

**EW EUROWAG**



# Transforming sustainably

Sustainability Report 2023





## Our purpose

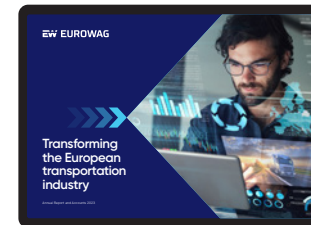
# To make the commercial road transport industry clean, fair and efficient

Eurowag is a leading pan-European integrated payment and mobility platform, focused on the commercial road transport (“CRT”) industry.

We are helping the CRT industry to become clean, fair and efficient through our comprehensive and unique suite of services – accessed via the industry’s first end-to-end digital platform.

We connect business owners, drivers, dispatchers and accountants with merchants in the fuel and alternative energy networks, toll and tax authorities, and other roadside and mobility service providers.

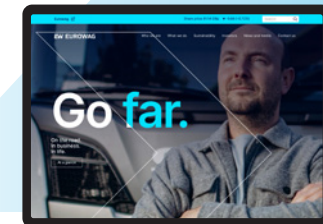
In order to meet the requirements of our customers, we offer a comprehensive range of products that simplifies the complexities and fragmentation inherent in the CRT sector and reflects the long-term trends of digitalisation and decarbonisation that are shaping the industry now and into the future.



Read our Annual Report at [www.investors.eurowag.com](http://www.investors.eurowag.com)



Scan the QR code or visit: [www.investors.eurowag.com](http://www.investors.eurowag.com)



## Contents

### Introduction

- 1 Our purpose
- 2 Our approach
- 3 2023 highlights
- 4 Our sustainability journey
- 5 Business model

### Our approach

- 6 Leadership insights
- 7 Industry insights
- 8 Materiality matrix
- 9 Stakeholder engagement

### Our strategy

- 10 Sustainability strategy
- 11 **Climate action**
- 12 Eurowag’s roadmap to net zero
- 13 Accelerating the energy transition
- 15 Reducing our customers’ emissions
- 17 Reducing our direct emissions
- 19 Nature and biodiversity
- 20 **Customer success and wellbeing**
- 21 Helping SMEs to thrive
- 23 Improving wellbeing and safety for truck drivers

### 25 Community impact

- 26 Making a positive impact in our local communities

### 28 Responsible business

- 29 Promoting diversity, equity and inclusion
- 31 Workplace engagement and wellbeing
- 33 Responsible business practices
- 35 Human rights and modern slavery

### 36 Governance

- 37 Sustainability governance
- 38 Risk management and internal controls over sustainability reporting

### 39 Supplemental information



## Our approach

# We are committed to helping the CRT industry to become clean, fair and efficient

2023 was the warmest year in recorded history<sup>1</sup>, and 2024 could be the first full year to go beyond 1.5°C of warming. 7% of the total greenhouse gas (“GHG”) emissions in Europe come from CRT<sup>2</sup>, so enabling and accelerating the transition to a low-carbon future is paramount and it underpins our commercial and sustainability strategies.

At Eurowag, we aim to reach net zero emissions by 2050<sup>3</sup>. To achieve this, we have set a combination of short-term and long-term decarbonisation targets and associated action plans, both for our own operations and our value chain. Through our digital platform, data insights and product and service offering, we are in a unique position to help our customers improve efficiency and reduce emissions. Our investments in alternative lower carbon fuels, electrification and digital solutions for reducing energy intensity help our customers operate more efficiently and transition from fossil fuels to alternative solutions more easily.

Another central focus within our sustainability approach is promoting customer success and wellbeing. We help small and medium-sized enterprises (“SMEs”) thrive by offering benefits and services at attractive terms so that they can compete, succeed and transition – with our support – to a lower carbon digital future. We know that truck drivers face significant challenges on the road, ranging from concerns about their own physical safety to loneliness. We are working to tackle these challenges by improving the quality and security of facilities at our truck parks, and introducing tech services to aid better driver behaviour and safety.

We are committed to making a positive social impact in our local communities wherever we operate. We actively encourage our employees to give their time, skills and support to charitable organisations through volunteering and employee-led philanthropy, and we are developing a number of long-term partnerships with non-profits in our key markets, designed to positively impact outcomes aligned with our corporate purpose.

The strength of our Group’s governance and culture underpins all our activities. We strive to uphold the highest ethical and responsible business and industry standards in our daily operations, including promoting transparency and regulatory compliance. Success in achieving our commitments and goals relies on our people. Creating inclusive recruiting and employment opportunities is core to building an outstanding culture.

Whilst there is still much to do, our journey to supporting a lower carbon, fairer, digital future is underway. Our Sustainability Action Plan, presented in this report, reflects our commitment to and progress towards our long-term ambition.

**Jenny Pidgeon**  
VP Sustainability and CSR

<sup>1</sup> <https://climate.copernicus.eu/record-warm-november-consolidates-2023-warmest-year>.

<sup>2</sup> EU transport in figures – Statistical pocketbook 2023, p.127.

<sup>3</sup> We aim for 90% reduction Scope 1 and 2 by 2040 and 90% reduction for Scope 3 by 2050 (from baseline year 2019), aligning with net zero definition of c.90% reduction in absolute emissions from our value chain and only c.10% offsets.





## 2023 highlights

# Our year in numbers

## Climate action

Reduced our direct emissions (Scope 1 and 2 on a market basis vs baseline 2019) by

**11%**

Installed solar panels with 123 kWp potential, almost doubling our on-site renewable energy generation capacity. In total, we are estimating to save over

**140 tCO<sub>2</sub>e<sup>4</sup>**  
annually

780 active alternative fuels vehicles using Eurowag products and services,

**121% increase**  
on last year

Launched

**HVO<sup>5</sup>**

refuelling in our own stations, with first location in Ort im Innkreis, Austria

## Customer success and wellbeing

**69%**

of customers surveyed agreed Eurowag supported their business success

**74%**

of customers surveyed agreed Eurowag supported their wellbeing and safety

Our i.triglav mobile app won the

**Diggit Gold Award**

in the User Experience category, making the roads safer for all

Held

**fourth annual**

**"Delivering Christmas"**

campaign events to celebrate truck drivers

## Community impact

**79%**

of eligible employees participated in the Philanthropy & You programme for employee-led charitable donations – surpassing the 1,000 employee milestone for the first time

**275**

local good causes supported across 14 countries

**1.5% EBIT donated**

through employee-led donations, corporate charity partnerships and disaster relief

## Responsible business

Improved our Carbon Disclosure Project

**("CDP")**

**Climate Change score from C to B**

**35%**

women in leadership roles

Launched Eurowag

**Women's Network**

Published new

**Speak Up Policy**

and launched Integrity Line

Published

**Codes of Conduct**

for employees and suppliers

**75%**

of employees completed human rights training

<sup>4</sup> Tonnes of carbon dioxide equivalent.

<sup>5</sup> Hydrotreating of vegetable oils (soybean, palm, waste cooking oil, etc.) is a modern way to produce very high-quality bio-based diesel fuels without compromising fuel logistics, engines, exhaust after-treatment devices, or exhaust emissions. These hydrotreated vegetable oil ("HVO") fuels are referred to as 'renewable diesel' and have properties very similar to conventional diesel fuels.



## Our sustainability journey

# Embedding sustainability across our business

Our commitment to helping the CRT industry to become clean, fair and efficient has been our number one priority when shaping our sustainability journey.

Over the last three years, we have steadily matured our strategy and the breadth of our activities towards our long-term goals. 2023 has been another important stepping stone in our journey as we continue to grow our understanding of which products, services and integration activities deliver the most impact.





## Business model

# Creating value for our stakeholders

We create value for our customers by leveraging data insights to tailor our product and service offering to their needs, building a total proposition that increases efficiencies and maximises the commercial, environmental and social benefits for our stakeholders.



Read more about our stakeholders on pages 28 to 31 of our Annual Report 2023

## How we enable value creation

### Pan-European fuel network

- › Our fuel card is supported at around 13,000 stations across Europe
- › Strong relationships with fuel suppliers across Europe and continued focus on growing our alternative fuels acceptance network

### Mission critical data to support SME businesses

- › Almost half our revenues come from data-centric products
- › We capture data across every touch point of our customers' journey, and we leverage our insight into the CRT industry's needs, to help our customers transition towards a net zero future
- › Supporting the digitisation of the industry

### Speed and efficiency

- › One-stop shop – we can support our customers with most of their business needs, including one bill for all their products and services
- › Our toll EVA on-board unit ("OBU") can be used in 23 countries across Europe, keeping our customers' trucks moving
- › Customers process their tax refunds digitally, saving them money and time
- › Our smart routing calculates the fastest and most efficient route for a truck, including the cheapest fuel along the route
- › Our driver behaviour feature identifies opportunities for emissions and cost savings

### Trusted and loyal brand

- › Almost 30 years in the industry
- › Offer financial solutions for customers who have working capital needs
- › Net Promoter Score ("NPS") of 41.8, increasing from last year (40.7)
- › Build lifelong relationships – the more services taken, the lower the churn

## Value created for stakeholders

### Customers

Engaging our customers in product development is an ongoing process that involves interviews, problem definition, collaborative idea generation, implementation, and measurement using customer insights and metrics.

### Suppliers

Retaining and attracting vendors is essential for our business success, allowing us to offer competitive prices and high quality, while also ensuring that environmental and social issues are properly managed.

### Employees

Our purpose and values guide every decision. With a culture that emphasises diversity, we foster a wide range of skills. We support employees in self-development through various initiatives.

### Investors

Our business model, driven by resilient growth, creates value for shareholders.

### Society and the environment

Committed to making the CRT industry clean, fair and efficient, we support our customers to make more carbon efficient journeys and drive initiatives that support our short- and long-term decarbonisation goals, aligning our operations to EU net zero targets, whilst also focusing on giving back to our communities.

### Policymakers, regulators and government

We engage with regulators to ensure compliance with relevant requirements. We closely monitor policy and regulatory developments in Europe and our key markets.



## Leadership insights

# Comply and create value

At Eurowag, we see two imperatives facing the CRT industry: first, to actively decarbonise, given the industry contributes around 7% to EU GHG emissions; and second, to reverse the negative trend of a declining population of people wanting to become truck drivers. Both are serious issues facing our customers and society.

Addressing these challenges is our passion at Eurowag. We strongly believe that it is possible, and we have tied our long-term business goals to this purpose. Sustainability, therefore, is not considered in Eurowag as only a compliance and risk management matter, but primarily as a strong value creation and transformation driver, both for us and the entire trucking industry.

Our industry-first digital platform for commercial road transport aims to digitise and seamlessly connect CRT companies – through data and payments – with the outside world. Ultimately, democratising the industry by enabling decent working conditions with decent outcomes will make the trucking industry attractive again. Our customers will gain efficiency improvements and operational simplification, translating into positive environmental and economic impact.

The successful launch of our platform is a key focus for 2024, and a precondition for accelerating the adoption of products and tools that will help our customers to decarbonise.

We see that there is a real need for a coherent framework of policies and incentives in order for decarbonisation to happen at speed and scale. Therefore, we have strengthened our public affairs capabilities and will focus on representing the voice of our customers, predominantly SMEs with an average fleet size of seven vehicles, operating millions of trucks across Europe and currently at a very early stage in their understanding and level of interest in lower carbon solutions.

Internally, our operations teams face the challenge of reducing Scope 1 and 2 emissions in the context of Eurowag's fast organic and inorganic growth. We also continue to explore how we can collaborate to reduce our Scope 3 emissions, aligning our activities towards our long-term commitment to net zero and the transformation that means for our business model and strategy. And finally, our attention is already now focused on preparation for forthcoming regulatory and disclosure requirements, including CSRD and CSDDD, as we take concrete steps towards our environmental, social and governance goals.



At Eurowag, we understand that sustainability is at the heart of the transformation the CRT industry is going through, and we want to be part of leading that change. For me it's simply about doing better business – better for our customers, better for our employees, and better for the environment and our wider stakeholders.”

**Martin Vohánka**  
Chief Executive Officer





## Industry insights

# Decarbonisation: trends in the industry

### Which alternative fuels and new energies have the biggest potential for decarbonisation?

So far, improving the energy efficiency of the vehicle has been the guiding principle to decarbonise trucks. However, in times of energy crisis and diversification of energy supply, the energy “system efficiency” has become more important.

On the technology side, the electric engine is the most energy efficient powertrain; this is a fact. However, if all trucks in the EU – currently 99% powered by diesel – were directly or indirectly powered by electricity, there would be two major consequences. Firstly, between 600–700 TWh of additional electricity would be needed (equivalent to all renewable energy currently produced in the EU). Secondly, it would take until beyond 2050 to convert the entire heavy-duty (“HDV”) fleet, when considering fleet renewal cycles and average age of the fleet.

Therefore, alternative transition energies are also needed, including biofuels (HVO and biomethane) produced from biomass, waste or residues, as well as synthetically produced fuel based on hydrogen. We will need a combination of all these alternatives for the industry to decarbonise at speed and at scale.

### What is the main barrier in the way of a more rapid decarbonisation of the CRT sector?

In aiming for net zero emissions, the EU needs to diversify its energy supply massively, while trying to defend the competitiveness of its industry and maintain fair access to energy services (and prices). Nearly 40% of the HDV fleet must be powered by renewable energies by 2030<sup>6</sup>, or the Green Deal will be derailed. However, governments and the EU have so far failed to establish technology neutral regulations. I believe we need policies that demand the same strict rules on GHG emissions from all technologies, based on well-to-wheel emissions, and ultimately look at the entire life cycle, to avoid further delay in the fight against climate change.

### What can a fleet card operator like Eurowag do?

All road transport companies require services and use fuel cards every day. Financing customers’ needs and making it simpler and more convenient for them to lower GHG emissions from their fleets and operations, in the most cost-effective way, will be the decisive factor. Eurowag can do that through our efficiency and alternative fuels offerings, soon to be accessed via a single digital platform and enhanced decarbonisation advice services.



We fully believe that CRT is not the problem, it’s a critical part of the solution. Our goal is to offer customers a complete portfolio of services in the field of clean logistics. The decarbonisation of transport is not a question of a single technology: the path to achieving climate goals requires different solutions, depending on the specific situation and customer needs.”

We also look forward to playing an active part in the conversation to create better enabling political framework conditions, with a paradigm shift in fuel and energy taxation – for example introducing higher and generally binding carbon pricing, to make renewable or carbon neutral energies more competitive with their fossil counterparts.

**Matthias Maedge**  
VP CRT Decarbonisation







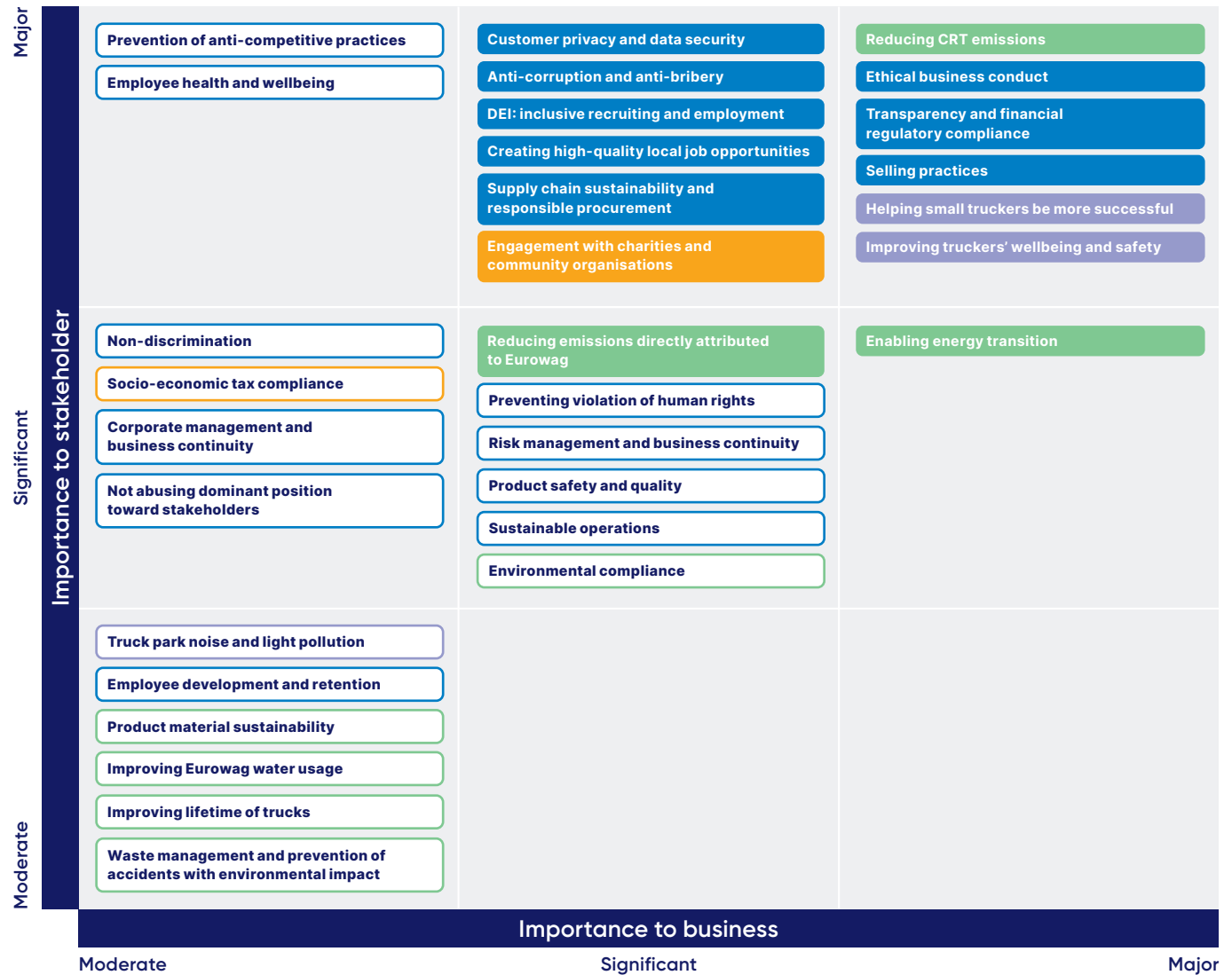
## Materiality matrix

# Mapping what matters most

In developing our sustainability strategy, we ran an extensive analysis in 2021 to identify our most material topics. This helped us prioritise issues that most concern our stakeholders, understand their level of importance and how we can respond effectively. As well as interviewing Board members and members of the Senior Leadership Team, we surveyed a cross section of stakeholders, including investors, employees, suppliers, customers and truck drivers. We then reviewed the results in the context of sustainability topics relevant to the mobility and payment sectors, peers and competitors, as well as adjacent sectors with overlapping stakeholder interests.

This process identified 14 material topics, which we categorised into four areas of focus that map to our strategy: climate action, customer success and wellbeing, community impact and responsible business.

We review the materiality analysis regularly to identify any significant developments and continue to monitor emerging issues as their materiality increases. We supplement this by monitoring developments in the mobility and payment sectors, and the wider business landscape, as well as changes to mobility, climate change and sustainability policies and regulation in Europe. Our next full review is planned for 2024, when we will undertake a double materiality assessment for the first time.



Key:

- Climate action
- Customer success and wellbeing
- Community impact
- Responsible business
- Most material issues
- Other issues



## Stakeholder engagement

# Listening and learning from our stakeholders

We work with a wide range of external stakeholders at EU level, as well as in the countries where we operate. We believe constructive collaboration is key to helping us learn and innovate.

The investor relations team, Chief Financial Officer, and Chief Executive Officer lead our engagement with prospective and current investors.

Our sales and marketing teams lead our engagement with customers. We monitor the level and type of customer feedback, so that we can address customer concerns. To better understand and respond to their needs, the teams engage with customers through panels, focus groups and surveys that provide formal, quantitative insight into customer needs and interests. The teams also secure unique insight into the needs of truck drivers through the Road Lords app, a truck navigation GPS app for Android users. In addition to providing specialised routes for trucks and other large vehicles, it serves as a social platform, linking drivers to other drivers.

We engage peers in related and influential industries, such as original equipment manufacturers through our automotive division. We work with both industry peers and policymakers through our membership and participation in a number of trade bodies, including the Sustainability Working Group of Fleet Cards Europe, which Eurowag currently chairs. This helps us understand and influence regulatory developments, as well as the impact of current and future policy and regulations at EU and member state level.

Our people engagement programme is detailed in the workplace engagement and wellbeing section on pages 31-32.



### Customers

In 2023 we expanded our customer database to over 400 contacts, who are willing to actively participate in diverse research projects and activities, through interviews and testing. We also developed a new survey designed to learn about the truck drivers' views on how Eurowag's products, services and tools are supporting their wellbeing and safety whilst driving and at our facilities, and what further functionality they would appreciate. The insights gained provide qualitative feedback to support the development of our products and business processes.

» Read more on pages 20 to 24



### Suppliers

We held regular meetings with our energy vendors and key corporate suppliers in 2023. We are now further strengthening our sustainable procurement approach, reviewing policies and procedures to identify potential environmental or social risks and prioritise opportunities for engagement. We will carry out this initiative in 2024 and look forward to sharing the results in next year's Sustainability Report.



## Sustainability strategy

# Our Sustainability Action Plan

To achieve Eurowag's strategic priorities to be in every truck, drive customer centricity, grow core services and expand platform capability, we have four enablers, one of which is embedding sustainability into our business.

We do this through our Sustainability Action Plan, which contains four focus areas: climate action, customer success and wellbeing, community impact and responsible business. We have set objectives and targets for each focus area, which you can find out more about in the following pages.



## Climate action

- > Accelerate the energy transition
- > Reduce our customers' GHG emissions
- > Reduce our direct GHG emissions
- > Nature and biodiversity

» Read more on pages 11 to 19

## Customer success and wellbeing

- > Help SMEs to thrive
- > Improve wellbeing and safety for truck drivers

» Read more on pages 20 to 24

## Community impact

- > Make a positive impact in our local communities

» Read more on pages 25 to 27

## Responsible business

- > Promote diversity, equity and inclusion
- > Workplace engagement and wellbeing
- > Responsible business practices
- > Human rights and modern slavery

» Read more on pages 28 to 35

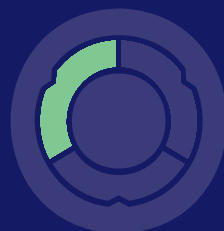


Climate action

# Supporting our environment

## Contents

- 12 Eurowag's roadmap to net zero
- 13 Accelerating the energy transition
- 15 Reducing our customers' emissions
- 17 Reducing our direct emissions
- 19 Nature and biodiversity



## Climate action

### Goals

**50%**

reduction in GHG emissions from our own operations by 2030 (Scope 1 and 2)

**80,000**

active alternatively fuelled commercial vehicles using Eurowag products and services by 2030

Zero direct GHG emissions by 2040

Net zero business by 2050

No fossil fuel products in Eurowag portfolio by 2050

**20%**

reduction in customers' emissions intensity by 2030 (gCO<sub>2</sub>e/tkm)

Reduce carbon intensity of delivered energy (gCO<sub>2</sub>/MJ) by 15% by 2030 (well to wheel)



Reducing emissions from our operations and supporting our customers to reduce emissions are key goals for our facility, energy and decarbonisation teams."

Attila Dsupin, SVP Energy

## Links to SDGs





## Climate action

# Eurowag's roadmap to net zero

Eurowag is committed to playing a role in enabling the CRT industry to decarbonise while continuing to provide transport services for the people, communities and economies that depend on them. First and foremost, this means helping customers make efficiencies and make the transition from fossil fuels to alternative energy solutions, as well as reducing our own direct emissions. Our ultimate goal is to be part of the global movement to limit global warming to 1.5°C.

In last year's Annual Report and Accounts, we looked at how we could help to build a sustainable future for our customers, industry and the Company, reviewing and updating our climate targets to ensure we are in-line with the most recent science. We have set a combination of short-term and long-term decarbonisation

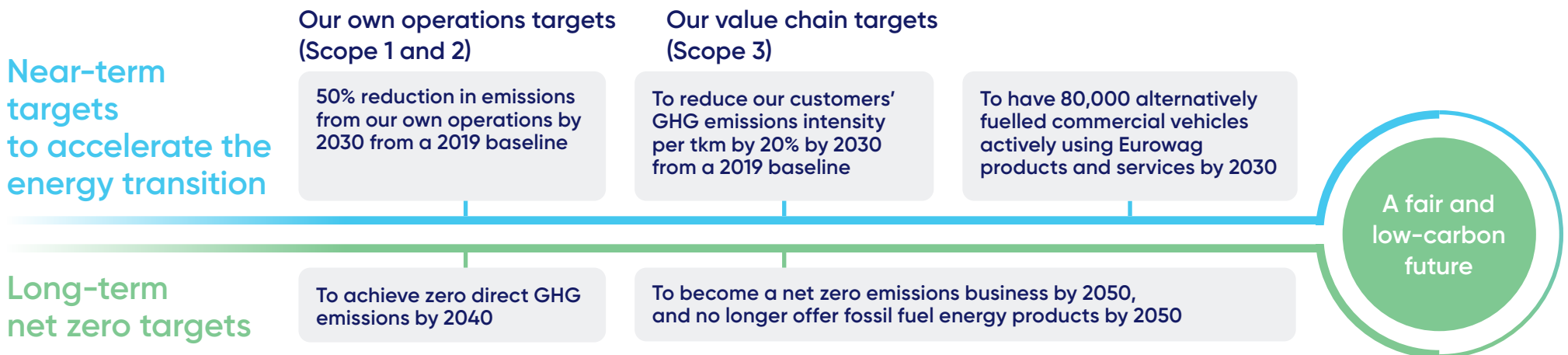
targets, both for our own operations and our value chain, to ensure that we reach net zero by 2050 at the latest. These targets were built on our best expectations of how the industry would evolve, based on input from stakeholders and industry insights. We continue to monitor market developments to identify how and when we may need to adapt our strategy and key performance indicators and will review our net zero roadmap in 2024 accordingly.

In 2023, reflecting the deepening of our disclosures around our climate strategy and performance, we improved our CDP rating from a C to a B. During the year we continued along the journey to net zero that we set out in 2022, taking concrete actions in our operations and product development.

Our net zero roadmap also considers our business growth ambition, in line with our goals of providing a seamless offering to users across payments, financing, mobility solutions and energy, and to be in every truck through our products and services. Achieving our business goals sets us on a path of rapid growth, which will have an impact on our Scope 3 emissions, one that is essential for us to take into account as we continue to build out our net zero roadmap.

We estimate that achieving this rapid growth will result in our absolute Scope 3 emissions peaking after 2030, to provide the vital services needed to support the existing European market. In the period up to 2030, we are focusing on enabling greater efficiency for customers, whilst

developing new business models that promote rapid uptake of alternative energies and cleaner technology, working hand in hand with vehicle manufacturers and customers. The transition to low-carbon economies is fast paced, with a continuous stream of new technologies and opportunities being released. We need to stay agile, collaborate, and engage with our key stakeholders to ensure that we contribute positively to this transition – as in the end, we will only be able to fulfil our own net zero ambitions if all the various parts of this complex industry and wider ecosystem continue to move collectively towards our shared goal of combating climate change.





## Climate action

# Accelerating the energy transition

With our deep understanding of the CRT industry, we are creating the technology and incentives to help customers make the transition to a lower carbon future. We want to accelerate the energy transition and help customers to easily switch from diesel to non-fossil fuel commercial vehicles by driving innovation, new products and services, through meaningful partnerships in our sectors.

### Priorities

- Enable access to alternative fuels<sup>7</sup> and clean mobility, introducing a wider alternative offering to customers, e.g. bioLNG<sup>8</sup>, electricity and HVO
- Collaborate and advocate for clean mobility infrastructure and a fair deal for SMEs
- Develop new advisory tools and services to support customers' energy transition
- Create incentive packages and affordable financing solutions

### Targets and progress

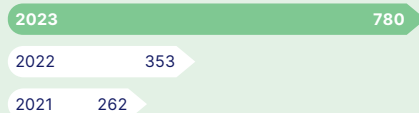
Our ultimate goal is to achieve above-market penetration of alternatively fuelled commercial vehicles and our target is based on modelled pathways of decarbonisation in CRT, so our pace of progress will be partly dependent on the penetration of alternative vehicles in the market.

**No longer offer fossil fuel energy products by 2050**

**80,000 active alternatively fuelled commercial vehicles using Eurowag products and services by 2030**

#### Active alternatively fuelled commercial vehicles

**780** **121%\***



\* Percentage change 2022–2023.

### Achievements

We have seen growth in the number of commercial vehicles using a variety of fuels or power sources which have the potential to contribute to CRT decarbonisation, including renewable fuels (bioLNG and HVO), alternative fuels (electricity, hydrogen) and transitional fossil fuels (LNG, CNG, LPG). In order to better reflect the breadth of alternatives available, we modified and updated our methodology, which newly includes biodiesel (to reflect the growth of customers using HVO), LPG and CNG alongside LNG, bioLNG and electric commercial vehicles.

Active alternatively fuelled commercial vehicles in our portfolio*	2021	2022	2023
Biodiesel**	10	24	<b>39</b>
LNG and bioLNG	221	254	<b>552</b>
Electric	16	62	<b>132</b>
LPG and CNG	15	13	<b>57</b>
<b>Total</b>	<b>262</b>	<b>353</b>	<b>780</b>

\* Including trucks and light commercial vehicles with active EW services in December 2023.

\*\* Includes HVO, EkoDiesel and Biodiesel 100.

### Alternative fuels

In 2023 we focused on adding LNG and HVO stations to our acceptance network.

HVO can reduce CO<sub>2</sub> emissions intensity by up to 90% when compared with diesel fuel<sup>9</sup>. In 2023 we launched HVO at our truck park at Ort im Innkreis in Austria. We also continued to develop our acceptance network of HVO by adding an additional 140 acceptance points, bringing the total to 165 in 7 countries. In 2023, our customers increased the refuelled volumes of HVO by 164% compared to 2022.

We continued to operate our LNG refuelling point at the Eurowag truck park in Kozomin and opened Modletice in May 2023. We also added an additional 80 LNG acceptance points, bringing our total LNG acceptance network to 383 stations in 13 countries, while bioLNG has become available at some stations. With the Eurowag fuel card, our customers now have access to more than 50% available LNG stations in Europe.

Over time, as volumes continue to increase, we will start to see a greater impact on the overall carbon intensity of sold fuel.

<sup>7</sup> Fuels or power sources which serve, at least partly, as a substitute for fossil oil sources and which have the potential to contribute to decarbonising and enhancing the environmental performance of the transport sector, including electricity, hydrogen, renewable fuels (biogas, biofuels and synthetic fuels produced from renewable energy) and non-renewable transitional fuels (CNG, LNG, LPG and synthetic fuels produced from non-renewable energy). Source: Alternative Fuels Infrastructure Regulation ("AFIR").

<sup>8</sup> BioLNG is the renewable and non-fossil variant of LNG. BioLNG is obtained from organic material such as waste and residues.

<sup>9</sup> Dependent on the HVO feedstock and its origin.



## Climate action

# Accelerating the energy transition

### eMobility as a CRT service

We continue to explore opportunities and partnerships in eMobility. Eurowag has become a shareholder of Last Mile Solutions, one of the leading European roaming platforms for eMobility. Together, Eurowag and Last Mile Solutions will work on implementing eMobility as a CRT service.

The number of integrated charging stations for light commercial vehicles reached 790,000 connectors in 2023. Many charging stations have been added through the integration of EcoMovement, counting more than 6,000 connectors with power above 350kW in Europe. We also signed a memorandum of understanding with 50five, one of the leading charging point operators in the EU, for the commencement of a partnership to support the CRT sector with the development of electric vehicle ("EV") charging solutions.

Our EV mode in Sygic Navigation was significantly upgraded and improved in 2023. It helps customers find charging points easily, plan their routes to the closest charging station, and pay for charging directly within the app. We significantly improved the quality of EV routing, which improved in quality (higher success rate), in flexibility (allows user edits/constraints) and in precision (takes account of vehicle weight).

### Customer education and advocacy

Charging infrastructure for trucks is a prerequisite for the successful electrification of CRT. In August we published a study assessing individual European countries in their readiness for electrified freight transport. The study can be found on this link. As the study expounds, truck electrification is only at the beginning of its journey, with the lack of charging infrastructure one of the main barriers to progress.

### Next steps

In 2024, we will focus on the introduction of bioLNG on our own truck parks and the expansion of HVO to more Eurowag truck parks, in response to customer demand.

We will build charging infrastructure for electric trucks, including depot solutions and at our own truck parks. We will shape our value proposition on decarbonisation services, including customer advisory on our own products as well as opportunities broadly available to the industry.

With EU elections taking place in 2024, public affairs on the decarbonisation of the CRT sector will become even more important and will be further developed through partnerships with stakeholders and industry leaders, including Eurowag's affiliation in Fleet Cards Europe.





## Climate action

# Reducing our customers' emissions

At Eurowag we believe that we can contribute by helping our customers indirectly to reduce their emissions, by offering solutions to increase the efficiency of driving and journeys, and to analyse and report emissions.

### Priorities

- › Supporting more efficient driving by monitoring and promoting eco-driving behaviour through analysis, advice and incentives – to save fuel and reduce emissions
- › Improving efficient logistics and reducing empty journeys with planning tools
- › Delivering smart navigation products and route optimisation services to minimise fuel consumption
- › Carbon reporting per customer journey and refuelling
- › Energy transition and alternative fuels – as represented by the first focus area of our climate action strategy

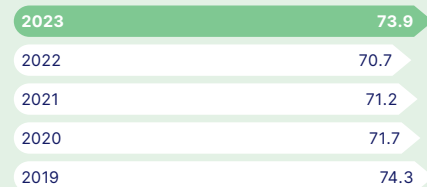
» Climate action – Accelerating the energy transition on pages 13 and 14

### Targets and progress

**20% carbon intensity reduction per tkm by 2030 (baseline year 2019)**

#### Customers' GHG emissions (gCO<sub>2</sub>e/tkm)

**73.9** ✓ **0.5%\***



\* Percentage change 2019–2023.

Our goal is to help reduce our customers' GHG emissions intensity<sup>10</sup> per tonne-kilometre ("tkm") by 20% by 2030, despite Eurowag not having direct control over customers' emissions.

The emissions intensity from our customers' journeys is impacted by many factors, including vehicle and fuel utilisation. External circumstances including the macroeconomic situation, policy framework and technology developments have a strong bearing on the eventual carbon intensity per tonne-kilometre. The slow COVID-19 recovery and war in Ukraine have hit European businesses particularly hard and reduced volumes on the roads, coupled with the EU Mobility Package, which requires drivers to return home for a period of at least 45 hours every four weeks, resulting in an increase in empty journeys – altogether creating an external context that has impacted on progress towards our customer

emissions reduction goal in the last year and will continue to do so for the years to come.

Customers' carbon intensity has decreased from our 2019 baseline figure of 74.3 gCO<sub>2</sub>e/tkm to 73.9 gCO<sub>2</sub>e/tkm in 2023. This represents an increase in intensity in 2023 compared to the previous three years, reversing the trend witnessed since 2020. This shift started already in mid-2022, correlating with a decrease in average cargo weight and mileage, and continued throughout 2023. At the end of 2023 we see the decline in average weight slowing and we expect it is likely that in 2024 the carbon intensity will remain at a similar level to 2023.

	2019	2020	2021	2022	2023
Customers' carbon intensity (gCO <sub>2</sub> e/tkm)	74.3	71.7	71.2	70.7	<b>73.9</b>
Customers' carbon intensity reduction compared with base year 2019	Baseline	3.5%	4.2%	4.8%	<b>0.5%</b>
Average weight of load (tonnes)	12,998	13,430	13,549	13,318	<b>12,694</b>
Average monthly mileage per vehicle (km)	7,157	6,863	6,829	6,533	<b>6,219</b>

In 2024 we will continue to develop the dataset scope and methodology for this target, so we can analyse performance in more granularity and gain further insights. Meanwhile, in the face of external headwinds, we maintain our focus on supporting our customers to save fuel, save cost and reduce emissions through using our efficiency products and services.

<sup>10</sup> This is an industry indicator to assess transport performance. Our calculation methodology for emissions intensity is based on ISO 14083:2023 – Quantification and reporting of GHG emissions arising from transport chain operations. The GHG emissions intensity of the road transport operation category ("TOC") is calculated by dividing the total GHG emissions of the TOC by the total transport activity of the TOC. Transport activity is expressed in tkm. The outcome shall be expressed as mass of CO<sub>2</sub>e per tkm. TOC is equal to "the transport activity of all Eurowag customers equipped with telematics unit for measuring distance, fuel consumption and vehicle weight".





## Climate action

# Reducing our customers' emissions

### Achievements

#### CO<sub>2</sub> emissions tools for our customers

In 2023, we added CO<sub>2</sub> emissions journey profiling, so now customers have access to calculations of energy consumption and GHG emissions for their individual routes. This emissions data is unique because, thanks to our technology, it is not based on estimates, but on actual real time fuel consumption. We also worked on providing emissions calculations for fuel transactions. As a result, from next year, clients using the Eurowag fuel card have access to emissions data, per each refuelling transaction, in the client self-care portal.

We partnered with Smart Freight Centre, an international non-profit organisation focused on reducing the emissions impacts of global freight transportation, to ensure that our data insights and solutions are up to date with recent methodological developments. Consequently, we aligned all internal emissions calculation methodologies with ISO 14083:2023<sup>11</sup> and GLEC methodologies and updated our emissions factors and values to the well-to-wheel basis accordingly. This gives us a solid base for providing the most useful and reliable tools to our customers.

#### Improving driving style and saving fuel and emissions

One of the most impactful areas of reducing emissions is providing solutions to improve drivers' driving behaviours. Driver training has the potential to save 4% fuel-related energy consumption of the sector<sup>12</sup> and Eurowag's own data suggests that typical fuel savings by customers using our driver behaviour products could be even higher.

Eurowag's telematics solutions focus on providing customers and drivers with feedback, insights and tips to improve fuel efficiency, improve driving behaviour, and reduce vehicle wear and tear.

Comparing the recorded carbon intensity of drivers with and without driver behaviour products, we can see that those customers with such a product in 2023 had a lower carbon intensity. Indeed, drivers with a particularly high Perfect Drive<sup>13</sup> score had a greater carbon efficiency than the wider sample. In the coming year we will work on increasing the number of vehicles for which we can track carbon intensity, and the granularity with which we are able to analyse the data, so that we can gain a greater understanding of how we can tailor and focus our products and services to best support customers.

	Customers' carbon intensity (gCO <sub>2</sub> e/tkm)
2023	
All drivers	<b>73.9</b>
No driver behaviour product	<b>78.0</b>
Perfect Drive product	<b>69.8</b>
Perfect Drive score >80	<b>62.4</b>

#### Driver behaviour and Coach

In 2023, we designed a new Coach functionality that provides automatic personalised recommendations to the dispatcher, for every driver, on what to improve regarding their driving. It suggests improvements and shows trends on acceleration, consumption and eco-driving parameters. The system gives a specific score and tips for each driver, based on real data. We also delivered a benchmarking feature that enables a comparison of drivers' scores versus best practice standards.

#### Routing and smart navigation for low-emissions vehicles

We made several in-truck software releases for EV vehicles, such as routing and navigation with telematics support, improvements to continuous reading of battery level and instant consumption, which are then directly used in smart navigation. Our goal is to have a maximally precise prediction on the battery consumption and the validation of selected charging points.

### Next steps

In 2024, we will continue to focus on improving customer emissions reduction-related services and products such as:

- › We will add additional data points and methodologies to enable customers to assess their CO<sub>2</sub> effectiveness and performance, compare their transport emissions with others, and allocate emissions to specific clients or shipments. We will integrate these new tools into our Eurowag telematics solutions
- › We will continue to improve carbon emissions data linked to fuel purchases to better inform customers
- › We will run an awareness campaign to increase the number of customers using our driving behaviour products through cross-sell activities and marketing
- › We plan to extend our web-based dispatcher-oriented solutions with behaviour nudging for drivers with the launch of the Eurowag Navigation driver mobile phone app
- › We will work on algorithms for eco-routing to provide the routes with the lowest emissions profile

<sup>11</sup> ISO standard from April 2023 on quantification and reporting of GHG emissions arising from transport chain operations (ISO 14083:2023). This standard is to be used by the EU to calculate logistic emissions.

<sup>12</sup> IRU, Green Compact research, 2023.

<sup>13</sup> Eurowag's Perfect Drive feature aims to reduce CRT emissions and improve the safety and wellbeing of drivers, by enabling fleet managers to recognise signs of distracted driving. Perfect Drive also enables commercial vehicle drivers to evaluate their driving style and optimise fuel consumption and vehicle wear and tear, which in turn leads to reduced insurance costs.



## Climate action

# Reducing our direct emissions

The Group operates in 25 countries and has expanded rapidly thanks to recent acquisitions. In the last five years, the Company has grown over eight times in the number of employees and six times in revenues. Despite the growth, we remain committed to reach zero emissions from direct operations<sup>14</sup> by 2040, with a milestone of at least 50% reduction in Scope 1 and 2 by 2030.

### Priorities

- › Investing in renewable energy generation technologies across our operating assets
- › Switching to renewable electricity for our operations
- › Switching our car fleet to low and zero emissions vehicles
- › Identifying opportunities to minimise consumption in our operations

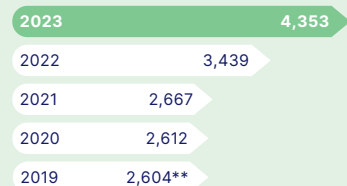
### Targets and progress

**50% reduction in emissions from our own operations (by 2030 on a market basis)**

**Zero direct (Scope 1 & 2) GHG emissions by 2040**

**GHG emissions from Eurowag Group operations (tCO<sub>2</sub>e)**

**4,353 ✓ 11%\***



\* Percentage change 2022–2023.

\*\* This is the original figure reported in the previous year, excluding the emissions from the recently acquired Inelo, Webeye and Sygic businesses. The recalculated figure can be found on the following page 18.

<sup>14</sup> We define direct operations as operations in which the Group has ownership of 50% or more. Within this boundary, we account for 100% GHG emissions from owned assets and from leased assets that are treated as wholly owned assets in financial accounting and are recorded as such on the balance sheet.

<sup>15</sup> UK office opened in 2022, occupied from September 2022. Associated emissions from 2022 are negligible, so due to rounding, the emissions appear as '0'.

Scope 1 and 2 and intensity metrics	2021	2022	2023
Total energy consumption (kWh)	6,979,760	9,642,031	<b>14,608,725</b>
Scope 1 emissions (tCO <sub>2</sub> e)	1,316	1,652	<b>2,655</b>
Scope 2 emissions (tCO <sub>2</sub> e) – market based	1,351	1,787	<b>1,698</b>
Scope 2 emissions (tCO <sub>2</sub> e) – location based	1,221	1,637	<b>2,038</b>
Total Scope 1 and 2 GHG emissions (tCO <sub>2</sub> e) – market based	2,667	3,439	<b>4,353</b>
Total Scope 1 and 2 GHG emissions (tCO <sub>2</sub> e) – location based	2,537	3,289	<b>4,693</b>
GHG intensity: truck parks (tCO <sub>2</sub> e/refuelling point) – market based	7	7	<b>7</b>
GHG intensity: offices (tCO <sub>2</sub> e/thousand sqm) – market based	37	54	<b>58</b>
GHG intensity: truck parks (tCO <sub>2</sub> e/refuelling point) – location based	6	6	<b>6</b>
GHG intensity: offices (tCO <sub>2</sub> e/thousand sqm) – location based	35	53	<b>75</b>

Scope 3 emissions (tonnes CO <sub>2</sub> e)	2021	2022	2023
Purchased goods and services	1,130,557	1,117,318	<b>1,321,639</b>
Capital goods	403	434	<b>882</b>
Fuel and energy-related activities	535	745	<b>1,152</b>
Upstream transportation	1,699	1,834	<b>1,746</b>
Waste generated in operations	55	57	<b>63</b>
Business travel	306	787	<b>1,227</b>
Employee commuting	628	772	<b>666</b>
Downstream transportation	96	114	<b>188</b>
Use of sold products	4,309,510	4,257,591	<b>3,797,008</b>
Total Scope 3 emissions	5,443,789	5,379,651	<b>5,124,571</b>

Operations in the UK <sup>15</sup>	2021	2022	2023
Total energy consumption (kWh)	N/A	476	<b>8,392</b>
Scope 1 emissions (tCO <sub>2</sub> e)	N/A	0	<b>6</b>
Scope 2 emissions (tCO <sub>2</sub> e) – market based	N/A	0	<b>3</b>
Scope 2 emissions (tCO <sub>2</sub> e) – location based	N/A	0	<b>2</b>
Total Scope 1 and 2 GHG emissions (tCO <sub>2</sub> e) – market based	N/A	0	<b>9</b>
Total Scope 1 and 2 GHG emissions (tCO <sub>2</sub> e) – location based	N/A	0	<b>8</b>

We took on a substantial increase to our direct emissions due to the acquisition of Inelo in 2023, so have adjusted the baseline accordingly for comparison – see following page 18.

We continue to measure our Scope 1 and 2 emissions, according to a slightly updated methodology, covering all of our assets across all geographies. Compared to 2022, the total Scope 1 and 2 emissions have increased by 1% on a location basis, but decreased by 11% on a market basis, surpassing our 2023 annual target more than twofold.



## Climate action

# Reducing our direct emissions

Considering our absolute emissions have had a significant increase due to the acquisition of Inelo and its subsidiaries since the target was set with base year 2019, we have recalculated our emissions and will restate them as follows:

- › Scope 1 emissions: 2,907 tonnes CO<sub>2</sub>e
- › Scope 2 emissions – market: 1,978 tonnes CO<sub>2</sub>e
- › Scope 2 emissions – location: 1,721 tonnes CO<sub>2</sub>e
- › Scope 1 and 2 emissions – market: 4,885 tonnes CO<sub>2</sub>e
- › Scope 1 and 2 emissions – location: 4,628 tonnes CO<sub>2</sub>e

Therefore, our comparative Scope 1 and 2 emissions have decreased by almost 11% compared to baseline year 2019.

### Case study

#### Truck park energy reduction

2023 marked a significant renovation period, including at our Modletice truck park.

After almost two decades of continuous operations, the truck park underwent renovations, including the replacement of refrigerated display cases and refrigerators in both the store and warehouse. Compared to the previous setup, the new configuration has reduced the overall energy consumption and emissions by over 20%, while maintaining performance and bringing down operational costs.

## Achievements

### Switching to and retaining renewable electricity

In 2023, we continued to seek green electricity tariffs for our assets and expanded on-site renewable energy generation. We switched our headquarters in Prague to renewable electricity, mitigating 400 tCO<sub>2</sub>e, a substantial proportion of our Scope 2 emissions due to the size and significance of the building.

We also expanded the total capacity for solar generation at our assets by over 80%. Towards the end of the year we installed photovoltaic solar panels at four assets in Poland. While operational for only two months, they are already becoming an essential part of our direct emissions approach and should yield substantial savings in 2024. Overall, we have installed solar panels at six assets, with more to come in the coming year.

### Solar energy generation

Location	Year of installation	Peak power (kWp)	2023 output (MWh)	Emissions abated (tCO <sub>2</sub> e)
Figueres, ES	2022	50	37.6	6.2
Araia, ES	2022	100	124.7	20.6
Krzywa, PL	2023	30	1.5	1.2
Slubice, PL	2023	40	1.0	0.7
Gorzyczki, PL	2023	30	0.4	0.3
Pruszcz Gdanski, PL	2023	23	2.0	1.5

## Energy reductions

We rationalised office space wherever possible to reduce consumption and will run a pilot to install LEDs at our head office in Prague. We are opening more possibilities for employees to access electric cars via our corporate fleet, and installed eight chargers at our Vysehrad office for employees to use, as well as exploring possibilities for installing home chargers.

As part of our efforts to reduce Scope 3 emissions, we tendered for delivery services with compensated carbon footprint and now have certified climate neutral shipping services from partner DHL. We also financed the leasing of two LNG trucks, which are now used by BenzinTransit to deliver fuel to our stations.

## Next steps

In 2024, we will keep monitoring and improving our energy management, as well as expanding on-site renewable energy generation capacities. We are exploring the possibility of installing solar panels in the Czech Republic and making use of the newly proposed community energetics initiative by the Czech government, which would allow us to share any excess generation to effectively reduce the total volume of energy consumed by our most energy-intensive assets. Furthermore, we are committed to the launch of a new Group Car Policy, aimed at reducing the total pool of fleet cars controlled by the Group, as well as prioritising zero emissions vehicles. Additionally, we will explore the opportunities for Scope 3 emissions reduction through decarbonising our supply chain, as part of a wider sustainable procurement project.



## Climate action

# Nature and biodiversity

We recognise the increasing significance of nature and biodiversity as a critical area of concern that demands attention from businesses.

There has recently been a notable improvement in humanity's comprehension of the biodiversity crisis and the extensive loss of nature. There is also a growing awareness of the intricate relationship between climate change and biodiversity depletion – whereby climate change significantly contributes to biodiversity loss and nature-based solutions can play a crucial role in achieving climate objectives.

Moreover, the establishment of frameworks including the TCFD and Science-Based Targets for Nature has facilitated the disclosure and implementation of measures to address biodiversity concerns. Political milestones, including the COP15 United Nations Biodiversity Conference and the subsequent formulation of a global biodiversity framework, highlight the specific role of businesses in biodiversity conservation.

In Eurowag, our preparation for complying with the European Sustainability Reporting Standards, which feature a dedicated standard on biodiversity and ecosystems, reinforces the need for our business to integrate biodiversity considerations into our operations.

## Progress

In 2023, we conducted a preliminary mapping exercise to understand the relationship between our operations and biodiversity. Reviewing the recommended datasets on protected areas, such as Natura 2000, the Red List of Threatened Species or World Heritage sites, we have identified assets in or near sensitive areas, where our operations could potentially have negative or more severe impacts on local ecosystems. We will expand on this exercise by following the Locate, Evaluate, Analyse and Prepare ("LEAP") approach in 2024.

## Next steps

In 2024, we are advancing our efforts by joining the UN Global Compact UK's Nature Working Group and adopting the LEAP approach developed by the Taskforce on Nature-related Financial Disclosures. The LEAP approach will be instrumental in assessing biodiversity risks and opportunities associated with our operations across different locations on a comprehensive level.

Through LEAP, we can identify areas for improvement and develop strategies to mitigate negative impacts on biodiversity while maximising positive contributions. Eurowag remains dedicated to integrating biodiversity considerations into our decision-making processes and operational practices to promote sustainability.



- Eurowag assets
- WDPA protected areas<sup>16</sup>
- Eurowag assets nearby WDPA areas

<sup>16</sup> World Database of Protected Areas, in line with the Taskforce on Nature-related Financial Disclosures recommendations for nature and biodiversity mapping.

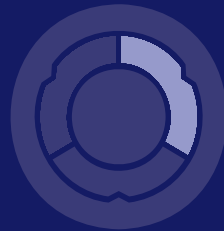


Customer success and wellbeing

# Putting our customers and truck drivers first

## Contents

- 21 Helping SMEs to thrive
- 23 Improving wellbeing and safety for truck drivers



## Customer success and wellbeing

### Goals

Improve customer survey results on wellbeing and safety and customer success



We're excited to soft launch our digital platform in 2024, marking a big step towards offering our customers easy access to our products and services through one customised portal."

Martin Strigač, Chief Product Officer

## Links to SDGs





## Customer success and wellbeing

# Helping SMEs to thrive

Our customers are predominantly small- and medium-sized transport businesses, many of whom struggle to compete due to their size and limited access to financing. By offering relevant, convenient benefits and services at attractive terms, we are helping them compete, succeed and transition to a low-carbon digital future. We are creating and constantly upgrading technological solutions that help our customers simplify their work and make it more efficient. Our goal is to build a one-stop shop of integrated digital solutions that combines various services, resulting in a real-time, automated, data-based efficient customer experience. In 2023, we introduced many new features into our service ecosystem that help our customers thrive.

### Priorities

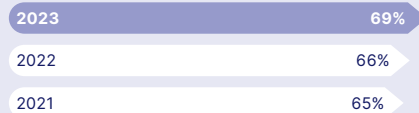
- › Becoming the ultimate on-road digital mobility platform, boosting efficiency and creating better business opportunities across the industry
- › Providing affordable financial services to support customers' energy transition
- › Offering anti-fraud systems to reduce fuel theft
- › Connecting trucking companies with merchants, shippers and regulators, and providing vital information to help grow their businesses

### Progress

In 2021, we began surveying our customers to create a baseline understanding of their views and attitudes. In that first customer survey in Q4 2021, 65% of respondents felt we were supporting their success. In 2023, 69% of those surveyed felt we were supporting their success, an increase of 3% year on year building on the positive trend seen in the previous year. We aim to increase this percentage every year.

#### Customer survey results on business success (NPS score)

69%  $\wedge$  3pp\*



\* Percentage change 2022–2023.

### Achievements

#### Digital office for our customers

We have progressed in our efforts to streamline access to all our services in an integrated digital ecosystem. In 2023, we introduced features such as:

- › New finance module: Customers can newly access upgraded responsive web and mobile interfaces, which allows them to be more efficient when managing their finances

- › New map module that allows dispatchers to find road services for their drivers and check fuel prices in a simple and efficient manner
- › Eurowag telematics customers can now find data and features in the Eurowag app, without needing to have a separate telematics app installed. Dispatchers or owners can now check the status of vehicles and transports, message the driver, see important alerts and resolve them on the spot, without the need to switch on the computer and log into the Eurowag telematics portal
- › Eurowag Pay (mobile payment solution for fuel) has been improved through new features that enable drivers to refuel in parallel from two pumps at the same time. Drivers can now save time during refuelling

#### Digitalisation of tax refund

We successfully reduced the number of invoices received in paper form for electronic processing by implementing automated solutions. In 2023, we improved email parsing and created a new user interface that eliminates the need for Excel sheets. We also implemented Concept Digital, which enables documents to be uploaded to the customer portal and be used electronically. In order to nudge customers to go electronic, we started to charge a small premium on paper post and transactions.

#### European Electronic Tolling Services ("EETS") payments

We offer toll services in 23 countries and 5 tunnels across Europe. With our proprietary

EETS toll payment solution, which integrates with our other services such as telematics, fraud prevention and fuel payments, we use our EVA unit (our proprietary OBU) that can manage toll payments in multiple countries with just one device. One invoice and one device, through the EETS solution for tolling services, makes matching toll costs to trips and trucks easier and improves driver experience. In 2023, OBU sales increased almost four times compared to 2022. In 2023, we grew the number of sold toll country domains to 97,680 compared to 12,588 domains in 2022.

#### Transport management system

Through the Inelo acquisition we have also added the capability to assist customers with transport management. Our modern software solutions help customers manage transport orders, understand their cost structure, and analyse revenue streams. It significantly simplifies, digitalises and automates transport planning, execution, invoicing and settlements and reporting with analysis. As a result, it helps our customers increase revenues and reduce the costs of running their company.

#### Mobile payments

In 2023, we almost doubled the number of sites accepting our Eurowag Pay mobile application, adding 417 including launches in Denmark and Luxembourg, making payments easier and safer for customers and avoiding the need to issue and ship plastic cards, thus saving CO<sub>2</sub> emissions.



## Customer success and wellbeing

# Helping SMEs to thrive

### Fuelio app growth

Fuelio is a mobile application tailored to aid individuals and small companies in effectively tracking and managing their fuel consumption, expenses and real-time monitoring of local fuel prices. In 2023, the app grew its active user base to 1.2 million and we introduced premium features with our new Route Planning Tool. Now, customers can see stations along their route with advanced filter options, access real-time fuel prices and check average prices on their path. Premium features also give comprehensive reports for planned routes based on vehicle data, such as distance, ETA, an expense report and total fuel needed.

### Anti-fraud systems to help reduce fuel theft

In 2023, we prevented the theft of more than 1 million litres of fuel, equivalent to 30 tankers of diesel, through our authentication features and real-time fraud detection system.

We were able to decrease clients' losses by 11% compared to 2022, even though the number of fuel fraud cases grew by 11%.

### How many fuel card fraud cases are there?



› Steady increase in number of customers and cards means steady increase in identified fraud cases

› Current geopolitical conditions and the Russian invasion of Ukraine increase demand for cheap (illegally obtained) fuel

### Work time management

Through the acquisition of Inelo in early 2023, Eurowag gained a unique competency to help customers with work time management. Our new suite of solutions assists customers with analysing or settling working time and verification of potential tampering with tachographs, thus ensuring any transport company operates according to the current legislation.

Our solutions also automate monthly reporting, help with calculations of proper salaries and simplify administrative tasks. If a customer prefers more dedicated consultant help, we have specialists that can assist in the complexities of drivers' working time recording.

Our software solutions are among the most advanced in the market, used by numerous inspection authorities throughout Europe.

### Next steps

In 2024, we will mainly focus on:

- › Integration of all digital solutions, including newly acquired technologies, into a digital one-stop shop to connect trucking companies with the industry ecosystem, enabling them to prosper in a digital, low-carbon future, and create a better life for all of us
- › Adding more mobile payment points of sales, with special focus on highly saturated market and creating API integrations of payment solutions
- › Introduction of predictive artificial neural network technology, which will increase our abilities to predict and stop fraudulent transactions before they even happen. We expect to lower customer losses by at least an additional 10%. We predict 70,000 active cards being secured by some form of multi-layer security by the end of 2024
- › Working together with road enforcement agencies to deliver training and insight to our customers on changes in EU transport legislation

### Case study



### Cold chain monitoring

Hauliers often face challenges when transporting certain types of commodities. Dangerous substances, fragile items or thermosensitive goods pose risks that many of them prefer to avoid, to lower their risks. Our Eurowag telematics fleet management solution now offers enhanced options to ensure the safe transportation of medicines, foodstuffs and cosmetics.

This use case for cold chain in the market is generally considered complex and hard to change, so a solution that makes improvements in efficiency and environmental impact is really impactful for shippers, customers and Eurowag.

Furthermore, there is a major issue in Europe with food waste and food security, with some ambitious targets (50% reduction in food waste by 2030) where Eurowag's solution can be a very positive offering to our customers which want to support a more positive and sustainable market.



## Customer success and wellbeing

# Improving wellbeing and safety for truck drivers

The shortage of truck drivers across Europe has caused delays, increased costs and created disruptions across supply chains and the global shortage is set to double by 2028<sup>17</sup>. Truck drivers encounter various difficulties while on the road, including feelings of isolation, stress or concerns about physical health and safety. We are committed to improving the overall wellbeing and safety of truck drivers. Through our diverse range of products and services, we strive to foster a stronger sense of community among truck drivers. Additionally, we prioritise maintaining the highest standards of quality and security in our facilities, including truck parks, to ensure the safety of our customers.

### Priorities

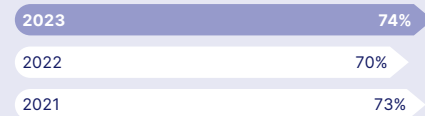
- Building drivers' social network through our digital platforms
- Improving the quality and security of facilities for customers at truck parks
- Introducing tech services to improve driver behaviour and safety

### Progress

The proportion of our customer base that believes Eurowag improves their wellbeing and safety is growing, according to our customer survey results on wellbeing and safety ("NPS"). In 2023, we improved our score by 4% points, compared to last year.

#### Customer survey results on wellbeing and safety (NPS score)

74% <sup>^</sup> 4pp\*



\* Percentage change 2022–2023.

### Achievements

#### Sygc GPS Navigation app

On top of our previous features that warn drivers going in the wrong direction on highways and if there is a car driving toward them, in 2023 we added the Emergency Corridor feature. It alerts the driver in situations which may require a quick response and offers visual instruction to assist drivers to safely navigate around emergency vehicles. It also adds time-to-leave information, detailing peak traffic hours throughout the day on a chosen route.

We added a new user interface that reduces the need for frequent screen interactions, with an improved menu, driving mode upgrade, better colours and readability, and junction view makeover. In 2023, the app had 205,338 downloads, bringing the total number of customers with the app downloaded to 2.83 million users.

### Expanding road services

In 2023, we continued to strengthen our road services by extending the reach and accessibility of our offer to more truck drivers via our Eurowag card, which allows truck drivers to pay for other services in addition to energy. We currently offer five services, which can be booked and paid for using our Eurowag card – parking, truck washing, tank cleaning, truck repairs and ferry booking – across more than 1,800 locations in 18 countries. In 2023, we added 176 to our network of 506 parking sites across Europe that are easy to find. We offer washing and tank cleaning services at our truck park in the Czech Republic and through acceptance networks or partner co-operation at 1,150 and 326 sites respectively across Europe. We also added 172 sites with truck repair services to now total 572 sites across Europe via partner co-operation. In 2023, we had 1,955 ferry booking transactions via our Eurowag solutions, an 80% increase from last year, with the most used routes being La Manche Channel and Germany–Denmark–Sweden.

### Driver scoring and behaviour feedback

Our wide offering of telematics solutions allows drivers and dispatchers to monitor driving scores in order to improve driver safety and reduce fuel consumption. In 2023, these features were used by more than 130,000 drivers.

### Truck park facilities for drivers

To support drivers' wellbeing, we fully refurbished our shop in Modletice, Czech Republic, built new social buildings in the Szigetszenmiklos truck park in Hungary, and are refurbishing the restaurant in Arraia, Spain, in order to transform it into a social restroom for drivers.

### Celebrating drivers

We continued our annual "Delivering Christmas" events for the fourth year on our truck parks in the Czech Republic, Slovakia, Poland and Spain. We also held the first-ever Eurowag Truckers' Day in April 2023, for all drivers visiting our Llers station in Spain. Our Spanish office has declared 19 April as Eurowag Truckers' Day and plan to celebrate this day every year, as a reminder of the crucial role that truck drivers play in our economy. We hope that these events will make truck drivers feel appreciated for their hard work and dedication and we plan to expand them further in future.

<sup>17</sup> IRU 2023 driver shortage report.





## Customer success and wellbeing

# Improving wellbeing and safety for truck drivers

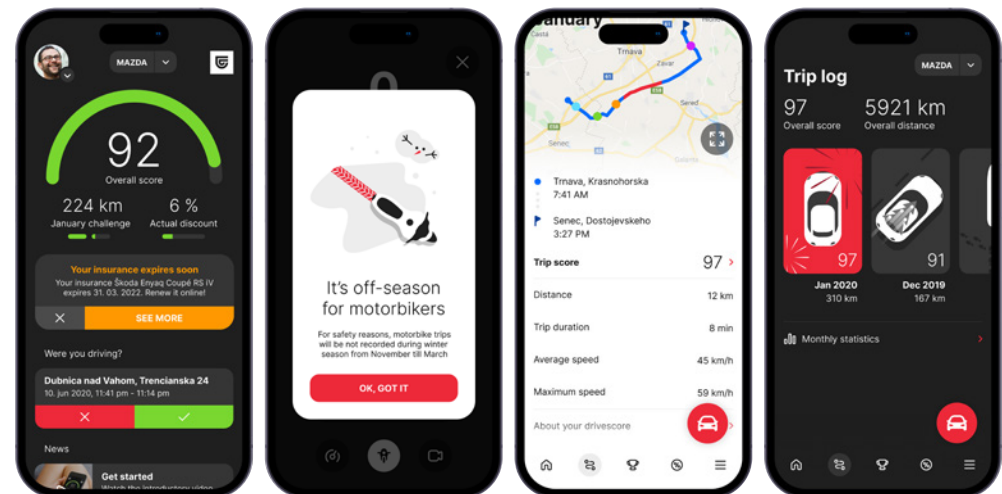
### Next steps

In 2024, we plan to:

- Pilot new software and hardware technologies that could recognise lanes, objects and traffic marks. This can be used to improve the safety of drivers and prevent them entering dangerous zones
- Upgrade our navigation and apps with a focus on driver coaching and identifying signs of distracted driving
- Improve our surveying methodology to directly ask drivers more targeted questions on improvements they would appreciate
- Continue to improve our truck park facilities to bring more comfort to drivers
- Further improve driver behaviour products and integrate their features into our digital platform
- Expand our road services offering to reach more truck drivers via our Eurowag card



### Case study



### Diggit Gold Award in the User Experience category

The i.triglav mobile app, which Sygic co-developed with financial insurance leader Triglav, has won the Diggit Gold Award in the User Experience category. The application regularly evaluates driving scores, and drivers can benefit from a discount of up to 25% on their annual contracts. The scheme aims to change drivers' behaviour over the long term, little by little. Each month, one must drive more than a certain number of kilometres safely in order to be rewarded with a discount.

The app evaluates driving style via key behaviour attributes behind the wheel, including speed, distraction, acceleration, braking and cornering and gives real-time driving feedback. With an overall score of at least 90 out of 100 points and at least 400 kilometres of monthly recorded trips, drivers can gain the highest reward for safer driving.



## Community impact

# Making a positive impact in our local communities

### Contents

- 26 Making a positive impact in our local communities



## Community impact

### Goals

**>80%**  
of eligible employees participating in Philanthropy & You

Increase % of employees volunteering



Seeing a child's smile is the most beautiful thing in the world."

Tereza Vítová, TruckHELP Foundation

### Links to SDGs





## Community impact

# Making a positive impact in our local communities

We aim to make a positive social impact in the communities where we operate. Each year, we enable our employees to give their time, skills and financial support to charitable organisations. Our community impact programme has three main elements: employee-led philanthropy, employee volunteering and corporate guided initiatives and charity partnerships.

### Progress

Philanthropy & You	2021	2022	2023
Employee participation	81%	84%	<b>79%</b>
Number of good causes supported	246	227	<b>275</b>
Total allocated amount (€000)	239	150	<b>246</b>
Number of countries	14	14	<b>14</b>

### Achievements

#### Philanthropy & You

Our flagship employee-led programme Philanthropy & You was launched in 2017, with our partner Foundation Via, an independent foundation focused on community engagement and philanthropy. Together, we have developed a tailored web application to facilitate a unique, employee-led giving programme, which has subsequently served as a role model for corporate philanthropy in the Czech Republic. Every year, employees receive an equal amount of money to donate to a charity or non-profit of their choice through the online giving platform. Since the programme's launch, we have expanded the project to cover all our geographies and to allow all employees to take part. In 2023, each employee was entitled to donate €235 from the Eurowag fund to a deserving cause of their choice and together we supported over 275 good causes across 14 countries.

#### Volunteering

One of Eurowag's values is to "Be a good person", and in 2023 we expanded the opportunity for employees to volunteer their working time and skills for a non-profit organisation, broadening from the Czech Republic to now encompass all markets. All employees are entitled to make use of one day for volunteering purposes, including through our partner platform Business For Society. In 2023, our employees took part in all kinds of activities, ranging from assisting seniors in a museum visit, to collecting food for and assisting in a dog shelter.

#### Guided initiatives and charity partnerships

In 2023, we dedicated one-third of the community impact budget to charity partnerships and guided initiatives, including emergency relief responses to disasters in our local communities and markets.

Expanding on Eurowag's long-running partnership with the TruckHELP Foundation in the Czech Republic, we are expanding our community impact activities to more of our key geographies, focusing on collaborations with not-for-profit organisations related to the CRT and tech industries or Eurowag's corporate purpose to make the CRT industry clean, fair and efficient. We will focus our efforts in three main areas, preferably through long-term partnerships and initiatives designed for measurable and meaningful local impact:

- Road safety and truck driver wellbeing
- Diversity in the tech sector
- R&D into sustainable and efficient transport innovations

In 2023, we continued to support the TruckHELP Foundation, which supports families of professional truck drivers who have passed away. This year we donated €10,000 to the charity, allowing for much-needed funding of core initiatives, including a Christmas meet-up for the families, special awards for well-performing children at school, and a summer holiday for affected families.



The marketing department joins forces with the retirement home Háje for a day trip to the Czech National Museum. Employees provided local seniors, including many with physical disabilities, with a guided tour through the museum.



## Community impact

# Making a positive impact in our local communities

We are currently developing a number of additional partnerships, to broaden our impact and reach, and towards the end of 2023 we partnered up with the Keep Hope Alive foundation, which specialises in preventing the loss of life on the roads in Romania. Our partnership will deliver measurable social impact on a local level – from teaching children about the dangers of substance abuse and driving, to providing the community with unique driving simulators, to providing first aid courses for young and professional drivers.

In 2023, we witnessed several natural disaster events with adverse impacts on our employees, customers and their families. Eurowag launched two fundraising campaigns to support: one in response to one of the most damaging earthquakes in the recent history of Turkey, in February 2023, and the second following the flooding event which affected great parts of Slovenia, Croatia and lower Austria in August 2023. Together, our employees raised almost €20,000, which was matched by Eurowag Group, so a total of over €40,000 was distributed to organisations providing both immediate and long-term support in the affected areas.

Eurowag also match-funded employee donations for Movember, the annual global initiative bringing attention to men's health and wellbeing – a topical issue for many of our customers and their truck drivers. In total we donated c.€3,000 to the Movember Foundation and organised a practical workshop at our headquarters in Prague, helping to educate colleagues about self-diagnosis and the importance of prevention.

### Next steps

In 2024 we will establish charity partnerships and employee volunteering opportunities in more of our key markets, as we expand our community impact programme with the aim of broadening our positive impact and engaging more of our employees. We will update the user experience for our employees using the Philanthropy & You giving app, develop a comprehensive disaster response policy and funding mechanism, and continue our support of the global health campaign Movember.

### Case study



### Ukraine support

Recognising the ongoing crisis in Ukraine, we have continued to provide support to people and communities affected by the war. On top of individual employee support through the Philanthropy & You programme, Eurowag distributed over €25,000 to seven organisations providing support to Ukrainian refugees in the Czech Republic, Slovakia and Hungary. We supported charities with a direct humanitarian focus (Člověk v Ohrožení - People in Danger, SK) and those focused on the integration and support of asylum seekers (META, SK, and Kalyna, CZ) or educational and leisure-time engagement (the Hájovna Community Centre and Global Shapers, CZ). Together, the supported projects helped hundreds of families and asylum seekers affected by the ongoing crisis.

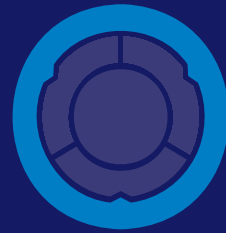


Responsible business

# Company governance and culture

## Contents

- 29 Promoting diversity, equity and inclusion
- 31 Workplace engagement and wellbeing
- 33 Responsible business practices
- 35 Human rights and modern slavery



## Responsible business

### Goals

**40%**  
women in leadership roles by 2025

**Top 25%**  
employee engagement score benchmarked against EU tech companies by 2025



Empowering a culture of diversity and inclusion, where every voice is valued, fuels our collective potential, driving engagement, creativity and organisational success."

Emma Copland, Chief Human Resources Officer

## Links to SDGs





## Responsible business

# Promoting diversity, equity and inclusion

We believe that our greatest strength lies in the diverse perspectives, experiences and backgrounds of our people. By focusing on diversity, equity and inclusion (“DEI”) and employee engagement, we want to cultivate a workplace where everyone feels valued, respected and empowered. We are committed to creating a workplace where everyone’s uniqueness is not just accepted, but celebrated.

For us, increasing the ratio of women in leadership is not about positive discrimination, but ensuring that we all benefit from a rich combination of perspectives, experiences and diversity of thought and perspective. A gender-diverse leadership can lead to a more collaborative and inclusive work culture, boost employee morale and productivity, and improve financial performance. The industry we operate in is largely dominated by males. As a consequence, there can be an unconscious bias against women, coupled with a shortage of female representation to challenge these prejudices. We aim to redress this situation.

### Priorities

- › Open and inclusive communication
- › Boosting employee engagement by addressing two-way communication improvement and systems and processes alignment
- › Promoting DEI, with an initial focus on women in leadership
- › To be a preferred employer in the markets where we operate, providing an inclusive, open culture with high-quality professional development opportunities and benefits
- › Offering mentoring to colleagues

### Targets and progress

# 40%

## women in leadership roles by 2025

#### Women in leadership

# 35% <sup>^</sup> 4pp\*



\* Percentage change 2022–2023.

### Achievements

Eurowag employs people from more than 22 different countries, with ages spanning from 19 to 75. Our core belief is to ensure equity for everyone and enable flexibility to set people up for success.

In 2021, we began to develop a new strategy to strengthen and enhance our approach to DEI. Since then, we have implemented this strategy throughout the business and appointed the Chief Human Resources Officer and the head of internal communication and culture to lead this initiative. In March 2023, the position of culture, diversity and inclusion specialist was also created, responsible for designing, implementing and delivering the DEI strategy and actions.

The Board approved a Board Diversity and Inclusion Policy in December 2022, and updated it in 2023. The purpose of the policy is to ensure a diverse and inclusive membership within the Board of Directors, designed to result in better decision making and enhance the success of the Company. The Board is committed to having a Board comprised of at least 50% women and one Director from an ethnic minority, with the aim of accomplishing this by December 2024. As of the date of this document, 38% of the Group’s Board members identified as female. The main pillars of action as specified in the policy are: inclusive recruitment, learning and development opportunities, and engagement and community.

As part of our Group Equal Opportunities, Anti-Bullying and Anti-Harassment Policy, we explicitly prohibit discrimination of people with

disabilities and outline guidance for managers as well as employees who may have a disability. Our policy covers direct and indirect discrimination, unjustified and less favourable treatment because of the effects of a disability, and failure to make reasonable adjustments to alleviate disadvantages caused by a disability. In addition, in the Czech Republic and Slovakia, we are proudly partnering with suppliers where more than 50% of their workforce are people with disabilities.

At 2023 year end, the Group’s gender breakdown was 54% male and 46% female, with 84% of senior managers identifying as male and 16% as female. The senior manager population encompasses members of the Executive Committee and Vice Presidents (excluding the Chief Executive Officer and Chief Financial Officer).

As part of our sustainability strategy, we have set out a target to increase female representation to 40% by 2025 among our “all people leaders” group<sup>18</sup>. In 2023, the total number amounted to 344 individuals. Among them, 119 identified as female, representing 35%, an increase from the 31% recorded in 2022.

In 2023, we launched our Women’s Network, open to all our female colleagues across the Group, with a focus on supporting those aspiring to develop their careers into leadership roles. In 2023, we held a number of events and training sessions supported by our Chief Human Resources Officer and female Board members.

<sup>18</sup> This population consists of the Senior Leadership Team (including the Chief Executive Officer and Chief Financial Officer), as well as all people leaders with at least one direct report.



## Responsible business

# Promoting diversity, equity and inclusion

The following table provides an overview of additional 2023 data points:

	2021	2022	2023
<b>Number of employees</b>	1,047	1,329	<b>1,859</b>
% male (total employee number)	59%	59%	<b>54%</b>
% female (total employee number)	41%	41%	<b>46%</b>
<b>Number of senior managers</b>	21	22	<b>19</b>
% male (senior management)	86%	86%	<b>84%</b>
% female (senior management)	14%	14%	<b>16%</b>
<b>Number of all people leaders group</b>	208	291	<b>344</b>
% male (all people leaders)	72%	69%	<b>65%</b>
% female (all people leaders)	28%	31%	<b>35%</b>
<b>Number of Directors</b>	8	8	<b>8</b>
% male (Board level)	62%	62%	<b>62%</b>
% female (Board level)	38%	38%	<b>38%</b>

For 2023, the methodology of calculating headcount has been changed. We now include all active employees and statutory bodies; whilst colleagues on maternity leave, long term absences and other type of cooperation are excluded. It is counted as of the last day of the year.

### Next steps

In 2024 we will continue to deliver on our strategy. We will hold regular Women's Network events, including a summit at mid-year. We will launch a pilot mentoring programme for female mentees looking to develop their professional and leadership skills. We will review our talent processes, to ensure no gender bias, and deliver training on unconscious bias for our talent team and managers.





## Responsible business

# Workplace engagement and wellbeing

We make wellbeing, health and safety and engaging our employees a key priority. We want to be an employer of choice in the markets where we operate and we have set a specific goal to be recognised amongst the top European tech companies by 2025.

We measure the level of employee engagement through an annual survey, as well as pulse surveys throughout the year. These formal survey tools help us understand the concerns and issues that are top of employees' minds and enable us to respond quickly as part of enhancing the employee experience – including through internal communication, professional and leadership development, and employee benefits.

### Targets and progress

We aim to be in the group of companies that have a top 25% employee engagement score benchmarked against EU tech companies by 2025. Engaged people are emotionally committed to their organisation. These people stay at their organisations longer and are more productive and effective. Successful organisations have more engaged employees.

## Top 25%

employee engagement score benchmarked against EU tech companies by 2025

### Our engagement score

# 60% ▼ 6pp\*



\* Percentage change 2022–2023.

In 2023 our annual engagement survey had a fantastic participation rate, but our overall engagement of 60% represented a drop from the previous year. Whilst this was disappointing, we understand the reasons why, following a challenging year of change and restructuring, as well as our acquisition of an additional c.700 employees. In 2023 we additionally surveyed employees in our acquired companies to measure engagement post-merger. The open and honest feedback from employees gives us an opportunity to continue to focus our efforts on the things they tell us matter the most to them.

### Achievements

#### Employee engagement

In 2023 our focus topic was improving two-way communication, which employees rated low in previous surveys. As a result, we opened additional communication channels between management and employees, including all-employee Town Halls focused on our financial results, monthly All-Hands meetings for each functional area of the

business, regular Group News sessions, Senior Leadership Q&A sessions, newsletters and intranet announcements. These kept employees up to date on the Company's strategy, overall performance, annual performance and evaluation processes, Remuneration Policy, and annual bonus schemes. We also focused on subject-specific and human interest storytelling.

All meetings are supported both in person or online and are accessible for colleagues from all parts of the Group. This includes colleagues from our newly acquired companies.

In 2023 we revamped our Company newsletter, with two themed editions per month, as well as updating our intranet, where employees can easily find the information they need to help them be successful in their role. We average around 30,000 visitors to our intranet each month.

In 2023 we continued to improve the employee experience as we further digitalised employee processes, accessed through our central HR self-service information system called Bob. A unique element of the system, Kudos, encourages employees to recognise great work undertaken by their colleagues and this is well embedded and utilised daily. Our Culture AMP application, an engagement, performance and development management system, also enables 360-degree feedback processes.

Engagement is often linked to turnover. During 2023, a cost-efficiency programme was implemented to reflect integrating Webeye and Inelo into our organisational

structure. This resulted in headcount reduction. However, despite these changes, turnover has remained consistent, standing at 18% in both 2022 and 2023. Remarkably, there has been a decline in voluntary turnover, dropping from 15% in 2022 to 10%, primarily influenced by the lower turnover in Inelo.

### Culture and values

Our culture and values are the guiding principles for everything we do, from bringing in new team members to making commercial and people decisions.

The business grew significantly in 2023, and we are now in the process of updating our Culture Manifesto as part of our ongoing cultural change journey. We launched a People and Culture Ambassadors network during 2023, comprised of 40 colleagues who represent different parts of the Group. They work together on behalf of all our colleagues to help us continue to nurture a culture where our employees understand our purpose, live our values and understand our strategy and the part they play in making us successful.

In 2023, we specifically focused on two-way communication, employee feedback and flexible ways of working. We have created a learning environment, where employees have access to a wide range of opportunities to develop personal and professional skills. In 2023 we have extended our online training modules with courses on anti-discrimination practices, including how to provide a safe and respectful workplace and human rights and modern slavery training.





## Responsible business

# Workplace engagement and wellbeing

## Human capital development

Providing leadership and growth opportunities is an important part of our culture and commitment to our people. We continuously support the development and growth of our people, ensuring they have the right support and tools to succeed in their careers.

Employees who completed training	Providing a safe and respectful workplace	Human rights and modern slavery
<b>2023</b>	<b>1,268 (92%)</b>	<b>1,537 (75%)</b>

The COVID-19 pandemic prompted us to move quickly from providing in-person induction and development programmes to running a virtual programme such as Journey2GROW for all employees. This programme features four pillars: leadership, wellbeing, professional self-study and Eurowag internal. We also offer employees e-Learning and online language tutoring through easily accessible learning platforms, as well as self-study opportunities on Coursera – a self-study module platform.

Employees who completed training	Professional psychology – Mojra	Professional self-study – Coursera	Professional self-study – Preply	Professional self-study – Eurowag new hires induction programme
2021	15	400	201	301
2022	19	140	260	284
<b>2023</b>	<b>57</b>	<b>284</b>	<b>260</b>	<b>242</b>

## Workplace wellbeing

At Eurowag, employees' health and wellbeing are prioritised. We offer accessible resources for mental health and overall wellbeing support during challenging times, including situations such as bereavement, relationship issues, childbirth, financial challenges, or workplace restructuring.

While work can potentially impact mental health negatively, it also has the power to positively influence it. At Eurowag, we foster a supportive and inclusive workplace environment, aiming to proactively prevent the onset of mental health issues and aid those facing challenges. Our goal is to create an environment where individuals struggling with their mental health and wellbeing feel supported, enabling them to continue working and thriving.

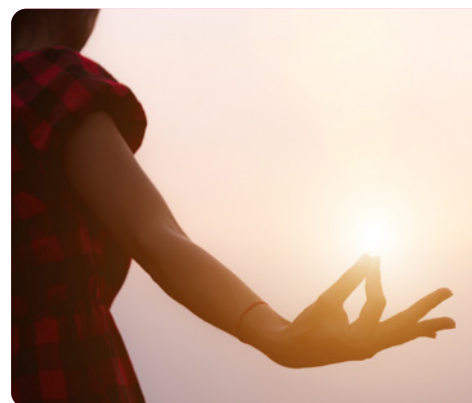
We offer psychological consultancy to all our employees Group wide, through the online platform Mojra. Employees can easily book five unique sessions with expert therapists, who are fluent in seven different languages, ensuring a comfortable and personalised experience.

## Health and safety of our employees

We take the health and safety of our employees seriously. We have moved to a hybrid working model and published a policy to outline our approach. The Group follows a Group Health and Safety Policy that outlines our approach to safeguarding our people and promoting a healthy workplace. The HR function, country managers and truck park managers are responsible for implementing the policy and ensuring compliance with relevant statutory frameworks. There is an additional Health and Safety Policy for the retail network.

In 2023, we documented three work-related incidents, marking an increase from the two incidents reported in 2022. Throughout 2023, we conducted various health and safety training modules for our employees, complemented by a variety of wellbeing programmes. These included workshops and access to mental health support. The table below outlines the modules and the corresponding attendance figures for the training sessions.

Employees who completed training	Occupational safety for managers	Occupational safety for employees	Fire protection for employees	Fire protection for managers
<b>2023</b>	<b>47 (81%)</b>	<b>479 (91%)</b>	<b>487 (91%)</b>	<b>50 (88%)</b>



## Next steps

In 2024, we will focus on improving our employee experience and integrating all new subsidiaries into centralised HR policies and systems.

In the area of learning and development, we are planning to launch a Women's Mentoring Network, in Q1 2024.

In the area of engagement, we will focus on enhancing managers' skills to act upon feedback, and we will provide them with relevant data to gain insights around the factors that influence their teams' engagement.



## Responsible business

# Responsible business practices

We strive to uphold the highest ethical and responsible business and industry standards in our daily operations.

### Priorities

- › Promoting sustainable supply chain practices and responsible procurement
- › Operating ethically and with integrity, including anti-corruption
- › Promoting transparency and regulatory compliance
- › Upholding customer privacy and data security

### Achievements

#### Business ethics

In 2023, we further developed our governance structure, which consists of teams responsible for the management of agendas linked to legal, compliance, customer privacy and data security, anti-corruption and anti-bribery, conflicts of interest, protection of whistleblowers, ethical business conduct, transparency, and financial regulatory compliance and selling practices.

We focused particularly on the redesign of our codes of ethics, anti-money laundering and terrorism financing, as well as on the protection of whistleblowers. We shared our updated Code of Conduct with both our customers and suppliers, and implemented a third-party independent grievance mechanism

and whistleblowing hotline, which is now available to all our employees, our suppliers and our customers, going above and beyond our previously existing mechanism.

We maintain a comprehensive compliance framework, aligned with globally recognised standards and consistent with international sanction regimes. We have adopted several key policies, including:

- › Anti-harassment and anti-bullying
- › Modern slavery and human trafficking
- › Personal data protection
- › Anti-corruption and anti-bribery, including gifts
- › Anti-money laundering and terrorism financing, including incorporation of international embargoes and sanctions
- › Protection of whistleblowers
- › Conflicts of interest
- › Our codes of ethics (for employees as well as for suppliers) outline our standards and guide the way we do business across our operations. These two key documents have been refreshed following the acquisition of new companies, to ensure we embed their specific culture into the existing Group culture and reflect new responsibilities as well
- › Procurement Policy

We have a well-established quality assurance function, led by the VP Legal and Compliance/General Counsel, which is responsible for our quality processes covering product, services

and processes. The function oversees the quality management system. All truck parks under our direct control in the Czech Republic and Poland are ISO 14001:2015 certified, which defines the minimum operating standards for fuel stations and car washes. On top of continuous improvement prescribed by the standard, we are in the process of securing certification in other countries.

#### Sustainable supply chains and responsible procurement

We understand the increasing regulatory pressure and ethical need to engage with our supply chain to promote sustainable and responsible business practices. That is why, in 2023, we updated our Code of Conduct for suppliers to address the latest trends in anti-corruption, modern slavery, child labour and other ethical topics. The Code has also provided a confidential and easily accessible channel for raising concerns about unlawful or unethical conduct.

We have improved our internal systems and due diligence checks that help our procurement team to more easily access and onboard suppliers.

We are exploring deeper opportunities on how to engage with suppliers on climate, compliance and human rights, to better understand and mitigate risks in the procurement process. A special project to improve the sustainability of our supply chain and compliance with future regulation such as the potential EU Corporate Sustainability Due Diligence Directive has been started in 2023.

#### Data protection and information security

At Eurowag, we believe that data protection and information security are not only about protecting Eurowag's operations, but more importantly about protecting the trust and privacy of our customers, regulators and business partners. We believe that our customers and business partners have a right to privacy and control over their data. We handle customer and business partner data professionally and respectfully, in accordance with sound and recognised market standards. We are open about our use of data, explaining how it is being used and the benefits it provides to our customers and business partners.

Our risk, security and compliance teams define, implement and operate our cyber security programme including data protection, reporting to the Audit and Risk Committee at Board level and the Business Assurance Committee at an operating level. In 2021, we adopted a Data Protection and IT Security Policy that adopts IT and IT security best practices and outlines our processes, primarily for GDPR compliance. During 2022, we implemented training and refreshed risk assessments, and ensured that GDPR and privacy-by-design principles are part of both legacy and new systems. In 2023, our focus was centred on adapting to evolving cyber security threats. This was mainly achieved by improving perimeter security and strengthening security measures in user communication.



## Responsible business

# Responsible business practices

### Speak Up (Whistleblowing)

In 2023, we updated our Speak Up (Whistleblowing) Policy, which complies with all applicable legislation and empowers individuals to address their concerns about possible violations of Eurowag's ethical principles and values.

All current and former employees, as well as third parties, have a confidential and easily accessible mechanism for raising concerns about unlawful or unethical conduct so that we can identify and tackle any problems quickly. We have set up a channel for stakeholders to raise concerns confidentially with the Compliance department through various routes such as the Eurowag Integrity Line

(see <https://eurowag.integrityline.com>), email, phone lines and physical mailbox, etc. We have also established an alternative route directly to the Chair of the Audit and Risk Committee. The Audit and Risk Committee Chair acts as an external escalation point for any items where top management may be involved or the Compliance function may be in a conflict of interest. No items have been notified to the Audit and Risk Committee Chair prior to this report. During 2023, we had three issues raised through this channel, compared with 11 raised in the previous year. These were all investigated and addressed by the compliance team. We have also cascaded our current whistleblowing process down into our supply chains, so it can be used by our suppliers and/or customers in the future.

### Screening tools

We have implemented new tools and automated processes for partner and international sanctions screening, as well as for suspicious transactions monitoring.

### Code of Conduct

We have implemented a redesigned Code of Conduct, for employees as well as for suppliers, featuring social standards including human rights.

We shared our updated Code of Conduct with both our customers and suppliers and implemented a third-party independent grievance mechanism and whistleblowing hotline, which is now available to all our employees, our suppliers and our customers, going above and beyond our existing mechanism.

### Next steps

In 2024, we will:

- Redesign the anti-bribery and anti-corruption areas, as well as the area of conflicts of interest. This means fully reviewing existing policies and procedures and redesigning them where necessary. These steps will be accompanied by the review and redesign of training in the mentioned areas, followed by Group-wide awareness campaigns to promote ethical behaviour, not only towards employees and managers, but also contractors. The compliance training in all other areas will be reviewed and redesigned as well, to bring the compliance training programme to a new level
- Finalise our sustainable procurement project. This project will help us to better identify, manage and influence sustainability and human rights-related risks in our supply chain. It will also help us to create a new engagement framework with our suppliers to improve their sustainability practices
- Continue to strengthen our compliance training programme by expanding the scope and quality, as well as uptake and completion rates for training courses. To achieve this, the courses are going to be translated into eight languages: Czech, Polish, Romanian, Spanish, Hungarian, Serbian, Croatian and Slovenian.

### Compliance training

In the past, the Group introduced a suite of compliance training modules, covering topics such as personal data protection, anti-corruption and anti-bribery, conflicts of interest, protection of whistleblowers and corporate criminal liability. In 2023 we added specialised training on modern slavery.

The Compliance function regularly updates the content of these training modules and ensures all relevant Group employees are trained. The completion rate of compliance training in 2023 was 90%.

Employees who completed training	AML and Partner Screening Policy	Anti-competitive practices	Anti-bribery and corruption and conflicts of interest	Insider trading	Anti-money laundering	GDPR – personal data protection	Information and cyber security	Whistleblowing and Non-retaliation Policy
<b>2,023</b>	<b>1,842 (90%)</b>	<b>1,742 (87%)</b>	<b>1,822 (89%)</b>	<b>1,629 (80%)</b>	<b>191 (74%)</b>	<b>1,191 (88%)</b>	<b>901 (77%)</b>	<b>1,885 (91%)</b>

### Compliance ambassador network

In 2023, we launched an initiative to improve the management of compliance risks. This approach is based on creating a network of compliance ambassadors across the entire Eurowag Group. This process begins with risk mapping and identification, and progresses through collaboration on measures to mitigate and/or reduce the identified risks.



## Responsible business

# Human rights and modern slavery

We are committed to upholding the principles embodied in the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights. We respect human rights in our operations and have created a work environment where we treat everyone with dignity and respect, and ensure it is free from harassment, bullying, and discriminatory or intimidating behaviour of any kind.

We are committed to acting ethically and with integrity in all our business dealings and relationships, and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply or customer chains.

We state these commitments in our Code of Conduct, Group Modern Slavery and Human Trafficking Policy and Equal Opportunities, Anti-Bullying and Anti-Harassment Policy. Our Modern Slavery and Human Trafficking Policy, approved in 2022, explicitly states how we uphold human rights and tackle modern slavery throughout our supply chains. We also published a modern slavery statement.

In addition, our contracting processes with third parties include specific prohibition of the use of forced, compulsory, or trafficked labour, or of anyone held in slavery or servitude, whether adults or children. We expect our suppliers to hold their suppliers to the same high standards.

The Board has overall accountability for ensuring that the Group complies with its legal and ethical commitments to uphold and respect human rights and prevent incidents of modern slavery and human trafficking from occurring. The ESG Executive Committee has delegated responsibility from the Board for directing and overseeing the sustainability strategy, and ensuring that the related policies, including human rights and modern slavery, comply with our legal and ethical obligations. The Sustainability function has primary and day-to-day responsibility for overseeing the implementation of the Company's Modern Slavery and Human Trafficking Policy, as well as monitoring its use and effectiveness, and auditing internal control systems and procedures to ensure that they are effective in countering modern slavery and respecting human rights. Management is responsible for ensuring everyone understands and complies with this policy and is given adequate and regular training on it.

### Progress

In 2023, we updated our Code of Conduct and continued to strengthen our procurement approach with the Sustainability and Procurement functions working together to consolidate the Group's sustainable procurement approach. As a result, the Group Procurement Policy was updated to incorporate sustainability considerations, including human rights, when managing and onboarding suppliers. We have also updated our

contractual terms for suppliers to include a reference to our Code of Conduct and an expectation that suppliers will comply with the Code. In addition to this, we have updated our supplier risk assessment tool, which evaluates both sectoral and geographical parameters to flag any potential human rights and labour risks. Work is ongoing to implement this tool into the procurement due diligence process, to further strengthen our procurement process.

This year, we have also expanded the reach of our Speak Up (Whistleblowing) channel, beyond our employees, so that it is now available to suppliers and customers as well. This channel enables employees, suppliers and customers to raise concerns about human and labour rights.

The new human rights training module, created and incorporated into our learning portal in 2022, was rolled out with a 75% completion rate.

### Next steps

The cross-functional project involving the procurement and sustainability functions will continue into 2024. The aim is to strengthen our sustainable procurement approach by better assessing potential risks within our supply chain.

### Case study



In late 2023 Eurowag's sustainability and procurement team members signed up for the UN Global Compact Business and Human Rights Accelerator<sup>19</sup>. It is a complex six-month training programme to inspire action in and guide companies in their human rights due diligence process. The programme assists participating companies to identify salient human rights impacts, establish an ongoing due diligence process and develop an actionable plan. We expect upon completion this will help us further improve our approach to upholding human rights in Eurowag.

<sup>19</sup> <https://academy.unglobalcompact.org/>.



# Governance

---

## Contents

- 37 Sustainability governance
- 38 Risk management and internal controls over sustainability reporting



Having strong sustainability governance and risk management in place enables us to make sound decisions, maintain the trust of our stakeholders, and better manage our impacts on society and the environment."

Victoria Penrice, Company Secretary

---





## Governance

# Sustainability governance

In 2021, we established a governance structure to agree and monitor the implementation of our sustainability strategy. In 2023, we continued our focus on increasing Board understanding and ownership of sustainability topics, including climate risk and opportunity, on which we delivered specific training for Board members.

The Board is ultimately responsible for sustainability, and delegates accountability to the ESG Executive Committee. The Committee is facilitated by the VP Sustainability and CSR and comprises: the Chief Executive Officer, Martin Vohánka; several members of the Executive Committee; along with members from the Senior Leadership Team including representatives from legal, human resources, communications, and commercial and investor relations. Independent Non-Executive Director Susan Hooper joined the Committee for the first two years of its operations until the end of 2023, to lend additional expertise and experience whilst the Executive and Leadership Team built internal understanding and established the building blocks for successful development and implementation of the Sustainability Action Plan. Now that we are more mature in our operations, from 2024 onwards Susan will step back to let the ESG Executive Committee run without Board representation.

The ESG Executive Committee sets the strategic direction and tracks the progress of the Sustainability Action Plan, related policies and reporting, as well as monitoring relevant risks and opportunities. It meets every quarter. We have introduced a formal ESG Policy that codifies and sets out our governance and approach for integrating sustainability into our business, which is also used for monitoring and reporting on progress. We will update this policy in 2024 as part of our preparation for the Corporate Sustainability Reporting Directive. We have a Sustainability function to help ensure sustainability is embedded into every part of our decision-making processes across the Group, through close working with representatives across the business, who are responsible for the day-to-day delivery of the sustainability strategy.

## Sustainability governance framework





## Governance

# Risk management and internal controls over sustainability reporting

Managing risk plays an important role in the Group achieving its strategic objectives. As with all businesses, our risks evolve constantly, along with the environment in which we operate, so our risk management is an ongoing iterative process. We have established a risk management and internal controls framework that enables us to identify, evaluate, address, monitor and report effectively the risks we face, to help us achieve a balance between risks and opportunities. We established our risk management framework on the accepted system of three lines of defence and in accordance with the Financial Reporting Council's ("FRC's") guidance on risk management, internal control, and related financial and business reporting. Within the three lines of defence, the first line manages and "owns" the risk; the second defines a uniform management framework for each risk category; and the third provides independent confirmation of the effectiveness of the risk management and internal controls process.

The sustainability reporting process is mainly controlled by the system of the Group's internal controls. Our internal controls system is built on five components:

- › Control environment: the basis for an effective internal control system that reflects the Group's overall attitude and philosophy towards risk management and control (appropriate organisational structure, Code of Conduct, HR policies and guidelines, risk policies, etc.)
- › Risk assessment: establishing risk objectives, identifying potential events that could jeopardise the achievement of these objectives, evaluating identified events and optimising risks
- › Control activities: all measures and activities taken to prevent the identified risks from occurring as far and as effectively as possible
- › Information and communication: channels ensuring that relevant information about ineffectiveness is communicated to the relevant Executive bodies
- › Monitoring: regular monitoring activities performed by superiors, and second and third lines of defence

Our risk assessment that defines the most material risks related to sustainability reporting focuses mainly on the following topics:

- › Governance: organisational governance to ensure clear lines of responsibility, appropriate strategy development and budget allocation processes
- › Legislation: legal monitoring and compliance processes to ensure full alignment with all applicable legal requirements
- › Climate change: management of physical and transitional risks related to climate change
- › Data quality: ensuring that data reported is correct and verifiable

The identified risks are then evaluated, based on a standardised risk evaluation matrix that derives a risk score (risk priority) from defined probability of the risk's materialisation and anticipated financial and/or non-financial impact, in case of the risk's materialisation.

On each risk, the Group has defined mitigation controls that mitigate the risk, in-line with the underlying risk appetite. Each control has the following attributes defined:

- › Ownership and custodianship of the control
- › Frequency of the control performance

- › Required evidence for the control's effectiveness evaluation
- › Assigned sampling technique for the control's effectiveness testing
- › All controls are independently tested at least annually on their effectiveness by the Risk department. The performed tests consist of:
  - › Test of design ("ToD"): ToD is a test to determine whether measures are adequately designed to mitigate the identified risk to an acceptable level and are properly implemented. ToD of the internal control validates that the control that the organisation claims to have in place has actually been designed and implemented
  - › Test of effectiveness ("ToE"): ToE is a test to determine whether measures are effectively working to mitigate the identified risk to an acceptable level. In the ToE, the required evidence per control is tested and thus its effectiveness is validated

Results of the internal controls testing are submitted to the Executive Committee and the Audit and Risk Committee. The Audit and Risk Committee regularly tracks non-effective controls and their remediation.



# Supplemental information

For data tables, reporting principles and methodologies, please visit our website <https://investors.eurowag.com/sustainability/>





**EW EUROWAG**

W.A.G Payment Solutions plc  
Third Floor (East),  
Albemarle House,  
1 Albemarle Street,  
London, W1S 4HA  
United Kingdom

Registered in England and Wales No. 13544823

Produced by

**designportfolio**