

We are the bridge to your success

**COMMUNICATION ON PROGRESS (COP)
ASSTRA BELORUSSIA LLC FOR 2016**



12/05/2017

Minsk, Belarus

I am pleased to confirm that freight forwarding agency Asstra Belorussia LLC, as a part of Asstra - Associated Traffic AG Holding, reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

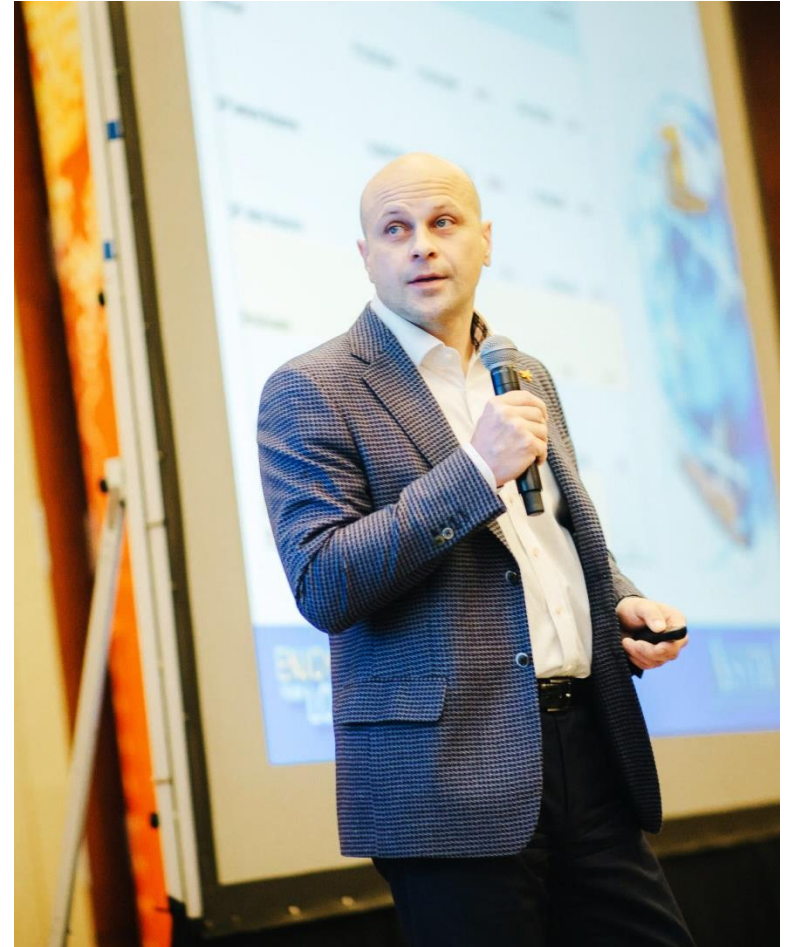
In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,



Mikhail Khrumchenko
Director





DELIVERY OF ALL TYPES OF CARGOS

Delivery of hazardous, dry, liquid, heavy-lift and temperature-controlled cargo, from 1 pallet to oversized cargo by all means of transport.



CUSTOMS SERVICES

Customs clearance in Europe, CIS countries and Asia.



GROUPAGE CARGO

We offer "door to door" delivery of groupage cargo (1 m³ - 50 m³, 100 kg -15 t) within Europe and from Europe to CIS countries (RUS, BY, UA, KZ, UZ etc.).



SUPPLY CHAIN MANAGEMENT

Supply chain management and optimization of logistics projects. We insure the highest degree of customer satisfaction at the lowest possible cost.



IMPORT AND EXPORT

Import, export combined with cargo storing and distribution. We transport freight of any kind, to any place via road, air, sea or rail.



"FAST HELP 24/7"

"Fast help 24/7" service including preparation of documents, export declarations and CMR.



PROJECT LOGISTICS

Project logistics. From the simple to the most complex. Specialized lifts, oversized cargo, multimodal shipments and customized logistics



CARGO INSURANCE

Cargo insurance against all risks. Our "all risks" insurance terms are the most beneficial and reliable solution.



INTERNATIONAL ASSOCIATIONS

We are members of international associations such as: **FIATA, Spedlogswiss, WCA, ASTAG, BAME, SC&RA**, which confirm the quality and reliability of our service.



CERTIFICATES

ISO 9001, ISO 22000, ISO 14001, OHSAS 18001 certificates confirm our readiness to realize the most demanding orders.

ISO 9001
ISO 14001
OHSAS 18001
BUREAU VERITAS
Certification



ISO 22000
BUREAU VERITAS
Certification



ONE OF THE MOST IMPORTANT VALUES OF OUR COMPANY IS THE STAFF HEALTH AND SAFETY

OUR GOALS IN THE THIS FIELD:

- ✓ ensuring the safe working conditions and health protection of staff;
- ✓ increasing the quality of workplaces and working conditions;
- ✓ compliance with safety standards of transportation of goods.

OUR ACTIONS:

- ✓ To do business in **conformity with legal requirements, OHSAS 18001, BBS** and with other applied requirements.
- ✓ To maintain **sanitary working conditions** and create **ergonomic workplaces**.
- ✓ **Not to allow alcohol** intake and drugs by employees and suppliers .
- ✓ Organization of transportations to adhere to the principles of **BEHAVIOUR BASED SAFETY – BBS**.
- ✓ Involvement of **higher management and the effective observation of the behavior** of the workers during operations
- ✓ To train and to conduct permanently **advanced training and professional development**, instructing and assessment of knowledge of staff in labor safety, ensuring their competence that influence the labor safety.
- ✓ To **encourage initiative of staff in improving labor conditions and labor safety**. To cooperate with partners and suppliers so that AsstrA's standards in labor safety, specially in safety during work with chemical substances and hazardous cargo, become their standards.
- ✓ To adhere to the **openness principle in labor safety for public**, for all external bodies.

ASSTRA IS RESPONSIBLE FOR THE SAFETY AND WELFARE OF ITS EMPLOYEES.

„One of the main tasks for us is to create a safe, healthy and productive atmosphere. The principles of safe behavior at the workplace are communicated to all employees in all departments of the holding and executed unquestionably“.

AsstrA «Principles and rules of business practices» defines the common rules of staff conduct. HRD bring these rules to the attention of all employees and monitor compliance with these rules.

THE COMPANY UNDERTAKES:


- ✓ to provide equal opportunities and the identical attitude towards the employees regardless of color of their skin, racial accessory, a nationality, a social position, restrictions in capacity to act, sexual orientation, political and religious views, a sex or age;
- ✓ to respect their self-respect, the individual rights and the rights to private life;
- ✓ not to use a forced labor;
- ✓ to prevent illegal human traffic;
- ✓ to show intolerance to cases of the unseemly relation to the employees, such as, moral cruelty, sexual harassments or discrimination of any nature;
- ✓ to forbid unworthy behavior, including indecent gestures, verbal expressions, physical contacts as, for example sexual or coercive, use of threats, violence or operation;
- ✓ to pay fair remuneration for work and to observe all requirements of the existing national legal system for the minimum size of a salary;
- ✓ to observe requirements of the legislation for the most admissible number of working hours;
- ✓ to provide (in the order provided by the law) implementation of the rights of employees to creation of free associations and not to enter discriminatory measures, and also not to create preferences in the relation concerning members of such employee organizations or labor unions;
- ✓ not to employ persons under 18;
- ✓ not to allow in any form of prosecutions of employees and also them abuse;
- ✓ not to use in any form of system of the public prevention (censure) and/or punishment.

AsstrA HR policy is a set of common rules and main principles of management of the main resource of the company - its staff.

STAFF INVOLVEMENT AND CORPORATE CULTURE:

- ✓ clear perspectives
- ✓ confidence in leaders
- ✓ employer's strong brand
- ✓ quality and focus on customer
- ✓ respect and recognition
- ✓ growth opportunities
- ✓ remuneration philosophy

In order to achieve goals relating to the formation of new elements of corporate culture and enhancement of employees engagement **HR-business** partner implements **the following programs:**

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- A man in a dark suit and tie is walking across a bar chart. He is carrying a briefcase and looking towards the right. The bar chart has several bars of varying heights, and the background is a city skyline with tall buildings under a bright sky. A horizontal dashed line is positioned above the list of programs.
- ✓ **«Management by Objectives»** - Goal setting and performance monitoring system.
 - ✓ **«Flexible incentive remuneration policy»** - social package
 - ✓ **«Involvement through employees training and development»** - Corporate Training Centre
 - ✓ **«Talent Pool»** - transparent system of growth opportunities.
 - ✓ **«Staff Motivation»** - elaboration of motivational programs based on individual employee performance.

Number of staff	76
Number of women in staff	61
Number of employees with higher education	75
Min age	22
Max age	50

Number of accidents	0
Number of occupational diseases	0
Average number of sick leave days per year (for 1 employee)	2

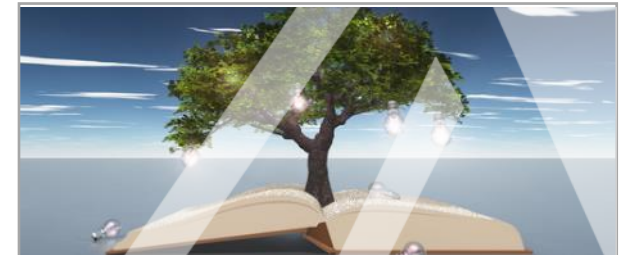
ASSTRA - IS A PERFECT PARTNER IN THE SPHERE OF LOGISTICS FOR ALL WHO WORK FOR DEVELOPMENT AND PROSPERITY OF SOCIETY AND OF ENVIRONMENT



Choice of Suppliers (carriers) taking into account **environmental requirements.**



Energy Efficiency
Reduction of energy, raw products and materials expenses.



Environmental education of staff.



Reasonable transport decisions.
Permanent development.



Monitoring of influence on the environment.



Analyzing and taking of decisions aimed at the prevention of pollutions.



SUPPLIERS SELECTION PROCEDURE

Suppliers Date Base the groups of eco-suppliers correspond to the requirements of determined Customers.



DRIVER'S MANUAL

Driver's Manual is developed for the staff of Supplier. This Manual includes the requirements on environment protection.



SELECTIVE AUDIT OF SUPPLIERS

Annual selective audit of Suppliers is organized according to the environmental and other requirements of company.



COMBINED TRANSPORTATIONS

Effective logistics decisions on combined transportations using sea and rail transport in place of road transport which afford to reduce emissions of CO2 and client's expenses.



FUEL PLANNING AND CO2 REPORTS

Reasonable planning of itineraries for fuel economy - the use of electronic system Oracle Transportation Management (OTM). At the request of Consumers, CO2 emissions reports are regularly generated.

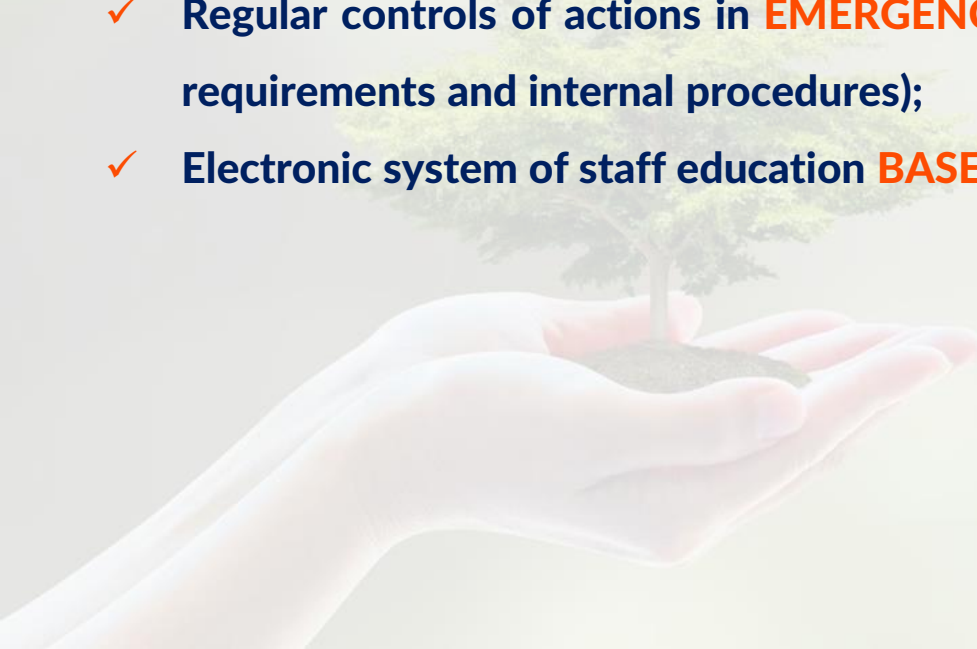


CODE OF BUSINESS ETHICS

In order to bring Asstra policy to the suppliers, the «CODE OF BUSINESS ETHICS» - Requirements to Suppliers» has been developed.

According to the "Training of personnel" the following **TYPES OF TRAINING** were defined:

- ✓ Adaptation program for new/transferred staff (environmental policy, waste management etc.);
- ✓ External trainings/advanced trainings for environmental managers;
- ✓ Staff trainings on the ADR transportation;
- ✓ Regular controls of actions in **EMERGENCY SITUATION** (based on national legislative requirements and internal procedures);
- ✓ Electronic system of staff education **BASED ON THE HRMS ORACLE** products.



Since 2015 the company has been permanent active in the field of ecology - the **GREEN OFFICE ASSTRA PROGRAM**. The program was developed in accordance with the recommendations of the **NON-GOVERNMENTAL ECOLOGICAL ORGANIZATION GREENPEACE INTERNATIONAL** (<http://www.greenpeace.org>) The purpose of the program “Green office AsstrA” is reducing of energy and materials.

THE PROGRAM MONITORS:

- ✓ The amount and cost of electricity, water and heat purchased;
- ✓ Quantity and cost of purchased paper for printing;
- ✓ Quantity and cost of purchased detergents.

ASSTRA GREEN OFFICE PROGRAM IS A LOGICAL CONTINUATION OF THE HOLDING ENVIRONMENTAL POLICY AND CONFIRMATION OF THIS POLICY OBLIGATIONS FULFILLMENT.

PROGRAM MAIN OBJECTIVES:

- ✓ Reduction of expenses for offices maintenance;
- ✓ Contribution made by the holding to the preservation of the environment.

MAIN TOOLS OF THE PROGRAM:

- ✓ Increase of environmental awareness and staff involvement;
- ✓ Introduction of resource-saving technologies;
- ✓ USE of environmentally friendly materials.

GREEN OFFICE. MAIN STEPS OF THE PROGRAM

I. USE OF ENVIRONMENTALLY FRIENDLY MATERIALS

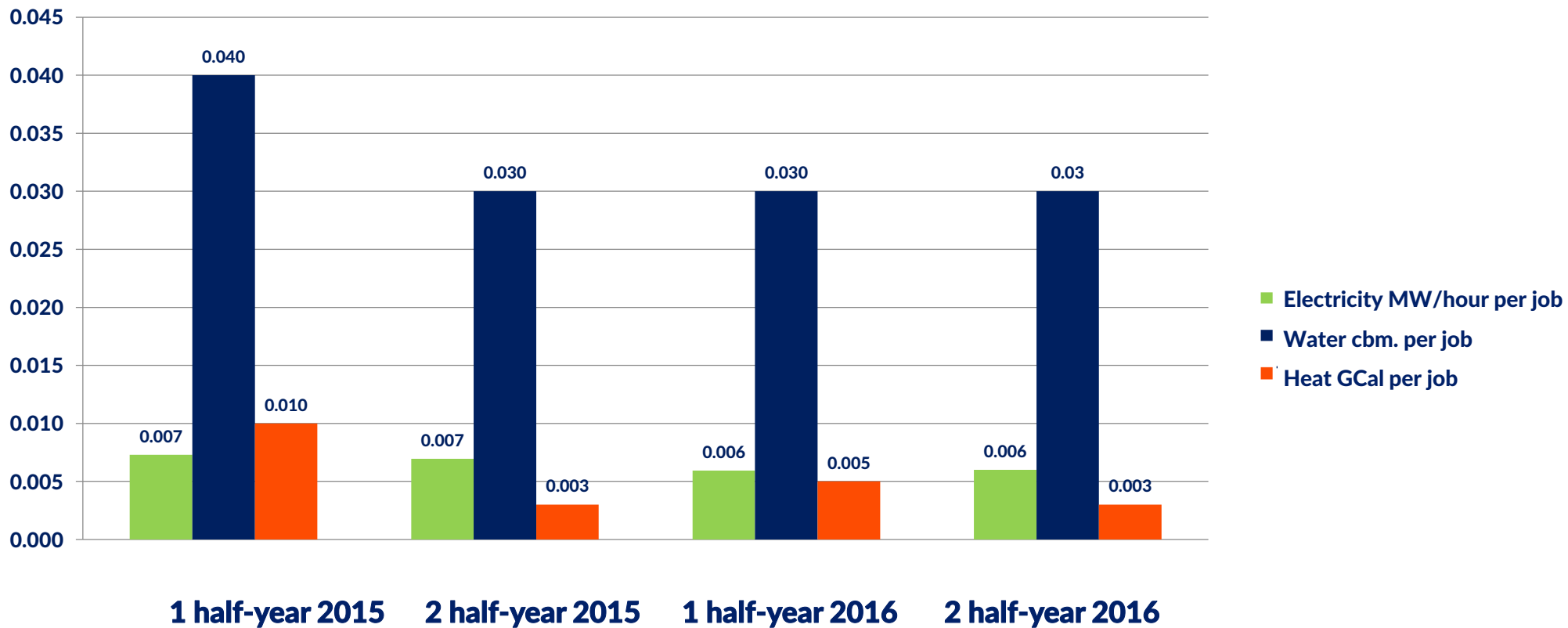
- ① Use of cleansers that do not contain chlorine, organochlorines, phosphates and other dangerous substances;



- ① Use of paper made from recycled materials or certified according to the FSC scheme (Forest Stewardship Council).



**RESOURCES CONSUMPTION IN HALF-YEAR PERIODS IN PHYSICAL QUANTITIES,
AVERAGE VALUE PER 1 TRANSPORT ORDER**



GREEN OFFICE. MAIN STEPS OF THE PROGRAM

II. INTRODUCTION OF RESOURCE-SAVING TECHNOLOGIES :

- Use of energy-saving batteries and equipment (energy-saving lamps, etc.);



- Collection and recycling of secondary material resources (waste paper, glass, plastic).



ALL EMPLOYEES can ask questions fearlessly or inform their direct managers about emerging problems or address them to internal services, which resolve such issues, including internal audit, risk managers, Legal Department and Human Resources Department. Employees can also discuss issues openly, using the database “Discussions”.

THE TOP-MANAGEMENT call all the employees and give them opportunity to report about any kind of default, related to issues of discrimination, pursuit, corruption or cruel treatment directly to the President of BD via sending e-mail to the following e-mail address, created especially for this purpose: president@asstra.com.

CORRUPTION RISKS MINIMIZATION MEASURES:



Internal audits



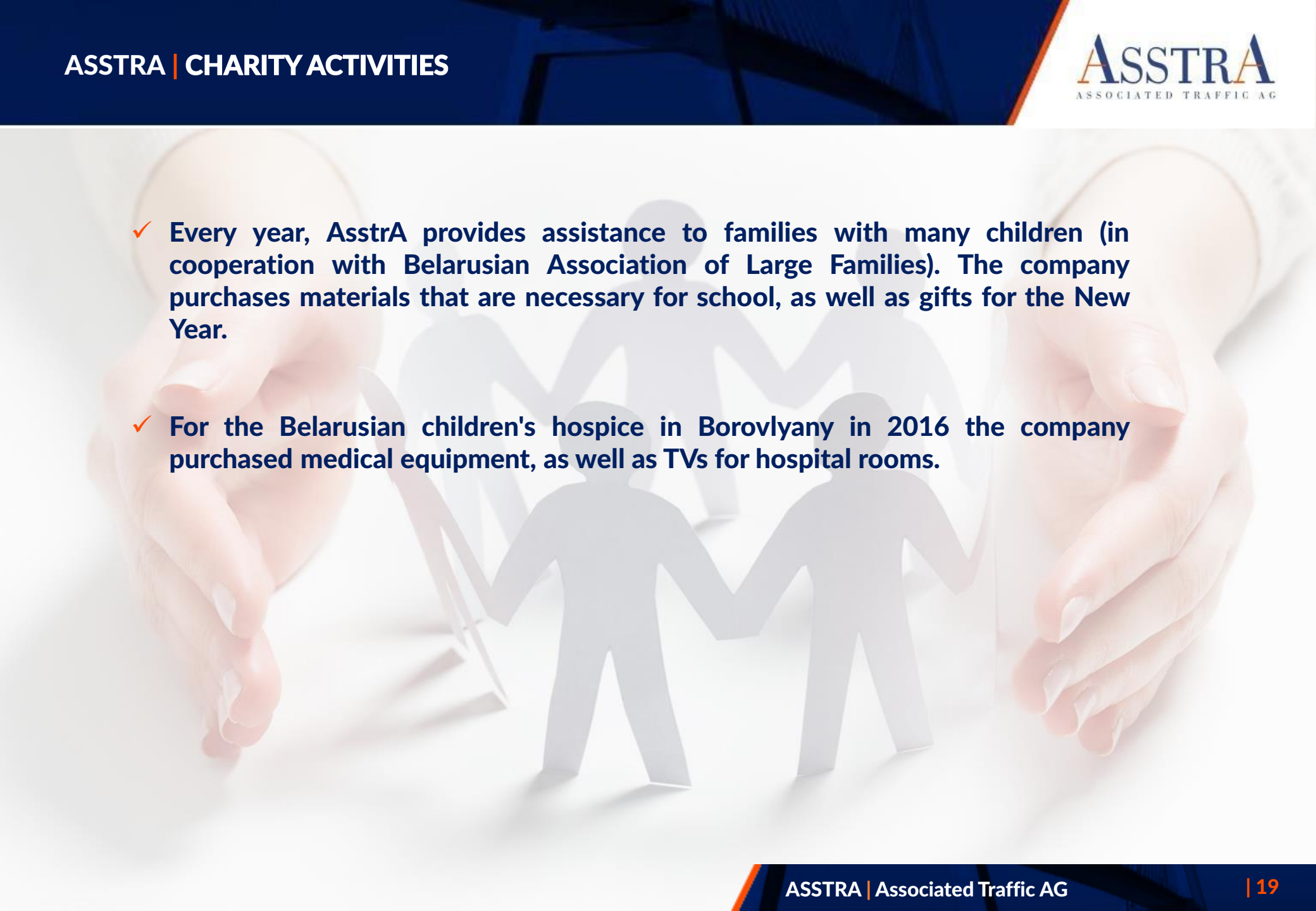
Audits of suppliers. Suppliers checking before starting a cooperation



Informing in accordance with Code of Business Conduct - Requirements for suppliers



Instructions for suppliers

- 
- ✓ Every year, AsstrA provides assistance to families with many children (in cooperation with Belarusian Association of Large Families). The company purchases materials that are necessary for school, as well as gifts for the New Year.
 - ✓ For the Belarusian children's hospice in Borovlyany in 2016 the company purchased medical equipment, as well as TVs for hospital rooms.

INFORMING CODE OF BUSINESS CONDUCT – REQUIREMENTS FOR SUPPLIERS

- ✓ **AsstrA does business honestly and professionally applying standards of business conduct.**
- ✓ **To comply with principles of Code of Business conduct of AsstrA Holding is the requirement of the company towards its suppliers regardless of local business practices and customs.**
- ✓ **Suppliers are invited to active cooperation in revealing and prevention of standards of business conduct irregularities.**
- ✓ **It is suggested that suppliers will provide understanding and observance of business conduct standards by the company representatives who cooperate with AsstrA.**

CODE OF BUSINESS CONDUCT – REQUIREMENTS FOR SUPPLIES CONTENTED

- ✓ Ethical canon and statutory compliance
- ✓ Human rights and children's rights
- ✓ Staff, labor and health protection
- ✓ Environmental protection
- ✓ Relationships principles:
 - principle of openness and equal rights;
 - principle of priority of competitive approaches during the conclusion of contracts;
 - principle of longtermness and mutually beneficial relations;
 - principle of guarantees mutuality;
 - principle of mutual respect and fair competition;
 - principle of prevention of discrimination of suppliers.



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