

Sustainability report

2022 Edition



CEO message

CARING. CONNECTING. DELIVERING.

The year 2022 was challenging. The pandemic in Europe and the United States was almost over. At the same time, the full scale military invasion of Ukraine took place in February 2022 and the hope that 2022 would be smooth unfortunately did not come true. Current geopolitical affairs have had a strong influence on many business aspects, including the reorientation of logistics flows, ensuring energy resource security, and the overall change of the world's development paradigm. We learned how to adapt our work to these conditions and protect our employees with a relocation program.

We focused our efforts in 2022 on implementing our development concept of "Caring, connecting, delivering" which helped to support and re-orient our business in a new geopolitical environment. And this orientation shows that we have chosen the right development factors because many positive things happened to our business:

- We opened two offices in Georgia and Spain, and set long-term strategic development plans for our American and European offices.
- We have launched several upcoming projects and initiatives such as the Common Identity Leap, a Big Data project, and an integrated solutions management unit.
- We launched new trade lanes as China-US, Turkey-Germany, Turkey-France, and new services to our clients.
- We made the highest EBITDA in our history and passed the half-million sales mark.
- We established an ESG framework until 2030.

To lead our business to a more sustainable future and set our goals consistently clear and bound with other coexistent aspects – we have set a comprehensive AsstrA's ESG framework up to 2030. AsstrA's ESG strategy has three main pillars: Environment, Corporate Social Responsibility, Sustainable Business and Economic Growth. Each of these 3 parts has its own tracked KPIs. These parts of AsstrA's ESG framework set 7 goals to guide AsstrA for the following years.

I believe that by taking collective action, establishing strong collaboration, and with one common goal in mind, we will create a sustainable future to all of us.



Dmitry Lagun
Chief Executive Officer



CONTENTS





Our network
at a glance

CHIEF COMMERCIAL OFFICER FOREWORD

Our environmental, social and governance impact initiatives are transformative, not rapid gains. While some require longer to ramp up, we expect them to deliver significant results in the next years.

In 2022 we have started to adopt our transport mode & services differentiation strategy, which would see us becoming stronger in Ocean, Intermodal Freight Forwarding & Industrial Project Logistics. Shifting our focus from Road FTL service enables us to reduce our CO2 emissions per metric ton of cargo.

From the perspective of our business and finances - our turnover grew 27% compared to 2021 — last year was record-breaking despite the difficult geopolitical situation. And for the first time in our history we have reached the 500 million euro mark.

AsstrA-Associated Traffic AG strives to conduct business in ways that are principled, transparent, and accountable to our business partners. We believe doing so generates long-term value for society, employees and our customers. We are working to improve and reporting our progress.

We do so because we strongly believe that a business should bring benefits to the society, not harm. We seek to earn term relations with our business partners by holding ourselves accountable and publicly reporting on our policies, practices, and performance. Our goal is to provide visibility into how we are meeting our commitments and responsibilities.

Finally, I would like to touch on our unique value policy, "Logistics with human touch." Around this approach we have built a new motto: "Caring. Connecting. Delivering," which is closely tied with our ESG strategy until 2030.

Enjoy reading our ESG report 2022 which would provide you with key developments happened in AsstrA in 2022



Vladislav Lagun
Chief Commercial Officer

2022 SUSTAINABILITY HIGHLIGHTS

63%

Composition of women
in global workforce

46%

Composition of women
in top management

11%

Empty trips % in EU

92,81%

Success rate at educational
courses provided by AsstrA

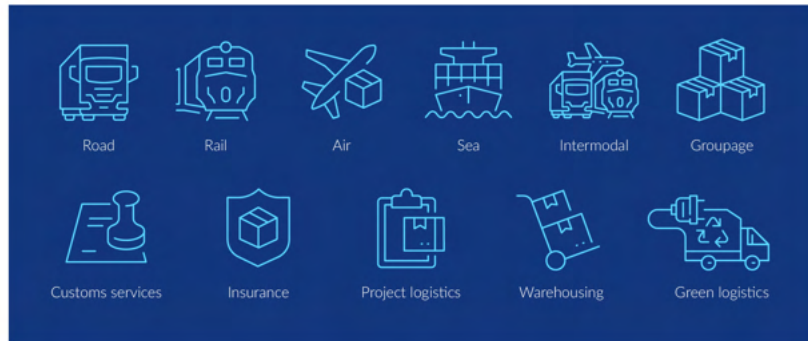
64%

NPS index of loyal clients



ASSTRA GROUP OF COMPANIES

AsstrA Group consists of more than 25 offices located in Europe, Asia and America. AsstrA is a 3PL provider offering a great variety of services to its clients including transportation services and modes as:



AsstrA provides a wide range of single-pallet transport services for cargo of a variety of types and sizes, including general, high valued, heavy and oversized, liquid and bulk, dangerous and refrigerated, motor vehicles, livestock, glass, and steel coils.

We operate contracted truck fleet and cooperate with recognized road and rail carriers, container ship operators, and airlines in Europe, Asia, Turkey, and the Middle East.

Our company provides supply-chain management and logistics project optimization, import and export cargo transport, preparation of shipping and customs documents, warehousing, and cargo insurance services.





OUR NETWORK AT GLANCE

AsstrA Group consists of more than 20 offices located in Europe, Asia and America:

- Switzerland
- Italy
- France
- Spain
- Germany
- United Kingdom
- Belgium
- Czech Republic
- Romania
- Hungary
- Poland
- Bulgaria
- Georgia
- Lithuania
- Latvia
- Finland
- Uzbekistan
- Kazakhstan
- Turkey
- China
- USA
- And others

OUR NETWORK AT GLANCE



28

Years Of Experience



527

Mln. € Turnover



5 600

Satisfied Customers



22

Industries Served



700

Orders Per Day



612

Key Trade Lanes



14 400

Trusted Suppliers



30

Customs Service Points



163 500

Road



17 220

Teu's By Rail



23 780

Teu's By Sea



8 000

Rail Car Deliveries



5 800

Air



1 300

Tank Truck Shipments



2 100

Heavy Lift And Oversized



ASSTRA CERTIFICATES



We are ISO 9001, ISO 14001, ISO 28000, and ISO 45001 certified in line with international quality standards.

Our food product transport management safety system is ISO 22000 certified.

We are highly rated according to SQAS standards for the transportation of chemical goods, including ADR, with minimal risk.

Our GDP-based pharmaceutical transport management system minimizes the risk of shipping drugs and medical equipment.



ASSTRA MEMBERSHIPS

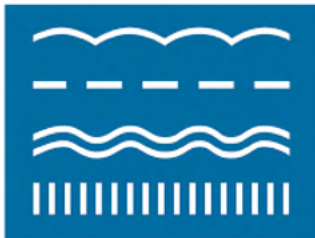


**Smart
Freight
Centre**



**Clean Air
Transport**

GLEC
GLOBAL
LOGISTICS
EMISSIONS
COUNCIL



**Sustainable
Freight
Buyers
Alliance**

AsstrA is a member of Sustainable Freight Buyers Alliance, GLEC and Clean Air within Smart Freight Centre to cooperate with other companies on the development of decarbonization services and sustainable buying principles.



ESG at Asstra

Sustainable Development Manager's Foreword

ESG 2022 HIGHLIGHTS

We had a very productive year in 2022, especially for AsstrA's ESG initiatives. Having been working on developing the ESG Strategy concept since May, I would like to outline the major developments we made throughout 2022.

Strategy concept:

MAY-JUNE 2022:

- Elaboration of AsstrA ESG strategy 2030 and AsstrA Environmental Policy 2030
- CO2e calculation and unit selection process
- Meetings with companies producing environmentally friendly vehicles and technologies
- Understanding our clients' needs in relation to ESG and environmental protection
- Projects for external financing – LIFE application preparation

AUGUST 2022:

- ESG KPI's map preparation
- AsstrA ESG strategy 2030 and AsstrA Environmental Policy 2030 – approved by BoD
- CO2e calculation unit chosen – Green Router
- Consultations with Operative departments in concern to environmental services
- Serving clients' requests

SEPTEMBER 2022:

- LIFE application written and sent to European commission – AsstrA LNG
- New mobility congress in Łódź

- ESG at AsstrA and Environmental protection at AsstrA – two educational courses prepared for employees

OCTOBER 2022:

- Co2e accounting – consultations
- Discussion on several projects to incline
- ESG Brochure prepared
- Trees planting in Poland (on-site event)
- EU truck summit

NOVEMBER 2022:

- First tests of GreenRouter platform and first reports available
- EcoVadis audit
- ESG and Environmental protection at AsstrA – educational courses taught to AsstrA employees
- Meetings on carbon insetting and in concern to potential
- LIFE projects

DECEMBER 2022:

- Sustainable Logistics Roadmap course finished and certification obtained
- Meetings with Good Shipping and Smart Freight Centre in Amsterdam
- Handling tenders
- Electric truck guidance
- SFC membership
- Plans for 2023

So here are just very basic things we dealt with throughout 2022 to make our company more sustainable. Please find a more detailed outlook on ESG status at AsstrA below.



Dmitri Królov
Sustainable Development Manager

ESG AT ASSTRA

In 2022 AsstrA adopted its ESG strategy until 2030 aiming to foster sustainable development within the company and based on the 7 core principles of UNO's sustainable goals.



AsstrA promotes well-being to all employees. It includes promotion of healthy lifestyle, ergonomic workplaces and sport activities' sponsorship.



AsstrA has an educational platform which enables employees to get knowledge about their professional competencies alongside with a possibility to acquire knowledge for a personal growth. All educational courses can be attended by every employee and are free of use.



AsstrA does not discriminate people according to their sex. Everybody has equal rights within company and a very high percent of women are working on managerial positions



AsstrA grows sustainably having clear goals with defined time frames. Sustainable economic development of company can be seen taking into account previous years as well.



AsstrA uses new technologies in its business and at the same time promotes such technologies and techniques among stakeholders.



AsstrA fosters sustainable consumption of resources within company having a program "Green Office"



AsstrA takes responsibility to reduce CO2 emissions of its business for a better future of new generations.

The company therefore aims for coherent and sustainable business development, while being socially responsible and caring for the environment. Sustainable development is based on the classic triangle approach.



AsstrA considers the relation between company values and the UN 2030 Sustainable Development Goals. It understands that business can only grow with an integrated approach to sustainability.



Public and civil society

Climate / environmental impact of your company or sector



Customers and consumers

Corporate brand exposure



Government

Exposure to sustainability / climate regulations



Investors

Requirements for disclosure and action on climate



Employees

Importance of sustainability to join or stay with your company

ESG AT ASSTRA

AsstrA takes into account the UN 2030 Sustainable Development Goals, 7 ESG aims and the company's core values. It outlines the following guidelines to follow in the perspective of 2030:

- Social responsibility of businesses, establishment of new work places
- Ethics and law compliance
- Zero tolerance policy on the basis of gender, religion, race, nationality, political views and other aspects
- Taking responsibility for activities affecting the environment
- Investing to Green Technologies and Practices
- The balance between business and public interests

Continuous improvement and course towards sustainable development in the company, long-term planning and understanding of economic activities' consequences.



ASSTRA FORWARDING AG

Zurich - Switzerland | Other transportation support activities
 Publication date: 3 Nov 2022
 Valid until: 🕒 3 Nov 2023



56 / 100
 69th
 percentile

ECOVADIS ASSESSMENT

At the end of 2022 we had an EcoVadis assessment which resulted in Silver status gained for sustainability issues in the company:

☆ 56 / 100 points

SUSTAINABILITY PERFORMANCE OVERVIEW

Score breakdown

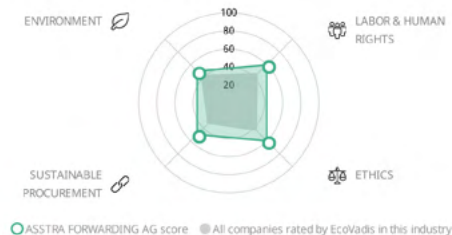
Sustainability performance ● Insufficient ● Partial ● Good ● Advanced ● Outstanding — Average score



Overall score distribution



Theme score comparison



Environment

ENVIRONMENT

In 2022 we choose two main principles for environmental protection at AsstrA:

1. Responsible Consumption and production. A good example of responsible consumption is at AsstrA – our Green Office initiative which aims to decrease the usage of energy resources at our offices.

2. Climate action. We undertake a variety of actions in our company, internal and external:

- Internal actions aimed at consumption and overall use of the resources we utilize in our offices and warehouses.
- External actions center on our supply chain and the impact we could make on it. This includes cooperation with our suppliers on environmental initiatives, mutual projects, sustainable procurement and all set of actions we could undertake externally.

A company's number one priority is ensuring a viable environment for future generations.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



ENVIRONMENTAL HIGHLIGHTS 2022

Aggregate demand from our customers has led to many positive developments for AsstrA. In response, we have made several extensive offers to our clients including electric trucks, sustainable fuels, carbon offsets, and intermodal shifts. Many of our clients named our "green" offers nicely elaborated and logic.

In this relation we are proud to present our major improvements made during 2022 to serve our clients in a better and more sustainable way:



Sustainable Development Manager's role was established what led to elaboration of ESG strategy and Environmental protection policy up to 2030 for our company.



Rail services share increases.
We increased Rail services share at our company. From 3.6% in 2021 to 4.8% in 2022.



First LNG truck in the company.
Demand from our customers' side led to a new development process resulted in contracting of LNG trucks. So the first LNG truck was contacted at the end of 2022.



Carbon offsetting scheme was proposed for our clients for the first time.

ENVIRONMENTAL HIGHLIGHTS 2022



Empty run is still at the same low level and correspond to 11% (2022 vs 2021) for our Contracted and Dedicated Fleet departments. It shows empty runs for our contracted trucks in the European Union.



We have established a new position – **Integrated Solutions Manager** – a person combining knowledge of sea/rail and road transportation who works hard to scale the usage of intermodal solutions for our clients.



We have become a member of **Smart Freight Centre** – a leading organization aiming to decarbonize the supply chain.



AsstrA has joined GLEC and the Sustainable Freight Buyers Alliance within the Smart Freight Centre.

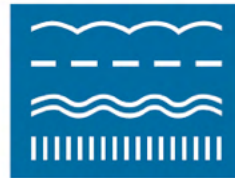


**Smart
Freight
Centre**



**Sustainable
Freight
Buyers
Alliance**

GLEC
GLOBAL
LOGISTICS
EMISSIONS
COUNCIL



DECARBONIZATION SERVICE: INTERMODAL SHIFT

Our main focus until 2030 – providing our clients with alternative to FTL solution (Intermodal shift).



SUSTAINABLE FUELS: HVO100

This year we provided our first clients with solutions based on the use of HVO100. HVO100 is an excellent option to choose compared with diesel as it gives the possibility to reduce CO₂ emissions by up to 90%.



Up to 90%
CO₂e reduction



SUSTAINABLE FUELS: LNG AND BIO LNG

LNG and bio-LNG are technologies AsstrA would use for the next years to provide our clients with alternative fuel options. We are proud to say that the first LNG truck was tested in 2022. We have planned to scale usage of LNG trucks for the next year as a transition period until other technologies are available.

In 2022 we applied for an external financing option from the European Commission (LIFE project) to finance the usage of LNG trucks at AsstrA which could lead to more attractive prices we would be able to provide our clients with.

AsstrA cares about environment and that is why we have elaborated AsstrALNG project and applied for financing to EU funded LIFE programme. Moreover we are on the way to test other alternative fuels and technologies in the forthcoming years.



CO₂ EMISSIONS

We have started to measure CO₂e emissions of our business

Scope

Scope 1	0.00	tCO ₂ e
Scope 2	0.00	tCO ₂ e
Scope 3	240.199.19	tCO ₂ e



- Scope 1 0%
- Scope 2 0%
- Scope 3 100%

Distance traveled:



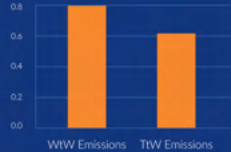
- Road 62.6%
- Rail 8.7%
- Maritime 22%
- Air 6.6%

Means of transport	Distance (km)	% out of total	Goods Weight (tonne)*	% out of total*	Tonne (km)	WtW Emissions, tCO ₂ e	% out of total
Road	188.010.760,09	62,63	2.106.760,75	88,37	3.027.349.974,21	204.011,84	84,93
Rail	26.205.580,98	8,73	183.495,37	7,70	606.164.436,93	10.304,80	4,29
Maritime	66.149.335,93	22,04	112.015,16	4,70	1.195.269.218,15	8.958,31	3,73
Air	19.813.282,47	6,60	4.004,65	0,17	20.713.585,04	16.924,24	7,05
Total	300.178.959,47	100,00	2.384.085,40	100,00	4.849.497.214,32	240.199,19	100,00

CO₂ EMISSIONS

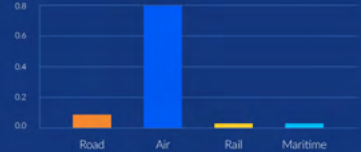
Overall data

WtW Emissions	0.80	kg CO ₂ e / km
WtW Energy used	11.42	Mj / km
TtW Emissions	0.62	kg CO ₂ e / km
WtW Energy used	9.15	Mj / km

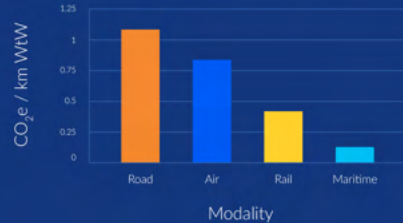


Emissions per tonne.km

Road	0.07	kg CO ₂ e / (tonne x km)
Air	0.82	Mj / km
Rail	0.02	kg CO ₂ e / km
Maritime	0.01	Mj / km

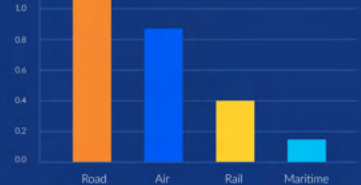


Modalities and their emissions at AsstrA per 1 km (2022)



Transport efficiency (Emissions per km)

Road	1.09	kg CO ₂ e / km
Air	0.85	kg CO ₂ e / km
Rail	0.39	kg CO ₂ e / km
Maritime	0.14	kg CO ₂ e / km



GREEN OFFICE

AsstrA cares not only about emissions of its supply chain but also has a variety of initiatives at its offices. A good example is our Green Office program which includes measure aimed to gain responsible consumption of resources at our offices and ESG initiatives connected to it.

Green office reports are published every year showing the usage of different resources within the company as electricity, heating and water. At the same time it consists of other developments which were made in our offices in order our employees would enjoy working at AsstrA and have a pleasant working environment.

At our global sites we are:

- Purchasing energy-saving batteries and equipment
- Segregating waste wherever possible
- Working with electricity suppliers that use renewable energy sources wherever economically feasible
- Metering electricity, water, and heat usage wherever technically possible
- Using water-saving dishwashers and other plumbing solutions whenever possible
- Purchasing detergents free of chlorine, organochlorine compounds, phosphates, and other hazardous substances

- Purchasing paper made from recycled materials or certified by the FSC Forest Stewardship Council scheme

In 2022 vs 2021 we saved 26% electric energy in our offices per employee (where it was possible to track).



26%

electric energy decrease
per employee





TREES PLANTING

Green office also includes diverse initiatives such as tree planting, which not only helps the environment but also unite our employees.



Kamila Rynkiewicz
Senior Marketing Specialist



Social development
and corporate
responsibility

SOCIAL DEVELOPMENT AND CORPORATE RESPONSIBILITY

In 2022 we have set 3 main aims to foster social development and corporate responsibility.



GOOD HEALTH AND WELL BEING



Aiming for the good health of our employees AsstrA fosters sports competitions for its employees, providing its employees with extensive medical insurance and undertakes other extra initiatives.

In 2022 Program «AsstrA loves sports» was established. It covers varied sport initiatives for our employees' health and to support people's hobbies:

Advancing Para-Equestrian in Kazakhstan

Sultan Zhasybaj, Business Development Manager at AsstrA Almaty and qualified hippotherapist, helped athletes participate in the 6th edition of the Cup along with teams from all around the country. Sultan's team is taking its first steps to advance hippotherapy in the region as a way to rehabilitate and socially integrate people with disabilities.



Two Triathlons for #asstralovessports

Marcin Nagodzinski, Sales Specialist at AsstrA's office in Poznań, Poland, regularly reaches for and attains new athletic heights and achievements. Physical activity helps him maintain balance and build strength in all areas of life. Since starting his racing career in the Poznań Half Marathon in October 2021, Marcin has already competed two more times in 1/2 and 1/4 Ironman triathlons.

One was the 10th JBL Triathlon Sieraków, held from May 27-29 in the "Land of 100 Lakes," a picturesque part of the Greater Poland Voivodeship. The other was the 8th Triathlon Lwa in Lusow, near Poznań, over the weekend of June 11-12.

QUALITY EDUCATION



AsstrA traditionally offers a great variety of educational courses for its employees fostering the professional and private development of its staff. If educational courses do not exist within the company – AsstrA additionally financing its employees needs in education.

Every week we have a great deal of courses offered for every employee – there are trainings which help to develop professional skills while at the same time being more specific in order to develop soft and personal ones.



CREATIVE THINKING OR THINK OUTSIDE THE BOX
Y. Vesnovskaya ENG. (Source)

Employees of AsstrA speak 42 languages including:

Arabic, Armenian, Azerbaijani, Belarusian, Bulgarian, Chinese, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, Georgian, German, Greek, Hungarian, Italian, Japanese, Kazakh, Korean, Latvian, Lithuanian, Norwegian, Ossetian, Persian, Polish, Portuguese, Romanian, Russian, Serbian, Slovak, Slovenian, Spanish, Swahili, Swedish, Tajik, Thai, Turkish, Ukrainian, Uzbek.

Moreover, the company finances educational courses so employees can learn other languages they are interested in.

Moreover, we think that not only professional education is critical, but also training devoted to soft skills development.

COOPERATION WITH UNIVERSITIES



AsstrA believes that our company's future lies in new talent. That is why we cooperate with universities and other education units.

AsstrA is actively involved in cooperation with universities in the regions where company is represented. We believe that new talents are the main driver to every business.



Olga Miliukhina
HR Recruiter

LEARNING EFFICIENCY

Every month we measure learning efficiency in order to sustain it on a high level and if needed to undertake corrective actions.

The most important indicators as Success rate, Learning efficiency and Evaluation of learning satisfaction are on splendid level of more than 90% for each.



Yana Razhnovskaya
Head of Learning
& Development Division

Month	Average % Success Rate	% Learning Efficiency	Evaluation of Learning Satisfaction, average %
January	92.47%	96.07%	93.97%
February	93.33%	97.07%	95.15%
March	96.87%	98.36%	95.18%
April	92.10%	97.37%	92.18%
May	92.05%	94.79%	91.88%
June	90.02%	95.60%	89.43%
July	96.13%	89.41%	92.26%
August	90.69%	94.12%	83.50%
September	96.70%	90.87%	96.62%
October	93.98%	94.66%	88.26%
November	86.13%	84.72%	93.73%
December	89.74%	89.29%	95.26%
TOTAL	92.52%	91.80%	92.29%

GENDER EQUALITY

5 GENDER EQUALITY



Gender equality and tolerance of every kind of sex, religion and political views are core principles of our company. We do not treat people differently by means of their sex.

Women and men are equally treated and have the same career opportunities at AsstrA.

We have planned to maintain the same equal ratio of women to men in the coming years.



63%

Composition
of women in the
global workforce



46%

Composition
of women
in top management



54%

Composition
of women
in management

CHARITY ACTIONS

As AsstrA since we were founded as a company we have been trying to help local communities in the countries where our offices are present. So as a standard we have:

- Annual gatherings to help people in need
- Assistance of our employees who suffered from natural disasters or found themselves in a difficult situation
- Real time actions and real time responses (as a help to Ukrainian hospitals)

We share the point of view that if a business earns money then we have to allocate an amount of them to charity actions in order to help people who are in need. During 2022 we undertook several charity campaigns and actions, including:

- **AsstrA helped the people who suffered because of conflict in Ukraine:** we helped by undertaking carriages to Ukraine without profit, by organizing gatherings and sending essential goods to affected people.

Our employees were also involved and have been helping since the first days of the conflict: providing supplies, hosting Ukrainian families, organizing charity funds and helping people in need by voluntarily working in specially devoted organizations.

- **Every year we send collected money from our internal fund to finance initiative for which most of our employees have voted.** In 2022 we decided not to print-out promotional materials as calendars, greeting cards in order to make something good for the environment and at the same time to save money which we invested into charity actions last year.



40 000€
additional in 2022

By not printing promotional materials.

- **There are other varied charity actions, such as helping homeless animals.**

Numbers of actions vary from region to region where AsstrA is represented but they have one thing in common – AsstrA helps local communities.





ASSTRA HELPS STRAY PETS GO TO THEIR NEW HOMES

"Since 2016, the AsstrA Polska Sp. z o.o. customs agency in Kuźnica has been helping German organizations to find owners for homeless dogs and cats from outside EU. Thanks to the efforts of the AsstrA team and the veterinarian at the border, the Head of the Kuźnica Customs Department authorized the onward journey. Thus the pets were able to continue on to their new homes," emphasizes Dorota Klim-Siemieńczuk, Head of the AsstrA Polska's Kuźnica Customs Agency.



Dorota Klim-Siemieńczuk
Head of the AsstrA Polska's
Kuźnica Customs Agency



OUR STANDARDS

Throughout its history AsstraA has been trying to meet our employee's needs and to provide them with all conditions to perform their work well.






Even after the pandemic, we did not change our home office working style and provided our employees with a possibility to work remotely using a hybrid style (few days at office, few days at home). It gives a possibility to better approach work-life balance and achieve better results at work while having balance in their private lives.

Our company recognizes every employee's right to rotate inside the company and promotes personal growth by giving them the opportunity to change their division, role, and position. If employee notices that new position was opened within his/her office or even at other country where AsstraA is presented – person could send a request for a rotation. In 2022 we accepted more than 50% of rotation requests at our European offices. Many of our people have started to work on new positions, bring fresh ideas to our company and at the same time develop themselves as professionals having cross-knowledge.

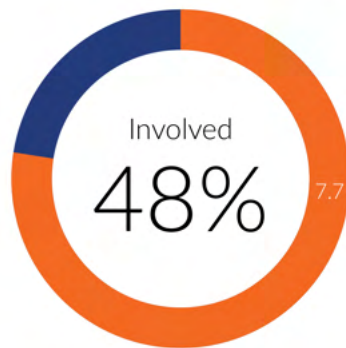
At AsstraA we believe that every employee's voice has to be heard. That is why there are many possibilities exist to influence on our business.

In 2022 we got 154 global ideas and 18% of them (28) were accepted for realization. Such ideas include initiatives aimed at developing working processes, quality of education, making the working environment more comfortable etc.

We publish monthly evaluations of ideas and comments on employees' proposals every month. Afterwards we choose best ideas for execution.

	"Archive" subtab for the "Offers" tab in Supplier's portal ★ 5 20 Dec 2022 14:09
	Football/volleyball tournament between Asstra's Offices ★ 5 20 Sep 2022 13:49
	Virtual tour of the office 360 ☆ 0 19 Oct 2022 17:19
	Database about documents needed on a specific TL ☆ 0 28 Nov 2022 18:59
	customer ref nr in OTM OTM ☆ 0 21 Dec 2022 14:21

Our Asstra Happy Index indicates that employees gave quite a good score to their work here during 2022, resulting in a 7.7 score.



Asstra Happy Index

This is what we called the Asstra Happy Index – the company to the question "How likely is it that you would recommend working at AsstraA to a friend or colleague?".

Corporate
governance

BUSINESS DEVELOPMENT DIRECTOR FOREWORD

In the year of turbulence and international conflicts, our business has once again been stress-tested for sustainability and proudly passed this difficult test. Despite changing trade flows, imposing sanctions regimes, and disrupting supply chains, AsstrA was able to launch a strategic refocusing program. This helped it redefine relationships with customers and suppliers, and demonstrate record financial performance in the company's history.

For me, the highlight of 2022 was the continued implementation of all previously planned strategic initiatives. This decision, which was made under difficult crisis conditions in March 2022 and has been consistently maintained throughout the year.

- We continue the development and implementation of our strategic programs including structure transformation in Operations and new methods and instruments in Sales with the purpose of rising efficiency;
- We are constantly improving the quality of our analytics, striving for excellence in market intelligence, scenario planning and new technologies application;
- As part of our diversification program we are searching and negotiating with potential acquisition targets - Ocean container logistic service providers - according to our M&A strategy;
- Realizing projects to develop new trade lanes and new markets;
- Preparing alternative delivery schemes, considering changing supply chains and a green agenda for our key clients;

- Running a major project on corporate culture management within the Common Identity Leap.

Considering business development as an essential part of ESG we have chosen 2 aims to be our guiding principles until 2030.



- Decent work and economic growth;
- AsstrA grows sustainably by having clear goals with defined timeframes. Sustainable economic development of company could be seen taking into account previous years as well;
- Industry, innovation and infrastructure;
- AsstrA uses new technologies in its business and at the same time promotes such technologies and techniques among stakeholders.

These initiatives are the basement for our future development, ensure the company's long-term success and allow us to look to the future with confidence.

Enjoy reading the corporate governance part of our ESG report.



Andrej Lenevich
Business Development Director

EFFECTIVE AND TRANSPARENT GOVERNANCE

In 2022 AsstrA has introduced Management Board (MB) meetings which now coexist together with Board of Directors meetings. Main idea of MB meetings is to make corporate governance more effective and transparent.

According to the proposed strategy at the BoD, we should focus on setting strategic goals, evaluating strategic initiatives, and seeking strategic opportunities. At the MB meetings, we focus on implementing strategic initiatives, evaluating progress, planning tasks, and discussing open issues.

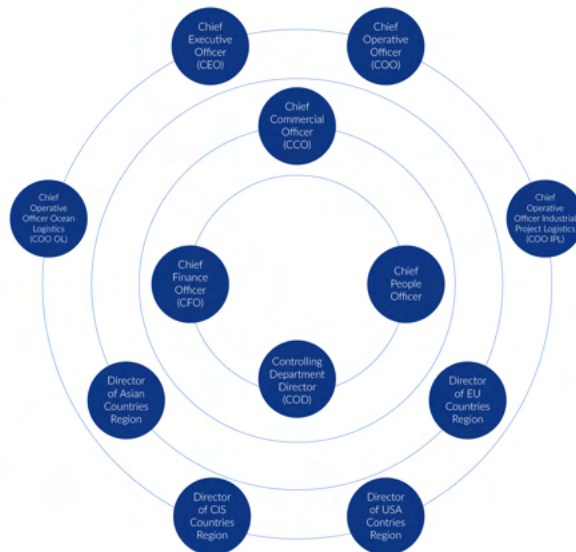
Management Board – a platform for a dynamic discussion designed to coordinate the actions of the members of the Management Board team for a month and set the priority for solving all problems that hinder progress, discuss issues of improving processes, regulations and structure. At these meetings:

- The metrics on operational activity, sales, quality in the context of regions and divisions are analyzed;
- Operational issues are being discussed;
- Participants report on the performance of system tasks;
- Participants report news about projects that other roles are working on, and a report on their project tasks is submitted.

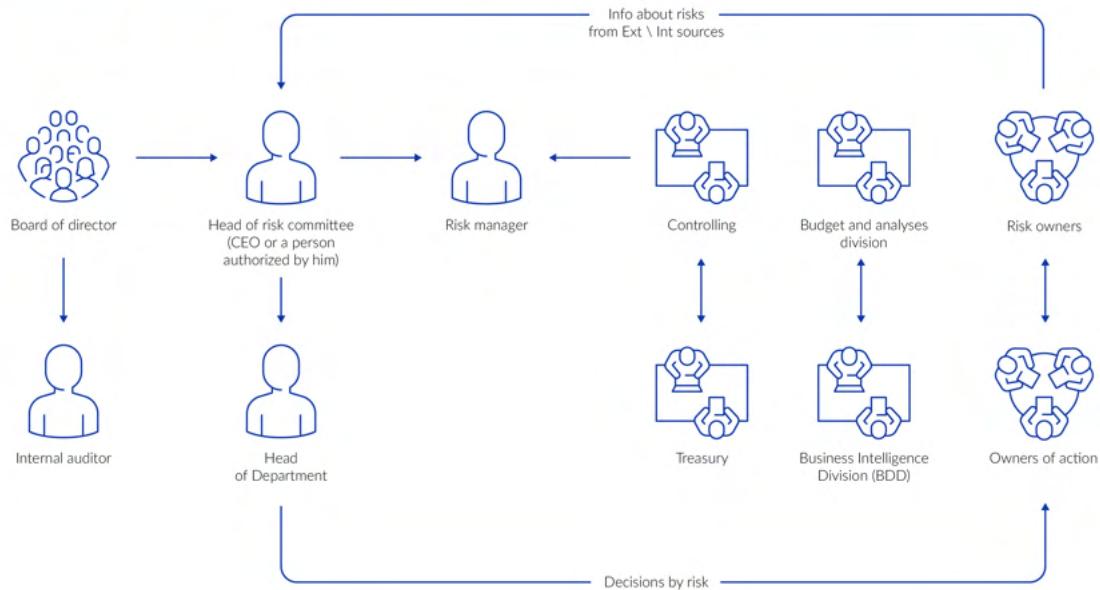


Dmitry Lagun
Chief Executive Officer

At the same time Board of Directors is the strategic management body, whose main task is to provide overall management of the holding 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 system.



EFFECTIVE AND TRANSPARENT GOVERNANCE



An important aspect is that the whole business activity of Asstra group of companies is assessed by the risk committee with corresponding audits (including ESG audits) which shapes the following scheme.



Dmitry Lagun
Chief Executive Officer

CORPORATE GOVERNANCE HIGHLIGHTS

2022 has brought many positive developments. So here they are.

Our employee count has increased and now we have more than 1500 employees globally.

■ Empl. Count ■ Share, %



1 223
Employees
in company

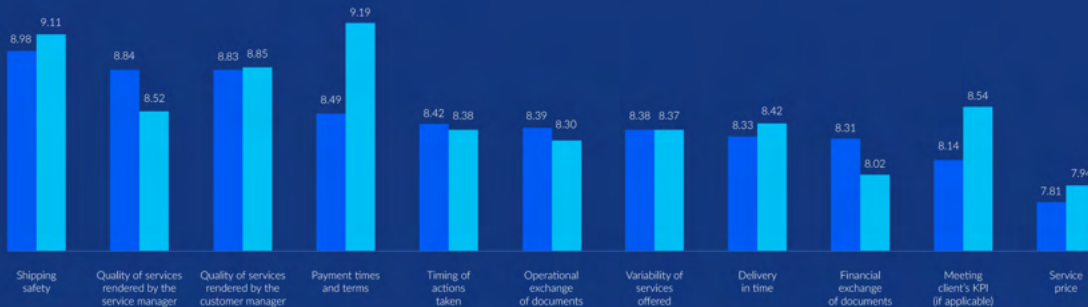


12,5%
Profitability
of the business

Every year we conduct a customer survey in order to identify their needs in the most efficient possible way.

The average satisfaction degree for AsstrA clients is 8.45. Positive changes are noted for the following criteria: quality of services rendered by the service manager, timing of actions taken, operational and financial exchange of documents.

■ 2022 ■ 2021



PRODUCTION LEAP PROJECT

In 2022 we started many successful projects aimed at developing our business:

Production leap is a project that aims to improve efficiency and division of work across the organization in 2022. It resulted in increased satisfaction among employees towards the duties they fulfill daily.

The most satisfied with production leap are Order Managers and Heads of Divisions - 73%. Next in descending order - Supplier Managers and Customer Managers - 66-69%, Trade Lane Managers - 59%.

Distribution of responsibilities of the Forwarder to new roles

Road Customer Service
Department or Geographic Dep.



Customer manager (CM)

- Creating Order Release;
- Operative communication with Real Customers;
- Participation in the preparation of summaries of tenders and providing feedback to TLMs regarding rates and requirements;
- Supplementing the operational SOP, its analysis and training of working groups together with the client's curator;
- Assistant, if needed, under heavy load of CM.

TLM



- Quotation of requests and tenders;
- Assessment and provision of transportation capabilities TL;
- Monitoring acceptance of orders on TL (KPL, AO);
- Distribution of orders between employees on TL;
- Development of the optimal transportation scheme / route, delivery solution instead of pricing competition.



Forwarder

Geographic Department



Accounting Department (AD)

- Managing Customer's financial documents;
- Managing Supplier's financial documents.



Supplier Manager (SM)

- Securing transport capacities for spot and contract orders;
- Organizing planned stop (reloading, border crossing, customs);
- Performing internal procedures related to Suppliers;
- Sending a transport order to a supplier;
- Solving non-conformities (which may carry material risks (confiscation, arrest, loss of cargo etc.).



Order manager (OM)

- Monitoring truck positioning and inputting events, booking slots;
- Paperwork on the way (CMR, letter of attorney etc.);
- Assistance during transportation and solving standard inconsistencies (demurrage, lateness, etc.);
- Request invoices for customs and "for the closing" in cases of certain SOPs of the Clients;
- Creating JOB-Sell-Buy and transport orders;
- Creating requests for Suppliers unblock and transfer into real.

2022 CORPORATE GOVERNANCE HIGHLIGHTS



Mark Risenberg
Integrated Solutions Manager

Integrated Solutions Manager role (ISM) was established.

By combining knowledge on road, rail, and sea, ISM enables us to perform intermodal shift on a broader scale and achieve our environmental goals simultaneously.



Kseniia Tereshkina
Project Manager
of AsstrA Business Accelerator

***AsstrA Business Accelerator projects aim to improve processes and develop new business opportunities.**

Together with the Ocean Logistics department we are constantly working on the development of the new ocean routes as well as on improvements to the current Lanes in the European, American and Asian Regions. Year 2022 was a big challenge for us, as we started working on the Transpacific Project. We built the team, established a carriers' base, and through constant support for our customers we offered them the rates for more than 17000 TEUs within the year. Our main goal is to increase the volume of sustainable shipments. We also want to offer our customers a full portfolio of reliable services through clear communication, processes and involvement in certain lanes.



Dmitri Krölov
Sustainable Development Manager

Sustainable Development Manager (SDM) position was established

Throughout 2022 we were working on setting up ESG framework at AsstrA and Environmental protection strategy, on defining our main aim until 2030, on theoretical part and practical implementation of plans we have set for us. Many positive developments happened in 2022 – provision of new services for decarbonization, "green projects" with external financing, successful audits and a mass of business connections.



Viktoriya Ponomareva
Head of Common Identity
Leap Division

Common identity leap (CIL) aimed to provide our employees with best possible working atmosphere, to change company's values, create concept of repositioning. Throughout its existence CIL identified the main needs of our staff which resulted in new projects like "Ambassadors of AsstrA", "AsstrA loves sports" and others. Many developments are still on the way.

2022 CORPORATE GOVERNANCE HIGHLIGHTS



Mariya Gavronik
Project Manager
of AsstrA Business Accelerator

Back-office for Ocean Logistics

A "Back-office for Ocean Logistics" project has been initiated as a part of AsstrA Group's strategy, aimed at increasing of the sea-shipments' share in the company's portfolio.

The top-level goal is to free front-office personnel in the USA and Western Europe from routine operational functions, by transferring them to the new structural unit – the Back-office. That allows the front-office to concentrate more on the creative tasks, expand the customers' base and strengthen customers' relationships, as well as to work on the quality and volume of sea shipments.

The project is being implemented step-by-step, and the first phase, which was initiated for the USA offices, should be finished in 2023.



Olga Zykova
Risk Manager

Risk management at company

There is a risk manager at AsstrA who recommends how to avoid risks, prepares reports on risk management and providing education for new employees on risk management issues within company.



Ivan Akulovich
Big Data Manager

Big Data & TQS

On the Big Data project we are working on the development of the new corporate systems so to improve our processes and simplify the work.

As an example, the new tender quotation system allows us to deal with large data volumes more efficiently. It also reduces manual operations and encourages employees to find more creative solutions for our customers, instead of the daily routine. It also reduces human mistakes in data processing and helps us collect qualitative data for forecasting.

Another Big Data project is designed to optimize our shipments and eliminate empty freight. The goal is to combine as many routes as possible, so as to increase the effectiveness of fleet usage. This will enable us to offer even more attractive solutions to our customers, as well as reduce the negative impact on the environment.



Report finalised in July 2023 by Asstra Associated Traffic AG.

Find more information about Asstra company
[asstra.com](https://www.asstra.com)