



SUSTAINABILITY
REPORT

Lifelines

30 years of building
a great Company

2023



Table of Contents

Message from the Management of Delo Group	3	2. Group's Contribution to the National Development Goals of the Russian Federation and the UN SDGs	19	4. Environmental (E)	42	6. About the Report	72
1. About Delo Group	5	3. Social (S)	24	4.1. Climate Change and GHG Emissions	44	6.1. Reporting Approach	73
1.1. Group Summary	6	3.1. Human Resource Management	26	Energy Efficiency	47	Reporting Boundaries	73
Stevedoring Division	8	Management Approach	27	4.2. Efficient Resource Management	50	6.2. Materiality Assessment	74
Transportation and Logistics Division	9	Personnel Structure	27	Water Consumption and Protection of Water Resources	51	6.3. Independent Auditor's Limited Assurance Report	75
Shipping Division	10	Youth Outreach	28	Air Protection	53	6.4. Contacts	79
1.2. Mission and Goals	12	Benefits for Employees and Their Families	29	Waste Management	54	Appendices	80
Strategic Goals	12	Compensation and Incentives	33	4.3. Biodiversity Conservation	55	GRI Content Index	81
Our Values	12	Employee Training and Development	33	5. Governance (G)	56	ESG Databook	90
1.3. Business Geography	14	3.2. Occupational, Industrial and Fire Safety	35	5.1. Governance System	58	Social (S)	90
1.4. Key Performance Indicators in 2023	15	Management Approach	35	5.2. Sustainability Management	59	Environmental (E)	105
1.5. ESG Ratings	17	Occupational Health and Safety Management System	35	ESG Risk Management	61	Governance (G)	115
1.6. Partnerships and Memberships in Associations and International Initiatives	18	Occupational Injury and Illness Rates	37	Stakeholder Engagement	62	Glossary	119
		3.3. Community Development	38	5.3. Compliance and Business Ethics	65		
		3.4. Human Rights, Diversity and Inclusion	41	5.4. Customer Focus	66		
				5.5. Sustainable Supply Chain	67		
				5.6. Innovation and Digitalization	68		
				5.7. Cybersecurity and Data Protection	71		

Message from the Management of Delo Group

GRI 2-22

Dear colleagues and partners,

We are pleased to share with you Delo Group's Sustainability Report, which discloses our key sustainability achievements in 2023.

In 2023, Delo Group celebrated its 30th anniversary. Starting as a small freight forwarding company in the port of Novorossiysk, over the years of strong management, accumulation of experience and continuous investment in development, we have significantly expanded our geographical footprint and the scale of our operations, with our team growing to more than 10,000 people.

We value the trust and partnerships we have built with all of our stakeholders and strive to meet their highest expectations. This approach has allowed us not only to ensure fair and mutually beneficial relationships, but also to celebrate our Group's 30th anniversary as a leader in the Russian market and a driver of the sustainability agenda in the industry.

Last year, we focused on developing new destinations and alternative routes, forging partnerships and launching digital services. However, despite the many demands of adapting to changes in the industry, responsible business practices remain at the heart of our development.

In line with our priorities, in 2023 we started to develop our Sustainability Strategy, which will define the Group's goals in this area and consolidate our commitment to responsible business practices. We will continue to report on progress made against the Strategy's objectives in future Sustainability Reports.

We are pleased that our commitment to sustainable practices has not gone unnoticed, as evidenced by our high rankings in Russian ESG ratings. In fact,

all subholdings representing the Group's core businesses ranked among the top non-financial companies in the joint ESG index compiled by RBC and NKR Rating Agency. In addition, the Group's main transportation and logistics company topped the ESG Transportation Corporate Responsibility Rating, earning a "Leader" designation and an "AA" rating. The Group also received an international rating from India's ESGRisk.ai, becoming the first Russian company to be given an international rating after the withdrawal of specialized US and European agencies.

During the year under review, in line with national trends, the Group updated and strengthened its reporting approach to include information on the company's contribution to the National Development Goals¹ and to comply with the recommendations of the Ministry of Economic Development.

As one of the largest transportation and logistics groups in Russia, Delo Group is aware of the extent of its impact on the economy, society and the environment and strives to minimize negative and maximize positive effects.

In 2023, the Group continued to focus on reducing its environmental impact and remained the leader in Russian "green" logistics.

The Group pays particular attention to initiatives aimed at achieving carbon neutrality. In the year under review, for example, we continued to implement projects to convert our facilities to renewable energy sources. Our terminals in the port of Novorossiysk use clean electricity generated by wind farms, and our tugboats are connected to shore-side power sources when docked, reducing fuel consumption and eliminating air emissions.

¹ This Report follows the National Development Goals of the Russian Federation through 2030, as set out in Presidential Decree No. 474 of July 21, 2020, as applicable to the period under review (2023).

Also in 2023, we launched a pilot project to install solar collectors on the roofs of our "dry" container terminals to improve their overall energy efficiency and reduce greenhouse gas emissions. In addition, we continued the practice of purchasing Renewable Energy Certificates to offset our carbon footprint. In the year under review, with the support of our partners from Sber, En+ Holding and the National ESG Alliance, we offset more than 13,000 tons of CO₂e of greenhouse gas emissions.

As a responsible market player, we are committed to reducing the carbon footprint not only within the Group, but also in our clients' supply chains. In the year under review, we developed the Carbon Footprint Calculator, which allows our partners to estimate the amount of greenhouse gas emissions generated by the delivery of their shipments.

The Group is implementing measures to increase the percentage of recycled waste and to promote the principles of a closed-loop economy. Some of the Group's companies have already adopted the practice of channeling certain types of waste for reuse in the operational cycle.

In the year under review, the Group invested in the modernization of its wastewater treatment facilities, which significantly reduced the risk of contamination of water bodies.

The Company recognizes that a professional and close-knit team has been and continues to be the foundation of the Group's success and its core value, which is why taking care of employees is a priority area of the Group's corporate social responsibility agenda. We are committed to improving working conditions and increasing employee engagement, creating opportunities for professional growth, and improving occupational safety.

In the period under review, the Group continued to implement the Safety Leadership project, which aims to increase employee responsibility and awareness. The focus on employee safety contributed to a zero-incidence rate of occupational illnesses and fatalities in all the Group companies.

To increase the talent pool and expand career opportunities for women, the Group launched an internal retraining program in port machinery operations in 2023 to enable female tallymen to acquire new professional skills.

The Group also attaches great importance to employee benefits. Importantly, the corporate project "Demography" aimed at supporting large families was extended to all Group companies in 2023. Last year, a total of 29 of our colleagues received payments of RUB 1 million for the birth of their third and each subsequent child.

The Group cares not only for its employees, but also for the people who live in the communities in which it operates, and continuously invests in creating a comfortable environment for residents and in developing infrastructure. In 2023, we continued to beautify public gardens and parks, and supported sports and cultural events. In the year under review, our investments in infrastructure development and social support in the cities where we operate amounted to RUB 771 million.

In summary, our adherence to sustainability principles has made us a more attractive company to our clients and employees and reduced our financial costs. Going forward, we will continue to implement best practices and drive ESG transformation in the transportation and logistics sector.



01

ABOUT DELO GROUP

LINE OF MOVEMENT

Shaping today
and tomorrow together

9

MARINE
TERMINALS

47

"DRY"
TERMINALS

41k

FLATCARS



About Delo Group

GRI 2-1, GRI 2-6²

1.1. Group Summary

Delo Group (the Group, Delo)³ is Russia's largest transportation and logistics group, established in 1993. The Group companies provide container, grain, RoRo⁴ and bulk transportation services across all stages of the multimodal transportation chain both in Russia and internationally, offering their clients more than 300 thousand transportation solutions. The holding company of the Group is Delo MC.

By developing multimodal transport routes and international transport corridors, Delo Group opens new markets and opportunities for Russian importers and exporters. The Group contributes to the improvement of transport connectivity across Russia's regions, making a significant contribution to the country's social and economic development, ensuring uninterrupted logistics and transport autonomy.

The Group's core businesses are stevedoring, transportation and logistics, shipping and information technology. The Group operates 9 marine terminals and 47 "dry" terminals⁵. The total annual throughput capacity of the marine terminals is 3.9 million TEUs⁶ and 9 million tons of grain, while the annual throughput capacity of the "dry" terminals is 3.7 million TEUs. The Group operates a fleet of 41 thousand flatcars and containers with a total capacity of 230 thousand TEUs, as well as its own fleet of ships.

Delo Group views sustainability as an important business imperative in combination with its corporate values and strives to maintain a balance between

its own economic interests and its social, corporate and environmental commitments. Attention to sustainability and pursuit of new technologies have made Delo Group a leader in Russia's "green" logistics, which aims to minimize the impact of logistics and shipping operations on the environment.

ESG Alliance Standard⁷

Delo Group continues to implement its corporate family support policy, i.e., the corporate program to increase the birth rate, support maternity and childhood, which aims to improve the standard of living and working conditions for employees' families with children. The Group's specialists, in cooperation with the Mendeleev Institute for Demographic Policy, created the first Russian corporate standard for the implementation of similar family support programs for families with children in other companies and regions. The standard provides standard corporate documents, including templates for collective bargaining agreements, standard social policy regulations and guidelines.

13.26 mln tons

OF BULK CARGO TRANSSHIPPED IN 2023

² Indicators according to GRI Standards 2021.

³ References to "Delo Group" and "the Group" include Delo Management Company LLC ("Delo MC") and all subholdings included in Delo Group's reporting boundaries.

⁴ "RoRo cargo" means cargo that is loaded and unloaded without the use of lifting equipment.

⁵ Hereinafter: Including joint ventures.

⁶ "TEU" means a twenty-foot equivalent unit based on the volume of a 20-foot (6.1 m) ISO intermodal container.

⁷ Indicators according to the Methodology for Assessing Business Contribution to the National Development Goals of the Russian Federation developed by the National ESG Alliance in 2024.

Delo Group's sustainability investments
in 2023, RUB mln



658.2

SOCIAL GUARANTEES FOR EMPLOYEES



280.3

OCCUPATIONAL HEALTH AND SAFETY



306.9

ENVIRONMENTAL PROTECTION



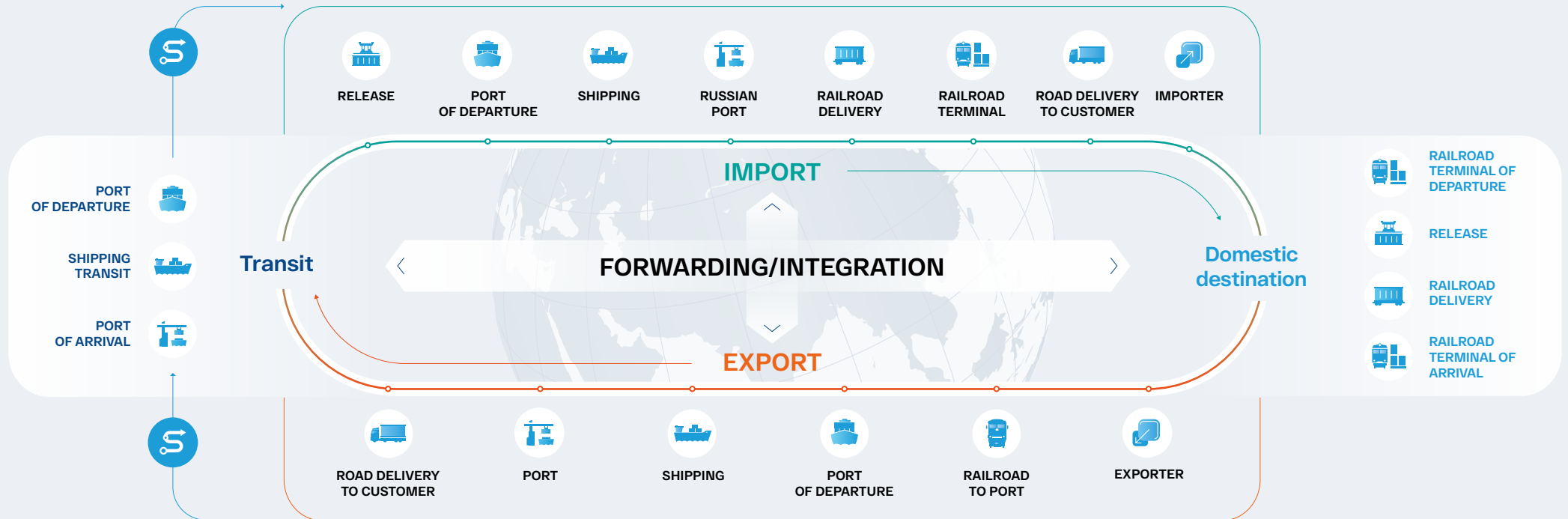
770.6

INFRASTRUCTURE INVESTMENTS
AND SERVICES SUPPORTED



End-to-end logistics and container operations

Delo Group responds to the needs of its clients by providing a wide range of logistics services, regardless of the length of the route and the complexity of the logistics chain. This approach adds value to our services, ensuring their competitiveness and customer satisfaction.



Stevedoring Division

The Group's Stevedoring Division includes terminals in the Azov-Black Sea, Baltic and Far East basins, which are key regions for international cargo flows.

The Stevedoring Division focuses on container handling, transshipments and storage of grain, RoRo, bulk and other types of cargo, as well as ship towing services with the help of 6 new highly maneuverable tugboats.



Operational highlights

3.9 mln TEUs/year

CAPACITY OF MARINE CONTAINER TERMINALS

9 mln tons/year

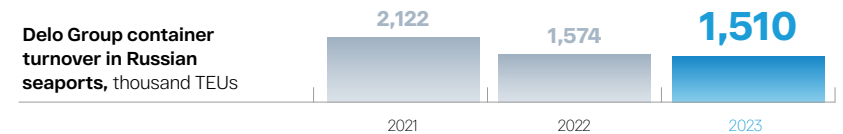
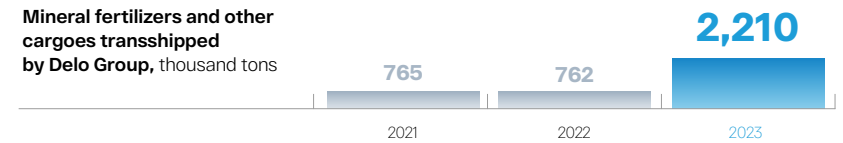
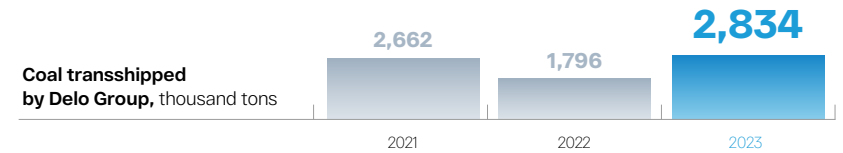
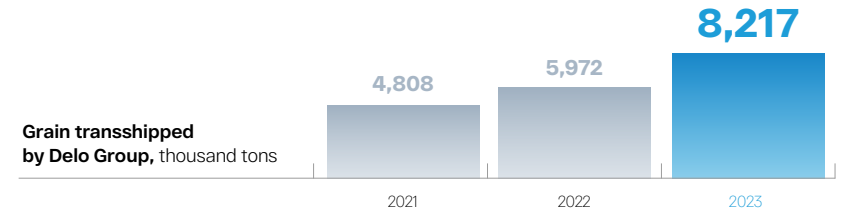
CAPACITY OF GRAIN TERMINAL

1,822

MOORED VESSELS IN 2023

RUB 13.1 bln

INVESTMENT IN THE GROUP'S STEVEDORING OPERATIONS IN 2023



Transportation and Logistics Division

Delo Group's transportation and logistics companies provide rail and multimodal transportation services, ensuring fast, reliable and sustainable cargo delivery. As part of this business, the Group is also involved in customs clearance and logistics route optimization.

Delo Group's Transportation and Logistics Division includes 47 "dry" terminals across Russia, as well as the largest fleet of containers and railroad flatcars. Delo Group's own infrastructure and integrated door-to-door transportation and logistics solutions enable the delivery of containerized cargoes to any destination not only in Russia, but also in CIS countries, Europe and Asia.



Operational highlights

3.7 mln TEUs/year

CAPACITY OF "DRY" TERMINALS

450

MOTOR VEHICLES

41 k

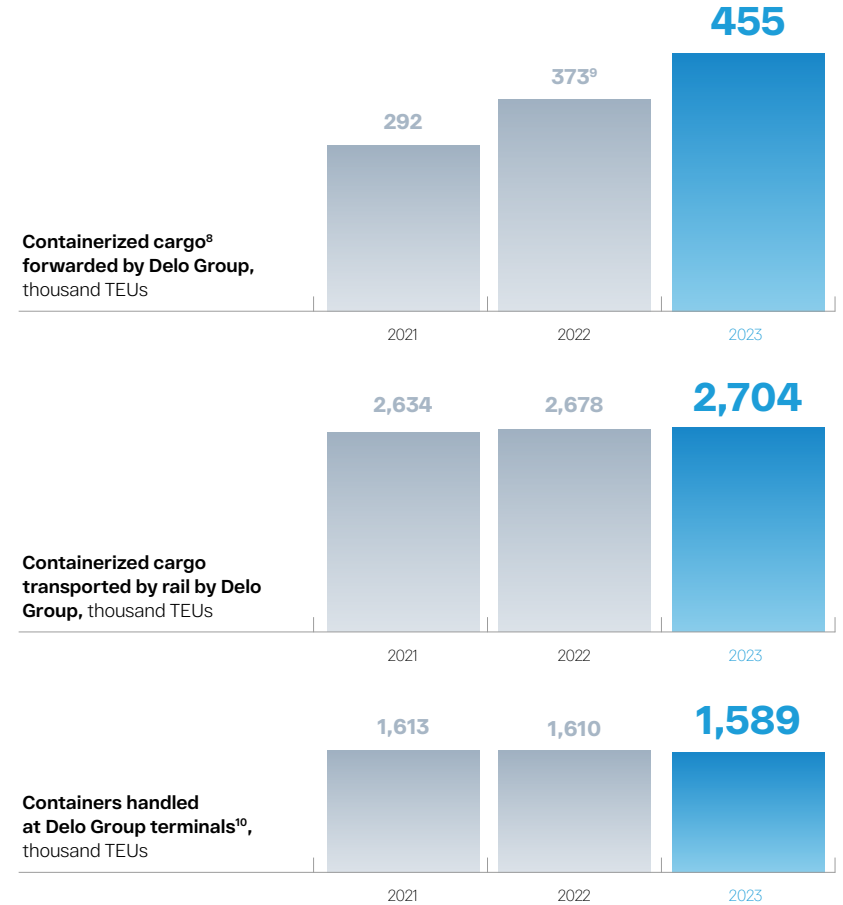
FLATCARS

36.4%

SHARE OF THE RUSSIAN RAIL CONTAINER TRANSPORT MARKET IN 2023 (TOTAL TRANSPORT)

RUB 2.7 bln

INVESTMENT IN THE DEVELOPMENT OF TERMINAL INFRASTRUCTURE



⁸ Freight forwarding is a one-stop service that includes organizing and handling all stages of cargo transportation from the consignor to the consignee.
⁹ Figures have been updated and restated compared to those presented in Delo Group's Sustainability Report 2022.
¹⁰ A container terminal is a logistics hub for container handling where the following container operations take place: arrival and dispatch (delivery to and release from the terminal), customs clearance, temporary storage, sorting, loading and unloading of cargo, and maintenance.

Shipping Division

The Shipping Division includes cabotage operations aimed at ensuring that the residents of the Russian Far Eastern regions have access to the necessary goods and services. Delo Group operates across the entire Russian Far East and the Northern Sea Route. The Group also provides tramp and ferry services, as well as multimodal logistics for various types of cargo.



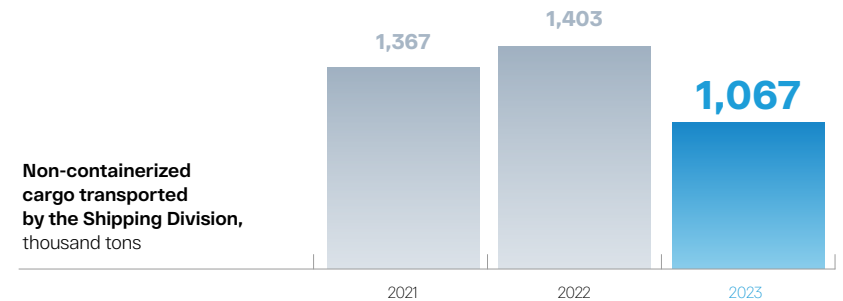
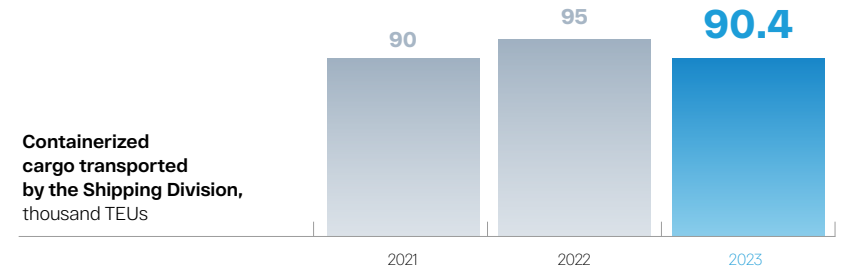
Operational highlights

14 vessels

THE FLEET OF THE SHIPPING DIVISION,
INCLUDING 1 HARBOR TUG AND 13 VESSELS
OF ICE CLASS NOT LOWER THAN L1 (ARC4),
INCLUDING 3 SPECIALIZED CONTAINER VESSELS,
7 MULTIPURPOSE DRY CARGO VESSELS,
3 DIESEL-ELECTRIC VESSELS

18,374

TOTAL PASSENGERS CARRIED
IN 2023



Delo Group celebrated its 30th anniversary in 2023

Delo Group is the flagship of the Russian logistics industry¹¹



The largest private transportation company in Russia



3 BASINS OF OPERATION:

AZOV-BLACK SEA, BALTIC SEA, FAR EAST



RUB 145 bln

INVESTED IN TERMINAL AND INFRASTRUCTURE DEVELOPMENT



The largest operator of container terminals in Russia



1

RAILROAD OPERATOR FOR CONTAINERIZED CARGO TRANSPORTATION



300 K

TRANSPORTATION SOLUTIONS



9 marine terminals and 47 "dry" terminals



1

CONTAINER LOGISTICS COMPANY: THE LARGEST FLEET OF CONTAINERS AND FLATCARS, THE LARGEST CAPACITY OF MARINE AND RAIL CONTAINER TERMINALS



230 K TEUs

CONTAINER FLEET



Leader in multimodal container transportation in Russia



41 K

FLATCARS

30 years in the transportation market

- The Group maintains an ongoing dialogue with its stakeholders, and its communication is built on the principles of openness, partnership and a balance of interests.
- The Group remains a reliable supplier, conducting its business in accordance with the highest standards of business ethics.
- The Group is committed to reducing the carbon footprint of its clients' supply chains.
- The Group is actively developing IT technologies and new technological solutions to enhance efficiency and improve service quality.
- The Group is constantly enhancing its information security system to safeguard the data of its employees and clients.

Events dedicated to the Group's 30th anniversary

- Our employees received awards and certificates of honor from the Chairman of the Board of Directors, the Ministry of Transport of the Russian Federation and the Federal Service for Supervision of Transport. [📄](#)
- We organized a trip to Moscow for six large families of our employees from various Russian cities. [📄](#)
- Outdoor photo exhibitions were held in Moscow and in the cities of the Far East dedicated to two themes: "Logic of Movement" with industrial landscapes of our operations and "People of Delo" with portraits of our employees. [📄](#)
- As part of the celebrations of the 30th anniversary of Delo Group and the 185th anniversary of the foundation of the city of Novorossiysk, we organized the first children's football festival and children's handball tournament. [📄](#)
- We redeemed 30 million certificates under Russia's voluntary Carbon Zero standard, offsetting more than 10,000 tons of CO₂e of greenhouse gas emissions. [📄](#)
- Lastly, we organized tree planting events in all subholdings, where our employees actively participated. [📄](#)

¹¹ Based on the Group's estimations as of the end of 2023.

1.2. Mission and Goals

Strategic Goals

1

Become the cornerstone for the advancement and enhancement of the transport and logistics sector by implementing innovative and cutting-edge solutions. Play a pivotal role in safeguarding Russia's transport autonomy and fostering the growth of the nation's infrastructure.

2

Remain a reliable and responsible partner for both Russian and foreign companies. Ensure smooth logistics, stable export and import operations, and help our clients open up new markets.

3

Maintain and improve the quality of service and customer experience to the highest level by collaborating and combining the efforts of all subholdings.

4

Implement strategic business development projects both in Russia and abroad.

Our Values

► RELIABILITY

For 30 years, Delo Group has been delivering top-notch transportation and logistics services. We do this by applying the best business practices, leveraging data analysis and market forecasts, continuously improving our processes and expanding our geography. Our clients and partners include some of the world's largest international corporations.

► TRUST AND OPENNESS

We treat each other with respect and maintain open communication with our stakeholders.

► SOCIAL RESPONSIBILITY

We contribute to the development of Russian cities and regions and support charitable and social initiatives.

► TECHNOLOGICAL EXCELLENCE

We offer solutions that meet international quality standards, and develop new, innovative technologies to enhance our operations.

► CUSTOMER FOCUS

Delo Group's competitive advantage lies in its commitment to exceeding clients' expectations. Our business approach is built on working with our clients in a customer-oriented manner.

► PURSUIT OF EXCELLENCE

Delo Group supports the personal development and growth of each employee. We see every partnership as an opportunity for both professional and personal growth.

► TEAMWORK

Our employees share the values of teamwork: commitment to a common cause, effective collaboration, and a spirit of innovation.



Development of international logistics

Delo Group forms partnerships with other market players to enhance the availability and quality of transport services to international destinations.

In 2023, Delo Group and Shandong Port Group (SPG) signed a Memorandum of Cooperation (MoC). The MoC outlines a wide range of areas where the two parties will collaborate:

- Organization of multimodal container transportation between Russia, China, Central Asia and the Middle East.
- Creation of a joint venture to implement transportation and logistics projects in Russia and China.
- Cooperation in establishing international supply chains and logistics for exporting grain and other bulk goods from Russia to China via the Far East.
- Joint development of integrated services and digital solutions, including a door-to-door transportation platform and a unified supply chain control system.
- Construction and operation of infrastructure facilities, including the introduction of innovative technologies to create and expand terminal capacity and the acquisition of modern port equipment.
- Sharing knowledge and expertise in managing stevedoring assets.

Delo Group and SPG are also collaborating to strengthen cultural and sporting ties between our countries. For example, the Delo Group team participated in the SPG Far East Cup regatta.



Also, at the TransRussia-2023 international exhibition, Delo Group signed a Memorandum of Understanding with Russia's largest trucking company. Cooperation in this area will allow to improve logistics chains in the segment of multimodal transportation, the demand for which has increased due to the growing volume of cargo transportation to and from foreign destinations.

As international destinations become more popular, multi-modal transportation plays a crucial role in ensuring seamless logistics. By combining our resources into a unified transportation solution, we will be able to offer our customers convenient door-to-door container services.

1.3. Business Geography

GRI 2-1, GRI 2-6

ANCHOR BALTIC BASIN

Stevedoring Division

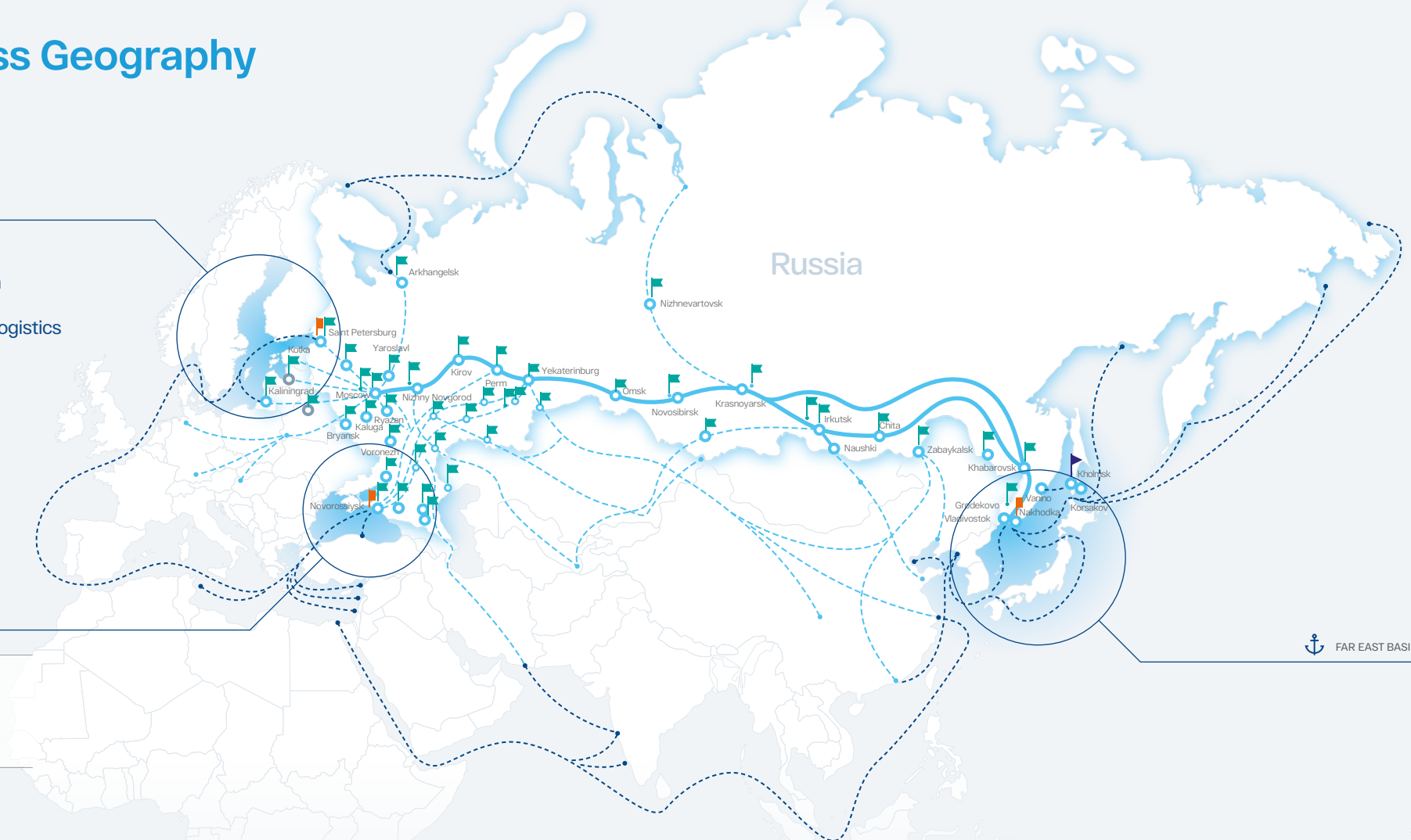
Transportation and Logistics Division

Shipping Division

ANCHOR AZOV-BLACK SEA BASIN

ANCHOR FAR EAST BASIN

- Main routes
- Overland routes
- Sea routes



1.4. Key Performance Indicators in 2023

Delo Group is actively promoting the ESG (Environmental, Social, and Governance) agenda in the industry and implementing "green" logistics practices. Here are the key indicators for 2023 demonstrating the effectiveness of our ongoing sustainability efforts.



Key performance indicators for 2023

Governance (G)

760

EMPLOYEES RECEIVED ANTI-CORRUPTION TRAINING

100%

OF EMPLOYEES TRAINED IN ANTI-CORRUPTION PRACTICES

1 mln TEUs/year

RECORD HIGH TRANSSHIPMENT VOLUMES AT TERMINALS USING THE INNOVATIVE CONTERRA TERMINAL MANAGEMENT SYSTEM

42%

OF LEADERSHIP POSITIONS HELD BY WOMEN

134

SUPPLIERS ASSESSED AGAINST ESG CRITERIA

Occupational health and safety (S)

0.85

LOST TIME INJURY FREQUENCY RATE (LTIFR)

0

FATALITIES

Key performance indicators for 2023

Employee engagement (S)

10,084 people

EMPLOYED BY DELO GROUP AS
OF DECEMBER 31, 2023

41.3%

OF EMPLOYEES ARE WOMEN

2,110

EMPLOYEES RECEIVED FINANCIAL AID UNDER
THE DEMOGRAPHY PROJECT

69%

EMPLOYEE ENGAGEMENT RATE

RUB ~150 mln

SPENT BY THE GROUP ON EMPLOYEE
HEALTHCARE

Environmental protection (E)

RUB 306.9 mln

SPENT ON ENVIRONMENTAL PROTECTION

2,168.3 K m³

TOTAL WASTEWATER DISPOSAL

30 mln

CARBON ZERO CERTIFICATES PURCHASED

2,190.9 K m³

TOTAL WATER WITHDRAWAL

> 55 K MWh

OF RENEWABLE ELECTRICITY CONSUMED

88.7%

OF WASTE RECYCLED AND NEUTRALIZED

1.5. ESG Ratings

ACRA

ACRA ESG

In December 2023, ACRA rating agency upgraded the ESG rating of the Group's Transportation and Logistics Division to ESG-3, ESG-B. This is a very high score in terms of environmental, social, and governance performance.

The rating upgrade was based on the Group's strong performance in a number of environmental indicators (reduction of waste generation and greenhouse gas emissions), its good wage dynamics, and the implementation of a number of sustainability best practices.

The agency also confirmed the ESG rating for the Group's Stevedoring Division, which remains at ESG-5, ESG-C. Meanwhile, the agency's experts have noted a decrease in waste generation, water consumption, harmful emissions and wastewater discharge over the past three years. The company's social impact rating has been further improved through the implementation of automated safety control systems, 100% employee training coverage, and annual indexation of 100% of employee salaries at a level equal to or greater than the rate of inflation.



ESG RATING
BY RBC AND NCR

All five subholdings, which represent the Group's core businesses, were included in the joint ESG index compiled by RBC and NCR Rating Agency, and ranked highly among non-financial companies. The ranking was based on questionnaire data, including non-public information.



ESG RAEX

The Group ranked third in Top 50 Energy, the first ESG ranking of Russian non-financial companies with a special focus on the green energy transition, developed by the RAEX agency. The ranking is based on an assessment of companies' policies, reporting and performance indicators in terms of energy use and renewable energy.

Delo Group was also ranked 39th in the Top 50 Russian companies that prioritize human rights, diversity and inclusion. The Group also made it to the Top 50 Supply Chains ranking, which assesses the maturity of companies' responsible practices in their supply chains.

In May 2023, Delo Group achieved a significant milestone by ranking 20th in the ESG rating of Russian companies published by the rating agency RAEX-Europe. The company was recognized as the leader in the transport and logistics sector.



ESG RISK.AI

In the spring of 2023, India's ESG Risk Assessments & Insights awarded the Group's key transportation and logistics company an ESG-RISK 'A' rating, confirming the company's sustainability leadership and successful track record in ESG risk management.



ECG RATING

The Transportation and Logistics Division received the top (high) level rating, the Stevedoring Division received a second (above average) level rating, and the Shipping Division received a third (average) level rating. Delo Group became the winner of the responsible business rating "Environment, Company Personnel, Government" (ECG) prepared by the Financial University under the Government of the Russian Federation and the Mendeleev Institute for Demographic Policy in the category "Corporate Demographic Policy". The Group was awarded for its corporate program aimed at increasing the birth rate and the number of children in the families of its employees.

In 2023, the Group's railroad container operator topped the ECG Corporate Responsibility rating among transportation companies, being recognized as a "Leader" and receiving an "AA" rating.



Elena Svirina

Deputy Director General
for Finance and Sustainability,
Delo Management Company

"In the year under review, Delo Group celebrated its thirtieth anniversary. Over the years, the Group has become a leader in the Russian transportation and logistics sector and a champion of green logistics.

We are proud that Delo Group has been able to maintain its leadership positions in key ESG ratings in its anniversary year."



1.6. Partnerships and Memberships in Associations and International Initiatives

GRI 2-28

Delo Group understands that establishing strong collaborations and partnerships is crucial for achieving the Group's strategic operational goals and advancing the sustainability agenda at the national level. By participating in industry and professional initiatives, the Group has the opportunity to share its position, knowledge, experience and best practices on economic, environmental and social issues with Russian business leaders and regulators.

Delo Group actively collaborates with various specialized organizations, including:

- The Russian Union of Industrialists and Entrepreneurs (RSPP);
- The Italian-Russian Chamber of Commerce;
- The Organization for Co-operation between Railways;
- The World Cargo Alliance (WCA World);
- The International Coordinating Council on Trans-Eurasian Transportation;
- The Russian Grain Union.

(Please refer to the ESG Databook for a complete list of associations of which Delo Group is a member)¹² [↗](#)

Delo Group is one of the founders and an active member of the National ESG Alliance. By focusing on the implementation of projects for the development of the regions where it operates and for environmental protection, the Group makes its own contribution to achieving the national goals of the Russian Federation for the transition to a sustainable development model. The Company regularly attends meetings of the Alliance's specialized committees and working groups to discuss and identify priority areas and trends in the development of the national ESG agenda.

The Group became a member of the Digital Transport and Logistics Association (DTLA), another industry-specific platform for building partnerships, sharing experiences and best practices with other market players. The Group's membership in the Association will also allow it to leverage its digitalization expertise to shape rules and standards for the industry in this area.

¹² See the Appendix.

The Russian Union of Industrialists and Entrepreneurs' Competition "Leaders of Russian Business"

In the spring of 2023, the Russian Union of Industrialists and Entrepreneurs announced the results of the all-Russian competition "Leaders of Russian Business: Dynamics, Responsibility, Sustainability." The Russian Union of Industrialists and Entrepreneurs praised Delo Group's corporate project aimed at increasing the birth rate and supporting employees with large families. As a result, Delo Group became the winner in the category "Support for Employees with Family Duties, Maternity and Childhood."

More than 200 companies from various sectors of the economy, including metallurgy, chemical industry, engineering and logistics, took part in the competition. The aim of the competition was to promote sustainable business development and identify dynamically developing companies based on their economic, social and environmental performance.



02

GROUP'S CONTRIBUTION TO THE NATIONAL DEVELOPMENT GOALS OF THE RUSSIAN FEDERATION AND THE UN SDGS

LINE OF OPPORTUNITIES

Seeing opportunities in every direction

> 306

RUB MLN
SPENDING ON ENVIRONMENTAL PROTECTION

658.2

RUB MLN
SPENDING ON EMPLOYEE BENEFITS

145

RUB BLN
TOTAL SPENDING ON TERMINAL AND INFRASTRUCTURE DEVELOPMENT



Group's Contribution to the National Development Goals of the Russian Federation and the UN SDGs

The National Development Goals of the Russian Federation through 2030 and the United Nations Sustainable Development Goals (UN SDGs) are used as a benchmark for setting the Group's strategic priorities and planning its sustainable development projects and initiatives. The integration of global and national sustainable development goals into the Group's strategic plans contributes to the long-term development of the business and society as a whole.

Based on the results of the analysis and a series of consultations with key stakeholder groups, five key National Development Goals, five priority and three complementary UN SDGs have been identified.



Russia's National Development Goals

Preservation of the population, the health and welfare of the people

[For more information, see the Social \(S\) section](#)

Decent and effective jobs and successful enterprise

Conditions for self-fulfillment and the unlocking of talent

[For more information, see the About Delo Group and Social \(S\) sections](#)

UN SDGs and targets



3.1. Reduce the maternal mortality ratio

3.8. Achieve universal health coverage



8.1. Sustain economic growth

8.3. Promote development-oriented policies that support job creation and entrepreneurship

8.5. Achieve full employment, decent work and equal pay

8.6. Reduce the proportion of youth not in employment, education or training

8.8. Protect labor rights and promote safe and secure working environments

Description of activities

- The Group offers all employees a high-quality compensation package, including a Voluntary Health Insurance (VHI) program
- 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
- The Group organizes charity events and supports the initiatives of charitable foundations and non-profits in the regions where it operates
- The Group promotes sports and healthy lifestyles, organizes and sponsors sporting events

- The Group supports economic growth and development of the regions where it operates by scaling up its business and creating new jobs
- The Group ensures safe and decent working conditions for each employee
- The Group implements various programs to support its employees and provides social guarantees
- The Group respects human rights and integrates the principles of human rights protection into all corporate processes
- The Group companies have partner relations with Russian and foreign higher education institutions

Delo Group's contribution in 2023

- The Demography project has been extended to all Group companies
- RUB 119 mln spent on employee health insurance
- Atmosphere Corporate Foundation has been supporting the Center for Rehabilitation of People with Disabilities in Kronstadt and the Life Line Foundation, which helps children with serious illnesses
- Children's sports competitions were organized, including the first children's football and handball festival in Novorossiysk

- 2,075 new employees were hired
- 0 fatalities
- RUB 280.3 mln spent on the implementation of occupational health and safety measures
- RUB 658.2 mln spent on employee benefits
- 12% increase in hiring of employees with disabilities
- The BFSU-Delo Foreign Internship Center project was implemented, and cooperation with the Admiral Makarov State University of Maritime and Inland Shipping, the Russian Foreign Trade Academy, and other industry-specific universities and colleges continued

Russia's National Development Goals

Regional development

Digital transformation

 For more information, see the Governance (G) section

Comfortable and safe environment

 For more information, see the Environmental (E) section

UN SDGs and targets



9.1. Develop reliable, sustainable and resilient infrastructure



7.2. Increase the share of renewable energy

12.5. Reduce waste generation

13.2. Integrate climate change measures into policies and planning

13.3. Improve education, awareness-raising on climate change mitigation

14.1. Reduce marine pollution

Description of activities

- The Group develops and modernizes port and terminal infrastructure facilities in partnership with local authorities
- The Group develops new digital solutions
- The Group develops proprietary software solutions and establishes information cooperation with other market participants in Russia and abroad

- The Group implements measures to reduce the carbon footprint of its operations and supply chain
- The Group implements measures to prevent the negative environmental impact of its operations
- The Group companies strive to increase the proportion of waste diverted from disposal
- The Group is committed to increasing the share of renewable energy

Delo Group's contribution in 2023

- RUB 145 billion invested in terminal and infrastructure development
- A cooperation agreement was signed with the Primorsky Territory Government to develop the region's transport and logistics potential and improve the competitiveness of rail container transportation
- iTrans, an automated system for multimodal transportation management, was launched
- The Group is actively involved in the development of the National Digital Transport and Logistics Platform (NDTLP) of the Russian Federation
- New version of iSales digital platform was launched
- A strategic partnership agreement was signed with the Digital Transport and Logistics Association

- I-REC and Carbon Zero certificates were purchased to offset indirect greenhouse gas emissions
- The Carbon Footprint Calculator was developed for customers
- The Group's facilities used energy generated from RES (Renewable Energy Sources), including solar panels installed on terminals
- 9 electric transloaders were purchased from ZPMC, China
- >RUB 306 mln was spent on environmental protection
- ~88.7% of waste was recycled or neutralized
- A project to upgrade local storm water treatment facilities was implemented at one of the Group's terminals

Russia's National Development Goals

Decent and effective jobs and successful enterprise

UN SDGs and targets



17.16 Enhance the global partnership
for sustainable development

Description of activities

- The Group actively cooperates with national and international associations and organizations in the field of sustainable development

Delo Group's contribution in 2023

- The Group is a founding member of the national ESG Alliance and a member of the Russian Union of Industrialists and Entrepreneurs' Committee on Climate Agenda and Carbon Regulation
- The Group is a member of the "Russian-Turkish Dialogue" International Association
- The Group signed a Memorandum of Cooperation with Shandong Port Group (SPG) and resolution of establishment a joint venture to implement transportation and logistics projects in Russia and China
- The Group participated in a number of international and Russian forums, conferences and exhibitions, where the following agreements were concluded:
 - Agreement on Development of Transport and Social Projects in Krasnodar Territory (St. Petersburg International Economic Forum (SPIEF))
 - Cooperation agreements were signed with the Primorsky Territory Government and the Ministry for the Development of the Russian Far East and Arctic (Eastern Economic Forum (EEF))
 - A Memorandum of Cooperation was signed with Delovye Linii Group on the development of container transportation to international destinations (TransRussia 2023)

 For more information, see the About Delo Group sections

03

SOCIAL (S)

LINE OF CARE

Caring for those around us

10,084

EMPLOYEES
IN THE GROUP

~150

RUB MLN

SPENDING
ON EMPLOYEE
HEALTHCARE

69%

EMPLOYEE
ENGAGEMENT
RATE



Social (S)

Delo Group understands that people are the most important resource and the key factor in ensuring successful business growth. Comprehensive support for employees and the development of the regions where the Group operates are unconditional priorities for the Group.

ESG Alliance Standard

Key performance indicators for 2023

10,084

employees in the Group

69%

employee engagement rate

1,170

employees participated in a comprehensive performance review

0

fatalities

2,110

employees received assistance through the corporate family and parenting support programs

RUB ~150 mln

spent by the Group on employee healthcare

Delo Group's approach to social management

Delo Group's social development activities contribute to the achievement of:

Russia's National Development Goals

- Preservation of the population, the health and welfare of the people
- Conditions for self-fulfillment and the unlocking of talent
- Decent and effective jobs and successful enterprise

UN SDGs



Material topics disclosed¹³

- Occupational, industrial and fire safety
- Effective human resources management
- Ensuring respect for human rights, diversity and inclusion

Plans for 2024

- Standardize approaches to human resources management: develop common rules and methods for building a talent pool, employee training and development, and the bonus system
- Develop a uniform approach for all the Group companies to the selection and implementation of socially significant projects, including the development of a system to evaluate their effectiveness
- Improve the employee motivation system and finalize the system of key performance indicators (KPIs), including the development of cross-functional indicators
- Create a unified grade-based compensation system for all subholdings of the Group
- Streamline the internal organization, including the development of a one-stop information portal for employees, in order to involve them in the corporate culture and expand distance learning opportunities
- Minimizing industrial incidents

The Group's social focus

- Ensuring a safe and inclusive work environment and improving occupational health and safety
- Implementation of social programs for employees and their families
- Supporting career development and providing opportunities for professional growth
- Development of corporate culture and active involvement of personnel in socially important projects and initiatives
- Implementation of social and charitable projects and support for the communities in which the Group operates
- Community Support Policy

Key reference documents

- Sustainability Policy [↗](#)
- Occupational Health and Safety Policy [↗](#)
- Human Rights Policy [↗](#)
- Employee Compensation Regulations

¹³ For a list of the topics identified as material to the Company and a description of the method used to identify them, see the About the Report section.

3.1. Human Resource Management

The Group is committed to creating a comfortable working environment and building trust with its employees, implementing social support measures and providing equal opportunities for professional development. All employees of the Group share common values of teamwork:

- ▶ **commitment to a common cause**
- ▶ **effective collaboration**
- ▶ **innovative leadership**



10,084 pers.

EMPLOYED BY DELO GROUP AS OF DECEMBER 31, 2023



Management Approach

GRI 3-3

The Group companies conduct an annual assessment of the achievement of individual and corporate key performance indicators (KPIs). The results are used to calculate the bonus portion of individual compensation.

In 2024, the Group will continue to improve the KPI system, including by increasing the number of cross-functional indicators that allow teams to combine their efforts to achieve common goals in the most efficient way.

In 2023, an engagement survey was conducted across all the Group companies to obtain feedback. In the year under review, the Group's employee engagement level was 69% and satisfaction with the employee benefits package was up to 71%.

Personnel Structure

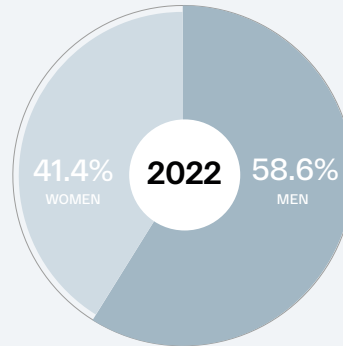
GRI 401-1, GRI 405-1



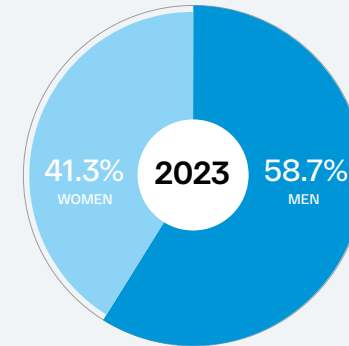
INCREASE IN DELO GROUP'S TOTAL HEADCOUNT FROM DECEMBER 31, 2022. THE EMPLOYEE TURNOVER RATE IN 2023 WAS 14.5%.

GRI 2-7

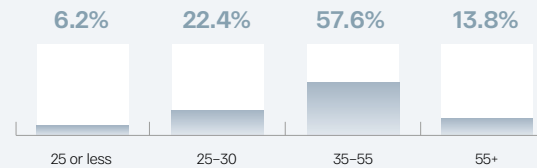
Personnel by gender at the end of 2022



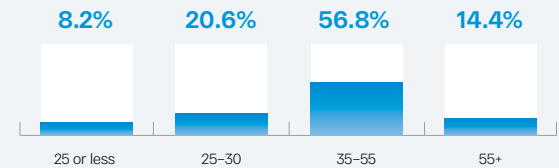
Personnel by gender at the end of 2023



Personnel by age at the end of 2022

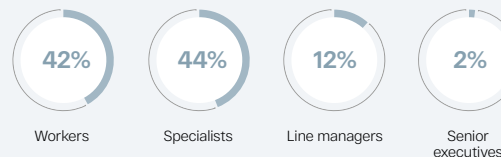


Personnel by age at the end of 2023



GRI 405-1

Personnel by type of job at the end of 2022



Personnel by type of job at the end of 2023



Outdoor photo exhibitions in Moscow



In the summer of 2023, two photo exhibitions were organized to celebrate the 30th anniversary of Delo Group. These exhibitions showcased more than 60 unique photographs, which were displayed on Nikitsky and Gogolevsky boulevards in Moscow, as well as in the cities of the Far East, including Russky Island, Ussuriysk, Nakhodka and Vladivostok.

The project was the result of a large-scale photographic expedition: photographers spent two months traveling to the main cities and regions where Delo Group operates, taking portraits of the professionals behind the Group's success.

The "People of Delo" exhibition was dedicated to the Group's employees. Photographs of representatives of various professions made it possible to create a corporate portrait of the Group, and short biographies and quotes made it possible to get to know the heroes of the exhibition. The frames of the "Logic of Movement" exhibition depicted the industrial landscapes of Delo Group's key assets.



Youth Outreach

ESG Alliance Standard

Delo Group continues its long-standing partnership with leading Russian universities, focusing on internship programs for students from specialized higher education institutions.

In 2023, a total of more than 300 students completed industrial and pre-graduation internships at the Group's facilities, and nearly 50 of them were hired by the Group.

In 2023, Delo Group and Beijing Foreign Studies University (BFSU) signed an agreement to establish the BFSU-Delo Foreign Internship Center for Chinese students, based on the Group's training center that trains qualified professionals for the transportation industry. The students receive full support during their stay in Russia. At the end of the internship, each student receives a written evaluation report. By the end of the year, 6 students from China had completed the two-month training program.

"We expect that the Internship Center will develop into a hub for enhancing Russian-Chinese collaboration in the field of training qualified personnel, particularly for the transport and logistics sector. This aligns with the Group's objectives of creating a pool of talented individuals and strengthening the workforce potential of our companies in the context of the active expansion of cooperation between our countries."



Sergey Shishkarev
Chairman of the Board of Directors,
Delo Group

Cooperation with the Admiral Makarov State University of Maritime and Inland Shipping



Delo Group has established strong partnerships with various Russian specialized educational institutions, including the Admiral Makarov State University of Maritime and Inland Shipping. In 2023, we developed a joint educational program at the Petrolsport terminal in St. Petersburg.

Under the guidance of experts, students learn about various types of port equipment and specialized machinery. They also gain an understanding of how to handle and store different types of cargo. During the reporting period, 49 students participated in the program. Five of them were subsequently hired by the Group.

Delo Group employees also regularly give specialized lectures to students at the Institute of International Transport Management and the Institute of Water Transport in St. Petersburg.

"A terminal-based university department is an excellent opportunity for students to gain maximum practical experience, which will be essential from the very first day of work. In 2022-2023, 23 graduates from Makarov University joined our company. We are excited to welcome these talented new employees. With this program, I am confident that many young professionals will have the chance to excel and become part of the Delo Group team."



Yakov Fedorenko
HR Director, Stevedoring Division

Benefits for Employees and Their Families

Delo Group's Program to Increase the Birth Rate and Support Motherhood and Childhood

ESG Alliance Standard

The Group is committed to the well-being of all its employees and is actively working to provide them with the necessary social support. Supporting the families of the Group's employees helps to create a favorable and productive working environment. The flagship project in this area is the Program to Increase the Birth Rate and Support Motherhood and Childhood.

In order to determine the list of necessary support measures, a survey was carried out prior to the start of the project to identify the difficulties that the Group's employees felt could discourage them from having a second, third or more children.



Demographic survey highlights

- ~50% of employees under 40 have no children
- ~30% of employees under 40 have one child
- ~3% of all employees have three or more children

To manage the Program effectively, a position of a Social Manager was created. This person informs employees about the support measures offered by the company through its corporate program, as well as about available government benefits.

To share the best social practices among Russian companies, Delo Group, in collaboration with the Mendeleev Institute for Demographic Policy, developed a corporate demographic standard. This standard is available to all Russian companies on the Smarteka platform. [➔](#)

The results of the survey were used to develop the support measures.

The program offers:

- Payment of RUB 1 mln for the birth of a third and each subsequent child
- Additional payments during parental leave
- Additional payments during pregnancy leave and in case of early return from maternity leave
- Reimbursement of kindergarten fees and children's camp vouchers
- Reimbursement of health resort treatment expenses for employees' children
- Reimbursement of medical expenses for employees' children
- Expansion of the VHI program for employees
- VHI program for employees' children
- Flexible working hours for employees with children

Project impact assessment results

During the reporting period, for the first time, the impact of the implementation of the Program in the transportation and logistics companies was evaluated, which showed the following results for the year:

- +20%** increase in the birth rate
- +4%** increase in the birth rate of third and subsequent children
- 19%** reduction in the turnover rate of employees receiving support in connection with the birth/ adoption of a child



A Father's Day Trip to Moscow

As part of the Group's efforts to support large families, a one-week trip to Moscow was organized for the first time on the occasion of Father's Day. The large families of employees from St. Petersburg, Novorossiysk, Vladikavkaz and Kholmsk visited the capital.

4

CITIES

6

FAMILIES

12

ADULTS

23

CHILDREN (AGED 5 TO 16)

The participants enjoyed a rich cultural and entertainment program. They also had a unique opportunity to talk to Sergey Shishkarev, the Chairman of the Board of Directors of Delo Group, about the importance of implementing the demographic program. They could also learn first-hand about the Group's key social projects/

The importance of the Program to the Group and society as a whole

- Implementation of a responsible approach to human resource management through comprehensive employee support
- Improved employee loyalty
- Lower employee turnover and retention of the best talent
- Improved image as a responsible employer
- Performance of the role of a demographic agent of the state
- Contribution to the implementation of Russia's National Development Goals, including those under the National Project "Demography"

Program highlights in 2023

- The program was extended to all subholdings of the Group
- RUB 120 mln invested
- 29 employees received RUB 1 mln each for the birth of their third and subsequent children

Recognition by the expert community

- Winner of the ECG rating in the "Corporate Demographic Policy" category
- Certificate of the Russian Union of Industrialists and Entrepreneurs' Competition "Leaders of Russian Business – 2022"

Plans for 2024

- Develop a system for evaluating the effectiveness of program implementation

IT as a tool for effective communication

In 2023, we piloted a digital platform based on the IT system developed by the Mendeleev Institute for Demographic Policy. This platform provides a convenient and efficient way for individuals to communicate with the Social Manager of the Demography Program. The platform operates using a Telegram bot, which allows our employees to receive real-time information about the support measures offered by the company through its corporate program, as well as about available government benefits.



120 employees

PARTICIPATE IN THE SUPPORT PROGRAM
FOR LARGE FAMILIES

"Creating a comfortable work environment for employees with many children is one of the top priorities of Delo Group. I view our demographic program as a responsibility that falls on me personally. I am pleased to see that the team has embraced it well, and an increasing number of families are benefiting from the support measures we have put in place for them."



Sergey Shishkarev
Chairman of the Board of Directors, Delo Group



GRI 401-2

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

- Voluntary health insurance programs
- Reimbursement of health resort treatment expenses for employees and their children
- Reimbursement of expenses for improving the health of employees' children (children's health camps)
- Reimbursement of kindergarten fees
- Reimbursement of travel expenses of employees and their family members
- Financial assistance to employees in connection with the birth/adoption of a child
- One-time financial assistance of RUB 1 mln to employees upon the birth of a third and each subsequent child
- Financial assistance in case of family emergencies
- Social guarantees for non-working retirees, etc.

Compensation and Incentives

In 2023, Delo Group began the process of centralizing and unifying its approach to creating a fair and transparent compensation system and providing equal social guarantees to employees across all the Group companies.

Employee compensation is based in part on the achievement of established KPIs developed by HR departments and approved by the management.

GRI 2-20

In the period under review, the methodology for grading employees was approved, the compensation system was correlated with the updated grade registers, and a grading project was launched in which all subholdings participated. The Group plans to extend the uniform compensation rules to all subholdings.

As part of the grading project, the following activities were carried out:

- Positions were evaluated.
- Company grades, job categories and job grades were determined.
- The company grade structure was developed.
- Grade-based compensation ranges were determined.
- Position-based compensation rates were compared with market rates.
- An action plan was developed to bring compensation levels in line with the market rates.

Certificates of Honor awarded by Delo Group



Delo Group actively develops a system of non-financial rewards to recognize and appreciate the outstanding achievements of our best employees. In celebration of the Group's 30th anniversary, we were honored to present awards and Certificates of Honor to our top performers. These awards were given to them by the Chairman of the Board of Directors of Delo Group and by the Chairman of the Management Board of Russian Railways. Additionally, our employees received departmental awards from the Ministry of Transport of the Russian Federation, including an Honorary Transport Worker Award and a Letter of Thanks from the Minister of Transport, as well as from the Federal Service for Supervision of Transport (Rostransnadzor). Certificates of Honor were awarded to 90 employees of the Group.

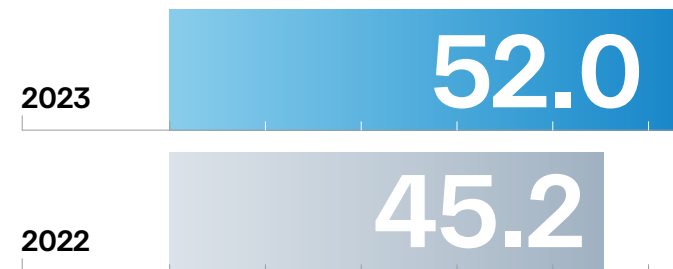


Employee Training and Development

GRI 404-2

The Group pays special attention to the development and professional growth of its employees, creating opportunities for continuous training, development of new professional and managerial skills, competencies and knowledge.

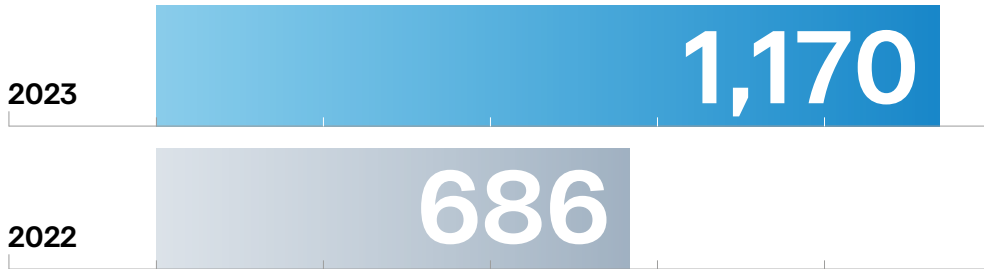
Investment in employee development and training, RUB mln



GRI 404-3

During the year under review, the Group companies continued to implement corporate training programs aimed at strengthening not only work competencies but also leadership skills, including those of company managers. The Group's employees (top managers, shift managers, specialists and engineers) regularly undergo performance and career development reviews, which contribute to improving the efficiency of business management.

Number of employees who have undergone a regular performance and career development review, people



Percentage of employees who have undergone a regular performance and career development review, %



Retraining program for female stevedoring employees

In 2023, the Group launched an internal retraining program in port machinery operations for female tallymen. The program is designed to create more opportunities for the professional development of women working in the production segment of the Stevedoring Division and to expand the Group's talent pool

in the face of a growing shortage of qualified port professionals.

The retraining program includes 240 hours of theoretical and practical training. In 2023, 17 female employees were retrained from tallymen to crane and port equipment operators.

Talent Pool Project

In 2023, the Group continued to implement its Professional Manager training program for key specialists and managers.

The program consists of two parts: a basic program and an advanced program. After completing the program, employees take final tests in a convenient mobile format on an online platform. Throughout the training process, each employee receives personalized support to create an individual development plan.

Upon completion of the program, each participant is added to Delo Group's talent pool. During the reporting period, a total of 258 people completed the Professional Manager program.

One of Delo Group's transport and logistics companies launched the "Platform for Growth" program in 2023. The program is aimed at developing employees' competencies and includes mentoring by experienced mentors (Delo Group employees with the necessary competencies). The program also includes preparing employees for target positions and implementing their final projects aimed at improving the efficiency of the company's processes.

Based on an assessment of their potential and competencies, 47 participants were selected out of the total of 205. These 47 employees will participate in a comprehensive development program between 2023 and 2025.

3.2. Occupational, Industrial and Fire Safety

ESG Alliance Standard

Management Approach

The Group is responsible for the safety of more than 10,000 employees and contractors, so putting people's health before production results is one of the fundamental principles of Delo Group's approach.

The Group follows a comprehensive preventive approach to managing occupational health and safety risks, takes measures to develop a culture of safe behavior at all sites, and conducts regular training for employees at all levels to raise their awareness of potential risks.



Occupational Health and Safety Management System

GRI 403-1

Delo Group has a robust hierarchy-based occupational health and safety management system that covers all of the Group's operations. The OHS management system is based on the Occupational Health and Safety Policy, which reflects the Group's commitments, the responsibilities of employees, and the goals, objectives and principles that govern the operational activities of the companies.

Managers at all levels throughout the Group ensure that OHS requirements are met and that applicable regulatory decisions are implemented to provide a safe working environment.



EMPLOYEES TRAINED IN OHS



SPENT ON OHS TRAINING

Delo Group's OHS investments in 2023

ESG Alliance Standard

OHS implementation expenses, RUB mln





GRI 403-2

Delo Group uses a risk-oriented approach to ensure safe working conditions. Whenever a new job is created or working conditions change, a new risk assessment is conducted. Subholdings conduct a full risk assessment when necessary. Based on the results of the risk assessment, a register of critical risks and corrective action plans to mitigate them are prepared.

The Group conducts risk assessments in accordance with the laws of the Russian Federation and the Occupational Health and Safety Management System (OHSMS) implemented in its subholdings. Each identified risk is investigated by detecting, identifying and describing the underlying cause and context of its occurrence, as well as its potential consequences. The Group also conducts internal investigations into all accidents through committees formed in accordance with relevant Russian laws and internal policies of the subholdings. The findings of these investigations serve as the foundation for tailored measures aimed at preventing similar violations and accidents and mitigating risks in the future.

The Group promotes open communication with employees on occupational health and safety issues and encourages them to report potential risks directly to their supervisor or through the hotline. Among other things, every employee has the right to refuse to perform work until the risks have been eliminated.

GRI 403-4

Every employee, directly or through his/her representative, has the right to:

- Participate in the discussion of issues related to occupational health and safety and improvement of working conditions
- Make proposals for the development, planning and implementation of measures to improve working conditions and occupational health and safety

- Get acquainted with the Group's internal occupational health and safety regulations
- Receive information on working conditions at their workplace, established guarantees and compensations, and measures taken by the Group's subholdings to improve working conditions

Employees are encouraged to consult and share information on occupational health and safety issues with the Occupational Health and Safety officers by any means of communication available (face-to-face, telephone hotline, e-mail).

GRI 403-5

The following types of training are provided to the Group's employees:

- Regular annual training for managers and specialists in the prevention of work-related injuries
- Mandatory training for employees in occupational health and safety, fire and industrial safety, and electrical safety
- Employee consultation and information exchange on occupational health and safety issues
- Specialized training, such as work at height training.

GRI 403-6

For full-time employees, the Group companies provide additional social safety nets, including:

- Voluntary health insurance programs
- High-quality healthcare for workers involved in hazardous activities or those associated with the likelihood of occupational diseases
- Paramedic stations at terminals
- Assistance to employees and their family members (spouses, parents and children) with expensive treatment not included in compulsory or voluntary health insurance programs, in cases where the cost of such treatment exceeds the employee's average monthly income.

Occupational Injury Prevention System

To minimize the risks, the Group has developed a program for preventing workplace injuries. This program focuses on five key areas of safety:

- 1) Compliance with industrial safety regulations and implementation of risk mitigation measures
- 2) Regular inspections of safe work practices during equipment maintenance, including when contractors are involved
- 3) Implementation of the 5S Lean Production System (sort, set in order, shine, standardize, sustain) in the premises and workplaces of technical and auxiliary services
- 4) Uniform standards for handling hazardous materials
- 5) Safety seminars for employees to define the direction of safety development at terminals, etc.



Occupational Injury and Illness Rates

GRI 403-9, GRI 403-10, SASB TR-RA-320a.1

In 2023, the Group maintained a zero-fatality rate among full-time employees. Among contractors, this rate was also zero.

The Group prioritizes safety at all stages of its value chain and therefore plans to continue its Safety Culture Project in 2024, which includes the Safety Leadership training program.

GRI 403-3, GRI 403-7

The following measures are taken to identify, manage and reduce the effects of adverse OHS impacts directly related to the activities of the Group companies:

- Special assessment of working conditions and occupational risks is carried out in accordance with regulatory requirements
- Third-party liability insurance is procured for hazardous production facilities
- Emergency containment and recovery plans are developed
- Industrial and laboratory controls are carried out to ensure compliance with sanitary regulations and the implementation of sanitary and preventive (anti-epidemic) measures

ESG Alliance Standard



8,800 employees

PARTICIPATE IN CORPORATE HEALTH PROMOTION PROGRAMS

The majority of the Group's employees work in conditions that are not classified as severe or hazardous, resulting in the low level of occupational diseases in the Group. However, the Group takes a preventive approach and pays attention to preventive measures. The Company covers swimming pool and gym fees and organizes corporate sports activities (football, etc.) for its employees

- Employees are provided with certified personal and collective protective equipment
- Action plans are developed to reduce negative impact on health and safety of employees
- All employees undergo a mandatory pre-employment medical examination, and certain categories of employees, particularly those with access to vehicles, cranes, vessels, etc., undergo periodic medical examinations
- Employees receive training in safe working methods and techniques, etc.

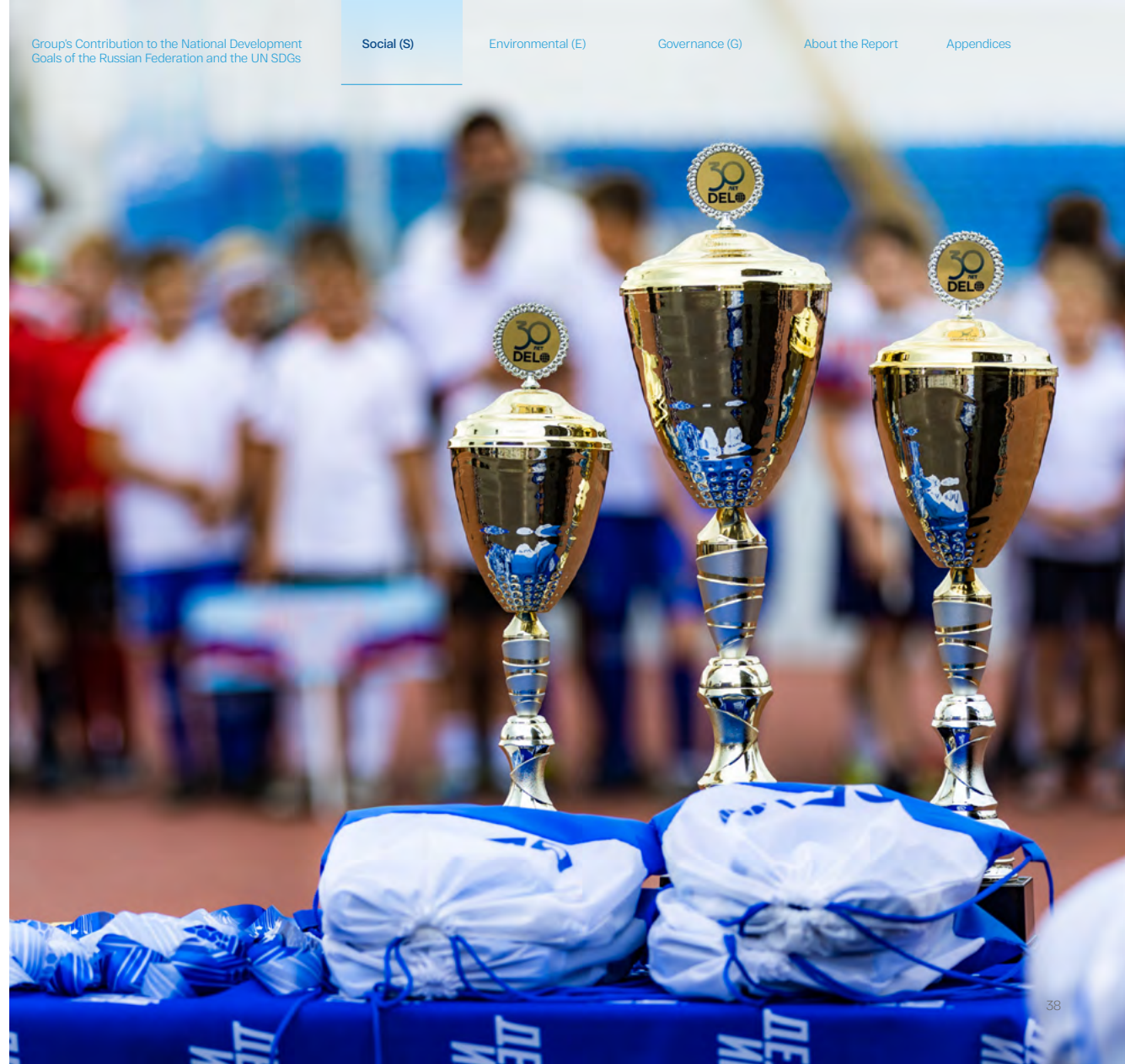
3.3. Community Development

GRI 203-2, GRI 3-3 ESG Alliance Standard

Delo Group is aware of its responsibility for the quality of life not only of its employees, but also of the local communities in the regions where the Group companies operate. One of the key aspects of Delo Group's social policy is the implementation of initiatives that contribute to the sustainable development of these regions. The Group collaborates with local authorities and attracts resources to address infrastructure constraints as part of the development of the regions in which it operates.

The main areas of community interaction are:

- ▶ Aligning the Group's development strategy with the regional development plan and creating additional jobs in the regions where the Group operates
- ▶ Developing infrastructure in the regions where the Group operates, in cooperation with local authorities and deputies
- ▶ Implementation of comprehensive social and charitable projects
- ▶ Establishing communication with local community representatives



In 2023, Delo Group and the Sakhalin Region Government signed a cooperation agreement to develop the region's transport, logistics and tourism potential. As part of the agreement, it is planned to develop the Korsakov port, which will increase tourism potential, create new jobs, increase cargo traffic and ensure sustainable development of the region.



Agreements on joint infrastructure development have also been signed with a number of other regional governments:

- Governments of the Krasnodar Territory and the city of Novorossiysk
- Government of the Omsk Region
- Government of the Kemerovo Region
- Government of the Primorsky Territory

At the Eastern International Forum (EIF), an agreement was signed with the Ministry for the Development of the Russian Far East and Arctic. The expansion of the company's operations will improve the connectivity between these territories, increase their investment attractiveness, and enhance their economic and social development.

Also, in the year under review, an action plan for Delo Group's participation in the development of social infrastructure in the cities of Artyom, Nakhodka and Kholmsk in 2024 was prepared and approved.



INVESTMENT IN INFRASTRUCTURE AND PUBLIC SERVICES
IN THE REGIONS WHERE THE GROUP OPERATES



INVESTMENT BY THE GROUP COMPANIES IN IMPROVEMENT
AND INTEGRATED DEVELOPMENT OF CITIES AND TOWNS

Cooperation agreement signed at SPIEF 2023



A trilateral cooperation agreement was signed at SPIEF 2023 to develop transport and logistics potential and implement social and sports projects in the Krasnodar Territory and the city of Novorossiysk.

The cooperation includes joint implementation of projects for construction, reconstruction and modernization of the port and related infrastructure in Novorossiysk with the help of regional investment incentive mechanisms, as well as reconstruction of sports and social facilities. Together with its partners, Delo Group intends to continue providing charitable support to local children's and youth sports organizations.



Social responsibility and care for local communities is an integral part of the Group's corporate culture. The Group's employees regularly participate in corporate volunteering and charity events.

ESG Alliance Standard

For many years, the Group has been an active supporter of sports, acting as general partner for regional and municipal sports events, supporting amateur and professional sports teams, and organizing various sports events for its employees and the residents of the cities in which it operates.

ESG Alliance Standard

Volunteer campaign at Izmalkovo Resort

In October 2023, Delo Group employees took part in a clean-up day held at Izmalkovo Resort, which is currently under construction and where the beneficiaries of the Gift of Life Foundation will live and receive treatment. Volunteers cleaned the area before winter: they cut bushes, collected leaves, preserved flower beds and planted plants.

The construction of Izmalkovo Resort is the largest and most ambitious project of the Gift of Life Foundation. Izmalkovo will welcome its first young patients in 2024.

Street Handball and Basketball Center in Kazan

Together with SIBUR, Delo Group opened a Street Handball and Basketball Center in one of the new districts of Kazan. The area of the sports facility is almost 3 thousand square meters. The infrastructure of the center includes 3 sports fields and 4 stands for the audience.

Children's football festival and children's handball tournament to celebrate the Group's 30th anniversary

On September 16, 2023 the first children's football festival took place at the Tsentralny Stadium in Novorossiysk. The event was held as part of the celebration of the 30th anniversary of Delo Group and the 185th anniversary of the city's foundation. About 300 students from 33 schools of Novorossiysk took part in the event. After the match, Sergey Shishkarev, founder and Chairman of the Board of Directors of Delo Group, and Andrey Kravchenko, Head of the Hero City of Novorossiysk, presented cups and medals to the winners of the festival.

As part of its efforts to support and develop sports, Delo Group also sponsors the Chernomorets football club and the CSKA and Chernomorochka handball teams.

On November 25, 2023, the final stage of the children's handball tournament organized by Delo Group took place at the DELO SPORT Sports Complex in the village of Abrau-Durso. Girls aged 12-14 from 19 schools of Novorossiysk participated in the tournament. The winning teams received valuable prizes and memorable gifts.



RUB 840 thousand

EXPENDITURE ON PRESCHOOL INFRASTRUCTURE DEVELOPMENT

ESG Alliance Standard

Activities of Atmosphere Foundation

In 2023, the Atmosphere Charitable Foundation¹⁴ of Delo Group spent more than RUB 34 mln on projects supporting children's education and sports, healthcare, and on the implementation of socially significant initiatives:

- Sponsorship of children's sports clubs, including the Portovik Club in Nakhodka
- Purchase of an electric hoist and 500 gifts for the wards of the Center for Rehabilitation of People with Disabilities in Kronstadt
- Regular assistance to children with serious illnesses through the Life Line Foundation
- Supporting the city authorities in landscaping and organizing city cultural events: with the Foundation's support, the ecological public garden in Vrangal was landscaped and projects to create comfortable living conditions in Nakhodka were funded

¹⁴ Atmosphere Corporate Charitable Foundation was established by the companies of the Stevedoring Division of Delo Group in 2019 to support public initiatives, social and environmental programs in the Primorsky Territory, Leningrad Region and St. Petersburg.

3.4. Human Rights, Diversity and Inclusion

GRI 2-23, GRI 2-25, GRI 406-1

Delo Group guarantees equal rights and opportunities in hiring and career development by adhering to high standards of diversity and inclusion in the workplace, which are governed by Delo MC's Human Rights Policy [\[X\]](#). Each new hire of the Group is required to read and sign the Human Rights Policy upon joining the Group. The Human Rights Policy and other sustainability policies are freely available to employees, business partners and other stakeholders on the Group's website.

The Group is committed to creating a work environment that encourages people with diverse skills and talents to work effectively, where each team member can make a unique contribution. Having diverse teams of professionals allows for effective management of processes and communication, ensuring the successful operation of the Group's businesses.

As part of this strategy, the Group hires employees with disabilities and other special health needs, taking into account the specifics of operations and working conditions in the industry. The Group companies create

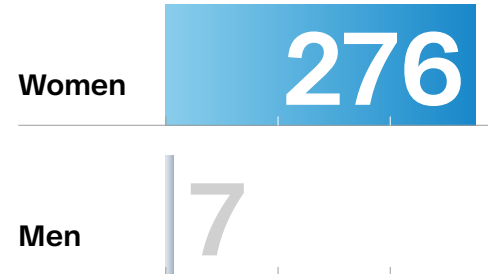
comfortable working conditions that meet employees' needs, and provide a system of social support and benefits. Going forward, the Group companies will continue to develop an accessible environment and an inclusive culture, as well as improve recruitment and onboarding practices.

The Group's priority is not only to attract a diverse workforce, but also to ensure comprehensive onboarding and professional development. In 2023, the focus in this area was on implementing professional retraining programs and creating opportunities for personal development, including through corporate volunteering.

By attracting young professionals, the Group aims to create a favorable and comfortable environment conducive to retaining talent and building long-term cooperation.

As part of its demographic project, the Group provides comprehensive support for young parents and equal parental leave opportunities for men and women.

Number of employees who took parental leave in 2023, pers.



GRI 2-30

The Group respects the right of its employees to be represented and to have their social and employment rights and interests protected. Through effective communication, the Group seeks to involve its employees in the management and implementation of the social agenda.

Employees can turn to trade unions for free advice, methodological, legal and financial support and in other situations

Human rights violations or manifestations of discrimination of any kind can be reported through special channels:

- Hotline 8 (800) 250-11-31 (toll free);
- E-mail: ethic@delo-group.ru;
- Feedback form on the corporate website at www.delo-group.ru.

Every complaint, including anonymous ones, is thoroughly investigated and appropriate action is taken.

71.8%

OF EMPLOYEES ARE COVERED BY A COLLECTIVE BARGAINING AGREEMENT

0 reports

OF HUMAN RIGHTS VIOLATIONS OR DISCRIMINATION

LINE OF RELIABILITY

Getting our priorities right

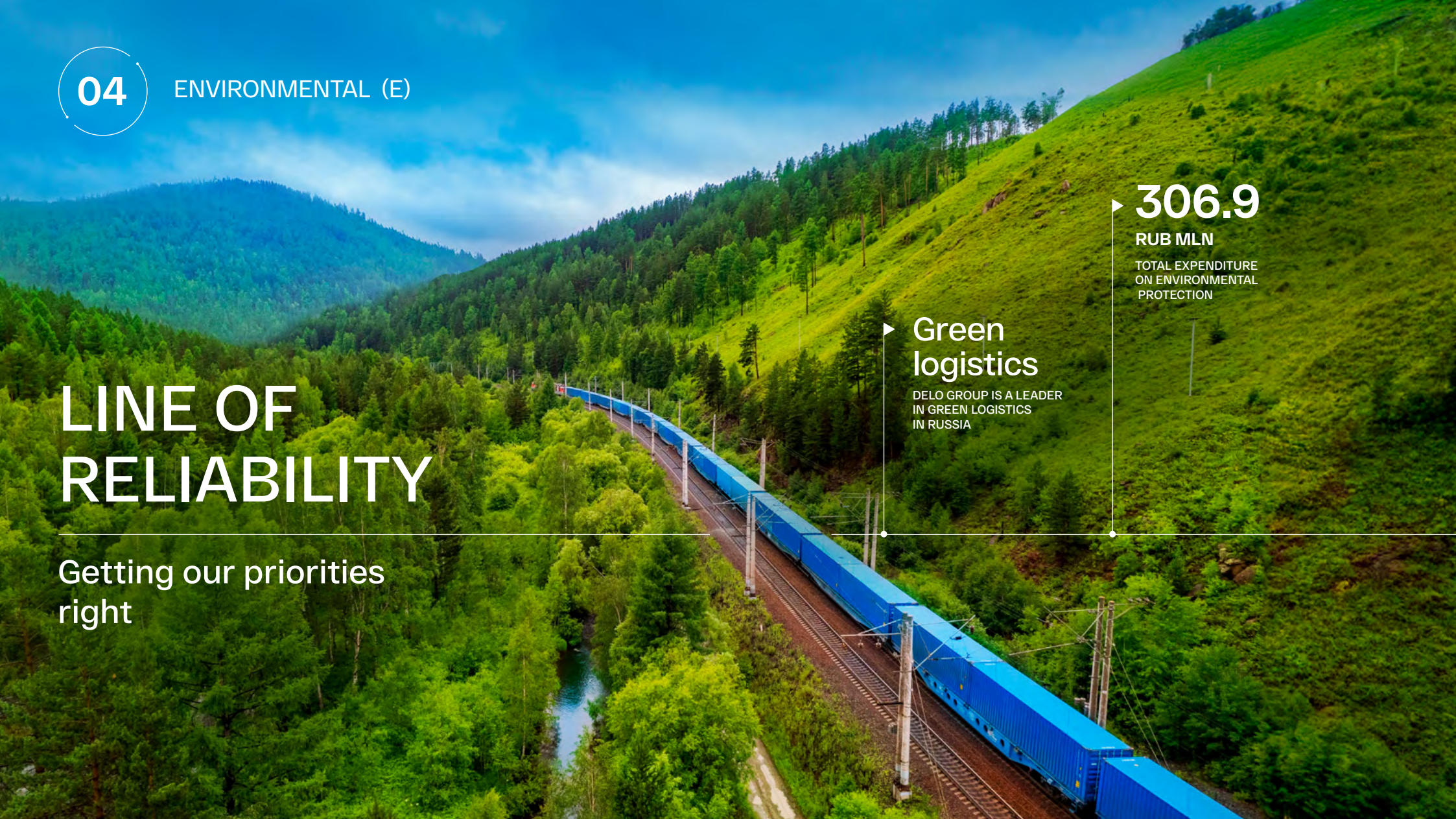
306.9

RUB MLN

TOTAL EXPENDITURE ON ENVIRONMENTAL PROTECTION

Green logistics

DELO GROUP IS A LEADER IN GREEN LOGISTICS IN RUSSIA



Environmental (E)

The Group recognizes its responsibility to preserve natural resources and the environment for the benefit of its employees, partners, customers and society as a whole.

Key performance indicators in 2023

30 mln

Carbon Zero certificates purchased

> 55 K MWh

of renewable electricity consumed

88.7%

of generated waste diverted from disposal

RUB 306.9 mln

spent on environmental protection

Delo Group was named the winner of the Russian Association of Public Relations award in the "Going Green" category

A methodology for determining the carbon footprint of the Group's operations, including Scope 3 emissions, was developed for each business division and the Group's carbon footprint was calculated

Delo Group's approach to environmental management

Delo Group's environmental activities contribute to the achievement of:

Russia's National Development Goals

- Comfortable and safe environment

UN SDGs



Material topics disclosed

- Climate Change and GHG Emissions
- Efficient Resource Management

Plans for 2024

- Implement of a series of measures to systematically reduce the Group's carbon footprint
- Launch a Carbon Footprint Calculator for customers
- Develop the practice of concluding direct contracts for connecting large port infrastructure facilities and railroad terminals to renewable energy sources
- Improve the environmental management system based on ISO 14001 requirements
- Expand the anteatier conservation program

The Group's environmental focus

- Reduction of the Group's carbon footprint
- The Group's participation in Russian green energy certification projects
- Responsible resource conservation
- Reduction of waste generation
- Improvement of the environmental management system
- Supplier evaluation against environmental criteria
- Transparency of information on environmental impacts

Key reference documents

- Sustainability Policy [↗](#)
- Environmental Policy [↗](#)
- Risk Management Policy

4.1. Climate Change and GHG Emissions

GRI 3-3 | GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-5

As a leader in "green" logistics, Delo Group aims to reduce not only its own greenhouse gas emissions, but also the carbon footprint in its clients' supply chains. The Group's specific role as a logistics operator makes it an important link in the clients' supply chains, which is reflected in Scope 3 greenhouse gas emissions.

In line with current demands from clients and other stakeholders for companies to take an active role in reducing climate risks, the Group is making significant efforts to implement measures in the area of the climate agenda and environmental protection.

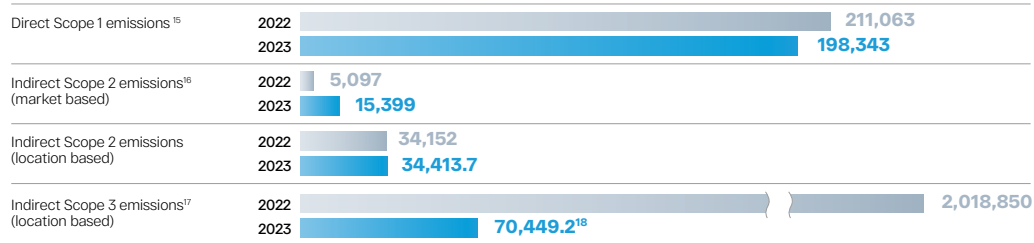
The Group's main activities in the area of the climate agenda are:

- Reducing greenhouse gas emissions throughout the value chain
- Increasing the share of renewable energy
- Ensuring that the Group is prepared for transient climate risks
- Ensuring the resilience of Delo Group's infrastructure and operations to physical climate risks

The key reference document for environmental impact is the Environmental Policy, which reflects the Group's key strategic approaches to responsible management of its own environmental impact and serves as a basis for planning and developing measures to reduce its carbon footprint.

The main events during the reporting period included the approval of the internal methodology for the calculation of Scope 1-3 GHG emissions for all the Group's divisions, as well as the start of the development of the Carbon Footprint Calculator, a tool that will allow Delo Group's clients to estimate the amount of GHG emissions generated by the delivery of their cargo by rail.

Scope 1-3 GHG emissions, tons of CO₂e



¹⁵ Direct emissions from own sources or assets.

¹⁶ Indirect emissions resulting from the consumption of externally generated energy.

¹⁷ Other GHG emissions resulting from an entity's operations.

The proprietary methodology for calculating greenhouse gas emissions takes into account the best international practices, including:

- The recommendations of the Greenhouse Gas Protocol
- The industry-specific methodology of the Global Logistics Emissions Council (GLEC)
- The guidelines of the Intergovernmental Panel on Climate Change (IPCC)
- The guidelines for National Greenhouse Gas Inventories

In the period under review, Delo Group consolidated Scope 1 and Scope 2 GHG emissions data and continued to consolidate Scope 3 data for all divisions.



Russian Association of Public Relations Award

In 2023, Delo Group was recognized as the leader in the "Going Green" category at the Russian Association of Public Relations (RASO) Awards.

The experts of the Association recognized the following achievements of the Group:

- Redeeming 30 million Carbon Zero certificates
- Installation of solar collectors at the container terminal in Zabaykalsk
- Receiving an international ESG rating from ESG Risk Assessments & Insights Limited, India

¹⁸ The significant reduction in Scope 3 GHG emissions is due to the reduction in the volume of purchased goods during the reporting period. In 2022, as part of the investment program, a transportation and logistics company purchased 10,746 pcs. 20-foot and 13,546 pcs. 40-foot containers and 4,425 pcs. 80-foot flatcars, the production of which is a carbon-intensive process and which accounted for 87% of the Group's Scope 3 emissions by the end of 2022.

GRI 201-2

Delo Group regularly develops measures to increase business resilience to the effects of climate change and analyzes physical and transient risks to assess their potential impact on the Group's performance. Climate risks are integrated into the Group's corporate risk management system.

Risk categories	Risk types	Risk description	Risk implications	Methods used to manage the risk
<p>Physical risks</p>	<p>Risks caused by long-term climate change</p>	<ul style="list-style-type: none"> • Rise in relative sea level in all European regions except the Baltic Sea • Increased frequency and intensity of extreme marine events • Significant reduction of glaciers and snow cover, loss of Arctic sea ice during the summer season 	<ul style="list-style-type: none"> • Exposure of ports to flooding and inundation of port infrastructure • Need to adapt to decreasing water depths for a number of shipping lanes • Longer voyages (vessel delays) • Increased energy consumption to operate ship machinery • Increased risk of damage to ships • Increased navigation period, reduced costs for icebreaker assistance, reduced sailing time when moving in open water 	<ul style="list-style-type: none"> • Development of environmental protection measures • Consideration in the design documentation of possible unfavorable climatic conditions characteristic of the regions where projects for construction and reconstruction of production facilities are implemented
	<p>Risks caused by strong short-term impacts of natural factors</p>	<ul style="list-style-type: none"> • Increased frequency of adverse weather events such as floods, earthquakes, hurricanes, heavy rains, fires, etc. 	<ul style="list-style-type: none"> • Reduced risk of ice damage • Reduced energy consumption by reducing the capacity of ship power plants 	<ul style="list-style-type: none"> • Evaluation and consideration of physical risks and consequences of climate change in the design, construction and operation phases • Property insurance against the materialization of the identified risks

Risk categories	Risk types	Risk description	Risk implications	Methods used to manage the risk		
Transition risks	Reputational risks	<ul style="list-style-type: none"> Changes in stakeholder attitudes towards the Group Loss of customer loyalty 	<ul style="list-style-type: none"> Reduced attractiveness of the Group for clients/partners Increased cost of insurance Reduced demand for the company's services due to the unacceptability of working with companies that have a significant impact on the environment 	<ul style="list-style-type: none"> An existing system for accounting for Scope 1, Scope 2 and Scope 3 GHG emissions Development of a Climate Strategy to manage climate risks Development of a Sustainability Strategy, the approval of which will centralize efforts to coordinate the actions of the Group companies to implement sustainability principles in all business processes 		
	Regulatory risks	<ul style="list-style-type: none"> Changes in regulatory requirements 				
	Technology risks	<ul style="list-style-type: none"> Costs of implementing new technologies and best available solutions Lack of maintenance base for high-tech vessels High cost of vessels and their maintenance, spare parts, etc. 				
	Tax risks	<ul style="list-style-type: none"> Potential deterioration of market conditions related to plans to introduce carbon dioxide taxes and related changes in the tax regime 			<ul style="list-style-type: none"> Introduction of additional taxes on greenhouse gas emissions 	In order to manage risks and respond to changes in tax legislation in a timely manner, the Group has started to develop a Climate Strategy, which will include preventive and cost-effective measures to minimize CO ₂ emissions and to offset unmitigated emissions with carbon credits
	Interest rate risks	<ul style="list-style-type: none"> Inadequate analysis of the financial impact of climate change and inadequate consideration of these risks in the business model 			<ul style="list-style-type: none"> Linking the interest rate to the company's ESG rating, which could lead to an increase in the interest rate due to a decrease in the ESG rating 	Analysis of market environment, including analytical materials from banking organizations and rating agencies, as well as diversification of creditors and debt instruments, hedging and implementation of a set of measures to obtain, maintain and improve positions in ESG ratings and scoring platforms of financial organizations

For more information on climate change risks, see Delo Group's Sustainability Report 2022 [↗](#)

Energy Efficiency

GRI 302-1

One of Delo Group's key sustainability objectives is to improve energy efficiency as one of the factors affecting the cost of services.

The Group continues to implement initiatives to switch to renewable energy: in addition to using energy generated by wind and hydroelectric power plants, solar collectors were installed as a pilot project at one of the Group's container terminals in 2023.

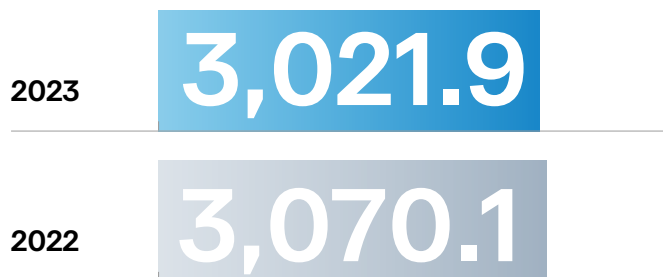
Promotion of the use of electric machinery

The Group's Stevedoring Division has been promoting the use of electric crane equipment.

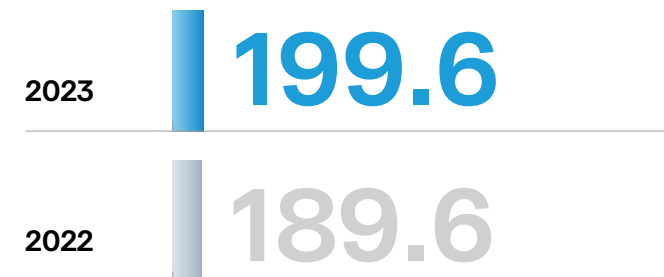
For example, 6 electric RTG cranes were put into operation at one of the terminals. Using electric energy to power the equipment brings positive effects both in terms of operational efficiency and reduction of air emissions.

ESG Alliance Standard

Total energy consumption, TJ



Renewable energy consumption, TJ



Compared to diesel-powered cranes:



SAVINGS



REDUCTION IN GREENHOUSE GAS EMISSIONS

"Delo Group pays close attention to ESG and aims to follow the best Russian and international practices in renewable energy. We already have a successful history of cooperation with En+ in the field of green energy, and we are confident that in the future we will achieve significant results in promoting responsible energy consumption and sustainability principles in our country."



Elena Svirina
Deputy Director General for Finance and Sustainability, Delo Management Company

Intelligent Container Terminal (ICT)

The main idea behind ICT is the creation of a single information space that provides a controlled flow of information involving all participants in the process – from the client to the service providers – with their respective responsibilities, from the beginning to the end of the process.

- Before ICT was introduced, the waiting time for vehicle processing at the terminal was 2.5-4 hours.
- As of 2023, the waiting time for vehicle processing at the terminal is 0.5 hours.

The main results of ICT implementation in 2023 are:

- 6-fold reduction in the time spent by vehicles at the terminal
- Significant increase in the number of containers processed
- Reduction of energy costs and greenhouse gas emissions by more than 30%

Solar panels on terminal roofs

Delo Group's transportation and logistics companies are expanding the use of solar energy in rail infrastructure together with Unigreen Energy, Russia's largest private renewable energy company.

The cooperation has resulted in the installation of solar collectors, which serve as an additional heating system, on the customs bonded warehouse at the container terminal in Zabaykalsk. With a projected capacity of 60 kW/day, the company will be able to reduce emissions by up to 8.7 tons of CO₂e per year





"We believe that businesses have a responsibility to be environmentally responsible. Since 2021, we have been working on projects in this area, both in the railroad sector and in stevedoring operations. We are pleased to see that the development of low-carbon energy certification projects in Russia is progressing rapidly. We are fortunate to have a reliable partner in Sber, with whom Delo Group has already successfully collaborated in other areas."



Sergey Shishkarev

Chairman of the Board of Directors,
Delo MC

The Group's participation in Russian green energy certification projects as a mechanism to reduce its climate impact

In 2023, the Group entered into transactions to purchase green renewable energy certificates to offset its carbon footprint.

Purchase of green electricity certificates under the Russian voluntary Carbon Zero standard

Delo Group and En+, a Russian energy and metallurgical group, have entered into the largest deal in Russia for the purchase of green electricity certificates under the Russian voluntary Carbon Zero standard.

Achievements and results

- The Group became the first Russian logistics company to purchase green certificates under the national voluntary Carbon Zero standard.
- The Group redeemed 30 mln certificates for electricity generated at Krasnoyarskaya HPP (part of En+), offsetting more than 10,000 tons of CO₂e of greenhouse gas emissions.

Purchasing green certificates through the Sber platform

As part of the implementation of the Federal Law "On Electricity", which provides for the creation of a Russian certification system for low-carbon energy, Delo Group purchased green certificates through the Sber platform. The green electricity was supplied by the Orenburgskaya SES-5 solar power plant, while one of the Group's transportation and logistics companies was the consumer.

Achievements and results

A total of 20,000 green certificates were purchased for 20,000 MWh of renewable energy, offsetting more than 6,000 tons of CO₂e of greenhouse gas emissions.

4.2. Efficient Resource Management

GRI 3-3

In order to improve environmental performance and prevent negative environmental impacts of production operations, Delo Group companies have implemented an Environmental Management System (EMS) based on the requirements of the international standard ISO 14001. In 2024, the Group plans to extend the Environmental Management System to all its companies.

To ensure the effective functioning of the EMS, top managers oversee environmental issues, and the Board of Directors reviews performance in this area.

Total expenditure on environmental protection,
RUB mln

2023

306.9

2022

101.6

Expenditure increased by 175% compared to 2022 due to investments in the modernization of water treatment facilities, which significantly reduced the risk of water pollution.

Water Consumption and Protection of Water Resources

GRI 303-1, GRI 303-3, GRI 303-4

Delo Group does not use water in its main operations. The majority of water consumption is related to domestic use. Targets for reducing water consumption are set out in the Group's Environmental Policy [\[2\]](#). The Group's water supply and disposal (except for storm water) is primarily provided through centralized systems and underground sources (wells). Where centralized utility systems are unavailable, water collection is carried out using underground sources.



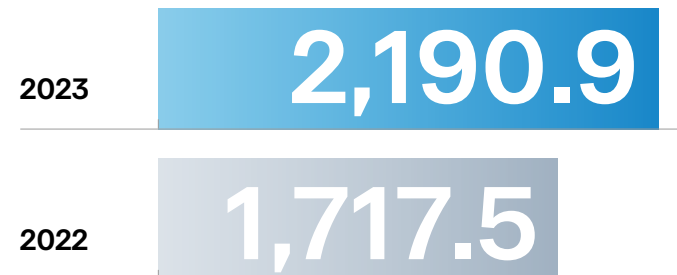
Despite the insignificant impact on water resources, the Group implements the following measures to minimize the risk of surface water pollution, the impact of wastewater discharges, and to reduce water consumption:

- Regular monitoring of water consumption and maximum permissible concentrations (MPC) of pollutants in water
- Cleaning the sea surface from floating debris in a timely manner
- Discharge of wastewater into centralized water disposal systems, physical and chemical purification in own treatment plants
- Conducting educational meetings with employees on water conservation and rational water use
- Placement of informational posters to raise awareness among employees
- Installing and maintaining storm water drainage systems at all facilities
- Annual monitoring of wastewater treatment efficiency by an accredited laboratory
- Water conservation measures, continuous maintenance of water supply systems and immediate repair of leaks

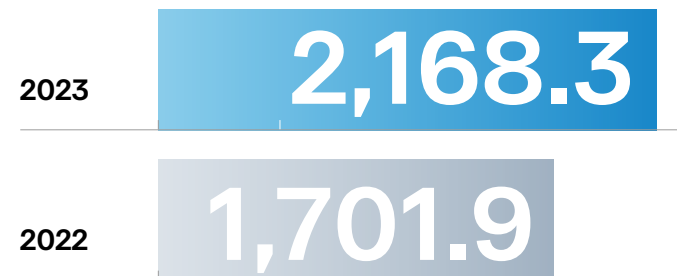
Water consumption from centralized sources is metered using externally verified meters. Statistical reports are submitted annually to confirm compliance with water consumption standards, and water quality is monitored against physical, chemical and microbiological parameters.

ESG Alliance Standard

Water intake, thousand cubic meters¹⁹



Wastewater disposal, thousand cubic meters¹⁹



¹⁹ The reporting boundaries of this Report have been significantly expanded compared to Delo Group's Sustainability Report 2022 due to the inclusion of additional assets within the reporting boundaries. As a result, a number of indicators for 2022 have been restated to correctly reflect the dynamics.

The significant increases in water intake and wastewater disposal are due to a change in data collection and reporting requirements in the Stevedoring Division in 2023. The increase in water intake is also due to the increase in the number of full-time employees in the Group.

GRI 303-2

In the area of water management, the Group adheres to the following regulations:

1. Ballast water management:

- The International Convention for the Prevention of Pollution from Ships (MARPOL) [↗](#)
- The International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004 [↗](#)

2. Management of treated wastewater discharge:

- Resolution No. 748 of the Government of the Russian Federation of October 3, 2000 "On Approval of Limits of Permissible Concentrations of and Conditions for Discharging Harmful Substances into the Exclusive Economic Zone of the Russian Federation" [↗](#)
- Sanitary and Epidemiological Rules and Regulations of the Russian Federation (SanPIN) 2.1.3684-21 [↗](#)
- Sanitary and Epidemiological Rules of the Russian Federation (SP) 2.5.3650-20 "Sanitary and Epidemiological Requirements for Certain Types of Transport and Transport Infrastructure Facilities" [↗](#)

Wastewater and ballast water management practices

All of the Group's shipping companies comply with the requirements of the International Convention for the Prevention of Pollution from Ships (MARPOL), the International Convention for the Control and Management of Ships' Ballast Water and Sediments, and the International Convention on the Control of Harmful Anti-fouling Systems in Ships:

- It is prohibited to discharge untreated sewage into the sea and to use tin-containing organic compounds for coating, painting or treatment of surfaces in order to limit or prevent the fouling of the ship by undesirable organisms
- Ships must be equipped with sewage treatment facilities
- Ships must treat the ship's ballast water

Modernization of wastewater treatment facilities in the Transportation and Logistics Division

In November 2023, a project to modernize the local storm water treatment facility (STF) at one of the Group's terminals in St. Petersburg was completed.

The purpose of the project was to retrofit the existing STF with storage tanks with a total volume of 880 m³, designed to collect and store surface runoff from an area of more than 35 hectares. In addition, the existing STF system was retrofitted with another sewage pumping station with two 75 kW/hour pumps, allowing for easy discharge of wastewater from the roofs of buildings and structures.

The implemented project provides for the collection and diversion of wastewater from future development areas for treatment.

Air Protection

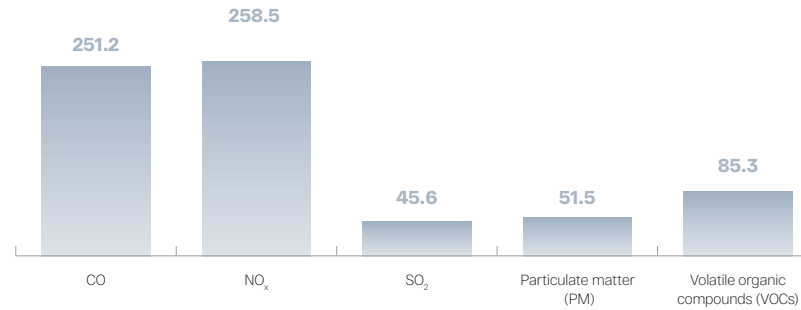
The Group continuously improves its approach to air quality, recognizing its responsibility not only for the environment, but also for the health of its employees and residents of the regions where Delo Group operates.

In its activities, Delo Group seeks to minimize pollutant emissions from stationary and mobile sources. The Group companies do not emit highly toxic, ozone-depleting or other hazardous substances into the atmosphere.

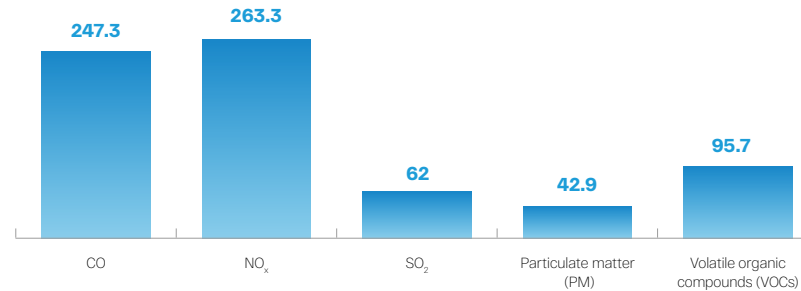


GRI 305-7 ESG Alliance Standard

Total pollutant emissions in 2022, tons



Total pollutant emissions in 2023, tons



Delo Group implements the following measures to reduce pollutant emissions:

- Adjusting and maintaining the fuel equipment of internal combustion engines of motor vehicles, improving fuel efficiency, and optimizing the operating time
- Purchasing high-efficiency special machinery and equipment
- Using environmentally friendly energy sources (natural gas, alternative energy sources)
- Maintaining and modernizing gas treatment facilities
- Maintaining an inventory of air pollution sources
- Establishing emission standards for pollutants and determining GHG emission levels
- Determining the area and boundaries of buffer zones
- Regular industrial environmental monitoring of industrial emissions and atmospheric air condition at the borders of residential areas and at control points at the borders of buffer zones

Waste Management

GRI 306-1

Responsible waste management is one of the priorities of the Group's environmental policy. To promote the idea of a closed-loop economy, measures and initiatives are implemented to reduce overall waste generation and increase the percentage of recycled and neutralized waste. Some of the Group's companies have already adopted the practice of channeling certain types of waste for reuse in the operational cycle.

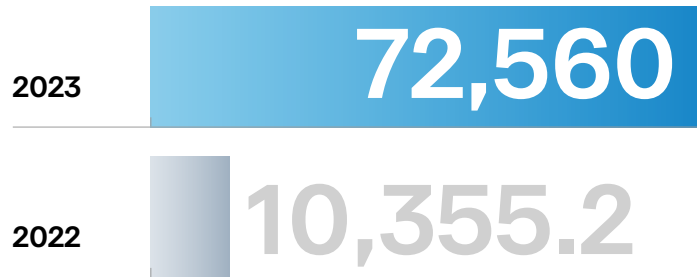
The main types of waste generated in the Group's operations are Class IV and Class V non-hazardous waste (construction waste, sweepings from company premises, scrap, etc.). Hazardous waste from operations consists mainly of mercury lamps and thermometers, as well as spent uninterruptible power supplies, batteries and filters.

The collection, disposal and neutralization of solid municipal waste is carried out by regional operators with whom contracts have been concluded and who are licensed to handle Hazard Class I-IV waste. Hazard Class IV-V waste is mainly transferred to third parties for recycling or sale.

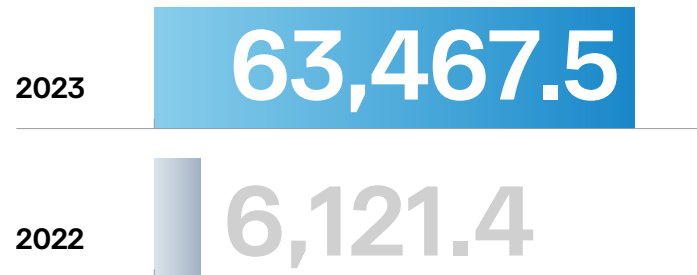
GRI 306-3, GRI 306-4, GRI 306-5

ESG Alliance Standard

Total generated waste, tons



Total disposed waste, tons



The increase in waste generation compared to 2022 is due to the reconstruction of one of the Group's most modern terminals. The majority of the waste generated during construction works is classified as Hazard Class IV. All of the construction waste (over 56 thousand tons) was diverted from disposal.

The total percentage of waste diverted from disposal in 2023 was 88.7%. The remaining waste (11.3%) was transferred to local solid waste operators for further sorting, recovery of useful fractions or landfilling.

4.3. Biodiversity Conservation

GRI 304-1

One of the main elements of the Group's environmental efforts is the implementation of measures to preserve natural ecosystems and protect endangered species of flora and fauna.

In 2023, the Group's employees actively participated in the implementation of environmental initiatives: corporate volunteers took part in clean-up and tree-planting activities, participated in the annual "Garden of Memory" and "Save the Forest" events



Conservation of rare animal species

During the reporting period, Delo Group continued to support the Novosibirsk Zoo, which houses animals that are unusual for Russia – giant anteaters. They are listed in the International Red List of Threatened Species as the population continues to decline due to critical habitat changes and forest fires.

With the Group's support, a separate enclosure for a family of anteaters was built at the zoo, where two representatives of this species already live.

In 2024, Delo Group plans to continue the program to support these red-listed animals, possibly extending the program to other zoos in the country.

Delo Group Clean-up Day

In the spring of 2023, Delo Group employees, together with their families, held a Clean-up Day on the area adjacent to the Khimki Business Park business center.

The program of the event included tree planting, an interactive lecture, and a master class on painting eco-bags, as well as the donation of clothes and the collection of rare types of waste.

The Clean-up Day marked the end of the first Green Week in a company of the Transportation and Logistics Division, which coincided with the all-Russian campaign "Days of Environmental Protection from Ecological Dangers" held across the country.

Tree planting events dedicated to the Group's 30th anniversary

- Delo Group, together with the Moscow City Department of Nature Management and Environmental Protection and the All-Russian Society for Nature Protection, planted 20 trees near the Mosfilmovsky Pond in the Setun River Valley Nature Reserve.

- Together with employees and students of Kuban State Technological University, the Group organized activities to restore the territory of the Novorossiysk Arboretum.

> 150

employees of the Group, students and teachers of Novorossiysk Polytechnic Institute (branch) of Kuban State Technological University took part in the event

> 80

trees and shrubs were planted at the arboretum

- Together with the Gift of Life Foundation, the Group carried out a charity tree planting event at Izmalkovo Resort under construction.

180

trees and shrubs were planted by employees during the event

05

GOVERNANCE (G)

LINE OF TRUST

Maintaining open communication

▶ 1 mln TEUs/year

RECORD HIGH TRANSSHIPMENT VOLUMES AT TERMINALS USING THE INNOVATIVE CONTERRA TERMINAL MANAGEMENT SYSTEM

▶ 42%

OF LEADERSHIP POSITIONS HELD BY WOMEN

▶ > 14 k

OF ISALES USERS



Governance (G)

Delo Group is constantly improving its corporate governance system in order to build trusting relationships with all stakeholders.

ESG Alliance Standard

Key performance indicators in 2023

42%

of leadership positions held by women

100%

of employees trained in anti-corruption practices

1 mln TEUs/year

record high transshipment volumes at terminals using the innovative Conterra terminal management system

760

employees received anti-corruption training

134

suppliers assessed against ESG criteria

iTrans

an automated system for transportation management was launched

NDTLP

The Group is involved in the development of the National Digital Transport and Logistics Platform (NDTLP) of the Russian Federation

DataLens

The Group is involved in the development of the DataLens platform together with Yandex Cloud

Digitization

The Group launched the terminal digitization program together with the Ministry of Transport of the Russian Federation

Delo Group's approach to governance

Delo Group's activities in corporate governance contribute to the achievement of:

Russia's National Development Goals

- Decent and effective jobs and successful enterprise
- Digital transformation

UN SDGs



Material topics disclosed

- Sustainability Management
- Customer Focus
- Compliance and Business Ethics
- Cybersecurity and Data Protection
- Innovation and Digitalization

The Group's governance focus

- Customer-focused approach to business
- Integration of global best practices in strict compliance with national laws and regulations
- Adherence to the principles of corporate culture and business ethics
- Responsible supply chain management
- Development of products and services for the Group's digital transformation

Key reference documents

- Sustainability Policy [↗](#)
- Code of Business Conduct [↗](#)
- Anti-Fraud and Anti-Corruption Policy [↗](#)
- Antitrust Compliance Policy [↗](#)
- Government Relations Policy [↗](#)
- Information Security Management Policy [↗](#)
- Supplier Code of Conduct [↗](#)

Plans for 2024

- Adopt the Group's Sustainable Development Strategy
- Extend the practice of risk assessment and prioritization based on the financial model to all subholdings

5.1. Governance System

Delo Group is committed to improving its governance system in accordance with international and national standards, regulatory recommendations, best corporate practices, and green logistics principles, and taking into account the needs of its stakeholders.

GRI 2-9, GRI 2-10, GRI 2-12, GRI 2-13

The governance system did not change significantly during the reporting period. The Group companies are managed by Delo Management Company ("Delo MC") under the guidance of the system of management and control bodies of Delo MC, which includes the General Meeting, the Board of Directors, and the single-member executive body represented by the Director General. The General Meeting is the supreme governing body. General Meetings are convened in the manner described in the Charter of Delo MC. For more information on the governance system, see Delo Group Sustainability Report 2022. [📄](#)

The Board of Directors of Delo MC consists of six members: two executive and four non-executive directors. The members of the Board of Directors of Delo MC are well balanced in terms of background, expertise, age and gender. This enables the Board of Directors to take into account different social and cultural contexts and to represent the interests of a wide range of stakeholders. The single-member executive body is the Director General, who is elected by the General Meeting for a term of one year, unless a different term is specified in the resolution electing the Director General. The Director General acts on behalf of Delo MC and represents its interests

in accordance with the Charter. The roles of the Chairman of the Board and the Director General are separate and independent.

The members of the Board of Directors are appointed by the General Meeting.

There are no separate committees within the Board of Directors of Delo MC, but there are sub-committees within the Group's subholdings. Sustainability issues are addressed by the dedicated working group at Delo MC, which includes representatives from all subholdings.

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 MC, determines the principles and approaches to organizing the risk management system and internal controls, ensures the improvement of the corporate governance system, and reports to the General Meeting of the Group. The Chairman of the Board of Directors is responsible for the effective organization of the work of the Board of Directors and support of interaction with shareholders.

GRI 2-19, GRI 2-20

The remuneration system developed for members of the Board of Directors, the single-member executive body and the management of Delo MC 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.

GRI 205-2

Conflicts of interest among the members of the Board of Directors are not tolerated at Delo Group. The duties of the members of the Board of Directors and the executive bodies with respect to compliance and the resolution of conflicts of interest are set forth in the Code of Business Conduct and the Anti-Fraud and Anti-Corruption Policy.

In order to minimize risk of conflict of interest, special preventive measures have been introduced in the Group companies:

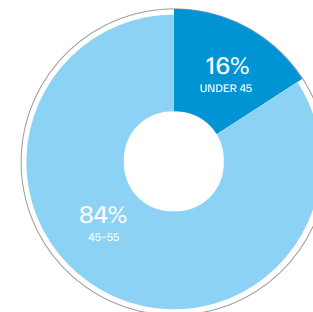
- The list of the Group's stakeholders is regularly updated
- Members of the Board of Directors and the Director General are prohibited from voting on matters relating to transactions with related parties and are required to disclose all persons controlled by or directly related to them, as well as positions held in other companies.



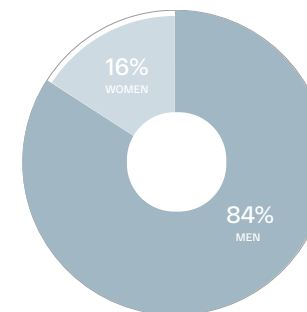
ABSENTEE MEETINGS OF THE BOARD OF DIRECTORS OF DELO MC HELD IN 2023

GRI 405-1

Age composition of the Board of Directors



Gender composition of the Board of Directors



5.2. Sustainability Management

GRI 2-13

Sustainability management is part of Delo Group's business strategy, which ensures that ESG issues are managed continuously at every stage of the decision-making process and that the interests of all stakeholders are taken into account.

In 2023, Delo Group continued to develop a consistent approach to managing sustainability issues. This approach is in line with international best practice and is designed to ensure the achievement of the Group's objectives through effective cascading of tasks from the management company to the subholdings.

Delo MC's Deputy Director General for Finance and Sustainability oversees the implementation of the ESG Strategy and Sustainability Policy. The results of the implementation of significant social and environmental programs within the Group are regularly submitted to the Director General for review in accordance with internal regulations.

GRI 2-23

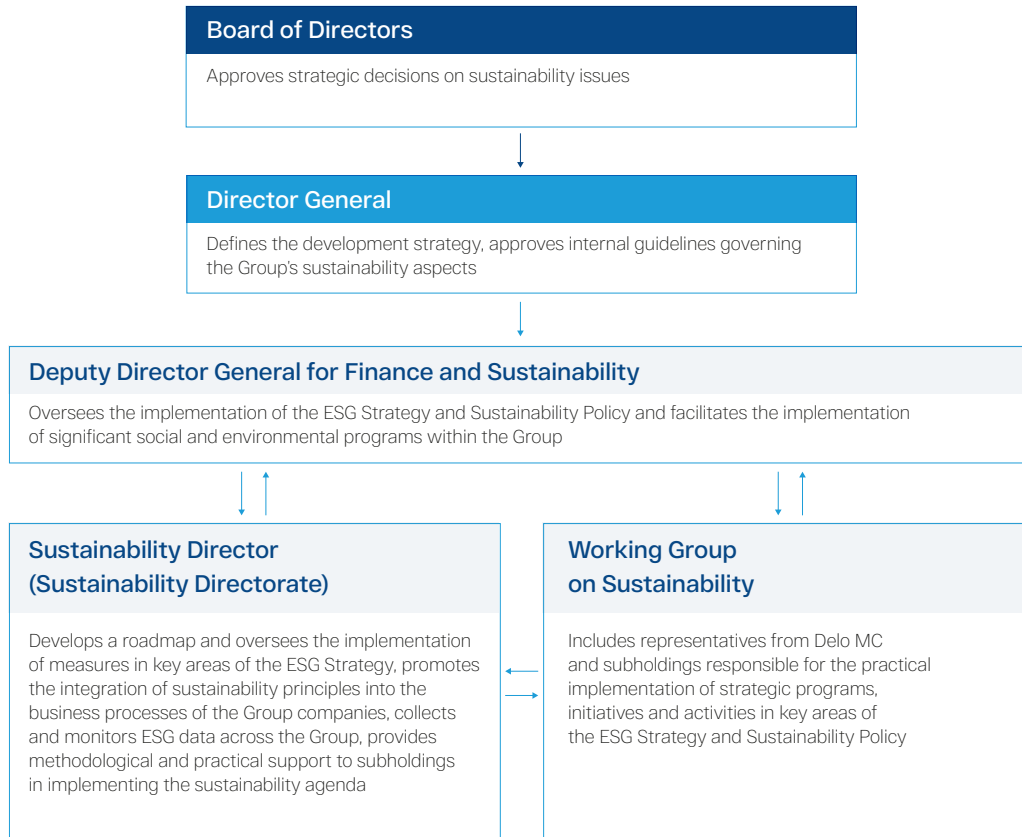
To effectively integrate sustainability principles into the Group's business processes, the Group has developed a number of strategic documents that govern key areas of the ESG agenda. The Group's overall approach is reflected in the Sustainability Policy, which sets out the key objectives and principles in this area.

The Group's policies and other strategic documents apply to all businesses and employees and are issued, amended and rescinded by order of the Director General.

In 2023, the Group continued to develop its Sustainability Strategy, which sets out the key objectives and targets that are essential for the sustainable development of the business. The Group plans to adopt this document in 2024.



Sustainability management at Delo Group



Delo Group's sustainability principles

COMMITMENT AND COMPLIANCE

The Group respects and complies with national and international laws and regulations, codes and standards, commitments and declarations on sustainable development.

STRATEGY AND PRAGMATISM

Prior to making any decisions on the implementation of ESG projects and programs, the Group always conducts a qualitative and quantitative assessment of the possible impacts of the implementation and non-implementation of such initiatives.

ETHICS AND INTEGRITY

The Group aims to deal with its clients, employees, suppliers and business partners in an ethical manner and to exclude any form of corruption or fraud.

TRANSPARENCY, OPENNESS AND RELIABILITY

As an integral part of its operations, the Group regularly communicates with its stakeholders and takes their opinions into account in its business activities.

CARE AND DILIGENCE

The Group seeks to maximize the positive impact on the environment, society and economy in the regions where it operates by developing an effective ESG risk management system.

CONTINUOUS IMPROVEMENT

The Group is committed to continuously improving its business processes in the area of sustainable development and implementing best business practices.

ESG Risk Management

GRI 2-29, GRI 3-3

The Group's approach to risk management ensures effective management of environmental and social impacts, reduces operational risks, enhances brand reputation, and creates long-term value for stakeholders.

Delo Group's risk management system is based on the requirements of national and international laws and regulations and takes into account the best industry standards:

- Enterprise Risk Management – Integrated Framework (COSO ERM)
- Enterprise Risk Management – Internal Control (COSO IC)
- GOST R ISO 31000-2019 Risk Management. Principles and Guidelines
- Recommendations of the Central Bank of Russia on the Organization of Risk Management, Internal Control, Internal Audit and the Work of the Audit Committee of the Board of Directors (Supervisory Board) in Public Joint Stock Companies

Since 2022, the Group has been developing a unified approach to ESG risk management, assessing and prioritizing across the Group. In managing risks, the Group takes into account the views of stakeholders and analyzes the potential impact of its activities on local communities. ESG risks are integrated into the overall risk management system.

Development of the Risk Management System

In 2023, the Group developed a methodology for the self-assessment of the maturity of the risk management system, which will be conducted by the internal audit function from 2024.

Risks are prioritized on the basis of a financial model, where changes in financial indicators are analyzed whenever a particular risk factor is realized, and the changes themselves are recorded in the corporate risk map. Delo Group plans to extend the practice of risk assessment and prioritization based on the financial model to all subholdings in 2024. In 2023, the Group developed its first risk management training course for line managers.

93

**LINE MANAGERS PARTICIPATED
IN RISK MANAGEMENT TRAINING**

ESG risks

Environmental focus

Climate change and GHG emissions

- Monitoring of GHG emissions (Scope 1–3)
- Reducing the carbon footprint throughout the supply chain
- Ensuring resilience to climate change

Water management

- Monitoring and reducing water consumption
- Water reuse
- Wastewater discharge control
- Ballast water management

Waste handling and disposal

- Monitoring and reduction of waste generation, recycling and neutralization of waste
- Effective management of hazardous waste

Social focus

Occupational, industrial and fire safety

- Ensuring safe working conditions
- Disease prevention
- OHS training, regular inspections
- Accident investigations

Working conditions and employee support

- Fair pay
- Decent working conditions
- Social benefits
- Well-being
- Building a corporate culture
- Inclusiveness

Employee development and training

- Fostering employee development through training programs
- Career development programs
- Fair performance evaluation

Governance focus

Sustainable supply chain

- Ensuring that suppliers comply with the Group's policies, including social responsibility and environmental protection standards
- ESG risk assessment in the supply chain
- Availability of a Responsible Supplier Code, "green" procurement practices

Information security and privacy

- Information security
- Prevention of data leakage and theft

Innovation and digitalization

- Automation, modernization, ensuring access to necessary technological solutions (Internet, communication channels, software)
- No disruptions of operations

Stakeholder Engagement

GRI 2-29, GRI 3-3

Establishing and maintaining a dialogue with stakeholders based on the principles of openness, partnership and balance of interests is one of the most important principles of the Group's operation.

The key stakeholders of Delo Group are identified in the Sustainability Policy. [↗](#)

Engagement with stakeholders on sustainability issues, including educational activities, sharing of experience and practices, is an integral part of the Group's Policy.



Stakeholder group	Employees	Clients	Suppliers and business partners	Regulators and authorities
<p>Key interests of stakeholders</p>	<ul style="list-style-type: none"> Comfortable and safe working conditions Social guarantees and decent pay Opportunities for employee development The Group's attractiveness as an employer 	<ul style="list-style-type: none"> Fair and balanced prices and fees Uninterrupted transportation of products Customer focus of the Group's services The Group's sustainability efforts 	<ul style="list-style-type: none"> Fulfillment of contractual obligations Transparency in the bidding process and open environmental and social policies Ethical business practices 	<ul style="list-style-type: none"> Compliance with national laws and regulations Timely payment of taxes Implementation of socially significant projects Contributing to the development of the regions in which the Group operates Contribution to the development of the transport and logistics industry and ensuring the country's transport autonomy
<p>Ways of interaction</p>	<ul style="list-style-type: none"> Meetings with managers of subholdings and the Group as a whole Employee surveys and questionnaires Sports and cultural events and professional competitions Messengers and social media pages 	<ul style="list-style-type: none"> Conducting regular customer satisfaction surveys Conducting online consultations and meetings Customer support at the point of service Information support via official websites 24/7 contact center, support for clients' accounts, processing of feedback using iSales iTrans multimodal transportation management system 	<ul style="list-style-type: none"> Negotiations and preliminary assessment Participation in conferences, forums and exhibitions Participation in industry unions and associations Procurement through electronic trading and procurement platforms Hotline The Group's corporate website 	<ul style="list-style-type: none"> Participation in the legislative process, including participation in meetings of governmental commissions and specialized associations Responses to requests from state bodies Participation in working groups, joint meetings, round-table discussions, conferences, forums Participation in federal and regional events
<p>Responses</p>	<ul style="list-style-type: none"> Ensuring competitive pay Development of the Demography project Comprehensive employee benefits under the collective bargaining agreement Medical care under VHI programs Popularization and enhancement of the prestige of blue-collar professions New hire onboarding and conducting satisfaction surveys 	<ul style="list-style-type: none"> Competitive pricing Ensuring a high level of quality and safety of the services provided Customer support in the context of imposed restrictions Customer satisfaction surveys Implementation of integrated transport solutions Introduction and development of electronic document management Participation in projects focused on the organization or operation of companies' terminal infrastructure and integrated intra-company logistics 	<ul style="list-style-type: none"> Timeliness of procurement 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 Preparation of public non-financial reports 	<ul style="list-style-type: none"> Legal compliance and participation in the improvement of the legal framework in areas related to the company's activities Timely tax payments and disclosures Building and maintaining constructive relationships with state (municipal) bodies in accordance with requirements of Russian laws Development of the logistics industry and indexation of tariffs Investment in infrastructure development

Stakeholder group	Shareholders, investors and other financial institutions	Local communities	Non-profit organizations
<p>Key interests of stakeholders</p>	<ul style="list-style-type: none"> • Economic and financial stability and growing capitalization • Maintaining the Group's strong reputation • High quality corporate governance • Information transparency • Maintaining strong credit ratings and improving the Group's position in ESG ratings 	<ul style="list-style-type: none"> • Creating new jobs • Contribution to addressing social, environmental and economic issues in the regions where the Group operates • Developing social infrastructure in the regions where the Group operates • Support for education, culture and sport • Support for small and medium-sized enterprises in the regions where the Group operates 	<ul style="list-style-type: none"> • Maintaining partnerships and active interaction with the professional community
<p>Ways of interaction</p>	<ul style="list-style-type: none"> • Annual general meetings of shareholders • Investor Day • E-mail communications, telephone and videoconferences • Press releases, messages as part of mandatory information disclosure • Investor Relations section on the corporate website • Hotline 	<ul style="list-style-type: none"> • Press releases and social media posts • Holding public meetings on the implementation of capital construction projects • Contact center and hotline • Social media pages • Charity appeals via e-mail 	<ul style="list-style-type: none"> • Participation in expert councils • Creation of joint coordinating committees and working groups • Participation in conferences, forums, round-table discussions, plenary sessions, strategic sessions
<p>Responses</p>	<ul style="list-style-type: none"> • Preparation of the Group's annual public financial and non-financial reports • Participation in credit and ESG ratings • Payment of dividends • Development of investment programs • Improvement of risk and profitability management processes 	<ul style="list-style-type: none"> • Publication of the Annual Report and Sustainability Report • Expansion of the cooperation with local suppliers • Coordination of the Group's development strategy with the regional development plans • Promotion of sports and healthy lifestyles • Educational initiatives • Organization of social and charitable projects 	<ul style="list-style-type: none"> • Support for initiatives and projects of non-profit organizations • Indexation of transportation tariffs • Development of the Group's Sustainability Strategy



5.3. Compliance and Business Ethics

GRI 2-23

Business ethics and regulatory compliance are an integral part of Delo Group's business practices. The Group adheres to high standards of service quality and always follows the principles of business ethics enshrined in its Code of Business Conduct in its decision-making and in its dealings with clients, partners and other stakeholders. The Group has a zero-tolerance policy towards any form or manifestation of fraud or corruption. The Group's key business ethics, anti-fraud and anti-corruption principles are laid down in its internal regulations.

- Code of Business Conduct
- Supplier Code of Conduct
- Anti-Fraud and Anti-Corruption Policy
- Antitrust Compliance Policy
- Government Relations Policy

One of the key elements in the fight against corruption is the timely identification of conflicts of interest in the dealings of Delo Group employees. For more information on combating conflicts of interest, see the Anti-Fraud and Anti-Corruption Policy. [↗](#)

The Director General of Delo MC is responsible for the implementation of the Anti-Fraud and Anti-Corruption Policy and for monitoring the results of its application.

Every year, the Group identifies and assesses corruption risks with the involvement of the heads of the structural subdivisions. The Group annually adjusts antitrust risks and updates the risk map and control areas. For more information on the antitrust compliance management system, see Delo Group Sustainability Report 2022. [↗](#)

There are several channels through which the Group employees and stakeholder representatives can report, including anonymously, potential business ethics violations as well as any other potential problems.

GRI 2-26

- Via the immediate supervisor or the immediate supervisor's supervisor
- Via the feedback form on www.delo-group.ru and on the websites of the Group's companies
- Via e-mail to ethic@delo-group.ru (for business ethics violations)
- Via e-mail to antitrust@delo-group.ru (for antitrust violations)

GRI 205-2



OF EMPLOYEES ARE AWARE OF THE GROUP'S ANTI-CORRUPTION POLICIES AND PRACTICES



OF PARTNERS ARE AWARE OF THE GROUP'S POLICIES

5.4. Customer Focus

GRI 2-29

Effective communication and open dialog with clients are the cornerstone of Delo Group's business growth. The Group companies regularly organize Client Days to share information about the latest developments in our work, to discuss current business issues and to gather feedback from stakeholders. These events are open to both partners and clients of the Group and to industry experts. The outcomes of these events are utilized by the Group companies to improve their services focusing on the key needs of their clients.

Delo Group provides services that meet the highest expectations and most demanding requirements of its clients, and is constantly introducing new technologies to improve the quality of its services.

The Group is always open to feedback, suggestions and ideas. Client feedback is collected through special service quality surveys and a feedback form on the corporate website.

The customer satisfaction data received from the subdivisions are regularly consolidated at the operational headquarters of Delo MC and subsequently used to improve business processes in the companies. Some of the Group companies include the indicator "Customer Satisfaction Survey Results" in the KPI maps of the subdivision managers.

20 Since the migration to the new system in August 2023.

Certification of the Quality Management System

One of the companies of the Transportation and Logistics Division confirmed the compliance of its management system with the requirements of ISO 9001:2015 and received an international certificate of conformity.

Certification of the quality management system allows to increase the efficiency of work with partners and customers and to ensure a unified approach to shared processes and operations.

One-stop customer portal

The Group companies have customer portals that provide one-stop access to information on all services offered by the company. The portals allow users to submit online requests, track their status, and sign documents with an electronic signature. Any client can create a user account.

Earlier, Delo Group terminals became the first in Russia to switch to fully electronic paperwork related to container exports.

ESG Alliance Standard

Customer relationship training

Employees of the commercial department of one of the Group's companies receive specialized training to help them identify customer needs and improve the efficiency of customer interactions. Training is provided in person and through webinars and online courses.

707

EMPLOYEES RECEIVED TRAINING

384

employees received in-person training

323

employees participated in webinars and online courses

iSales

In 2023, Delo Group updated its iSales online service, which provides clients with quick and easy access to a wide range of services and information on prices²⁰.

Updates to the application include:

- Option to customize change-of-status and incoming document notifications
- Easier workflow for users with several user accounts
- Increase of the insurance limit to RUB 50 mln
- Introduction of a new tagging system for easier selection of transportation solutions

> 14,000

USERS

> 1 mln

CALCULATIONS OF TRANSPORTATION OPTIONS

5.5. Sustainable Supply Chain

GRI 2-6, GRI 2-23

Delo Group prefers suppliers who are committed to sustainability. The principles and basic requirements for business partners are set out in the Supplier Code of Conduct [📄](#), which every potential business partner must review and accept before entering into any type of contract with Delo Group. The document contains requirements in the following areas:

- Business ethics
- Anti-corruption and anti-fraud
- Occupational health and safety
- Respect for human rights
- Environmental protection

Violation by a supplier of any of the rules set out in the Supplier Code of Conduct is grounds for termination of the contract.

One of the Group's transportation and logistics companies has been using an ESG-based supplier rating system since 2023. In the period under review, 134 suppliers were assessed against ESG criteria. In the future, a similar system will be introduced in all Delo Group companies.

As a link in its clients' supply chains, the Group recognizes its responsibility to adhere to ethical business practices and to meet its clients' expectations and requirements.

All-Russian Award "Exporter of the Year – 2023"

In 2023, the Group participated in the All-Russian competition in the field of international cooperation and export "Exporter of the Year – 2023." Prizes were awarded to the companies that achieved the greatest success in the export of non-energy goods, works and services, as well as the best results of intellectual activity.

1st place

in the category "Responsible ESG Exporter"
in the Central Federal District

2nd place

in the category "Responsible ESG Exporter"
among large companies



5.6. Innovation and Digitalization

Delo Group develops information technologies and actively integrates them into its business. The Group strives to achieve leadership in efficiency, technology and quality of service for its clients through the integration of the Group's IT assets and the use of advanced digital technologies.

In 2023, Delo Group decided to consolidate all of the Group's IT assets on the basis of an internal IT integrator by concluding an agreement to acquire ROLIS, a leading Russian developer of digital solutions for cargo logistics and specialized software for container and multifunctional terminals. The main benefits of this decision were simplification of the management structure, optimization of the costs of developing and maintaining information systems, creation of a unified service architecture and a common IT management system.



ESG Alliance Standard

Today, the IT integrator implements more than 45 strategic projects for the Group and its partners in the following areas:

- Design of services and products
- Sourcing and procurement of resources
- Processing

The most ambitious innovation and digitalization projects are:

- Digital aligner of the route network and movements of transport: streamlining delivery and cargo transportation processes
- Cooperation with Yandex Cloud: DataLens: consolidation of all data and creation of dashboards for optimization of transport routes, organization of own data stores
- iTrans: management of logistics processes, selection of co-executors on a transport shoulder, etc.
- Conterra: management of container movements at the terminal, including interaction between the terminal, cargo owner, carriers, shipping lines and regulators
- iSales customer portal: transportation tracking (information on the progress of transportation, exchange of documents, payment for orders)
- 1C-based internal systems: mutual settlements with transportation participants, electronic approval of documents

The Group actively implements import substitution practices: in 2023, as part of a pilot project, one of the terminals was fully migrated to Russian software.

Automation of cargo insurance

At the 27th TransRussia International Exhibition of Transport and Logistics Services, Warehousing Equipment and Technologies, Delo Group and VSK Insurance House signed a partnership agreement. The companies agreed to:

- Jointly develop customized insurance programs to promote services in the market
- Exchange ideas in the field of process automation
- Provide clients and employees of Delo Group with up-to-date insurance services
- Provide consulting and information support in the field of insurance

This partnership will improve the quality and expediency of services provided to consignors and increase their loyalty to the Company's services.

Automated system for transport organization

Delo Group has completed the implementation of the first phase of the iTrans multimodal transport management information system. The aim of iTrans development is to migrate to Russian software and streamline business processes related to transport organization. Since the launch:

> 700
users

> 200
partner companies

> 2,000
orders processed
every day

100%
of orders for transportation
and logistics services are covered
by the system

The system enables:

- Planning and coordination of order fulfillment
- Management of logistics processes in transportation and at terminals
- Container and railcar accounting
- Container leasing

Further development of the system includes implementation of a mechanism for accounting for containers located abroad, increasing the efficiency and digitalization of interaction processes with foreign railroads, partners in ports and terminals, and improving monitoring capabilities, including continuous monitoring of the quality of services.



Boris Sopelnik
Director General of DeloTech

"The implementation of iTrans is the first step in ensuring the technological autonomy of Delo Group in terms of digitalization of its main operations. We have already established information cooperation with other market players, including Russian Railways, partners' terminals in Russia and abroad. In the future, we plan to replicate all-in-one solutions for building end-to-end digital processes with counterparties, which will improve operational efficiency."

Conterra – an integrated information space for interaction between all parties involved in cargo handling at a terminal

Conterra is an integrated information space for interaction between all parties involved in cargo handling at a terminal. The system is developed by Russian Logistics Information Systems (ROLIS)²¹.

Conterra enables:

- Management and tracking of container and break-bulk warehouse operations
- Contract accounting
- Management of production personnel
- Electronic document flow using digital signatures and other mechanisms

Gathering all cargo tracking information in a single data repository ensures transparency of cargo handling processes for terminal customers and government regulators, allows to speed up cargo handling process and reduce terminal costs.

National Digital Transport and Logistics Platform of the Russian Federation

Delo Group is actively involved in the creation of the National Digital Transport and Logistics Platform (NDTLP) of the Russian Federation. A cooperation agreement between Delo Group and the Russian Ministry of Transport was signed on December 19 at the Digital Transportation International Forum.

The new system will:

- Consolidate digital logistics services of freight forwarders on one platform
- Streamline the interaction among all links of the logistics chain
- Eliminate the need for paper documents
- Reduce the total cost of transportation

"A number of important services and products have been created in Russia to solve specific local challenges. The main mission of NDTLP is to connect these services and make them as seamless as possible to achieve a synergistic effect."

Dmitry Bakanov

Deputy Minister of Transport of the Russian Federation



21 Part of Delo Group in 2023.

5.7. Cybersecurity and Data Protection

GRI 3-3

The Group takes a responsible approach to the processing and protection of its employees' and clients' data and is constantly improving its management system and methods of responding to threats to information security.

The Group has adopted an Information Security Management Policy that describes the main principles and methods for ensuring information security.



- MTTD (Mean Time to Detect), i.e., the mean time it takes to detect a cybersecurity incident
- MTTR (Mean Time to Response), i.e., the mean time it takes to respond to a cybersecurity incident
- ACI (Average Cost per Incident), i.e., the average cost per security incident
- SA (Service Availability), i.e., the percentage of time an intellectual property asset is available

The Group companies regularly conduct internal audits to determine the effectiveness of the security system, analyze vulnerabilities and assess information security risks, which are included in the corporate risk register.

All of the Group's employees are regularly tested on their knowledge of information security and are required to immediately report any information security incidents to their line managers and the responsible officer.

Information security in one of the Group companies

In 2023, as part of the development of the company's information security management system, the scope of the event logging and analysis system was expanded and a procedure for processing information letters from the Federal Service for Technical and Export Control was implemented.

In 2024, it is planned to further expand the scope of the event logging and analysis system, update the internal regulatory framework, and change the procedure for processing identified vulnerabilities in order to strengthen the control over their elimination.

Delo Group's cybersecurity and IT integrator

Since 2023, the Group has had an internal IT systems integrator. It fulfills the role of cybersecurity operator and implements its activities through a service model that includes:

- Disaster recovery, planning, risk assessment and business continuity monitoring
- Cyber threat risk identification, assessment, mitigation and monitoring
- Optimized approach to risk management and mitigation
- Monitoring of a range of government regulations and standards to ensure compliance

The IT integrator is currently involved in cybersecurity activities in the Group companies as a consultant and non-functional coordinator.

LINE OF DEVELOPMENT

Focusing on the facts

FOR MORE THAN 30 YEARS, DELO GROUP HAS BUILT ITS BUSINESS ON THE PRINCIPLE OF TRANSPARENCY, PROVIDING STAKEHOLDERS WITH COMPLETE, TIMELY AND RELIABLE INFORMATION ABOUT ITS PERFORMANCE.

About the Report

For more than 30 years, Delo Group has built its business on the principle of transparency, providing stakeholders with complete, timely and reliable information about its performance. During this period, the company's business has matured and expanded, our approach to sustainability has evolved, and our non-financial reporting has changed as well. In line with the Group-wide approach, an integrated Sustainability Report has been published since 2022, reflecting Delo Group's contribution to the social and economic development of the regions in which it operates and to improving the quality of life of local communities.

GRI 2-3

This Sustainability Report for 2023 ("Report") highlights Delo Group's key sustainability performance results and corresponds to the financial reporting period from January 1 to December 31, 2023. The Report is prepared on an annual basis.

The Report discloses the approach to sustainability management, including coordinated management of efficient use of resources, climate impact, occupational health and safety, human rights, diversity and inclusion, customer focus, innovation and digitalization, compliance and business ethics, cybersecurity and other material aspects of the Group's operations. The Report also outlines plans for the next year and the medium term.

References to "Delo Group" and "the Group" include Delo Management Company LLC ("Delo MC") and all subholdings included in Delo Group's reporting boundaries. The boundaries of the Report are as close as possible to the boundaries of the financial statements, based on the principle of materiality.

6.1. Reporting Approach

This Report has been prepared in accordance with the recommendations of non-financial reporting standards and national and international sustainability disclosure initiatives, including:

- Global Reporting Initiative (GRI) Standards 2021
- UN Sustainable Development Goals (SDGs)
- International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures
- Sustainability Accounting Standards Board (SASB) Standards for Marine and Rail Transportation
- Methodological Recommendations of the Ministry of Economic Development of the Russian Federation on Sustainability Reporting (Approval Order dated November 1, 2023)
- Bank of Russia's Recommendations on Non-Financial Disclosures
- National Development Goals of the Russian Federation until 2030
- Methodology for Assessing Business Contribution to the National Development Goals of the Russian Federation developed by the National ESG Alliance in 2024

GRI 2-14

Qualitative and quantitative data for the Report are collected through a collaborative effort of specialized departments under the guidance of the members of the Sustainability and ESG Working Group ("Working Group"), which includes representatives of the Management Company and subholdings responsible for the practical implementation of initiatives and measures in key areas of the Sustainability Policy.

GRI 2-5

In order to ensure high quality and accuracy of disclosures and to increase the level of transparency of the non-financial reporting process, some of the indicators disclosed in the Report have been verified by an independent auditor – "Technologies of Trust – Audit" JSC." Detailed information on the limits and scope of the assurance is provided in the Independent Auditor's Limited Assurance Report section.

Reporting Boundaries

GRI 2-2, GRI 2-4

The Sustainability Report contains consolidated information on the subsidiaries of Delo Group. The reporting boundaries cover:

- Operations of the Stevedoring Division
- Operations of the Transportation and Logistics Division
- Operations of the Shipping Division

In preparing the Report, Delo Group does not adjust the quantitative indicators to take account of its shareholding in subsidiaries. The Group has no significant associates or joint ventures.

In total, the reporting boundaries includes 19 companies, covering all of the Group's main business areas. In line with the development of the Group's sustainability reporting practice, the reporting boundaries of the Report were significantly expanded in 2023 to include information on the shipping operations. The 2022 figures for Delo Group have been restated to include the shipping data.

At the end of 2022, the Group acquired new stevedoring assets, which are included in the reporting boundaries of the 2023 Report. The share of the acquired assets in the quantitative indicators for 2023 does not exceed 5% of the stevedoring business totals, except for a limited set of indicators for which explanations are provided in the text of the Report.

In the event of changes in calculation methods or other adjustments to the quantitative data, appropriate explanations are provided in the text of the Report or in the footnotes. Due to the limited availability of historical data for a number of operations not previously included in the sustainability reporting boundaries, quantitative indicators in the Report are disclosed for 2022 and 2023.

6.2. Materiality Assessment

GRI 3-1, GRI 3-2, GRI 3-3

The topics included in this Report have been selected taking into account the expectations of Delo Group's stakeholders with regard to the sustainability aspects that are material to the stakeholders' activities.

The materiality assessment of the topics to be disclosed in the Report was carried out in several steps.

Step 1

Analysis of internal factors

We carried out:

- Analysis of the Group's strategy, business model and key risks
- Analysis of feedback on material topics disclosed in the Group's 2022 Sustainability Report

Results:

Creation of a preliminary list of material topics

Step 2

Analysis of external factors

We carried out:

- Benchmark analysis of reports of Russian and foreign companies in the transportation and logistics industry and ESG leaders
- Analysis of international non-financial reporting standards
- Analysis of government policies and the regulatory framework in the area of sustainable development
- Analysis of global and national ESG trends
- Detailed analysis of the Group's positive and negative economic, environmental and social impacts

Results:

Identification of material topics, taking into account the specifics of the industry and the best Russian and international practices in the area of sustainable development

Step 3

Engagement with key stakeholder groups

We carried out:

- Analysis of feedback from key stakeholder groups on material topics disclosed in the Group's 2022 Sustainability Report
- A separate survey of the Group's clients to identify the most important sustainability practices for the Group
- Random interviews about the Group's key business areas

Results:

Identification of 10 material topics for disclosure in the Report that best reflect the Group's contribution to the sustainable development of society

Delo Group's material sustainability topics

ENVIRONMENTAL (E)

- Climate Change and GHG Emissions
- Efficient Resource Management

SOCIAL (S)

- Effective Human Resources Management
- Occupational, Industrial and Fire Safety
- Ensuring Respect for Human Rights, Diversity and Inclusion

GOVERNANCE (G)

- Customer Focus
- Sustainability Management
- Compliance and Business Ethics
- Cybersecurity and Data Protection
- Innovation and Digitalization

6.3. Independent Auditor's Limited Assurance Report

GRI 2-5

To the Management of Limited liability company «Management company «Delo»:

Introduction

We have been engaged by the Management of Limited liability company «Management company «Delo» (hereinafter – the "Company") to provide limited assurance on the selected information described below and included in the Sustainability Report of the Company for the year ended 31 December 2023 (hereinafter – the "Sustainability Report"). The Sustainability Report represents information related to the Company and its subsidiaries (hereinafter together – the "Group"), unless otherwise stated in the Sustainability Report.

Selected information

We assessed the quantitative and qualitative information specified in the Appendix to this report, that is disclosed in the Sustainability Report and referred to or included in the GRI Content Index of the Sustainability Report (hereinafter – the "Selected Information").

The scope of our limited assurance procedures was limited to the Selected Information for the year ended 31 December 2023 only. We have not performed any procedures with respect to earlier periods or any other items (inclusive of any disclosures under the Sustainability Accounting Standards Board Standards, Methodological Recommendations for the Preparation of

Sustainable Development Reports, approved by the Order of the Ministry of Economic Development of the Russian Federation No. 761 dated 1 November 2023) included in the Sustainability Report and, therefore, do not express any conclusion thereon.

Reporting criteria

We assessed the Selected Information using relevant criteria, including reporting principles and requirements, in the respective GRI Sustainability Reporting Standards 2, 201, 202, 203, 205, 302, 303, 305, 306, 401, 402, 403, 404, 405 and 406 (hereinafter – the "GRI Standards"), published by Stichting Global Reporting Initiative (hereinafter – the "Reporting Criteria"). We believe that the Reporting Criteria are appropriate given the purpose of our limited assurance engagement.

Responsibilities of the Group's management

Management of the Group is responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Selected Information that is free from material misstatement, whether due to fraud or error;



Technologies
of Trust

Joint-Stock Company "Technologies of Trust – Audit"
(“Technologies of Trust – Audit” JSC)

Ferro-Plaza Business Centre, 14/3 Krzhizhanovsky street, bldg. 5/1,
Akademicheskyy municipal district, Moscow, Russian Federation, 117218

www.tedo.ru

F: +7 (495) 967 6001

- establishing internal methodology for preparing and reporting the Selected Information in accordance with the Reporting Criteria;
- preparing, measuring and reporting of the Selected Information in accordance with the Reporting Criteria; and
- the accuracy, completeness and presentation of the Selected Information.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Management of the Group.

This report, including our conclusion, has been prepared solely for the Management of the Group in accordance with the agreement between us, to assist management in reporting on the Group's sustainability performance and activities. We permit this report to be disclosed in the Sustainability Report, which will be published on the Company's website²²,

²² The maintenance and integrity of the Company's website is the responsibility of the Management of the Company; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Selected Information or Reporting Criteria when presented on the Company's website.

to assist management in responding to its governance responsibilities by obtaining an independent auditor's limited assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of the Group for our work or this report except where the respective terms are expressly agreed between us in writing and our prior consent in writing is obtained.

Professional standards applied and level of assurance

We performed our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, and the ethical requirements of the Auditor's Professional Ethics Code and Auditor's Independence Rules that are relevant to our limited assurance engagement in respect of the Selected Information in the Russian Federation.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Work done

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information. In doing so, we:

- made enquiries of the Group's management, including the Group Sustainability Reporting (SR) team and those with responsibility for SR management and Group SR reporting;
- conducted interviews of Group's personnel responsible for the preparation of the Sustainability Report and collection and analysis of underlying data;
- performed analysis of the relevant internal methodology, gaining an understanding of the design of the key structures, systems, processes and controls for managing, recording, preparing and reporting the Selected Information;
- performed limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported; and
- reviewed the Selected Information for compliance of the disclosures with the relevant requirements of the Reporting Criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Reporting and measurement techniques

Under the GRI Standards there is a range of different, but acceptable, reporting and measurement techniques. The techniques can result in materially different reporting outcomes that may affect comparability with other organisations. The Selected Information should therefore be read in conjunction with the methodology used by management in preparing the Sustainability Report, described therein, and for which the Group is solely responsible.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information for the year ended 31 December 2023 has not been prepared, in all material respects, in accordance with the Reporting Criteria.

19 July 2024

Moscow, Russian Federation



Aleksei Stanislavovich Zubenko,

is authorised to sign on behalf of the General Director of Joint-Stock Company "Technologies of Trust – Audit" (Principal Registration Number of the Record in the Register of Auditors and Audit Organizations (PRNR) – 12006020338), certified auditor (PRNR – 21906105827)

Appendix to the Independent Auditor's Limited Assurance Report dated 19 July 2024

The Selected Information subject to limited assurance procedures and prepared in accordance with the selected GRI Disclosures is set out below:

GRI Disclosure	Title
2-1	Organizational details
2-2	Entities included in the organization's sustainability reporting
2-3	Reporting period, frequency and contact point
2-4	Restatements of information
2-5	External assurance
2-6	Activities, value chain and other business relationships
2-7	Employees
2-9	Governance structure and composition
2-10	Nomination and selection of the highest governance body
2-11	Chair of the highest governance body
2-12	Role of the highest governance body in overseeing the management of impacts
2-13	Delegation of responsibility for managing impacts
2-14	Role of the highest governance body in sustainability reporting

GRI Disclosure	Title
2-18	Evaluation of the performance of the highest governance body
2-19	Remuneration policies
2-20	Process to determine remuneration
2-22	Statement on sustainable development strategy
2-23	Policy commitments
2-26	Mechanisms for seeking advice and raising concerns
2-28	Membership associations
2-29	Approach to stakeholder engagement
2-30	Collective bargaining agreements
201-1	Direct economic value generated and distributed
201-4	Financial assistance received from government
202-2	Proportion of senior management hired from the local community
203-1	Infrastructure investments and services supported

GRI Disclosure	Title
205-2	Communication and training about anti-corruption policies and procedures
205-3	Confirmed incidents of corruption and actions taken
302-1	Energy consumption within the organization
302-3	Energy intensity
303-1	Interactions with water as a shared resource
303-2	Management of water discharge-related impacts
303-3	Water withdrawal
303-4	Water discharge
305-1	Direct (Scope 1) GHG emissions
305-2	Energy indirect (Scope 2) GHG emissions
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions
306-1	Waste generation and significant waste-related impacts
306-3	Waste generated
306-4	Waste diverted from disposal
306-5	Waste directed to disposal
401-1	New employee hires and employee turnover

GRI Disclosure	Title
401-2	Benefits provided to full-time employees that are not provided to temporary or part time employees
401-3	Parental leave
402-1	Minimum notice periods regarding operational changes
403-1	Occupational health and safety management system
403-2	Hazard identification, risk assessment, and incident investigation
403-3	Occupational health services
403-4	Worker participation, consultation, and communication on occupational health and safety
403-5	Worker training on occupational health and safety
403-6	Promotion of worker health
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
403-8	Workers covered by an occupational health and safety management system
403-9	Work-related injuries
403-10	Work-related ill health
404-3	Percentage of employees receiving regular performance and career development reviews
405-1	Diversity of governance bodies and employees
406-1	Incidents of discrimination and corrective actions taken



6.4. Contacts



Address

15 Donskaya Street, Moscow, 119049, Russia

<https://www.delo-group.ru>

Telephone

+7 (495) 933-19-19

Email

esg@delo-group.ru

LINE OF BENEFITS

Always offering more

Appendices

GRI Content Index

Delo Group has reported the information cited in this GRI Content Index for the period from 1 January 2023 to 31 December 2023 with reference to the GRI Standards.

For the purpose of this Report GRI 1: Foundation 2021 was used.

GRI Disclosure	Title	Report section	Page	Note
The organization and its reporting practices				
GRI 2-1	Organizational details	1.1. Group Summary 1.3. Business Geography 6.4. Contacts	6 14 79	
GRI 2-2	Entities included in the organization's sustainability reporting	6.1. Reporting Boundaries	73	Partial disclosure due to data confidentiality
GRI 2-3	Reporting period, frequency and contact point	6. About the Report 6.4. Contacts GRI Content Index	73 79 81	Report date: 07.2024
GRI 2-4	Restatements of information	6.1. Reporting Boundaries	73	Partial disclosure due to data confidentiality
GRI 2-5	External assurance	6. About the Report 6.3. Independent Auditor's Limited Assurance Report	73 75–78	
Activities and workers				
GRI 2-6	Activities, value chain and other business relationships	1.1. Group Summary 1.3. Business Geography 5.5. Sustainable Supply Chain	6 14 67	

GRI Disclosure	Title	Report section	Page	Note
GRI 2-7	Employees	3.1. Human Resource Management GRI Content Index ESG Databook	27 82 91	Major business region is the Russian Federation, where 100% of employees are employed
Governance				
GRI 2-9	Governance structure and composition	5.1. Governance System GRI Content Index	58 82	Term of office of members of the Board of Directors: <ul style="list-style-type: none"> • Up to 3 years: 3 pers. • 3-5 years: 3 pers. • 5-10 years: 0 pers. • Over 10 years: 0 pers. Executive directors: 2 pers.; Non-executive directors: 4 pers. There are no independent directors on the Board of Directors
GRI 2-10	Nomination and selection of the highest governance body	5.1. Governance System Delo Group Sustainability Report 2022 (page 30)	58	
GRI 2-11	Chair of the highest governance body	GRI Content Index	82	The Chairman of the Board of Directors does not act as the Director General of the Group.
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	5.1. Governance System	58	Partial disclosure
GRI 2-13	Delegation of responsibility for managing impacts	5.2. Sustainability Management	59	Partial disclosure
GRI 2-14	Role of the highest governance body in sustainability reporting	6.1. Reporting Approach GRI Content Index	73 82	Under the Group's current sustainability management framework, the Board of Directors does not approve non-financial reporting. Approval takes place at the level of the dedicated working group chaired by the Deputy Director General for Finance and Sustainability.
GRI 2-18	Evaluation of the performance of the highest governance body	GRI Content Index	82	There was no performance evaluation of the Board of Directors of Delo Management Company in the reporting period
GRI 2-19	Remuneration policies	5.1. Governance System GRI Content Index	58 82	The Director General's remuneration is set out in the employment contract and depends on the achievement of KPIs set by the General Meeting. Members of the Board of Directors of Delo Management Company do not receive any additional remuneration for attending Board meetings.

GRI Disclosure	Title	Report section	Page	Note
GRI 2-20	Process to determine remuneration	3.1. Human Resource Management (Compensation and Incentives) 5.1. Governance System GRI Content Index	33 58 83	Members of the Board of Directors of Delo Management Company do not receive any additional remuneration for attending Board meetings. Remuneration of the Director General and the executive managers of Delo Group is determined in accordance with the Incentive Regulations developed and implemented within the Group. No external consultants have been engaged to develop the Employee Compensation and Incentive System.
GRI 2-22	Statement on sustainable development strategy	Message from the Management of Delo Group	3	
Strategy, policies and practices				
GRI 2-23	Policy commitments	3.4. Human Rights, Diversity and Inclusion 5.2. Sustainability Management 5.3. Compliance and Business Ethics 5.5. Sustainable Supply Chain	41 59 65 67	Partial disclosure
GRI 2-26	Mechanisms for seeking advice and raising concerns	5.3. Compliance and Business Ethics	65	
GRI 2-28	Membership associations	1.6. Partnerships and Memberships in Associations and International Initiatives ESG Databook	18 90	
Stakeholder engagement				
GRI 2-29	Approach to stakeholder engagement	5.2. Sustainability Management (Stakeholder Engagement) 5.4. Customer Focus	61 66	
GRI 2-30	Collective bargaining agreements	3.4. Human Rights, Diversity and Inclusion GRI Content Index ESG Databook	41 83 92	Collective bargaining agreements cover the employees of a number of the Group companies. Employees of other Group companies are not affected by collective bargaining agreements.
Material Topics				
GRI 3-1	Process to determine material topics	6.2. Materiality Assessment	74	

GRI Disclosure	Title	Report section	Page	Note
GRI 3-2	List of material topics	6.2. Materiality Assessment	74	
GRI 3-3	Management of material topics	6.2. Materiality Assessment	74	
Economic Performance				
GRI 201-1	Direct economic value generated and distributed	ESG Databook	115	
GRI 201-2	Financial implications and other risks and opportunities due to climate change	4.1. Climate Change and GHG Emissions	45–46	
GRI 201-4	Financial assistance received from government	ESG Databook	116	Partial disclosure
Market Presence				
GRI 202-2	Proportion of senior management hired from the local community	GRI Content Index	84	All top managers of the Group are Russian nationals
Indirect Economic Impacts				
GRI 203-1	Infrastructure investments and services supported	ESG Databook	116	
Anti-Corruption				
GRI 205-2	Communication and training about anti-corruption policies and procedures	5.1. Governance System 5.3. Compliance and Business Ethics ESG Databook	58 65 116–117	Partial disclosure
GRI 205-3	Confirmed incidents of corruption and actions taken	GRI Content Index	84	Partial disclosure. In 2023, there were 3 confirmed cases of corruption in the Transportation and Logistics Division of Delo Group. Each case was investigated in detail, the underlying causes and circumstances were determined, 4 employees were dismissed or disciplined, and the company took all necessary measures to prevent recurrence of violations. There were no confirmed cases of termination or non-renewal of contracts with business partners due to corruption-related violations during the reporting period

GRI Disclosure	Title	Report section	Page	Note
Energy				
GRI 302-1	Energy consumption within the organization	4.1. Climate Change and GHG Emissions (Energy Efficiency) GRI Content Index ESG Databook	47 85 105	Delo Group consumes energy only for its own needs. The Group does not resell energy.
GRI 302-3	Energy intensity	ESG Databook	106	
GRI 302-4	Reduction of energy consumption	ESG Databook	106	
Water and Effluents				
GRI 303-1	Interactions with water as a shared resource	4.2. Efficient Resource Management (Water Consumption and Protection of Water Resources)	51	
GRI 303-2	Management of water discharge-related impacts	4.2. Efficient Resource Management (Water Consumption and Protection of Water Resources)	52	
GRI 303-3	Water withdrawal	4.2. Efficient Resource Management (Water Consumption and Protection of Water Resources) GRI Content Index ESG Databook	51 85 107	Delo Group does not source water from areas with water stress. All water used and discharged is fresh water.
GRI 303-4	Water discharge	4.2. Efficient Resource Management (Water Consumption and Protection of Water Resources) GRI Content Index ESG Databook	51 85 107	
Emissions				
GRI 305-1	Direct (Scope 1) GHG emissions	4.1. Climate Change and GHG Emissions GRI Content Index ESG Databook	44 85 108	c. Delo Group companies do not produce biogenic CO2 emissions d. Delo Group has chosen 2022 as the reference year e, g. GHG emissions are determined in accordance with the following methods and standards: – Guidelines for the quantitative determination of greenhouse gas emissions and greenhouse gas removal approved by Order No. 371 of the Russian Ministry of Natural Resources of May 27, 2022 – Greenhouse Gas Protocol

GRI Disclosure	Title	Report section	Page	Note
GRI 305-2	Energy indirect (Scope 2) GHG emissions	4.1. Climate Change and GHG Emissions GRI Content Index ESG Databook	44 86 108	d. Delo Group has chosen 2022 as the reference year e, g. GHG emissions are determined in accordance with the following methods and standards: – Guidelines for the quantitative determination of greenhouse gas emissions and greenhouse gas removal approved by Order No. 371 of the Russian Ministry of Natural Resources of May 27, 2022 – Greenhouse Gas Protocol
GRI 305-3	Other indirect (Scope 3) GHG emissions	4.1. Climate Change and GHG Emissions ESG Databook	44 108	c, d. Delo Group companies do not produce biogenic or other CO2 emissions e. Delo Group has chosen 2022 as the reference year f, g. GHG emissions are determined in accordance with the following methods and standards: – Greenhouse Gas Protocol
GRI 305-4	GHG emissions intensity	ESG Databook	109	
GRI 305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	4.2. Efficient Resource Management (Air Protection) ESG Databook	53 109–110	
Waste				
GRI 306-1	Waste generation and significant waste-related impacts	4.2. Efficient Resource Management (Waste Management)	54	
GRI 306-3	Waste generated	4.2. Efficient Resource Management (Waste Management) ESG Databook	54 110	
GRI 306-4	Waste diverted from disposal	4.2. Efficient Resource Management (Waste Management) ESG Databook	54 111	
GRI 306-5	Waste directed to disposal	4.2. Efficient Resource Management (Waste Management) ESG Databook	54 111–112	

GRI Disclosure	Title	Report section	Page	Note
Supplier Environmental Assessment				
GRI 308-1	New suppliers that were screened using environmental criteria	ESG Databook	117	
Employment				
GRI 401-1	New employee hires and employee turnover	3.1. Human Resource Management (Personnel Structure) ESG Databook	27 92-93	
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.1. Human Resource Management (Benefits for Employees and Their Families) ESG Databook	32 94	
GRI 401-3	Parental leave	ESG Databook	95-96	
Labor/Management Relations				
GRI 402-1	Minimum notice periods regarding operational changes	GRI Content Index	87	The minimum notice period for employees regarding operational changes in the Company is 8 weeks (2 months) in accordance with the Group's collective bargaining agreements under the Russian Labor Code (Article 74).
Occupational Health and Safety				
GRI 403-1	Occupational health and safety management system	3.2. Occupational, Industrial and Fire Safety GRI Content Index	35 87	In accordance with Russian laws, the subholdings have implemented an Occupational Health and Safety Management System (OHSMS) (as required by Article 217 of the Labor Code of the Russian Federation), which covers 100% of the Group's employees
GRI 403-2	Hazard identification, risk assessment, and incident investigation	3.2. Occupational, Industrial and Fire Safety	35	
GRI 403-3	Occupational health services	3.2. Occupational, Industrial and Fire Safety	37	

GRI Disclosure	Title	Report section	Page	Note
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	3.2. Occupational, Industrial and Fire Safety	36	
GRI 403-5	Worker training on occupational health and safety	3.2. Occupational, Industrial and Fire Safety ESG Databook	36 97	
GRI 403-6	Promotion of worker health	3.2. Occupational, Industrial and Fire Safety	36	
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.2. Occupational, Industrial and Fire Safety	37	
GRI 403-8	Workers covered by an occupational health and safety management system	GRI Content Index	88	100% of employees are covered by the occupational health and safety system
GRI 403-9	Work-related injuries	3.2. Occupational, Industrial and Fire Safety GRI Content Index ESG Databook	37 88 97	Due to a lack of data collection tools, information on contractor employees is not disclosed
GRI 403-10	Work-related ill health	3.2. Occupational, Industrial and Fire Safety GRI Content Index ESG Databook	37 88 98	1) In 2023, there were no recorded cases of work-related ill health or fatalities in the Group 2) Due to a lack of data collection tools, information on contractor employees is not disclosed
Training and Education				
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	3.1. Human Resource Management (Employee Training and Development) ESG Databook	34 98-99	
Diversity and Equal Opportunity				
GRI 405-1	Diversity of governance bodies and employees	3.1. Human Resource Management (Personnel Structure) 5.1. Governance System ESG Databook	27 58 99-101	

GRI Disclosure	Title	Report section	Page	Note
Non-discrimination				
GRI 406-1	Incidents of discrimination and corrective actions taken	3.4. Human Rights, Diversity and Inclusion	41	
Security Practices				
GRI 410-1	Security personnel trained in human rights policies or procedures	GRI Content Index	89	Partial disclosure. Upon hire, each security officer is required to read and understand the Group's Human Rights Policy. Respect for human rights in the workplace is included in the job descriptions of security officers.
Human Rights Assessment				
GRI 412-2	Employee training on human rights policies or procedures	GRI Content Index	89	Partial disclosure. Upon hire, each Group employee is required to read and understand the Group's Human Rights Policy. Respect for human rights in the workplace is included in the job description of each employee. Specialized training for certain categories of employees is provided when necessary.

ESG Databook

Social (S)

GRI 2-28

Membership associations. 31 associations in total

Delo Management Company

1. Association of Food Sector Organizations (ASORPS)
2. Russian Union of Industrialists and Entrepreneurs (RSPP)
3. International Coordinating Council on Trans-Eurasian Transportation
4. Intersectoral Association of Enterprises for the Development of Foreign Economic Cooperation – "Russian-Turkish Dialogue" Association
5. All-Russian Industrial Association of Employers "Russian Chamber of Shipping"
6. National ESG Alliance
7. Digital Transport and Logistics Association (DTLA)

Stevedoring Division

1. GEO Interregional Association of Surveyors
2. "Project Portal" Expert and Analytical Center of Designers Association
3. Regional Association of Employers "Union Self-Regulatory Organization Regional Association of Builders of Kuban"
4. Novorossiysk Chamber of Commerce and Industry
5. Southern Regional Association of Maritime Agents and Forwarders
6. Memorandum of agricultural products market participants on countering violations of weight and dimensional standards during road freight transportation
7. Grain and Feed Trade Association LLC (GAFTA membership)
8. Union "Self-Regulatory Organization 'Interregional Alliance of Builders'"
9. Association of Sea Trade Ports

Transportation and Logistics Division

1. All-Russian Association of Rail Transport Employers
2. International Coordinating Council on Trans-Eurasian Transportation
3. Transport Coordination Session of the CIS
4. Russian Union of Industrialists and Entrepreneurs (RSPP)
5. Council of Participants of the Rolling Stock Operators Market
6. Italian-Russian Chamber of Commerce
7. Association of Railway Equipment Manufacturers
8. Organization of Railway Cooperation
9. Russian Association of Freight Forwarding and Logistics Organizations
10. Eurasian Union of Rail Freight Traffic Participants
11. Chamber of Commerce and Industry of the Rostov Region
12. Chamber of Commerce and Industry of the Krasnodar Territory
13. Chamber of Commerce and Industry of the Stavropol Territory
14. Russian Grain Union
15. The World Cargo Alliance (WCA)
16. Territorial Association of Employers "Organization of the Moscow

Shipping Division

1. Baltic and International Maritime Council (BIMCO)
2. All-Russian Industrial Association of Employers "Russian Chamber of Shipping"

GRI 2-7, SASB TR-RA-000.E

Employees, pers.

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total Group employees	9,911	10,084	4,460	4,571	4,862	4,932	589	581
Total women	4,102	4,169	1,264	1,274	2,693	2,746	145	149
Total men	5,809	5,915	3,196	3,297	2,169	2,186	444	432

Employees by age:

under 25	614	744	243	297	310	388	61	59
26-35	2,216	2,030	957	885	1,151	1,039	108	106
36-55	5,707	5,863	2,571	2,643	2,893	2,967	243	253
56+	1,374	1,447	689	746	508	538	177	163

Employees by type of employment contract and type of employment:

Permanent employment contract, total	9,631	9,853	4,298	4,465	4,754	4,807	579	581
Total women	3,970	4,045	1,219	1,239	2,612	2,657	139	149
Total men	5,661	5,808	3,079	3,226	2,142	2,150	440	432
Fixed-term employment contract, total	280	231	162	106	108	125	10	0
Total women	132	124	45	35	81	89	6	0
Total men	148	107	117	71	27	36	4	0
Full-time employment contract, total	9,756	10,019	4,365	4,536	4,809	4,903	582	580
Total women	4,037	4,127	1,237	1,256	2,656	2,723	144	148
Total men	5,719	5,892	3,128	3,280	2,153	2,180	438	432
Part-time employment contract, total	155	65	95	35	53	29	7	1
Total women	65	42	27	18	37	23	1	1
Total men	90	23	68	17	16	6	6	0

GRI 2-30

Employees covered by collective bargaining agreements, pers.²³

	Total Delo Group	Stevedoring Division	Transportation and Logistics Division	Shipping Division
	2023	2023	2023	2023
Employees covered by collective bargaining agreements	7,241	2,876	3,784	581

GRI 401-1, MED-33

New employee hires and employee turnover in the reporting period, pers.

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023

New employee hires and employee turnover in the reporting period by gender**Women**

Total new employee hires	763	801	202	263	528	480	33	58
Percentage of new hires	0.19	0.19	0.16	0.21	0.20	0.17	0.23	0.39
Total employee departures	433	619	172	153	236	415	25	51
Turnover rate	0.11	0.15	0.14	0.12	0.09	0.15	0.17	0.34

Men

Total new employee hires	1,261	1,289	609	601	482	520	170	168
Percentage of new hires	0.22	0.22	0.19	0.18	0.22	0.24	0.38	0.39
Total employee departures	956	1,005	399	357	359	469	198	179
Turnover rate	0.16	0.17	0.12	0.11	0.17	0.21	0.45	0.41

²³ Data for 2022 has not been collected.

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
New employee hires and employee turnover in the reporting period by age								
Total: under 25	614	744	243	297	310	388	61	59
New employee hires: under 25	477	543	164	193	238	284	75	66
Percentage of new employee hires: under 25	0.78	0.73	0.67	0.65	0.77	0.73	1.22	1.12
Employee departures: under 25	196	271	78	82	62	134	56	55
Turnover rate: under 25	0.32	0.36	0.32	0.28	0.20	0.35	0.92	0.93
Total: 26-35	2,216	2,030	957	885	1,151	1,039	108	106
New employee hires: 26-35	587	561	262	274	302	255	23	32
Percentage of new employee hires: 26-35	0.26	0.28	0.27	0.31	0.26	0.25	0.21	0.30
Employee departures: 26-35	378	415	167	131	166	250	45	34
Turnover rate: 26-35	0.17	0.20	0.17	0.15	0.14	0.24	0.42	0.32
Total: 36-55	5,707	5,863	2,571	2,643	2,893	2,967	243	253
New employee hires: 36-55	852	851	359	371	434	397	59	83
Percentage of new employee hires: 36-55	0.15	0.15	0.14	0.14	0.15	0.13	0.24	0.33
Employee departures: 36-55	560	693	223	222	278	394	59	77
Turnover rate: 36-55	0.10	0.12	0.09	0.08	0.10	0.13	0.24	0.30
Total: 56+	1,374	1,447	689	746	508	538	177	163
New employee hires: 56+	108	136	26	27	36	64	46	45
Percentage of new employee hires: 56+	0.08	0.09	0.04	0.04	0.07	0.12	0.26	0.28
Employee departures: 56+	255	245	103	75	89	106	63	64
Turnover rate: 56+	0.19	0.17	0.15	0.10	0.18	0.20	0.36	0.39

GRI 401-2

Benefits for full-time employees, RUB mln

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Voluntary health insurance programs for employees	104.7	118.5	24	31.5	80.7	87	0	0
Non-governmental pension plans for employees	33.3	27.1	0	0	33.3	27.1	0	0
Health resort treatment for employees and their children	6.4	9.8	0.7	2.8	4.5	7	1.2	0
Health and wellness of employees' children (children's health camps)	11.1	19.4	4.7	9.8	6.4	9.6	0	0
Reimbursement of kindergarten fees	11.7	18.7	0	3.3	11.7	15.4	0	0
Reimbursement of travel expenses of employees and their family members	22.9	30.8	0	1.3	19.9	25	3	4.5
Financial assistance to employees in connection with the birth/adoption of a child	5.6	10.1	0.7	4.2	4.7	5.3	0.2	0.3
One-time child birth financial assistance for employees (RUB 1 mln)	7	29	0	10	7	19	0	0
Financial assistance in case of family emergencies	13.7	130.9	2.4	11.8	11.2	118.9	0.1	0.2
Social guarantees for non-working retirees	7.4	14.5	1	6.8	6.4	7.7	0	0
Other (including long-service employee benefits)	0	249.4	0	86.9	0	162.5	0	0
Total	223.8	658.2	33.5	168.7	185.8	484.6	4.5	5

GRI 401-3

Parental leave, pers.

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total employees eligible for parental leave during the reporting period, including	1,043	575	506	401	530	168	7	6
Women	431	214	127	125	297	88	7	1
Men	612	361	379	276	233	80	0	5
Total employees on parental leave during the reporting period, including	304	135	46	37	256	95	2	3
Women	299	130	45	35	253	92	1	3
Men	5	5	1	2	3	3	1	0
Total employees expected to return to work after parental leave during the reporting period	130	54	23	18	106	33	1	3
Women	129	53	22	18	106	32	1	3
Men	1	1	1	0	0	1	0	0
Total employees who returned to work after parental leave during the reporting period	100	90	22	21	77	66	1	3
Women	99	87	21	19	77	65	1	3
Men	1	3	1	2	0	1	0	0

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total employees who returned to work after parental leave during the previous reporting period (2022)	115	110	12	20	101	88	2	2
Women	113	109	12	19	99	88	2	2
Men	2	1	0	1	2	0	0	0
Total employees who returned to work after parental leave and continued to work for 12 months after returning to work	92	90	16	16	74	73	2	1
Women	89	87	15	16	72	70	2	1
Men	3	3	1	0	2	3	0	0
Return to work rate (percentage of employees who returned to work after parental leave), %	76.9	100	95.7	100	72.6	100	100	100
Women	76.74	100	95.5	100	72.6	100	100	100
Men	100	100	0	0	0	100	0	0
Retention rate (percentage of employees who remain with the company after parental leave), %	80	81.8	100	80	73.3	82.95	100	50
Women	78.8	79.8	100	84.2	72.7	79.5	100	50
Men	100	100	0	0	100	0	0	0

GRI 403-5

Employees trained in occupational health and safety

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Employees trained in occupational health and safety, pers.	3,400	5,209	N/A	2,941	N/A	1,978	N/A	290
Total expenditure on occupational safety and health training, RUB thousand	13,000	11,875.7	N/A	4,920.8	N/A	6,924.1	N/A	30.8

GRI 403-9, MED-29

Work-related injuries

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total accidents ²⁴ , cases	10	14	6	10	4	4	0	0
Fatalities, ea.	0	0	0	0	0	0	0	0
Severe accidents, ea.	1	2	0	1	1	1	0	0
Total persons injured in accidents, pers.	10	14	6	10	4	4	0	0
Total hours worked, h.	15,752,178	16,567,745	8,275,403	7,862,569	7,476,775	7,917,246	N/A	787,930
Lost Time Injury Frequency Rate (LTIFR) ²⁵	0.63	0.85	0.73	1.27	0.53	0.51	0	0

²⁴ The majority of accidents were caused by falls, both on level surfaces and from heights, and by being caught between static and moving objects, parts and machinery.

²⁵ The rate is calculated based on 1 million hours worked.

GRI 403-10

Work-related ill health, ea.

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Deaths caused by work-related ill health	0	0	0	0	0	0	0	0
Reported cases of work-related ill health	4	0	4	0	0	0	0	0

GRI 404-3

Percentage of employees receiving regular performance and career development reviews

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Employees who received a performance and career development review during the reporting period, pers.	686	1,170	365	416	321	754	0	0
Female employees who received a performance and career development review during the reporting period, pers.	341	598	195	230	146	368	0	0
Male employees who received a performance and career development review during the reporting period, pers.	345	572	170	186	175	386	0	0
Percentage of female employees receiving regular performance and career reviews, %	8.31	14.34	15.43	18.05	5.42	13.4	0	0
Percentage of male employees receiving regular performance and career reviews, %	5.94	9.67	5.32	5.64	8.07	17.66	0	0

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Performance reviewed employees by position, pers.								
Managers	377	423	177	187	200	236	0	0
Specialists	309	733	188	225	121	508	0	0
Workers	0	11	0	1	0	10	0	0
Percentage of employees receiving regular performance and career reviews, %								
Managers	29.29	32.87	55.66	60.71	21.48	25.93	0	0
Specialists	7.07	16.76	12.48	16.19	4.63	18.93	0	0
Workers	0	0.26	0	0.03	0	0.75	0	0

GRI 405-1

Diversity of governance bodies and employees

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Managers:								
Total female managers, pers.	538	532	106	104	420	409	12	19
Total male managers, pers.	778	757	212	204	511	501	55	52
Percentage of female managers, %	40.9	41	33.3	33.8	45.1	44.5	17.91	26.8
Percentage of male managers, %	59.1	58.9	66.7	66.2	54.9	55.3	82.09	73.2

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total managers under 25, pers.	3	3	0	0	3	3	0	0
Total managers aged 26-35, pers.	194	155	34	34	159	117	1	4
Total managers aged 36-55, pers.	957	956	235	218	680	695	42	43
Total managers aged 56+, pers.	162	175	49	56	89	95	24	24
Percentage of managers under 25, %	0.23	0.23	0	0	0.32	0.33	0	0
Percentage of managers aged 26-35, %	14.77	12.02	10.7	11.04	17.1	12.9	1.5	5.63
Percentage of managers aged 36-55, %	73	74.17	73.9	70.78	73	76.4	62.7	60.6
Percentage of managers aged 56+, %	12	13.58	15.4	18.18	9.6	10.4	35.8	33.8
Specialists								
Total female specialists, pers.	2,787	2,822	807	791	1,923	1,977	57	54
Total male specialists, pers.	1,622	1,535	699	600	690	706	233	229
Percentage of female specialists, %	63	65	54	57	74	74	19.7	19
Percentage of male specialists, %	37	35	46	43	26	26	80.3	81
Total specialists under 25, pers.	331	406	84	84	219	297	28	25
Total specialists aged 26-35, pers.	1,239	1,119	383	308	769	731	87	80
Total specialists aged 36-55, pers.	2,426	2,399	841	782	1,473	1,491	112	126
Total specialists aged 56+, pers.	413	433	198	217	152	164	63	52

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Percentage of specialists under 25, %	7.51	9.32	5.58	6.04	8.38	11.07	9.66	8.83
Percentage of specialists aged 26-35, %	28.10	25.69	25.43	22.16	29.43	27.25	30	28.27
Percentage of specialists aged 36-55, %	55.02	55.07	55.84	56.26	56.37	55.57	38.62	44.52
Percentage of specialists aged 56+, %	9.37	9.94	13.15	15.61	5.82	6.11	21.72	18.37
Workers								
Total female workers, pers.	777	815	351	379	350	360	76	76
Total male workers, pers.	3,409	3,623	2,285	2,493	968	979	156	151
Percentage of female workers, %	18.56	18.36	13.3	13.2	26.6	26.9	32.76	33.5
Percentage of male workers, %	81.4	81.64	86.7	86.8	73.4	73.1	67.2	66.5
Total workers under 25, pers.	280	335	159	213	88	88	33	34
Total workers aged 26-35, pers.	783	757	540	543	223	192	20	22
Total workers aged 36-55, pers.	2,324	2,508	1,495	1,643	740	781	89	84
Total workers aged 56+, pers.	799	838	442	473	267	278	90	87
Percentage of workers under 25, %	6.7	7.55	6.03	7.42	6.68	6.57	14.22	14.98
Percentage of workers aged 26-35, %	18.71	17.06	20.49	18.91	16.92	14.34	8.62	9.69
Percentage of workers aged 36-55, %	55.52	56.51	56.71	57.21	56.15	58.33	38.36	37.00
Percentage of workers aged 56+, %	19.09	18.88	16.77	16.47	20.26	20.76	38.79	38.33

GRI 405-2

Comparison of compensation between men and women, RUB²⁶

	Total Delo Group	Stevedoring Division	Transportation and Logistics Division	Shipping Division
	2023	2023	2023	2023
Average salary:				
Male managers	331,979.57	421,147.70	234,237	340,554
Female managers	192,576.62	174,400.60	174,257	229,072
Male specialists	110,705.14	87,246.83	95,900	148,969
Female specialists	94,753.02	68,450.88	93,172	122,636
Male workers	74,764.76	53,036.78	80,283	90,975
Female workers	59,123.79	42,170.71	58,946	76,255
Average bonus amount:				
Male managers	89,513.04	192,599.87	72,032.25	3,907
Female managers	50,438.67	95,574.75	55,741.25	0
Male specialists	21,220.41	35,895.16	24,763.1	3,003
Female specialists	16,778.11	24,229.00	25,411.3	694
Male workers	13,100.14	17,637.43	20,796	867
Female workers	9,365.43	12,511.86	14,934.4	650

26 Data for 2022 has not been collected.

Correlations with recommendations of the Ministry of Economic Development

MED-24

Payroll expenses, RUB²⁷

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2023		2023		2023		2023	
Payroll expenses	13,150,518,341		6,100,019,804		6,942,079,341		108,419,200	

MED-25

Total employees with disabilities, pers.

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total employees with disabilities	91	103	39	50	50	50	2	3
Permanent employees with disabilities	N/A	97	N/A	46	N/A	48	N/A	3

MED-27

Occupational health and safety expenditure, RUB

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Occupational health and safety expenditure	255,800,000	280,363,220	130,800,000	136,962,000	105,900,000	122,201,220	19,100,000	21,220,000
Average per employee	25,809.71	27,802.8	29,327.35	29,963.2	21,781.16	24,777.2	32,427.84	36,523.2

²⁷ Data for 2022 has not been collected.

MED-28

Expenditure on organizing and holding social events for employees and their families, RUB²⁸

	Total Delo Group	Stevedoring Division	Transportation and Logistics Division	Shipping Division
	2023	2023	2023	2023
Expenditure on organizing and holding social events for employees and their families	108,774,772	17,232,609	91,390,963	151,200

MED-30

Expenditure on employee training, RUB

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Expenditure on employee training	45,200,000	51,987,324	16,100,000	20,718,634	27,100,000	27,354,400	2,000,000	3,914,290

²⁸ Data for 2022 has not been collected.

Environmental (E)

GRI 302-1, MED-22, SASB TR-RA-110a.3, SASB TR-MT-110a.3, Bank of Russia Information Letter No. IN-06-28/49 dated 12.07.2021 (including item 5, pp. 26-27)

Energy consumption, TJ²⁹

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total energy consumption	3,070	3,021.9	835.1	746.6	624.6	579.5	1,610.3	1,695.71
Electricity consumption, including:	321.4	340.4	241.7	266.56	76.3	70.68	3.4	3.17
Consumption of renewable electricity	189.6	199.65	125.6	135.6	64	64	0	0
Consumption of heat energy	48.1	40.72	0	0	48.1	40.72	0	0
Total consumption of non-renewable fuels, including:	2,700.6	2,640.75	593.5	480	500.2	468.1	1,606.9	1,692.54
Diesel	1,052.3	1,005.28	513.6	399.1	288.7	326.7	250	279.51
Natural gas	63.9	70.84	38.2	36.2	25.7	34.60	0	0
Gasoline	15.6	14.86	5.2	6.7	9.1	6.95	1.3	1.2
Mazut ³⁰	1,568.7	1,549.77	36.5	38	176.6	99.9	1,355.6	1,411.84

²⁹ To convert fuel, electricity and thermal energy into TJ, the following ratios are used according to the International System of Units (SI): 1 kWh = 3,600,000 J, 1 Gcal = 4,187 MJ, 1 t of reference fuel = 0.0293076 TJ.

³⁰ Figures include marine fuel oil and heating oil.

GRI 302-3, MED-23

Energy intensity³¹

	Total Delo Group	Stevedoring Division	Transportation and Logistics Division	Shipping Division
	2023	2023	2023	2023
Container terminal throughput (with subsidiaries), thousand TEUs	3,362	1,552	1,810	N/A
Revenue, RUB mln ³²	301,093.82	71,282.38	222,506.75	7,304.69
Average headcount, pers.	9,838.01	4,381.01	4,876.20	580.8
Total energy intensity for 2023, TJ/thousand TEUs	0.90 ³³	0.48	0.32	N/A
Total energy intensity for 2023, TJ/RUR mln	0.01	0.01	0.003	0.23
Total energy intensity for 2023, TJ/pers.	0.31	0.17	0.12	2.92

GRI 302-4

Reduction of energy consumption, TJ

	Total Delo Group	Stevedoring Division	Transportation and Logistics Division	Shipping Division
	2023	2023	2023	2023
Energy consumption reduction	75.2	116.35	81.57	N/A

31 Data for 2022 has not been collected.

32 Revenues are reported without eliminating intercompany transactions.

33 Calculation excludes Shipping Division.

GRI 303-3, MED-13

Water withdrawal, thousand m³

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total water withdrawal, including:	1,717.5	2,190.9	1,365.8	1,741	345.2	443.5	6.5	6.4
centralized water supply	177.4	172	138.8	136.1	32.1	29.6	6.5	6.4
artesian wells	102.2	93.02	0.5	0.4	101.7	92.6	0	0
stormwater	1,437.9	1,923.94	1,226.5	1,602.6	211.4	321.3	0	0
Tanker truck delivery to tugboats	N/A	1.9	N/A	1.9	0	0	0	0

GRI 303-4, MED-15

Water discharge, thousand m³

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total wastewater discharge, including:	1,701.9	2,168.3	1,365.2	1,728.03	330.3	433.9	6.4	6.4
to central sewer system	176.2	152.6	138.7	120.6	31.1	25.6	6.4	6.4
to septic tanks	4.1	0	0	0	4.1	0	0	0
to water bodies, total	1,521.6	1,895.4	1,226.5	1,577.4	295.1	318.1	0	0
Third-party organizations and the volume of water transferred to third-party organizations for use, if applicable	N/A	118.6	N/A	28.3	N/A	90.3	N/A	0
Removal by special vehicles to municipal treatment facilities	N/A	1.8	N/A	1.8	0	0	0	0

GRI 305-1, SASB TR-RA-110a.1, SASB TR-MT-110a.1, Bank of Russia Information Letter No. IN-06-28/49 dated 12.07.2021 (including item 5, pp. 26-27)

Direct (Scope 1) GHG emissions, tons³⁴

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Direct (Scope 1) GHG emissions, tons	211,063	198,342.9	46,385	36,432.3	36,679	31,564.8	127,999	130,345.8

GRI 305-2, Bank of Russia Information Letter No. IN-06-28/49 dated 12.07.2021 (including item 5, pp. 26-27)

Energy indirect (Scope 2) GHG emissions, tons³⁵

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Inirect (Scope 2) GHG emissions (market based), tons	5,097	15,399.3	785	11,685.3 ³⁶	3,983	3,408	330	306
Inirect (Scope 2) GHG emissions (location based), tons	34,152	34,413.7	23,366	24,794.7	10,456	9,312	330	306

GRI 305-3, MED-20, Bank of Russia Information Letter No. IN-06-28/49 dated 12.07.2021 (including item 5, pp. 26-27)

Other indirect (Scope 3) GHG emissions, tons

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Other indirect (Scope 3) GHG emissions	2,018,849.94	70,449.2	2,836.14	54,694.9	2,005,359	14,498.3	10,654.8	1,256

34 GHG emission estimations include carbon dioxide (CO₂), methane (CH₄), and nitrogen oxide (N₂O).35 GHG emission estimations include carbon dioxide (CO₂), methane (CH₄), and nitrogen oxide (N₂O).

36 The share of new stevedoring assets included in the reporting boundaries for 2023 amounted to 11% of this indicator for the Stevedoring Division.

GRI 305-4

GHG emissions intensity³⁷

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2023		2023		2023		2023	
Total GHG emissions, tons CO ₂ e	284,191.4		102,812.5		49,471.1		131,907.8	
Container terminal throughput (with subsidiaries), thousand TEUs	3,362		1,552		1,810		N/A	
Revenue, RUB mln	301,093.82		71,282.38		222,506.75		7,304.69	
Average headcount, pers.	9,838.01		4,381.01		4,876.20		580.8	
GHG emission intensity factor for 2023, tons CO ₂ e/TEU	0.09		0.07		0.03		N/A	
GHG emission intensity factor for 2023, tons CO ₂ e/RUB mln	0.94		1.44		0.22		18.06	
GHG emission intensity factor for 2023, tons CO ₂ e/pers.	28.89		23.47		10.15		227.11	

GRI 305-7, SASB TR-RA-120a.1, SASB TR-MT-120a.1, MED-19

Emissions of NOx, SOx and other significant air pollutants, tons

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total air emissions	698.1	712.03	434.3	453 ³⁸	233.4	228.54	30.4	30.51
Nitrogen oxides (NOx)	258.5	263.32	130.6	139.02	116.4	112.64	11.5	11.66

³⁷ Data for 2022 has not been collected.³⁸ The share of new stevedoring assets included in the reporting boundaries for 2023 amounted to 6% of this indicator for the Stevedoring Division.

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Sulfur dioxide (SO ₂)	45.6	62.01	26.2	44.91	13.7	11.57	5.7	5.53
Carbon monoxide (CO)	251.2	247.36	178.4	175.1	62.4	62.07	10.4	10.2
Volatile organic compounds (VOCs)	85.3	95.72	54	58	28.7	35.22	2.6	2.5
Particulate matter (PM)	51.5	42.87	44.7	35.62	6.6	6.73	0.2	0.52
Other	6	0.75	0.4	0.34	5.6	0.31	0	0.1

GRI 306-3, MED-17

Waste generated, tons

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total generated waste	10,355.2	72,560	6,317.9	8,639.86	3,949.4	63,832.39	87.9	87.76
Class I	1.7	1.35	0.84	0.33	0.3	0.38	0.5	0.64
Class II	10.7	9.67	6.9	3.53	3.6	6.14	0.2	0
Class III	244.6	260.44	200.1	210.82	43.9	49.53	0.6	0.1
Class IV	6,600.3	67,963.63	2,983.8	4,448 ³⁹	3,529.9	63,428.61	86.6	87.03
Class V	3,498	4,324.93	3,126.3	3,977.2	371.7	347.74	0	0

³⁹ The share of new stevedoring assets included in the reporting boundaries for 2023 amounted to 7% of this indicator for the Stevedoring Division.

GRI 306-4, MED-18

Waste diverted from disposal, tons

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total waste recycled outside the company's premises ⁴⁰	6,121.4	63,467.48	3,485.3	5,890.38	2,636.2	57,574.94	N/A	2.16
Class I	0.6	0.05	0.6	0.05	0	0	N/A	0
Class II	6.5	6.46	5.3	3.87	1.2	2.59	N/A	0
Class III	114.2	125.13	81.6	95.79 ⁴¹	32.6	29.14	N/A	0.20
Class IV	2,814.9	59,473.05	552.2	2,209.69 ⁴²	2,262.7	57,261.4	N/A	1.96
Class V	3,185.4	3,862.79	2,845.7	3,580.98	339.7	281.81	N/A	0

GRI 306-5

Total waste directed to disposal, tons⁴³

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total waste directed to disposal outside Delo Group's premises ⁴⁴	2,625.8	9,142.48	2,118.8	2,763.43	507	6,320.02	N/A	86.03
Class I	0.5	0.47	0.3	0.06 ⁴⁵	0.2	0.37	N/A	0.04

40 All waste was recycled outside Delo Group's premises.

41 The share of new stevedoring assets included in the reporting boundaries for 2023 amounted to 11% of this indicator for the Stevedoring Division.

42 The share of new stevedoring assets included in the reporting boundaries for 2023 amounted to 10% of this indicator for the Stevedoring Division.

43 Waste directed to disposal includes municipal solid waste transferred to the regional waste operator.

44 All waste was directed to disposal outside Delo Group's premises.

45 The share of new stevedoring assets included in the reporting boundaries for 2023 amounted to 15% of this indicator for the Stevedoring Division.

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Class II	0.7	3.06	0.5	0	0.2	2.87	N/A	0.19
Class III	124.8	137.69	118.5	113.78	6.3	23.91	N/A	0
Class IV	2,275.7	8,518.88	1,800.9	2,226.38	474.8	6,206.7	N/A	85.8
Class V	224.1	482.38	198.6	396.21	25.5	86.17	N/A	0

Correlations with recommendations of the Ministry of Economic Development and the Bank of Russia

MED-14

Water recycled and reused, thousand m³ ⁴⁶

	Total Delo Group 2023	Stevedoring Division 2023	Transportation and Logistics Division 2023	Shipping Division 2023
Water recycled and reused	3,260	0	3,260	0

MED-16

Specific water consumption⁴⁷

	Total Delo Group 2023	Stevedoring Division 2023	Transportation and Logistics Division 2023	Shipping Division 2023
Water consumption, thousand m ³	2,191	1,741	443.5	6.4
Container terminal throughput (with subsidiaries), thousand TEUs	3,362	1,552	1,810	N/A
Revenue, RUB mln	301,093.82	71,282.38	222,506.75	7,304.7
Average headcount, pers.	9,838.01	4,381.01	4,876.2	580.8
Specific water consumption, m ³ /TEU	0.65	1.12	0.25	N/A
Specific water consumption, m ³ /RUB mln	0.01	0.02	0.002	0.001
Specific water consumption, m ³ /pers.	0.22	0.40	0.09	0.01

46 Data for 2022 has not been collected.

47 Data for 2022 has not been collected.

MED-21

Expenditure on activities related to environmental protection, RUB thousand

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total, including:	100,160	306,866.19	83,575	104,551	16,585	149,321.19	N/A	52,994
Wastewater collection and treatment	35,287	179,510.63	33,151	36,916	2,136	93,381.63	N/A	49,213
Atmospheric air protection and climate change prevention	15,778	33,982.87	10,665	14,839	5,113	17,848.87	N/A	1,295
Waste management	27,547	30,952.84	22,038	28,275	5,509	2,255.84	N/A	422
Protection and rehabilitation of land, surface and ground waters	1,801	30,209.7	1,390	4,991	411	25,218.7	N/A	0
Other environmental protection activities	19,747	32,210.15	16,331	19,530	3,416	10,616.15	N/A	2,064

Governance (G)

GRI 201-1

Direct economic value generated and distributed, USD mln

	2022	2023
Economic value generated	3,330	3,429
Revenue	3,306	3,397
Income from financial assets	21	31
Income from disposal of tangible assets	3	1
Economic value distributed	2,919	3,240
Operating expenses	2,413	2,403
including salaries and wages	233	298
Other employee benefits	-	-
Charitable donations	7	7
Payments to capital providers	390	678
including dividends paid	73	422
including financing costs	317	255
Payments to government	109	153
including income taxes	112	132
Economic value undistributed	411	188

GRI 201-4

Financial assistance received from government Tax benefits and tax credits, RUB mln⁴⁸

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2023		2023		2023		2023	
Tax benefits and tax credits	2,522.5		1,744.6		635		142.9	

GRI 203-1, MED-34

Infrastructure investments and services supported, RUB mln⁴⁹

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Total, including:	324	770.6	N/A	286.5	N/A	482.2	N/A	1.93
Sports	86.9	613.27	N/A	228.7	N/A	384.4	N/A	0.15
Social support	140.1	122.8	N/A	34.3	N/A	80.1	N/A	1.78
Urban infrastructure	0	14.9	N/A	14.9	N/A	0	N/A	0
Other	97	19.7	N/A	8.6	N/A	17.7	N/A	0

GRI 205-2

Total employees trained in anti-corruption and anti-bribery policies and procedures, pers.

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Managers	380	144	0	1	380	113	N/A	30

48 Data for 2022 has not been collected.

49 Data for 2022 has not been collected.

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Specialists	2,279	476	1	2	2,278	429	N/A	45
Workers	466	140	0	7	466	108	N/A	25
Total	3,125	760	1	10	3,124	650	N/A	100

GRI 205-2

Percentage of employees trained in anti-corruption and anti-bribery policies and procedures, %

	Total Delo Group		Stevedoring Division		Transportation and Logistics Division		Shipping Division	
	2022	2023	2022	2023	2022	2023	2022	2023
Managers	29	11	0	0.3	41	12	N/A	42
Specialists	52	11	0.1	0.1	87	16	N/A	16
Workers	11	3	0	0.2	35	8	N/A	11

GRI 308-1

New suppliers that were screened using environmental criteria⁵⁰

	Total Delo Group	Stevedoring Division	Transportation and Logistics Division	Shipping Division
	2023	2023	2023	2023
Number of suppliers	134	0	134	0

⁵⁰ Data for 2022 has not been collected.

Correlations with recommendations of the Ministry of Economic Development and the Bank of Russia

MED-4

Total expenditure on research and development, RUB⁵¹

	Total Delo Group 2023	Stevedoring Division 2023	Transportation and Logistics Division 2023	Shipping Division 2023
Expenditure	341,129	N/A	341,129	N/A

MED-36

Number of meetings of the Board of Directors, ea.

	2022	2023
Delo Group	58	69

MED-37

Number of members of the Board of Directors, pers.

	2022	2023
Delo Group	6	6

⁵¹ Data for 2022 has not been collected.

Glossary

"5S" (sort, set in order, shine, standardize, sustain) means a lean production system in the premises and workplaces of technical and auxiliary services.

"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 ground-water regime.

"Container terminal" means a site on which a complex of equipment and structures is located for performing container transportation operations.

"Employee turnover" in human resource management means the rate at which employees leave an organisation.

"ESG" (Environmental, Social, and Governance) means a set of management factors that enable a company to address environmental, social, and governance issues.

"Flatcar" means a special platform designed to carry large containers (ISO 668) and equipped with special mechanisms to secure them.

"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.

"Grain terminal" means a facility used to handle grain shipments.

"Green energy" means a sector of the energy generation industry that relies on renewable energy sources. The most common types of green energy are solar energy and wind energy.

"Green logistics" means a strategic approach to supply chain management aimed at minimizing negative environmental impacts, including reducing greenhouse gas emissions, using resources efficiently, and promoting sustainable practices.

"GRI" (Global Reporting Initiative) means an international organization dedicated to the development and implementation of an authoritative and trustworthy sustainable development reporting system that is accessible to organizations regardless of size, type of activity or location.

"GRI Standards 2021" means the latest version of the internationally recognized sustainability reporting framework developed by the Global Reporting Initiative.

"Impact" in this Report means a significant economic, environmental or 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 involvement of 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.

"RoRo cargo" (roll-on/roll-off) means cargo that is loaded and unloaded without the use of lifting equipment.

"Shipping Division" means operations related to the operation and management of watercraft for the carriage of goods or passengers on water routes.

"Stakeholders" means all individuals and legal entities that have an interest in the Group's activities and that influence or are influenced by the Group's performance.

"Stevedoring Division" means operations related to the operation of ports and terminals, as well as transshipment operations on sea, river or lake routes.

"Sustainable development" means the development of the economy, society and technology in a way that improves people's lives and minimizes negative impacts on the environment.

"TEU" means a twenty-foot equivalent unit based on the volume of a 20-foot (6.1 m) ISO intermodal container.

"Transportation and Logistics Division" means operations related to the management and organization of the carriage of goods or passengers from one point to another.

"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).