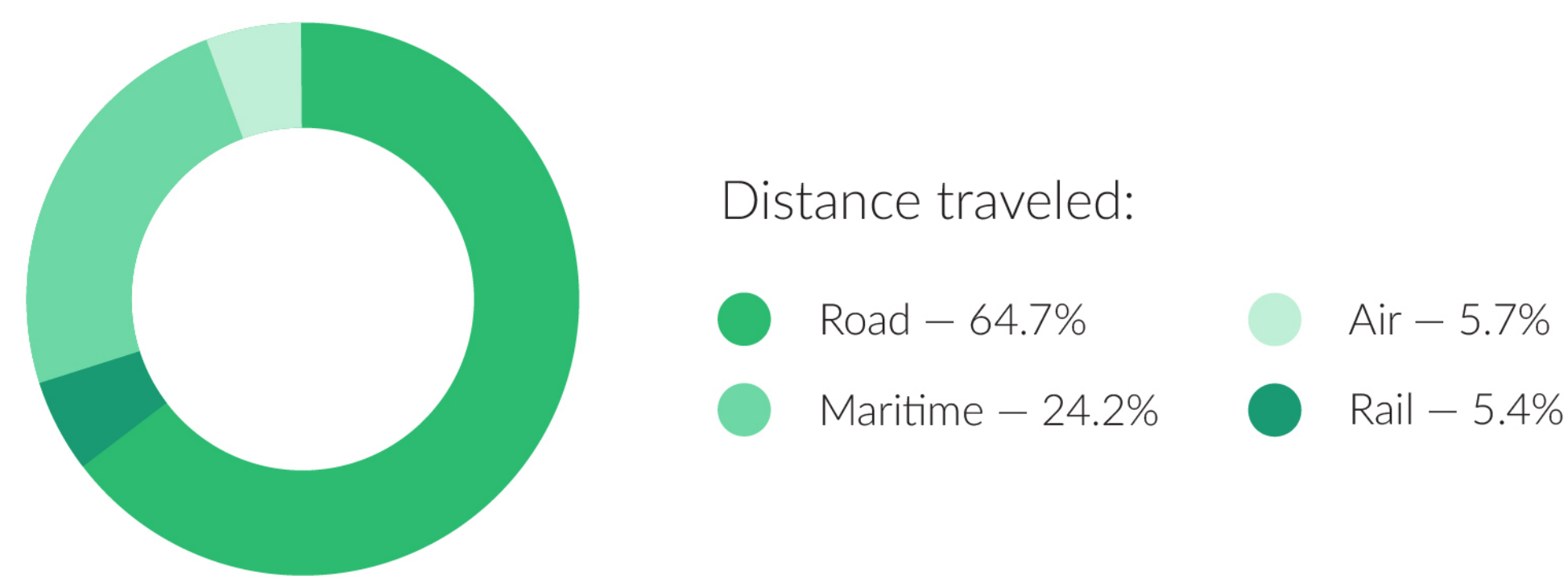
**Mark Risenberg**  
Head of Intermodal  
Solutions Division

“A switch to greener modalities is our priority for the next years. We have been actively involved in supply chain optimization and solutions to decarbonize the supply chain including intermodal shift to our customers. Dozens of successful demo tests, winning tenders and cooperation within the intermodal direction led to significant CO2 reductions for our clients. Our aim is to expand the share of intermodal solutions within our supply chain.”



# Tracking environmental progress

We are proud to present you statistics on AsstrA’s Scope 3 emissions for the whole of 2023.



Energy consumption for 2023 at AsstrA (WtW vs TtW)

Energy consumption and emissions	Value	Measurement unit
Well-to-wheels GHG emissions	276.332,16	tCO <sub>2</sub> e
Tank-to-wheels GHG emissions	216.947,88	tCO <sub>2</sub> e
Well-to-wheels energy consumption	3.944.270,03	GJ
Tank-to-wheels energy consumption	3.158.268,27	GJ

The share of biofuel used in calculations:



## 2023 emissions at AsstrA

Results by haulage method:

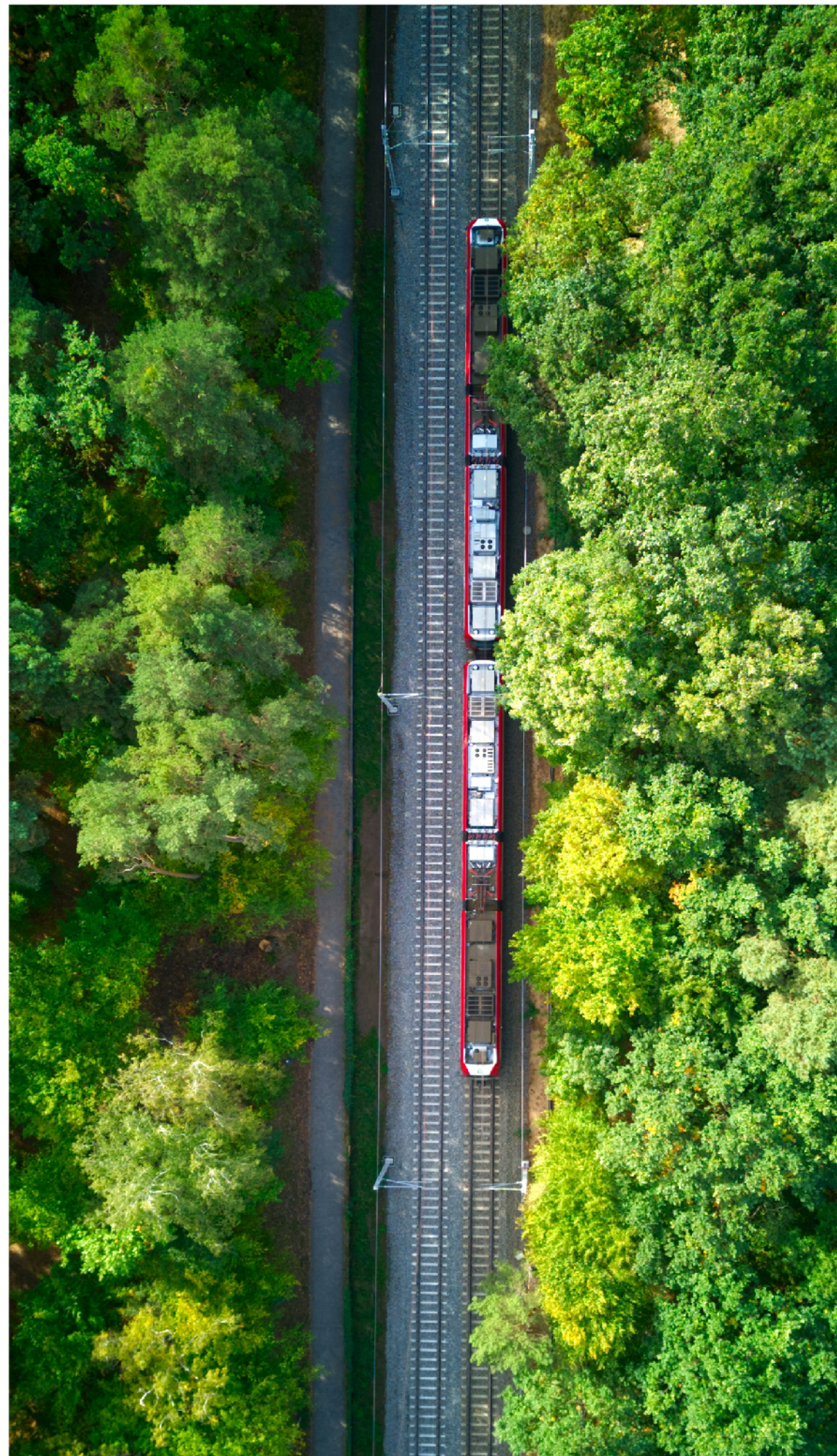
Haulage	WtW GHG emissions	% Out of total	TtW GHG emissions	% Out of total	WtW En. consumption	% Out of total	TtW En. consumption	% Out of total
Road	239.976,55 tCO <sub>2</sub> e	86,84%	188.028,01 tCO <sub>2</sub> e	86,67%	3.462.294,24 GJ	87,8%	2.747.195,12 GJ	86,98%
Rail	6.436,16 tCO <sub>2</sub> e	2,33%	3.227,07 tCO <sub>2</sub> e	1,49%	83.059,14 GJ	2,11%	70.723,37 GJ	2,24%
Maritime	11.186,36 tCO <sub>2</sub> e	4,05%	10.339,39 tCO <sub>2</sub> e	4,77%	145.440,53 GJ	3,69%	127.429,82 GJ	4,03%
Air	18.733,09 tCO <sub>2</sub> e	6,78%	15.353,41 tCO <sub>2</sub> e	7,08%	253.476,12 GJ	6,43%	212.919,95 GJ	6,74%
Total	276.332,16 tCO <sub>2</sub> e	100,00%	216.947,88 tCO <sub>2</sub> e	100,00%	3.944.270,03 GJ	100,00%	3.158.268,27 GJ	100,00%

## Average emissions for all AsstrA modalities, 2021-2023 comparison

		2021	2022	2023	2023 vs 2021 CO <sub>2</sub> e reduction dynamics	
WtW Emissions	kg Co <sub>2</sub> e / km	0.94	0.8	0.83	-13%	CO <sub>2</sub> intensity reduction
WtW energy used	MJ / km	13.5	11.38	11.79	-15%	
TtW Emissions	Kg Co <sub>2</sub> e / km	0.74	0.62	0.65	-14%	
TtW Energy used	MJ / km	10.79	9.12	9.44	-14%	
Total emissions	WtW emissions (tCO <sub>2</sub> e)	357854.85	240199.2	332.16	-30%	Absolute emissions reduction



# Decarbonization with AsstrA



Intermodal shift and shift to greener modalities (sea and rail)

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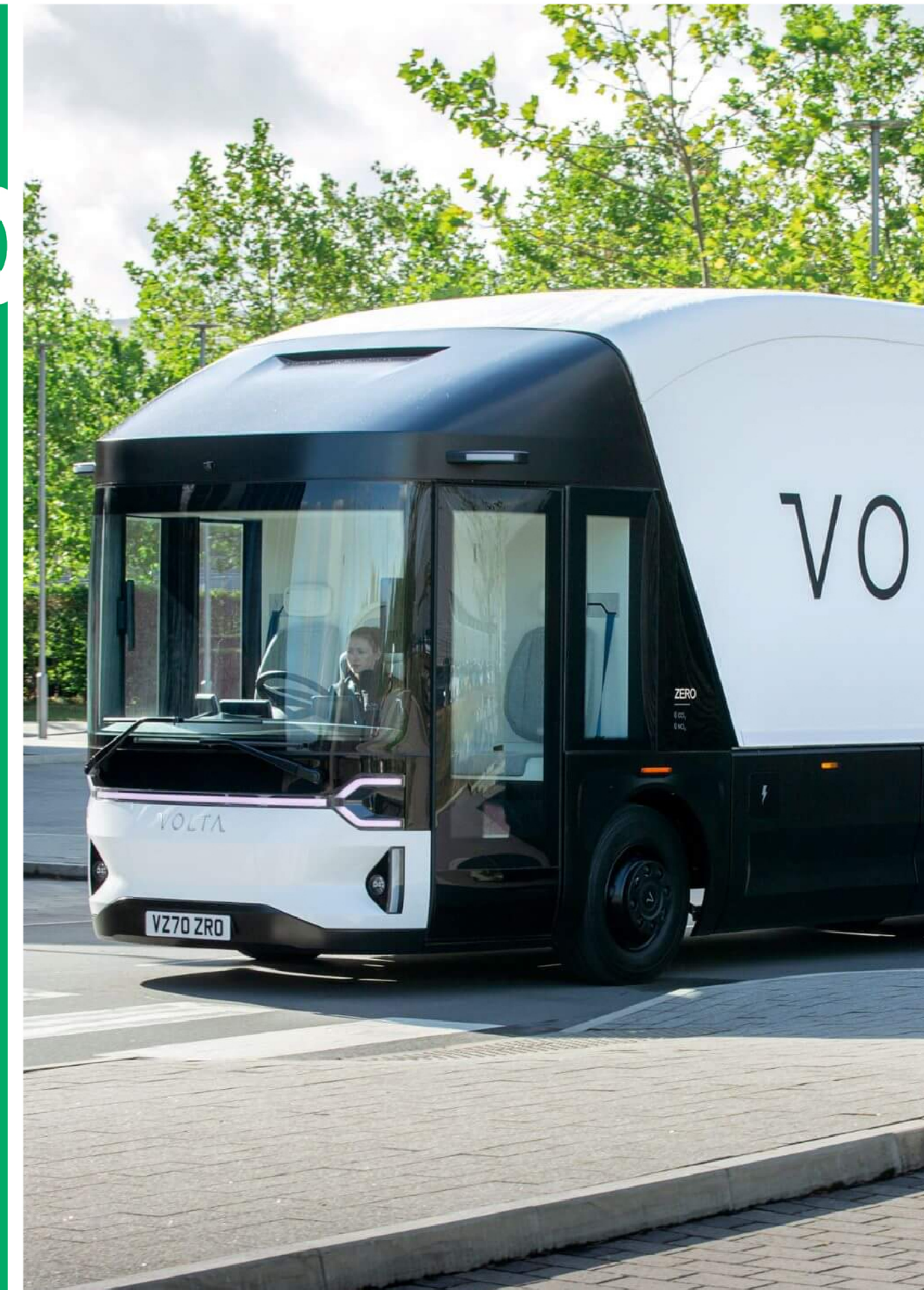
Better fleet utilisation and empty mileage decrease (circles, triangles etc.)

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Sustainable fuels (mainly HVO)

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Electric vehicles

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# Options and their limitations

Almost every decarbonization option has its limitations. That is why we always consult our clients taking into account the best possible solutions (balancing between limitations, productivity and price).

Solution type	Limitations	CO2 reduction potential	Price
Intermodal shift	A solution for long haul shipments	Depends on the route	Depends on the route (lower / higher / same)
Route optimization	No serious limitations	Depends on the route	Free
HVO100 (Hydro treated vegetable oil)	Few European countries	Up to 85%	Slightly higher
Carbon insetting	No limitations but problem with accounting under GLEC	Up to 100%	Higher
Electric truck	High CAPEX and OPEX, infrastructure, utilization	Depends on the route	Depends (but in most of cases higher)

## Achieving our goals

We understand that in order to achieve goals effectively certain elements have to be in place. That is why ESG and environmental protection policies at AsstrA have their:



Aims and KPIs which are periodically controlled



CO2e accounting in accordance with EN 16258



ESG reporting



New technologies and their exploration in place (continuous development)



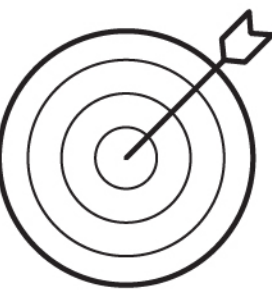
Collaboration with our clients and suppliers on sustainability issues



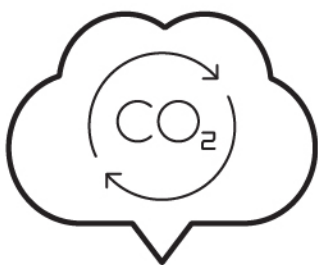
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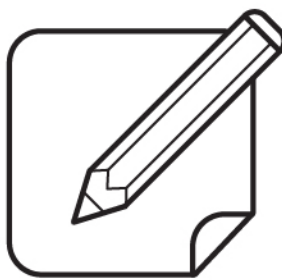
That is why ESG and environmental protection policies at AsstrA have their:



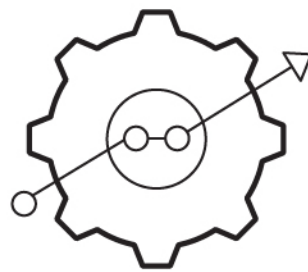
Aims and KPIs which are periodically controlled



CO2e accounting in accordance with EN 16258



ESG reporting (GRI)

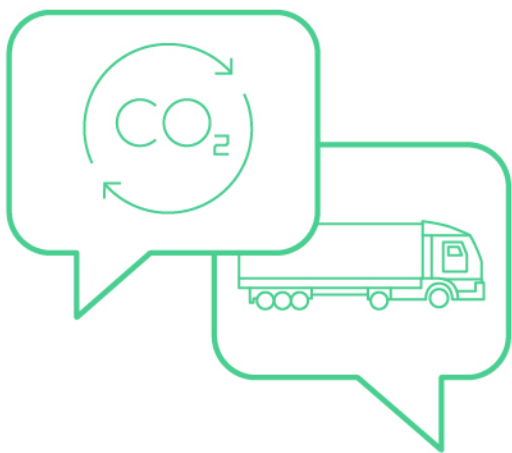


New technologies and their exploration in place (continuous development)

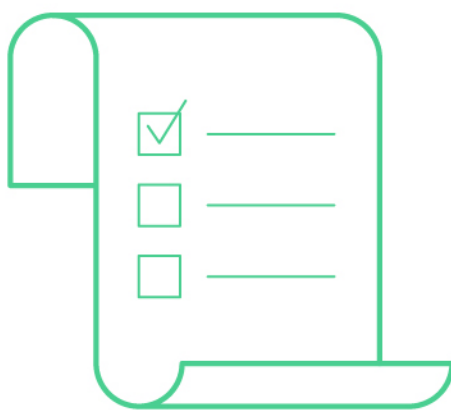


Collaboration with our clients and suppliers on sustainability issues

Speaking of decarbonization, we approach every customer individually and our approach is based on several steps:



Request of the customer / our own understanding that green shift is possible



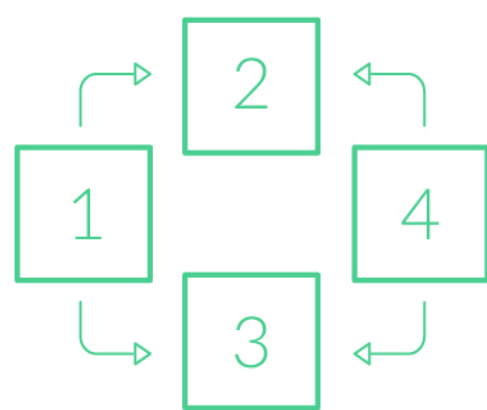
Conversation with customer to understand potential cooperation points / specific needs



Analysis of customer's supply chain (basing on customer's needs) and identifying potential options



Preparing final offer and presenting to customer



Demo tests and execution



## Approval of non-financial report

This report was approved by:

- Board of Directors of AsstrA-Associated Traffic AG
- Management Board of AsstrA-Associated Traffic AG
- CEO of AsstrA-Associated Traffic AG

**Approval date:** 17 September 2024.



# Sustainable development goals



End poverty in all its forms everywhere.



End hunger, achieve food security and improved nutrition and promote sustainable agriculture.



Ensure healthy lives and promote well-being for all at all ages.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



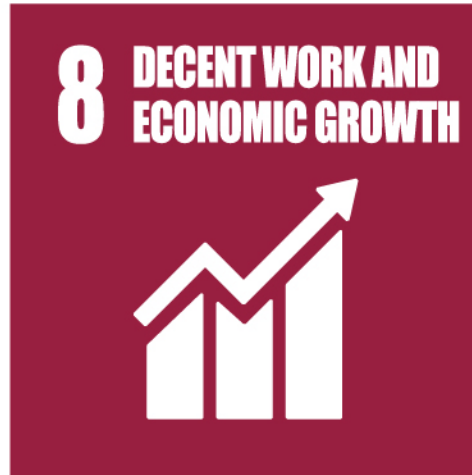
Achieve gender equality and empower all women and girls.



Ensure availability and sustainable management of water and sanitation for all.



Ensure access to affordable, reliable, sustainable and modern energy for all.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



Reduce inequality within and among countries.



Make cities and human settlements inclusive, safe, resilient and sustainable.



Ensure sustainable consumption and production patterns.



Take urgent action to combat climate change and its impacts.



Conserve and sustainably use the oceans, seas and marine resources for sustainable development.



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.



# GRI index

Statement of use: AsstrA Forwarding AG has reported in accordance with the GRI standards for the period 01.01.2023-31.12.2023

GRI 1 used: GRI 1: Foundation 2021

Applicable GRI sector standard (s): Not applicable

GRI standard / other source	Disclosure	Reference	Location / Page
GRI 2: General Disclosures 2021	Disclosure 2-1 Organizational details	SR 2023	4-11
	Disclosure 2-2 Entities included in the organization's sustainability reporting	SR 2023	12
	Disclosure 2-3 Reporting period, frequency and contact point	SR 2023	12 / Contact point for 2023 Sustainability report is: dmitri.krolov@asstra.com
	Disclosure 2-4 Restatements of information	SR 2023	12
	Disclosure 2-5 External assurance	SR 2023	11
	Disclosure 2-6 Activities, value chain and other business relationships	SR 2023	3-10
	Disclosure 2-7 Employees	SR 2023	37-43
	Disclosure 2-8 Workers who are not employees	SR 2023	41, 43
	Disclosure 2-9 Governance structure and composition	SR 2023	25-33
	Disclosure 2-10 Nomination and selection of the highest governance body	SR 2023	25-27
	Disclosure 2-11 Chair of the highest governance body	SR 2023	28-29
	Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts	SR 2023	30-31
	Disclosure 2-13 Delegation of responsibility for managing impacts	SR 2023	30-33
	Disclosure 2-14 Role of the highest governance body in sustainability reporting	SR 2023	32
	Disclosure 2-15 Conflicts of interest	SR 2023	28-29
	Disclosure 2-16 Communication of critical concerns	SR 2023	33
	Disclosure 2-17 Collective knowledge of the highest governance body	SR 2023	27
	Disclosure 2-18 Evaluation of the performance of the highest governance body	SR 2023	27
	Disclosure 2-19 Remuneration policies	SR 2023	38,42-43
	Disclosure 2-20 Process to determine remuneration	Information is not provided due to confidentiality constraints	
	Disclosure 2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints	
	Disclosure 2-22 Statement on sustainable development strategy	SR 2023	2
	Disclosure 2-23 Policy commitments	SR 2023	2, 14-18
	Disclosure 2-24 Embedding policy commitments	SR 2023	23-24
	Disclosure 2-25 Processes to remediate negative impacts	SR 2023	33-34



# GRI index

GRI standard / other source	Disclosure	Reference	Location / Page
GRI 2: General Disclosures 2021	Disclosure 2-26 Mechanisms for seeking advice and raising concerns	SR 2023	34
	Disclosure 2-27 Compliance with laws and regulations	SR 2023	23
	Disclosure 2-28 Membership associations	SR 2023	7
	Disclosure 2-29 Approach to stakeholder engagement	SR 2023	34
	Disclosure 2-30 Collective bargaining agreements	SR 2023	40

## Materiality assessment and list of material topics

GRI standard / other source	Disclosure	Reference	Location / Page
GRI3: Material Topics 2021	Disclosure 3-1 Process to determine material topics	SR 2023	14
	Disclosure 3-2 List of material topics	SR 2023	15
	Disclosure 3-3 Management of material topics	SR 2023	14-15, 21-22
	Disclosure 201-1 Direct economic value generated and distributed	Information is not provided due to confidentiality constraints	
	Disclosure 305-3 Other indirect (Scope 3) GHG emissions	SR 2023	51-52
	Disclosure 305-4 GHG emissions intensity	SR 2023	51-52
	Disclosure 401-1 New employee hires and employee turnover	SR 2023	39-40
	Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	SR 2023	43
	Disclosure 403-6 Promotion of worker health	SR 2023	41-42
	Disclosure 404-1 Average hours of training per year per employee	SR 2023	45
	Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	SR 2023	44-45
	Disclosure 406-1 Incidents of discrimination and corrective actions taken	SR 2023	46-48