

Sustainable development management system



FESCO Group continues to refine its sustainable development management system, viewing it as a strategic tool to enhance long-term competitiveness and minimise non-financial risks.

GRI 2-9, 2-12, 2-13, 2-14, 2-19, 2-23, 2-24, 2-25, MED 35, SPBC 45, 46, 47

In 2025, FESCO sharpened its methodological and organisational framework, enabling more effective integration of sustainable development principles into its business processes.

Sustainability management approach

FESCO Group shares the commitment of Rosatom State Corporation to prioritising ESG considerations in its operations and implements Rosatom's uniform methodological approaches in its operating processes. Key sustainability regulations:

- Rosatom's uniform industry-wide policies on sustainable development, occupational health and safety, safety culture, environmental protection, and anti-corruption;
- Uniform industry-wide guidelines of Rosatom and its organisations on managing sustainable development, improving the occupational health and safety management system, implementing environmental policy, calculating greenhouse gas emissions, managing environmental risk, conducting charitable activities, and handling citizen requests.

The Sustainable Development Department oversees operational management of sustainable development.

In December 2025, the terms of reference of the Strategy, Investments and General Affairs Committee of FESCO's Board of Directors were expanded. Sustainability matters were added to its remit, including identifying the Group's priority areas in this field and assessing long-term sustainability performance.

The remuneration of executive managers in sustainability-related roles is linked to achieving key performance indicators (KPIs) for managing the Company's impacts. Their performance metrics, such as cargo handling energy intensity, operational energy efficiency, greenhouse gas emissions, LTIFR, and reduction of injury severity, track progress in reducing environmental footprint and improving occupational safety.



The Board of Directors reviews and approves the Company's Annual Report each year, which includes disclosures on sustainable development.

FESCO's core sustainable development principles

Precaution

Prioritising the safety of people and environmental protection in all FESCO operations

Human centricity

Focusing on creating positive, lasting changes in the well-being of employees at FESCO, suppliers, and contractors, as well as local communities, and all stakeholders

Continuous improvement

Constantly refining internal processes to enhance sustainable development practices and contribute to the achievement of Russia's national goals and the United Nations Sustainable Development Goals (UN SDGs)

Compliance

Upholding high ethical standards and transparent, fair business practices to foster a corporate culture based on best international practices

Open dialogue and transparency

Promoting constructive, open dialogue, respecting stakeholder rights, and balancing diverse stakeholder interests in decision-making

To lock in the results achieved, the Company updated existing internal regulations and developed new ones, all designed to govern sustainable development processes and ensure consistent sustainable development practices going forward.



Key internal regulations updated and developed in 2025:

- Stakeholder Engagement Policy and Stakeholder Engagement Matrix;
- Supplier Code of Conduct of FESCO and its Controlled Entities;
- Employee Code of Ethics and Conduct (updated);
- Human Rights Policy;
- Regulations on the Ethics and Human Rights Committee;
- Sustainable Development Risk Register;
- Climate and Natural Risk Register;
- Guidelines for Identifying and Assessing Environmental Impacts and Related Risks and Opportunities.

In 2025, the Company analysed the requirements and recommendations set out in Russian and international sustainability reporting regulations.

This Report contains information¹ prepared for the first time in accordance with the GRI² and SASB³ international non-financial reporting standards, the methodological recommendations of the Russian Ministry of Economic

Development on Sustainability Reporting (MED), and the Standard of Public Business Capital (SPBC). In addition, the Report discloses FESCO's contribution to achieving the UN SDGs and Russia's national development goals.

Key developments in 2025

- Internal regulations were developed and approved to bring sustainable development practices to a higher level of maturity.
- Sustainable development matters were included in the terms of reference of the Strategy, Investments and General Affairs Committee of FESCO's Board of Directors.
- Ethics and Human Rights Committees were established at FESCO and VMTP.

- An analysis of FESCO's sustainable development impacts on the external environment was carried out, and a stakeholder survey was organised.
- A centralised approach to managing ESG risks was developed for FESCO Group's key companies.
- The Company featured in ESG ratings and rankings.
- A comprehensive awareness and educational programme on sustainable development, including both in-person and online formats, was implemented.



ESG ratings, rankings and awards

MED 39, SPBC 73



EPS (Environment, Personnel, State) Responsible Business Rating
FESCO's Leader status with a rating of AAA was reaffirmed



HeadHunter
FESCO Group was ranked among Russia's Top 100 largest employers and Top 3 employers in the transport and logistics sector



Forbes
FESCO Group maintained its Gold employer status as assessed across core ESG criteria



RBC
FESCO Group was ranked at Level 2 in RBC's Russian Business ESG Index and placed in Group 2 in RBC's Employer Rating



Expert RA
FESCO ranked among the Top 10 leaders in Expert RA's ESG transparency rating for Russian companies in the transport and infrastructure sector



Corporate Charity Leaders Award
Winner in the highest A+ category for Best Programme (Project) Advancing Science and Education in Russia

Raising sustainability awareness

GRI 404-2

In 2025, FESCO rolled out a comprehensive awareness raising and training programme to improve knowledge and build skills in sustainable development and environmental protection among employees, students and young people.

A systematic approach to training was ensured by developing and launching mandatory programmes for all Group employees. Two dedicated courses were introduced in December 2025. The sustainable development course was completed by 549 staff members in its first month, while 184 took the human rights course. Employees also gained access to Rosatom's programmes, which familiarised them with the state

corporation's methodological standards and approaches. As at year-end, 229 employees completed the training.

Thematic in-person seminars and lectures were held during the year to enhance employee expertise in specific sustainable development areas. Seminars held in April, September and October 2025 addressed the latest trends, regulatory requirements and implementation practices. In October, 23 VMTP employees in Vladivostok took part in environmental management system training, which focused on boosting operational efficiency and meeting environmental management standards.

FESCO also engaged with educational institutions and young people. Through a partnership with the Russian Presidential Academy of National Economy and Public Administration, students interned at FESCO's Sustainable Development Department. Schoolchildren in Vladivostok also attended a lecture on environmental protection and its role in sustainable development, aimed at fostering environmental awareness in the next generation.

¹ Referenced with GRI, SASB, MED and SPBC codes.

² Global Reporting Initiative.

³ Sustainability Accounting Standards Board standards for Marine Transportation (TR-MT) and Rail Transportation (TR-RA).

Contribution to Russia's National Development Goals and UN SDGs

FESCO aligns its sustainable development initiatives with Russia's national development goals through 2030 and the UN Sustainable Development Goals (UN SDGs). The Company has set itself the following key goals:

National development goals and UN SDGs

Preserving the population, promoting health and improving the well-being of people, supporting families



Initiatives

- Providing extended social benefits and guarantees
- Creating a unified staff incentive and remuneration system, including salary indexation and review
- Implementing a set of measures to prevent occupational injuries and diseases
- Supporting charitable events and participating in non-profit organisation initiatives in the regions of operation
- Running programmes to strengthen the institution of the family and prevent social orphanhood
- Supporting sports and healthy lifestyles
- Promoting bone marrow donation

FESCO's 2025 contribution

- RUB 1,171 million – total employee-related social expenses
- RUB 199 million – financial aid expenses (counted in total above)
- 100% of employees eligible for extended social benefits, including voluntary health insurance
- 1.4 thousand employees completing pre-employment and regular mandatory medical check-ups
- 1.5 thousand employees receiving benefits and compensations for working in hazardous or dangerous conditions
- 24 vessels equipped with automated AlcoInspector control systems
- RUB 924 million – social investments, including support for sports
- Over 250 thousand people – social projects outreach
- RUB 198 million – occupational health and safety spending
- Over 25 sports events held in FESCO's cities of operation, with more than 1.4 thousand people participating
- Over 40 thousand people participating in bone marrow donation awareness initiatives

Unlocking the potential of each individual, developing their talents, and fostering a patriotic and socially responsible personality



- Implementing staff development, upskilling and further education programmes
- Operating a comprehensive youth engagement system
- Developing partnerships with universities and vocational schools
- Developing corporate volunteering
- Organising awareness and career guidance events
- Implementing children's and family reading initiatives
- Providing grant support for social projects
- Implementing initiatives to preserve historical memory and protect cultural and historical heritage
- Supporting veterans
- Integrating partnership projects and programmes into FESCO's corporate culture

- 222 thousand hours – employee training provided (including 138 thousand hours of distance learning)
- Over 3.7 thousand schoolchildren taking part in career guidance events
- Over 5 thousand children participating in awareness events
- Over 33 thousand copies of children's books published and donated to libraries of educational and social institutions in the Primorye Territory
- 60 volunteer campaigns held in ten FESCO cities of operation
- RUB 9.7 million allocated to the Sea of Opportunities grant contest (Our Contribution national award winner in 2025)
- Over 15 joint projects implemented with universities
- Over 500 cultural and educational events held

National development goals and UN SDGs

Environmental well-being



Initiatives

- Implementing measures to reduce air pollutant and greenhouse gas emissions
- Implementing energy saving and energy efficiency measures
- Managing bilge and ballast water
- Separately collecting and accounting for waste on vessels
- Replacing worn-out port area pavements and upgrading local treatment facilities at Commercial Port of Vladivostok
- Cleaning the coastline and monitoring the water environment in the Golden Horn Bay
- Preventing the spread of invasive species
- Supporting natural reproduction of aquatic biological resources

FESCO's 2025 contribution

- RUB 362 million – environmental protection expenses
- 4.3% – reduction in energy intensity of non-container cargo handling
- 6.2% – decrease in energy intensity of cargo transportation by sea
- 9.3% – decrease in energy intensity of cargo transportation by road
- 12.2% – decrease in energy intensity of cargo transportation in refrigerated containers by rail
- 13.2 thousand tonnes of CO₂-e – greenhouse gas emissions prevented through implemented emission reduction initiatives
- 26.8% – reduction in water consumption
- 26.1% – reduction in water discharged and transferred
- 10 thousand juvenile Pacific salmon released into the wild

Sustainable and dynamic economy



- Implementing a vessel fleet and port and terminal infrastructure programme
- Building a reliable, safe and sustainable freight transportation chain
- Contributing to the development of the regions of operation
- Expanding the geography of operations and the service portfolio
- Developing a centralised approach to managing sustainable development risks
- Upgrading the refrigerated container fleet
- Introducing uniform procurement procedures
- Embedding sustainable development practices into the procurement supply chain
- Improving customer service quality

- RUB 150,485 million – distributed economic value
- RUB 931 million – capital expenses on container fleet expansion
- 678 thousand TEU – intermodal transportation volume
- 806 thousand TEU – container handling volume
- 4,196 thousand tonnes – general cargo handling volume
- 88% – share of Russian goods, works and services in total procurement
- 22% – share of procurement from SMEs

Digital transformation of public (state and municipal) administration, the economy and the social sphere



- Categorising critical information infrastructure facilities
- Piloting advanced Russian information security solutions
- Expanding the use of machine learning and AI technologies
- Expanding the functionality of corporate digital systems
- Developing digital services for customers and employees
- Digitising occupational safety systems
- Developing an import substitution framework and roadmap for IT infrastructure
- Implementing multi-object AI-based video analytics at Commercial Port of Vladivostok
- Launching the FESCO Management System for end-to-end multimodal transportation management

- RUB 1,087 million – IT investments
- Customs control time halved thanks to the launch of a stationary portal-type inspection and screening facility at the maritime border checkpoint
- 97% – share of documents covered by automated DO-2 report generation and submission to the Russian Federal Customs Service
- 20% – reduction in customer request processing time
- 90% – reduction in the risk of vessel crew rotation disruptions due to the absence of crew change
- 60% – reduction in labour input for recruiting and selecting vessel crews
- Migration to Russian video conferencing system completed
- Operating costs and container dwell time reduced upon arrival by sea
- Maritime transportation planning improved.
- Dispatching processes for equipment (containers and gensets) streamlined