

FINĚJAS

GROUP

Sustainability Report 2023

Message from the CEO

Every year brings something new. This past year saw a fairly challenging economic cycle in the transport sector. While it would not be fair to say that it has been a particularly poor year, we do expect to see a modest upturn in 2024. Major, dramatic changes are not always feasible, but the whole team at the Finėjas Group is working hard towards our goals every day. As we move forward in this economic cycle, we are delighted to be among the strongest logistics groups in Lithuania.

2023 has given us an even greater focus on improvement. Longevity and sustainability have guided and continue to define our organisation. For us, this means protecting and improving the emotional and physical health of our employees, as well as preserving the environment. The Company employs over 3000 people, all representing different cultures, countries and genders. We aim for considerate, genuinely respectful cooperation and a positive microclimate for all parties, which is why we conduct periodic employee engagement and microclimate surveys in the company to develop a plan for further action. We are pleased that in 2023 especially, the number of colleagues who responded to the employee engagement survey exceeded 95 per cent. We consider this a great recognition from the members of the organisation who desire, aspire and contribute to the comprehensive growth of the Finėjas Group. Thank you all!

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In 2023, we worked with the whole organisation to learn about sales, emotional intelligence, job-specific know-how, and ways to harness artificial intelligence (AI). Employees actively applied this knowledge in their immediate work, coming together to find solutions for a leaner, more efficient and more sustainable present. We have also implemented a number of new tools that help us optimise processes and improve service quality.

Last year also marked a fairly significant step forward in environmental issues. In July 2023, the roof of the Finėjas Group offices received 817 solar panels, generating electricity for our office space and warehouse customers in Vievis. We recognise that this is just one step towards achieving even greater green credentials, and we believe that our example will inspire other businesses in the area to strive for a truly eco-friendly environment.

2024 is a special year for the Finėjas Group as June marks the company's milestone anniversary of 30 years in business. As we reflect on the past, live in the present and contemplate the future, this year we are focusing on the company's values and the passionate talent who works here to create an ever-evolving and sustainable organisation. I wish everyone to follow their core values and remember that everything around us starts with us.



- CEO Vaidotas Lenktys

Finéjas Group History and Growth



We are a group of 5 companies transporting freights on international routes and providing complex logistics services



29 years of experience



1500 trucks



3000 employees

QUALITY

- We have gathered a huge and long-standing experience in this business.
- We observe changes in business and technological progress and apply this in our activities.
- We communicate in a proactive and overt manner and honour our agreements.

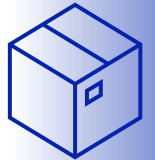
EFFICIENCY

- We have clear operational and servicing processes and are constantly improving them.
- We are looking for solutions that create the best value for money for our partners.
- We do not compromise on quality or safety.

RESPONSIBILITY

- We invest in employee development and empower them to act.
- We aim to be an exemplary model of cultured and responsible business in the transport and logistics sector.
- We take care of the environment and human health.

**162 690
FTL Freight in 2023**



**€228 million
Turnover in 2023**



**100% EURO 6
Own trucks**



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Sedex
SMETA

Human Rights

Finéjas Group complies with and recognises human rights and freedoms and is opposed to all possible violations of human rights. The organisation is strongly committed to following international law: we recognise, honour and protect human rights. We are transparent – therefore, we adhere to all applicable legislation that guarantee tantamount rights to all humans, regardless of their sexual orientation, disability, religion or beliefs, race or nationality, including:

Gender

Ratio of female/male distribution among employees

2022



Women – 43 %
Men – 57 %

2023



Women – 44 %
Men – 56 %

2022



30,4 years

2023



34,5 years

Overall age average

Age

We do not support or tolerate any form of abuse, such as:

- discrimination;
- harassment;
- mobbing;
- physical, emotional, verbal or sexual abuse;
- caused stress, psychological or economic violence.

Internal Career Opportunities

Our organisation offers horizontal and vertical career opportunities. Whenever a new job position or vacancy is available, the company runs internal calls for applications open to all employees. In this way, we seek that our colleagues would have the opportunity to change their roles, positions and to nurture their careers together with Finéjas Group.



27 %
3 of 11
2022 y.

Internal competitions during which employees altered their career direction.



38 %
6 of 16
2023 y.



17 % 22 %
2022 y. 2023 y.

Ratio of employees who have made an internal career.

Cooperation with Educational Institutions

While taking care of future and education of the organisation, we actively participate in career day events and collaborate with educational institutions. From our own perspective, we introduce the logistics activity sector to pupils, teachers, students and lecturers.

Within 2023, we took part in 3 career day events:

- At Vilnius Gediminas Technical University (VilniusTech);
- At Vilnius College of Technologies and Design (VTDK);
- At Elektrėnai Vocational Training Centre (EPMC).

Representatives of the company have also participated in the professional literacy competition of accountants held by the EPMC.



Safe and Healthy Working Environment

Together with our employees, we create a healthy and safe working environment, we ensure the safety of execution of work processes. We have developed special safety instructions and are regularly training our employees, thus preventing incidents. We create conditions meeting occupational safety for every employee.

We interact, communicate and evaluate the existing microclimate in each team, seeking to ensure that our employees are not under stress and that they feel safe. In a virtual learning environment, our employees have the opportunity to listen to lectures on stress management. Moreover, persons working in Finėjas Group are provided with supplementary health insurance, one of the benefits of which is sessions with a psychologist.

Handling of Complaints and Feedback

The opinion of our employees is of vital importance to us. Anyone who wants to express their wishes, opinions or complaints anonymously can do this by dropping a letter in the physical Feedback Box (*Nuomonių dėžutė*) or by sending an e-mail to: confidential@finejas.lt.

We also encourage our business partners and customers to express their opinion about our activities, as feedback helps us to improve processes in a faster and more efficient manner.



Additional Benefits Package

We create favourable and attractive working conditions for our employees, providing an additional benefits package which consists of:



Catering services

Partially subsidised breakfasts and lunches are prepared according to the principles of healthy nutrition, a vegetarian option is also provided. Also, employees are periodically treated to fruit, buns or ice cream, whereas coffee, tea and milk are offered at all times.



Wellness services

Supplementary health insurance, accident insurance, partnership with a healthcare network. Basketball, jogging, step challenges, hiking events are being held.



Commuting arrangements

We organise carpooling or fully pay for the train journey to/from work for those employees whose commute to the office is greater than or equal to 25 km each way.

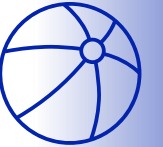
Work organisation and conditions

Ergonomic workstations, laptop, mobile phone, unlimited calls and internet, possibility to work remotely for 30 % of working time, large and free car park for employees.



Entertainment

Company parties, tabletop football championships, team and corporate team-building events, various competitions, sports challenges, hikes.



Acknowledgements

Loyalty badges and gifts are awarded for loyalty to all employees. We reward the most proactive and idea-driven employees with corporate merchandise.



Corporate Social Responsibility

We dedicate one paid half-day per half-year to volunteering, we hold donation campaigns, cooperate with educational institutions, and periodically take part in blood donations.

In 2023, we donated to various organisations and funds:

92 650 EUR



Jaunimo linija



Employee Training and Development

Cooperation, improvement and exchange of best practices is a significant part of a growing organisation that motivates its employees. In order to foster the company's internal culture, to maintain a good microclimate, needs and ideas of our employees, we regularly update our operational processes and socialisation projects:

- 30% of the company's administrative personnel are transport managers, due to this reason a training team was formed to train transport managers according to an approved and continuously updated internal program.
- A mentor/coordinator is assigned to a new recruit to help him/her during a set period get acquainted both with job functions, their performance, and the company's culture.
- The company regularly hosts a "Rookie Day" during which new employees are given a detailed introduction to the history, values, procedures and office premises of Finėjas Group.
- We invite our colleagues to participate in the project "Shadow" (Šešėlis), where other employee shares his/her experience, presents his/her daily job functions and assignments, and the methods of their implementation.

Learning is one of the top priorities of a responsible and efficient organisation, thus, our company administrators now have access to a virtual learning platform that opens up the opportunity to learn at a convenient time for everyone.



2022

18 training sessions and workshops were organised. Total: 4,316 academic hours.



2023

20 training sessions and workshops were organised. Total: 4,271 academic hours.

Our Organisational Environment

As one of Lithuania's largest groups of transport companies, we actively strive to reduce the negative environmental impact of our activities. We aim to ensure that all employees are properly informed and trained on matters of environmental requirements. We encourage all employees to responsibly consume other natural resources (water, electricity) and to contribute to the reduction of waste.

One of the biggest environmental challenges faced by Finėjas Group is air pollution caused by the truck operations. For this reason, CO₂ reduction is one of the primary targets of the organisation. We contribute to a cleaner environment by continuously updating our truck fleet, training our drivers eco-driving, etc.

The company's growth is implemented on the principle of sustainable development: as the size of the fleet, the volume of orders and the number of transports increase, we take all available measures to reduce the relative quantity of CO₂ emissions, continuously monitor process results and, where appropriate, promptly take measures to improve the situation.

Eco-Driving Training for Drivers

In order to reduce CO₂ emissions, Finėjas Group carries out regular eco-driving training for our drivers. The training covers both theory and practice. Courses are delivered by certified in-house instructors. The company also runs a Driving Academy, where experienced drivers are trained as well in order to improve their eco-driving.



SmartDrive

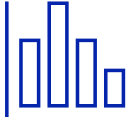
In 2023, **SmartDrive**, an eco-driving game, was held in the company for the second year in a row. Its aim is to encourage our drivers to contribute to the corporate sustainability goals.

All drivers of our organisation participate in this game, and the winners are those who achieve a FleetBoard score of 9.6 or higher.

All SmartDrive prize winners drove off during the game



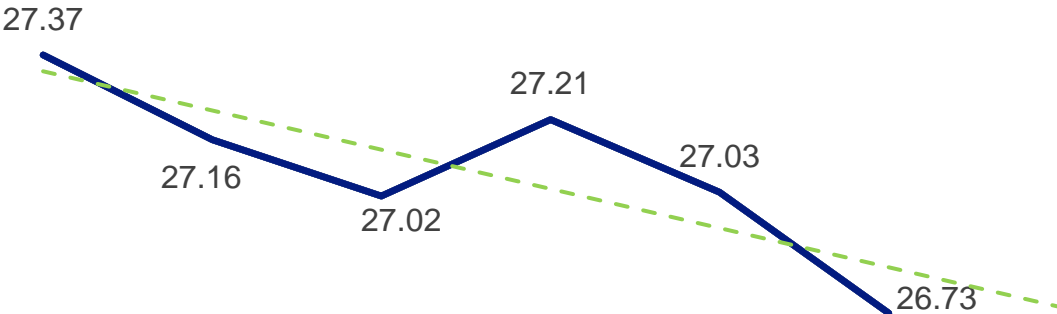
More than 33 million km



Just over 18 % of total mileage



823 times around the Earth



Downtrend of the average fuel consumption L/100km of all drivers

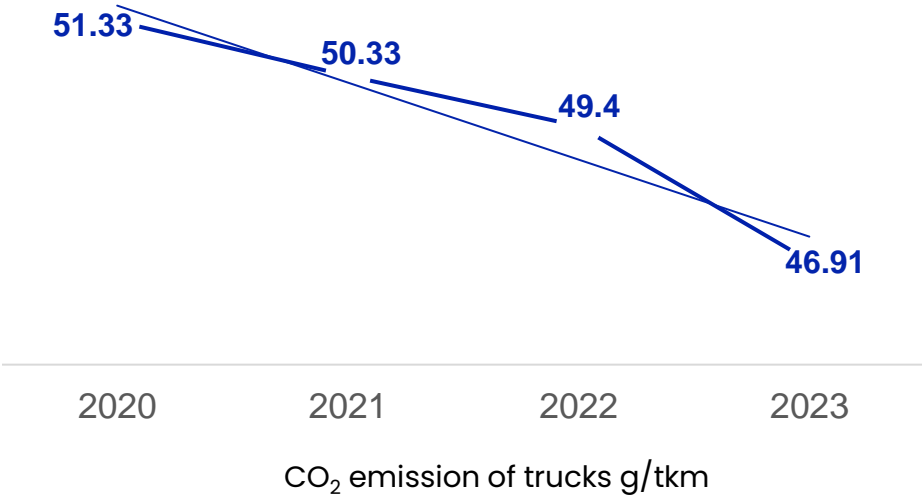
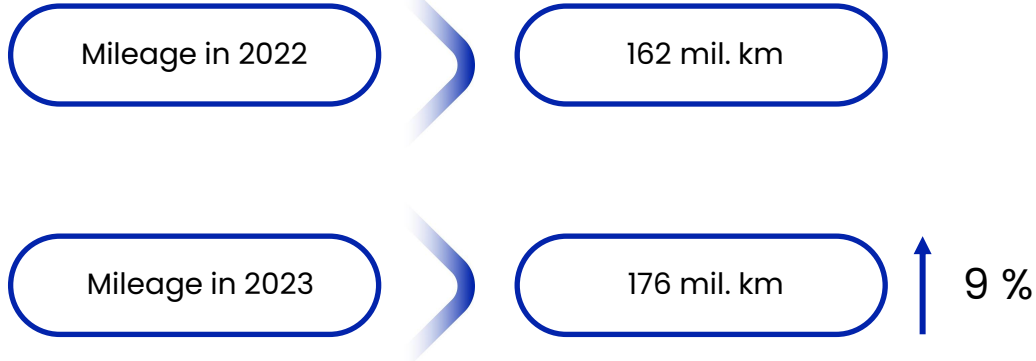
The game also assesses safe driving practice, accident-free driving, job quality: compliance with working time and rest regime, polite communication with colleagues and partners. Thereby, we encourage our drivers to contribute to a responsible and sustainable business development, and we believe that sharing good practice will inspire even more people!

CO₂ Emissions Monitoring

In order to reduce CO₂ emissions, the company conducts a monitoring of its consumption. Fuel consumption data is obtained remotely via real-time telematic monitoring systems.

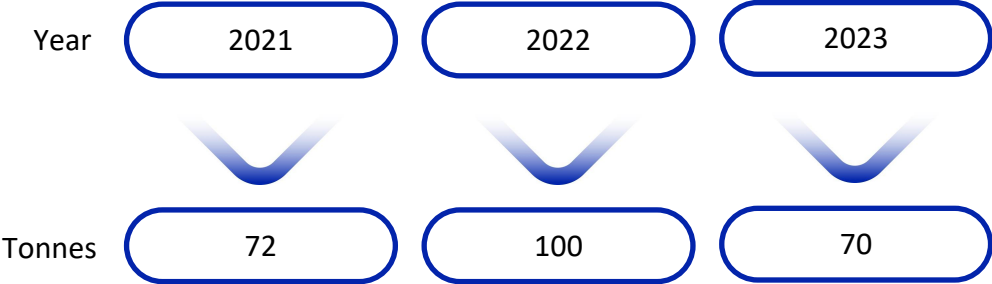
Currently, almost the entire fleet of Finéjas Group consists of Mercedes Benz trucks equipped with the FleetBoard monitoring system. It analyses the driver's driving style in real time and offers right away how to optimise driving.

Despite the growing fleet and the company's expansion, the relative quantity of CO₂ emissions decreases due to reduction of average fuel consumption. This tendency mirrors that measures taken within the organisation are effective.



Recycled Waste

Within the company, we greatly encourage all our employees to sort secondary raw materials (paper, plastic, glass), which are then handed over for further processing. On the organisation's intranet, we regularly remind of the procedure and significance of sorting. We follow the principle of waste reduction - therefore, we firstly attempt to find out solutions that prevent or minimise quantities of waste. Alongside the growth of the Group and the fleet of trucks, we are constantly looking for the most innovative and the most suitable means of sorting waste.

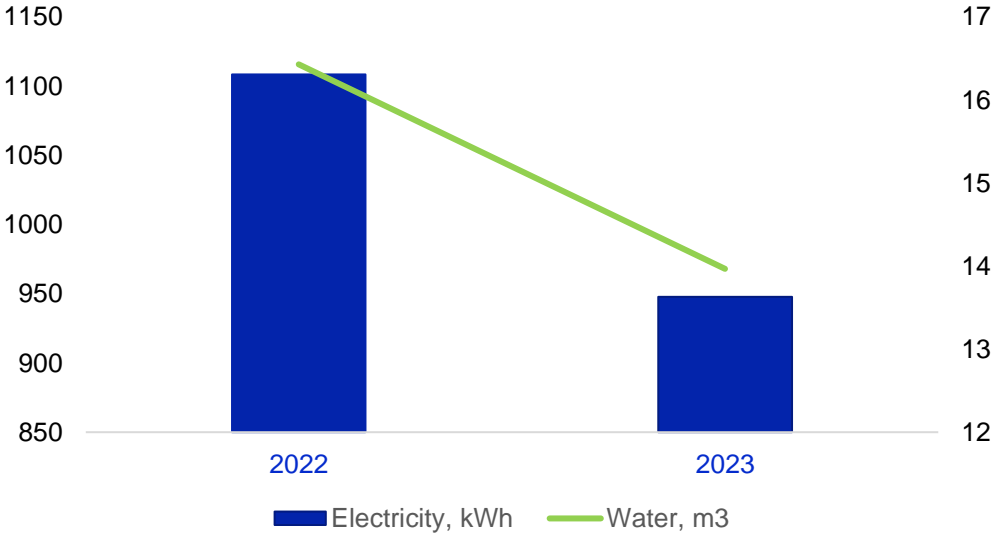


Electricity and Water Consumption

In 2023, Finėjas Group’s administrative personnel consisted of 331 employees working in the office premises. Equipment used by such employees are the main sources of electricity consumption. New recruits are acquainted with working procedures, which specify how to economically operate electrical devices.

100% of the electricity used by Finėjas Group comes from renewable energy sources.

Sustainable use of resources has a direct positive impact on the environment and its conservation. In 2023, electricity and water consumption per employee decreased by 14 % and 15 %, respectively.



Average consumption per one employee

Green Energy

Solar energy is a source of renewable and clean energy that reduces the need to use limited natural resources such as coal, gas or petroleum. In order to reduce the impact on climate change and contribute to improvement of the quality of atmosphere, in July 2023, almost 820 units of solar power plant modules were installed on the roofs of office and warehouse buildings with a total capacity of 450 kWh.

Computer Equipment

With a view to save electrical energy, an ongoing project was implemented in 2022-2023, the aim of which was to upgrade all used computer equipment to a more energy-efficient one. In 2023, the remaining 28 % part of the computer equipment has been replaced and this project is continuously maintained.

Unnecessary and no longer used electronic equipment is sold for re-utilisation, thereby contributing to the circular economy, or the equipment is donated to educational institutions or other organisations.



Step Challenge

For the second year in a row, we have organised together with Walk15 the company's Step Challenges for employees. We exceeded our set target by more than 3 times! During this challenge, company's employees walked even 16,306,718 steps, which is equal to 11,648 km.

10 most active participants were awarded with company prizes, and the Step Challenge campaign allowed to save 2,095 kg of potentially emitted CO₂.



Tree Planting

Forests worldwide absorb around a third of the CO₂ emissions released into the atmosphere each year, the same amount is absorbed by the ocean, and the rest part remains in the atmosphere. The company's tree-planting initiative has been implemented for several years. This time, we have set a common goal during the Step Challenge: 1,000,000 steps = 1 planted tree! Thus, at the end of the campaign, we planted even 16 cherry blossom (Sakura) trees in Vievis, which will contribute to CO₂ reduction and nurturance of environment.



Certificates and Recognition

In 2023, Finéjas Group was recognised and awarded by the following international certification organisations:

- In autumn, the company had an external audit carried out according to ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 standards.

The assessment of the company’s compliance with the Sustainable Business Principles was conducted by applying one of the best known and recognised business sustainability assessment systems – ECOVADIS. After assessing our operation in 2023, we were awarded a bronze medal with a score 58 out of 100 and we fell under the 68th percentile. This result places the company in the top 35% of companies rated by EcoVadis in the last 12 months.



Anti-corruption

The organisation is against any form of bribery and corruption. We aspire to make all business transactions in a fair and transparent manner.

Business lunches and business gifts must meet the general policy of business expenses, meanwhile low-value gifts (corporate merchandise) are dedicated to establishing and strengthening customer relationships.

The selection of suppliers must not be grounded on received gifts. The supplier is selected solely on the basis of optimal offer criteria (best price-quality ratio). Before entering into contract with the service providers, we request them to sign a declaration of integrity which constitutes an approval of our declared corporate values.

We regularly remind to our employees in the intranet of anti-corruption policy within the Group.



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