

## **Communication on progress**

**Organization: Gradalogistic Group**



**Country: Republic of Moldova**

**Sector: Transport and logistics**

**Reported period: 2014 - 2015**



**Structure of the report:**

- 1. Statement by the General Director**
- 2. About the Company**
- 3. Human Rights**
- 4. Labor**
- 5. Environment**
- 6. Anticorruption**



## **General Director's Statement**

"Gradalogistic Group" SRL actively continues to express its support for the United Nations Global Compact initiative.

Since 2010 we started the systematic activities for the implementation of the 10 principles of the Global Compact within the Group of our companies.

Our subsidiary companies, inspired by our actions for the implementation of the 10 principles of corporate social responsibility, actively participate in the creation of sustainable economic growth and in the improvement of the corporate social responsibility.

The Group of the companies GRADALOGISTIC planned events and activities that aimed to the implementation of the 10 principles of the Global Compact. In the period of planning activities and its implementation the persons in charge are able to exchange ideas and experience to successfully implement their tasks and to ensure the implementation of the 10 principles of the Global Compact. In May 2015 the companies reported to the head company on the practical implementation of these principles.

A part of our strategic priorities is still in helping to create a stable environment and a confident atmosphere in regions where our Group of companies is represented and we do it, firmly believing in the rightness of our strategy.

Sincerely,

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



## About the Company

The Group of the companies GRADALOGISTIC has a large experience in providing freight forwarding services in Moldova, Belarus and Ukraine and faithfully fulfil its obligations. Our specialists offer railway freight forwarding services, containers forwarding services, road cargo transportation services and customs brokering services. We continue to develop our services and expand the geography of transportation.



For the third year 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 continues to share this experience in other subsidiary companies and implement successfully these best practices in designing and managing their processes.

**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 protects the rights of employees in the Group of the companies without prejudice to the rights of any employee.

- In view of the difficult economic and political instability in the countries where the companies operate there is no overdue payables for payment of wages to employees in the companies.
- GRADALOGISTIC maintains a decent level of wages, creating respectable and professional working conditions for its employees.
- GRADALOGISTIC creates all conditions for the maintenance of high professional and qualification level of its employees.



- Video workshops on management and marketing seminars were organized for the employees of the Group of companies in the Chisinau office in the period from October to November 2014, where the specialists have been increasing their skills and level of development in this field.
- The employees have the opportunity to have training webinars for specialty and other subjects for solving work tasks at the workplace.
- Regularly, twice a year, the employees of our enterprises have external and internal trainings on health protection and safety at work.





- Due to the company's resources the specialists of the Group of companies have training sessions and seminars in accounting, human resources, on the organization for transport and forwarding services.

The Code of Ethics of Gradalogistic adopted by the Group of the companies helps our staff in solving corporate issues and providing staff awareness of their role in the implementation of the mission of GRADALOGISTIC.

GRADALOGISTIC continues to participate in the sponsorship and charity programs and events.



- During the year charitable assistance has been rendered for the construction of the Temple of the Great Martyr St. George in the city of Borisov, Minsk region.
- Food, clothing, hygiene were charitably transferred to the orphanage "SOS" in the village of Borovliany, Minsk region.
- In February, 2015 GRADALOGISTIC transferred the funds to a charity account at the International Charity Association "UniHelp" in Belarus for helping needy children, youth and low-income people.
- In April 2015, GRADALOGISTIC transferred the funds to the Republican subbotnik in Belarus, in order to bring in the proper state the residential areas, memorial complexes, places of combat and military glory, burial places of soldiers and partisans of the Great Patriotic War II.





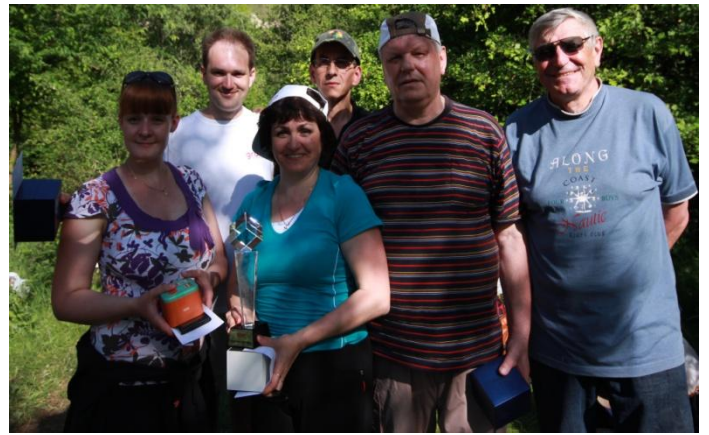
We stimulate our employees to be a part of GRADALOGISTIC great team.

- We organize the celebration in the frame of the national holidays in the countries where are the companies: New Year Day, International Women's Day, Defender of Motherland Day, employees' birthday, each company's birthday.



In May 2015 the Group of companies GRADALOGISTIC took part in the Day of the Company, according to the approved by the all companies regulations. During the event, which was held at the same time in all enterprises of the Group of companies, the best employees and departments, the best company in the Group by the results of 2014 were awarded.





The indoor and outdoor trainings, quests, team competitions were traditionally held in that Day.



We are proud of our brand and our Group of 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 doesn't accept discrimination based on ethnicity, race, nationality, religious beliefs , gender, age , as well as the grounds of disability, sexual orientation and other grounds.

- Some students with good skills, which were taken for internships in our companies, were offered a permanent job in GRADALOGISTIC.
- The annual survey on working conditions, remuneration, and quality of management showed that the average satisfaction index of employees in the Group of companies is about 60%, that corresponds to a rating scale "rather agree than disagree" and higher in comparison with previous periods.
- The annual survey on customer's satisfaction showed that the level of services, provided by GRADALOGISTIC, is very high.

On the 18th of December 2014 within the framework of the project "Employers for non-discrimination" and according the Regulation on Implementing Non-discrimination policies signed by the company, Gradalogistic took part in the session of the Council on the prevention and elimination of discrimination and equality and had opportunity to exchange of views against cases of discrimination in labor relations considered by the Council.



## 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.

The highest priority for Gradalogistic is environmental protection. Wherever we implement our commercial activity we undertake responsibility for compliance with all applicable environmental regulations and laws.



- On July 18, 2014 the environmental visual lecture "Evil, generated by us, returns to us" about the plastic and the problems concerning its using and recovery took place. We do not carelessly throw plastic waste, we pass it for processing.

- GRADALOGISTIC provides the employees with drinking water in bottles. Part of the bottles is transferred for processing. Part of used bottles we return to delivering water company for reuse them.
- On February 6, 2015 the environmental visual lecture "The paper in our life" about rational use of paper was organized for employees.



We extensively use the waste paper, paper drafts, where it is possible, to reduce the use of paper. We understand that the rational use of paper saves large areas of forests from cutting down.

- Annual monitoring of the consumption of electricity, water for industrial needs and thermal energy and its rational use has allowed us to reduce its consumption on 3,4%, 27% and 8,8% relatively.

On November 14, 2014, by our initiative Gradalogistic helped The Association of Green Facilities in tree planting. We have planted more than 60 catalpa seedlings in one of Chisinau park land.



## **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 opposed to involvement in illegal activities.

GRADALOGISTIC openly opposes illegal bribes in the port of Odessa and Ilyichevsk, refusing to pay a bribe to the customs authorities.

