

Communication on progress

Organization: Gradalogistic Group



Country: Republic of Moldova

Sector: Transport and logistics

Reported period: 2013 - 2014



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General Director's Statement

"Gradalogistic Group" SRL continues enthusiastically to express its support for the UN Global Compact initiative, inspiring its subsidiary companies to support this initiative and implementation of the 10 principles of corporate social responsibility.

The activities of GRADALOGISTIC are guided not only by its own interests but also by the interests of society. We participate in an open and transparent dialogue and consultations with local public authorities and representatives of civil society, which have a reasonable interest in GRADALOGISTIC activities. We treat respectfully the fundamental rights of every person and do not violate the right of our employees to privacy. Annual planning and participating in activities, aimed at implementing the 10 principles of the Global Compact, have become an integral part of our business and corporate culture. In 2014 our company proceeds to the organization of work for the implementation of 10 Global Compact principles within the Group of our companies.



Sincerely,

General Director of **Gradalogistic Group SRL**
Veaceslav Damaschin



About the Company

“Gradalogistic Group” SRL has more than 10 year experience in providing freight forwarding services in Moldova on B2B market. We offer railway freight forwarding services, containers forwarding services, road cargo transportation services and customs brokering services. Our



subsidiary companies are in Chisinau (Moldova), in Minsk (Belarus) and in Odessa (Ukraine).

All subsidiary companies are to take an active part in the creation of sustainable economic growth and improving corporate social responsibility.

Our subsidiary company GRADALOGISTIC from Chisinau (Moldova) has been successfully audited and confirmed the high level of its quality management system according to ISO 9001:2008 Quality Management Standard.



Gradalogistic shares this experience in other subsidiary companies and successfully implements these best practices in designing and managing their processes.

Employees of all our companies have been trained on 10 principles of the Global Compact, on our experience in this direction and have been informed about the UN Global Compact initiatives.



The meeting of directors of all companies GRADALOGISTIC held at Chisinau, put the basis for the companies activities on implementation of 10 UN Global Compact principles. Each company appointed person responsible for the planning and implementation of the 10 principles of the Global Compact.

Gradalogistic Group mission is to create a competitive advantage in the business of our customers, striving for excellence in solving logistic problems of any complexity.

Gradalogistic Group corporative values are:

Purposefulness, Competence, Innovativeness, Correctness and Care.

Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure they are not complicit in human rights abuses.

GRADALOGISTIC creates a work environment of mutual trust in which the interaction of employees is based on the principles of justice, respect, courtesy and openness.

The Group of companies GRADALOGISTIC strictly complies with the Labour legislation:

- we don't employ the persons under the age of 18 years
- our pregnant women and women with children have additional guarantees and benefits
- we respect the rights of mothers (the part-time working is provided upon request for mothers with children under the age of 3 years)



- we have training program and adaptation program for new employees
- annually we implement our plan of internal and external trainings for employees increasing their skills and level of development
- we award our best employees Certificates of Merit, pay extra bonuses, and declare official thanks
- we have no overdue payables for payment of wages to employees



GRADALOGISTIC creates respectable and professional working conditions for its employees and rightly pays for their labor.

At the beginning of 2014 the Code of Ethics of Gradalogistic is successfully implemented in all our companies.

- The Code of Ethics of GRADALOGISTIC determines the corporate ethical principles of doing business.
- It is a set of GRADALOGISTIC corporate values, ethical standards and rules of employees' conduct in the group of companies GRADALOGISTIC.
- The Code of Ethics of GRADALOGISTIC is intended to provide staff awareness of their role in the implementation of the mission of GRADALOGISTIC.
- During March, 2014 all employees were trained The Code of Ethics of GRADALOGISTIC





On March 21, 2014, GRADALOGISTIC team took part in charity event "Rotary Bowling Competition".

The donation made by our company for participating in that event was raised for the Republican Centre for Audiology auditory prosthetics, medical and educational rehabilitation for all the children who have hearing problems. The purpose of the event is to raise funds to provide computer centers needed to form electronic database on children who are registered, and monitoring their medical examinations.

The donation made by our company for participating in that event was raised for the Republican Centre for Audiology auditory prosthetics, medical and



GRADALOGISTIC team took the first place in the competition and was awarded a trophy and a diploma.

To provide a help to orphanages and to children's community has become a good tradition for Gradalogistic employees.

As every year in the frame of the national holidays at the companies are held celebration of International Women's day with cultural program, New Year celebration with greeting program of local actors and musicians.





The Day of the Company, which was annually held in September, in 2014 was held in May, according to the Regulation on the organization of this event, which was approved by the all companies. During the reporting period the event was held twice - in September of 2013 and in May of 2014, according to the approved regulations.

The traditional team-buildings with sport competitions and exercises on creativity are held in these days in the companies.



Labor Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: the elimination of all forms of forced and compulsory labour

Principle 5: the effective abolition of child labour; and

Principle 6: eliminate discrimination in respect of employment and occupation.

GRADALOGISTIC creates a work environment of mutual trust , in which the interaction of employees would be based on the principles of justice, respect , courtesy and openness.

- The last survey on working conditions, remuneration, and quality of management showed that the satisfaction index was about 58%, which is on 10% higher than last year. So, this corresponds to a rating scale "rather agree than disagree."

GRADALOGISTIC provides a working environment free from discrimination and harassment.

GRADALOGISTIC doesn't allow discrimination against any person on the basis of ethnicity , race, nationality, religious beliefs , gender, age , as well as the grounds of disability, sexual orientation and other grounds.

We strictly adhere to the basic principles: to prevent all forms of discrimination and forced labor, keeping in mind that every employee has an equal opportunity to exercise their labor rights, regardless of gender, race, national origin, ancestry, age, place of residence, political affiliation.



On the 14th of April 2014 the representatives of our company took place in Employers Forum for Non-Discrimination, which was organized with financial support of the Soros Foundation Moldova and the East European Foundation.

The main objectives of the Forum were:

- to raise awareness of the importance of Non-discrimination in the workplace and in hiring practices;
- to emphasize the benefits for private companies of a Non-discrimination environment.

The highlight of the event was the commitment of participating companies to sign the Regulation on Implementing Non-discrimination policies in order to ensure equality of opportunity at the workplace. We did it!

Principii-cadru privind implementarea politicilor de non-discriminare întru asigurarea egalității de șanse în relațiile de muncă

Eu, subsemnat/ul (a), Damaschia Vasiliu (numele, prenumele semnatarului/ semnatarei), reprezentant(ă) al (a) Grada Logistic Group SRL (denumirea companiei), prin semnătura mea confirm că instituția pe care o reprezint se angajează să acționeze întru a promova prevederile principiilor-cadru privind implementarea politicilor de non-discriminare întru asigurarea egalității de șanse în relațiile de muncă.

Semnătura _____
Data 14.04.2014 

Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;



Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Environmental protection is the highest priority for Gradalogistic. We undertake responsibility for compliance with all applicable environmental regulations and laws wherever we implement our commercial activity.

GRADALOGISTIC create comfortable and safety work conditions for employees.

- All head building offices were painted, whitewashed and repaired.
- To ensure fire safety the fire escape was installed on the office building in Chisinau.



The person responsible for health and safety in the workplace periodically organizes trainings for employees (for training were used fire extinguishers expired).

All air conditioners in office building at Chisinau were completely replaced with energy-saving ones.



Gradalogistic specialists have started to organize visual lectures on environmental issues.

• On April 21, 2014, on the eve of World Water Day, the environmental visual lecture about the water and the



problems concerning its consumption was organized for employees.

- The monitoring of the consumption of electricity, water for industrial needs and thermal energy in the cases of excessive consumption monthly allows us to identify the causes of irrational use to carry out actions on their savings.
- We pay attention to the careful attitude to the consumption of electricity, water, maintaining purity in the office and adjacent areas.

On May 17, 2014, by our initiative Gradalogistic helped Botanical Garden of the Academy of Sciences of the Republic of Moldova in Chisinau in cleaning up its territory from rubbish and in collecting fallen trees and tree branches, which the workers of the garden recycle into sawdust and then use it in agriculture.



Anti-corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

The Group of the companies GRADALOGISTIC is not involved in illegal activities.



- We know the laws and all our undertaken actions comply with current legislation.
- We build our external and internal relationships on the principles of honesty, objectivity, fairness and integrity.

The Group of the companies GRADALOGISTIC has long-terms experience of successful business in a fair competition.

GRADALOGISTIC seeks to deal with business partners - suppliers and customers, on the principles of transparency, fairness and impartiality, respecting for the moral norms of the business.

We continue to place on the streets billboards with social advertising.

Our billboard is on the streets of Chisinau and fights against corruption with its



slogan "Corruption destroys the future. Do not tolerate corruption".

We have planned to take part in a social campaign against alcoholism and to place on a billboard advertisement calling for a sober mind.

