



20

DELO GROUP'S  
COMBINED  
SUSTAINABILITY  
REPORT

22





# DELO GROUP'S COMBINED SUSTAINABILITY REPORT 2022



# Table of Contents

Statement of the Management of Delo Group ..... 4

## 1. GROUP DETAILS ..... 5

### General Information ..... 5

General Information ..... 6

Key ESG Indicators of Delo Group for 2022 ..... 7

Geography of Business ..... 8

Stevedoring Activities ..... 10

Key ESG Indicators of DeloPorts Group for 2022 ..... 12

Key ESG Indicators of Global Ports Group for 2022 ..... 15

Transport and Logistics Activities ..... 16

Key ESG Indicators of Ruscon Group for 2022 ..... 18

Key ESG Indicators of TransContainer PJSC for 2022 ..... 21

Major Deals in 2022 ..... 22

Brief Overview of Delo Group's  
Key Sustainability Initiatives ..... 23

New Logistics Solutions ..... 25

### Corporate Governance ..... 28

Anti-Corruption ..... 32

Antitrust Policy ..... 34

### Sustainability Management ..... 35

### Risk Management ..... 40

### Stakeholder Engagement ..... 42

### Integration of the UN Sustainable Development Goals ..... 45

## 2. THE GROUP'S ACHIEVEMENTS IN THE FIELD OF SUSTAINABLE DEVELOPMENT ..... 52

### Social Development ..... 52

Working Conditions and Employee Support ..... 53

### Climate and Efficient Use of Natural Resources ..... 90

Low-Carbon Practices ..... 95

Energy Efficiency ..... 102

Air ..... 104

Water Consumption and Protection  
of Water Resources ..... 106

Waste Management ..... 108

### Responsible Business ..... 113

Responsible Supply Chain ..... 114

Client Engagement ..... 116

Quality Control ..... 117

Information Security and Digitalisation ..... 118

IT Development and Business Digitalisation ..... 119

## 3. APPENDICES ..... 121

Report Details ..... 122

GRI Content Index ..... 125

TCFD Content Index ..... 132

SASB Content Index ..... 133

ESG Data Book ..... 137

Glossary ..... 148

Contact Details ..... 149



# Statement of the Management of Delo Group

≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices

## DEAR COLLEAGUES AND PARTNERS,

**2022 created challenges and demanded transformations from Delo Group and many other participants in the transport and logistics market. The departure of the world's largest maritime carriers and the breakdown of well-established relations forced the Group to look for new ways and means of cargo delivery.**

In the context of reorientation of cargo flows, Russian market participants made considerable efforts to develop alternative routes, launch new services, and search for new partners. These efforts helped the industry adapt to changes and made it more resilient to external impact.

Thanks to the accumulated safety margin and investments that the Group made in the development and modernisation of infrastructure and equipment over the previous years, its participants were able to respond to challenges in a timely manner. By the end of the year, the Group increased cargo handling volumes in the Far East and Azov-Black Sea basins,

transformed the client portfolio in the Baltic, and increased the volume of rail transportation. Besides, in 2022, Delo Group entered the maritime transportation market and increased its share in Global Ports, which is the leading container operator in the Russian Federation.

Over the past year, the Group's employees not only provided services, but also helped clients' businesses, ensuring seamless logistics at every stage of transportation. As the Group continues to implement ESG projects and understands its responsibility to employees, it strives to support them and their families. Global changes of the past year have once again emphasised the relevance and importance of this approach. Therefore, the Group launched the birth rate increase and motherhood and childhood support programmes. The programme that was launched in June 2022 in TransContainer PJSC fully corresponds to the Group's values of unification and support, which historically has been of prime concern for the Group in terms of its social policy. In 2023, the Group scaled up the programme across all its companies, thereby continuing to centralise its ESG activities.

The Group places particular emphasis on reducing GHG emissions. The Group understands how important it is to manage the process responsibly and effectively, reducing the negative impact on the environment. One way to improve the effectiveness of the efforts is to develop a CO<sub>2</sub> emissions calculator in 2023. The calculator will be part of the strategy of sustainable development and will be available to clients so that they can calculate CO<sub>2</sub> emissions of a particular transport route.

Over the course of 2022, the Group moved from a mosaic of policies and practices that are disparate in terms of maturity to building a uniform corporate approach and strategy. The First Combined Sustainability Report 2022 for TransContainer PJSC, GKS LLC, DeloPorts LLC and Global Ports (hereinafter referred to as the "Report") is an important step that will lay the foundation for this approach.



# GENERAL INFORMATION

1

Group Details



# General Information

**In this Report, the Group means part of assets of Delo Group, including TransContainer PJSC, GKS LLC, DeloPorts LLC and Global Ports.**

Delo Group is Russia's largest transport and logistics group of companies, managing sea container terminals in the Azov-Black Sea, Baltic and Far Eastern basins, as well as the largest network of railway container terminals and the fleet of containers and rail fitting platforms in Russia.

The Group comprises nine maritime terminals with a total capacity of 3.9 million TEUs and 7 million tons of grain per year and 47 inland terminals with a total capacity of 3.7 million TEUs per year. The Group operates a fleet of 40,000 fitting platforms and containers with a total capacity of 234,000 TEUs and its own fleet of vessels.

The transport and logistics business of Delo Group includes TransContainer PJSC, an intermodal container operator, and Ruscon Group, a multimodal transport operator (this Report includes data on three companies of Ruscon Group: Ruscon LLC, Ruscon-Broker LLC and MANP JSC). The Group's stevedoring business includes DeloPorts Group and Global Ports, a leading operator of container terminals.

Delo Group is a reliable partner in the national transport and logistics industry and an innovation and technology leader. The activities of the Delo Group cover a significant part of Russian regions and foreign countries.

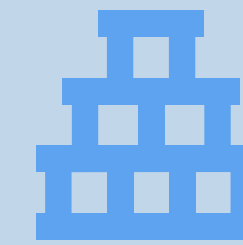
# No.1 in Russia



**in terms of volumes of rail container transportation**



**in terms of fitting platform fleet size**



**operator of sea container terminals in Russia**



**in terms of the volume of multimodal container transportation**



**the deepest container berth in southern Russia**





# Key ESG Indicators of Delo Group for 2022

≡ contents

Group Details

General Information

Corporate Governance

Sustainability Management

Risk Management

Stakeholder Engagement

Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices



## E factor

Energy consumption

**1,459.8** TJ

Water intake

**1,711,000** m<sup>3</sup>

Recycling rate

**59.6%**

Total generated waste

**10,300** tons

GHG emissions (Scope 1+2)

Market-based method

**88,200** tons of CO<sub>2</sub>e

Location-based method

**117,200** tons of CO<sub>2</sub>e

Environmental protection costs

**100.2** RUB million

Indirect GHG emissions, taking into account compensation measures, were reduced by 85% and amounted to

**5,000** tons of CO<sub>2</sub>

The Group uses voluntary bilateral power purchase agreements to offset its own carbon footprint

In 2023, Delo Group made the first deal with a Russian "green" Carbon Zero certificate

**Carbon Zero**

In 2022, the Group acquired I-REC certificates to offset its carbon footprint, in particular indirect (Scope 2) GHG emissions

**I-REC**



## S factor

Number of employees

**9,322** people

Charity expenses

**324.7** RUB million

Expenses for employee training

**43.2** RUB million

Number of fatal work-related injuries

**0**

Number of accidents

**0**

Share of women among employees

**42.3%**

Expenses on social programmes for employees

**218.4** RUB million

Human rights violations

**0**

LTIFR

**0.64**

Expenses on occupational health and safety

**236.7** RUB million



## G factor

Share of women on the Board of Directors of Delo Management Company

**17%**

Share of women in management positions in the companies of the Group

**42.3%**

Corruption and conflicts of interest

**0**



# Geography of Business

Taking into account the wide geography of presence, Delo Management Company aims to form best green logistics practices, setting new trends in sustainable business.

## 3 basins of presence

≡ contents

### Group Details

#### General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement
- Integration of the UN Sustainable Development Goals

### The Group's Achievements in the Field of Sustainable Development

### Appendices



**TransContainer**  
40 rail container terminals

**Ruscon**  
6 dry terminals

**Global Ports**  
Petrolesport JSC  
First Container Terminal JSC  
Ust-Luga Container Terminal JSC in partnership with Eurogate  
Vostochnaya Stevedoring Company LLC  
Multi-Link Terminals Helsinki and Kotka in partnership with CMA Terminals

**DeloPorts**  
NUTEP Container Terminal LLC  
KSK Grain Terminal JSC  
Delo Service Company LLC

— Main routes  
- - - Overland routes  
- - - Maritime routes



Group Details

General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement
- Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices



**OUR MISSION**

The Group's mission is to help each client navigate the optimal route in the modern world of high speeds, vast distances and intense traffic flows. The Group provides a full range of high-quality services while caring for each client. It strives to move forward, offering the best solutions to ensure that goods and services will be delivered to clients just-in-time.

**DELO MANAGEMENT STRATEGIC GOAL**

Delo Management strategic goal is to become a leader in the Russian transport industry, win global authority and unblemished business reputation, demonstrate status value of partnering with the company and its undeniable attractiveness on the labour market.



**Delo Group is No. 1 operator in terms of container railway logistics with a total market share of more than 50%<sup>1</sup>**



**Delo Group is No. 1 operator of sea container terminals located in key Russian basins**



**Delo Group is No. 1 forwarder in terms of multimodal container transportation**



**Delo Group is an innovative and technological leader, a reliable partner in the national transport and logistics industry**

<sup>1</sup> Including domestic, transit and international transportation activities.



Group Details

General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement
- Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices



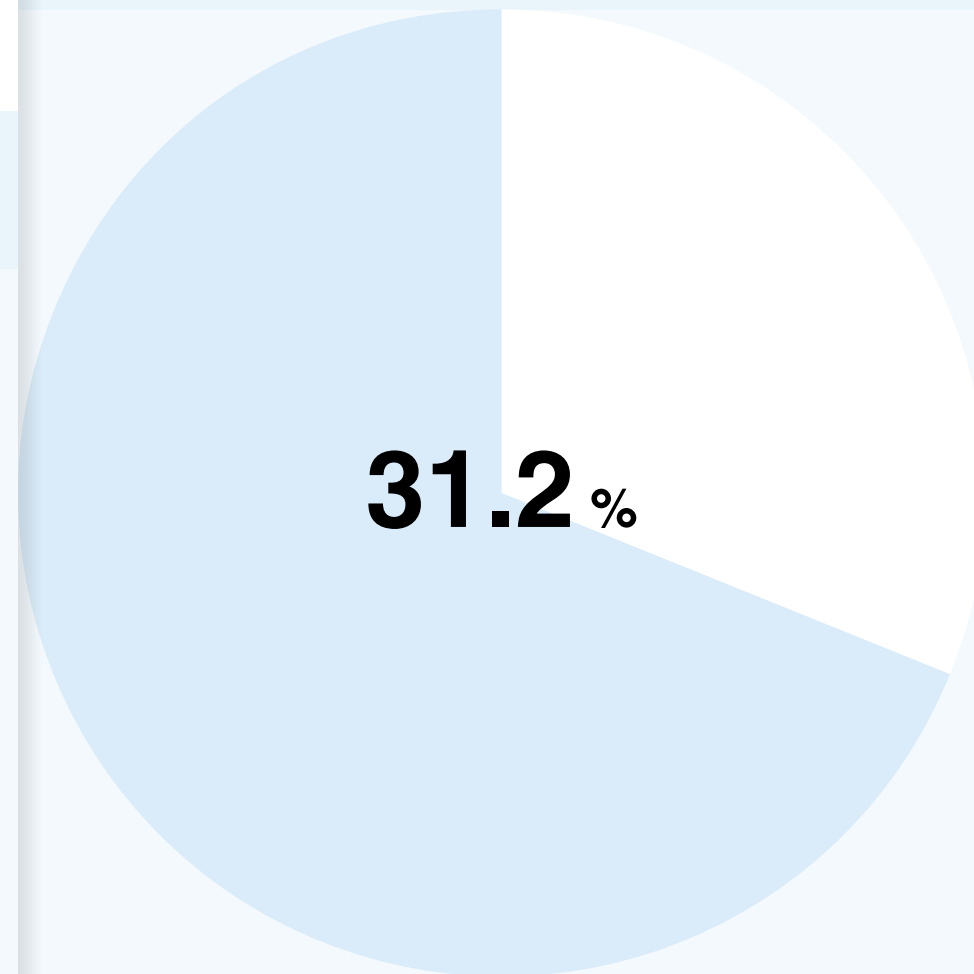
# Stevedoring activities

**DeloPorts Group is a Russian company that owns the stevedoring assets of Delo Group in the port of Novorossiysk. The asset structure includes:**

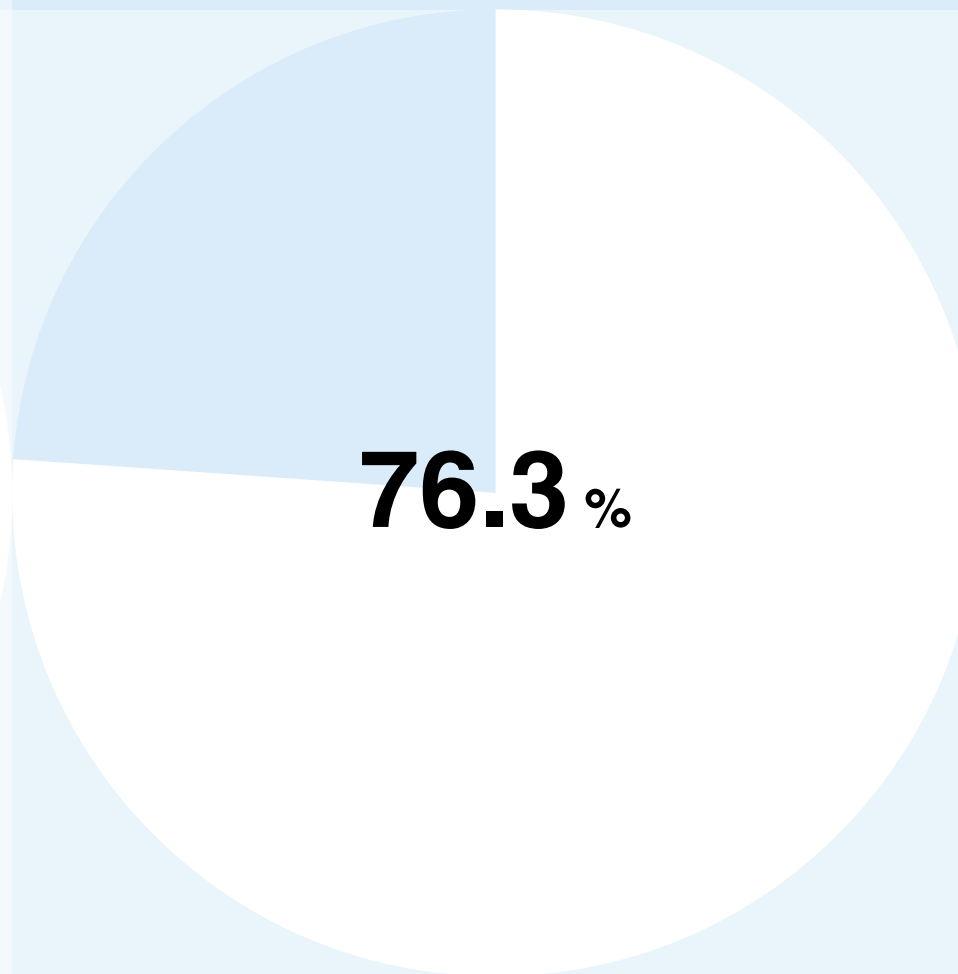
- NUTEP container terminal, the deepest container berth in the south of Russia, handling container, general and RO/RO cargo. Today NUTEP has turned into a powerful modern container hub, capable of meeting all clients' needs. Market share: 76.3% in Novorossiysk, 76.1% in the Azov-Black Sea basin, 13.5% in the Russian Federation;
- KSK grain terminal, a modern deep-water grain terminal of the Group that tranships cargo in the port of Novorossiysk. In addition to bulk cargo, the terminal handles general and RO/RO cargo. Market share: 40.5% in Novorossiysk, 16.1% in the Azov-Black Sea basin, 14.8% in the Russian Federation;
- Delo Service provides towing, agency and bunkering services. Its fleet consists of six modern manoeuvrable multifunctional tugboats equipped with fire-fighting equipment.



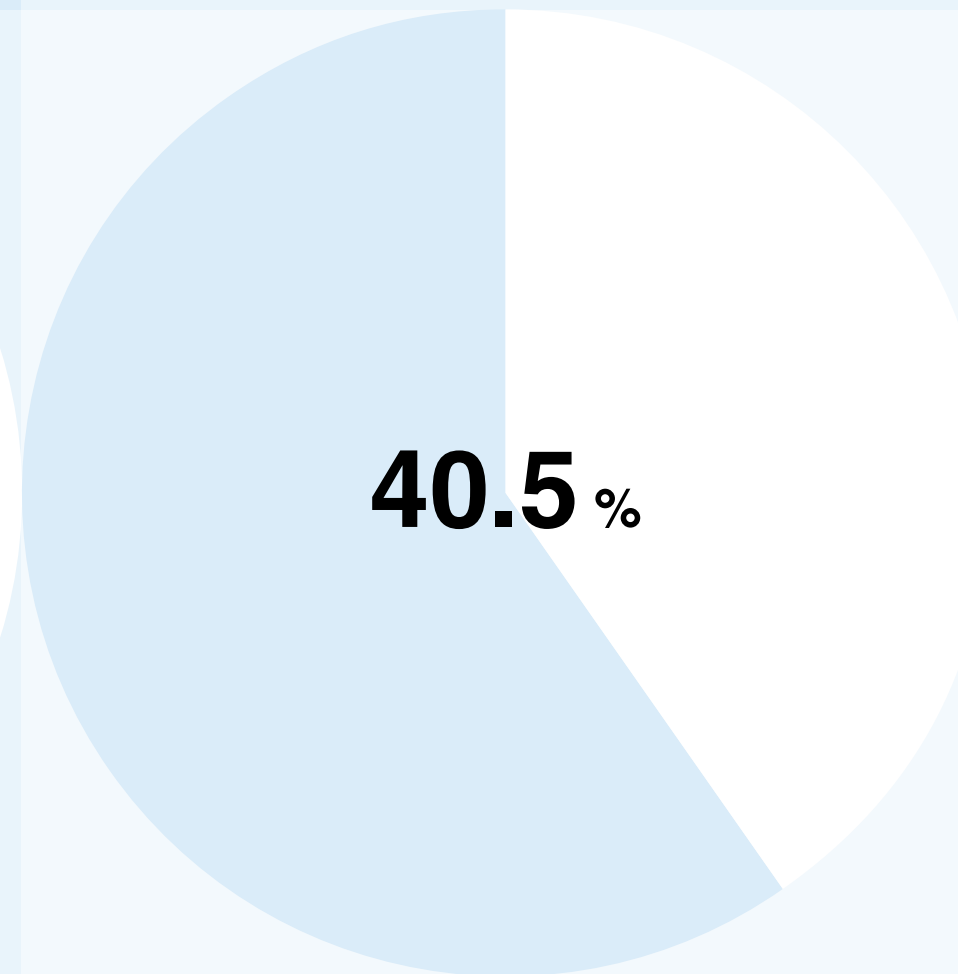
Share of terminals in dry cargo transshipment in Novorossiysk in 2022



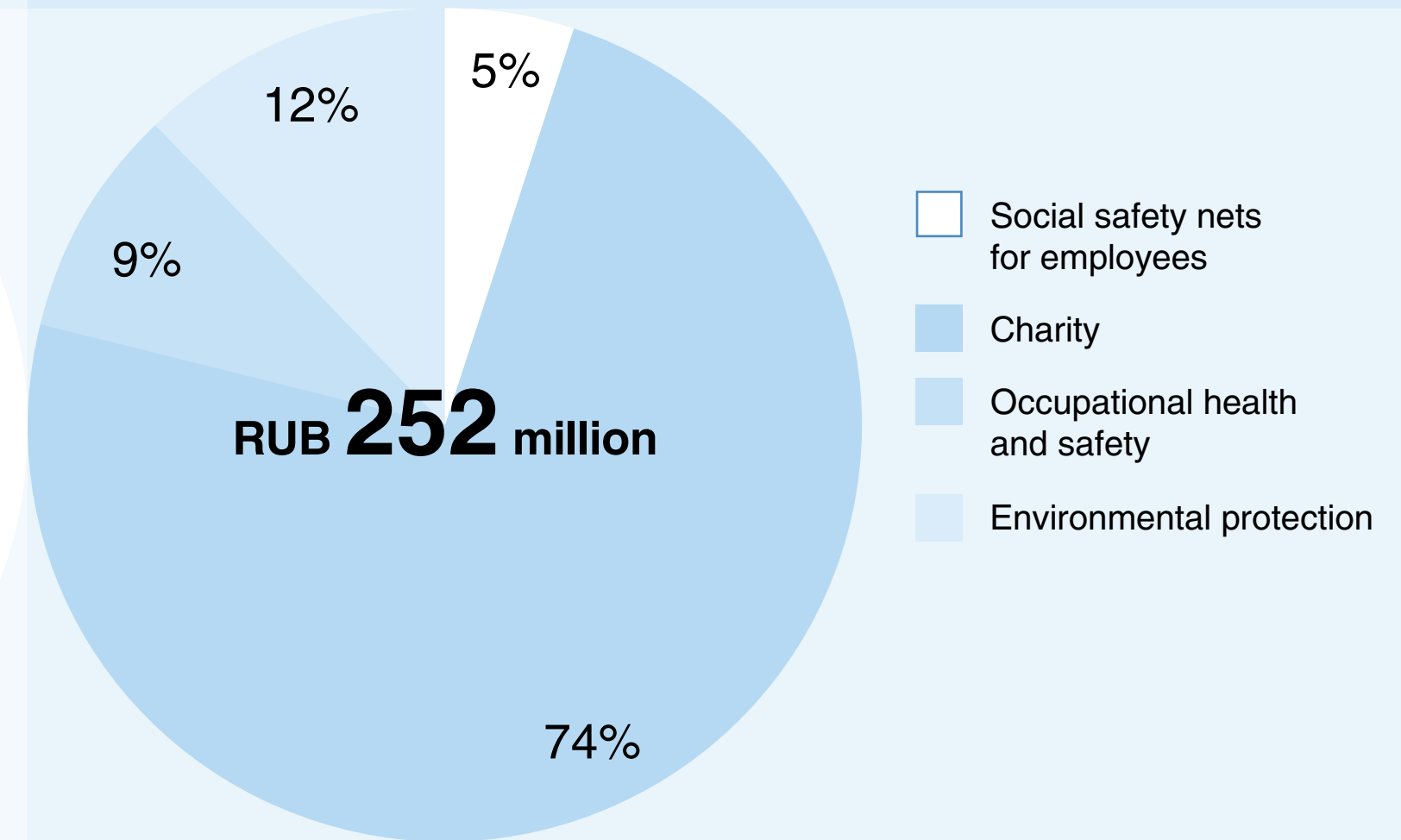
Share of NUTEP in container turnover in Novorossiysk in 2022



Share of KSK in grain exports in Novorossiysk in 2022



Investments of DeloPorts Group in sustainability in 2022



- Social safety nets for employees
- Charity
- Occupational health and safety
- Environmental protection

contents

Group Details

General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement
- Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices



**700** K TEUs/ year

throughput capacity of the NUTEP container terminal



**6** advanced tugboats

by Damen Shipyards, Delo Service Company



**7** M T/year

throughput capacity of the KSK grain terminal



**2,105**

mooring operations in 2022

**100%** **NUTEP**  
CONTAINER TERMINAL



**75%** **KSK**  
GRAIN TERMINAL  
-1 share

**25%** **Cargill**  
+1 share

**100%** **Delo**  
SERVICE COMPANY



# Key ESG Indicators of DeloPorts Group for 2022

≡ contents

Group Details

General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement

Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices



## E factor

Energy consumption  
**183.7** TJ

Water intake  
**84,100** m<sup>3</sup>

Recycling rate  
**56%**

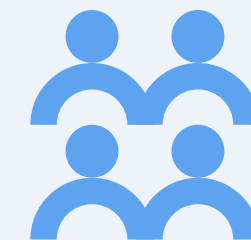
Total generated waste  
**1,400** tons

GHG emissions (Scope 1+2)  
Market-based method  
**5,600** tons of CO<sub>2</sub>e

Location-based method  
**17,700** tons of CO<sub>2</sub>e

Environmental protection costs  
**31.8** RUB million

**100%**  
of consumed electricity was purchased under direct electricity supply contracts, including the issuance and redemption of certificates of origin of electricity from renewable sources



## S factor

Number of employees  
**1,372** people

Charity expenses  
**186** RUB million

Expenses for employee training  
**5.2** RUB million

Number of fatal work-related injuries  
**0**

Number of accidents  
**0**

Share of women among employees  
**27%**

Expenses on social programmes for employees  
**11.9** RUB million

Human rights violations  
**0**

LTIFR  
**0.76**

Expenses on occupational health and safety  
**22.4** RUB million



## G factor

Share of women on the Board of Directors of DeloPorts Group  
**17%**

Share of women in management positions  
**26%**

Corruption and conflicts of interest  
**0**



Group Details

General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement
- Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices

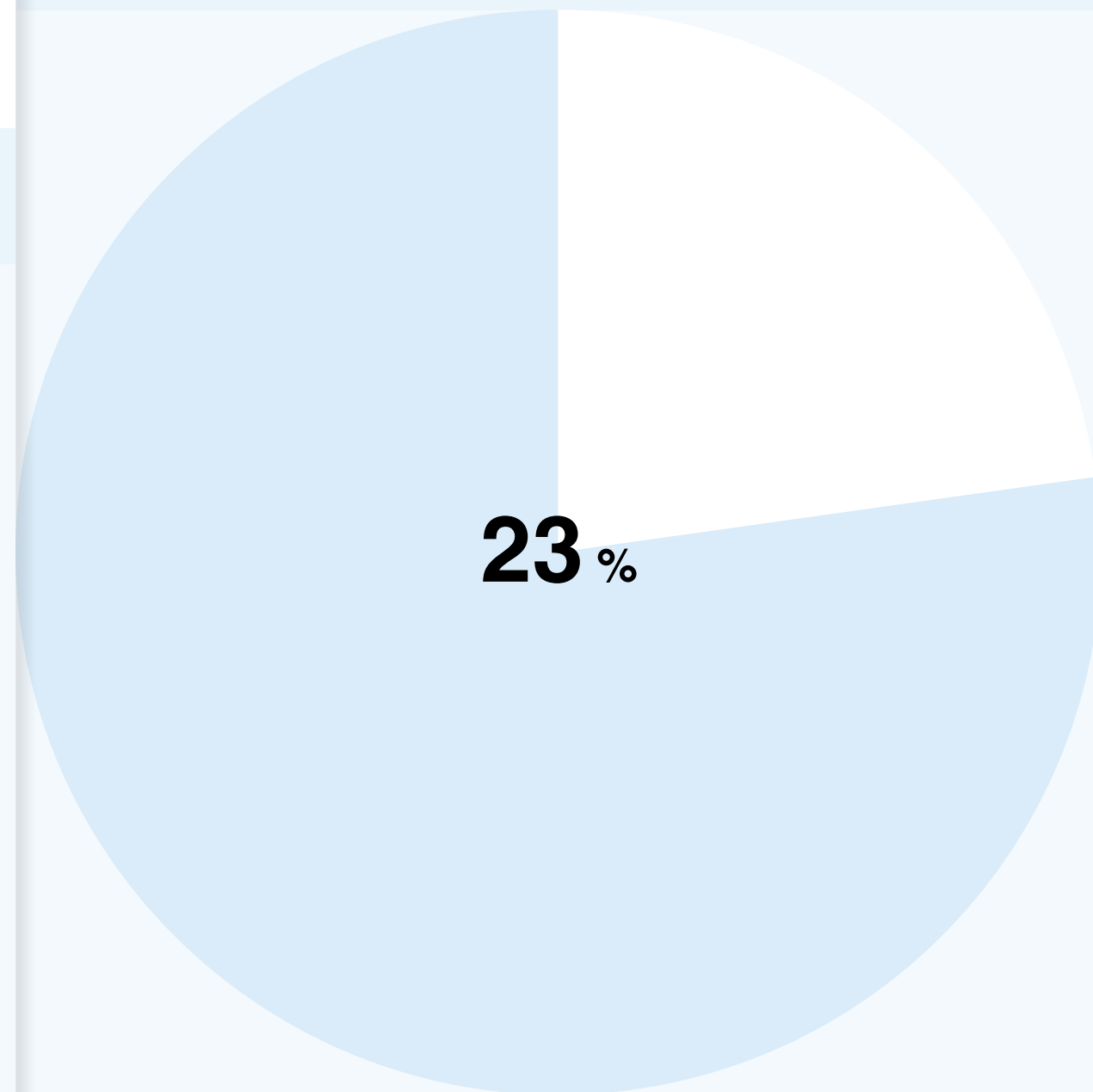


Global Ports Group is a leading operator of marine and multifunctional container terminals in Russia. It unites port complexes specialising in transshipments of various cargoes and is the leader in terms of container capacity and cargo turnover in Russia.

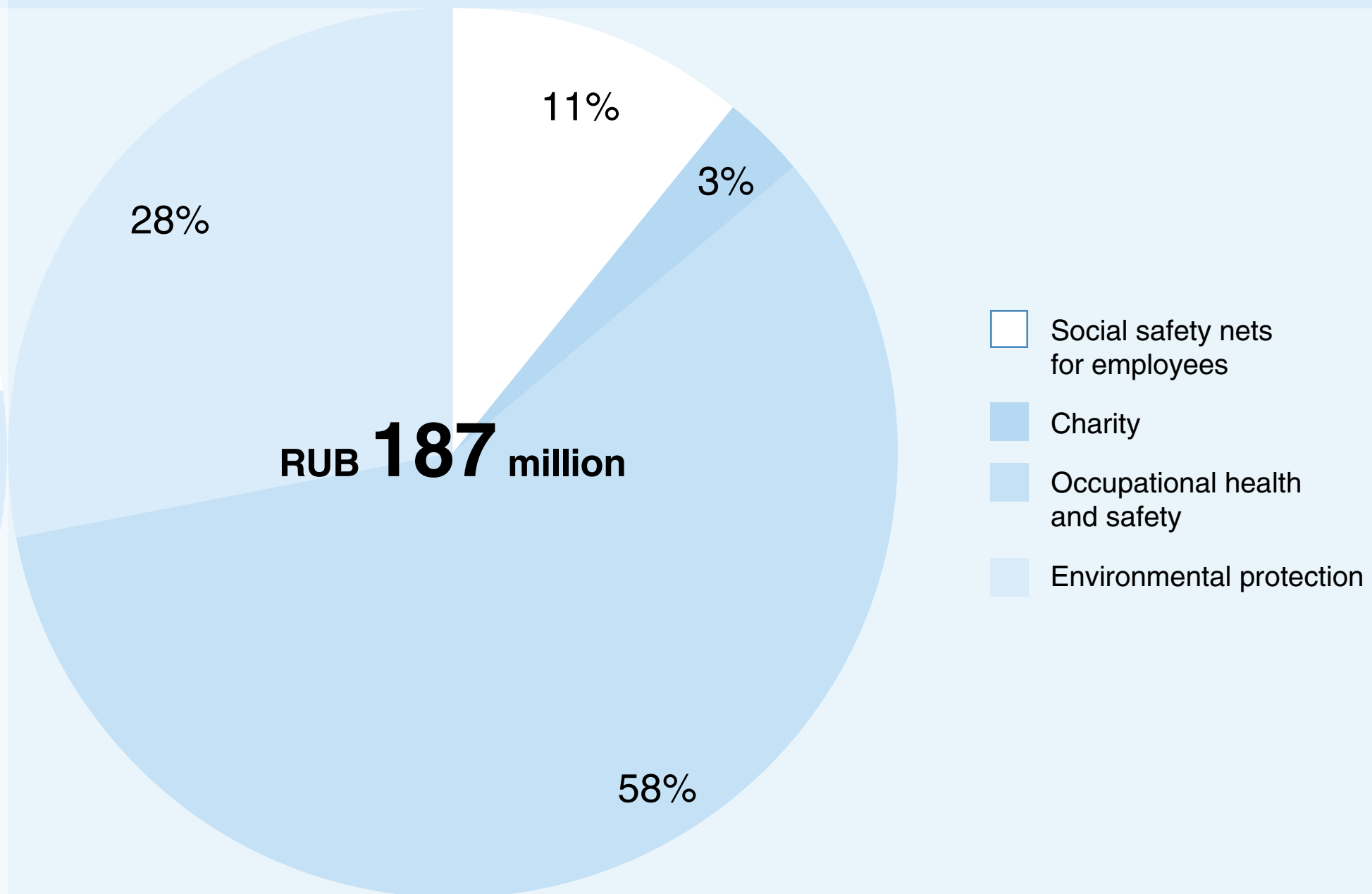
The Group operates a network of seven multifunctional terminals, namely Petrosport, Vostochnaya Stevedoring Company, First Container Terminal, Ust-Luga Container Terminal, Moby Dick, Yanino (starting from 2023) and two terminals in Finland in partnership with CMA Terminals in Kotka and Helsinki.



### Share of Global Ports terminals in container turnover in Russia in 2022



### Investments of Global Ports Group in sustainability in 2022



### Key services

- Container cargo handling
- RO/RO and car transshipments and storage
- Related IT services
- Container train operation
- Bulk and general cargo transshipments and storage

contents

#### Group Details

##### General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement
- Integration of the UN Sustainable Development Goals

#### The Group's Achievements in the Field of Sustainable Development

#### Appendices

### Total maritime terminal capacity

**3.2** M TEUs

### Number of container terminals

**7** maritime terminals **1** inland terminal



# Key ESG Indicators of Global Ports Group for 2022

≡ contents

Group Details

General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement
- Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices



## E factor

Energy consumption  
**651.5** TJ

Water intake  
**1,281,700** m<sup>3</sup>

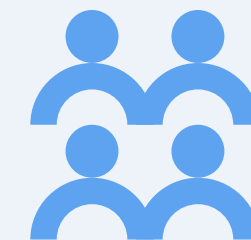
Recycling rate  
**55%**

Total generated waste  
**4,900** tons

GHG emissions (Scope 1+2)  
Market-based method  
**41,600** tons of CO<sub>2</sub>e

Location-based method  
**52,000** tons of CO<sub>2</sub>e

Environmental protection costs  
**51.7** RUB million



## S factor

Number of employees  
**3,088** people

Charity expenses  
**5.9** RUB million

Expenses for employee training  
**10.9** RUB million

Number of fatal work-related injuries  
**0**

Number of accidents  
**0**

Share of women among employees  
**29%**

Expenses on social programmes for employees  
**20.6** RUB million

Human rights violations  
**0**

LTIFR  
**0.71**

Expenses on occupational health and safety  
**108.4** RUB million



## G factor

Share of independent Directors on the Board of Global Ports Investments PLC  
**22%**

Share of women on the Board of Directors of Global Ports Investments PLC  
**11%**

Share of women in management positions  
**37%**

Corruption and conflicts of interest  
**0**



Group Details

General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement
- Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices



## Transport and logistics activities

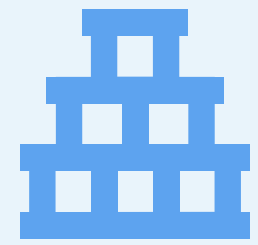
Ruscon Group is a 3PL operator in the field of container cargo delivery in Russia and the CIS countries. It acts as a multimodal service integrator of Delo Group. Operating on the Russian market since 1996, Ruscon Group is one of the leaders in the field of transportation, transshipment, storage and customs clearance of container cargo in Russia and the CIS.

Ruscon Group is one of the largest transport and logistics companies in Russia in the field of foreign container transportation that delivers internationally more than 300,000 TEUs annually through the ports of Russia and neighbouring countries. It owns a truck fleet, off-port terminals, customs and logistics warehouses, as well as an extensive network of representative offices, including in China and Kazakhstan, which allows Ruscon Group to provide end-to-end cargo delivery services. **Ruscon LLC is a key asset of Ruscon Group.**

The Company's main working principles include customer-centricity, continuous efficiency improvement and digitalisation, ensuring price benefits for clients.

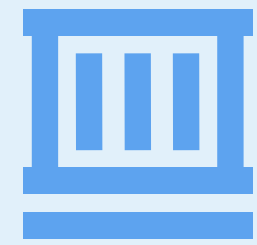


## Key indicators



**6** K TEUs

container fleet capacity



**6**

inland terminals in operation



**10** K

partners around the world



**12**

regional offices



**3**

offices abroad



**10** K

clients



**70**

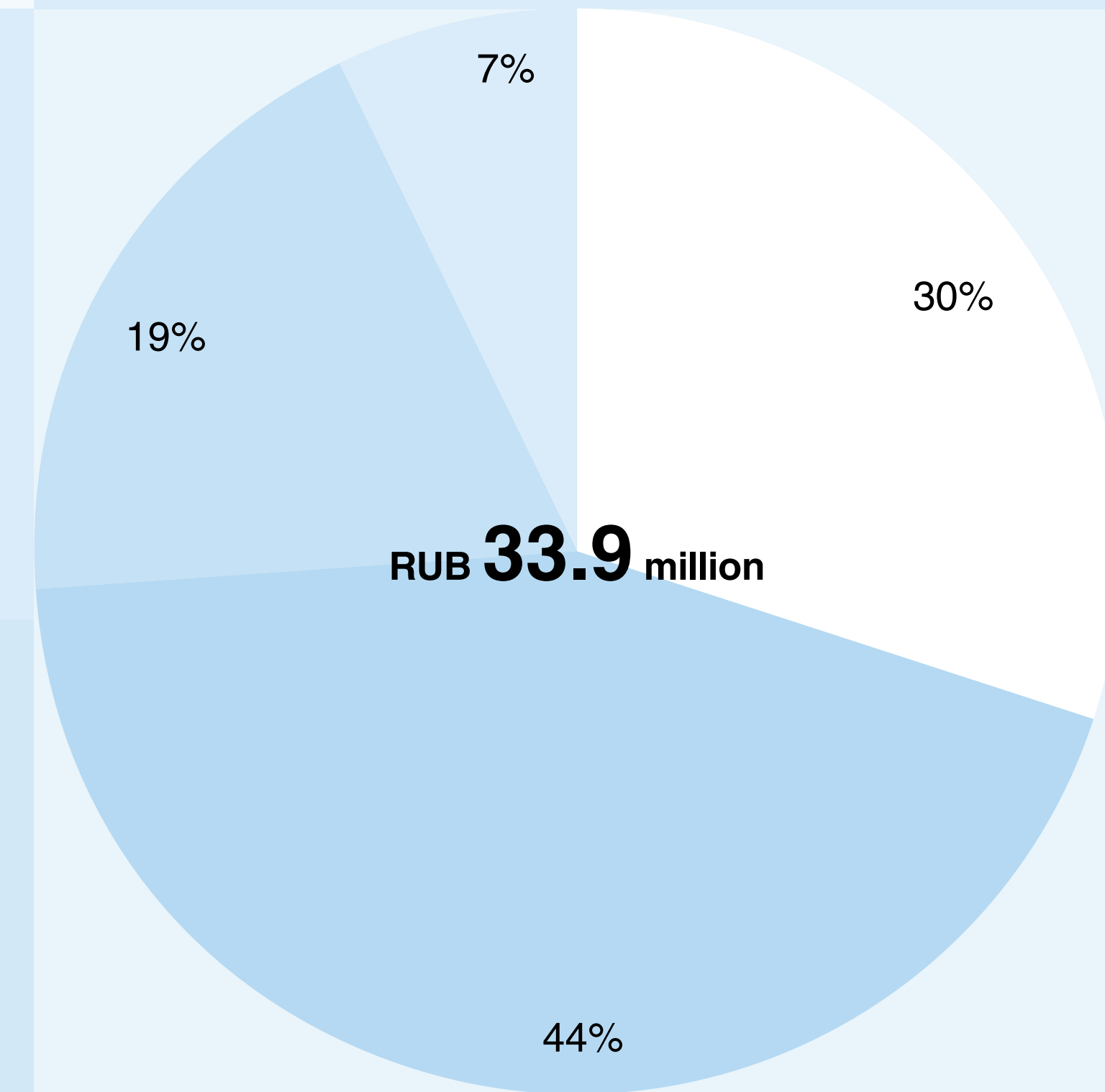
regular train services



**2**

licensed customs representatives

## Investments of Ruscon Group in sustainability in 2022



- Social safety nets for employees
- Charity
- Occupational health and safety
- Environmental protection

≡ contents

### Group Details

#### General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement
- Integration of the UN Sustainable Development Goals

### The Group's Achievements in the Field of Sustainable Development

### Appendices



# Key ESG Indicators of Ruscon Group for 2022

≡ contents

Group Details

General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement

Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices



## E factor

Energy consumption

**300.1** TJ

Water intake

**104,700** m<sup>3</sup>

Recycling rate

**20%**

Total generated waste

**400** tons

GHG emissions (Scope 1+2)

Market-based method

**22,100** tons of CO<sub>2</sub>e

Location-based method

**22,100** tons of CO<sub>2</sub>e

Environmental protection costs

**2.4** RUB million



## S factor

Number of employees

**1,042** people

Charity expenses

**15** RUB million

Expenses for employee training

**6.5** RUB million

Number of fatal work-related injuries

**0**

Number of accidents

**0**

Share of women among employees

**38%**

Expenses on social programmes for employees

**10.3** RUB million

Human rights violations

**0**

LTIFR

**0.56**

Expenses on occupational health and safety

**6.3** RUB million



## G factor

Share of women on the Board of Directors of Ruscon Group

**17%**

Share of women in management positions

**38%**

Corruption and conflicts of interest

**0**



Group Details

General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement
- Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices



**TransContainer PJSC is a Russian intermodal container operator of Delo Group with the largest fleet of containers and fitting platforms on the entire 1520 mm gauge railway network. It operates in Russia, Europe and Asia.**

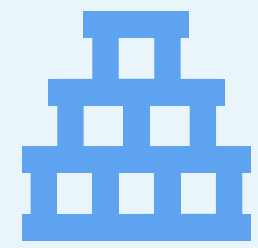
TransContainer PJSC has unique experience in effectively managing the largest container fleet, which covers more than 3,300 routes both in Russia and abroad. The company implements comprehensive door-to-door transport and logistics solutions, allowing it to deliver cargo by container to any point in Russia, the CIS countries, Europe and Asia, using both its own and third-party transport assets.

TransContainer PJSC has 94 sales offices connected by an integrated information system, which ensures an individual approach to each client, making it possible to fulfil small one-time orders and manage the supply chain of container cargo of any volume and complexity.

The company provides a full range of transport and logistics services using assets of Delo Group.



## Key indicators



**220** K TEUs

container fleet capacity



**40**

terminals in Russia



**485**

motor vehicles



**40** K

fitting platforms



**200**

loading vehicles



**94**

offices connected with a single IT system

## Key advantages



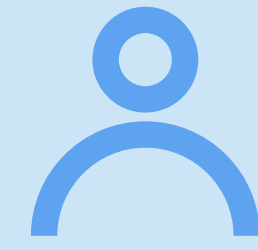
Largest rail container operator in Russia



Container cargo shipping on just-in-time and turnkey basis



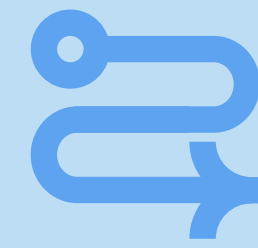
Integrated business model designed to achieve maximum synergy from the unique asset base



Custom-tailored approach when managing small one-time and large deliveries of container cargo of any volume and complexity



Wide geography of presence

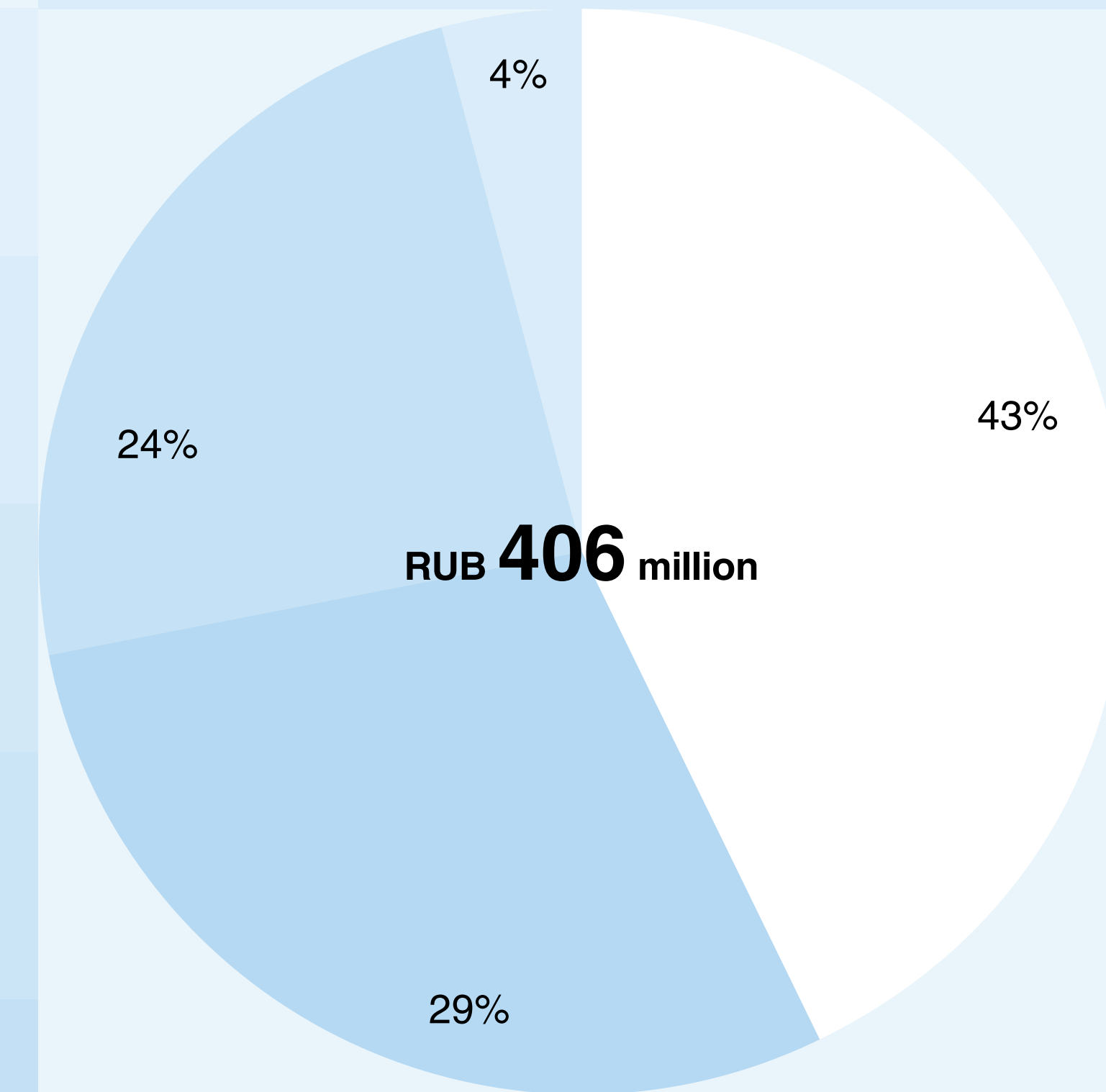


More than 300,000 available solutions for container shipping in Russia and abroad



Unique iSales service and 24/7 contact centre to calculate, order, and follow up container shipping across Eurasia

## Investments of TransContainer PJSC in sustainability in 2022



- Social safety nets for employees
- Charity
- Occupational health and safety
- Environmental protection



# Key ESG Indicators of TransContainer PJSC for 2022

contents

Group Details

General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement

Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices



## E factor

Energy consumption

**324.5** TJ

Water intake

**240,500** m<sup>3</sup>

Recycling rate

**72.1%**

Total generated waste

**3,500** tons

GHG emissions (Scope 1+2)

Market-based method

**18,500** tons of CO<sub>2</sub>e

Location-based method

**25,000** tons of CO<sub>2</sub>e

Environmental protection costs

**14.2** RUB million

Indirect GHG emissions reduction through the acquisition of I-REC certificates

**6,500** tons of CO<sub>2</sub>e



## S factor

Number of employees

**3,820** people

Charity expenses

**117** RUB million

Expenses for employee training

**20.6** RUB million

Number of fatal work-related injuries

**0**

Number of accidents

**0**

Share of women among employees

**60%**

Expenses on social programmes for employees

**175.5** RUB million

Human rights violations

**0**

LTIFR

**0.53**

Expenses on occupational health and safety

**99.6** RUB million



## G factor

Share of women on the Board of Directors of PJSC TransContainer

**11%**

Share of women in management positions

**47%**

Corruption and conflicts of interest

**0**



# Major Deals in 2022

**At the beginning of August 2022, Rosatom State Corporation increased its share in Delo Group to 49%. The deal was aimed at further implementing Rosatom’s strategy to develop new business areas, increasing its presence in the logistics industry as one of the priority areas of development in the non-nuclear segment. The deal also confirmed the effectiveness of Delo Group’s business model.**

Rosatom sets “ambitious objectives” to develop a new logistics direction and create a platform jointly with Delo Group for launching an international transport and logistics business.

The companies will mainly cooperate in the field of development of global multimodal and transit transportation on the Asia-Europe-Asia route, including through the Northern Sea Route.

Delo Group and APM Terminals (APMT), part of the Danish AP Moller-Maersk, closed a deal to acquire a 30.75% stake in Global Ports. After the completion of the deal, Delo Group became the owner of 61.50% of Global Ports. The Group and AMPT entered into the deal on the agreed market terms. This includes the possibility for APMT to re-join the business with the Group in the future.

At the end of December 2022, Global Ports Group gained full control over Moby Dick and Yanino terminals, increasing its share to 100%. Global Ports’ share in the Finnish ports dropped to 50%.



≡ contents

Group Details

General Information

Corporate Governance

Sustainability Management

Risk Management

Stakeholder Engagement

Integration of the UN Sustainable Development Goals

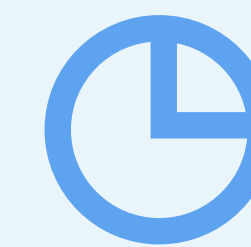
The Group’s Achievements in the Field of Sustainable Development

Appendices



to **49%**

Increase in the share in Delo Group owned by Rosatom State Corporation in early August 2022



to **100%**

Increase in the share in Moby Dick and Yanino terminals held by Global Ports Group in late December 2022



# Brief Overview of Delo Group's Key Sustainability Initiatives

≡ contents

Group Details

General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement
- Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices

## June 2021

Due diligence of the Group's assets for compliance with the requirements of international ESG ratings

Opening of a new sports complex in Abrau-Durso by DeloPorts Group



## October 2021

TransContainer PJSC acquired an IREC certificate



## November 2021

DeloPorts Group implemented the Green Terminal concept



## December 2021

The Group developed a methodology for calculating Scope 1, Scope 2, and Scope 3

Adoption of ESG regulations

## 2021–2022

First sustainability reports of subholdings (TransContainer PJSC, DeloPorts Group, Ruscon Group)

## February 2022

Membership in the ESG Alliance



## May 2022

Development of a calculator for clients to calculate GHG emissions during cargo transportation

Membership in the Russian Union of Industrialists and Entrepreneurs (RSPP)



## June 2022

Demography project launch  
Customer survey on carbon regulation





# Brief Overview of Delo Group's Key Sustainability Initiatives

contents

Group Details

General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement
- Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices

## September 2022

Membership in the Green Brands League (TransContainer PJSC, Ruscon Group)



## October 2022

Effects on reduction of energy consumption from the implementation of the information system at the Kleschikha container terminal

NCR and RBC ranking (TransContainer PJSC and DeloPorts Group)

## November 2022

Delo Group ESG risk assessment  
TransContainer PJSC topped the ESG ranking

## December 2022

Installation of solar energy collectors at the Zabaikalsk container terminal (TransContainer PJSC)



DeloPorts group held the Eco-Friendly New Year Tree competition

Guardianship of giant anteaters at the Novosibirsk Zoo named after Rostislav Shilo



## December/January 2023

The first ESG ratings (TransContainer PJSC – ACRA, ESG Risk Assessments & Insights (No. 1 among international companies, DeloPorts Group - ACRA)



## January 2023

TransContainer PJSC conducted the first test ESG assessment of suppliers



## February 2023

Approval of the ESG policy of Delo Group



# New logistics solutions

**The development of sustainable “green” logistics, as well as an extensive intermodal network of routes connecting the entire territory of Russia is an undeniable advantage and the basis for the strategic development of Delo Group.**

Thanks to changes in transport and logistics corridors and maintaining high quality of service, in the reporting year, Delo Group managed to maintain the ability to export and import cargoes and thus ensured uninterrupted operations for domestic business as a whole.

Despite external macroeconomic factors, the Group continued to provide its services with care for the environment, its employees and people from the most remote places of the country, who remained confident that their products or services would meet consumers on time.

≡ contents

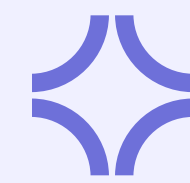
Group Details

General Information

- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement
- Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices



Case  
DeloPorts Group

DeloPorts' terminals handled a record amount of containers and grain in 2022. NUTEP handled 583,000 TEUs, which is 6.8% more than in 2021. In December 2022, the terminal also set a monthly record, handling 64,000 TEUs.

KSK shipped 5.972 million tons of grain for export and exceeded the results of 2021 by 24.2%.



**Igor Yakovenko,**  
General Director of DeloPorts (January 2023):

*“In the container segment, despite the general decrease in transshipment volumes in the Azov–Black Sea Basin caused by the departure of global shipping operators, we were able to stabilise the situation, maintain high quality of service and, together with other companies of Delo Group, integrate into new supply chains. We remain a reliable partner for Russian grain producers. Thanks to previously implemented investment projects, an increase in the capacity of the KSK terminal and the use of modern cargo handling technologies, last year we met high needs of exporters and are ready for a further increase in 2023.” #DeloPeople*



Case  
Global Ports

After the departure of large shipping operators from Russia, the volume of transshipment of containers, cars and RO/RO cargo in the Baltic decreased significantly. Consolidated container cargo turnover of Global Ports' terminals in 2022 decreased by 37.1% to 992,000 TEUs.

At the same time, the Far Eastern market has grown mainly due to the reorganisation of routes. In 2022, the VSK terminal increased its container turnover by 20.1% to 624,000 TEUs. This is a new all-time record in annual container transshipment in the terminal's history. It was achieved through efforts to improve the operational efficiency of VSK and investments in infrastructure and equipment.

In 2022, Global Ports' terminals in the North-West increased their consolidated turnover of bulk cargo by 13.7% to 3.6 million tons.





**Case**  
**Ruscon Group**

In 2022, Ruscon Group increased its forwarding operations by 20% compared to the previous year – to 307,400 TEUs.

The volume of forwarding operations reached 40,800 TEUs, including those carried out between China and Russia through land border crossings and ports of the Far East. This was almost five times higher than the previous year.

Since the launch of the service in April 2022, the Group's own maritime services have transported more than 30,000 TEUs, with 27,200 TEUs shipped through the port of Novorossiysk, which is about 5% of the port's total freighted container turnover. In total, 68 trains with imported goods travelled from Novorossiysk to Moscow during the year.

In 2022, the Group implemented a number of key multimodal transportation projects involving China, Turkey, Israel, India and Egypt, and launched a train from Chengdu (China) to Kresty station in the Moscow Region. At the end of the year, together with DeloPorts Group, a regular ferry service with Turkey was launched.



**Sergey Berezkin,**  
General Director of GKS LLC (January 2023):

*“The growth in operating results by the end of 2022 indicates the company’s successful adaptation to active market changes, in particular reorientation of logistics to the east and south. In cooperation with other companies of Delo Group, we continue to expand the geography of services, including in the north–west and the Far East, and also work on digitalisation.”*  
**#DeloPeople**



year-on-year increase in forwarding operations of Ruscon Group – to 307,400 tons



volume of forwarding operations between China and Russia through land border crossings and ports of the Far East



transported by the Group's own maritime services since the launch of the service in April 2022



dispatched from Novorossiysk to Moscow during the year

Delo Group, having second to none most extensive and numerous network of terminals throughout Russia, ensures a regular and stable supply of container cargo to the most remote places of the country, contributing to the development of populated areas and the regions of presence. During the COVID-19 pandemic and in light of the current geopolitical situation, the Group is highly focused on the issues of continuity of complex supply chains and logistics systems.

Changed conditions deliver new opportunities. For example, throughout 2022, the Group actively worked to expand relations with foreign partners, increase the efficiency of existing routes, as well as to create new ones.

The Group's goal is to ensure that every resident of the country, even in the most remote places, has access to its services. The Group is the largest player in the field of long-distance logistics with extensive and completely unique assets. It understands how important it is for the industry to meet the sustainability principles.

In 2022, Delo Group won the Eurasian Transportation Excellence Award from the International Coordinating Council on Trans-Eurasian Transportation (CTTP) for new logistics solutions and a significant contribution to the development and expansion of the geography of multimodal container transportation along trans-Eurasian routes.





TransContainer PJSC

1. In 2022, TransContainer PJSC increased the volume of freight transportation by 5.1% to 1.8 million TEUs. The growth was driven by exports, which increased by 11.3% to 0.7 million TEUs. Imports increased by 9.5%, to 0.4 million TEUs. Domestic freight transportation increased by 1.1%, to 0.5 million TEUs.

By the end of the year, the market share of TransContainer PJSC increased by 1.7 percentage points, from 36% to 37.7% in the total volume of loaded container transportation on the Russian railway network.

The railway services delivered by TransContainer PJSC supported the stevedoring companies in the Russian Far East in conditions of additional load due to the ongoing reorganisation of logistics.



**Viktor Markov,**  
First Vice President of TransContainer PJSC  
(January 2023):

*“In 2022, TransContainer promptly responded to geopolitical and macroeconomic changes by increasing its container fleet and offering customers a number of new routes, and by actively using the synergy effects from cooperation with other companies of Delo Group. Increased export–import operations made it possible to completely replace the decreased transit volumes.” #DeloPeople*

2. TransContainer PJSC has completed the reconstruction of its own terminal at the Zabaikalsk station, a strategic Russian-Chinese border crossing. It accounts for about 30% of all land container traffic between Russia and China.

As a result of implementation of several project stages, the handling capacity of the site has increased ten-fold since 2006 to 555,000 TEUs per year. In total, from 2006 to 2022, TransContainer allocated more than 5 billion roubles to expand the terminal’s capacity.

At the final stage of modernisation, the “end-to-end” operating technology was launched. By lengthening two receiving and departure tracks and organising a second connecting track to the Zabaikalsk station at the terminal, it became possible to move trains in both directions. Thus, from 1 January 2023, it became possible to increase the capacity of container trains with imports from China to 8–9 per day, meeting the growing demand for transportation between the countries of the Asia-Pacific region.





# CORPORATE GOVERNANCE

1

Group Details



Delo Group strives for continuous improvement of the corporate governance system, compliance with international and national standards, legal requirements, regulator recommendations, listing rules, as well as best corporate governance practices.

Building an advanced corporate governance system contributes to the formation of trust-based and fair relations between the Group, shareholders and other stakeholders based on the principles of transparency, openness and reliability. It also contributes to increased efficiency and competitiveness of the Group.

This principle is the pillar for building the Group's governance and forming a corporate governance system in the companies of the Group and Delo Management Company.

## MANAGEMENT OF THE COMPANIES OF DELO GROUP

Delo Management Company (hereinafter referred to as "Delo Management") is the parent company of the Group. The Group's companies are managed primarily by corporate methods, through representatives of the shareholders of Delo Group in the management and control bodies of the key companies of the Group.

Delo Management actively participates in the activities of the Group. However, the latter have autonomy in making final decisions at the level of their own management bodies. Depending on the organisational and legal form and degree of participation of Delo Management in making decisions on the activities of the companies, approaches to building a corporate governance system may differ.

## The main provisions in the field of corporate governance of Delo Group are defined in the key documents regulating the activities of the companies

### Delo Management

- Charter of Delo Management
- Regulations on the Board of Directors of Delo Management
- Combating corporate fraud and anti-corruption policy
- Antitrust compliance policy
- Internal audit policy of Delo Management and legal entities of Delo Group
- Procedure for conducting internal audits at Delo Management



### TransContainer PJSC



- Corporate Governance Code
- Regulations on the sole executive bodies of TransContainer PJSC
- Regulations on the Management Board of TransContainer PJSC
- Combating corporate fraud and anti-corruption policy
- Antitrust compliance policy
- Regulations on the Board of Directors of TransContainer PJSC

### DeloPorts Group



- Corporate Governance Code
- Regulations on the Board of Directors
- Combating corporate fraud and anti-corruption policy
- Antitrust compliance policy

### Global Ports Group



- Corporate Governance Code
- Regulations on the Board of Directors
- Combating corporate fraud and anti-corruption policy
- Antitrust compliance policy

### Ruscon Group



- Charter of GKS LLC
- Regulations on the Board of Directors
- Combating corporate fraud and anti-corruption policy
- Antitrust compliance policy



## STRUCTURE OF CORPORATE GOVERNANCE BODIES

### GRI 2-9

The system of corporate governance and control bodies of Delo Management includes the General Meeting of Participants, the Board of Directors and the sole executive body represented by the General Director. Sustainable development is integrated into the corporate governance structure.

The General Meeting of Participants is the supreme governing body. The procedure for convening the General Meeting of Participants is determined by the Charter of Delo Management.

### GRI 2-12

The Board of Directors exercises strategic management, defines the vision, mission and strategy of the company, sets strategic goals and key performance indicators, exercises control over the activities of the executive body of Delo Management, determines the principles and approaches to organising the risk management system and internal controls, and ensures the improvement of the corporate governance system. The Chairman of the Board of Directors is responsible for the effective organisation of the work of the Board of Directors and support of interaction with shareholders.

### GRI 2-10, 2-11, 405-1

The Board of Directors of Delo Management consists of six members, namely three executive (employees of the company) and three non-executive directors. The composition of the Board of Directors of Delo Management is balanced in terms of experience, competencies, age and gender. This allows the Board members to take into account different social and cultural backgrounds and the interests of a wide range of stakeholders.

The General Director of the company is its sole executive body. He or she is elected by the General Meeting of Participants for one year unless a different term of office is determined in the election decision. The General Director acts on behalf of the management company and represents its interests in accordance with the Charter. The functions of the Chairman of the Board of Directors and the General Director are exclusive and independent.

## Corporate governance and sustainable development management system of Delo Management LLC



# 58

absentee meetings of the Board of Directors of Delo Management held in 2022

### GENERAL MEETING OF PARTICIPANTS

#### Board of Directors

Considers and decides on the development strategy issues, including those related to sustainable development

#### General Director

Defines the development strategy, approves local guidelines regulating the aspects of sustainable development

#### Vice President / Financial Director

Is responsible for strategy and sustainability policy implementation

#### Sustainable Development Management

Contributes to strategy and road map implementation, together with the working group, revises the strategy and integrates the initiatives in the companies of the Group

#### Company Secretary

#### Working group

Includes representatives of Delo Management and companies that have joined Delo Group and is approved by order of the General Director of Delo Management

#### Heads of functions / departments

Control strategy and targeted programme implementation that relate to sustainability issues and support cross-functional projects



## REMUNERATION OF THE GOVERNING BODIES

GRI 2-19, 2-20

The remuneration system developed for members of the Board of Directors, the sole executive body and the management of Delo Management provides for attraction, motivation and long-term retention of talents who have the necessary competencies and qualifications for effective management, achievement of goals set and fulfilment of strategic objectives.

The total remuneration of the management<sup>1</sup> involves a flat wage (fixed official salary) established by the employment contract, and a variable part, including bonuses, as well as other payments provided for by the labour legislation of the Russian Federation, the collective employment agreement and local regulations.

## CONFLICT OF INTEREST

GRI 2-15

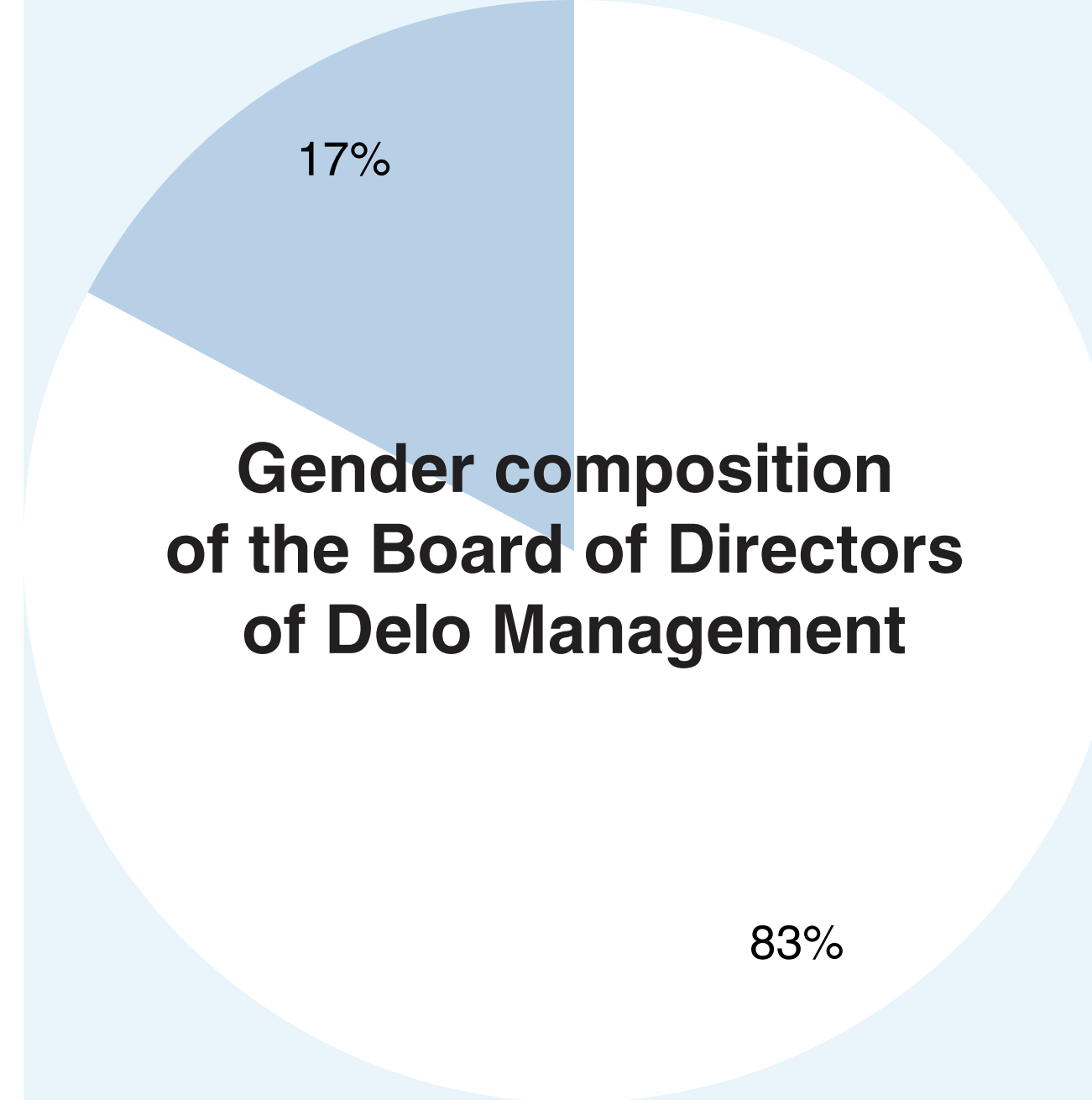
Delo Group does not allow conflicts of interest among members of the Board of Directors. In order to minimise the risk of conflicts, the companies of the Group have introduced special preventive measures:

- regular update of the list of Group stakeholders;
- prohibition of voting on related party transactions and mandatory notification by the members of the Board of Directors and by the General Director about all companies controlled by them and persons directly related to them, as well as positions held by them in other companies.

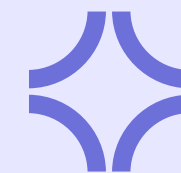
In Delo Group, conflict of interest issues are regulated on the basis of the Code of Business Ethics, which is mandatory for all employees of the Group.

<sup>1</sup> The management means the General Director (CEO), the Financial Director (CFO), Commercial Director (CCO), Strategy and Development Director (CDO), Director of Legal Affairs (CLO), HR Director, Deputy General Director for Security, Managing Directors of Global Ports Group.

### Gender composition of the Board of Directors of Delo Management



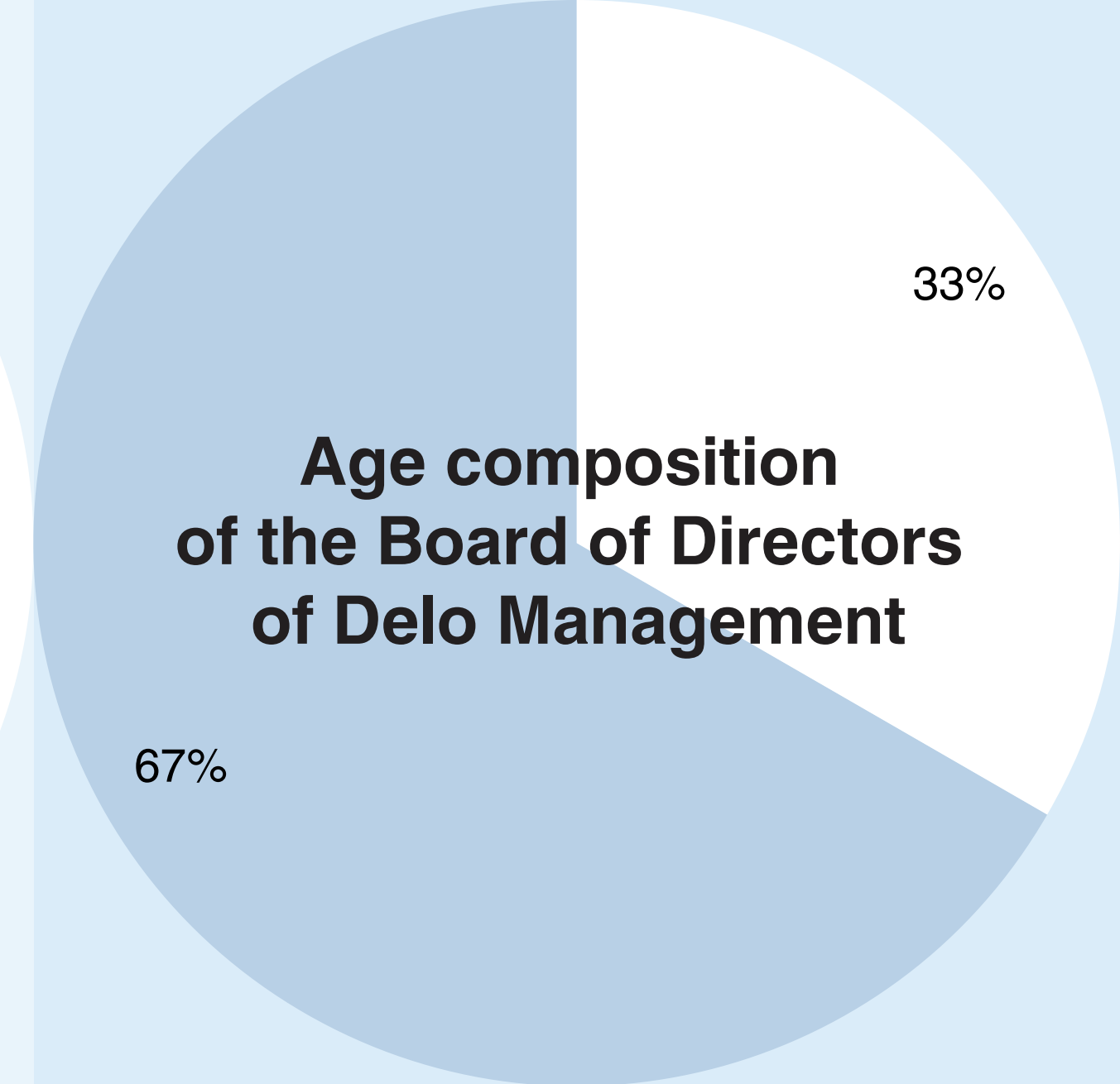
☐ Men      ■ Women



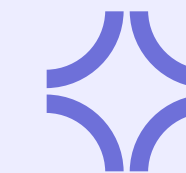
**Case**  
Global Ports Group

Remuneration of independent non-executive Directors depends on the time spent, job responsibilities and membership on the relevant Board Committee. Remuneration to members of the Board of Directors is approved by the Group's shareholders. There are no long-term incentive payment schemes provided for either Board members or management. However, the performance-based portion of senior management compensation is linked to strategic goals and initiatives approved by the Board of Directors. The Nomination and Remuneration Committee monitors the effectiveness of the Rules for the Accrual and Payment of Performance-Based Bonuses.

### Age composition of the Board of Directors of Delo Management



☐ Under 45      ■ 45-55



**Case**  
TransContainer PJSC

The calculation of remuneration for members of the Board of Directors is based on the base (maximum) sum and depends on the number of meetings in which the member of the Board of Directors took part during the reporting period. For work on the Board Committee, the member of the Board of Directors is paid an additional annual remuneration. The procedure for remuneration of members of executive bodies and management is determined by the Regulations on Motivation of Managers. The KPI system in force in TransContainer PJSC most fully reflects the degree to which management fulfils short- and medium-term objectives (budget parameters) and achieves long-term strategic goals set by the Board of Directors for the management.



# Anti-Corruption

**Delo Group places great importance on adhering to high ethical standards and principles of open and honest business, relying on best corporate governance practices, and also takes care of maintaining its business reputation at the highest level.**

The Group has a zero-tolerance policy towards any forms and manifestations of corporate fraud and corruption, including manifestations of conflicts of interest. In its activities, Delo Group is guided by the Combating Corporate Fraud and Anti-Corruption Policy, which is applied to all Group assets.

## GRI 205-2

Measures to prevent corporate fraud and anti-corruption measures:

- creation of an internal regulatory framework to combat corporate fraud and corruption<sup>1</sup>;
- informing employees and other persons about the basic principles and requirements for compliance with applicable anti-corruption laws;
- availability of information channels for reporting facts of corporate fraud and corruption;
- determining the powers and responsibilities of employees in matters related to combating corporate fraud and corruption;
- introduction of employee behaviour standards;
- regular assessment of corruption risks;
- identification and resolution of conflicts of interest;
- regulations on business gifts and business hospitality;
- regulations on procurement activities;
- training employees in the field of combating corporate fraud and corruption;
- continuously conducting anti-corruption campaigns and awareness-raising events.

Delo Group has taken measures to prevent situations related to a possible conflict of interests between executive bodies and key managers. Monitoring of compliance with the measures to prevent conflicts of interest is carried out in the companies of the Group on an ongoing basis.

100% of employees are informed about the Group's anti-corruption policies and methods.

## GRI 2-25, GRI 2-26

Cases of possible corporate fraud may be reported in the following ways:

- via the feedback form on the official website of Delo Management ([www.delo-group.ru](http://www.delo-group.ru)) and the websites of the companies of the Group
- via the security service of Delo Management and companies of the Group;
- via [KNGritskaya@delo-group.com](mailto:KNGritskaya@delo-group.com);
- to the immediate supervisor or, in case of suspicion of corruption by the immediate supervisor, to a senior manager.

## GRI 205-1, 205-2, 205-3

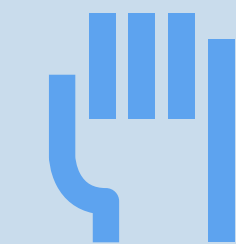
Delo Group trains its employees in anti-corruption policies and methods, and also informs its partners with whom it enters into contractual relations about the Group's anti-corruption policies and methods.

As part of the annual risk assessment, no cases of corruption or conflicts of interest were identified in the Delo Group.

## Main regulatory documents



Combating corporate fraud and anti-corruption policy



Code of Business Conduct



List of functions during the implementation of which corruption, corporate fraud and theft are most likely to occur



Register of Corruption Risks and List of Positions Associated with Corruption Risks



# 100%

of employees are informed about the Group's anti-corruption policies and methods

<sup>1</sup> Employees learn about all changes in regulatory documents in a timely manner through email newsletters and publications in the relevant sections of the corporate website.



Group Details

General Information

**Corporate Governance**

Sustainability Management

Risk Management

Stakeholder Engagement

Integration of the UN Sustainable Development Goals

**The Group's Achievements in the Field of Sustainable Development**

Appendices



Case

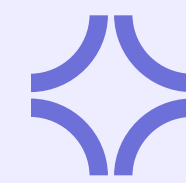
**TransContainer PJSC**

In 2022, TransContainer PJSC reviewed 54 situations related to conflicts of interest. Based on the review results derived by the commissions for conflicts of interest, anti-corruption, corporate fraud and theft, 44 situations were recognised as not containing signs of a conflict of interest. One case demanded organisational and staffing measures to be taken. In nine cases, conflicts of interest were resolved by making changes to the job responsibilities of employees.

During the reporting period, when assessing candidates for vacant positions in the Company's divisions, security service employees did not identify candidates with signs of conflicts of interest.

During the reporting period, TransContainer PJSC updated the mechanism for receiving and processing requests via the hotline. A special hotline is in place for the Company's employees ([anticorr@trcont.ru](mailto:anticorr@trcont.ru)). Third parties may use the Stop Corruption helpline.

In 2022, 209,169 requests were registered by the Contact Centre and through other channels (by mail or other communication channels). Of the total number of calls, 77,954 were received by the hotline staff. Based on the results of the audit, no facts of corruption, corporate fraud or theft were identified. All requests were related to process deficiencies.



Case

**Global Ports Group**

Global Ports Group uses a confidential 24/7 whistleblowing service, offering a variety of ways to report violation:

- special email address;
- anonymous call to a toll-free phone number;
- personal meetings with a senior member of the Group's Internal Audit Department responsible for managing the whistleblowing service for suspected misconduct.

The service is under the authority of the Internal Audit Department, which operates independently of the management and reports directly to the Audit and Risk Committee of the Board of Directors. The Chairman of the Audit and Risk Committee is kept informed of all communications received and recommended follow-up actions.

All requests are immediately registered by the Internal Audit Department, which controls the service. The complaints are then assessed to determine whether further investigation by the Internal Audit Department or other relevant manager appropriate is necessary.

Regardless of how concerns are raised, all reports are treated confidentially and investigated thoroughly and impartially, always ensuring the anonymity of the complainant and protection from retaliation.

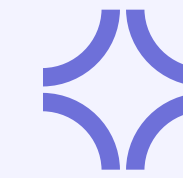
All investigation results and subsequent actions are presented to the Audit and Risk Committee of the Board of Directors by the Head of the Internal Audit Department.

In 2022, 10 calls to the corporate hotline were received. All complaints were investigated. The results of investigations were communicated to the Audit and Risk Committee and senior management, and appropriate follow-up actions were taken.

Key topics:

- poor quality of service – 10% (1 out of 10);
- operational issues – 60% (6 out of 10);
- other – 30% (3 out of 10).

None of the complaints received by the hotline contained allegations of fraud, corruption, wrongdoing or misconduct.



Case

**TransContainer PJSC**

In 2022, TransContainer PJSC updated courses on ethical business conduct, namely Code of Business Ethics and Combating Corporate Fraud and Corruption. All employees of the Company were tested in July 2022. At the end of 2022, the Anti-Corruption course was developed and added. After completing the appropriate training, an employee can take a test in the course of choice. All new employees are required to complete the training.



# Antitrust Policy

**The key principles and requirements of Delo Group aimed at compliance with and prevention of violations in the field of antitrust legislation are determined by the Antitrust Compliance Policy adopted by Delo Management in 2021.**

The Antitrust Compliance Specialist monitors Delo Group's employees' compliance with antitrust laws, ensures that the Group's employees understand the provisions of the Antitrust Compliance Policy, the requirements of the antitrust laws, and the main provisions of the Group's risk map.

Delo Group encourages compliance with antitrust laws and the Antitrust Compliance Policy by its employees and guarantees that there will be no negative consequences for their careers and working conditions in the event that they report circumstances known to them indicating a possible violation of antitrust compliance policy or antitrust laws by other employees, regardless of their official position, as well as by any other persons.

Any interested party can confidentially report a possible violation of antitrust laws at [antitrust@delo-group.com](mailto:antitrust@delo-group.com).

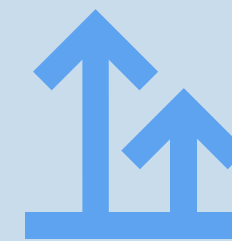
## GRI 206-1

In 2022, Delo Group had no information of any cases related to violations of antitrust laws and anticompetitive behaviour, including enforcement proceedings, courts, fines paid and claimed.

## Key goals of antitrust compliance



ensuring compliance of the Group's activities with the requirements of antitrust legislation, as well as prevention, proactive management, identification and suppression of violations of antitrust legislation in the Group's activities

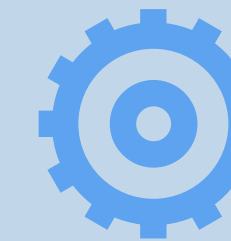


establishment of uniform rules and requirements for the formation of a common understanding of internal controls among the management and employees aimed at compliance with antitrust legislation

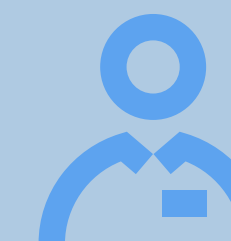
## Objectives of antitrust compliance



improvement of the processes of identifying, assessing, preventing and managing antitrust risks



improvement of internal mechanisms for monitoring compliance with antitrust laws, as well as resolving the consequences of realised antitrust risks



ensuring management and employees' awareness of existing antitrust risks



# SUSTAINABILITY MANAGEMENT

1

Group Details





**Sustainable development is an integral part of Delo Group’s business strategy. Delo Group is aware of its exposure to ESG risks, including environmental, climate, social and governance ones, which may impact the activities of all the companies of Delo Group.**

Realising that the activities of Delo Group create an impact on the social and economic development and environmental conditions of the regions and countries of presence, the Group strives to follow advanced Russian and international sustainability standards and best industry practices along the entire value chain, meeting the needs of key stakeholders<sup>1</sup>. By introducing the sustainability principles in the company, Delo Group contributes to the sustainable development of the economy, society and the preservation of the environment for future generations.

Sustainable development is a strategic area for Delo Group and, along with operational efficiency and financial stability, is the key to the long-term success of the company and its stakeholders.

In 2022, as part of improving the sustainability management system, Delo Group developed the Sustainability Policy. The policy is a top-level document that defines the common position of Delo Group on sustainability issues and applies to all the subholdings. It establishes common goals, principles, directions and objectives for activities in the field of sustainable development, forming a common approach and being the basis of the Sustainability Strategy. The document was developed in accordance with the global UN Sustainable Development Goals by 2030, the Paris Agreement of 2015, the national development goals of the Russian Federation by 2030, as well as the requirements of Russian and foreign legislation and the expectations of stakeholders. In 2023, the Group plans to approve the Sustainability Strategy, including climate issues for the period until 2040.

Delo Group is creating a multi-level approach to working on sustainable development agenda, which involves a step-by-step identification of the key components of sustainable development

for business planning, including the scope, purpose, principles, priority areas and the UN SDGs<sup>2</sup>, as well as objectives for each of the priority areas. As part of the implementation of the sustainable development agenda, Delo Group sets the goal of creating best practices in the field of green logistics and responsible business trends in the industry.

Areas of activity and objectives of Delo Group in the field of sustainable development are integrated into the Group’s strategy and risk management system and are taken into account in short-, medium- and long-term planning. They are also consistent with the UN SDGs by 2030, the 2015 Paris Agreement, as well as the national development goals of the Russian Federation until 2030.

1 For a detailed list of stakeholders and principles of interaction with them refer to Section 1.5. Stakeholder Engagement herein.  
 2 For more information about the contribution of Delo Group to achieving the UN SDGs refer to Section 1.6. Integration of the UN Sustainable Development Goals herein.

**Key documents regulating the Group’s activities in the field of sustainable development**

Sustainability Policy	Code of Business Ethics	Environmental Policy	Human Rights Policy	Occupational Health and Safety (OHS) Policy	Local Communities Interaction Policy	Supplier Code
Government Agencies Relations Policy	Antitrust Compliance Policy	Anti-Fraud and Anti-Corruption Policy	Information Security Management Policy	Corporate Governance Code	Risk Management Policy	Charity Policy

≡ contents

**Group Details**

General Information

Corporate Governance

**Sustainability Management**

Risk Management

Stakeholder Engagement

Integration of the UN Sustainable Development Goals

**The Group’s Achievements in the Field of Sustainable Development**

**Appendices**



**Group Details**

General Information

Corporate Governance

**Sustainability Management**

Risk Management

Stakeholder Engagement

Integration of the UN Sustainable Development Goals

**The Group's Achievements in the Field of Sustainable Development**

**Appendices**

**Priority areas of activity of Delo Group in the field of sustainable development**



**ENVIRONMENT (E)**

**SOCIAL DEVELOPMENT (S)**

**GOVERNANCE (G)**

Climate and efficient use of natural resources

Occupational health and safety  
Working conditions and employee support

Information security, innovation and digitalisation  
Sustainable supply chain

**Basics of sustainable business**

Business ethics, anti-bribery and anti-corruption

Legal compliance and liability for tax offenses

Risk and emergency management

**Sustainability management system**

Delo Group takes into account sustainability principles in its business processes and strives to create mechanisms for their management, including:

- Mechanism for improving the sustainability management system, which is implemented at all organisational levels of the Group;
- Mechanism for improving internal sustainability documents (policies, standards, etc.);
- Mechanism for developing strategic documents and plans to achieve the Group's goals in the key areas with KPIs and initiatives;
- Mechanism for building a corporate culture that complies with the sustainability principles;
- Mechanism for constant interaction with stakeholders;
- Mechanism for regular monitoring of ESG activities, performance assessment and regular sustainability reporting;
- Mechanism for monitoring sustainability laws;
- Mechanism for updating ESG risks.



## ESG RATINGS

In September 2022, two companies of Delo Group (Ruscon Group and TransContainer PJSC) became members of the Green Brands League, an association of companies implementing sustainability principles in their business models. Inclusion in “green” brands requires companies to modify management models, rebuild the production cycle, logistics and marketing. Companies’ efforts are assessed using special scores that reflect compliance with environmental, social and governance aspects. An independent assessment conducted by the League confirmed that the services provided by the companies of Delo Group fully comply with ESG standards.



**Dmitry Pankov,**  
General Director of Delo Management:

*“Our clients and partners can be sure that we are not just one of the country’s leading transport and logistics groups providing ‘green’ services in the field of cargo transportation, but also actively promote sustainability ideas in all areas of our activities.” #DeloPeople*

≡ contents

### Group Details

General Information

Corporate Governance

### Sustainability Management

Risk Management

Stakeholder Engagement

Integration of the UN Sustainable Development Goals

The Group’s Achievements in the Field of Sustainable Development

### Appendices

1	2	3	4	5	6	7	8	9
<b>ESG RISK.AL</b>	<b>ESG RAEX</b>	<b>GREEN BRANDS LEAGUE</b>	<b>ACRA ESG</b>	<b>ESG RATING BY RBC AND NCR</b>	<b>EXPERT RA RATING, ESG TRANSPARENCY</b>	<b>ECG RATING</b>	<b>SUSTAINALYTICS</b>	<b>MSCI</b>
<b>TransContainer</b> No. 1 among land transport and logistics companies covered by ESG Risk Assessments & Insights Limited	<b>TransContainer</b> No. 20, industry leader ahead of the competitors  No. 3 among Russian businesses in the Top 50 Energy ESG ranking	<b>TransContainer</b>  <b>Ruscon</b>	<b>TransContainer</b> ESG-4 in ESG-B category  <b>DeloPorts Group</b> ESG-5 in ESG-C category	<b>TransContainer</b> Category I  <b>DeloPorts Group</b> Category II	<b>TransContainer</b>	<b>TransContainer</b> (Leader)	<b>Global Ports</b> 18.9 Low Risk	<b>Global Ports</b> MSCI: CCC





Case

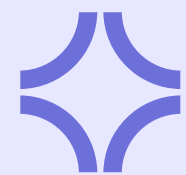
## TransContainer PJSC

TransContainer PJSC was ranked No. 1 among land transport and logistics companies covered by ESG Risk Assessments & Insights Limited (ESGRisk.ai). ESG assessment was carried out with ESGRisk.ai methodology. TransContainer PJSC was ranked 32<sup>nd</sup> among other 1,026 companies, including global ones.

The assigned ESG-RISK A rating means that the railway operator is an ESG leader with a positive track record of managing significant risks.

TransContainer PJSC became the first Russian company to receive an international ESG rating after the departure of specialised American and European ESG rating agencies. Obtaining an ESG rating is an important step that confirms the company’s high level of openness, including in terms of sustainability.

ESGRisk.ai is India’s first sustainability rating agency and is a member of the Global Reporting Initiative (GRI). The ESGRisk.ai rating covers 35 key issues across 1,000 indicators and provides summary information about the company’s ESG strategy, initiatives, results, and news, including negative ones. The rating helps investors understand a company’s resilience to ESG risks, its risk management framework, and provides a possibility to integrate ESG factors into its portfolio structure and management.



Case

## DeloPorts Group

DeloPorts Group gained high ESG scores from the Russian Analytical Credit Rating Agency (ACRA). The ESG-5 rating in the ESG-C category indicates the company’s attention to key factors of sustainable development.

DeloPorts Group gained the highest rating based on the company’s social impact factor and its actions to minimise social risks. The Company’s social investments had the greatest positive impact. An additional score was provided for the practices of using automated security control systems, as well as for the high share of women on the company’s Board of Directors. ACRA also emphasises the level of elaboration of procedures in the field of occupational safety and respect for human rights in labour practices.



≡ contents

### Group Details

General Information

Corporate Governance

### Sustainability Management

Risk Management

Stakeholder Engagement

Integration of the UN Sustainable Development Goals

### The Group’s Achievements in the Field of Sustainable Development

Appendices



# RISK MANAGEMENT

1

Group Details



## ESG RISKS

Delo Group strives to be a leader in sustainable logistics by effectively managing ESG risks and identifying new opportunities for further business development, increasing efficiency and competitiveness.

In 2022, when identifying material topics for the Group's ESG policy, all ESG risks of Delo Group and their impact on the company's activities were analysed. Subsequently, the company updated its corporate risk map in terms of sustainable development. ESG risks are integrated into the overall risk management system.

≡ contents

Group Details

General Information

Corporate Governance

Sustainability Management

**Risk Management**

Stakeholder Engagement

Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices



### Occupational safety, industrial and fire safety

Ensuring safe working conditions, disease prevention, health and safety training, conducting regular inspections, investigating accidents, etc.



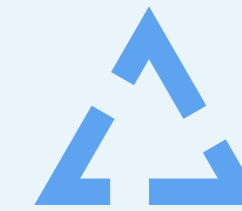
### Water management

Monitoring and reducing water consumption, water reuse, wastewater discharge control, ballast water management.



### Working conditions and employee support

Fair wages, ensuring comfortable working conditions, providing social benefits, work schedules, ensuring well-being, establishing a corporate culture, ensuring inclusivity, etc.



### Waste handling and disposal

Waste monitoring and reduction, waste recycling, effective hazardous waste management, ship recycling.



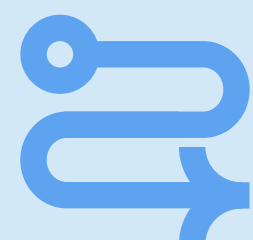
### Education and training

Improving the professionalism of employees through training programmes, ensuring competence, career development programmes, fair assessment of work, etc.



### Information security and data privacy

Ensuring information security, preventing data leaks and theft, etc.



### Sustainable supply chain

Compliance of suppliers with the Company's internal requirements, including social and environmental ones, assessment of ESG risks in the supply chain, availability of the (Responsible) Supplier Code, "green procurement", etc.



### Innovation and digitalisation

Automation, modernisation, providing access to the necessary technological solutions (Internet, communications, software), failure-free operations, etc.



### Economic issues

Quality of services and customer satisfaction, economic indicators of the company, entering new markets, increasing investment attractiveness, etc.



### Climate change and GHG emissions

GHG emissions monitoring (Scope 1-3), climate risk management, climate change resilience.



# STAKEHOLDER ENGAGEMENT

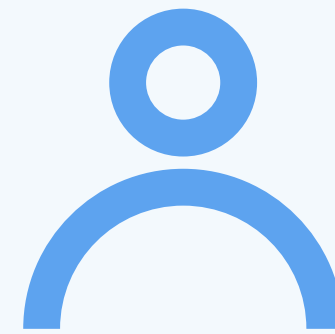
1

Group Details





## Employees



## Clients



## Suppliers, contractors and business partners



## Investors and shareholders

### Group Details

General Information

Corporate Governance

Sustainability Management

Risk Management

### Stakeholder Engagement

Integration of the UN Sustainable Development Goals

### The Group's Achievements in the Field of Sustainable Development

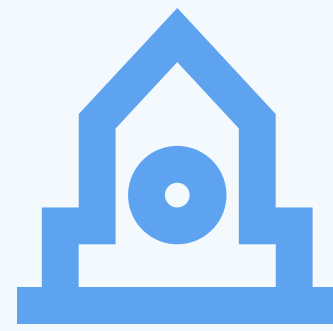
### Appendices

	Employees	Clients	Suppliers, contractors and business partners	Investors and shareholders
Ways of interaction	<ul style="list-style-type: none"> <li>Meetings with the management</li> <li>Employee surveys (including employee engagement)</li> <li>Mandatory medical examinations</li> <li>Sports and cultural events</li> <li>For new employees: connecting to the onboarding chatbot, conducting a survey on satisfaction with the onboarding process</li> <li>Professional skills competition</li> </ul>	<ul style="list-style-type: none"> <li>Participation in conferences and forums</li> <li>Conducting regular customer satisfaction surveys</li> <li>Conducting online consultations and meetings</li> <li>Customer support at the point of service</li> <li>Information support via official websites</li> <li>24/7 contact centre, support for clients' accounts, processing of feedback using iSales (TransContainer PJSC)</li> </ul>	<ul style="list-style-type: none"> <li>Negotiations and preliminary assessment</li> <li>Conducting meetings and video conferencing</li> <li>Participation in conferences, forums and exhibitions</li> <li>Participation in industry unions and associations</li> </ul>	<ul style="list-style-type: none"> <li>Annual general meetings of shareholders</li> <li>Investor Day</li> <li>Meetings and presentations</li> <li>Conference calls, video calls, official correspondence</li> <li>Press releases, messages as part of mandatory information disclosure</li> <li>Investors Section on the corporate website</li> <li>Hotline and email</li> </ul>
Responses	<ul style="list-style-type: none"> <li>Social safety nets</li> <li>Support for the Demography project</li> <li>Medical care under VHI programmes</li> <li>Opportunity for professional growth and development</li> <li>Creating jobs, maintaining a competitive level of wages</li> <li>Popularisation and increasing the prestige of blue-collar professions</li> <li>Strengthening and communicating the internal and external employer brand</li> <li>Increasing loyalty and employee engagement</li> </ul>	<ul style="list-style-type: none"> <li>Expansion of transportation geography</li> <li>Implementation of integrated transport solutions</li> <li>Customer support under the imposed restrictions</li> <li>Increasing terminal capacity and service frequency</li> <li>Introduction and development of electronic document management</li> <li>Participation in projects focused on organising or operating the terminal infrastructure of enterprises and integrated intra-plant logistics</li> </ul>	<ul style="list-style-type: none"> <li>Evaluation of suppliers and contractors for compliance with the requirements of the Group and Russian laws, generally accepted standards, including those regulating occupational health and safety</li> <li>Timeliness of procurement</li> </ul>	<ul style="list-style-type: none"> <li>Timely disclosure of complete and reliable information about the Group</li> <li>Payment of dividends</li> <li>Participation in credit ratings</li> <li>Investment programmes</li> <li>ESG agenda</li> <li>Profitability management</li> <li>Risk management</li> </ul>





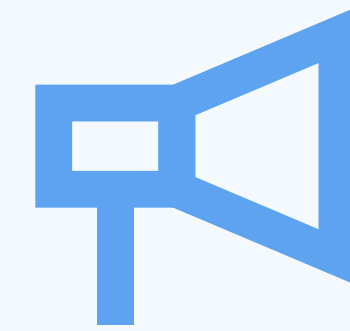
## Financial organisations



## State bodies and local governments



## Local communities



## Civil society organisations

≡ contents

### Group Details

General Information

Corporate Governance

Sustainability Management

Risk Management

### Stakeholder Engagement

Integration of the UN Sustainable Development Goals

### The Group's Achievements in the Field of Sustainable Development

### Appendices

#### Ways of interaction

- Conducting meetings and negotiations
- Publishing information about bonds
- Coordination of operational and long-term plans
- Individual management meetings
- Working with representatives of the analytical and expert community
- Conference calls on the financial results

- Participation in meetings of intergovernmental commissions
- Responses to requests from state bodies
- Participation in meetings of specialised associations
- Carrying out policy-making initiatives on the organisation of transportation
- Participation in working groups, joint meetings, round-table discussions, conferences, forums
- Participation in the process of improving legislation

- Distribution of press releases and publications on social networks
- Organisation of social and charitable projects
- Collecting feedback and interaction with the population and local communities
- Publication of the Annual Report and Sustainability Report
- Contact centre and hotline

- Participation in expert councils
- Creation of joint coordinating committees and working groups
- Participation in conferences, forums, round-table discussions, plenary sessions, strategic sessions

#### Responses

- Increasing investment attractiveness
- Improving the corporate governance system
- Improving operational efficiency
- Ensuring a high level of business transparency and information disclosure

- Development of the logistics industry
- Indexation of tariffs
- Equal access to logistics infrastructure
- Building and maintaining constructive relationships with state (municipal) bodies in accordance with requirements of Russian laws
- Timely tax payments
- Proper disclosure

- Working with local suppliers
- Creation of jobs in regions of presence
- Coordination of the Group's development strategy with the regional development plan
- Considering interests and characteristics of local consumers

- Protection of industry interests
- Group sustainability programmes
- Support for NGO initiatives and projects
- Removal of restrictions when organising transportation (carrying capacity, coordination of plans with road administrations, coordination of requests for transportation in accordance with consumer needs)
- Indexation of transportation tariffs



# INTEGRATION OF THE UN SUSTAINABLE DEVELOPMENT GOALS\*

\* 17 sustainable development goals adopted by the UN General Assembly in 2015

1

Group Details



Delo Group is aware of its responsibility for shaping a sustainable future and is making efforts to contribute to the achievement of the global UN Sustainable Development Goals (SDGs) by 2030, adopted by the UN General Assembly in 2015, through the consistent integration of sustainability principles into business activities of the Group.

The UN Sustainable Development Goals are an integral part of the Group's Sustainability Strategy, which is supposed to be approved in 2023. As part of the development of the Strategy, the Group took steps to determine the most significant goals:

- It assessed its impact on the achievement of the UN SDGs throughout the entire value chain;
- UN SDG peer groups which are of priority for the companies were taken into account;
- Industry recommendations on the UN SDGs for transport and logistics activities were taken into account.

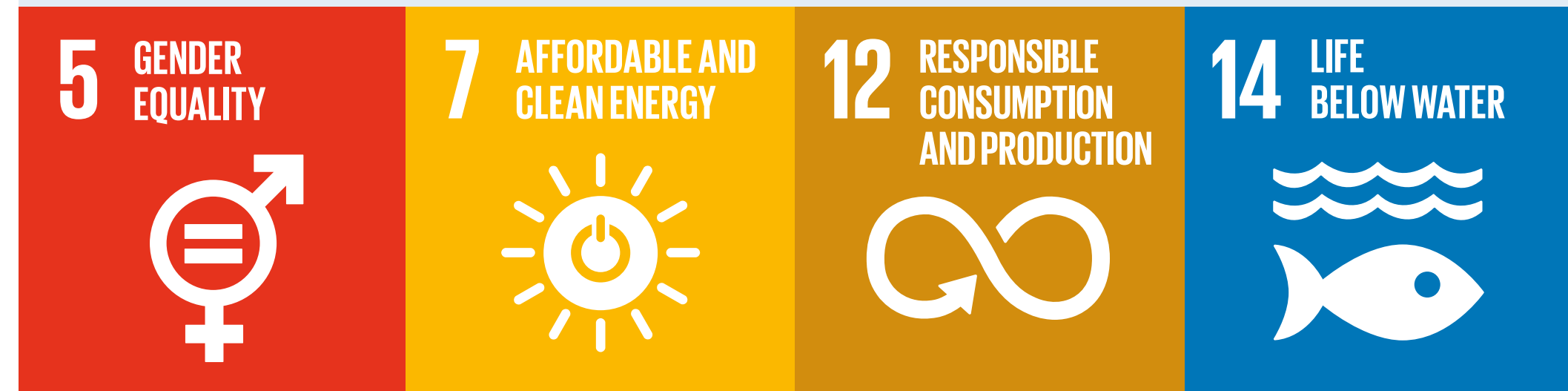
Based on the results of the analysis, priority and secondary UN SDGs for Delo Group were identified. The commitment to achieving the UN SDGs is also confirmed by the adoption of the Sustainability Policy of Delo Management in 2022.

## Priority and secondary UN Sustainable Development Goals of Delo Group from 2023

### Priority goals



### Secondary SDGs



### Irrelevant SDGs





Delo Group directly contributes to the implementation of the UN Sustainable Development Goals not only within the framework of its core activities, but also integrates the principles of “green” logistics and contributes to decarbonisation of the economy. Possessing a unique base of sea and rail container terminals in three key basins, Delo Group provides safe and high-quality cargo transportation services to clients even from the most remote parts of the country.

The Group also supports various initiatives aimed at minimising the negative impact on the environment, improving the quality of life in the regions of presence, providing access to free medical services and education, promoting a healthy lifestyle and sports, as well as the principles of sustainable development in general.

By expanding transport connectivity of the Russian territory through multimodal container transportation, increasing the accessibility of foreign markets for domestic exports and developing transport and logistics corridors, the Group contributes to the social and economic development of the society in whole, regions and Russian business, and ensures uninterrupted logistics.

Despite the fact that Delo Group did not have a sustainable development strategy before 2023, which would consolidate all its assets, individual companies of the Group actively worked on implementation of the UN SDGs and achieved significant results.

≡ contents

Group Details

- General Information
- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement

**Integration of the UN Sustainable Development Goals**

The Group's Achievements in the Field of Sustainable Development

Appendices

**Value chain of Delo Group**



**MARITIME  
TRANSPORTATION**



**TRANSHIPMENT  
IN PORTS**



**RAIL**  
  
Terminals/  
shipping



**FCL**  
  
Shipping by trucks



**LOGISTICS**  
  
w/o assets



**SSC**



**LOGISTICS  
COMPANY**





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

UN target number .....3.1, 3.3, 3.8



Quality education is the basis for a decent life and sustainable development

UN target number .....4.3, 4.4, 4.7

### Contribution of Delo Group to achieving the UN SDGs

Delo Group provides access to the voluntary health insurance schemes (VHI) to all its employees.

Expenditure on employee health insurance services... **RUB 104.7 million**

The Group's employees and their family members are partially reimbursed for the cost of vouchers for health resort treatment, as well as vouchers to children's health camps.

Compensation for travel expenses in 2022 ..... **RUB 17.5 million**

➔ For more information refer to Section 2.1.1. Working Conditions and Employee Support herein.

Delo Group also supports the development of sports and a healthy lifestyle both within its team and at the regional level, being a sponsor of CSKA men's and women's handball clubs and Chernomorets football club.

➔ For more information refer to Section 2.1.3. The Group's Social Projects herein.

### Contribution of Delo Group to achieving the UN SDGs

Delo Group supports continuous professional development of its employees. Every employee of the Group, regardless of their position, is offered an opportunity to complete professional training and development programmes at a convenient time.

Expenditure on training ..... **RUB 43.2 million**

Completed training ..... **6,753 employees**

As part of training programmes, courses on occupational health and fire safety, business ethics, anti-fraud and anti-corruption are mandatory for all Group employees.

Delo Group also interacts with universities searching for young talents.

Work placements and pre-graduate internships in Delo Group companies in 2022 completed by ..... **199 students**

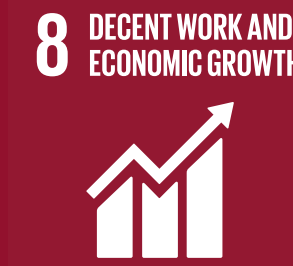
➔ For more information refer to Section 2.1.1. Working Conditions and Employee Support herein.





Clean and accessible water resources for everyone are the key to a sustainable world

UN target number .....6.3



Eradicating poverty requires a review of economic and social policies

UN target number .....8.1, 8.3, 8.5, 8.6, 8.8

contents

Group Details

- General Information
- Corporate Governance
- Sustainability Management
- Risk Management
- Stakeholder Engagement

Integration of the UN Sustainable Development Goals

The Group's Achievements in the Field of Sustainable Development

Appendices

Contribution of Delo Group to achieving the UN SDGs

Delo Group conducts its main activities in the Russian Federation, which belongs to regions with a low risk of water resource shortages. Water resources are not used in the Group's production activities. Water consumption is carried out exclusively for household needs.

Water intake in the companies of Delo Group is carried out mainly through centralised water supply systems. The organisation of wastewater discharge is carried out using septic tanks and its subsequent pumping and removal to centralised water treatment systems. At the same time, there is no impact on water bodies.

→ For more information refer to Section 2.2.4. Water Consumption and Protection of Water Resources herein.

Contribution of Delo Group to achieving the UN SDGs

Delo Group significantly contributes to the socio-economic development of the country. The Group ensures economic growth by scaling its business, creating new decent and safe jobs, as well as by tax contributions. Delo Group is a major employer and responsible taxpayer.

Headcount as of 31 December 2022 ..... **9,324 people**

Tax payments in the reporting year ..... **RUB 6.6 billion**

The Group strives to maintain age and gender balance among its personnel, providing equal opportunities for professional growth for all employees and equal pay for equal work.

Social benefits and guarantees are an important and integral tool of the Group's personnel policy.

Expenditures on social programmes in 2022 ..... **RUB 218 million**

→ For more information refer to Section 2.1.1. Working Conditions and Employee Support herein.

Delo Group complies with high standards of occupational health and safety. The Group's goal in the field of occupational health and safety is to achieve zero injuries.

Number of fatal incidents ..... **0**

LTIFR ..... **0.64**

→ For more information refer to Section 2.1.2. Occupational Health and Safety herein.

→ For more information refer to section The Group's Social Projects on page 85.





**Contribution of Delo Group to achieving the UN SDGs**

Delo Group is the largest intermodal container operator in Russia, a leading operator in railway container logistics.

Container fleet capacity ..... **230,000 TEUs**

Forwarder in multimodal container transportation ..... **No. 1**

Number of terminals owned by the Group in Russia ..... **47**

The Group owns 47 terminals in Russia and also has unique experience in effectively managing the largest fleet of fitting platforms (40,000) and containers.

Delo Group is a leading operator of sea container terminals located in key Russian basins, with a market share of more than 50%.

Market share among maritime container operators ..... **>50%**

The Group makes a social contribution to the development of the regions of presence, ensuring the connectivity of the territories and developing new unique routes that make it possible to deliver cargo to the most remote areas and increase the frequency of voyages per week.

**Digitalisation/innovation**

Delo Group is an innovative and technological leader in the transport and logistics industry.

The Group's digital solutions improve operational efficiency and customer satisfaction.

Delo Group is developing iSales, a proprietary digital platform (> 500,000 unique visitors in 2022), which allows the client to order transportation services in a few clicks almost throughout the entire Eurasian continent (**1.5x** increase in calculations for transport solutions via iSales in 2022).

Increase in the number of unique visitors ..... **>500,000**

➔ For more information refer to Section 2.3.5 Share of waste sent for recycling in 2022 herein.

**Contribution of Delo Group to achieving the UN SDGs**

Delo Group pays great attention to sustainable consumption and responsible waste management.

In terms of waste management, the main priority is to reduce the generation of industrial waste, while simultaneously increasing the percentage of its recycling.

The main waste management activities include the efficient use of natural resources, materials, equipment and the use of modern technologies that reduce waste generation.

Methods for handling generated waste are mainly aimed at recycling and transferring it to third-party specialised organisations for disposal.

Share of waste sent for recycling in 2022 ..... **59.6%**

At the beginning of 2022, Delo Group approved the Code of Conduct for Suppliers. The Group expects its suppliers and contractors to adhere to the principles of responsible consumption and production.

➔ For more information refer to Section 2.2. Climate and Efficient Use of Natural Resources herein.





### Contribution of Delo Group to achieving the UN SDGs

The global climate agenda and growing business interest in climate issues are contributing to the rapid development of green logistics. The Group's strategic goal in terms of sustainable development is to become a leader in green logistics.

Delo Group makes a significant contribution to the decarbonisation of the economy:

- In 2022, the Group acquired **I-REC** certificates to offset its own carbon footprint, in particular indirect (Scope 2) greenhouse gas emissions;
- In 2023, Delo Group completed the first deal with a **Carbon Zero** "green" certificate of Russian origin;
- The Group has developed an online calculator to provide additional options for clients to choose the route with the lowest carbon footprint;
- Delo Group annually publishes information on the volume of greenhouse gas emissions, methods of adaptation and mitigation of climate change.

Scope 1 and 2 GHG emissions in 2022  
 Location-based method . . . . **117 tons of CO<sub>2</sub>e**  
 Market-based . . . . . **88 tons of CO<sub>2</sub>e**

Indirect emissions . . . . . **0**

Delo Group keeps records of potential climate risks as part of risk management procedures.

Organisational and financial measures are planned for 2023 to create a system for calculating the financial consequences associated with climate change and develop measures to manage these consequences as part of the development of the Group's Climate Strategy.

Delo Group also adheres to the principles of renergy efficiency and conservation. The Group has developed various energy saving measures.

➔ For more information refer to Section 2.2.1. Low-Carbon Practices herein.

### Contribution of Delo Group to achieving the UN SDGs

In 2022, Delo Group became a member of **the National ESG Alliance**.

➔ For more information refer to Sections 1.3. Sustainability Management and 1.5. Stakeholder Engagement herein.

In 2022, Delo Group joined the new **RSPP Committee on Climate Policy and Carbon Regulation**.

Delo Group continuously interacts with non-profit organisations in the field of corporate social responsibility and sustainable development, as well as with charitable foundations in terms of charitable assistance and corporate employee movement, including in the regions of the Group's presence.





# SOCIAL DEVELOPMENT



# 2

The Group's  
Achievements in the  
Field of Sustainable  
Development





# Working Conditions and Employee Support

## PERSONNEL POLICY

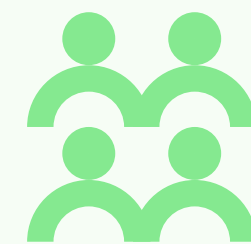
Delo Group strictly complies with labour legislation, guarantees full respect for the rights and freedoms of its employees, provides them with favourable working conditions and decent wages, social and financial assistance, opportunities for training and development, and takes steps to maintain a healthy lifestyle and work-life balance.

Before concluding an employment contract, each candidate is required to familiarise him- or herself with the company's main regulations, including the Code of Business Ethics, which establishes ethical standards of business conduct for all employees.

**The personnel policy of Delo Group is aimed at attracting, onboarding, developing and retaining talents and is based on the following principles**



creation of decent and safe working conditions, including care for the health of personnel



respect for human rights, including non-discrimination, freedom of association and trade unions



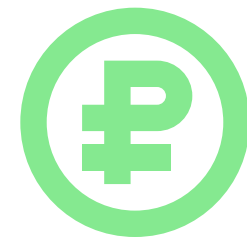
creation of equal conditions for unlocking potential and development of employees



increasing motivation for effective work by providing competitive wages and expanded employee benefits



## Objectives of the Group in the field of personnel management



**Provision of decent wages and improvement of the remuneration system to help achieve the Group's goals**



**Improvement of companies' competitiveness as an employer**



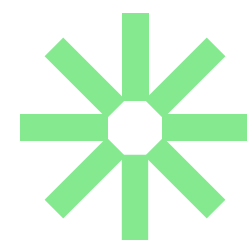
**Attraction, hiring and retaining of highly qualified specialists**



**Provision of employees with a training and development system that corresponds to their profiles and professional standards**



**Effective personnel management, taking into account the level of labour productivity and process automation**



**Strengthening corporate culture and increasing employee engagement**

## Basic documents regulating relations with employees of Delo Group

### TransContainer PJSC



- Collective agreement of TransContainer PJSC
- Code of Business Ethics of TransContainer PJSC
- Human Rights Policy
- Internal labour regulations
- Regulations on the remuneration for employees of TransContainer PJSC
- Regulations on labour motivation of the management of TransContainer PJSC
- TransContainer PJSC onboarding regulations

### DeloPorts Group



- Collective agreement
- Code of Business Ethics
- Human Rights Policy
- Regulations on the development, implementation and encouraging the submission of proposals to improve production and business processes at KSK JSC
- Regulations on the Wall of Honour ("Best Employees") in KSK JSC

### Ruscon Group



- Code of Business Ethics
- Human Rights Policy
- Internal labour regulations
- Recruitment regulations
- Regulations on remuneration and bonuses for employees
- Regulations on the assessment and certification of sales department personnel
- Regulations on the honorary employee of Ruscon LLC (Wall of Honour)
- Onboarding regulations
- Regulations on social support measures for employees and members of their families and close relatives

### Global Ports Group



- Collective agreement (PCT, VSC, PLP terminals)
- Code of Business Ethics
- Human Rights Policy
- Regulations on bonuses
- Regulations on remuneration
- Regulations on annual bonuses
- Regulations on remuneration systems for certain categories of employees
- Regulations on efficiency proposals
- Regulations on talent attraction, assessment and selection
- Onboarding and induction regulations
- Regulations on personnel training and development
- Regulations on HR record management



## Respect for human rights

The basics of Delo Group’s approach to protecting human rights and ensuring their observance in all areas are enshrined in the Human Rights Policy adopted by all companies of Delo Group.

Companies ensure equal opportunities for both candidates during selection and full-time employees, as well as decent working conditions, fair wages and opportunities for further growth and development. The Group strives to use uniform principles and approaches to working with personnel in all regions of its presence.

In 2018–2022, all employees of TransContainer PJSC<sup>1</sup>, DeloPorts Group<sup>2</sup> and Global Ports Group were covered by the provisions of the Collective Agreement.

Companies have established channels for interaction with employees (hotlines, corporate websites, the HR department, the trade union; meetings with management), using which any employee can report a conflict situation for further investigation. In case of controversial situations, they are fully investigated and, if the allegations are justified, appropriate measures are taken.

In 2022, there were no harassment complaints or cases of discrimination.

The Code of Business Ethics approved by Delo Group reflects the core values, principles, standards and norms of behaviour. The guiding principles are compliance with law, business integrity, accurate and reliable accounting, fulfilment of business obligations, treating people with dignity, protection of information, assets and interests of companies, environmental protection.

If employees become aware of violations of accepted ethical standards, they must contact their supervisor and report facts of violation.

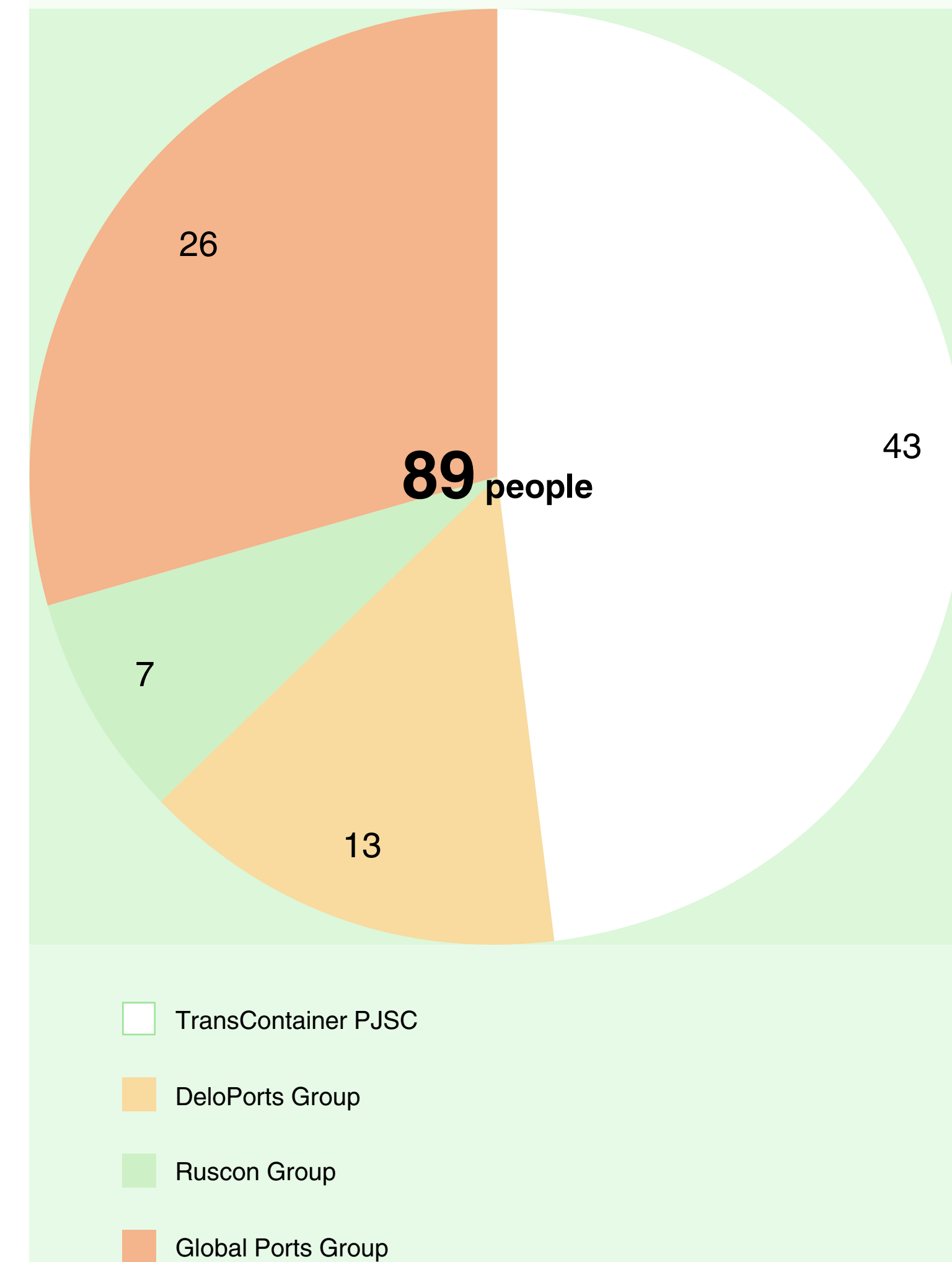
To resolve business ethics issues, employees can contact the Group using the feedback form on the website, by email ([ethic@delo-group.com](mailto:ethic@delo-group.com)), or by calling the business ethics hotline. These communication channels are available 24/7 to all employees<sup>3</sup>.

All employees of the Group, including newly hired ones, need to familiarise themselves with the provisions of the Code and relevant policies. In order to effectively inform and explain the provisions of the Code, educational and training programmes are organised.

Delo Group rejects any form of discrimination and strives to ensure respectful treatment of its employees, as well as to create equal opportunities both at the beginning of the employment relationship and at every stage of work.

Special attention is paid to hiring people with disabilities and creating decent and comfortable working conditions for them.

## Number of employees with disabilities at Delo Group



1 100% of employees of TransContainer PJSC were covered by the Collective Agreement in 2022. Due to the inclusion of Logistics-Terminal JSC in the reporting, the total share of employees was 95%.  
 2 The Collective Agreement is in force in KSK JSC and NUTEP LLC.  
 3 Contact details are provided in the Appendix.



## WORKFORCE STRUCTURE AND TURNOVER

GRI 401-1, 405-1

The Group's workforce structure reflects the companies' commitment to the principles of inclusion and diversity, non-discrimination, including by age or gender.

The female to male ratio in the Group is 42% to 58%. Delo Group employs people of all age categories. Employees aged from 36 to 55 years constitute the major group. Creating a diversified team and, as a result, a combination of fresh innovative ideas improves productivity and business results.



# 9,322 people

total headcount at year-end 2022

≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

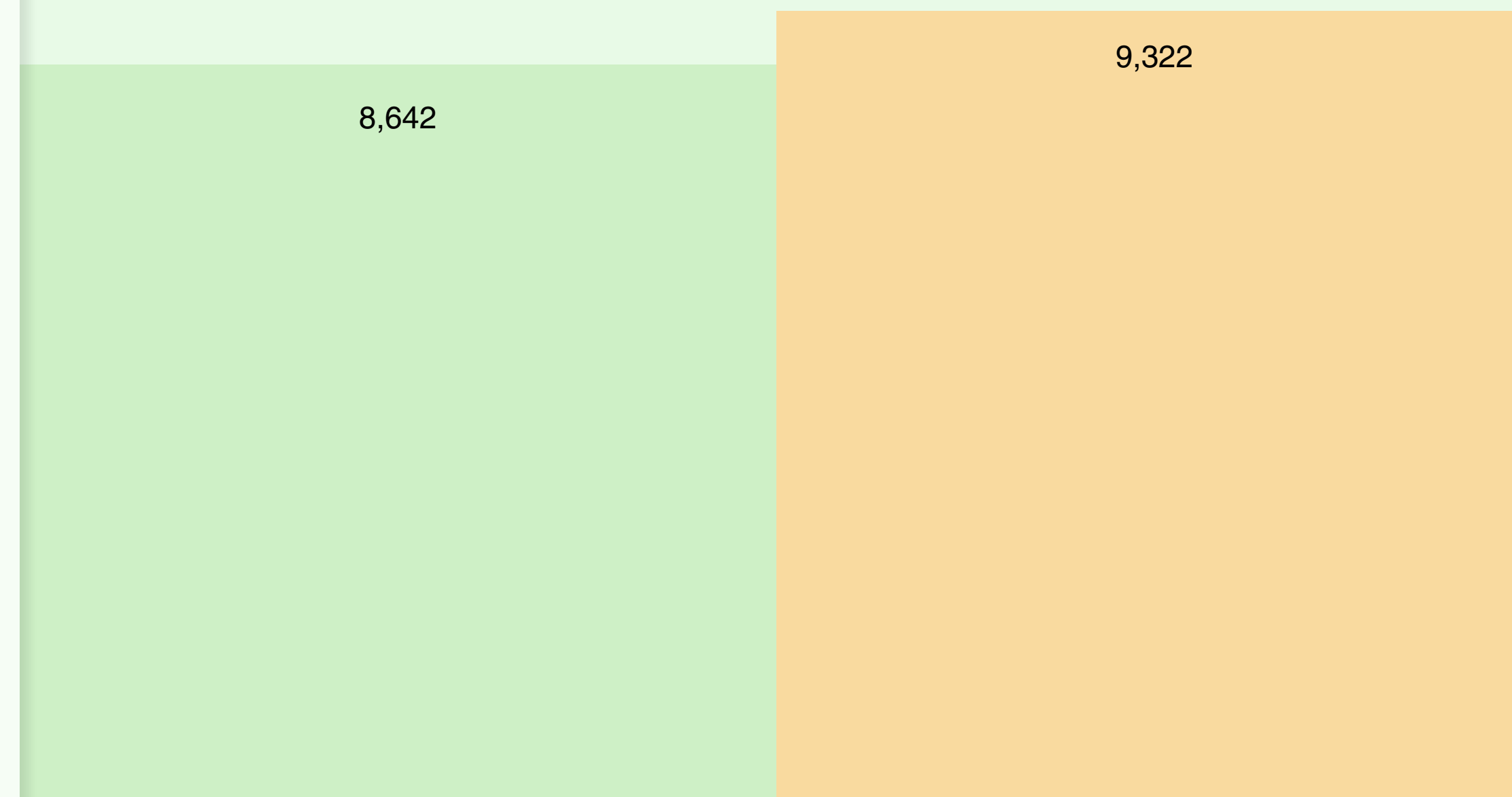
Social Development

Climate and Efficient Use of Natural Resources

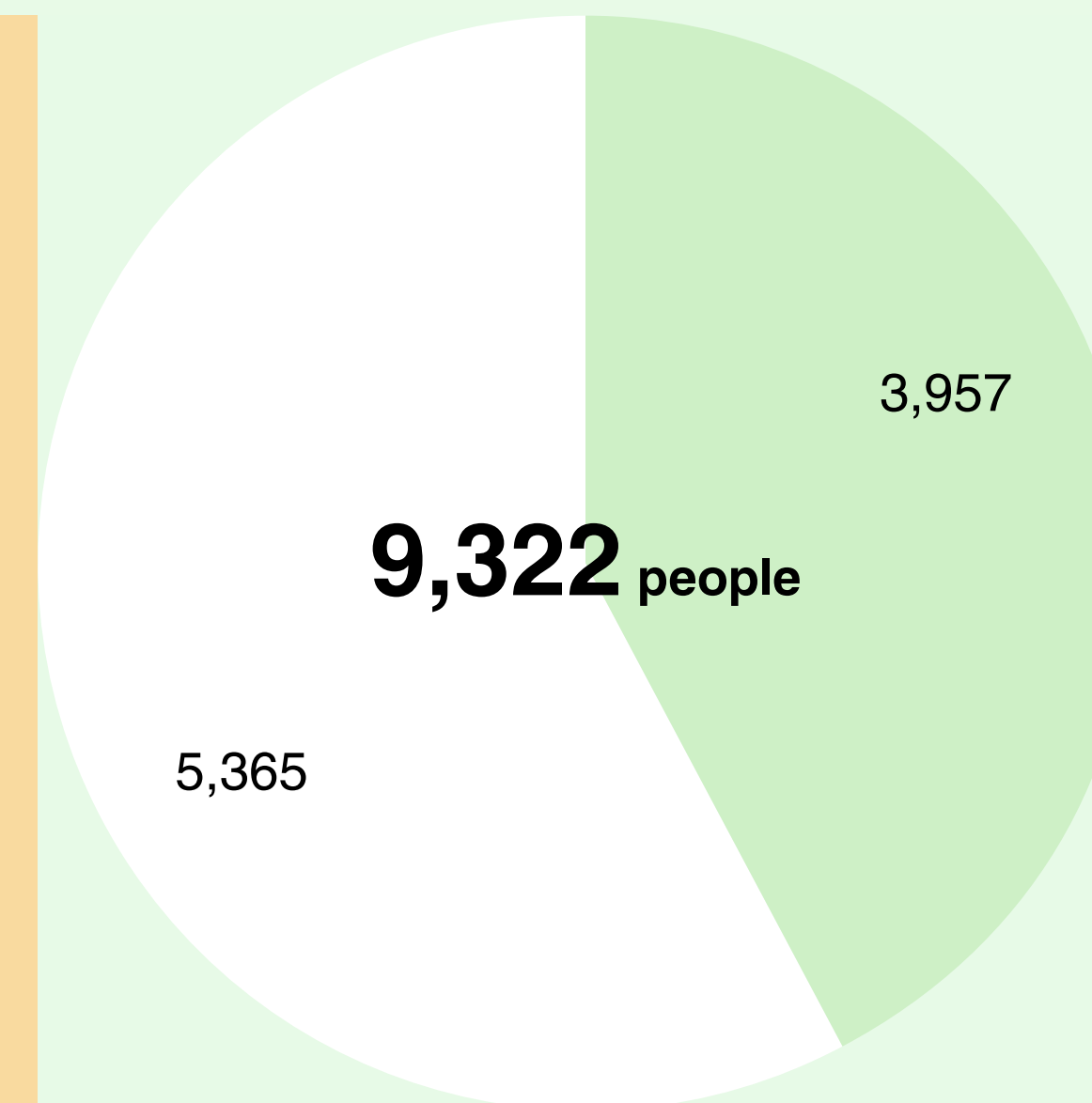
Responsible Business

Appendices

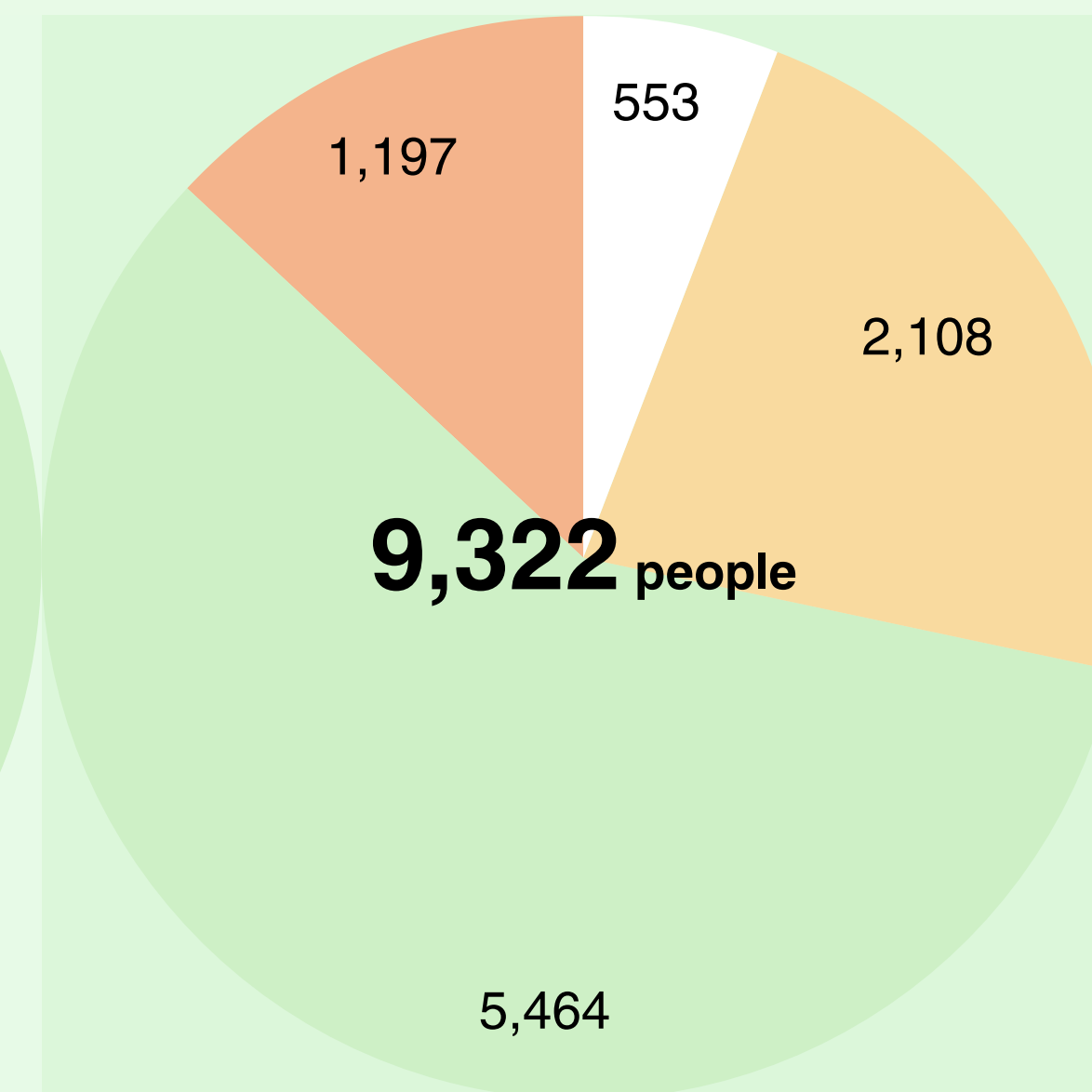
Total number of employees, people



Headcount, by gender



Headcount, by age



■ Average headcount, people  
■ Headcount, people (as of 31 December of the reporting year)

■ Men  
■ Women

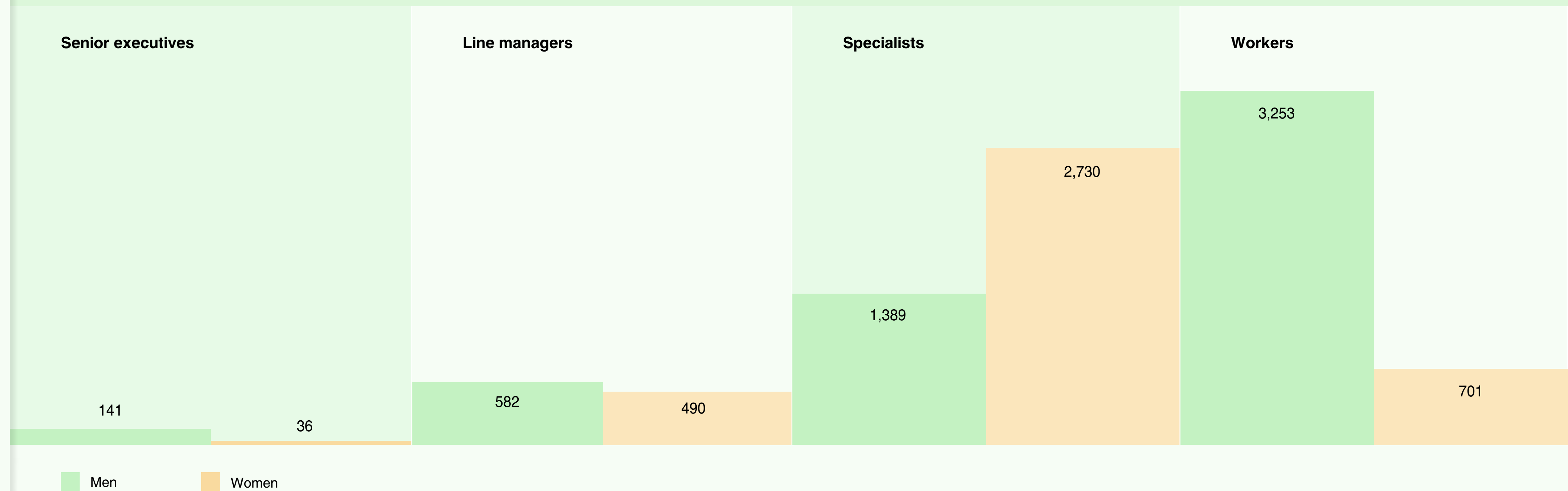
■ Under 25  
■ 36-55  
■ 26-35  
■ 56+



The employee turnover rate among the companies of Delo Group varies. The average rate for the Group in the reporting period was 14%. An effective personnel policy, a motivation system and improved working conditions made it possible to reduce the turnover rate and achieve a relatively low indicator in DeloPorts and Global Ports Groups. With the introduction of a uniform approach to remuneration and social safety nets in the companies in 2023, Delo Group expects a decrease in the turnover rate.

2,024 new employees joined the Group in 2022, of which 62% men and 38% women.

### Personnel structure by position categories, people







**Case**  
**Women in Logistics**

Traditionally there are more men than women working in the logistics industry. However, the female to male ratio in the Group is 42% to 58%. Moreover, women also hold 42% of leadership positions.

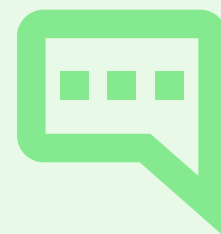
Many women are breaking stereotypes about “male” professions, and companies, including Delo Group, today provide equal opportunities for development to both men and women.



Elena Svirina joined Delo Group in 2013 as Head of the Corporate Reporting Department and was responsible for the consolidation and preparation of financial and management reports of the Group, financial analysis and interaction with auditors.

In 2015, Elena Svirina became Deputy General Director of DeloPorts LLC for Economics and Finance, overseeing the interaction of DeloPorts with the financial departments of subsidiaries and individual divisions of the Group’s parent company.

Since 2019, she has held the position of Vice President for Finance at Delo Management LLC, the parent company of the Group, which manages the financial and sustainable development units.



*“I can see the bigger picture, shape any idea and promote it. I feel like I’m contributing to something really good.” #DeloPeople*



In December 2022, the first female dock operator came to work at the VSC terminal (Global Ports Group). Anna Skoropletova:



*“I really wanted to learn how to operate interesting and complex transshipping equipment, which really exudes strength and power. Of course, this is an unusual profession for a woman, and such a choice may seem strange to people. However, I knew that I would succeed. I like that I can show my worth both in the profession and at the VSC terminal. I can break out of old ideas, and constantly learn new things.”  
#DeloPeople*

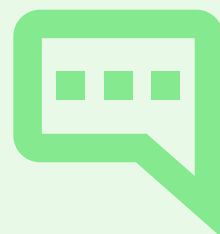
Today she is the second woman in Global Ports Group directly involved in the management of large transshipment equipment. Anna’s colleague Tatiana Loisha has been working at PLP for 22 years and today works as a crane operator and a mentor.





Natalia Semevskaya has been working at Delo Group since 1995. Over the years, she has worked her way up from an engineer in the export department to the deputy general director for general issues of DeloPorts LLC.

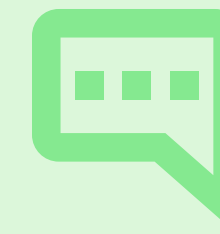
Under her leadership and with her direct participation, a number of large-scale, socially significant projects have been implemented. She has participated in the installation of memorial sign To the Workers of the Novorossiysk Port, the only monument in our country to workers of the maritime transport infrastructure. She has also participated in the grand opening of two deep-water berths in the Azov -Black Sea basin: berth No. 38 of NUTEP LLC and berth 40A of KSK JSC. Natalia Semevskaya coordinates all charitable and environmental projects of DeloPorts Group.



*“I have been working at Delo Group about a half of my life. I grew, developed, gained experience together with the company. It’s nice to understand that I have contributed to the current achievements and success of Delo Group. I’m proud of our team and that I’m a godmother of the Delovoy–6 tugboat!” #DeloPeople*



TransContainer PJSC also employs a woman who is a docker mechanic. Her name is Elena Leontyeva. She has been working in the company for seven years.



*“I like that the company provides employees with social safety nets, vouchers for employees and their children to health resorts and camps, so one can relax at the best prices. I’m fond of knitting. In the evenings I like to knit hats, scarves, sweaters for family members and for myself. I have a large family, including three children and three grandchildren. By the way, I met my husband at TransContainer.” #DeloPeople*





## NEW EMPLOYEE JOURNEY

### *Recruitment and selection of personnel*

In 2022, TransContainer PJSC expanded its channels for searching for new employees. Company vacancies can be found on specialised websites, Telegram channels, social media, professional communities, and the internal corporate website. The company also attracts recruitment agencies, and actively interacts with specialised educational institutions.

To select the best employees, TransContainer PJSC uses various tools:

- interviews;
- tests and cases to assess professional knowledge and skills;
- tests of abilities and potential;
- motivational questionnaires.

When recruiting personnel, the company primarily focuses on the possibility of filling vacancies with internal candidates. In 2022, 87% of vacancies were filled by external candidates and 13% by internal candidates.

In 2022, the company introduced a standardised format for job descriptions. It contains a value proposition and aims to attract the best potential candidates for job openings. It also shapes the company's image as an industry leader and an attractive employer.

The company is actively using and developing a CRM system that allows recruiters and managers to maintain a candidate search history, prepare the necessary reports, quickly share information on candidates and make coordinated decisions.

### *Onboarding*

Onboarding is one of the components of the candidate selection and hiring process. In 2022, the quality of personnel selection and onboarding was assessed at 94%. The indicator determines the ratio of hired employees and those who successfully completed the onboarding process and probationary period in the reporting period, i.e. 94% of employees successfully completed onboarding and the probationary period in 2022.

TransContainer PJSC has implemented a full-fledged onboarding system. It shortens the onboarding period for an employee, helping him or her reach the required level of productivity. In addition, the onboarding system reduces the likelihood of serious problems associated with mistakes of new employees.

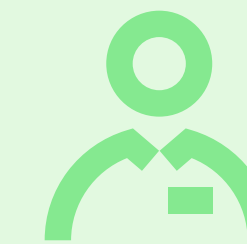
Within the framework of this system, the following measures have been introduced and are being successfully implemented in the company:

- During the first two weeks of work, all new employees receive online welcome training, which allows them to gather in a single online space. At this training, newcomers are provided with useful and relevant information about the company, its history, various opportunities for employees, such as training and development, career growth, compensation and benefits, in a live dialogue using gaming techniques;
- Upon hiring, all new employees get a welcome pack, i.e. a welcome gift from the company. It contains a set of useful branded products, as well as a checklist of the main onboarding stages and the Company Guide, where all the useful information is collected and presented; it helps newcomers become part of the team and creates a feeling of care from the first days of work;
- Each new employee, even before joining the company, connects to an interactive assistant, i.e. an onboarding chatbot, which, according to a specially designed script, introduces the newcomer to the company, accompanies him or her, and gives answers to frequently asked questions.

### *Mentoring programme*

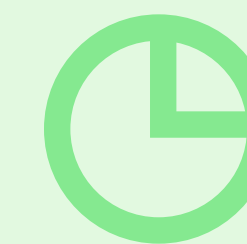
TransContainer PJSC has a mentoring programme. Its goal is to transfer knowledge when supporting the most experienced and competent employees, and involve new employees in the company's activities. In the first three days after a new employee is hired, a mentor is assigned to him or her. Next, the employee, together with a supervisor, draw up an individual work plan. During the established period, a mentor and a new employee achieve the goals set and development steps as planned.

In 2023, it is planned to update the Mentoring Regulations in terms of extending the provisions to additional categories of employees who can be assigned a mentor, as well as in terms of the possibility of financial motivation for mentors.



**87%**

of vacancies were filled by external candidates and 13% by internal candidates



**94%**

quality of personnel selection and onboarding in 2022



## WORK WITH YOUTH AND PARTNERSHIP WITH UNIVERSITIES

Youth policy is an integral part of human resources management at Delo Group.

The companies of the Group provide the most talented students and university graduates, winners of Olympiads and educational competitions with opportunities to build a career. The Group interacts on an ongoing basis with a number of leading universities, providing students with the opportunity to undergo practical training and remain among the company employees. In 2022, 199 students completed internships at Delo Group.



**199** students  
completed internships at Delo Group




### Case Global Ports Group

Global Ports Group strives to create a culture of intergenerational continuity within the company. The Group has been cooperating with the Admiral Makarov State University of Maritime and Inland Shipping for many years. The university regularly hosts Global Ports weeks, where the staff share their experiences with students. Every year, university students undergo summer internship at the PLP, FCT, and Yanino terminals, after which they get the opportunity to build a career in the company.

In 2022, the company opened a training class at one of the terminals, where students undergo training in “field” conditions directly at the terminal.

In May 2022, the Global Ports team organised a series of guest lectures for students, and in October a series of tours of the Petrosport terminal. The company’s employees were happy to share their knowledge with future stevedores in order to increase students’ interest in the profession, as well as to see the best of them among their employees in the future.



### Case TransContainer PJSC

As part of its work with youth, on 7 December 2022, TransContainer PJSC took part in the Prospects Week at the Institute of Management and Digital Technologies (MIIT). The event was attended by more than 130 students.

Representatives of TransContainer PJSC told future graduates about the activities of the Company, the peculiarities of transport logistics using the example of TransContainer, new services in the company, production and technical processes.

HR representatives voiced the employer’s expectations for trainees, shared examples of successful practices and cooperation opportunities, and conducted a workshop on resume preparation.

The format of the meeting allowed students to better imagine the scope and areas of activities of TransContainer PJSC, what they should learn and what competencies to develop.

Also, in 2022, a number of branches of TransContainer PJSC took part in Job Fairs at industry-specific universities.

In total, in 2022, 103 students completed work placements and pre-graduate internships at TransContainer PJSC. Of these, 14 people were hired by the companies for junior positions in various divisions.





Case

## DeloPorts Group and Ruscon Group

Delo Group has fruitfully interacted with the Admiral Ushakov Maritime State University for a long time.

In 2022, representatives of DeloPorts Group and Ruscon Group took part in the annual job fair organised by the Admiral Ushakov Maritime State University. Interacting with cadets and university teachers, Group specialists spoke about the activities of stevedoring and operator companies in ports, the requirements for specialists, employment conditions and vacancies, and answered all questions from the audience in detail.

In June 2022, companies of DeloPorts Group were visited by teachers and cadets of the Transport College of Admiral Ushakov Maritime State University. They learned about the main business processes of container and grain terminals and were told about important aspects of the company's operations.

Line managers of Ruscon Group annually take an active part in the meetings of the qualifying commission for the final exams.



**Igor Yakovenko,**  
General Director (April 2022):

*“We appreciate active participation in the life of the regions where we operate. DeloPorts maintains long-standing and reliable ties with the Maritime University. Many of our employees are its graduates. The level of knowledge acquired within the walls of this university suits the company, and we hire young specialists to fill vacant positions.” #DeloPeople*



Case

## Ruscon Group

In May 2022, a meeting of representatives of Ruscon Group was held with cadets of the Admiral Makarov State University of Maritime and Inland Shipping.

Addressing university graduates, experts spoke about the peculiarities of the organisation and activities of logistics companies, the requirements for candidates, as well as the experience and special features of the company's work during the pandemic and the current geopolitical situation.

Ruscon Group has been cooperating with the university for two decades. Many employees and managers are its graduates. The company pays great attention to interaction with specialised educational institutions, which are a source of qualified personnel. Many students are offered internships and subsequently vacant positions. In 2022, 9 students completed internships at Ruscon Group.



## REMUNERATION AND STAFF MOTIVATION

The remuneration for employees of Delo Group is regulated by internal regulations. In 2022, the companies of the Group updated their documents in accordance with the Group's uniform approach to remuneration and provision of social safety nets.

In 2022, DeloPorts Group, TransContainer PJSC and Delo Management launched a project to grade employees; in 2023, the project will be expanded to all companies of the Group.

Delo Group provides its employees with a competitive remuneration, which includes the fixed portion (salary, hourly rate) and a variable portion, as well as bonuses for achieving operational efficiency and KPIs, and other compensation and incentive payments provided for by the labour code of the Russian Federation, the Collective Agreement and local regulations.

The bonus system provides for the possibility of paying remuneration depending on the operating and financial indicators achieved in the companies, as well as the personal contribution of employees. Bonus indicators are established by unit, profession and position.

The companies have also developed and are constantly improving a bonus system. The amount of bonuses is determined on the basis of KPIs achieved by the end of the year, including in the field of sustainable development.

### GRI 202-1

In 2022, the minimum wage for entry-level employees of Delo Group companies was higher than the minimum wage in the Russian Federation by an average of 200%.



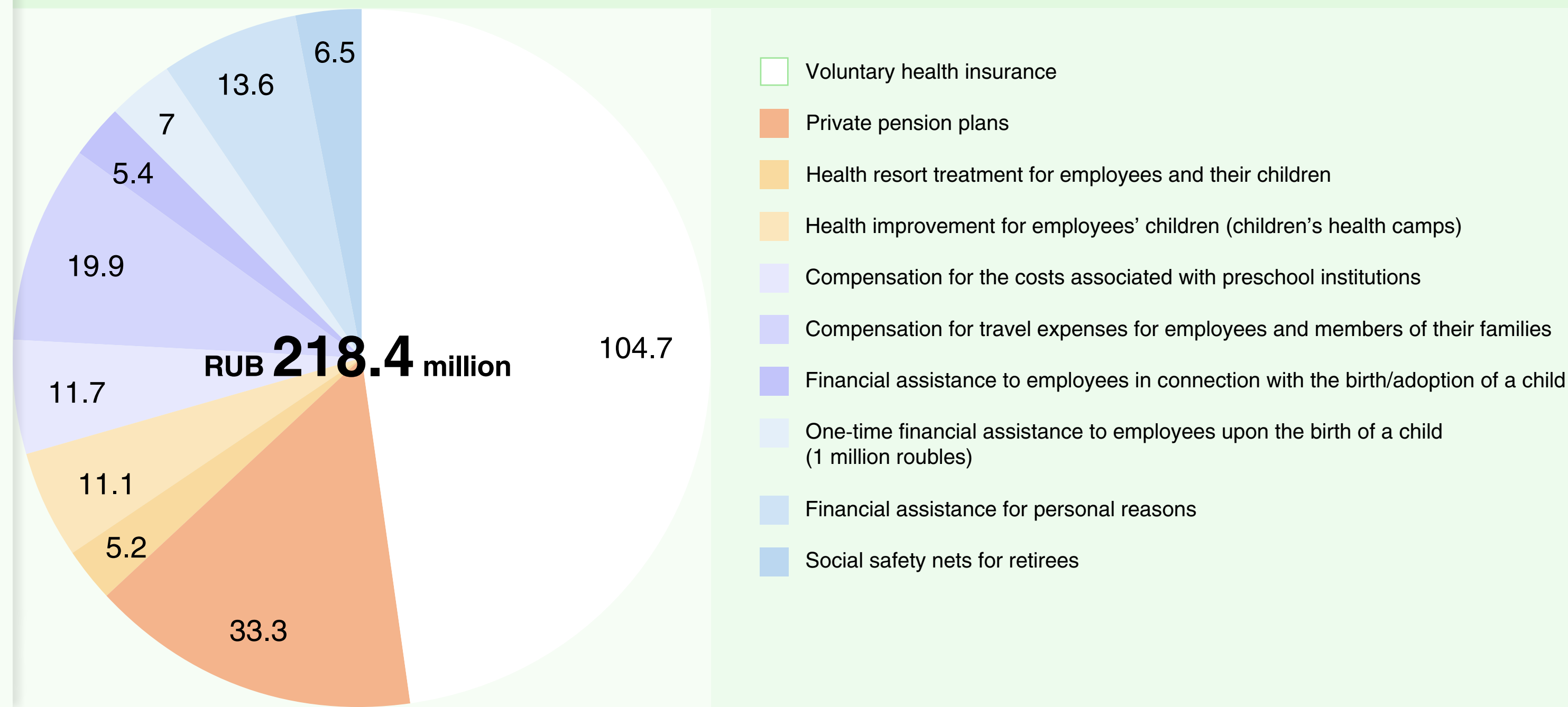
A primary trade union at NUTEP was established on 4 December 2003. About 80% of employees are its members.

- The trade union committee annually organises holidays, excursion trips, and field trips for children and trade union members;
- It reimburses part of the cost of gym and swimming pool passes, 50% of the cost of tickets to concerts and performances in Novorossiysk and Krasnodar;
- It organises summer holidays in the village of Shirokaya Balka at the Chernomor recreation centre;
- The union organises trips to football stadiums in Novorossiysk and Krasnodar;
- It provides financial assistance for trade union members in connection with marriage, birth of a child, difficult life situations, anniversary dates. It reimburses part of the costs of vouchers to health resorts and children's health camps.

The Occupational Safety Day is held annually. The union considers the issues of collective action of unions.

In 2022, the trade union organisation provided financial assistance for a total amount of 1,596,000 roubles through membership fees. It compensated employees and their children for health resort treatment worth 404,000 roubles. 8,294,000 roubles were spent on cultural, sports and recreational events.

### Social safety nets for employees





GRI 401-2

For full-time employees, the company provides additional social safety nets, including:

- voluntary health insurance programmes;
- social and financial assistance;
- payments for anniversaries;
- round-the-clock insurance for employees working in high-risk jobs;
- high-quality health care for workers involved in risky activities or those associated with the likelihood of occupational diseases;
- a primary trade union, whose activities are aimed at protecting the interests of employees.

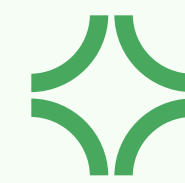
**Non-financial incentives**

GRI 401-2

The companies of Delo Group are actively developing a non-financial incentive system, which is aimed at recognising the merits of the best employees (certificates, gratitude, valuable gifts, awards on important corporate dates). In 2022, 324 employees were awarded certificates and commendations.

 **218.4** RUB million

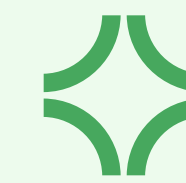
allocated to provide social safety nets to employees of the companies of Delo Group in 2022



Case  
DeloPorts Group

KSK JSC is successfully implementing the Golden Truck and Golden Wagon motivation programmes. The programme is aimed at stimulating an increase in daily and shift productivity for receiving grain cargo by road and rail.

In 2022, employees were paid 11 million roubles under the programme. Record monthly transshipment indicators were achieved, namely 18,024 tons per shift and 31,815 tons per day. Records were achieved for the unloading of wagons, e.g. 117 per shift and 221 per day.



Case  
Ruscon Group

A Wall of Honour is an integral part of the multi-level motivation system used by Ruscon LLC.

The Wall of Honour is installed near the administrative building for viewing by clients, partners and employees of the company as an expression of pride and gratitude on the part of the management for the work and contribution of employees to the development and achievements of the company.

Honouree candidates are selected from among the staff.

At the end of the year, employees who have achieved high production indicators and work results are awarded with gratitude and Certificates of Honour from the management.

Employees who have made the greatest contribution to the development of the company and the industry, as well as those who have many years of work experience in the enterprise, are awarded Certificates of Honour from the head of the city of Novorossiysk.



## PERSONNEL TRAINING AND DEVELOPMENT

GRI 404-2

Delo Group highlights continuous training as one of the key aspects in the field of personnel development and provides its employees with opportunities for development. Training programmes covers all functional units and workers, specialists, line managers and senior executives.

Investments in employee training and development help meet the Group's critical needs for qualified personnel, while maintaining employee expertise and interest in work.



≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Social Development

Climate and Efficient Use of Natural Resources

Responsible Business

Appendices



Case

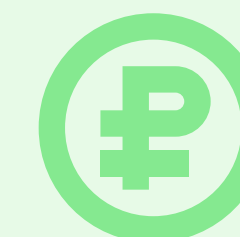
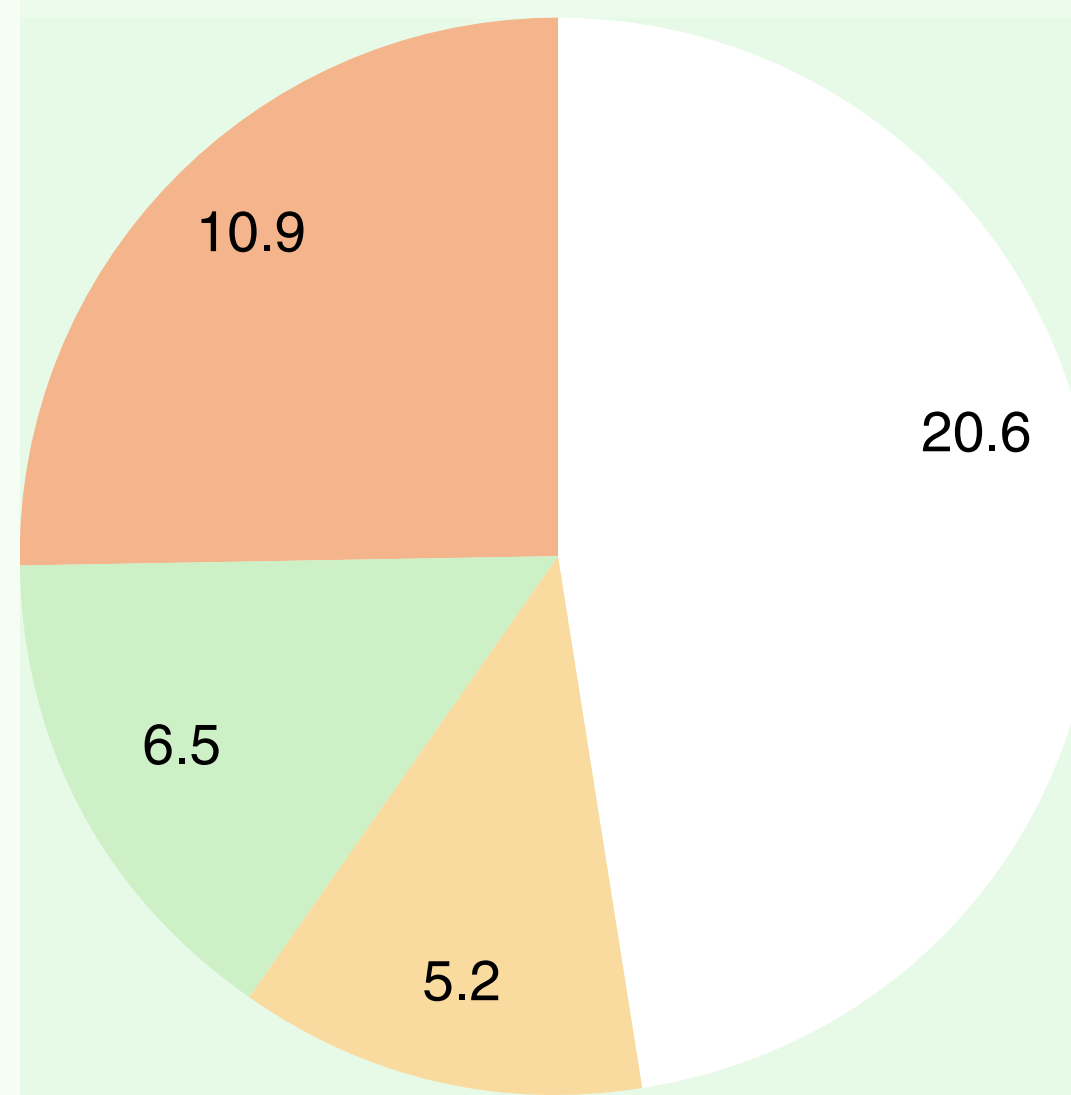
DeloPorts Group

In 2022, KSK JSC introduced the Campus training platform to organise effective training for managers and key personnel. It includes a knowledge base of more than 3,000 blocks of expert content and has a number of advantages:

- individual development plans that determine growth points for each user;
- interactive motivation with gamification elements;
- learning environment to create personalised educational experience.

During the reporting period, 56 employees of KSK JSC were trained on the platform.

Investments in training and development of employees, million roubles



**43,2 RUB million**

invested by Delo Group in employee training and development in 2022

TransContainer PJSC

Ruscon Group

DeloPorts Group

Global Ports Group





**Case**  
**Ruscon Group**

Ruscon Group's personnel management policy.

In 2022, the company continued to develop a system of professional training based on the Webtutor remote platform. The platform helps accomplish the goals of onboarding, training and development, as well as professional assessment of the company's employees.

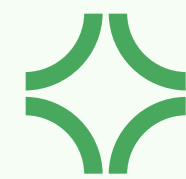
In order to improve professional competencies, training courses and programmes were developed and launched on Webtutor; webinars on professional topics were organised.

In 2022, 765 employees of Ruscon Group were registered on the Webtutor platform.

In 2022, the company's employees completed training under the following programmes:

- Effective presentation skills;
- Incoterms;
- Phishing scam letters: how to recognise and avoid them;
- KYC and due diligence;
- Onboarding;
- PBI reports for merchants.

Also, in 2022, as part of improving professional skills, the company invested in English language training programmes for employees. It concluded an agreement with Skyeng.



**Case**  
**TransContainer PJSC**

TransContainer Academy is a corporate training system aimed at increasing the level of professional, managerial and personal competencies of employees. On the TransContainer Academy platform, employees choose the necessary courses and take them at a convenient time. Professional testing helps assess the level of acquired competencies. Special tests help to identify bottlenecks in one's knowledge and select the necessary training and development programmes.

Internal trainers and experts from among experienced employees and line managers are actively involved in creating a corporate knowledge base.

2022 became a record year in the history of TransContainer Academy in terms of the number of successfully completed courses (14,350).

In 2022, the following courses were developed according to the company's regulatory documents:

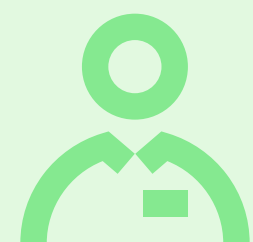
- anti-corruption;
- Code of Business Ethics;
- antitrust compliance;
- information security.

As part of corporate educational events for employees in 2022, training was conducted in the following topics:

- Client engagement (multi-level programme for sales staff);
- Customer centricity: Quality service;
- Building a complementary team;
- Mentoring: The Art of Teaching;
- Basic management skills;
- Time management;
- Negotiations;
- Feedback;
- Commandos (development of management skills).

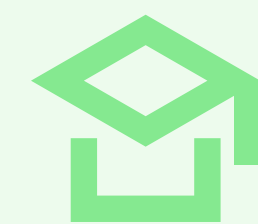
Particular attention was paid to conducting an information campaign aimed at popularising the training platform. Information about educational events and new online courses was communicated via corporate channels. Also, the Knowledge Day lottery for company employees is held on an annual basis.

In 2022, 4,328 people improved their qualifications and took part in external information and consulting events.



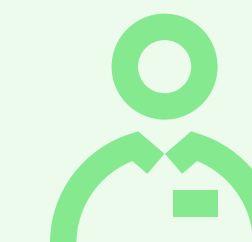
**756** employees

of Ruscon Group were registered on the Webtutor platform



**14,350**

training courses were successfully completed on the TransContainer Academy platform in 2022



**686** employees

of Delo Group received a formal performance review in 2022

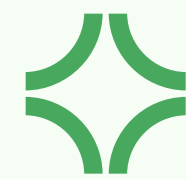


Companies also encourage employees to participate in external training, seminars and thematic conferences. All this has a positive effect on staff development and knowledge, skills and abilities update.

**GRI 404-3**

All managers of the Group undergo periodic performance and career development assessments, which has a positive impact on maintaining a high level of professionalism and management. In total, 686 employees of Delo Group were assessed in 2022.

In 2022, local regulations of Delo Group on the formation of the talent pool were developed and introduced, which involve the formation of talent pools in the companies of the Group, as well as the possibility of forming an end-to-end pool for managerial positions in Delo Management Company. In 2022, the Group launched a project to develop competency models for employees, which will create a unified approach to assessing the Group's employees.



**Case**  
**Global Ports Group**

In 2022, as part of the Talent Pool project, the company launched internal corporate training courses for managers and key specialists called Professional Manager. Basic Course and Professional Manager. Advanced Course. The courses were developed specifically to improve competencies and achieve goals of Global Ports Group.

The basic course is the initial mandatory training course that needs to be passed by all the Group managers. It is a LEGO-based programme with 36 short video lessons combined into a single course. The lessons include such topics as management, management functions, conflict management and continuous skill improvement.

Participants can take training and final tests in a convenient online format using the online learning platform. Throughout the training course, each employee receives support from HR specialists and coaches and draws up an individual development plan using tools and materials from the corporate knowledge base.

At the end of the course, each participant receives a corporate certificate of completion, which is the initial step in entering the succession system (talent pool) of the Group. The next step is to complete a comprehensive training course. This course is designed for 7–9 months.

In 2022, the TOP 150 managers completed the basic corporate training course.



**43.2 RUB million**

investments in training in 2022



**TOP 150**

managers completed the basic corporate training course





Case

## TransContainer PJSC

Talent pool. The succession planning system, or the formation of a talent pool, is a succession management system for key positions at TransContainer PJSC. It helps to develop internal employees with a unique set of skills and competencies, monitor the competitiveness of the Company’s leadership capital, as well as ensure the effective replacement of key managers and increase the predictability of the leader change process.

For each key position, vacancy opening probability is determined and the required number of talents is established. Candidates for the talent pool are assessed based on their leadership potential and business performance. Based on the assessment of leadership potential and business performance, candidates for the talent pool are distributed using the 9-box grid<sup>1</sup>. The talent pool includes employees with high and average leadership potential and high business performance.

The following developmental activities are used to train the talents:

- coaching and mentoring;
- studying best industry practices (field trips, short-term internships);
- replacing managers in key positions;
- large-scale project management (under supervision and independently).

Participation of talents in talent pool development programmes is mandatory. When a key position is vacated, the company considers its employees included in the pool as priority candidates for appointment.

Work on the formation and updating of the talent pool is carried out in the company on a regular basis in accordance with internal regulatory documents.



Case

## Global Ports Group

Succession planning and development of next-generation leaders is a priority for the Group. In 2022, Global Ports continued to implement programmes that provide for the development of individual competencies and team interaction, using facilitation, coaching and mentoring techniques and management courses. Global Ports Group pays special attention to the development of leadership skills of all the Group managers and “soft skills”, such as emotional intelligence and mental health, among employees.

In 2022, Global Ports launched a project to involve N-2 managers in the strategic planning of the Group’s activities through regular strategy sessions. During the year, such meetings were organised for the top 20 and top 80 in the North-West. Separate meetings for employees were organised in the Far East. The Group extended the project until 2023.

<sup>1</sup> The potential matrix is an effective tool for talent management and succession planning.



## CORPORATE CULTURE AND VOLUNTEERING

Delo Group is interested in increasing the loyalty of employees and the degree of their participation in the life of the company. The companies regularly conduct engagement surveys and implement programmes to create and develop corporate culture.

It is traditional for Delo Group to hold sports and family holidays, as well as events for employees' children (Children's Day, Knowledge Day, New Year).

Delo Group actively supports volunteer projects of its employees, considering such activities as a contribution to the social and economic development of the regions of presence. For employees, volunteering is a way of self-improvement and self-fulfilment; participation in social projects develops the necessary skills and experience, and strengthens horizontal ties in the company.

### contents

#### Group Details

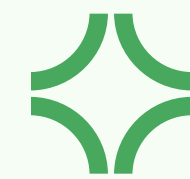
#### The Group's Achievements in the Field of Sustainable Development

##### Social Development

Climate and Efficient Use of Natural Resources

Responsible Business

#### Appendices



Cases

### TransContainer PJSC

#### 1. Ludi Dela ("Delo People") Professional Skills Competition

The first professional skills competition in TransContainer PJSC was initiated by employees themselves. Employees spoke about the need for such an event during an engagement survey held in 2021.

Four pilot categories, namely Forklift Driver, Cargo and Luggage Gager, Transport Service Specialist, Sales and Customer Service Specialist, were chosen.

667 company employees took part in the competition. 13 of them became winners. The winners of the qualifying stage were awarded prizes and diplomas. The winners of the final stage received prizes, diplomas, and corporate souvenirs.

- In 2022, TransContainer PJSC organised and held three ceremonies to reward employees for their contribution to the development of the company, timed to coincide with the Company Day, Railway Workers' Day, and year-end awards. The workers were awarded diplomas, certificates, commendations and gifts. For the first time, business literature was presented as a gift, in addition to prizes.

In 2022, new projects were organised and carried out:

- The Best Employee of the Month with a photo posted on the wall of honours;
- My Idea competition to collect employee initiatives;
- Thanks to the Peer and Let's Get Acquainted events, etc.



Cases

### Global Ports

- Children's Day by Global Ports Group. On 1 July 2022, 150 children of the Group's employees came to the Petrosport terminal. They studied port equipment, asked terminal tour guides questions about work in the port, and also took part in dances, games, and scientific experiments organised by event staff. Another event dedicated to Children's Day was held at VSC in Wrangel in early June. More than 100 children visited the exhibition of special equipment, learned about the special features of the container terminal and set their sights on the prospect of working at the port.
- In 2022, Global Ports Group created corporate teams in various sports disciplines. Company representatives took part in the Luga Railway Half Marathon, the Pushkin Race, the Aurora Swimming Race and other events.





Cases

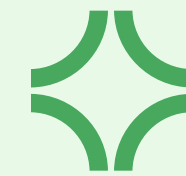
TransContainer PJSC

1. In 2022, a football section began operating at TransContainer PJSC, which united 45 company employees. In 2023, the team is scheduled to participate in the amateur championships of the city of Moscow.

As part of the promotion and support of a healthy lifestyle, free access to 27 sports events was organised, including handball games, closed-circuit racing events, etc., which were attended by a total of more than 1,700 employee.

2. In 2022, **#I'MVACCINATED** project continued. As part of the promotion of a healthy lifestyle and a responsible attitude towards health, two videos were shot with the participation of employees and top management of the company. The purpose of these videos was to attract workers to get vaccinated.

3. In 2022, TransContainer PJSC hosted events for children:
  - Congratulatory video for Children's Day with the participation of children of company's employees.
  - TransContainer ABC Competition for children of company's employees on 1 September.
  - A series of New Year's events: New Year's greeting video; Mug under the New Year tree gifts; New Year's Mood digest.



Cases

DeloPorts Group

1. In 2022, DeloPorts Group held a New Year's toy competition, Eco-Friendly New Year Tree, for the children of its employees. All toys had to be made from 80% recycled materials. The competition was aimed at engaging children and adults in environmental activities and popularising the topic of preserving the planet's resources.

During the competition, participants made more than 50 New Year's toys from a variety of materials, such as burnt-out light bulbs, plastic bottles, straws, spoons, dish sponges and much more. Each participant received a gift and a ticket to the festive performance.

2. In 2022, in honour of the 29<sup>th</sup> anniversary of Delo Group, DeloPorts Group held the Business Look photo competition under the heading #Top Talents. The main objectives of the competition were to popularise the transport industry and search for talents among the Group's employees. The main requirement was that each photograph had to reflect and reveal a profession or visualise the scope of professional activity of a person or team.

The competition helped to look at the peer work from a different perspective, showing interesting and attractive aspects, and to see how interesting and multifaceted the work of those who participate in the #DeloPeople project is.

Not only the jury members, but also the Group employees had the opportunity to vote for their favourite works. Colleagues selected three winners in the People's Choice Award category. The winner in the CEO Prize category was chosen by the General Director of the Group. The winners of the competition received cash prizes and memorable gifts.

3. On Children's Day, 1 June 2022, in the park named after the Lenin Komsomol, the Group organised a large-scale celebration for children of employees of KSK JSC. Children aged 5 to 12 years were invited to complete an adventure game, In Search of Treasures. They were awarded quadcopters, electric scooters, hoverboards, and other gadgets. No one was left without memorable gifts and souvenirs. The park offered free cotton candy, and the event concluded with a foam party titled Visiting Neptune.

contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Social Development

Climate and Efficient Use of Natural Resources

Responsible Business

Appendices



## DEMOGRAPHY PROGRAMME OF DELO GROUP TO INCREASE THE BIRTH RATE AND SUPPORT MOTHERHOOD AND CHILDHOOD



**Sergey Shishkarev,**  
Chairman of the Board of Directors of Delo Group (June 2022):

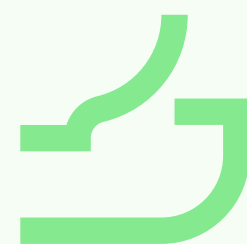
*“As you understand, encouraging childbirth in the families of our employees is not directly related to achieving the Group’s business results. We see this as our duty to society.”*  
**#DeloPeople**

Delo Group has launched a large-scale programme to increase the birth rate and promote large families. The programme is aligned with the goals of the Demography National Project and has been developed on the initiative of Sergey Shishkarev, Chairman of the Board of Directors of Delo Group. The programme was announced on 17 June 2022 at the session dedicated to best practices for private business participation in achieving national development goals, held during the St. Petersburg International Economic Forum.

### Programme’s basic principles



**Progressive approach:** dependence of the benefit amount on the number of children (sharp increase starting with the third child)



**Positive discrimination:** employees with two or more children have priority when receiving benefits





The programme offers:

- 1 million roubles for the third and subsequent children;
- additional payments during parental leave;
- additional payments for sick leave during pregnancy and early exit from parental leave;
- compensation for kindergarten and trips to children's camps;
- expansion of the voluntary health insurance programme for employees;
- voluntary health insurance programme for children of employees, compensation for paid medical services for children of employees;
- possibility of working on a flexible schedule for employees with children;
- compensation for health resort treatment of employees' children.

To organise work with personnel regarding the corporate programme, as well as to inform about the public benefits, the Group has introduced the position of social manager.

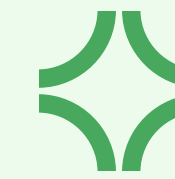


**Alexander Osipov,**  
HR Director of Delo Management Company (February 2023):

*"We see the demand for the programme among employees. From 1 June 2022, at TransContainer PJSC, 880 employees took advantage of various support measures, and seven large families received financial assistance of 1 million roubles. We expect that the adopted standard will become an effective tool for improving the demographic situation in the country." #DeloPeople*

In 2023, Delo Group extended the programme to all its companies. Thus, 11,000 employees can take advantage of support measures in all regions of the Group's presence, from Kaliningrad to Vladivostok.

The additional social safety nets help increase employee engagement, the attractiveness of the employer brand and improve the company's organisational culture.



Case  
**TransContainer PJSC**

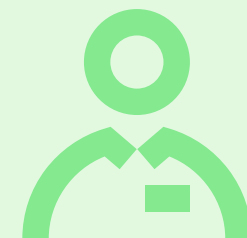
TransContainer PJSC has been ranked the first in the ESG ranking of responsible businesses. The company is recognised as a leader in the Central Federal District in terms of demographic measures for employees.

ESG stands for the environment, social development and governance. The ESG ranking was compiled by the Financial University under the Government of the Russian Federation and the Dmitry Mendeleev Institute of Demographic Policy by the Decree of the President of the Russian Federation. TransContainer PJSC scored the most points in the Social Development category, which takes into account the level of remuneration, social and demographic programmes of the company, as well as charitable projects.



> **40** RUB million

spent on the implementation of the programme in 2022



**880** employees

have benefited from various support measures in TransContainer PJSC since 1 June 2022



## OCCUPATIONAL HEALTH AND SAFETY

### Occupational safety and health management

GRI 403-1, 403-3, 403-8

The health and safety of employees are an absolute priority for all Delo Group companies. The Group strictly adheres to high standards in the field of occupational health and safety. Improving the working conditions and the fire safety of facilities, as well as increasing the safety of equipment during work, is the main focus for the Group's development in the field of occupational health and safety.

Activities in the field of occupational health and safety are regulated by the uniform Occupational Health and Safety Policy and a set of internal guidelines. Companies strictly comply with the requirements of national legislation in the field of occupational health and safety.

Delo Group strives to improve and maintain a high level of safety culture among employees, including by involving workers in risk assessment and hazard identification processes.

Issues of occupational health and safety are controlled by the senior management of the companies of the Group. Funds allocated annually for improving working conditions and occupational health and safety amount to at least 0.2%–0.3%<sup>1</sup> of expenses attributable to cost. Companies plan and carry out the activities necessary to ensure safe working conditions within the framework of this budget.

 **100%** of employees

of the companies of Delo Group are engaged in the occupational safety and health system



**The occupational health and safety system includes measures aimed at preventing, proactively managing, eliminating or reducing risks. These include:**



#### Training in the field of occupational health and safety:

- annual scheduled training of managers and specialists to prevent work-related injuries;
- mandatory training of workers in occupational health and safety, fire and electrical safety;
- participation of workers in consultations and sharing information on occupational health and safety issues;
- constant monitoring of working conditions.



#### Reporting and responsibilities:

- reporting on health and safety programmes and results;
- formal commitment to the Health and Safety Policy;
- targets to reduce the number of health and safety incidents;
- managerial responsibility for occupational health and safety issues.



#### Internal and external control procedures:

- internal or external health and safety audits;
- special assessment of working conditions;
- emergency preparedness procedures;
- industry-related operating manuals or procedures.

<sup>1</sup> For TransContainer PJSC, KSK JSC, Ruscon LLC.





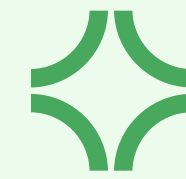
**Case**  
**TransContainer PJSC**

**Contractor organisations.** Occupational health and safety requirements are extended by the company to contractors/joint contractors. The requirements for ensuring and complying with occupational health and safety while at container terminals are reflected in contracts with contractor organisations. Penalties are imposed for violation of these requirements.

Based on a standard instruction manual for clients and visitors at all container sites, the company has developed and approved safety instructions when staying on the premises of a container terminal, taking into account the operating features of a particular site.

Specially designed route maps for travel and passage through the premises of container terminals, as well as road signs and travel indicators are placed in accessible places around the terminals (including routes of service and technological passages), and road markings are installed.

The route plans have been approved and posted on the company's website. The use of a PPE kit is mandatory for joint contractors or clients visiting the premises of container terminals. Therefore, additional PPE are provided at all sites.



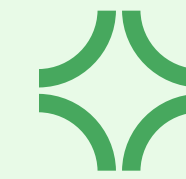
**Case**  
**Ruscon Group**

Ruscon Group has extended occupational health and safety requirements to contractors. The requirements for ensuring and complying with occupational health and safety while at container terminals are reflected in contracts with contractors.

The Company has a Regulation on the Procedure for Ensuring the Safe Performance of Work by Contractors on the Sites of Ruscon Group. Based on the Regulations, Safety Instructions for being on the terminal sites have been developed and approved, taking into account the operating features of a particular terminal.

At the entrance to the territory of container terminals, travel route and passage maps, as well as speed limit signs and road markings are installed.

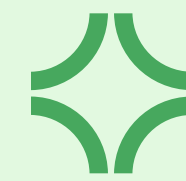
The use of a PPE kit is mandatory for joint contractors or clients visiting the premises of container terminals. Therefore, additional PPE are provided at all sites.



**Case**  
**Global Ports Group**

Global Ports Group' culture extends to all visitors to the terminals, including employees of third-party organisations located on their premises. The company has implemented a process of quarterly audits of contractors' workplaces; meetings are held with managers, where identified inconsistencies are discussed in detail and a plan for their elimination is agreed upon. The Company's goal is to create a uniform safety culture where safety is an unconditional priority.

Based on the Supplier (Provider, Contractor) Code of Conduct adopted in 2022, Global Ports encourages its partners to take a responsible attitude in matters of occupational health and safety in order to ensure the safety and health of their workers.



**Case**  
**DeloPorts Group**

Requirements for contractors to ensure occupational safety, which are enshrined in the company Standards, are in force at hazardous production facilities of DeloPorts Group. To meet these requirements, contractors must reduce the negative impact on the environment, use safe production processes, prevent occupational injuries, and preserve the health and lives of workers. Achieving these goals is facilitated by information and cooperation with contractors on the implementation of the Policy in the Field of Occupational Health and Safety of DeloPorts Group. Requirements in the field of occupational health and safety and environmental protection are set out in contracts with contractors and are binding on the parties.



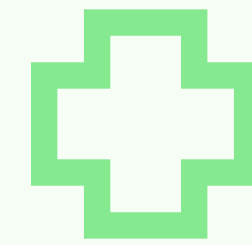
## ASSESSMENT AND IMPROVEMENT OF WORKING CONDITIONS

GRI 403-2, 403-6, 403-7

Based on the analysis of quarterly reports within the companies on the implementation of activities and a special assessment of working conditions in the workplace, constant monitoring of working conditions is carried out and an action plan to improve them is annually developed.

The company regularly conducts internal and external industrial safety audits. Internal audits are carried out in accordance with the approved schedule of internal audit departments.

Special assessment of working conditions in the workplace and industrial sanitary control are carried out periodically in order to respect the rights of workers to safe working conditions. When harmful factors are identified, measures are taken to eliminate or reduce the level of impact of these factors on the workers.



**In order to identify, control and reduce the negative impact on health and safety that are directly related to the activities of the Group, the following is carried out:**

Special assessment of working conditions

Assessment of professional risks

Industrial and laboratory control over compliance with sanitary rules and implementation of sanitary and anti-epidemic (preventive) measures

Provision of workers with certified personal and collective protective equipment

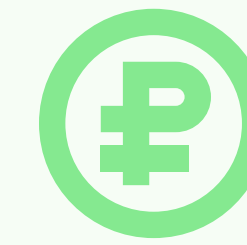
Development of action plans to reduce negative impacts on the health and safety of workers

Conducting medical examinations

Training workers in safe methods and techniques for performing work, etc.

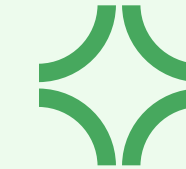
Civil liability insurance for the operation of hazardous production facilities

Development of emergency containment and response plans



**>1.7 RUB million**

cost of workplace health and safety assessment carried out in more than 1,500 workplaces



Case

**TransContainer PJSC**

In 2022, an external expert organisation analysed the existing occupational health and safety management system of TransContainer PJSC for compliance with the requirements of the Labour Code of the Russian Federation, international and intergovernmental occupational health and safety standards, and the Model Regulations on the Occupational Health and Safety Management System. Based on the results of the analysis, work is planned to update the occupational safety management system.



Case

**Ruscon Group**

In 2022, a certification body carried out inspection of the occupational safety and health management system at Ruscon LLC. Based on the results of the inspection, the certification body confirmed the validity of the COC of the occupational safety and health management system No. СДС.ТП.СМ.17218-21 dated 14 October 2021.



**Measures to improve working conditions in 2022**



**TransContainer PJSC**

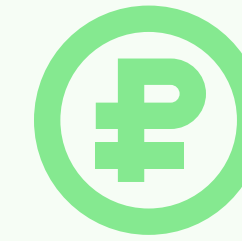
- portable radio stations, sets of tools with insulating handles for working in electrical installations, prohibitive, directional and mandatory safety signs, fire doors were purchased;
- work was carried out on preventive testing of electrical equipment (gantry cranes, open electrical installations, welding equipment, buildings and structures), electrical and mechanical testing of personal protective equipment, power tools and safety devices, industrial control.

Also, in 2022, works were carried out to improve the working conditions of employees as part of investment projects and major and routine repair programmes.



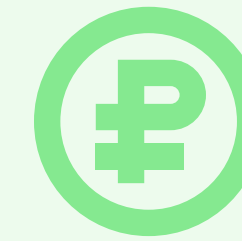
**Ruscon Group**

- health and safety briefings, occupational safety training programmes, on-the-job training programmes for workers, and first aid training programmes were conducted;
- occupational risks for workers in 211 workplaces were assessed. Based on the assessment, measures were developed to reduce the levels of identified risks; employees were informed about the identified risks and measures to eliminate them;
- preliminary and periodic medical and psychiatric examinations were carried out for workers engaged in work with hazardous working conditions;
- tests and measurements were carried out in electrical installations;
- inspection and testing of compressor and welding equipment and other activities were carried out.



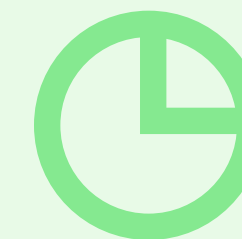
**33 RUB million**

measures to improve working conditions in 2022



**1.1 RUB million**

allocated to improve working conditions in workplaces with occupational hazards (72 workplaces were improved)



**100%**

of employees are provided with PPE



**2.8 RUB million**

were spent on measures to improve working conditions



KSK JSC

- Training courses were organised for 287 employees;
- An agreement was concluded with a medical organisation for the provision of first aid to employees of KSK JSC, conducting pre-trip, post-trip, pre-shift and post-shift examinations;
- The company ensured the operation of occupational safety offices, conducted introductory briefings and raised awareness of safe work methods through presentations, lectures, conversations, videos and warning posters and safety signs;
- In 2022, the company developed induction programmes for three target audiences; training programmes on safe methods and techniques for performing work (39 programmes); on-the-job training programmes (33 programmes); examination cards for 39 types of work; regulations on the procedure for conducting work in the field of occupational safety and interaction with contractors; occupational safety instructions.

During the 2022 reporting period, there were no cases of damage to the health of workers in the enterprise.

NUTEP LLC

- Amenities for newly arrived employees were equipped according to the staffing schedule;
- Safety signs were purchased and updated (repaired);
- Air conditioning equipment was inspected and maintained;
- In terms of sanitation and housekeeping support, drinking water was bottled and first aid kits were purchased.

Delo Service Company

- Hazard identification and risk assessments were carried out at 100% of the company's workplaces;
- Occupational safety instructions by profession and type of work, and well as programmes for conducting briefings and knowledge testing of the company's employees were revised.



≡ contents

Group Details

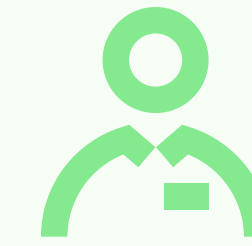
The Group's Achievements in the Field of Sustainable Development

Social Development

Climate and Efficient Use of Natural Resources

Responsible Business

Appendices



**287** employees

completed training courses



**1** RUB million

spent on measures to improve working conditions in Delo Group



**35**

workplaces in KSK JSC were covered by a special assessment of working conditions and occupational risk assessment



The Fatal 5 safety programme, which focuses on the development of five safety areas, resulted in the implementation of most of the planned activities and the reduction of risks during the work.

**Compliance with regulatory industrial safety requirements.**

All terminals of the Group underwent inspections in terms of their compliance with industrial safety standards and regulations. Plans were developed and implemented to reduce risks at hazardous production facilities. Additional training for employees was provided.

**Work of technical services, including those of contractors, when servicing equipment.**

Inspections of safe working methods when servicing equipment were carried out. To ensure efficient work and achieve a high level of safety, 5S tools were introduced in the premises and workplaces of technical and support services. Improvements were made to help employees work safely. For example, additional lighting has been installed in workplaces. New style personal protective equipment was tested and purchased.

**Working with dangerous goods.** All terminals use common standards for handling dangerous goods. These standards are based on the recommendations of APM Terminals (one of the Group's shareholders from 2012 to 2022) and the requirements set out in the International Maritime Dangerous Goods (IMDG) Code. The company continues to train employees who take part in the transshipment of dangerous goods, taking into account the new requirements, along with further monitoring and additional inspections.

**Development of a safety culture.** As part of the development of a safety culture, the Group introduces a risk assessment process. At this stage it is necessary to reduce the work risks from high and medium to controlled levels, developing checklists for preparing for safe work and implementing risk reduction measures.

**Work of contractors within the production process.**

The Company's safety management system aims to protect all people at the sites. The company has implemented a process of quarterly audits of contractors' workplaces. Meetings are held with managers, where identified inconsistencies are discussed in detail and a plan for their elimination is agreed upon.

In 2022, the total cost for activities in the field of occupational health and safety amounted to 108 million roubles.

**Global Ports continues to effectively use the GP Alarm mobile app. In 2022, new areas were chosen as part of the Fatal 5 programme**



Compliance with regulatory industrial safety requirements



Work of technical services, including those of contractors, when servicing equipment



Work with dangerous goods



Development of a safety culture



Work of contractors within the production process



GRI 403-4

### Respect for human rights

Delo Group respects the right of employees to participate in consultations and share information on occupational health and safety issues. The participation takes the form of technical studies, individual briefings, meetings and training.

Employees participate in consultations and share information on occupational health and safety issues without restrictions using any means of communication (in person, via the hotline, by email). Employees participate in consultations and share information on occupational health and safety issues with employees of the occupational health and safety department and representatives of the trade union.

Channels for reporting hazardous situations in the workplace are specified in the occupational health and safety and operating instructions, which workers become familiar with during training in safe work methods and techniques.

### EMPLOYEE TRAINING

GRI 403-5

Vocational education and training are key tools for informing workers about workplace hazards and controls so they can work more safely and efficiently. Safe handling of tools and equipment, basic knowledge of occupational and fire safety, and basic first aid skills are paramount to maintaining the health and safety of personnel.

Occupational safety training is carried out during occupational safety briefings (introductory, on-the-job, targeted), on-the-job training, first aid training, training on the use (application) of personal protective equipment, occupational safety training, including training in safe methods and techniques for performing work.

Scheduled training of managers and specialists on the prevention of work-related injuries is carried out annually.

Depending on the profession (position) of the employee, training in occupational health and safety is carried out both in the company and by specialised organisations.

In 2022, in connection with changes in legislation on the procedure for training workers in the field of occupational health and safety, measures are currently being taken to update local related regulations.

In total, in 2022, 3,400 employees of the companies of Delo Group were trained in occupational health and safety. Training costs amounted to 13 million roubles.

### WORK-RELATED INJURIES AND OCCUPATIONAL MORBIDITY

GRI 403-9

Delo Group monitors the rates of work-related injuries and occupational morbidity of its employees and makes every effort to reduce them. Delo Group strives to zero injuries. Over the past five years, the companies of the Group have not allowed a single fatal accident among company employees. The LTIFR indicator in the reporting year was 0.64.



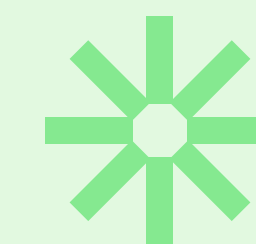
**3,400** employees

of the companies of Delo Group were trained in occupational health and safety



**13** RUB million

Training costs



**0.64**

LTIFR in the reporting year



**GRI 403-2**

To identify hazardous situations in the workplace and assess risks, step-by-step operation maps developed for all hazardous types of work, as well as safety leaflets for employees and third parties when visiting sites are used.

Occupational safety instructions regulate the responsibilities of workers to report threats and dangerous situations in the workplace. If a situation arises where the work appears unsafe or harmful to the health of the employee, the employee has the right to stop working.

In accordance with the Collective Agreements of Delo Group<sup>1</sup>, compensation is established for employees exposed to harmful

and (or) dangerous working conditions. Employees are provided with additional payments and leave.

Investigation and recording of work-related injuries are carried out in strict compliance with the applicable legislation. Line managers of companies are informed about priority actions in the event of accidents.

Accidents are investigated in accordance with the requirements of law. A commission is established; protocols for examining the accident site and protocols for interviewing eyewitnesses are drawn up; the circumstances of the accident are investigated; documentation on occupational health and safety is examined (availability, training of the victim, familiarisation with the

documents regulating the safe performance of work, working conditions at the accident scene, provision of personal protective equipment for the victim, etc.); the causes and conditions of the accident are established; the information is analysed; conclusions are drawn; action plans to prevent similar accidents are developed, and information is brought to the attention of other workers.

**GRI 403-9**

**Work-related injuries in 2022**

Indicator	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Total across Delo Group
<b>Total number of accidents, including:</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>4</b>	<b>10</b>
• Number of fatal accidents	0	0	0	0	0
• Number of severe injuries	1	0	0	0	1
• Number of victims of incidents, including fatal incidents (LTI)	3	2	1	4	10
Total number of hours worked	5,678,384	2,644,480	1,798,391	5,630,923	15,752,178
Lost Time Injury Frequency Rate (LTIFR) <sup>2</sup>	0.53	0.76	0.56	0.71	0.64

1 TransContainer PJSC, NUTEP LLC.

2 The number of company employees injured in industrial accidents with loss of ability to work for one working day or more \* 1,000,000/actual man-hours for the reporting year.



In 2022, a fatal accident, namely a fall from a height, occurred with a contractor employee on the site transferred under the construction permit of KSK JSC (DeloPorts Group). Following the accident, KSK JSC conducted an unscheduled briefing, revised the regulations on the procedure for admission, interaction and safe performance of work by contractors. Control over the admission of contractors' qualified personnel to the site was tightened.



**217 RUB million**

total occupational safety and health costs across Delo Group in 2022

**Structure of occupational safety and health costs, million roubles**

	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Total across Delo Group
Measures to improve working conditions	33	0.9	2.8	35.8	<b>72.5</b>
Measures to reduce the injury rate	33	8.4	1.6	9.5	<b>52.5</b>
Personal protective equipment	29	10.6	1.1	51.4	<b>92.1</b>



## INDUSTRIAL SAFETY

Delo Group carries out industrial control at its hazardous production facilities (HPFs), which is part of the industrial safety management system and is carried out through a set of measures aimed at ensuring the safe operation of HPFs, as well as preventing accidents and incidents at these facilities and ensuring preparedness for accident containment and response.



### Main tasks of industrial control at hazardous production facilities

Analysis of industrial safety of hazardous production facilities, including by organising relevant examinations and surveys

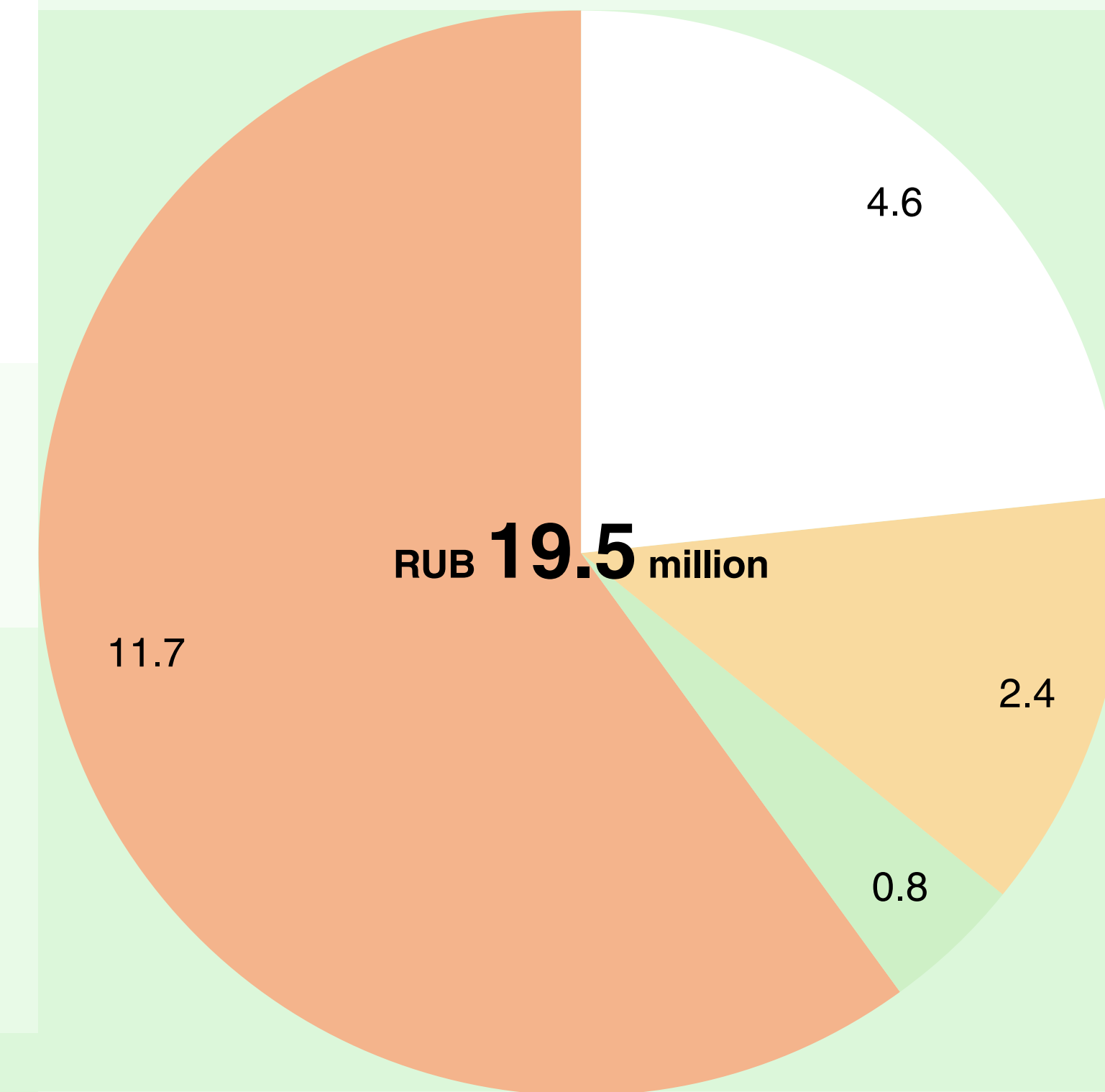
Organisation of work to develop measures aimed at improving industrial safety, namely: prevention of accidents and incidents at hazardous production facilities

Control over compliance with industrial safety requirements established by federal laws and adopted pursuant to the relevant regulations, as well as local regulations of the operating organisation on industrial safety issues

Coordination of work aimed at preventing accidents at hazardous production facilities, and ensuring preparedness for accident containment and response

Control over the timely completion of necessary tests and technical examinations of technical devices used at hazardous production facilities, repair and verification of instrumentation and controls

### Expenditures on industrial safety



- TransContainer PJSC
- DeloPorts Group
- Ruscon Group
- Global Ports Group



## Transportation of dangerous goods. Requirements for clients

### Transport and logistics (TransContainer PJSC, Ruscon Group)

Transport and logistics companies have a licence to carry out loading and unloading activities in relation to dangerous goods on railway transport and carry out loading and unloading operations with dangerous goods.

TransContainer PJSC also provides empty containers for transportation of dangerous goods and, as a forwarder, provides terminal, road transport and rail transportation services.

To strictly comply with the rules for the transportation of dangerous goods, employees of the transport and logistics department of Delo Group accept a loaded container with dangerous goods from the client only if there are danger signs, danger code and an emergency card number. If the client fails to provide such signs, the terminal employee sticks these danger signs on the container and verifies the transportation conditions based on the presented shipping documents.

Terminal employees accepting and/or releasing a container with dangerous goods are certified once every two years to verify knowledge of and compliance with safety conditions when transporting dangerous goods. At the same time, employees of TransContainer PJSC and Ruscon Group, when acting as a carrier, carry out random checks for compliance with loading rules, placement of cargo in a container for client compliance with packaging, presence of danger signs, and perform other control functions related to traffic safety issues.

### Stevedoring (DeloPorts Group, Global Ports Group)

Requirements for the quantitative and qualitative procedure for providing documents on dangerous goods planned for import, transshipment and storage at the terminals of the stevedoring companies of Delo Group are enshrined in the internal regulatory documents that meet the requirements of Russian and international legislation (International Maritime Dangerous Goods Code (IMDG Code), RID Rules, SOLAS 74, IMO Recommendations, etc.). These requirements are mandatory for clients operating in the field of maritime shipping, transportation and storage of goods.

## EMERGENCY RESPONSE PROGRAMME

Delo Group is under obligations to prepare for emergency situations, which are defined in the civil defence and emergency situation plans (CD & ES) developed and approved for all the companies of the Group. Potential risks associated with the occurrence of an emergency are identified in corporate risk maps.

Civil defence offices were established in the management apparatus of the companies to prevent and respond to emergency situations, prevent fires, ensure the safety of people and protect property in case of fire and emergencies. The approach of companies and the organisation of activities in the field of fire safety, civil defence and emergency situations is based on full compliance with the relevant requirements of legal, regulatory and technical documents.

The companies have developed and approved civil defence plans and actions to prevent and respond to emergencies, taking into account the possible situation.

Training in fire safety, civil defence and emergency preparedness is carried out on a scheduled basis. When being hired, employees are given introductory briefings on civil defence, instructions on the actions of employees in emergency situations and fire safety.

The Group fully complies with the requirements of laws and regulations in the field of fire safety, civil defence and emergency situations. 100% of the Company's facilities have automatic fire detection systems, fire warning and fire extinguishing systems.

All employees of the Group are provided with personal protective equipment in accordance with civil defence requirements. During the year, personal protective equipment with expired shelf life is replaced with new equipment.



## Traffic safety, wagon and container fleet safety [SASB]

### Transport and logistics (TransContainer PJSC, Ruscon LLC)

Main regulatory documents:

- TransContainer PJSC policies on traffic safety, wagon and container fleet safety<sup>1</sup>;
- ПП ТК У.04-62-2021 Regulation. Administration of the Traffic Safety Management System in PJSC TransContainer;
- Regulations on the interaction of Ruscon LLC employees engaged in loading and unloading railway wagons and workers performing shunting work on the railway tracks of Ruscon LLC;
- Instructions on maintenance and organisation of traffic on a non-public railway track of Ruscon LLC.

The goals of the transport and logistics companies of the Group in the field of traffic safety, wagon and container fleet safety are:

- to ensure the safety of transportation;
- to protect people's life and health;
- to ensure the safety of containers, wagons, lifting and other equipment;
- to reduce risks and minimise the consequences of transport accidents;
- to strengthen the efficiency of interaction between all participants in the transportation process.

The objectives of the transport and logistics companies of the Group in the field of traffic safety, wagon and container fleet safety are:

- to identify and improve methods for managing traffic safety and preventing the consequences of transport accidents in companies;

- to ensure compliance by company employees with regulatory requirements in the field of train safety, including during the transportation of dangerous goods, wagon and container fleet safety;
- to support and coordinate the work of the management staff, branches, and other companies' units in the field of traffic safety;
- to increase the effectiveness of preventive measures to comply with safety requirements and standards in the railway transport infrastructure.

The policy in the field of traffic safety, wagon and container fleet safety of TransContainer PJSC is built around the culture of traffic safety, responsibility of workers involved in the transportation process, control over the technical condition of wagons, containers, lifting equipment, and includes the following main areas:

- developing an action plan aimed at ensuring the safety of the transportation process, wagon and container fleet safety, and monitoring its implementation;
- organising regular training and maintaining the competence of TransContainer PJSC employees in the field traffic safety, wagon and container fleet safety regulations;
- holding month-long campaigns aimed at increasing and strengthening control over the technical condition of wagons and containers;
- introduction of means for accurate recording of information in the field of traffic safety and organisation of prompt informing of the involved managers and units of TransContainer PJSC about cases of violations of traffic safety in railway transport;
- participation in the investigation of transport accidents in the railway network of the Russian Federation, as well as responding to transport accidents within the technical and technological capabilities of TransContainer PJSC.

## ACCIDENTS AND INCIDENTS

Four incidents were recorded at the production facilities of Delo Group in 2022. All incidents occurred at the facilities of Global Ports Group. No accidents were recorded in the reporting year.

Based on the results of the investigation of incidents, general and local measures are developed aimed at ensuring the safety of transportation, wagon and container fleet safety, and prevention of accidents and incidents in terminal activities.

Employees involved in the said activities are familiarised with the safety requirements of the production process through technical training or instruction.

The procedure for conducting a technical investigation into the causes of incidents and their recording at hazardous production facilities is enshrined in the internal regulatory documents of the companies of Delo Group.



## THE GROUP'S SOCIAL PROJECTS

GRI 203-1, 203-2

The companies of Delo Group, being large organisations, contribute to the development of regions by providing employment to the local population, paying taxes, developing infrastructure and carrying out charitable activities.

The companies carry out charitable activities and implement social projects in the regions of their presence on the basis of internal regulations and individual decisions of senior management bodies.

Delo Group supports volunteering as part of its culture and for the purpose of addressing social problems. Employees of the companies of the Group have the right to implement their volunteer social initiatives individually or collectively in independently chosen areas. The Group has the right to provide information and organisational support for volunteers, but does not provide financial support to volunteers and is not responsible for their obligations to third parties when implementing volunteer programmes.



### Main charitable and social activities that companies implement on a regular basis

Providing assistance to orphans, disabled children, children in need of treatment, children from vulnerable social groups

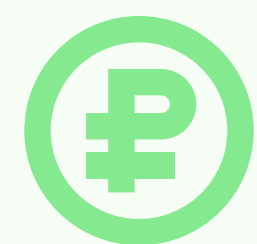
Providing assistance to victims of environmental, industrial or other disasters, social, national, religious conflicts

Providing assistance in the construction and restoration of cultural monuments and religious sites

Providing assistance to employees and their family members (spouses, parents and children) with expensive treatment not included in compulsory or voluntary health insurance programmes, in cases where the cost of such treatment exceeds the employee's average monthly income

Providing assistance in organising and/or conducting physical training and sports events

Supporting industry-related charitable programmes



# 324.7 RUB million

spent by Delo Group on charity and social projects in 2022



Case

Global Ports Group

In December 2022, employees of VSC organised the Good Deeds New Year Tree campaign. The company's volunteers contacted the Nakhodka Society of Disabled People and invited its wards to write letters wishing New Year's gifts. The letters were placed on the New Year tree at the terminal. Any employee could take the letter and give the desired gift to the recipient. Thirty terminal employees took part in the action. All the gifts were collected at the VSC, delivered to the Nakhodka Society of Disabled People and handed over to the recipients.





1. The main charitable events of TransContainer PJSC carried out in 2022:

- provision of 20 million roubles to assist in implementing the goals and objectives for the development and popularisation of sports by the Kabardino-Balkaria regional public organisation LOKOJUDO Children's League;
- provision of 172,000 roubles to hold regional competitions in army hand-to-hand combat in Zabaikalsk organised by Legion Sports Club together with the public organisation Federation of Hand-to-Hand Combat of the Trans-Baikal Territory;
- provision of 2 million roubles to assist the Federal State Budgetary Institution Turner National Medical Research Centre for Children's Orthopaedics and Trauma Surgery of the Ministry of Health of the Russian Federation in purchasing surgical linen and suture material for complex surgical operations;
- provision of two containers located at the Chita container terminal on the Trans-Baikal railway to assist the Ministry of Education of the Trans-Baikal Territory;
- provision of 3.5 million roubles to assist the municipal institution of additional education Rovesnik Centre of Zabaikalsk in constructing a sports ground on the premises of the Centre in order to create a sports environment for residents of the village, interesting and meaningful leisure for children, adolescents and youth, as well as to improve the urban settlement;
- transfer of metal structures excluded from inventory and accounting in the form of six 40-foot containers and four 20-foot containers for storing props, filming and other equipment in the VoenFilm-Medyn complex to VoenFilm Studio LLC for free use;
- provision of charitable assistance to the Kursk Entrepreneurship Development, Promotion and Support Foundation in the form of 20-foot containers for storage of equipment and household needs;
- provision of 17.8 million roubles to the company's employees, members of their families, retirees, WWII veterans and home front workers.

In 2022, the company's priority charitable activities were aimed at paying for expensive operations and rehabilitation, purchasing necessary medications for people in need, public and private social and medical institutions, in particular:

- provision of 372,500 roubles to the Illustrated Books for Little Blind Children Foundation for the production of new sets of books for blind children;
- provision of 99,600 roubles to the Semiluksky Centre for Psychological, Pedagogical, Medical and Social Assistance for purchasing plumbing and building materials for the renovation of a toilet room;
- provision of 724,400 roubles to the Irkutsk Regional Hospice for purchasing medical equipment;
- provision of 606,600 roubles to the regional public organisation Otradny Sad Activity Centre for constructing a bath and a laundry complex for disabled children;
- provision of 370,000 roubles to the Regional Children's Tuberculosis Hospital for purchasing household appliances, toys, books, and office supplies;
- provision of 1.8 million roubles to the wards of the State Clinical Hospital Malakhovsky Children's Tuberculosis Sanatorium for purchasing a neuroregulation complex for sanatorium patients;
- provision of 282,700 roubles to Ostrogozhsk Centre for Psychological, Medical and Social Assistance to Preschool Children for purchasing household appliances, goods and chemicals;
- provision of 24.8 million roubles to the wards of the Be Human Children's Charitable Foundation for providing children with the necessary medical equipment, medicines and consumables;
- provision of 11.5 million roubles to disabled children diagnosed with cerebral palsy and supported by the Wonderland Charitable Foundation for paying for rehabilitation courses.

In total, TransContainer PJSC allocated 117 million roubles for charitable activities in 2022, which is 33% more than in 2021.

2. In 2022, volunteers of TransContainer PJSC held the Lighting Up the New Year's Lights traditional event.

This year, the company's volunteers went to the regions and decided to make the dreams of the children from the Khokhotuy special (correctional) boarding school (Trans-Baikal Territory, Khokhotuy village), located 5,900 km from Moscow and 390 km from Chita, come true.

Orphans and children without parental care with disabilities aged 7 to 18 permanently live in the boarding school. There are a total of 53 children in the institution. Volunteers collected all the children's wishes, divided them into 12 categories, and hid them in New Year's lighting balls. As funds were collected, the balls lit up, and when all wishes were fulfilled, a star shone on the tree!



**117** RUB million

allocated by TransContainer PJSC for charitable activities in 2022





**Case**  
**DeloPorts Group**

DeloPorts Group made a charitable donation of 186 million roubles in 2022. The main areas of assistance were treatment and rehabilitation of children, as well as support for sports.

**Delo Service charitable practices**

Delo Service donated 0.6 million roubles to the charitable programmes Hurry to Do Good, Help for Disabled Children, and Urgent Social Assistance. The programmes are aimed at supporting and rehabilitating disabled children.

**KSK charitable practices**

In 2022, KSK made a targeted charitable donation of 2.2 million roubles. Using the allocated funds, a tournament was organised at the Fortuna dance club, and hearing aids were purchased.

**NUTEP charitable practices**

In 2022, NUTEP JSC made a charitable donation of 5 million roubles, in particular:

- provided assistance to the Romashka Children’s Rehabilitation Centre to purchase special equipment and renovate premises;
- provided assistance to the Russian Children’s Fund;
- provided support for the children’s handball team in Novorossiysk.



**186 RUB million**

charitable donations made by DeloPorts Group in 2022

**DeloPorts LLC charitable practices**

DeloPorts LLC made a charitable donation of 178 million roubles in 2022, in particular:

- 1.5 million roubles to finance the film festival of ANO Kinoforum;
- 150,000 roubles to arrange infrastructure for people with disabilities;
- 160,000 roubles to assist in treating deaf children;
- 81 million roubles for sports (handball, football).



**Case**  
**Global Ports Group**

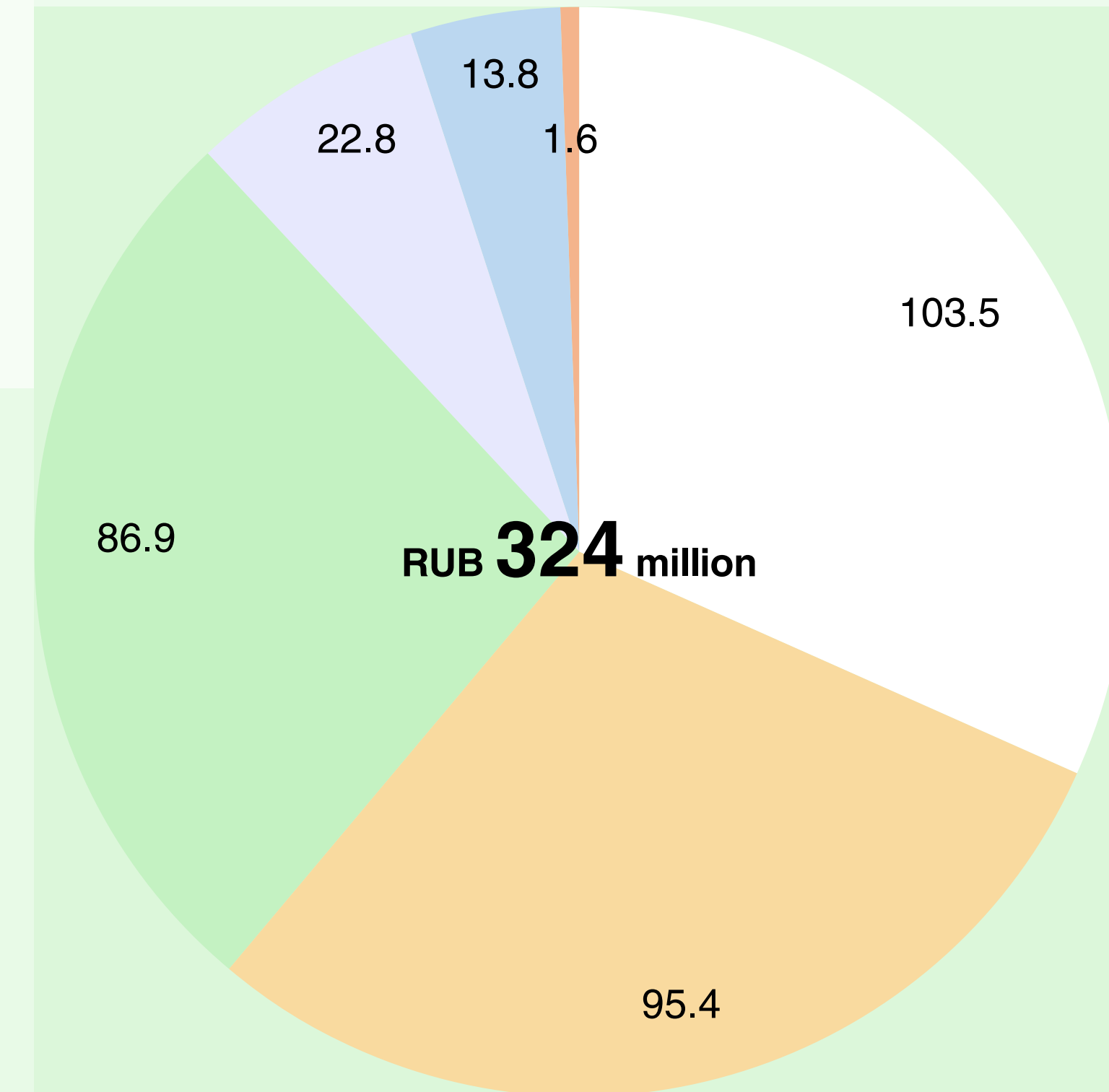
After major renovations, Albatross Children’s Rehabilitation Centre in Nakhodka opened a group for pre-schoolers called Zvezdochka. This is the Albatross’ junior group for children with disabilities. Children receive massage therapy, speech therapy, mental therapy, go walking, play games and enjoy creative lessons there. The Atmosphere Group Charitable Foundation, together with the Nakhodka Foundation, helped renovate the premises for Zvezdochka students, namely a play area, a bedroom, a classroom, a foyer and a bathroom. Charitable organisations allocated 1.5 million roubles for these purposes.



**5.9 RUB million**

charitable donations made by Global Ports Group in 2022

**Expenditures of the companies of Delo Group on charity and social projects in 2022**



- Social assistance, assistance to disabled children and children from large families (orphanages, low-income families, large families, boarding schools, etc.)
- Education, science, industry-related programmes
- Sports
- Assistance to employees, including former employees, veterans
- Healthcare (including expenditure on combating the spread of COVID-19)
- Environmental projects and environmental education



## SUPPORT FOR SPORTS



Case

DeloPorts Group

The NUTEP container terminal became a sponsor of Chernomorochka professional handball club on 1 November 2022.

The relevant agreement was signed by the representatives of the NUTEP container terminal and the Novorossiysk Centre for Sports Development. In 2022, the company allocated 8 million roubles.



**Yuri Matvienko,**  
General Director of NUTEP LLC:

*“Supporting children’s, amateur and professional sports is one of the Group’s traditional values. This is a long-term investment in the popularisation of a healthy lifestyle and in social segments of our region.”*



≡ contents

Group Details

The Group’s Achievements in the Field of Sustainable Development

Social Development

Climate and Efficient Use of Natural Resources

Responsible Business

Appendices





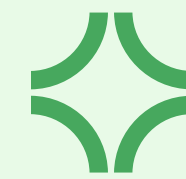
**Case**  
**Ruscon LLC**

From 1 November 2022, Ruscon became the title sponsor of Chernomorets professional football club. The relevant agreement was signed by Nikolay Kolyukh, General Director of Ruscon LLC, and Valentin Klimko, General Director of ANO FC Chernomorets.



**Nikolay Kolyukh** (November 2022):

*“Support for sports in our country, both amateur and professional, has always been one of the primary sustainable development goals for Delo Group and all its assets. However, Chernomorets football club is not just a team, it is one of the symbols of Novorossiysk, a club supported by several generations of residents of our city. It is our duty and an honour for us to support it too.” #DeloPeople*



**Cases**  
**TransContainer PJSC**

1. TransContainer PJSC is a sponsor of CSKA men’s and women’s handball clubs. Now it is also the sponsor of the Kazan handball club Zilant.

The history of the men’s handball club dates back to 1993. Already in 1999 Zilant was recognised as the most promising and progressive in the republic. The club played in the Russian top division for seven years and participated in the European Challenge Cup twice. In 2007, its work was suspended, but this year Zilant was revived and immediately joined the fight. The team played several games with the leaders of the major league championship.

2. As part of the programme for developing the infrastructure of the village of Zabaikalsk, TransContainer PJSC financed the construction of a sports ground for local residents, as well as the installation of a welcome monument. The grand opening of the facilities with the participation of residents and guests of the village took place on 1 September 2022.

The multipurpose sports ground measuring 540 square meters with a rubber coating is designed for team sports. It provides adults and children with a wide range of possibilities for individual development and health promotion. In addition, TransContainer supported the installation of a welcome monument in Zabaikalsk. The monument is a structure made of marble and metal, the main element of which is the white-naped crane, the symbol of Zabaikalsk.



**Sergey Shishkarev**,  
Chairman of the Boards of Directors of Delo Group  
and TransContainer PJSC (September 2022):

*“Our largest inland terminal is located in Zabaikalsk, which ensures trade flows between Russia and China. Delo Group strives to contribute to the improvement of the environment and quality of life in the regions of its presence. It’s our responsibility to employees, members of their families and all residents. That is why we have decided to contribute to the development of the infrastructure of Zabaikalsk. We hope that the social projects implemented by the company will increase the attractiveness of the village both for living and work.” #DeloPeople*

These are not the first TransContainer projects aimed at developing the urban infrastructure of Zabaikalsk. For example, in 2018, the company financed the expansion of a sports ground in the city park, and in 2019, TransContainer installed a heating and changing room module for visitors to the hockey rink. Today, both facilities are actively used by local residents. The population of the village is 13,000 people.



The background of the entire page is a close-up photograph of green leaves, showing their veins and texture. The leaves are arranged in a way that creates a sense of depth and movement, with some leaves in the foreground and others receding into the background. The colors range from a vibrant green to a slightly darker shade, creating a natural and fresh atmosphere.

# CLIMATE AND EFFICIENT USE OF NATURAL RESOURCES

2

The Group's  
Achievements in the  
Field of Sustainable  
Development



**Delo Group complies with the principles of environmental protection and sustainable use of natural resources, guided by the need to develop processes for managing environmental issues and minimising adverse impacts. The Group strives to take a leading position in “green” logistics in Russia.**

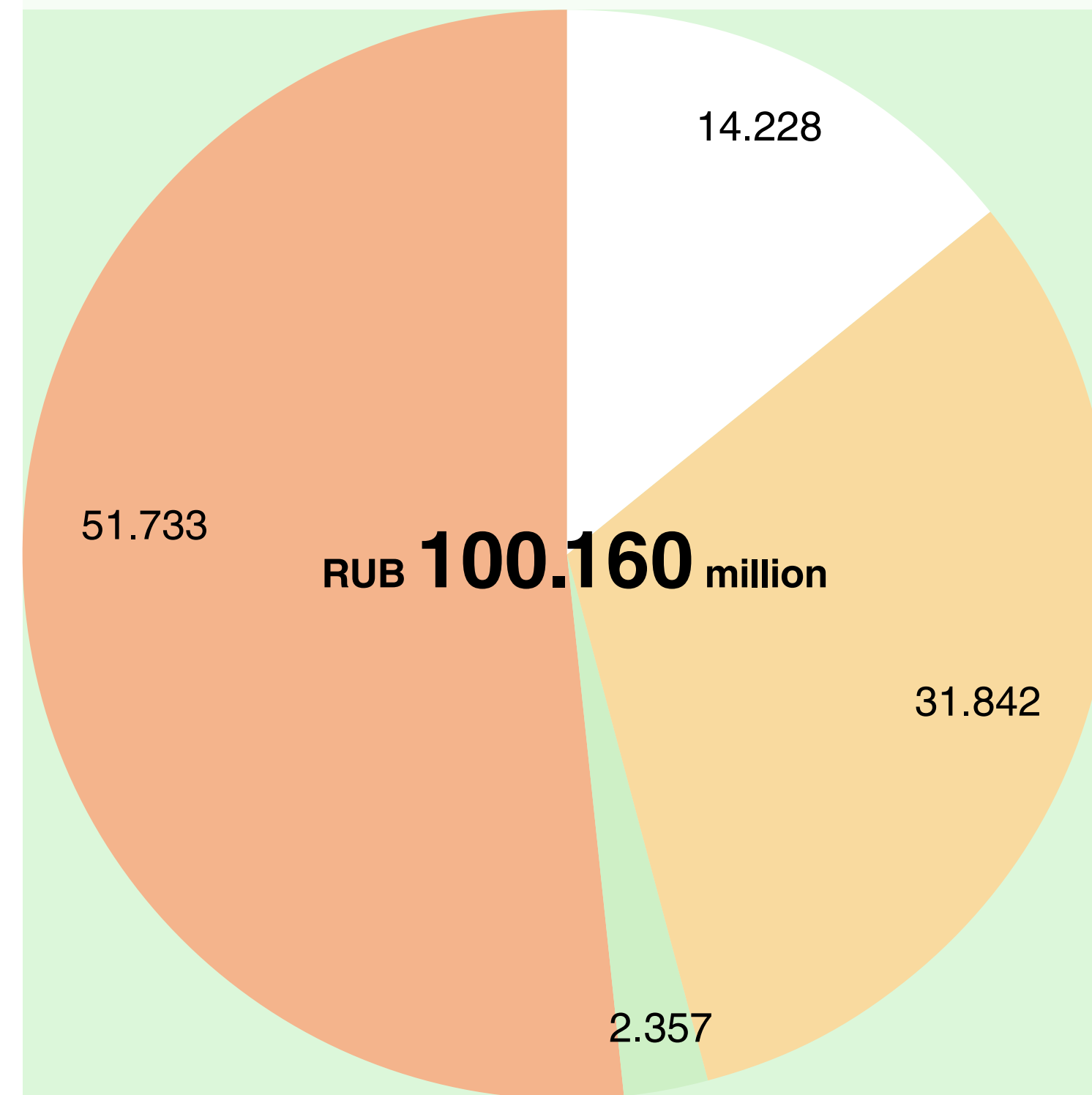
In its activities, Delo Group follows legal regulations and is guided by internal documents regulating environmental impact management and responsible resource consumption.

The environmental management system in the companies of the Group complies with the requirements of ISO 14001:2015 and is aimed at effective management of environmental issues. The system covers all main management levels and stages of production activities in the companies of the Group and undergoes regular internal and external audits.

Senior management controls environmental issues in the companies of the Group, and the Board of Directors reviews performance. To ensure control over environmental activities, companies have environmental protection departments or employ full-time environmental specialists.

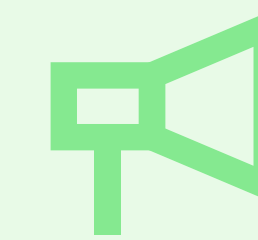
Delo Group did not receive any environmental fines or orders in 2022.

### Total expenditures on environmental protection

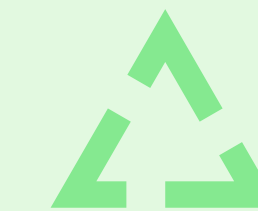


- TransContainer PJSC
- DeloPorts Group
- Ruscon Group<sup>2</sup>
- Global Ports Group

**In accordance with the environmental policy<sup>1</sup>, Delo Group sets itself the following objectives**



Ensuring information transparency about the impact on the environment



Responsible resource consumption and waste reduction



Improvement of the environmental management system



Assessment of environmental aspects of suppliers and clients

1 For more information about the environmental policy of Delo Group, please follow <https://delo-group.ru/about/esg/politics/ekologicheskaya-politika>.

2 Data for Ruscon LLC.





Currently, there are five company facilities on the state register that have a negative impact on the environment, belonging to categories II– IV.

As part of industrial environmental control in 2022, the established MPE values (maximum permissible emissions) were monitored directly at emission sources and air pollution was monitored at the border of the buffer area. Also in 2022, the company continued to develop the necessary environmental documentation, namely buffer area designs for two of the company’s sites. The development of a buffer area points to the conclusion that hygiene standards are observed in nearby residential areas.

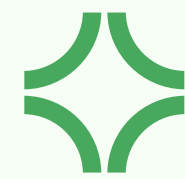
The company’s employees have completed training under the following programmes:

- ensuring environmental safety by managers (specialists) of general economic management systems;
- ensuring environmental safety when working in the field of hazardous waste management of hazard classes I–IV;
- other training programmes on the environmental regulation system and environmental impact.

## Expenditure on environmental protection by area for 2022, million roubles

	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Total across Delo Group in 2022
Wastewater collection and treatment	1.838	6.671	0.298	26.480	<b>35.287</b>
Air protection and climate change prevention	4.831	8.518	0.282	2.147	<b>15.778</b>
Waste management	4.611	4.850	0.898	17.188	<b>27.547</b>
Land, surface and groundwater protection and recovery	0.411			1.390	<b>1.801</b>
Other	2.537	11.803	0.879	4.528	<b>19.747</b>





Case

## TransContainer PJSC

The production sites of TransContainer PJSC belong to categories 2 and 3 of NEI facilities. Such facilities are operated under special industrial environmental control programmes.

The following measures are taken in the branches of the company to prevent possible environmental violations:

- annual planning of environmental protection measures and monitoring of their implementation;
- training of responsible employees in accordance with the legislation of the Russian Federation;
- maintenance of machinery, transport and production equipment in good condition;
- inspection of the premises by responsible persons on an ongoing basis to prevent possible violations.

1 I-REC, International Renewable Energy Certificates, are a market instrument that certifies that the electricity purchased was generated using renewable energy sources. The certificates also confirm that the energy produced is guaranteed to meet internationally recognised green standards such as GHGP, CDP and RE100.

### Environmental protection goals achieved in 2022

Target	Status	Progress
<b>Obtaining ISO 14001 certificate</b>	<b>Achieved</b>	The Company confirms its intention to maintain and develop best practices used in environmental management and keeps records of environmental measures at all production stages
<b>I-REC<sup>1</sup> certificates</b>	<b>Achieved</b>	The volume of indirect greenhouse gas emissions (Scope 2) was reduced
<b>At least 70% of generated waste must be recycled</b>	<b>Achieved</b>	The waste recycling level reached 72.2%
<b>External environmental audit</b>	<b>Achieved</b>	Conducting external environmental audits, including with the Centre of Laboratory Analysis and Technical Metrology in the Siberian Federal District, made it possible to evaluate environmental activities at the Company's container terminals and, based on the comments, develop an action plan to improve environmental activities
<b>No environmental fines for 2022</b>	<b>Achieved</b>	During 2022, no fines or orders were received for violations of environmental activities. The Company strives to carry out production processes while minimising the negative impact on the environment

≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Social Development

**Climate and Efficient Use of Natural Resources**

Responsible Business

Appendices



The production facilities of DeloPorts Group (1 facility belongs to KSK JSC and 1 facility – to NUTEP LLC) belong to category 2 of NEI facilities. In 2022, the companies of the Group took the following measures in the field of environmental protection.

### ***KSK JSC***

- Reduction of indirect GHG emissions (Scope 2) through the purchase of electricity under direct electricity supply contracts, including the issuance and redemption of certificates of origin of electricity from renewable sources.
- Commissioning of berth No. 40A of the reconstructed KSK terminal. During construction, the most modern technologies were used to increase economic efficiency and safety.

### ***NUTEP LLC***

- Reduction of GHG emissions (Scope 2) through the purchase of electricity under direct electricity supply contracts, including the issuance and redemption of certificates of origin of electricity from renewable sources.
- Carrying out routine repairs of surface flow treatment facilities.
- Upgrade of sewer networks.

### ***Delo Service Company***

In 2022, an assessment of the environmental impact of the company’s economic activities in the inland sea waters of the Russian Federation was carried out and a positive conclusion of the state environmental assessment was received for a period of 10 years.

The production facilities of the Global Ports Group belong to categories 2 and 3 of NEI facilities.

The Group’s approaches and principles in the field of environmental protection are described in the Environmental Protection Policy. The objectives of the Policy are to assess, manage and reduce the negative impacts of activities on the environment.

Environmental safety specialists, heads of occupational health and safety and environmental protection departments, terminal managing directors and the General Director are responsible for the development and implementation of environmental measures at Global Ports.

In 2022, the Group implemented a number of measures aimed at assessing and reducing the impact of its activities on the environment, including:

1. Air protection:
  - laboratory studies of atmospheric air;
  - control of maximum permissible emissions;
  - control of emissions during the periods of adverse weather conditions.
2. Wastewater collection and treatment:
  - wastewater control;
  - morphometric information about the water body.
3. Waste management (services of third-party specialised organisations on a contractual basis):
  - removal of industrial waste and solid municipal waste;
  - recycling of car tires;
  - recycling of lamps.
4. Land, surface and groundwater protection and recovery:
  - study of natural water and bottom sediments.
5. Protection from noise:
  - laboratory noise studies.

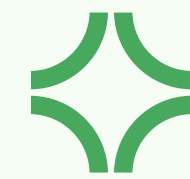


# Low-Carbon Practices

**In 2022, Delo Group continued to build on its advantages as a leader in green logistics in Russia. The companies of the Group recognise the need to mitigate the effects of climate change and the importance of adapting business to changing climate conditions. Taking into account its position in the supply chain, Delo Group will continue to contribute to the prevention of excess CO<sub>2</sub> emissions into the environment and reducing the carbon footprint for its clients in terms of Scope 3 GHG emissions.**

Increasing the use of electrical equipment at the company terminals is an important step in terms of the Group's business strategy. It helps reduce the company's negative impact on the environment. TransContainer PJSC, Global Ports Group and DeloPorts mostly use electrically driven crane equipment, which significantly reduces greenhouse gas emissions.

The Group continues to expand the practice of using "cleaner" equipment. In 2022, Global Ports Group entered into a contract for the supply of two new powerful mobile cranes to the VSC terminal in the Vostochny port in 2023. The cranes are equipped with additional modern safety systems. The crane engines comply with the modern environmental safety class Stage IV/ Tier 4 final, which will ensure reduced emissions during loading and unloading operations. In 2023–2024, the Group also plans to receive six electric rail-mounted 10,000 for VSC.



## Case TransContainer PJSC

For a second year in a row, TransContainer PJSC compensates for GHG (Scope 2) emissions generated from electricity consumption by acquiring I-REC **green certificates**.

In 2022 TransContainer PJSC acquired solar generation certificates (Samara SES), while in 2021, certificates confirming the generation of electricity from a hydroelectric power station had been purchased.

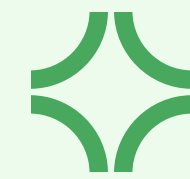
In the reporting year, TransContainer PJSC maintained a dialogue with Russian companies and federal executive authorities on the development of a domestic analogue of "green" certificates and the acquisition of renewable energy sources under direct contracts for electricity supply, as well as the need to create a national certificate system.



## Case DeloPorts Group

KSK and NUTEP have become the first large port infrastructure facilities in Russia to announce the transition to green energy. Therefore, the companies concluded a direct agreement with Atomenergopromsbyt JSC for the supply of electricity, which also involves issuing and redeeming certificates of origin of electricity from renewable sources.

The tugboats of Delo Service Company are connected to onshore power sources while they are moored at the NUTEP berths. The main engine does not run during this period. NUTEP LLC is considering complete or partial transition to hydrocarbon-free reloading equipment and rolling stock.



## Case Delo Group

In 2023, Delo Group, under the auspices of the National ESG Alliance, completed the first deal with a Carbon Zero "green" certificate of Russian origin, confirming the production of electricity at the Krasnoyarsk hydroelectric station. The company managed to reduce GHG emissions by 10,000 tons of CO<sub>2</sub> by redeeming Carbon Zero Certificates. This deal demonstrates the possibility of developing the national market for "green" certificates.



The Group is fully aware of the importance of the climate agenda, supports the provisions of the Paris Climate Agreement and takes measures to reduce GHG emissions. The companies in the Group constantly monitor climate risks and opportunities related to climate change.

According to TCFD recommendations, the Group has conducted an analysis of transition and physical impact risks.

Transition risks are associated with economic and regulatory risks and can result in loss of reputation and a decline in the Group's financial performance. Physical impact risks can be caused by both short-term impacts, such as natural disasters, and long-term impacts, such as drought leading to fire, or the appearance of permafrost. These manifestations of climate change have a particular impact on transport infrastructure, and, consequently, on transport itself, its reliability and safety.

In 2021, as part of the risk management procedure, an analysis of potential climate risks was carried out by TransContainer PJSC<sup>1</sup> and DeloPorts Group<sup>2</sup>. In 2022, Delo Group developed a model for assessing GHG emissions (Scope 3), which is being implemented in all companies of the Group in 2023.



1 For more information about the risk map, see [the Sustainable Development Report of PJSC TransContainer for 2021](#).

2 For more information about the risk map, see [the DeloPorts Group Sustainability Report for 2021](#).



## Risks associated with climate change

Classification of climate risks <sup>1</sup>	Description of the risk and its place in the classification	Impact associated with this risk	Financial implications of this risk, proactive measures	Methods used to manage the risk
Risks caused by long-term climate change (physical risks)	<p>Relative sea level rise in all European areas, with the exception of the Baltic Sea, is reaching or exceeding the global average. Changes are projected to continue beyond 2100<sup>2</sup>.</p> <p>Extreme maritime events will become more frequent and intense, leading to more frequent coastal flooding. Shorelines will continue to change throughout the 21<sup>st</sup> century. There will be severe reductions in glaciers, permafrost, and snow cover, as well as loss of Arctic Sea ice during the summer season.</p>	<p>This risk is associated with the direct or indirect impact of abnormal weather conditions on the Group's infrastructure, employee safety and labour productivity.</p> <p>Key implications for maritime transport:</p> <ul style="list-style-type: none"> <li>consequences of floods for some ports (more frequent and intensified);</li> <li>storm surges, sea level rise, severe flooding;</li> <li>flooding of port infrastructure;</li> <li>changes in currents;</li> <li>reduced shipping depths on some shipping routes;</li> <li>increase in shipping time (vessel delays);</li> <li>increase in energy consumption for ship operation;</li> <li>increased risk of ship damage.</li> </ul>	Risks caused by long-term or severe short-term climate change have a direct impact on the assets or indirect impacts on the companies' production chains	<p>The Group has developed a risk map that allows it to take into account:</p> <ul style="list-style-type: none"> <li>negative impact of equipment and technologies on the environment;</li> <li>suspension of the company's activities;</li> <li>harm to the health of workers and the population.</li> </ul> <p>To manage the risk, environmental protection measures are being developed on an ongoing basis.</p> <p>During the construction and reconstruction of production facilities, the design and estimate documentation includes possible unfavourable climatic conditions specific to the regions of implementation, and measures are taken to minimise these risks.</p>
Risks caused by strong short-term impacts of natural factors (physical risks)	The Group may be subject to risks that have a direct impact on production facilities and are caused by strong short-term exposure to adverse weather conditions (for example, floods, earthquakes, hurricanes, rainstorms, lightning strikes, fires, etc.). Recently, there has been an increase in these physical risks due to the increasing frequency of adverse weather events.	<p>The loss of sea ice (including Arctic ice) may have a beneficial effect:</p> <ul style="list-style-type: none"> <li>increasing the navigation period, reducing the cost of icebreaker assistance, reducing sailing time when moving in open water;</li> <li>reducing the risk of damages from ice;</li> <li>reduction of energy costs by reducing the capacity of ship power plants.</li> </ul>		<p>To manage the risk, environmental protection measures are being developed on an ongoing basis.</p> <p>The Group assesses and takes into account physical risks and the consequences of climate change both at the design and construction stage, and at the operational stage.</p> <p>The Group also insures its property against the identified risks.</p> <p><b>Excerpts from DeloPorts project documentation are provided on page 99.</b></p>

<sup>1</sup> When identifying climate risks and updating the company's risk map, the classification of climate risks is taken into account in accordance with TCFD recommendations.

<sup>2</sup> Sixth Assessment Report Regional fact sheet – Europe: [https://www.ipcc.ch/report/ar6/wg1/downloads/factsheets/IPCC\\_AR6\\_WGI\\_Regional\\_Fact\\_Sheet\\_Europe.pdf](https://www.ipcc.ch/report/ar6/wg1/downloads/factsheets/IPCC_AR6_WGI_Regional_Fact_Sheet_Europe.pdf); Working Group I – The Physical Science Basis.



## Risks associated with climate change

Classification of climate risks <sup>1</sup>	Description of the risk and its place in the classification	Impact associated with this risk	Financial implications of this risk, proactive measures	Methods used to manage the risk
Transition risks	Risks arising from the transition to low-carbon economic activities. For example, reputational risk, associated, among other things, with changes in the behaviour of stakeholders and loss of customer loyalty. Risk of changes in legislation (regulatory risk), risk of fines in connection with exceeding emission limits, and technological risk (for example: costs of introducing new technologies, introducing the best available technologies, technical upgrades, lack of a maintenance base for high-tech vessels, high cost of vessels and their maintenance, spare parts, etc.).	<p>Reduced attractiveness of the Group for clients/partners. Increased cost of insurance.</p> <p>Reduced demand for the company's services due to the unacceptability of working with companies that have a significant impact on the environment.</p>	Decrease in asset value, loss of ROA and changes in market demand	<p>A system for accounting for Scope 1, Scope 2 and Scope 3 GHG emissions was developed.</p> <p>The Group plans to develop a climate strategy to manage climate risks.</p> <p>In 2022, the Group was engaged in the formation of a corporate structure for managing sustainability issues, preparing a policy and strategy in the field of sustainable development, as well as coordinating actions on the implementation of the principles of sustainable development in business processes and oversight of activities in the field of sustainable development, including in terms of climate risk management.</p>
Tax risk (transition risks)	Due to global warming and plans to introduce taxes on carbon dioxide emissions, the Group faces potential risks of worsening of the tax regime.	As part of the energy transition and carbon regulation, many countries are developing taxonomies, cross-border regulations and taxes on GHG emissions.	Increased tax burden on the Group, decrease in financial results.	To manage the risk and respond to changes in tax legislation in a timely manner, the Group began developing a climate strategy, which involves preventive, cost-effective measures to minimise CO <sub>2</sub> emissions and compensate for irreducible emissions with carbon units.
Interest rate risk (transition risks)	It is important for lenders that the Group considers its financial implications due to climate change and integrates the risks into its business models.	<p>Interest rates depend on company's ESG ratings globally.</p> <p>The risk of the Group lagging behind competitors in ESG transformation (dependence on interest rates).</p> <p>An increase in the interest rate due to a decrease in the ESG rating.</p>	<p>Decrease in earnings from bank deposits or other instruments with a floating rate.</p> <p>Increased cost of loans and other instruments with floating rates.</p> <p>Lack of funds.</p> <p>Deterioration in financial performance. Failure to meet budget targets.</p> <p>Violation of covenants established by lenders (EBITDA/interest).</p>	It is necessary to analyse market conditions, including on the basis of analytical materials from banks, rating agencies and other external experts, as well as diversify the base of lenders and debt instruments, hedging and implementing a set of measures to obtain, maintain and improve positions in ESG rankings and on scoring platforms of financial organisations.



≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Social Development

Climate and Efficient Use of Natural Resources

Responsible Business

Appendices





## Excerpts from DeloPorts project documentation:

“The wave-deflecting pier protects berth No. 38, so there are no special requirements for the wave.

However, the estimated wave height at the berth is 1.4 m, length – 108.0 m, average period – 9.9 s.

Wind pressure is assumed to be 1.0 kPa, as for a special area. Snow region II, 1.2 kPa load.

The kinetic energy of the berthing impact is 435 kJ at a normal approach speed of 0.08 m/s. The force on the mooring bollard of the berth from the tension of mooring lines is 1,100 kN, and the force on the mooring bollard is 1,150 kN.

The calculated seismicity of the construction site is 9 points.”

Physical wave modelling was carried out for berth 40a: “When conducting the first series of experimental studies in the wave pool, at the Customer’s suggestion, the option of constructing

a sub-berth with a slope of 1:2 and the increased mass of the upper layer of hexagonal stonework was also considered (Figure 4.15.1). The purpose of the experiment was to evaluate the wave-absorbing efficiency with a flatter slope of 1:2 in comparison with 1:1.5 with comparable consumption of materials (hexagonal stonework and sorted stone). The results of the experiment with some minor differences were similar to the results of Series 1 Experiments No. 1 and 2. During the experiment, significant water overflows were recorded through the sea wall of the protective pier and onto berth No. 40; hexagonal stonework 177 g (9 tons) on the slope turned out to be resistant to the effects of the designed waves.

The position of the slope angle for the model under consideration did not increase the efficiency of the wave-absorbing beach; it is proposed to increase the width of the wave-absorbing beach at a variable level and install a berm, as well as to increase the mass of hexagon stonework of the upper layer to increase the stability of shaped elements on the slope.”

SSE waves are dangerous for berth structures. Calculated values of wave characteristics in the area of berth 40 are the following: wave height 2.38 m, wave peak 1.46, dangerous direction 173 degrees.

Based on the results of numerical calculations, a wave pressure diagram was obtained for wave heights of 1% probability, possible once every 50 years. The calculation results show that the maximum horizontal pressure on the surface of the berth slope is 35.42 kPa, on the vertical wall of the rear bulwark is 32.92 kPa and on the surface of the protective pier is 29.65 kPa. The maximum horizontal load per 1 m is observed for section 4-4 and is  $P_x = 456.0$  kN/m.

Wind pressure is assumed to be 1.0 kPa, as for a special area. Snow region II, 1.2 kPa load.

The calculated seismicity of the construction site is assumed to be 9 points.

The maximum load from a bulk carrier with a deadweight of 100,000 tons when approaching berth No. 40A, transmitted from Super Cone SCN 1200 fender to the top structure, will be 19 20 kN.”

In the future, it is planned to carry out activities to monitor adverse weather events.



Having conducted a scenario analysis of the impact of climate change, Delo Group also identified a number of related opportunities.

Firstly, with the introduction of a carbon tax, services with the smallest carbon footprint will be in demand on the market, which, in particular, is an advantage for TransContainer PJSC, since rail container transportation is considered the cleanest type of long-haul transportation.

Secondly, the companies of Delo Group have become the first Russian logistics companies to use electricity from renewable energy sources for their own needs through the purchase of “green” certificates.

Reducing emissions and creating “green” logistics also has a positive impact on customer loyalty and the Group’s profits. By systematically reducing emissions, the companies of Delo Group are ready to provide logistics services with the lowest emissions. Moreover, Delo Group will be able to offer new services to manage its carbon footprint, aimed at achieving the goals of the Paris Climate Agreement to prevent temperatures from rising above pre-industrial levels.

The Group is a socially responsible company that cares about the environment, increases the loyalty of potential employees and competitiveness in the labour market, and also contributes to the establishment of international and regional cooperation within the framework of the “green” agenda.

In order to manage its carbon footprint and climate risks, as well as to set targets in 2023, Delo Group began developing a climate strategy as part of the Group’s ESG Strategy. The climate strategy

is needed to maximise the impact of emissions reductions. During its preparation, the economic rationale for various emission reduction mechanisms will be calculated.

Reducing GHG emissions is one of the fundamental goals of the future Climate Strategy; it emphasises the special level of responsibility that the Group assumes. Adopting the strategy is a prerequisite for compliance with the principles of sustainable development. It also helps reduce possible financial risks associated with carbon regulation.

Many clients of Delo Group also strive to reduce GHG emissions and set goals to achieve carbon neutrality, which, in terms of Scope 3, can be achieved by cooperation with Delo Group in building less carbon-intensive supply chains. The Group not only provides services for transporting goods with the lowest emissions, but also plans to launch a special calculator for its clients, which can be used to calculate the amount of GHG emitted when transporting cargo by any route.

The calculation of GHG emissions was carried out in accordance with GHG Protocol, and all seven proposed categories were taken into account when calculating Scope 3.

Indirect GHG emissions, taking into account compensation measures, decreased by 85% and amounted to 5,000 tons of CO<sub>2</sub>e.

Direct GHG emissions:	2022
Scope 1 . . . . .	<b>83,063</b>
Scope 2 . . . . .	<b>33,822</b>



Case

TransContainer PJSC

**Remote vehicle monitoring system**

In order to improve fuel control in some branches of TransContainer PJSC (Kuibyshevsky, West Siberian, East Siberian) and passenger cars of the company’s management staff, the company uses remote vehicle monitoring system.

Remote vehicle monitoring system makes it possible to ensure uninterrupted operation of vehicles with great efficiency, from dispatching to monitoring fuel consumption. By creating effective vehicle routes and installing fuel level sensors, vehicle mileage and fuel consumption are reduced significantly.

**Solar collectors**

TransContainer PJSC is looking for ways to reduce its carbon footprint. One of the projects implemented by the company is solar collectors at the Zabaikalsk container terminal with a designed capacity of 60 kW/day. The collectors have been installed in the temporary warehouse for customs cargo and serve as an auxiliary heating system. The installation of collectors made it possible to prevent **8.7 tons of CO<sub>2</sub> emissions annually**, which is equivalent to the combustion of 2.5 tons of diesel fuel.



**5,000** tons of CO<sub>2</sub>

Indirect GHG emissions, net of offsetting measures, have decreased by 85%



**2,125,000** tons of CO<sub>2</sub>

Total GHG emissions (Scopes 1-3) across Delo Group



**GHG in 2022<sup>1</sup>, tons of CO<sub>2</sub>e**



contents

Group Details

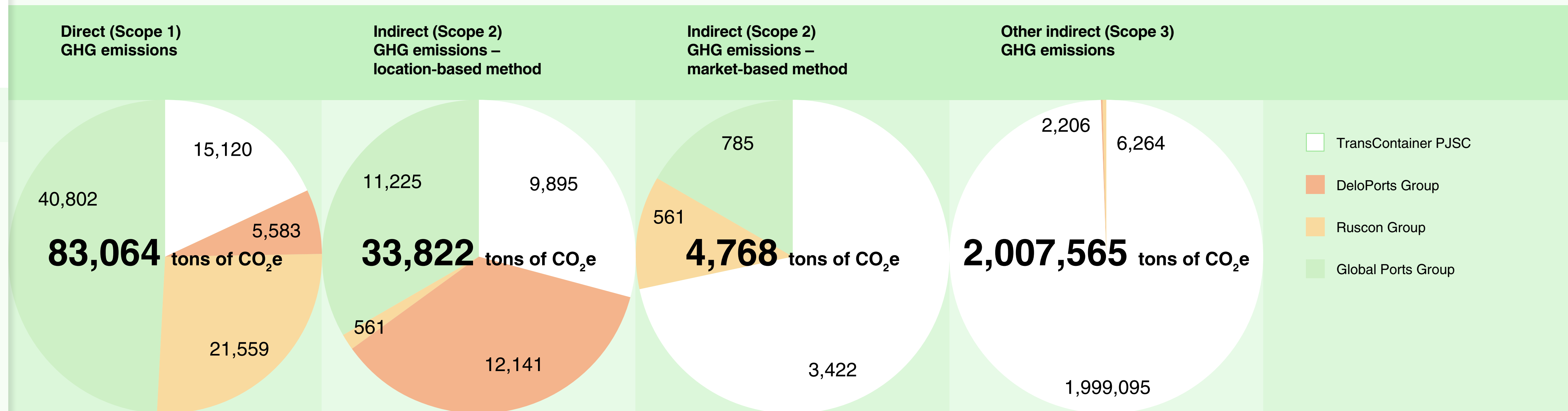
The Group's Achievements in the Field of Sustainable Development

Social Development

Climate and Efficient Use of Natural Resources

Responsible Business

Appendices



**Other indirect GHG emissions in 2022, tons of CO<sub>2</sub>e**

Indicator	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Total across Delo Group
Category 1. Purchased goods and services	–	1,294	5,740	n/a	<b>7,034</b>
Category 2. Capital goods (fixed assets)	248,116	22	12	n/a	<b>248,150</b>
Category 3. Emissions from purchased electricity not included in Scope 1 or 2	4,457	–	–	n/a	<b>4,457</b>
Category 4. Transport services	1,745,335	–	–	n/a	<b>1,745,335</b>
Category 5. Waste	361	234	102	n/a	<b>697</b>
Category 6. Business travel	517	10	–	n/a	<b>527</b>
Category 7. Employee commuting	309	645	410	n/a	<b>1,364</b>

<sup>1</sup> Gases taken into account when calculating GHG emissions: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O).



# Energy Efficiency

GRI 302-1

One of the important goals of Delo Group in the field of sustainable development is to increase energy efficiency. This factor influences the cost of services.

In 2022, the companies of Delo Group carried out a number of activities aimed at saving energy resources. They purchased new equipment and gantry cranes, upgraded lighting systems, developed solutions for automatically turning on/off high-mast lighting depending on natural light, trained drivers in fuel-saving driving techniques, etc. Energy consumption is recorded using meters. Meters are verified according to the schedule.

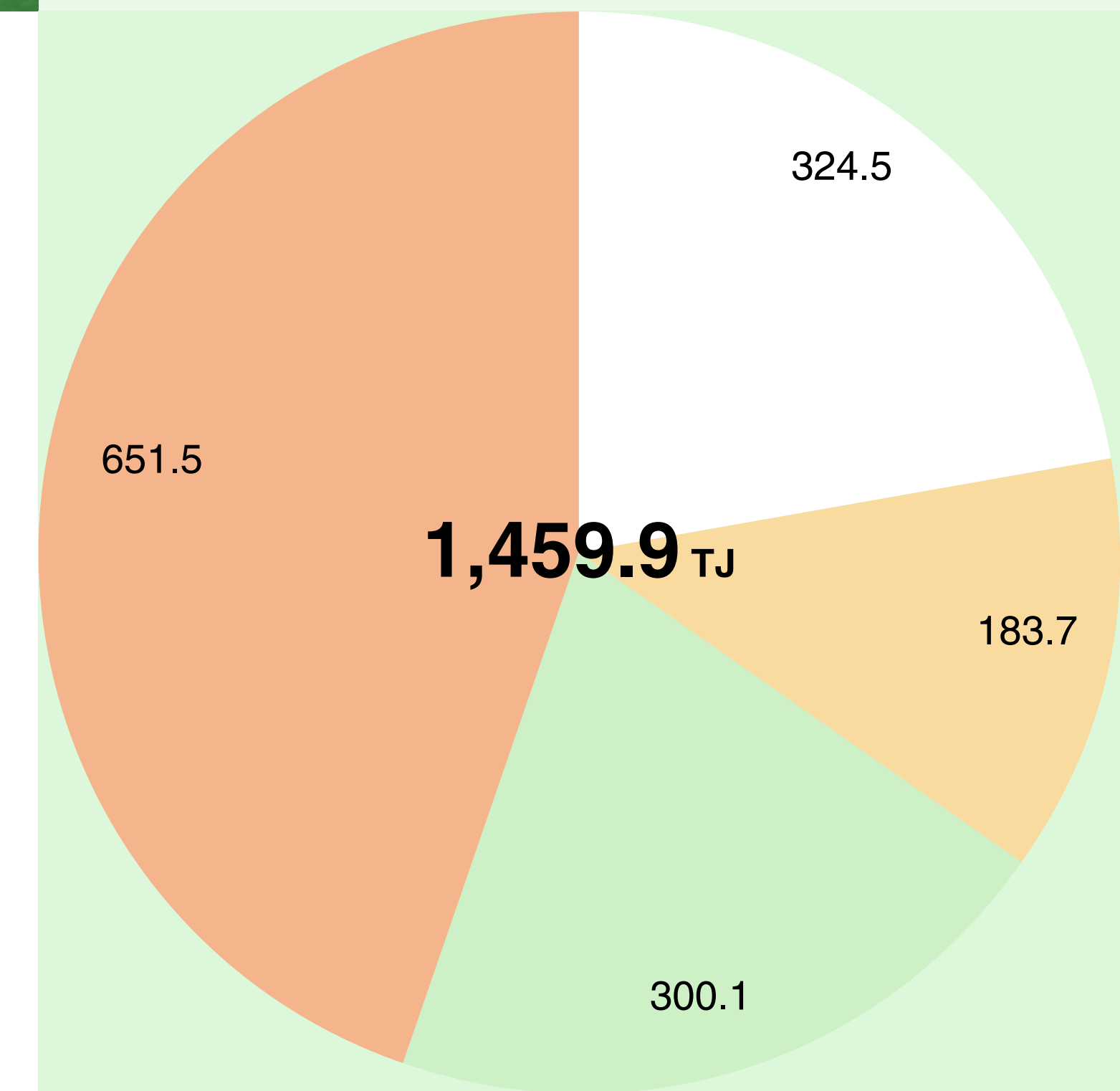
GRI 302-1

## Electricity and heat consumption, TJ

Type of energy resource	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Total across Delo Group
Diesel fuel	187.0	56.0	101.7	457.6	802.3
Natural gas	14.3	0.5	11.4	37.7	63.9
Petrol	4.6	1.6	4.5	3.6	14.3
Marine fuel (naval fuel oil + marine diesel fuel)	0	0	176.6	36.5	213.2
<b>Total</b>	<b>205.9</b>	<b>58.1</b>	<b>294.3</b>	<b>535.4</b>	<b>1,093.7</b>

GRI 302-1

## Consumption of energy resources in 2022, Delo Group<sup>1</sup>



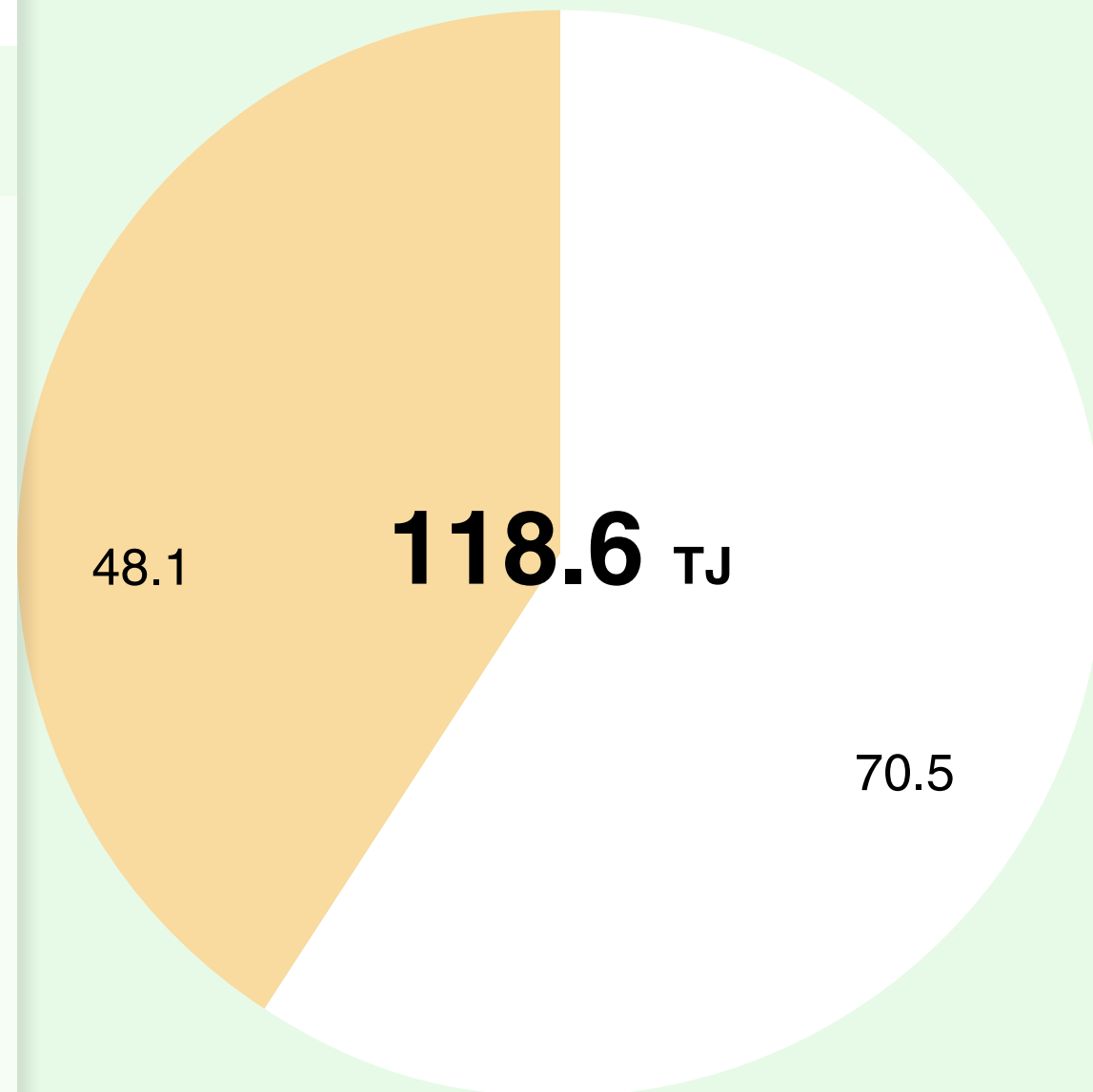
- TransContainer PJSC
- DeloPorts Group
- Ruscon Group
- Global Ports Group

<sup>1</sup> When converting fuel, electricity and heat into TJ, the following coefficients are applied according to the International SI System: 1 kWh = 3,600,000 J, 1 Gcal = 4,187 MJ, 1 tons of fuel oil equivalent = 0.0293076 TJ.

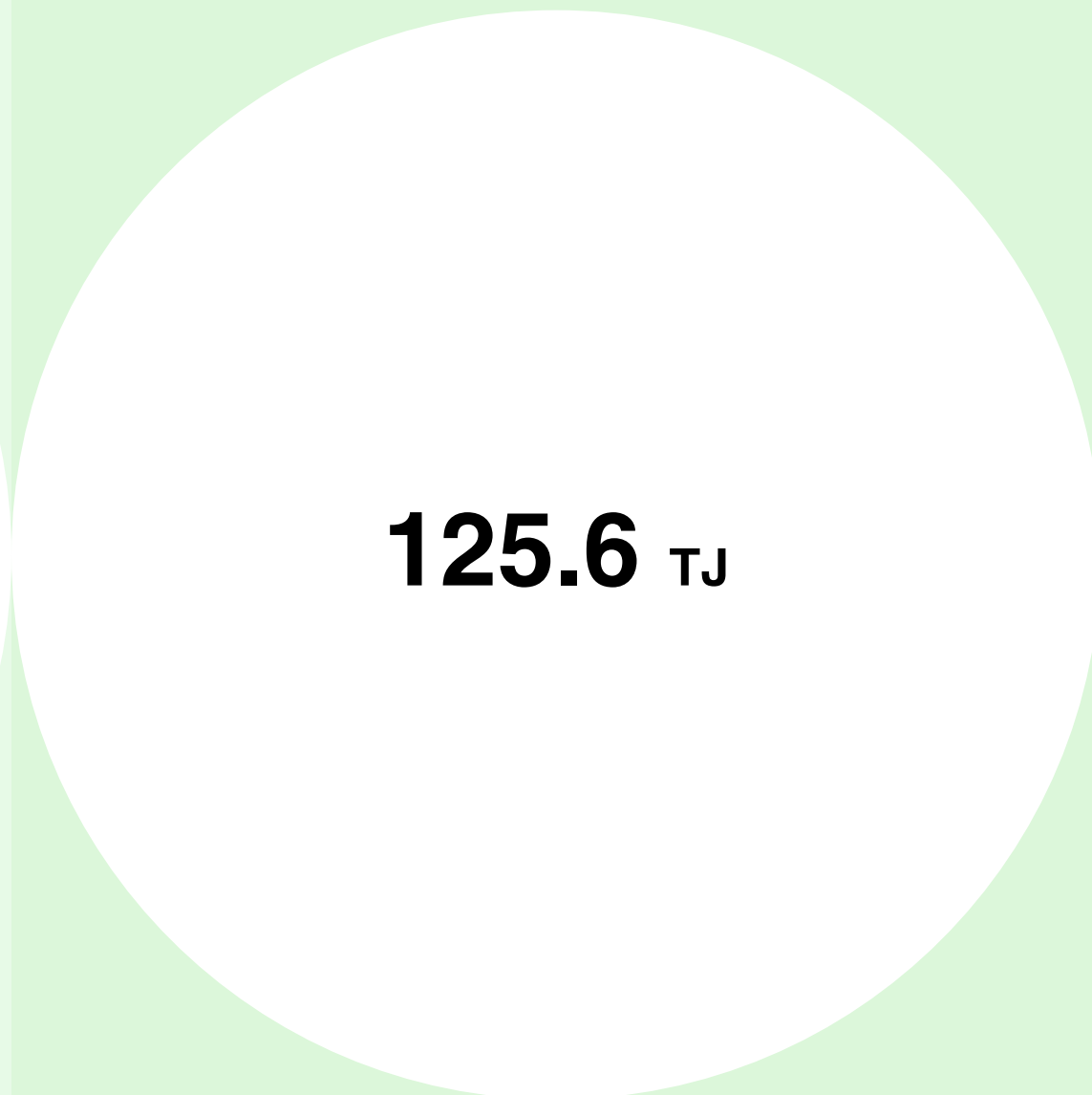


Consumption of non-renewable energy sources

TransContainer PJSC



DeloPorts Group



Ruscon Group



Global Ports Group



Electricity Heat



Case  
TransContainer PJSC

TransContainer has successfully reduced energy consumption by implementing the Intelligent Container Terminal (ICT) information system at the Kleschikha Container Terminal.

The technological goal of the project was to implement a comprehensive solution that combines all existing information systems used at the terminal: an automated system for planning and managing the operation of a container terminal, a document management system, a system for recognising and recording

incoming and outgoing cargo flows, as well as a system for optimising the rail and road transport management. The company supplied and installed the equipment necessary for the terminal recognition and automation system. Since the introduction of the system, train turnover increased significantly, and labour productivity increased by 32% in 2021 compared to 2016.

In addition, since the introduction of ICT, energy costs for processing one container have been reduced by 20% and GHG emissions by a total of 1,638 tons, which is equivalent to the absorption capacity of 10,000 trees.



**Pollutant emissions, tons**

# Air

**It is important for Delo Group to reduce emissions of pollutants into the atmosphere in terms of environmental protection and increasing environmental efficiency.**

The Group does not emit highly toxic or ozone-depleting substances. The Group also does not use hazardous air pollutants.

The companies annually provide information on their emissions to the federal executive authorities in reports under the industrial environmental control programme, 2-ТП statistical reports (air), declarations on payment for negative environmental impact, etc.

In 2019–2022, the companies of the Group developed and agreed standards for permissible emissions of pollutants into the atmosphere in accordance with new methodological requirements (a modern approach to the regulation of unorganised sources and accounting for emissions from vehicles).

Pollutant	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Total across Delo Group in 2022
Carbon monoxide (CO)	46.1	27.4	16.3	151.0	<b>240.8</b>
Nitrogen oxides (NO <sub>x</sub> )	98.7	32.3	17.7	98.3	<b>247.0</b>
Sulphur dioxide (SO <sub>2</sub> )	8.4	4.6	5.3	21.6	<b>39.9</b>
Volatile organic compounds	26.6	16.2	2.1	37.8	<b>82.7</b>
Particulate matter (PM)	5.7	35.6	0.9	9.1	<b>51.3</b>
Other pollutant emissions	1.7	0.3	3.9	0.1	<b>6.0</b>



During the reporting year, all companies carried out organisational and preventive measures to stabilise harmful emissions into the atmosphere.

To control and reduce emissions of pollutants into the air, Delo Group takes the following measures:

- adjusts and maintains in good condition internal combustion engines of vehicles, increases fuel efficiency, optimises the operating time of vehicles and production equipment;
- analyses and assesses the possibility of purchasing special equipment using electric traction and alternative energy sources;
- adjusts and updates permits for emissions of pollutants into the atmosphere.

Indicator	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Total across Delo Group in 2022
Average headcount (persons)	3,409	1,314	989	2,930	<b>8,642</b>
Specific emissions, tons/person	0.05	0.09	0.05	0.11	<b>0.08</b>



Case

DeloPorts Group

KSK JSC emits grain dust into the air. NUTEP LLC mainly emits nitrogen dioxide, sulphur dioxide, and carbon monoxide.

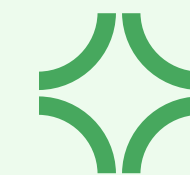
The use of fuel-driven reloading equipment and rolling stock creates the greatest impact on the environment.

In the reporting period, with a significant expansion of activities in connection with the commissioning of berth No. 40A (due to which the cargo flow and volume of cargo transshipment increased), KSK JSC managed to maintain indicator values below the maximum permissible level.

DeloPorts Group uses electrically driven crane equipment to perform main operations. The lifting cranes installed at the NUTEP terminal are connected to the electricity grid.

Internal combustion engines installed on wheeled vehicles comply with exhaust gas toxicity standards (Stage III and above).

When docked at the NUTEP berths, Delo Service tugs are connected to onshore power sources. The main engines do not operate during this period. The tugs of Delo Service Company undergo annual maintenance and are refuelled with certified fuel.



Case

Global Ports Group

The use of reloading equipment creates the greatest environmental impact in Global Ports Group. In the reporting year, emissions into the atmosphere from the Group's enterprises did not exceed the maximum permissible values. To control and reduce emissions of pollutants into the air, Global Ports constantly monitors the technical condition of equipment and machinery, and also promptly eliminates faults that affect the level of emissions.



# Water Consumption and Protection of Water Resources

GRI 301-1, GRI 301-2, GRI 301-3, GRI 303-4, SASB

**Delo Group does not use water in its main technological processes when providing logistics services. It mainly uses water for household needs, watering and cleaning of premises. Targets for reducing water consumption are set out in the Group's Environmental Policy.**

Delo Group's production assets are mainly located in the Russian Federation and do not fall into areas with a possible risk of water resource shortages<sup>1</sup>. Subsidiaries outside the Russian Federation do not have their own production assets or technological processes that can harm water resources. The Group's water supply and disposal (except for storm water) is primarily provided through centralised systems and underground sources (wells).

- 1 According to the International Water Management Institute, Russia is one of the regions with excess water resources.
- 2 The companies of the Group collect storm and melt water for the purposes of subsequent treatment and wastewater disposal, while instrumental accounting is carried out only at the wastewater disposal stage. For the purposes of GRI 303-3 disclosure, stormwater intake is indicated based on drainage data. The Group believes that this approach is justified and allows the most reliable assessment of the volume of storm and melt water intake since losses during water treatment and discharge are minimal.

GRI 303-3, 303-4

## Water consumption and wastewater disposal<sup>2</sup>, '000 m<sup>3</sup>

Indicator	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Total across Delo Group in 2022
<b>Water intake, total, including:</b>				1,281.7	<b>1,711.0</b>
	240.5	84.1	104.7		
centralised water supply	26.4	19.9	5.7	118.9	<b>170.9</b>
artesian wells	2.7		99.0	0.5	<b>102.2</b>
storm water	211.4	64.2		1,162.3	<b>1,437.9</b>
<b>Wastewater disposal, total, including:</b>				1,281.1	<b>1,695.5</b>
	238.6	84.1	91.7		
to centralised drainage systems	23.1	19.9	8.0	118.8	<b>169.8</b>
to septic tanks	4.1				<b>4.1</b>
to water bodies, total	211.4	64.2	83.8	1,162.3	<b>1,521.7</b>



Where centralised utility systems are unavailable, water collection is carried out using underground sources. Accounting for water consumption from centralised sources is carried out using meters that are verified by a third party. Statistical reporting is submitted annually to confirm water consumption standards. Water quality is monitored annually based on physical, chemical and microbiological indicators. Wastewater discharge at sites with no centralised drainage system is carried out using septic tanks. Further the water is pumped and discharged to centralised water treatment systems. Where technically possible, stormwater is collected for subsequent purification and drainage into water bodies.

**GRI 303-2**

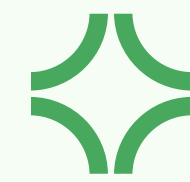
To minimise the negative impact on the environment, storm drainage systems have been designed and maintained at the terminals. The efficiency of wastewater treatment is monitored annually by an accredited laboratory. The volume of discharge of wastewater treated to standard quality into water bodies amounted to 1.4 million m<sup>3</sup>.

**GRI 303-3**

The Group used about 108,000 m<sup>3</sup> from underground water sources in 2022. The Group consumes only fresh water.

In order to successfully manage water resources, the Group conducts regular monitoring of water consumption, carries out water conservation measures, constant maintenance of water supply systems and immediate repairs when leaks are detected.

**GRI 303-2**



**Case**

**DeloPorts Group**

NUTEK LLC and KSK JSC regularly monitor wastewater, which, along with the installation of new surface runoff treatment facilities, makes it possible to ensure the treatment of storm- and wastewater used in the production activities of the Group's enterprises, including newly constructed berths, to standard values.

KSK activities may produce grain dust, which may fall onto the surface of a marine water body. Regular laboratory studies to monitor marine biological resources and their habitats show that species compositions correspond to seasonal compositions in the area of the production site. The values from water chemical analysis do not exceed the maximum permissible concentrations.

The company regularly monitors and clears the Black Sea from floating debris.

To supply rainwater to local treatment facilities, rainwater pumping stations are provided.

In order to minimise the use of fresh water, treated wastewater can be also used for technical purposes.

The organisation operating the centralised sewerage system has established quality indicators for the sewage discharged into its network. Government agencies have approved standards for the permissible discharge of pollutants into the sea for surface wastewater.

Water is treated to remove suspended solids, petroleum products, iron, organic substances, pathogenic viruses. In particular, surface and storm water treatment facilities have been built on the premises of KSK JSC. Physical and chemical treatment techniques are used. Further the water is discharged into a water body. NUTEK LLC has its own surface water treatment facilities. It uses physical and chemical treatment techniques, followed by disinfection and discharge of treated wastewater into a water body. Drinking water that does not require purification is supplied for domestic purposes. Domestic wastewater is transferred to a third party through the centralised sewerage system. No maximum permissible concentrations for the discharged water were exceeded.

The water comes from municipal water supply networks. Water consumption is recorded using certified metering instruments.

NUTEK LLC does not collect water; it receives drinking water from a third party. The water is used primarily for domestic purposes. Accordingly, generated wastewater is transferred to the city centralised sewerage system. The impact on water resources is limited to the discharge of treated surface wastewater into the sea. The company treats discharged surface wastewater at its own treatment facilities, conducts regular monitoring of the marine environment, and, under an agreement with a third-party organisation, clears the sea from floating debris on a daily basis.



# Waste Management

GRI 306-1, 306-2

**Delo Group pays great attention to responsible waste management, reducing the generation of waste and simultaneously increasing the share of its recycling.**

The companies of the Group transfer class 1–4 hazardous waste under existing contracts to organisations that have a licence to handle waste, or to the Federal Environmental Operator. The removal of municipal solid waste, its recycling and neutralisation is carried out by regional operators.

The enterprises have developed project documentation required by Russian and international environmental legislation, hazardous waste data sheets, and waste management instructions. Places for temporary accumulation of waste are equipped and records are kept of the generation and transfer of waste to specialised organisations in accordance with concluded agreements (neutralisation, recycling, burial).

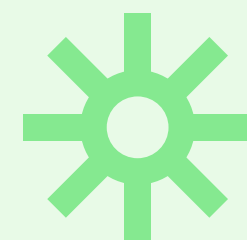
In 2022, the share of waste sent for recycling was 59.6%. Class 1 and 2 hazardous waste is fully neutralised or disposed of. The main waste that is sent to landfills is taken from the premises of the enterprise, since there is no technology for its recycling.

GRI 306-3

## Total generated waste, tons

Indicator	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Total across Delo Group in 2022
<b>Total mass of generated waste. Class of hazardous waste:</b>	3,542.3	1,399.3	407.1	4,918.6	<b>10,267.3</b>
1	0.3	0.4		0.8	<b>1.5</b>
2	3.6	1.6		5.3	<b>10.5</b>
3	27.7	64.5	16.2	135.6	<b>244.0</b>
4	3,177.2	695.4	352.7	2,288.4	<b>6,513.7</b>
5	333.5	637.8	38.2	2,488.5	<b>3,498.0</b>

### Key waste management activities of Delo Group in 2022



Transition from mercury-containing lamps, which belong to class 1 hazardous waste, to LED lamps



Introduction of a system for the sorting of MSW, separation of useful fractions



Sale of containers that have reached the end of their service life for needs not related to transportation (temporary storage warehouse, garage, etc.)





**Case**  
**TransContainer PJSC**

TransContainer PJSC is committed to responsible consumption, sustainable use of natural resources and effective waste management. The Company has implemented an electronic document management system and established KPIs for the transition to EDM. In 2022, TransContainer PJSC sent 22.9 tons of waste paper for recycling, which helped to save more than 200 trees. Compared to 2021, the volume of waste paper sent for recycling has increased. This is due to the introduction of the waste sorting mechanism at the end of 2021, as well as the complete withdrawal of employees from remote work.

**Measures to reduce the amount of waste generated by TransContainer PJSC:**

- transition from mercury-containing lamps belonging to class 1 hazardous waste to LED lamps with a long service life;
- sale of decommissioned containers for needs not related to transportation (temporary storage warehouse, garage, etc.);
- extending the service life of containers, fitting platforms, lifting mechanisms through inspection using non-destructive testing methods;
- reuse of lumber when crating cargo.

**GRI 306-4 Waste management in 2022, tons**

Indicator	TransContainer PJSC	DeLoPorts Group	Ruscon Group	Group Global Ports	Total across Delo Group, 2022
Total recycled waste. Class of hazardous waste:	2,554.8	790.5	81.3	2,694.8	<b>6,121.4</b>
• 1	–	–	–	0.6	<b>0.6</b>
• 2	1.2	0.0	–	5.3	<b>6.5</b>
• 3	16.4	59.4	16.2	22.2	<b>114.1</b>
• 4	2,235.9	105.4	26.8	446.8	<b>2,814.9</b>
• 5	301.4	625.7	38.3	2,220.0	<b>3,185.4</b>
%	<b>72.1</b>	<b>56.5</b>	<b>20.0</b>	<b>54.8</b>	<b>59.6</b>

**GRI 306-5 Waste disposal in 2022, tons**

Indicator	TransContainer PJSC	DeLoPorts Group	Ruscon Group	Group Global Ports	Total across Delo Group, 2022
Total waste removed. Class of hazardous waste:	185.1	237.4	321.9	1,881.4	<b>2,625.8</b>
• 1	0.2	0.0	0.0	0.3	<b>0.5</b>
• 2	0.2	0.5	–	–	<b>0.7</b>
• 3	6.3	5.1	0.0	113.4	<b>124.9</b>
• 4	152.9	228.2	321.9	1,572.7	<b>2,275.7</b>
• 5	25.5	3.6	–	195.0	<b>224.1</b>





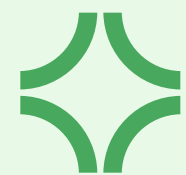
**Case**  
**Ruscon Group**

In 2022, Ruscon LLC compiled an inventory of waste, developed draft waste generation standards and limits on its disposal.

The company continues to implement the principle of waste sorting. In order to involve all company employees in competent waste management, the environmental safety department has developed instructions on waste management.

A significant amount of company waste is generated during the operation of vehicles.

In 2022, the New Lease of Life of a Book programme was launched at the Ruscon terminal. The programme allows everyone to bring or take any book to/from the “bookshelf” located in the administrative building of the terminal.



**Case**  
**Global Ports Group**

Global Ports Group is faced with the task of minimising the amount of waste transported to landfills. Priority is given to recycling, processing and neutralisation of waste. Waste management is the subject of several Group programmes.

Global Ports is implementing a culture of waste sorting. Waste sorting involves class and fraction. Each hazardous waste class has a designated storage location in accordance with the requirements. At the same time, 97% of waste is of low-hazard and practically non-hazardous classes 4 and 5. Class 3 hazardous waste is sent for neutralisation.



**Case**  
**DeloPorts Group**

***NUTEPLLC waste management practices***

The bulk of NUTEPLLC waste is generated in the process of consumption and decommissioning of obsolete equipment, waste consumables, cleaning of premises etc. The bulk of hazardous waste comes from equipment operation.

The company has developed draft waste generation standards, hazardous waste data sheets, and waste management instructions. Places for temporary accumulation of waste are equipped in accordance with current sanitary standards, and records are kept of the generation and transfer of waste to specialised organisations in accordance with the law. Waste sorting by type and hazard class has been organised. Training has been provided to qualify to work with hazardous waste.

***KSK JSC waste management practices***

KSK JSC generates waste in the course of cargo transshipment and production processes. KSK is actively working to reduce waste generation. For this purpose, the following documents have been developed and (or) implemented:

- Action plan for responding to emergencies related to waste management;
- Action plan for the prevention of and response to man-made emergencies related to waste management;
- Plan for the prevention of and response to oil and petroleum product spills (developed by the administration of the Black Sea seaports).

The company sorts generated waste and prohibits its long-term storage.

***Delo Service waste management practices***

Delo Service generates waste when operating ships. Waste is also generated from daily life of ship crews, as well as from the operation of office equipment in office premises.

All generated waste is sorted and transferred for neutralisation, treatment and disposal to specialised enterprises licensed to handle waste.

Records are maintained in the field of waste management in accordance with legal requirements.

***Measures to reduce waste generated by DeloPorts Group***

- Transition to LED lamps, complete abandonment of mercury-containing lamps.
- Sorting of generated waste, long-term storage of waste is prohibited.
- All generated waste is sorted and transferred for neutralisation, processing and disposal to specialised enterprises licensed to handle waste.



## BIODIVERSITY AND MARINE ECOSYSTEM

### GRI 304-1

The operations of the stevedoring, transport and logistics assets of Delo Group do not affect significant habitats of endemic species of flora and fauna, as evidenced by field studies that were carried out as part of engineering and environmental surveys in different years of activity of the Group's companies. Most terminals are located within the boundaries of populated areas and do not create an impact on territories with a special status of use. The terminal area is fenced, which prevents the entry of large animals. Nevertheless, Delo Group is committed to preserving biodiversity, as evidenced by the current Environmental Policy.

Employees of the Delo Group make their contribution to the preservation of natural ecosystems by participating in tree planting campaigns or clean-up days. By participating in tree planting and clean-up activities, company employees and their families increase their awareness of environmental issues and show interest in preserving the environment.



#### Case

### TransContainer PJSC

TransContainer PJSC supports a pair of giant anteaters in the Novosibirsk Zoo. Kalle and Maya were brought to the zoo in 2020. They arrived from Denmark as part of the European Conservation Programme.

Apart from Novosibirsk, these animals are only found in the Kaliningrad Zoo. Anteaters are also rare in nature. They are included in the IUCN Red List. The population lives only in southern Brazil and is declining due to forest fires.

Thanks to TransContainer support, it has become possible to preserve the species. Moreover, Kalle and Maya has become a baby. The baby feels great and lives with its parents.







## Cases

### Global Ports Group

1. Global Ports Group pays special attention to maintaining biodiversity in the water protection zones of presence namely the environmental protection zone of the Ekateringofka River, the marine waters of the Gulf of Finland, Wrangel Bay, located on the eastern shore of Nakhodka Bay, between Kamensky and Petrovsky Capes.

In 2021-2022, the Group carried out research work to study changes in the state of aquatic biological resources in the waters of Wrangel Bay and Nakhodka Bay in the area where VSC LLC is located. Based on the results of the analysis, no degradation of communities of aquatic biological resources was identified. The state of the fish food supply is assessed as typical for coastal ecosystems. The species composition corresponds to the composition of the coastal areas of Peter the Great Bay. Thus, it was established that the economic activities of VSC LLC did not lead to a deterioration in the living conditions of aquatic biological resources.

2. The companies of the Group actively participated in clean-up days in 2022. In May and June, employees cleaned up the Petrolesport, First Container Terminal, Moby Dick terminals and the Yanino logistics park. More than 300 employees took part in the clean-up work. As part of the event, 50 new pine trees, as well as plants and flowers were planted.

The team of Vostochnaya Stevedoring Company held as many as three clean-up days during the spring two-month landscaping event in Nakhodka.

In the kindergarten in Wrangel, volunteers painted horizontal bars, swings, tables, and benches on the playgrounds in bright colours, removed garbage from the area adjacent to the kindergarten, and renewed the sand in the sandboxes and the soil in the flower beds. The clean-up at the terminal itself lasted three days. Employees cleaned the area, whitewashed trees, borders, and basements of buildings. They painted overpasses, benches, trash cans, flowerpots, and cleaned storm drains. In total, more than 40 VSC employees took part in the clean-up campaign.



## Case

### TransContainer PJSC

Employees of TransContainer PJSC took part in the tree planting campaign and landscaped the territory of the Experimental Railway Loop of the Scientific Research Institute of Railway Transport in the city of Shcherbinka. Thanks to the efforts of the staff, 30 young trees appeared in the vicinity of the institute.



# RESPONSIBLE BUSINESS

2

The Group's  
Achievements in the  
Field of Sustainable  
Development



# Responsible Supply Chain

**Delo Group considers supply chain management as an important activity for sustainable development. The Group pays special attention to all its elements, including the procurement procedure for goods and services.**

In order to extend the principles of sustainable development of Delo Group to procurement, the Supplier Code of Conduct was developed and implemented in 2022.

The document includes a list of recommendations and principles of open and honest business conduct, business ethics and sustainable development, including respect for human rights and freedoms, which the Group expects from its suppliers. The Code also takes into account the principles of the UN Global Compact and the International Labour Organisation.

When selecting suppliers, Delo Group gives preference to those who strive to comply with the principles of sustainable development, taking into account the results of assessment of the relevant indicators throughout the supply chain.

Suppliers are encouraged to be guided by principles (ethical, anti-corruption, environmental, occupational health and safety) and human rights, build and maintain effective management systems based on the principles of sustainable development, including setting adequate goals, regular performance assessment and continuous improvement practices, adhere to the principles of transparency, competitiveness and full compliance with the legislation of the Russian Federation. As part of the implementation of this Code, when concluding contracts, the Group invites suppliers to confirm their acceptance of the principles listed in the document.

Delo Group carries out its procurement activities based on the principles of openness and transparency in accordance with the Procurement Regulations and other local regulations.

Procurement objectives:

- creating conditions for the timely and complete satisfaction of the Group's needs for goods, works, services (hereinafter referred to as products), including for commercial use, with necessary price bids, quality and reliability;
- efficient use of funds allocated for product procurement;
- formation of reasonable prices for products and reasonable reduction of the Group's costs;
- expansion of opportunities for participation in procurement and stimulating participation;
- development of fair competition;
- ensuring procurement transparency;
- preventing corruption and other abuses.

In order to ensure the quality and continuity of supplies, the companies of Delo Group conduct a cross-functional assessment of potential suppliers with the involvement of specialists from the procurement, customer services, legal and financial, and security units. Suppliers are assessed to determine whether they have the necessary experience and competencies to meet the requirements of the procurement procedure, the financial status of suppliers, the presence of litigation and the necessary approvals, permits, licences and other requirements.

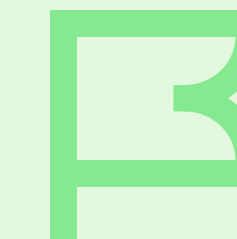
## Key documents in the field of responsible supply chain



Supplier Code of Conduct



Procurement Regulations



Code of Ethics



Case

**TransContainer PJSC**

As part of the implementation of measures to implement the policy of TransContainer PJSC in the field of sustainable development, in 2022, a supplier assessment system was developed and implemented taking into account ESG requirements. The methodology enables the assessment and ranking of existing suppliers, as well as identifying areas for development in key procurement categories, taking into account the requirements in the field of sustainable development. In January 2023, TransContainer successfully conducted a test assessment of Tier 1 suppliers.



## RESULTS OF PROCUREMENT ACTIVITIES



Case

### TransContainer PJSC

In 2022, TransContainer PJSC organised 271 procurement procedures for a total amount of 14.79 billion roubles, as a result of which 356 contracts were concluded for a total amount of 13.50 billion roubles, including contracts for the supply of flat cars and containers in the amount of 8.55 billion roubles.

More than 94% of competitive procurement procedures in 2022 were carried out electronically on federal electronic trading platforms (ETP). Electronic procurement helps increase customer awareness of contractors, makes the procurement procedure more transparent and reduces the risk of corruption, as well as the negative impact on the environment due to process digitalisation.

The vast majority of suppliers of goods, works, and services are residents of the Russian Federation, including small and medium-sized businesses (SMEs).

In 2022, based on the results of procurement procedures, 89% of contracts were concluded with Russian suppliers.

**Breakdown of contracts concluded as a result of procurement procedures in TransContainer PJSC in 2022 (%)**



■ Russian suppliers
 ■ Foreign suppliers



Case

### Global Ports Group

In the course of procurement for the Group's terminals, the procurement department of Global Ports Management LLC adheres to the following principles:

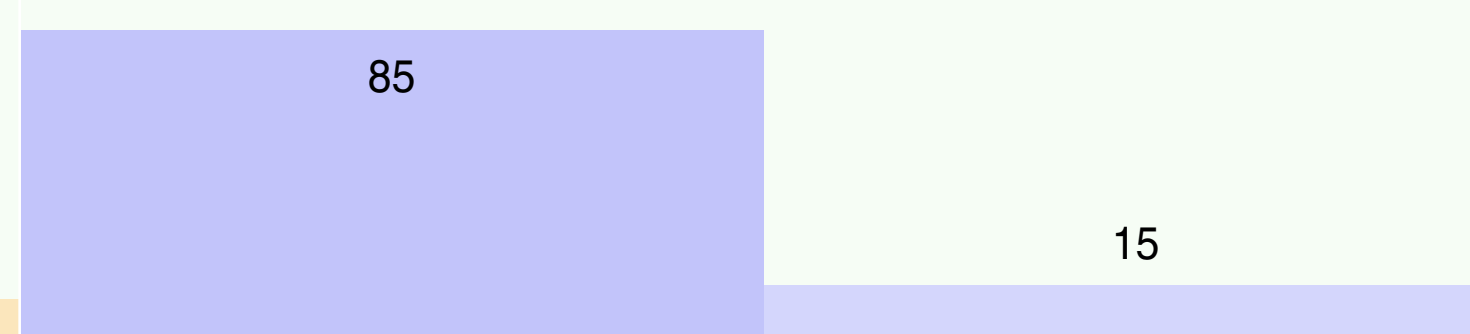
- full compliance with the legislation of the Russian Federation;
- competitiveness and transparency;
- price, quality and urgency-based supplier selection;
- total operating costs.

All procurement information is posted on [www.etprf.ru](http://www.etprf.ru) and [www.fabrikant.ru](http://www.fabrikant.ru), as well as on [zakupki.gov.ru](http://zakupki.gov.ru).

In 2022, Global Ports developed and implemented a Supplier Code of Conduct to inform current and potential counterparties about the basic operating principles of the Group and the companies under control. The company identifies the following areas for creating a responsible supply chain:

- environmental impact;
- waste reduction;
- respect for human rights;
- transparency of the supplier base;
- procurement;
- production and product innovations;
- logistics and distribution;
- facility management.

**Breakdown of counterparties of Global Ports Group in 2022 (%)**



■ Russian counterparties
 ■ Foreign counterparties

Global Ports maintains an equal business relationship with suppliers and encourages them to operate within the principles set out in the Supplier Code of Conduct.

In 2022, Russian counterparties accounted for 85% of the total counterparties of Global Ports.



Case

### DeloPorts Group

Responsible supply chain management ensured the smooth operation of DeloPorts Group in 2022. Through the selection of critical suppliers, the Group ensures reliability of supplies and reduces related risks by responding to customer requests. The Group's supply chain involves about 400 suppliers from Russia, Turkey, the UK, Germany, France, and Lithuania.

In 2022, DeloPorts Group organised 1,624 procurement procedures for a total amount of 1.8 billion roubles. More than 96% of competitive procurement in 2022 in monetary terms was carried out electronically on federal electronic trading platforms (ETP).

In 2022, 87% of DeloPorts Group's suppliers were suppliers from Russia.

**Breakdown of procurement from suppliers and contractors of DeloPorts Group in 2022 (%)**



■ Russian suppliers and contractors
 ■ Foreign suppliers



# Client Engagement

≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Social Development

Climate and Efficient Use of Natural Resources

**Responsible Business**

Appendices



Case

## TransContainer PJSC

Client engagement and development of transport and logistics products of TransContainer PJSC involve the implementation of programmes to improve the quality of customer service and entering the market with integrated products. In 2022, TransContainer PJSC continued to develop transportation and expand the range of services through the sea route, the first and last mile and the provision of a full range of additional services via a one-stop-shop service (E2E product).

Throughout 2022, the number of players in the freight forwarding services market grew in proportion to or faster than the market growth. European shipping companies appeared in the Far East, as well as new owners of rolling stock, freight forwarders and new participants in foreign economic activity. The constantly changing competitive environment remains invariably demanding in terms of improving the quality of service, and therefore, the development of customer service becomes an obligatory factor for TransContainer PJSC.

The company's client base includes more than 20,000 clients, from large international companies to individual entrepreneurs and individuals. The company's sales network covers the entire territory of the Russian Federation and the main transport centres in Europe and Asia.

As of 31 December 2022, the company had 93 sales offices in Russia. The international network of presence includes seven subsidiaries, three joint ventures, two representative offices and covers the CIS countries, Central and Eastern Europe, as well as the Asia-Pacific region.

Providing prompt and transparent feedback is one of the main principles of interaction between TransContainer PJSC and the client. A 24/7 contact centre processed 236,483 calls in 2022 (of which 37% were by telephone). The average contact centre service level was 92.7% (92.4% in 2021). The level of quality of customer service has increased to 95%.

In the current geopolitical situation in 2022, the online services of TransContainer PJSC continued to provide access to the company's logistics services for all existing and new clients.

Thanks to the iSales, a client can order a container transportation service in a few clicks in any place of the Eurasian continent. The service provides customers with quick and easy access to a wide range of services and information about their costs. In 2022, the number of unique service users almost doubled and reached 500,000 users. The number of transport solutions calculated via iSales increased by more than 1.5 times and exceeded 3 million.

TransContainer's Customer Satisfaction Index (CSI) remained the same (8.6 points) compared to the previous period.

To improve the quality of customer service, TransContainer PJSC plans to automate terminals, transfer of 80% of customers to EDM, increase customer awareness of the current state of order fulfilment through automatic notifications, conduct additional training for sales managers working with objections, complaints and claims, customer focus, quality, service.



# Quality Control

**An effectively built quality management system (QMS) allows Delo Group to achieve a high level of service provision. Quality management in the Group is a comprehensive and multi-level process involving all units. QMS principles are implemented at every stage of the production chain.**

In 2022, Delo Group launched a campaign to revise and update the process map. Its goals were to increase the efficiency of current activities, develop the culture of continuous improvement and create the basis for achieving synergy in Delo Group.

Delo Group proclaims the priority task of its activities is to improve the quality of services provided. The Company is working on the creation and development of a quality management system and identifies the following key principles.

**Comprehensive quality management.** The quality management system in the Group is comprehensive and multi-level and is implemented by all units. The Group regularly evaluates the effectiveness of the QMS and promptly eliminates any identified deficiencies.

**Creation of new values (transport services) for clients.** Clients are the key stakeholders of Delo. The Group has implemented a customer-oriented approach. It constantly analyses the current and future needs of clients and monitors their satisfaction with the quality and completeness of service. Based on the collected client wishes, new transport products are created that meet their requirements.

**High quality of services provided.** High quality of services is a key goal of the QMS and is ensured by studying the current and forecasting future needs of the main categories of clients. High quality of services provided by the Group is based on its constant desire to exceed clients' expectations.

**Management through processes.** The process-based approach is the fundamental principle of the QMS. To ensure the required level of service quality, the activities performed are managed through a system of interconnected processes.

**Building mutually beneficial, trusting relationships with key suppliers.** The Group builds long-term mutually beneficial relationships with key suppliers based on information transparency and improving the procedure for jointly solving problems related to the operational and economic characteristics of the services provided.

## Development of the quality management system in 2022

In the reporting year, TransContainer PJSC completed the main stages of a large-scale campaign to update existing processes and regulations in the field of quality management:

- a new uniform sales policy was approved;
- vertical frameworks were created by transportation mode (import/export/domestic/transit);
- the transition to electronic document management was carried out with all clients who possess the necessary technical means.

Particular attention is paid to the development of service quality management through a focus on end-to-end processes for securing orders from the customer experience point of view.

The company is further developing the process management system through testing and implementation of modern change management tools:

- Customer Journey Map;
- visual management through control of quality and critical points;
- engagement of the IT unit in terms of forming functional requirements for the development of IT systems based on end-to-end client-centric processes;
- conducting training for employees in the field of sales and customer service based on customer feedback.

**Main regulatory documents**



Quality Guide



Quality Management Policy



**Qualified personnel as the basis for success.** The Group values its employees, strives to create favourable and safe working conditions and offers them a competitive remuneration and motivation system. When hired by Delo Group, all new employees are introduced to the Quality Policy.

Delo Group periodically assesses the effectiveness of the quality management system and, based on the results of the assessment, takes the necessary actions to eliminate deficiencies. The effectively built system allows the Group to achieve a high level of service provision. QMS principles are implemented at every stage of the production chain.

Assessing the effectiveness of the QMS also includes annual process audits and internal audits, which are carried out in the Delo Group. Based on the results of identified inconsistencies, corrective measures are organised.

In 2022, TransContainer PJSC management system was certified for compliance with the requirements of ISO 9001:2015.

# Information Security and Digitalisation

Today, ensuring information security and developing IT technologies is becoming an increasingly urgent task for the industry. Potential threats to information security increase the risk of personal and confidential data leakage.

Requirements for compliance with information security rules are included in agreements with contractors and in job descriptions. Failure to comply with the rules is a serious violation of work discipline and job responsibilities.

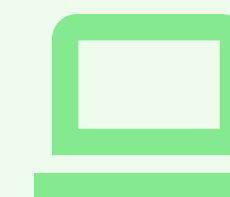
To ensure the reliability of information systems, Delo Group analyses vulnerabilities and introduces methods for secure software development.

Employees are required to immediately report any observed or suspicious incidents of personal data information system operation that may result in security threats, as well as immediately report the events to department management and the person responsible for responding to such incidents.

### GRI 418-1

During the reporting period, no violations related to the confidentiality of personal data were identified.

## Main regulatory documents



Personal data security policy



Regulations on organising and ensuring personal data security



Model of threats to the security of personal data being processed in the Personal Data Information System



# IT Development and Business Digitalisation

**Delo Group develops information technologies and actively implements them into its business. The Group strives to achieve leadership in efficiency, technology and quality of service through the integration of the Group's assets and the use of advanced digital technologies.**

One of the projects is the creation of a single corporate data warehouse in 2022. Its testing was carried out with the involvement of TransContainer PJSC. Today more than 600 users are connected to the data warehouse. As a result, the amount of time required for the preparation of corporate reporting was reduced by 20 hours per week. It is planned to introduce a single data warehouse for all companies of Delo Group within three years. This will help to optimise data processing and increase data use efficiency.

## Value chain

### Marketing and sales

**Digital services for clients**  
Sales and communication

**Corporate data storage**  
Data analysis for new offerings

### Service/product design

**iTrains**  
Transport solution selection

**DataCore**  
Transport solution screening

### Procurement and resource provision

**Digital network balancer**  
Optimisation of shipping

**iTrains**  
Asset booking

### Service provision

**DataCore**  
Accounting tool for forwarding agents, container site

**Unique system for terminal operation**

### Processing: documents, settlements

**Digital services for clients**  
Customer interaction and settlements

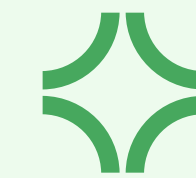
**EDM**  
Electronic document management



Case

## TransContainer PJSC

TransContainer PJSC, Russian Railways, RVC (GenerationS) and VNIIZHT have signed an agreement to develop innovative projects based on the Russian Railways acceleration programme. TransContainer PJSC will participate in the selection and development of initiatives that can improve the efficiency of railway transport, optimise logistics processes and create new products for the industry. As part of the accelerator, TransContainer PJSC will provide its infrastructure to most interesting start-ups for pilot projects, as well as monitor the emergence of new projects in the accelerator in the field of import substitution. The company will also look for options for using the projects to improve the quality and reliability of Delo Group's services.



Case

## Ruscon Group

In October 2022, Ruscon LLC won 1C: Project of the Year Award held as part of the VI International Competition for the Best Management and Accounting Automation Projects.

The Ruscon project for the implementation of a document management system was recognised as the best in the Ports and Stevedoring Companies category. The new system has helped automate document flows and speed up the receipt of management reporting by 20%. The efficiency of recruiting has increased thanks to the established system of recruitment processes. The contract approval process has become transparent with control at every stage.



**Digitalisation of Global Ports' services**

**Single customer website**

Cargo and financial document flow, customer requests, feedback

**Mobile app**

Arranging visits to withdraw cargo, deliver empty containers, power of attorney to withdraw the container with a digital signature, container tracking

**Electronic document management**

Cargo plans, processing instructions, loading and unloading schedules, reports, information about container travel, acceptance and delivery of rail cargo, terminal passing tracking procedures for controlling bodies

**Online services**

Processing requests for information using the container number, ship entry and rail travel schedules, checking the possibility of processing and storage of hazardous cargo, information about accreditation of motor companies, trucks and drivers

**Digitalisation of company terminals**

Pilot smart terminal in Kleschikha (Novosibirsk Region)



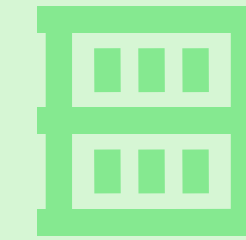
Comprehensive information on all facilities with position tracking capabilities



Common digital space for clients and contractors



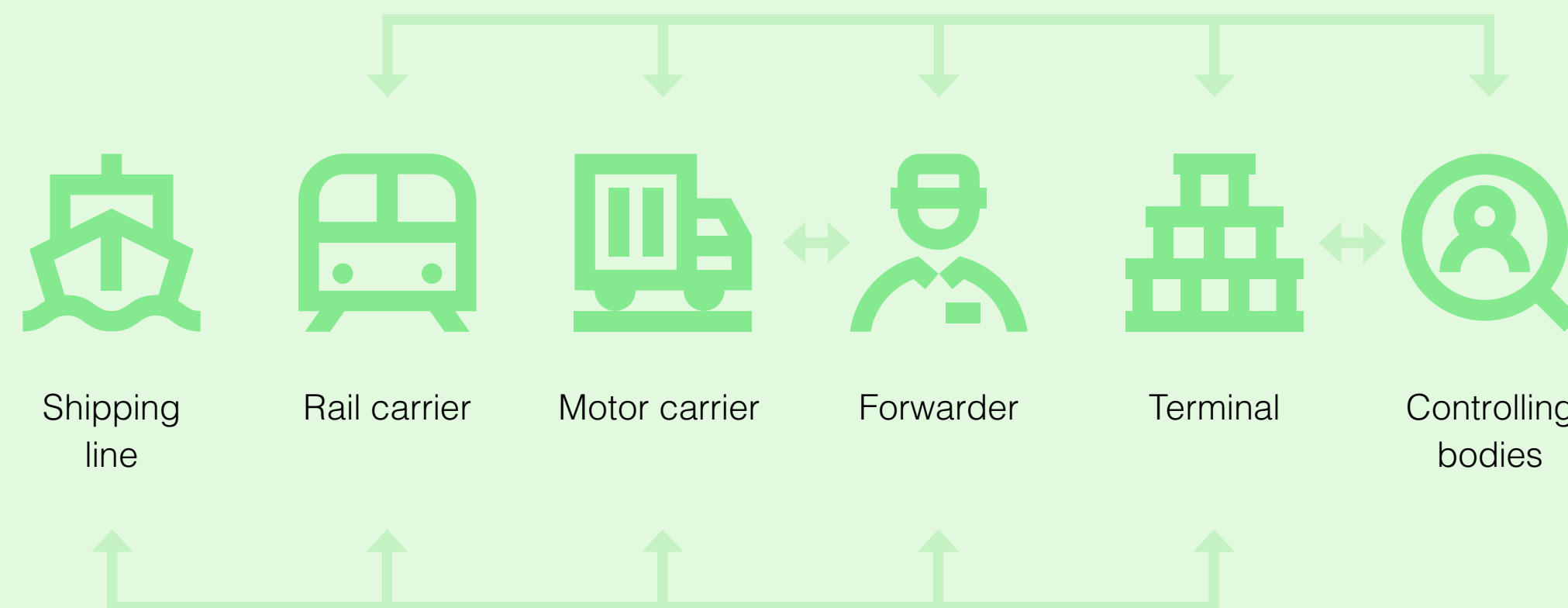
Wagons and car processing automation



Online positioning of the container on the terminal sites



Online monitoring of clients' orders



**Results:**

- Reduction in transport processing time ..... **>5x**
- Increase in processed container trains ..... **>25%**
- Reduction of energy costs for the processing of one container..... **20%**
- Reduction of CO<sub>2</sub> emissions at the terminal since the adoption of ICT, which is equivalent to the absorption capacity of 10,000 trees ..... **1,638 tons**



# APPENDICES

3



# Report Details

≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices

## APPROACH TO REPORTING

GRI 2-3, GRI 2-5

The 2022 Combined Sustainability Report for TransContainer PJSC, GKS LLC, DeloPorts LLC, and Global Ports (hereinafter referred to as the “Report”) is the first public annual Report of the Group. During the preparation of the Report the authors took into account annual non-financial reporting of individual companies of Delo Group. The Group means assets that are part of Delo Group, namely TransContainer PJSC, GKS LLC, DeloPorts LLC, and Global Ports. The Report is intended for a wide range of stakeholders and contains information about the achievements of Delo Group in the field of sustainable development in the reporting period from 1 January 2022 to 31 December 2022. The Report also discloses significant events beyond the reporting period to comply with the timeliness principle.

The Report has been prepared using the following non-financial reporting standards and sustainability initiatives:

- Global Reporting Initiative Standards as amended from time to time;
- Task Force on Climate-Related Financial Disclosures;
- UN Global Compact principles;
- SASB Standards for marine and rail transportation;
- GHG Protocol.

The Report also discloses the Company’s progress towards achieving the UN Sustainable Development Goals for the period up to 2030.

The reports that Delo Group regularly submits to government agencies and management accounting data are the main sources of information in the field of sustainable development.

The Report contains forward-looking statements that are subject to risks and uncertainties, many of which are beyond the Group’s control and may subsequently differ from the expectations contained in the Report.

Data in the Report has not been independently assured and its disclosure has not been verified in terms of compliance with GRI standards. However, Delo Group understands the importance of independent assurance to increase the level of stakeholder confidence in the information contained herein. Therefore, Delo Group is going to undergo an independent assurance procedure in the next reporting period.

## REPORTING PERIMETER

GRI 2-2, GRI 2-4

During the reporting period, the composition of assets of Delo Group underwent significant changes, which are reflected in the reporting perimeter. The Company is working to improve approaches to building a system for collecting and consolidating data to disclose all indicators along a single perimeter in the future. At the moment, on certain material topics the Company discloses information on assets which create the most significant impact in terms of this topic. Exceptions within the boundaries of individual indicators are necessarily commented upon directly in the text of the Report or footnotes.



According to the materiality principle, the following companies were included in the sample in the reporting year<sup>1</sup>:



≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices

		Occupational health and safety	Climate and efficient use of natural resources	Low-carbon practices	Energy efficiency	Air	Water consumption and conservation of water resources	Waste management	Working conditions and employee support	Workforce structure and turnover	Remuneration and staff motivation	Personnel training and development	Social projects
<b>TransContainer PJSC</b>													
1	TransContainer PJSC	+	+	+	+	+	+	+	+	+	+	+	+
2	Logistics-Terminal JSC	+	+	+	+	+	+	+	+	+	+	+	+
<b>DeloPorts LLC</b>													
3	DeloPorts LLC <sup>2</sup>	+	+	+	+	+	+	+	+	+	+	+	+
4	NUTEK LLC	+	+	+	+	+	+	+	+	+	+	+	+
5	KSK JSC	+	+	+	+	+	+	+	+	+	+	+	+
6	Delo Service LLC <sup>2</sup>	+	+	+	+	+	+	+	+	+	+	+	+
<b>GSK LLC</b>													
7	Ruscon LLC	+	+	+	+	+	+	+	+	+	+	+	+
8	Ruscon-Broker LLC <sup>2</sup>	+	+/-	-	+	-	+	+	+/-	+	-	-	-
9	MANP JSC	+	+/-	-	+	-	+	+	+/-	+	-	-	-
<b>Global Ports Group</b>													
10	Global Ports Management LLC <sup>2, 3</sup>	+	-	-	-	-	-	-	+	+	+	+	+
11	Petrolsport JSC	+	+	+	+	+	+	+	+	+	+	+	+
12	Vostochnaya Stevedoring Company LLC	+	+	+	+	+	+	+	+	+	+	+	+
13	First Container Terminal JSC	+	+	+	+	+	+	+	+	+	+	+	+
14	Ust-Luga Container Terminal JSC	+	+	+	+	+	+	+	+	+	+	+	+
15	ROLIS LLC <sup>2, 3</sup>	+	+/-	-	+	-	-	-	+	+	+	+	+

1 This fact should be taken into account to compare non-financial reporting indicators over time

2 DeloPorts LLC, Delo Service LLC, Ruscon-Broker LLC, GlobalPorts Management LLC, ROLIS LLC have no sources of emissions of pollutants and greenhouse gases into the environment (water bodies, underground soils, terrain), withdrawal points, recycling water supply systems, wastewater treatment facilities, water management assets.

3 Global Ports Management LLC and ROLIS LLC joined Delo Management LLC in mid-2022; accordingly, the scope of the company's non-financial reports is comparable to the scope of its Annual Report.



## MATERIAL TOPICS

GRI 3-1, GRI 3-2

Delo Group interacts with all stakeholder groups and takes their interests into account when conducting its activities. This Report identifies 19 material topics. In determining the material topics for this Report, the following key internal stakeholders were interviewed:

- The working group on sustainable development, including representatives of all subholding companies of Delo Group;
- The Group's top management;
- The Group's shareholders during face-to-face meetings.

Additionally, the Group conducted a benchmarking analysis of material topics of global logistics companies.

Based on the work done, the most material sustainable development topics that meet the expectations of stakeholders were identified. These topics formed the basis for the preparation of this Report. Taking into account restrictions on the disclosure of certain indicators, Delo Group excluded the Economic Performance topic from the list of material topics for public non-financial reporting.

	Priority areas		
	Environment	Social development	Governance
Level of materiality	<b>Priority 1</b>		
	<ul style="list-style-type: none"> <li>• Climate change and greenhouse gas emissions</li> <li>• Waste management and disposal</li> <li>• Water resources management</li> </ul>	<ul style="list-style-type: none"> <li>• Personnel training and development</li> <li>• Working conditions and employee support</li> <li>• Occupational health and safety</li> </ul>	<ul style="list-style-type: none"> <li>• Information security, innovation and digitalisation</li> <li>• Sustainable supply chain</li> <li>• Economic issues</li> </ul>
	<b>Priority 2</b>		
	<ul style="list-style-type: none"> <li>• Air pollution</li> <li>• Energy efficiency and energy consumption</li> </ul>	<ul style="list-style-type: none"> <li>• Interaction with the local community</li> </ul>	<ul style="list-style-type: none"> <li>• Business ethics, antitrust, anti-bribery and anti-corruption policy</li> <li>• Legal compliance and tax efficiency</li> </ul>
	<b>Priority 3</b>		
	<ul style="list-style-type: none"> <li>• Biodiversity and marine ecosystem</li> </ul>	<ul style="list-style-type: none"> <li>• Human rights</li> <li>• Emergency management</li> </ul>	<ul style="list-style-type: none"> <li>• Risk management</li> <li>• Corporate governance</li> </ul>



# GRI Content Index

Delo Group has disclosed information specified in this GRI Content Index for 2022 based on the GRI standards.

≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices

Code	GRI disclosure	Note	Section	Page
<b>GRI 2. General Disclosures (2021)</b>				
<b>1. The organisation and its reporting practices</b>				
GRI 2-1	Organisational details	Delo Managing Company LLC	Group Details	6
GRI 2-2	Reporting perimeter		Appendices. Reporting Perimeter	122
GRI 2-3	Reporting period, frequency and contact point		Appendices. Report Details. Contact Details	122
GRI 2-4	Restatements of information		Appendices. Report Details	122
GRI 2-5	External assurance	None	Appendices. Report Details	122
<b>2. Activities and workers</b>				
GRI 2-6	Activities, value chain and other business relationships		Group Details	47
GRI 2-7	Employees		Working Conditions and Employee Support. Appendix. ESG Data Book	138, 139
<b>3. Governance</b>				
GRI 2-9	Governance structure and composition	The biography of the members of the Board of Directors, the General Director and management is not disclosed due to restrictions on data confidentiality	Corporate Governance	30
GRI 2-10	Nomination and selection of the highest governance body		Corporate Governance	30





≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices

Code	GRI disclosure	Note	Section	Page
GRI 2-11	Chair of the highest governance body		Corporate Governance	30
GRI 2-12	Role of the highest governance body in overseeing the management of impacts		Corporate Governance	30
GRI 2-13	Delegation of responsibility for managing impacts		Corporate Governance	30
GRI 2-14	Role of the highest governance body in sustainability reporting	The 2022 Combined Sustainability Report for TransContainer PJSC, GKS LLC, DeloPorts LLC, and Global Ports was presented at the Annual Meeting of Shareholders	Corporate Governance	29
GRI 2-15	Conflicts of interest		Corporate Governance	31
GRI 2-19	Remuneration policies		Corporate Governance	31
GRI 2-20	Process to determine remuneration	Information on management remuneration is not disclosed due to restrictions on data confidentiality	Corporate Governance	31
<b>4. Strategy, policies and practices</b>				
GRI 2-23	Policy commitments		Sustainability Management. Anti-Corruption. Respect for Human Rights	55
GRI 2-25	Processes to remediate negative impacts		Anti-Corruption. Respect for Human Rights	32, 55
GRI 2-26	Mechanisms for seeking advice and raising concerns		Anti-corruption. Respect for Human Rights	32
GRI 2-28	Membership associations		Appendix. ESG Data Book	137
<b>5. Stakeholder engagement</b>				
GRI 2-29	Approach to stakeholder engagement		Group Details. Stakeholder Engagement	6, 42
GRI 2-30	Collective bargaining agreements		Working Conditions and Employee Support	53





Code	GRI disclosure	Note	Section	Page
<b>GRI 3. Material Topics (2021)</b>				
GRI 3-1	Process to determine material topics		Report Details. Process to determine material topics	124
GRI 3-2	List of material topics		Report Details. Process to determine material topics	124
<b>GRI 202 (2016). Market Presence</b>				
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	The size of the standard entry level wage is disclosed without breakdown by gender due to the special characteristics of information collection in the Company	Remuneration and Staff Motivation Appendix. ESG Data book	141
<b>GRI 203 (2016). Indirect Economic Impacts</b>				
GRI 203-1	Infrastructure investments and services supported		The Group's Social Projects	85
GRI 203-2	Significant indirect economic impacts		The Group's Social Projects	85
<b>GRI 204 (2016). Procurement Practices</b>				
GRI 204-1	Proportion of spending on local suppliers		Responsible Business	115
<b>GRI 205 (2016). Anti-corruption</b>				
GRI 205-2	Communication and training about anti-corruption policies and procedures		Anti-Corruption. Appendix. ESG Data Book	32, 138
GRI 205-3	Confirmed incidents of corruption and actions taken	No confirmed incidents of corruption	Anti-Corruption	32
<b>GRI 206 (2016). Anti-competitive Behaviour</b>				
GRI 206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	There were no legal actions against the organisation in connection with anti-competitive behaviour and monopoly practices	Antitrust Policy	34





Code	GRI disclosure	Note	Section	Page
<b>ENVIRONMENT</b>				
<b>GRI 302 (2016). Energy</b>				
GRI 302-1	Energy consumption within the organisation	b. The Group does not consume energy from renewable sources.	Energy Efficiency	102
<b>GRI 303 (2018). Water and Effluents</b>				
GRI 303-2	Management of water discharge-related impacts		Water Consumption and Protection of Water Resources	107
GRI 303-3	Water withdrawal		Water Consumption and Protection of Water Resources	106, 107
GRI 303-4	Water discharge		Water Consumption and Protection of Water Resources	106
<b>GRI 304 (2016). Biodiversity</b>				
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Biodiversity and Marine Ecosystem	111
<b>GRI 305 (2016). Emissions</b>				
GRI 305-1	Direct (Scope 1) GHG emissions	<p>c. Not applicable</p> <p>d. Delo Group chose 2022 as the base year.</p> <p>e; g. GHG emissions are calculated in accordance with the following methods and standards:</p> <ul style="list-style-type: none"> <li>Guidelines for the quantitative determination of greenhouse gas emissions and greenhouse gas removal approved by Order of the Russian Ministry of Natural Resources No. 371 dated 27 May 2022.</li> <li>Greenhouse Gas Protocol.</li> </ul>	<p>Low-Carbon Practices.</p> <p>Appendix. ESG Data Book</p>	101, 147





Code	GRI disclosure	Note	Section	Page
GRI 305-2	Energy indirect (Scope 2) GHG emissions	<p>d. Delo Group chose 2022 as the base year.</p> <p>e; g. GHG emissions are calculated in accordance with the following methods and standards:</p> <ul style="list-style-type: none"> <li>Guidelines for the quantitative determination of greenhouse gas emissions and greenhouse gas removal approved by Order of the Russian Ministry of Natural Resources No. 371 dated 27 May 2022.</li> <li>Greenhouse Gas Protocol.</li> </ul>	Low-Carbon Practices. Appendix. ESG Data Book	101, 147
GRI 305-3	Other indirect (Scope 3) GHG emissions	<p>c; d. Not applicable</p> <p>e. Delo Group chose 2022 as the base year.</p> <p>f; g. GHG emissions are calculated in accordance with the following methods and standards:</p> <ul style="list-style-type: none"> <li>Greenhouse Gas Protocol.</li> </ul>	Low-Carbon Practices. Appendix. ESG Data Book	101, 147
GRI 305-7	Nitrogen oxides (NO <sub>x</sub> ), sulphur oxides (SO <sub>x</sub> ), and other significant air emissions		Air	104
<b>GRI 306 (2020). Waste</b>				
GRI 306-1	Waste generation and significant waste-related impacts		Waste Management	108
GRI 306-2	Management of significant waste-related impacts		Waste Management	108
GRI 306-3	Waste generated		Waste Management	108
GRI 306-4	Waste diverted from disposal		Waste Management	109
<b>SOCIETY</b>				
<b>GRI 401. Employment (2016)</b>				
GRI 401-1	New employee hires and employee turnover		Workforce Structure and Turnover. Appendix. ESG Data Book	55, 141
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Remuneration and Staff Motivation	64, 71
GRI 401-3	Parental leave		Appendix. ESG Data Book	142





Code	GRI disclosure	Note	Section	Page
<b>GRI 403. Occupational Health and Safety (2018)</b>				
GRI 403-1	Occupational health and safety management system		Occupational Safety and Health Management	73
GRI 403-2	Hazard identification, risk assessment, and incident investigation		Assessment and Improvement of Working Conditions	75, 80
GRI 403-3	Occupational health services		Occupational Safety and Health Management	73
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety		Assessment and Improvement of Working Conditions. Respect for Human Rights	79
GRI 403-5	Worker training on occupational health and safety		Occupational Health and Safety. Employee Training	79
GRI 403-6	Promotion of worker health		Assessment and Improvement of Working Conditions	75
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Assessment and Improvement of Working Conditions	75,76
GRI 403-8	Workers covered by an occupational health and safety management system	100%	Occupational Safety and Health Management	73
GRI 403-9	Work-related injuries	b. In 2022, there was 1 workplace injury involving a contractor employee. Other information regarding contractor employees is not disclosed due to the lack of tools for collecting information.	Work-Related Injuries and Occupational Morbidity	79, 80, 146
GRI 403-10	Work-related ill health	a.i There were no ill health work-related ill health in the Group. a.ii In 2022, 4 cases of work-related ill health were recorded in the Group; all cases related to Global Ports Group. b. Information regarding contractor employees is not disclosed due to the lack of tools for collecting information.		79, 146
<b>GRI 404. Training and Education (2016)</b>				
GRI 404-2	Programmes for upgrading employee skills and transition assistance programmes		Personnel Training and Development	64
GRI 404-3	Percentage of employees receiving regular performance and career development reviews		Personnel Training and Development. Appendix. ESG Data Book	67, 143





≡ contents

Group Details

---

The Group's Achievements in the Field of Sustainable Development

---

Appendices

Code	GRI disclosure	Note	Section	Page
<b>GRI 405. Diversity and Equal Opportunity (2016)</b>				
GRI 405-1	Diversity of governance bodies and employees		Corporate Governance. Workforce Structure and Turnover. Appendix. ESG Data Book	33, 55, 140
<b>GRI 406. Non-discrimination (2016)</b>				
GRI 406-1	Incidents of discrimination and corrective actions taken	Not identified		55



# TCFD Content Index

≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices

Section	Source link
<b>Governance</b>	
Disclose the organisation's governance around climate-related risks and opportunities	Low-carbon practices. Risks associated with climate change. (For more information see section 2.2.1. Low-Carbon Practices herein)
<b>Strategy</b>	
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	Low-carbon practices. (For more information see section 2.2.1. Low-Carbon Practices herein)  Risks associated with climate change. (For more information see section 1.3. Sustainability Management herein)
<b>Risk Management</b>	
Disclose how the organisation identifies, assesses, and manages climate-related risks	Low-carbon practices. Risks associated with climate change. (For more information see section 2.2.1. Low-Carbon Practices herein)
<b>Metrics and Targets</b>	
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	GHG emissions. Scope 1: 83,100 tons of CO <sub>2</sub> e. Scope 2, location-based method: 33,800 tons of CO <sub>2</sub> e. Scope 2, market-based method: 4,800 tons of CO <sub>2</sub> e. Scope 3: 2,007,600 tons of CO <sub>2</sub> e. (For more information see section 2.2.1. Low-Carbon Practices herein)



# SASB Content Index

≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices

## DeloPorts Group

Topic	Accounting metric	Units of measurement	Note	Section
GHG Emissions	Total (Scope 1) GHG emissions	'000 tons of CO <sub>2</sub> e	5.5	Low-Carbon Practices
	Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	description	The Group has voluntarily committed to reducing GHG emissions. For more information see section 2.2.1. Low-Carbon Practices herein.	Low-Carbon Practices
	Total energy consumed	TJ	183.7	Energy Efficiency
Air Quality	Air emissions of the following pollutants: 1. nitrogen oxides (excluding N <sub>2</sub> O), 2. particulate matter (PM10)	tons	Nitrogen oxides – 32.3; Particulate matter – 35.6	Air
Competitive Behaviour	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations	roubles	0	Antitrust Policy



## TransContainer PJSC

Topic	Accounting metric	Units of measurement	Note	Section
GHG Emissions	Total (Scope 1) GHG emissions	'000 tons of CO <sub>2</sub> e	15.1	Low-Carbon Practices
	Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	description	The Group has voluntarily committed to reducing GHG emissions. For more information see section 2.2.1. Low-Carbon Practices herein.	Low-Carbon Practices
	Total energy consumed	TJ	324.5	Energy Efficiency
Air Quality	Air emissions of the following pollutants: 1. nitrogen oxides (excluding N <sub>2</sub> O), 2. particulate matter (PM10)	tons	Nitrogen oxides – 98.7; Particulate matter – 5.7	Air
Employee Health and Safety	Fatality rate	%	0	Work-Related Injuries and Occupational Morbidity
Competitive Behaviour	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations	roubles	0	Antitrust Policy
Accident and Safety Management	Number of accidents and incidents	number	0 accidents; 0 incidents	Traffic Safety, Wagon and Container Fleet Safety
Activity Metrics	Large-capacity containers transported	million tons	27.3	–
	including revenue service	million tons	26.5	
	Average transportation distance	kilometres	4,557	
	including the average revenue service distance	kilometres	4,614	
	Turnover of large-capacity containers	billion ton-kilometres	124.4	
	including revenue service	billion ton-kilometres	122.3	
	Number of employees	persons	3,830	



≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices



## Global Ports Group

Topic	Accounting metric	Units of measurement	Note	Section
GHG Emissions	Total (Scope 1) GHG emissions	'000 tons of CO <sub>2</sub> e	40.8	Low-Carbon Practices
	Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	description	The Group has voluntarily committed to reducing GHG emissions. For more information see section 2.2.1. Low-Carbon Practices herein.	Low-Carbon Practices
	Total energy consumed	TJ	651.5	Energy Efficiency
Air Quality	Air emissions of the following pollutants: 1. nitrogen oxides (excluding N <sub>2</sub> O), 2. particulate matter (PM10)	tons	Nitrogen oxides – 98.3; Particulate matter – 9.1	Air
Employee Health and Safety	Fatality rate	%	0	Work-Related Injuries and Occupational Morbidity
Competitive Behaviour	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations	roubles	0	Antitrust Policy
Accident and Safety Management	Number of accidents and incidents	number	0 accidents; 4 incidents	Traffic Safety, Wagon and Container Fleet Safety



≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices



## Ruscon Group

Topic	Accounting metric	Units of measurement	Note	Section
GHG Emissions	Total (Scope 1) GHG emissions	'000 tons of CO <sub>2</sub> e	21.6	Low-Carbon Practices
	Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	description	The Group has voluntarily committed to reducing GHG emissions. For more information see section 2.2.1. Low-Carbon Practices herein.	Low-Carbon Practices
	Total energy consumed	TJ	300.1	Energy Efficiency
Air Quality	Air emissions of the following pollutants: 1. nitrogen oxides (excluding N <sub>2</sub> O), 2. particulate matter (PM10)	tons	Nitrogen oxides – 17.7; Particulate matter – 0.9	Air
Employee Health and Safety	Fatality rate	%	0	Work-Related Injuries and Occupational Morbidity
Competitive Behaviour	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations	roubles	0	Antitrust Policy
Accident and Safety Management	Number of accidents and incidents	number	0 accidents; 0 incidents	Traffic Safety, Wagon and Container Fleet Safety



≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices



# ESG Data Book

≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices

## ECONOMICS AND MANAGEMENT (G FACTOR)

GRI 2-28

### Membership associations

<b>DeloPorts Group</b>	<b>Year of membership</b>
Novorossiysk Chamber of Commerce and Industry .....	2007
Russian Association Rosmorrechbunker SRO .....	2010
Self-regulatory organisation. Russian Association of Marine and River Bunker Suppliers .....	2010
Grain and Feed Trade Association LLC (GAFTA membership) .....	2015
Southern Regional Association of Maritime Agents and Forwarders (YURAMA) .....	2017
Association of Sea Trade Ports .....	2018
Association. Self-Regulatory Organisation. Interregional Alliance of Builders .....	2020
Memorandum of agricultural products market participants on countering violations of weight and dimensional standards during road freight transportation .....	2020

<b>TransContainer PJSC</b>	<b>Year of membership</b>
All-Russian Association of Rail Transport Employers .....	2007
International Coordination Council for Trans-Eurasian Transport .....	2007
Russian Association of Freight Forwarding and Logistics Organisations .....	2020
Transport Coordination Session of the CIS .....	2008
Russian Union of Industrialists and Entrepreneurs .....	2009
Council of Participants of the Rolling Stock Operators Market .....	2009
Italian-Russian Chamber of Commerce .....	2010
Association of Railway Equipment Manufacturers .....	2015
Organisation of Railway Cooperation .....	2014
Eurasian Union of Rail Freight Traffic Participants .....	2021
Chamber of Commerce and Industry of the Rostov Region .....	2021

Chamber of Commerce and Industry of the Stavropol Krai .....	2021
Chamber of Commerce and Industry of the Krasnodar Krai .....	2021

<b>Ruscon Group</b>	<b>Year of membership</b>
Russian Association of Freight Forwarding and Logistics Organisations .....	2012
WCA World .....	2020
International Coordination Council for Trans-Eurasian Transport .....	2020
Russian Grain Union .....	2020
Russian Chemists Union .....	2021

<b>Global Ports Group</b>	<b>Year of membership</b>
Association of Sea Trade Ports .....	2008



**GRI 205-2 Communication and training<sup>1</sup> about anti-corruption policies and procedures in 2022, persons**

Indicator	TransContainer PJSC	DeloPorts Group	Ruscon Group	Delo Group, total
Total number of employees who completed training, including (by category):	3,117	1	7	<b>3,125</b>
• managers	373	–	7	<b>380</b>
• specialists	2,278	1	–	<b>2,279</b>
• workers	466	–	–	<b>466</b>

**STAFF AND SOCIAL PROGRAMMES (S FACTOR)**

**Average headcount, persons**

TransContainer PJSC	<b>3,409</b>
DeloPorts Group	<b>1,314</b>
Ruscon Group	<b>989</b>
Global Ports Group	<b>2,930</b>
<b>Delo Group</b>	<b>8,642</b>

**GRI 2-7 Average headcount by gender and age at the end of 2022, persons**

	Men	Women	Under 25	26-35	36-55	56+	Total
TransContainer PJSC	1,519	2,301	204	910	2,353	353	3,820
DeloPorts Group	1,005	367	67	285	840	180	1,372
Ruscon Group	650	392	106	241	540	155	1,042
Global Ports Group	2,191	897	176	672	1,731	509	3,088
<b>Delo Group</b>	<b>5,365</b>	<b>3,957</b>	<b>553</b>	<b>2,108</b>	<b>5,464</b>	<b>1,197</b>	<b>9,322</b>

1 Communication and training about anti-corruption policies and procedures in 2022 was conducted in TransContainer PJSC, DeloPorts Group, and Ruscon Group.



GRI 2-7 Average headcount by employment contract and type of employment at the end of 2022, persons



≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices

		Permanent contract	Fixed-term contract	Full-time employment	Part-time employment
TransContainer PJSC	men	1,499	20	1,512	7
	women	2,224	77	2,276	25
	total	3,723	97	3,788	32
DeloPorts Group	men	999	6	993	12
	women	360	7	358	9
	total	1,359	13	1,351	21
Ruscon Group	men	643	7	641	9
	women	388	4	380	12
	total	1,031	11	1,021	21
Global Ports Group	men	2,080	111	2,135	56
	women	859	38	879	18
	total	2,939	149	3,014	74
<b>Delo Group, total</b>	<b>men</b>	<b>5,221</b>	<b>144</b>	<b>5,281</b>	<b>84</b>
	<b>women</b>	<b>3,831</b>	<b>126</b>	<b>3,893</b>	<b>64</b>
	<b>total</b>	<b>9,052</b>	<b>270</b>	<b>9,174</b>	<b>148</b>



GRI 405-1 Diversity of governance bodies and employees at the end of 2022, persons



≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices

		Senior executives	Line managers	Specialists	Workers
TransContainer PJSC	men	91	310	431	687
	women	26	329	1,622	324
	total	117	639	2,053	1,011
DeloPorts Group	men	15	66	253	671
	women	3	25	235	104
	total	18	91	488	775
Ruscon Group	men	26	84	259	281
	women	7	58	301	26
	total	33	142	560	307
Global Ports Group	men	9	122	446	1,614
	women	–	78	572	247
	total	9	200	1,018	1,861
<b>Delo Group, total</b>	<b>men</b>	<b>141</b>	<b>582</b>	<b>1,389</b>	<b>3,253</b>
	<b>women</b>	<b>36</b>	<b>490</b>	<b>2,730</b>	<b>701</b>
	<b>total</b>	<b>177</b>	<b>1,072</b>	<b>4,119</b>	<b>3,954</b>



**GRI 401-1 New employee hires and employee turnover, persons<sup>1</sup>**

	Men	Women	Under 25	26–35	36–55	56 +	Number of new hires	Turnover, %
TransContainer PJSC	271	389	139	218	295	8	660	7
DeloPorts Group	130	50	33	44	97	6	180	9
Ruscon Group	211	139	99	84	139	28	350	31
Global Ports Group	479	152	131	218	262	20	631	14
<b>Delo Group</b>	<b>1,091</b>	<b>730</b>	<b>402</b>	<b>564</b>	<b>793</b>	<b>62</b>	<b>1,821</b>	<b>13</b>

**GRI 202-1 Ratios of standard entry level wage by gender compared to local minimum wage, %<sup>2</sup>**

Indicator	Delo Group	Ruscon Group			TransContainer PJSC		Global Ports Group	DeloPorts Group				
		MANP JSC	Ruscon-Broker LLC	Ruscon LLC	Trans-Container PJSC	Logistics-Terminal JSC		Delo Ports LLC	KSK JSC	NUTEP LLC	Delo Management LLC	
Ratios of standard entry level wage by gender compared to local minimum wage, %	208	128	262	281	291 China	212	274	123	164	192	196	277

<sup>1</sup> For DeloPorts Group, Ruscon Group and TransContainer PJSC, the age of hired/dismissed employees as of the date of the event (hire/dismissal) is indicated as of 31 December 2022.

<sup>2</sup> Disclosure of the indicator by gender is impossible due to the lack of tools for calculation.



contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices



GRI 401-3 Parental leave



contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices

Indicator	TransContainer PJSC			DeloPorts Group			Ruscon Group			Global Ports Group		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
1. Total number of employees that were entitled to parental leave in the reporting period	171	263	<b>434</b>	12	20	<b>32</b>	62	34	<b>96</b>	359	115	<b>474</b>
2. Total number of employees that took parental leave in the reporting period	1	225	<b>226</b>	0	13	<b>13</b>	2	28	<b>30</b>	1	32	<b>33</b>
3. Number of employees that had to return to work in the reporting period after parental leave ended	0	86	<b>86</b>	0	8	<b>8</b>	0	20	<b>20</b>	1	14	<b>15</b>
4. Number of employees that returned to work in the reporting period after parental leave ended	0	70	<b>70</b>	0	7	<b>7</b>	0	7	<b>7</b>	1	14	<b>15</b>
5. Total number of employees that returned to work in the previous reporting period after parental leave ended (2021)	2	92	<b>94</b>	0	2	<b>2</b>	0	7	<b>7</b>	0	10	<b>10</b>
6. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	2	67	<b>69</b>	0	1	<b>1</b>	0	5	<b>5</b>	1	14	<b>15</b>
7. Return to work rate of employees that took parental leave	–	81.4	<b>81.4</b>	–	87.5	<b>87.5</b>	–	35.0	<b>35.0</b>	100	100	<b>100</b>
8. Retention rate of employees that took parental leave	100.0	72.8	<b>73.4</b>	–	50	<b>50</b>	–	71.4	<b>71.4</b>	–	–	<b>–</b>



**GRI 404-3 Percentage of employees receiving regular performance and career development reviews**

	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Total across Delo Group
<b>Employees who received a formal performance review, persons</b>	<b>259</b>	<b>36</b>	<b>62</b>	<b>329</b>	<b>686</b>
% of the total number of employees	7%	3%	6%	11%	7%
Including by employee category*:					
• Managers, persons	200	31	–	146	377
% of the total number of managers	27%	28%	0%	70%	30%
• Specialists and employees, persons	59	5	62	183	309
% of the total number of specialists	3%	0.4%	7%	6%	4%
Including by gender:					
• Men, persons	153	28	22	142	345
% of the total number of men	11%	3%	3%	6%	6%
• Women, persons	106	8	40	187	341
% of the total number of women	5%	2%	10%	21%	9%

**Investments in employee training in 2022, million roubles**

	TransContainer PJSC <sup>1</sup>	DeloPorts Group	Ruscon Group	Global Ports Group	Delo Group
<b>Investments in training</b>	<b>5.2</b>	<b>6.5</b>	<b>10.9</b>	<b>43.2</b>	<b>20.6</b>

1 Only TransContainer PJSC data is included.



≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices



## Number of Group employees awarded in 2022, persons

Certificates of honour and gratitude from TransContainer PJSC			Certificates of honour from Ruscon Group	DeloPorts Group	Global Ports Group	Total
Russian Railways JSC	TransContainer PJSC and Logistics-Terminal JSC	Honorary employee of TransContainer PJSC				
94	49	3	24	6	131	307

≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices

## Social safety nets for employees, million roubles

Social safety net	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Delo Group
Voluntary health insurance for employees	70.9	8.9	9.8	15.1	104.7
Private pension plans for employees	33.3	0.0	0.0	0.0	33.3
Health resort treatment for employees and their children	4.5	0.0	0.0	0.7	5.2
Health improvement for employees' children (children's health camps)	6.4	0.0	0.0	4.7	11.1
Compensation for the costs of maintaining employees' children in preschool institutions	11.7	0.0	0.0	0.0	11.7
Compensation for travel expenses of employees	19.9	0.0	0.0	0.0	19.9
Financial assistance to employees	4.7	0.5	0.0	0.2	5.4
In connection with the birth/adoption of a child	7.0	0.0	0.0	0.0	7.0
One-time financial assistance to employees upon the birth of a child (1 million roubles)	10.7	2.4	0.5	0.0	13.6
Costs of social safety nets for retirees	6.4	0.1	0.0	0.0	6.5
<b>Total</b>	<b>175.5</b>	<b>11.9</b>	<b>10.3</b>	<b>20.7</b>	<b>218.4</b>



## Expenses on charitable programmes in 2022, million roubles

Purpose	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Delo Group
Education and science, industry-related programmes	4.0	1.9	89	0.2	<b>95.1</b>
Sports	24.0	0.6	61.7	0.3	<b>86.6</b>
Healthcare (including expenditure on combating the spread of COVID-19)	2.0	10.1	0	1.5	<b>13.6</b>
Environmental projects and environmental education	0.0	1.6	0.0	0.0	<b>1.6</b>
Social assistance, assistance to disabled children and children from large families (orphanage, low-income, large families, boarding schools, etc.)	70.0	0.0	34.7	0.9	<b>105.6</b>
Assistance to employees, including former employees, veterans	18.0	0.6	0.6	3.0	<b>22.2</b>
<b>Total</b>	<b>117.0</b>	<b>14.75</b>	<b>186.0</b>	<b>5.9</b>	<b>324.7</b>

≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices



## OCCUPATIONAL HEALTH AND SAFETY

### GRI 403-9 Work-related injuries in 2022

Indicator	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Total across Delo Group
Number of fatalities associated with the company's production activities	0	0	0	0	0
Number of serious injuries associated with the company's production activities	1	0	0	0	1
Number of work-related injuries	3	2	4	1	10
Total number of hours worked	5,678,384	2,644,480	5,630,923	1,798,391	15,752,178
Lost Time Injury Frequency Rate (LTIFR) <sup>1</sup>	0.53	0.76	0.71	0.56	0.64

### GRI 403-10 Work-related ill health

Number of fatalities as a result of work-related ill health	0
Number of cases of recordable work-related ill health	4

<sup>1</sup> The number of company employees injured in industrial accidents with loss of ability to work for 1 working day or more \* 1,000,000/actually worked man-hours in the organisation for the reporting year.



## CLIMATE AND ENVIRONMENT (E FACTOR)

### Environmental protection costs for 2022, million roubles

Purpose	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Total across Delo Group
Wastewater collection and treatment	1.838	6.671	298	26.480	35.287
Air protection and climate change prevention	4.831	8.518	282	2.147	15.778
Waste management	4.611	4.850	898	17.188	27.547
Protection and restoration of land, surface and groundwater	411	–	–	1.390	1.801
Other	2.537	11.803	879	4.528	19.747
<b>Total</b>	<b>14.228</b>	<b>31.842</b>	<b>2.357</b>	<b>51.733</b>	<b>100.160</b>

### GRI 305-1, 305-2, 305-3 TCFD, GHG emissions

Indicator	TransContainer PJSC	DeloPorts Group	Ruscon Group	Global Ports Group	Total across Delo Group
Direct (Scope 1) GHG emissions	15,120	5,583	21,559	40,802	83,064
Indirect (Scope 2) GHG emissions – location-based method	9,895	12,141	561	11,225	33,822
Indirect (Scope 2) GHG emissions – market-based method	3,422	–	561	785	4,768
Other indirect (Scope 3) GHG emissions	1,999,095	2,206	6,264	n/a	2,007,565
• Category 1. Purchased goods and services	–	1,294	5,740	n/a	7,034
• Category 2. Capital goods (fixed assets)	248,116	22	12	n/a	248,150
• Category 3. Emissions from purchased electricity not included in Scope 1 or 2	4,457	–	–	n/a	4,457
• Category 4. Transport services	1,745,335	–	–	n/a	1,745,335
• Category 5. Waste	361	234	102	n/a	697
• Category 6. Business travel	517	10	–	n/a	527
• Category 7. Employee commuting	309	645	410	n/a	1,364



# Glossary

≡ contents

Group Details

The Group's Achievements in the Field of Sustainable Development

Appendices

**Cargo transshipment** means cargo transfer from one type of transport to another through port warehouses or directly from one vehicle to another (from railway wagons, river vessels, road transport to sea vessels and vice versa).

**Code** means a legislative act containing codified norms for one or several industries.

**Compensatory measures** means measures aimed at maintaining or restoring the stress-strain state of the groundwater regime.

**Container terminal** means a site on which a complex of equipment and structures is located for performing container transportation operations.

**Corporate governance** means a system of relationships between the Group's management, its Board of Directors, shareholders and other stakeholders, which is the basis for determining the Group's goals, as well as the means to achieve these goals and ways to monitor activities.

**EBITDA** means earnings before interest, taxes depreciation and amortisation.

**Employee turnover** in human capital management means the rate at which employees leave an organisation.

**ESG** (Environmental, Social, and Corporate Governance) means a set of characteristics of the company management allowing the company to solve environmental, social and governance problems.

**Grain terminal** means a complex for transshipment of grain crops.

**Green energy** means a part of the energy production system that uses renewable energy sources. The most common types of green energy are photovoltaic conversion of solar energy and the use of wind energy.

**GRI** (Global Reporting Initiative) means an international organisation aimed at the development and implementation of an authoritative and trusted sustainable development reporting system which is accessible for organisations regardless of their size, type of activity and location.

**GRI Standards** means the latest version of the internationally recognised sustainability reporting framework developed by the Global Reporting Initiative.

**Group** in this Report means assets that are part of Delo Group, namely TransContainer PJSC, GKS LLC, DeloPorts LLC, and Global Ports.

**HPF** means hazardous production facility.

**Impact** in this Report means significant economic, environmental and social impact of the Group's activities.

**Intermodal transportation** means a system for international delivery of goods using several modes of transport under a single shipping document and transfer of goods at transshipment points from one type of transport to another using a single freight unit (or vehicle) without the cargo owner.

**KPIs** (Key Performance Indicators) means numerical indicators expressed in absolute or relative (percentage) terms to measure the effectiveness and efficiency of actions taken.

**RO/RO** or roll-on/roll-off means transportation of goods which are loaded/unloaded without lifting equipment.

**Stakeholders** means all individuals and legal entities interested in the activities of the Group who affect or are affected by the results of the Group's activities.

**Stevedoring company** means a company engaged in ship loading and unloading operations in ports.

**Sustainable development** means the development of the economy, society and technology which help to improve people's lives and minimise the negative impact on the environment.

**Twenty-foot equivalent unit (TEU)** means a measure of volume in units of a twenty-foot-long (6.1 m) intermodal ISO container.



# Contact Details

Full corporate name of the company .....	Limited Liability Company Delo Management Company
Abbreviated corporate name of the company .....	Delo Management
Postal address of the Company .....	15 Donskaya Street, Moscow, 119049, Russia
Webpage address on the Internet.....	<a href="https://www.delo-group.ru/">https://www.delo-group.ru/</a>
Multichannel line.....	+7 (495) 933-19-19
Contacts for the media.....	<a href="mailto:post@delo-group.ru">post@delo-group.ru</a>
Contact person responsible for information in the Report.....	<a href="mailto:smirnova@delo-group.com">smirnova@delo-group.com</a>

≡ contents

Group Details

The Group's  
Achievements in the  
Field of Sustainable  
Development

Appendices