



EROAD

EROAD FY23 Sustainability Report

Transportation technology services company EROAD (NZX/ASX: ERD), with its purpose of delivering intelligence you can trust, for a better world tomorrow, is pleased to today release its FY23 Sustainability Report.

Ends

Authorised for release to the NZX and ASX by General Counsel, Ksenija Chobanovich.

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Our Connections

The total distance travelled by EROAD units in FY23 is more than the distance from the Sun to Neptune and back



9,276,940,200 kms

The total kilometres by region

NORTH AMERICA

5,320,464,853 kms

AUSTRALIA

627,463,093 kms

NEW ZEALAND

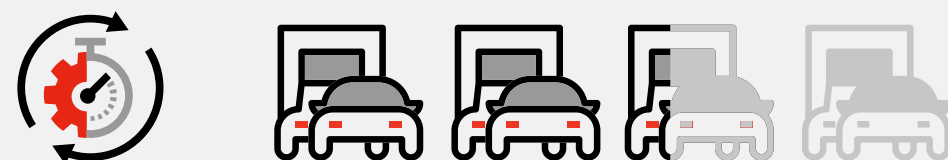
3,329,012,252 kms

Location of all EROAD in market products



Our Environment

Over half of businesses say they're hampered by the ability to track and measure sustainability performance.



The majority of vehicles in the transport industry rely on fossil fuels, such as gasoline and diesel, which produce carbon dioxide (CO₂) and other greenhouse gases when burned. These emissions contribute to climate change, which has negative impacts on the environment, including rising temperatures, rising sea levels, and increased frequency and severity of extreme weather events.

At EROAD we're committed to reducing our own carbon emissions and supporting customers to do the same. We are on the sustainability journey with our customers and together we can create a better world tomorrow.

EROAD provides data intelligence that helps fleet operators optimize their routes and reduce fuel consumption, including the incorporation of real time traffic through turn-by-turn navigation. By providing real-time data on vehicle location, speed, and fuel use, EROAD's telematics services can help operators identify opportunities to improve efficiency and reduce emissions.

EROAD is also supporting the adoption of electric vehicles including the integration into electric charging points and reporting State of Charge (SoC) of electric vehicles and encouraging customers to explore options for incorporating EVs into their own fleets.

Measuring fleet sustainability performance

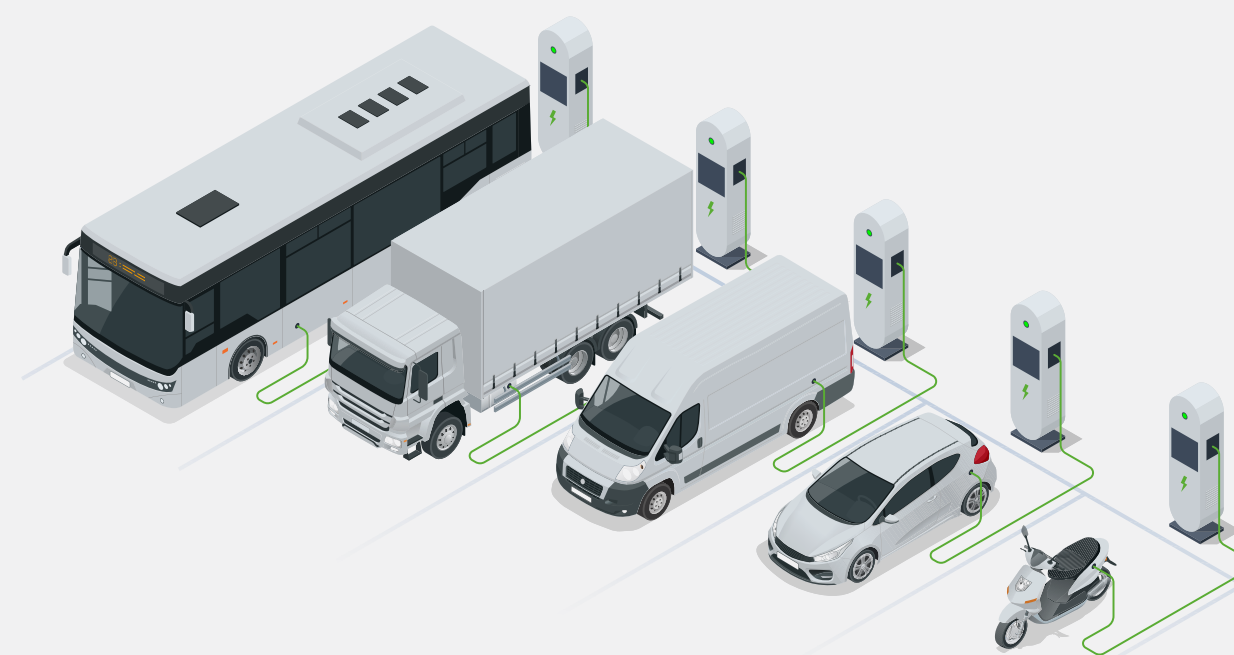
Globally, sustainability reporting is increasing – with or without regulation. In our 2022 Sustainability Survey, 8 in 10 heavy fleets say their customers are reviewing sustainability performance in their vendor selection processes.

Businesses with a fleet of vehicles – heavy or light – need information they can use to demonstrate their sustainability performance.

EROAD already provides many of our customers with valuable data that they're using as part of their overall sustainability reporting, including total distance travelled, vehicle/asset utilisation, overspeeding and harsh driving trends, idle time and fuel usage.

EROAD's Fleet Decarbonisation Tool, which is due to launch later this year, will provide fleet businesses with further data on their fleet sustainability performance and give insights as to which fleet vehicles are suitable for EV conversion.

EROAD hopes the tool will help the more than 50% of businesses surveyed who face challenges with data availability for setting, measuring and achieving sustainability goals.



Our People

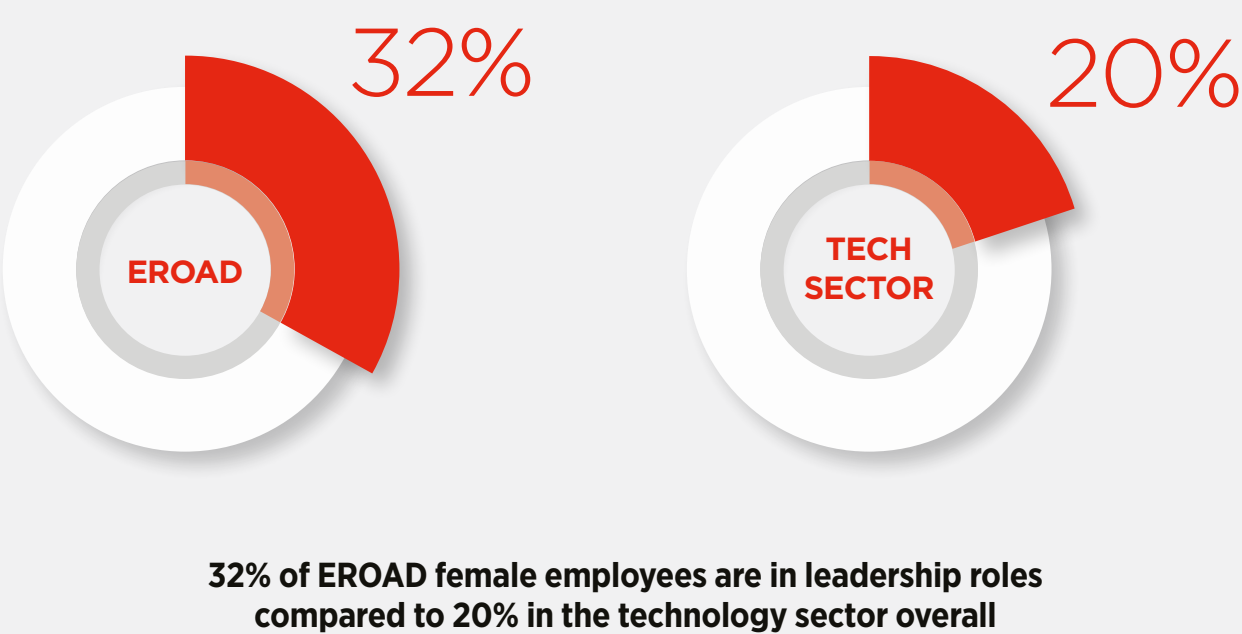
Diversity and equality

EROAD values its people and is dedicated to fostering a diverse and inclusive work environment. Our company embraces diversity and promotes an inclusive culture that thrives on the contributions of individuals from 30 different countries. In terms of female representation, EROAD surpasses industry standards in the technology sector.

As part of our commitment to ensuring all EROADers can prioritise family, EROAD offers various resources such as flexible work arrangements, and remote working and parental leave (both maternal and paternal). We recognise that when our wider family thrives, so do we.

To foster a sense of belonging and unity across our organisation, we have established the WISH (Wellbeing, Inclusion, Social & Health & Safety) committee. Comprised of passionate volunteers from different areas of EROAD, this committee strives to bring everyone together as one team, regardless of their geographical location. Throughout the year, the WISH committee organizes a range of events, activities, and celebrations that allow our team members to connect, celebrate, meet new colleagues, and have fun.

The WISH committee plays a vital role in promoting inclusion and celebrating our diverse workforce. Their efforts include organising events such as, a global walking competition, international women's day, pink shirt day, and community volunteer opportunities. These events showcase the wide range of passions and backgrounds within EROAD, reinforcing our commitment to diversity and fostering a sense of belonging. Follow on from the COVID years of remote working, the WISH committee remains determined to connect all EROAD teams worldwide. With many EROAD employees working remotely, in FY23 the committee organised virtual events and activities to connect our global team regardless of their physical location. These included a weekly online pop quiz, a celebration of new EROAD products, a panel discussions and more fun events which allowed our global team to come together and enjoy shared experiences, even from a distance.



Modern Slavery Statement

EROAD’s Business and Organisational Structure

EROAD’s Business

EROAD modernises road charging and tax compliance and health and safety compliance for road transport by replacing paper-based systems with easy-to-use electronic systems that also improve fleet management and driver experience.

The company is headquartered in Auckland, New Zealand, and is listed on the New Zealand Exchange (NZX: ERD) and Australian Stock Exchange (ASX: ERD). Its US business is based in San Diego, California, serving customers with vehicles operating in every US mainland state.

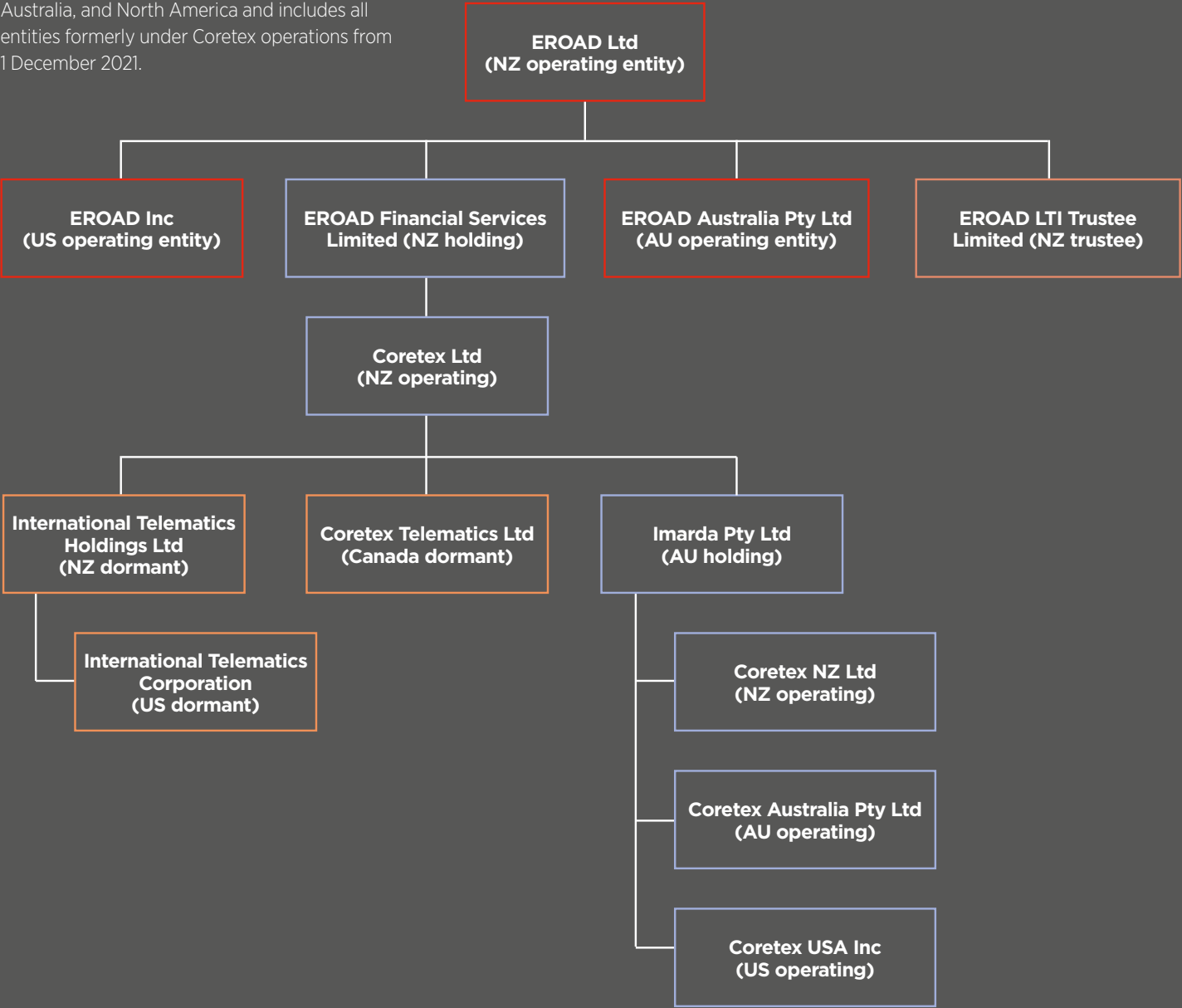
In 2009 EROAD introduced the world’s first nationwide electronic road user charging (ERUC) system in New Zealand. The Company develops and sells end-to-end hardware enabled software as a service (SaaS) products for the management of vehicle fleets in New Zealand, Australia and North America. EROAD’s product offerings are intended to:

- 1. support regulatory compliance including transportation taxes, road user charging, fuel and vehicle registration;
- 2. improve record keeping of both mobile assets (vehicles) and drivers (including fatigue related products);
- 3. help reduce vehicle operating costs and carbon emissions by improving fleet efficiency;
- 4. help improve and promote driver safety;
- 5. monitor refrigerated fleets and provide services to construction and waste fleets; and
- 6. track micro assets.

EROAD has undergone a period of significant growth following the acquisition of Coretex in 2021.

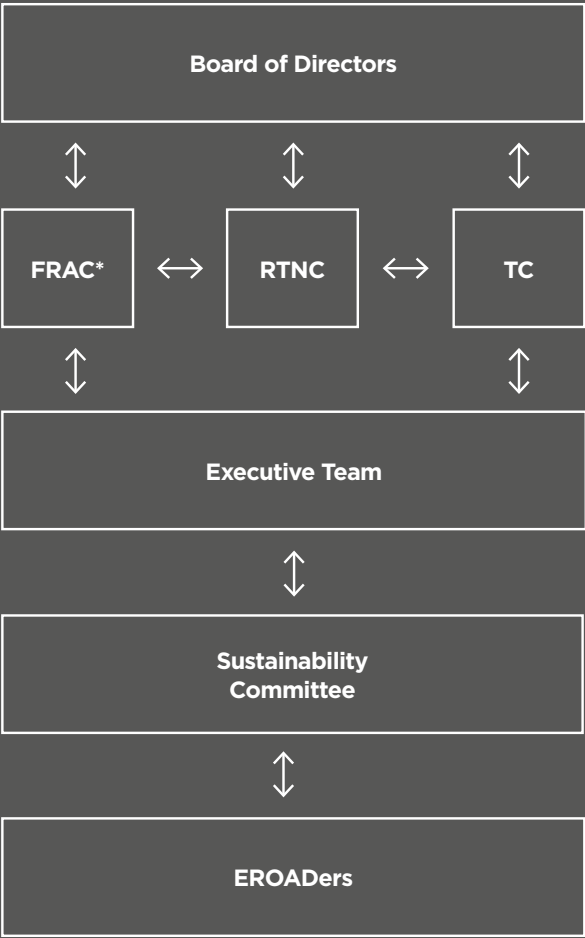
EROAD’s Organisational Structure

EROAD’s business includes EROAD Limited and all related entities. EROAD operates in New Zealand, Australia, and North America and includes all entities formerly under Coretex operations from 1 December 2021.



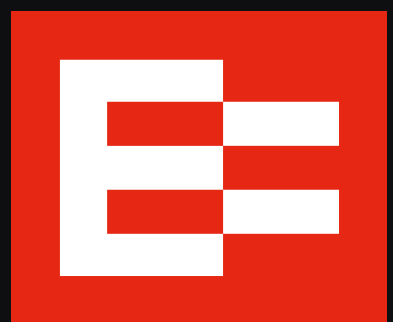
EROAD’s Governance Structure

EROAD’s Board of Directors undertakes to perform its duties and exercise its powers in the best interests of the Company. The Board is assisted in its role by the Finance, Risk and Audit Committee, Remuneration Talent and Nomination Committee and Technology Committee. EROAD’s Executive Team is responsible for the day-to-day management of the Company and is supported by the Senior Leadership Team and internal committees including EROAD’s Sustainability Committee.



Disclosure	Description	Report Section	FY23
302-5	Reductions in energy requirements of products and services	GRI Index	EROAD became certified under the Toitū carbonreduce programme in FY22. The company reset our base year emissions to capture operations of the entire EROAD Group following the acquisition of Coretex in December 2021. Due to the change in the base year there is no reduction in energy requirements to report.
			
			
			
			
GRI-304 BIODIVERSITY			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas of high biodiversity value outside protected areas	GRI Index	No organisational sites managed in or adjacent to protected areas and/or areas of high biodiversity value.
			
			

Disclosure	Description	Report Section	FY23
304-2	Significant impacts of activities, products and services on biodiversity	GRI Index	No significant direct and/or indirect impacts on diversity identified.
			
			
304-3	Habitats protected or restored	GRI Index	No habitat areas have been identified.
			
			
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	GRI Index	No activities identified that would post a threat to endangered plant/or animal species.
			
			



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