



# Sustainability Report

April 2023



# About This Report

This sustainability report represents AIT Worldwide Logistics (“AIT”) data from Jan. 1, 2022 through Dec. 31, 2022. It covers AIT’s global operations, including warehouses, and all owned or leased facilities.

Questions can be submitted to [sustainability@aitworldwide.com](mailto:sustainability@aitworldwide.com)



[See Our Core Values in Action](#)

## CONTENTS

- 4 **Executive Summary**
- 5 **Our Vision and Mission**
- 6 **Corporate Social Responsibility Timeline**
- 7 **Sustainability at AIT**
- 8 **Diversity, Equity & Inclusion at AIT**
- 9 **Environment**
- 12 **Pilot Projects to Reduce and Avoid Emissions**
- 14 **Physical Impacts of Climate Change**
- 15 **Labor Practices**
- 17 **Employee Health and Safety**
- 18 **Employee DE&I**
- 19 **Human Rights**
- 22 **Philanthropy**
- 24 **Cybersecurity**
- 26 **Supply Chain Management**
- 29 **Critical Incident Recovery**
- 30 **Ethics**
- 33 **Closing Remarks and Contact**



Thank you for taking the time to download and review AIT Worldwide Logistics' Sustainability Report.

AIT reiterates its commitment to achieve net-zero emissions by 2035.

# Executive Summary

Thank you for taking the time to review AIT Worldwide Logistics' annual sustainability report. We're proud to reaffirm our commitment to net-zero carbon emissions by 2035 and we are pleased to report on the status of our efforts as we work towards this goal.

Carbon emissions remains a key area of focus based on customer demands and employee expectations. Encouragingly, accelerated investments in net-zero emissions solutions are taking place across the transportation and logistics industry. This groundswell is bringing our world closer to the time when economies of scale kick in and sustainable supply chains become the cost-effective norm.

### PROGRESS

In 2022, AIT's sustainability team focused on improving data collection and calculation of scope 3 emissions. By harnessing quality data points from hundreds of carriers, AIT now calculates emissions for our customers for any individual shipment regardless of origin, destination or mode. We add value and earn our customers' trust by partnering with a third-party provider to validate the accuracy of our calculations.

AIT also launched multiple pilot programs in 2022 to develop insetting solutions for moving freight. As opposed to offsetting, which seeks to make amends for carbon emissions after the fact, insetting activities reduce or even eliminate emissions before they occur. These pilot programs, extending across modes and global regions, offer an exciting window into the future of our business.

Last year, we engaged in the communities where we work and live by launching five new flagship charitable alliances in Asia and Europe. The company further supported philanthropic activity by providing every teammate with five paid hours for hands-on volunteering. The AIT Cares program also met its donation goal for 2022 by giving \$250,000 to organizations dedicated to cancer research, childhood development, and support for women, minority groups and underserved communities.

### CHALLENGES

Our company still faces many challenges on the road to net-zero carbon emissions. For example, we were unable to obtain conclusive data quantifying emissions from our employees' commuting. Also, an EV initiative in the United States was delayed due to equipment quality

issues. And improved reporting resulted in an increase for our downstream transportation and distribution emissions.

### CONCLUSION

AIT remains dedicated to making progress towards our sustainability goal. In fact, we strengthened our commitment by becoming a signatory of The Climate Pledge in 2022. We look forward to bolstering our sustainability team in 2023 and further reducing our carbon footprint as we continue acting today to deliver a better tomorrow.

Sincerely,



**VAUGHN MOORE**  
Executive Chairman  
and Chief Executive Officer



## OUR VISION

Become the global logistics provider respected for delivering a world-class experience.

## OUR MISSION

At AIT, we vigorously seek opportunities to earn our customers' trust by delivering exceptional worldwide logistics solutions while passionately valuing our co-workers, partners and communities.

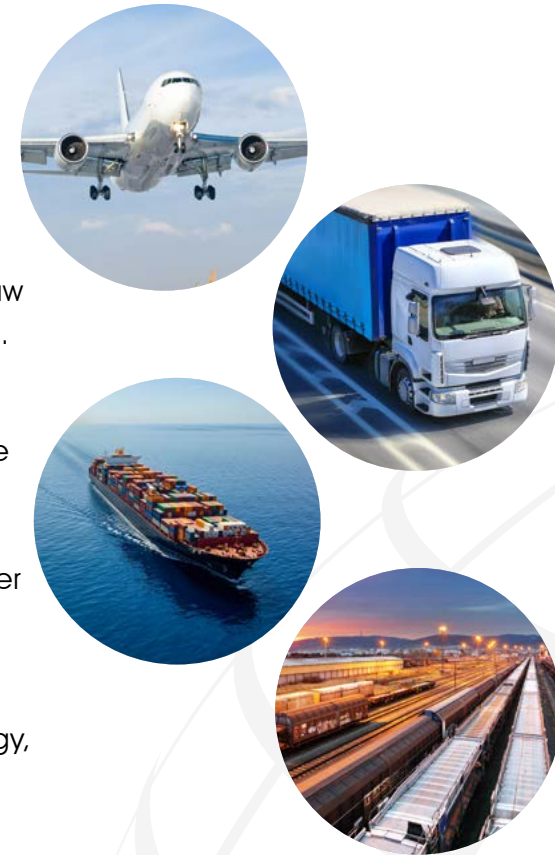
## Our Business

AIT Worldwide Logistics is a global freight forwarder that helps its customers grow by expanding access to markets all over the world where they can sell and/or procure raw materials, components and finished goods.

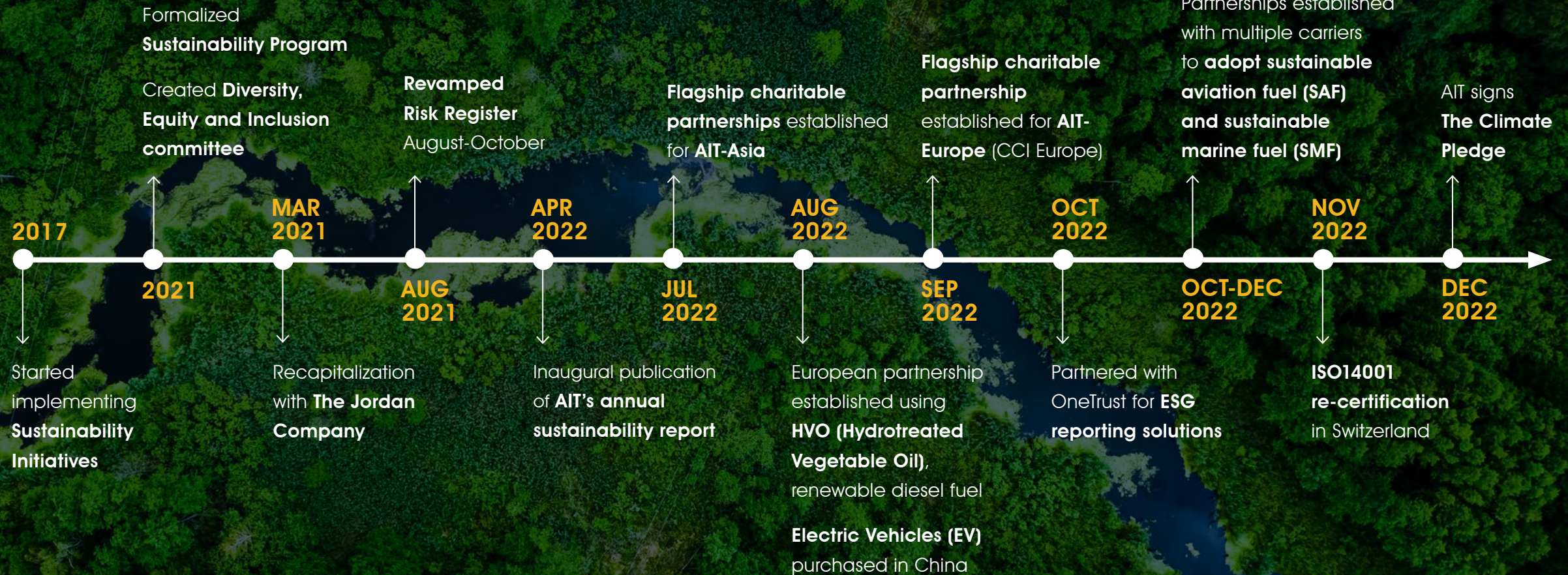
For more than 40 years, the supply chain solutions leader has relied on a consultative approach to build a global network and trusted partnerships in nearly every industry, including aerospace, automotive, consumer retail, food, government, healthcare, high-tech, industrial and life sciences.

Backed by scalable, user-friendly technology, AIT's flexible business model customizes door-to-door deliveries via sea, air, ground and rail — on time and on budget.

With expert teammates staffing more than 110 worldwide locations in Asia, Europe and North America, AIT's full-service options also include customs clearance, warehouse management and white glove services.



# Corporate Social Responsibility Timeline



# Sustainability at AIT

AIT recognizes the importance of its corporate obligation to actively participate in and oversee sustainability objectives, with an understanding that these factors significantly influence the global community, as well as our company's own growth and success.

Following AIT's creation of a holistic formalized sustainability program in 2021, we have experienced tremendous growth and awareness in both corporate and local sustainability initiatives. Sustainability has become a topic that all team members are familiar with, appreciate, and individually contribute to throughout the execution of their responsibilities. AIT is working with customers on sustainable solutions and striving to be a market leader as it relates to sustainable supply chains.

Although there is much more to accomplish, the organization experienced tremendous success relative to the initial strategic focus following the materiality assessment in 2021.

We will continue to grow this program through a focus on reducing carbon emissions—both ours and our customers'—and waste, investing in our employees and communities, and implementing strategic governance designed to both manage and protect the organization and its values.

**Based on our 2021 materiality assessment, AIT continues to be committed to improving in three high-priority areas for the near term:**



**PRIORITY 1**

Greenhouse gas (GHG) emissions and energy management



**PRIORITY 2**

Labor practices



**PRIORITY 3**

Employee health and safety

# Diversity, Equity, and Inclusion at AIT

AIT aims to **foster change and further social progress** not only within our own organization, but also **across the global community**.

## Our DE&I Priorities

AIT is investing in the communities where we live and work by selecting dedicated flagship charitable organizations in each of our global regions: Asia, Europe, India and North America.

[St. Jude Children's Research Hospital](#)® continues to be the designated flagship organization for North America. In 2022, AIT launched a campaign allowing teammates to select an organization for each of the other regions. In Europe, teammates selected [Childhood Cancer International – Europe](#). The AIT-Asia team nominated multiple organizations including the Aihao Children Rehabilitation Training Center (Shanghai), Tung Wah Group of Hospitals (Hong Kong), Taiwan Cardiac Children's Foundation (Taipei), and SOS Children's Villages (Vietnam).

In 2023, we will launch a campaign for AIT-India teammates to select their own flagship charitable alliance.

### DONATION DISBURSEMENTS BY CATEGORY (2022)

21%   
Childhood development



60%  
Cancer research and education

19%   
Support for women, minority groups, and underserved communities

## DONATION GOAL

**\$250,000**  
to Nonprofit Organizations

[The AIT Cares program](#) is focused on donations and volunteering with a worldwide goal to donate \$250,000 annually to nonprofit organizations nominated by our teammates.

AIT also provides each teammate with five paid volunteer hours annually to give back to the communities where they live and work. Our teammates across the globe participated in numerous AIT sponsored events in support of their local communities.



# Environment

---

AIT's key priorities are reducing greenhouse gas (GHG) emissions and improving energy management.

Reducing supply chain emissions is no longer "nice-to-have."

---

## Why

We must continue the mission to **act now** and **create positive impacts** around the world.

AIT teammates are joined by investment partners, suppliers, and customers who agree that **reducing GHG emissions and improving energy management are the key priorities**. We increasingly expect logistics service providers to offer emissions tracking, carbon insetting with sustainable solutions that offer true reductions in overall emissions, and credible offsets.

Reducing supply chain emissions is no longer "nice-to-have." It's a requirement and expectation that aligns AIT's culture with the cultures of our global customers to support sustainable initiatives and drive change in the freight forwarding industry. AIT's customers, service providers, and team members are **committed to reducing emissions** in the supply chain by implementing green transportation programs utilizing **sustainable fuel sources, electric vehicles, and innovative end-to-end cargo management plans**.

## ENVIRONMENT

### Where We Are Now

As part of our intensive dedication to environmental sustainability in 2022, AIT extended its commitment to understanding carbon emissions and environmental impact both directly, through our operations and warehousing activities, as well as indirectly, with our transportation service providers.

We extended our carbon accounting and management program to be **Science Based Targets initiative (SBTi)-ready**.

In collaboration with ClimatePartner, we measured the extended global carbon footprint in all three scopes according to the GHG Protocol for all AIT companies for 2022.

To further express our resolve, [AIT signed The Climate Pledge in 2022](#) and reiterated the goal of achieving **net-zero carbon emissions by 2035**—five years ahead of the Pledge’s target and 15 years ahead of The Paris Agreement’s 2050 objective.

AIT’s integration with ClimatePartner provides an accredited automated solution for our customers,



which supports carbon dioxide equivalent well-to-wheel (CO<sub>2</sub>e WTW) footprint tracking at the shipment level for U.S. domestic transportation. Similar shipment level reporting is already in place for international shipments.

Likewise, this partnership enables our customers to directly purchase carbon offsets through credible and accredited carbon offset projects.

[AIT’s Climate Pledge signatory page](#)

## ENVIRONMENT

Compared to 2021, AIT extended the calculation of its footprint to include all applicable aspects for an SBTi-ready carbon emission balance sheet. This significantly increased the footprint of AIT, especially in scope 3, category 9 for Downstream Transportation and Distribution according to the Greenhouse Gas Protocol. Thus, the comparability in scope 3 to 2021 is only given with restrictions. However, the currently calculated level of emissions provides the basis to be able to accurately enter the assessments and drive future reductions in emissions, especially together with our customers.

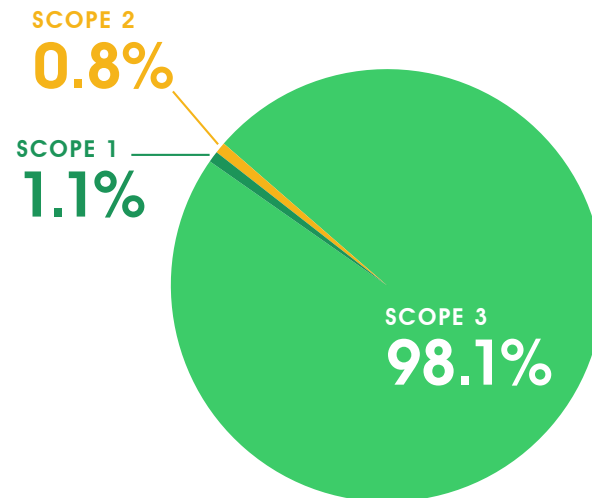
Based on the figures, the high impact areas with **opportunities to reduce emissions** are:

Scope 2: Direct emissions from company vehicles

Scope 3, Category 7: Employee Commuting

Scope 3, Category 9: Downstream Transportation and Distribution

### AIT GREENHOUSE GAS EMISSIONS BY SCOPE



Although AIT aims to ensure the highest level of data accuracy, when determining emissions for **employee commuting**, we currently have insufficient data with respect to mode of transport for all teammates.

To further quantify employee emissions, our action plan is to review a detailed analysis of emissions generated to determine specific solutions such as support and benefits for alternative options like biking or public transportation to and from work.

At **AIT-Los Angeles**, we offer EV charging stations for staff use. This supports the eventual switch from fossil-based fuels to electric vehicles for teammates in California.

To reduce the emissions in **downstream transportation and distribution**, AIT will extend our work with partners and customers. In 2022, we established pilot programs for ground transportation sectors to reduce emissions while initiating two additional emission-reducing projects for air and ocean transportation.

# Pilot Projects to Reduce and Avoid Emissions

The following projects were initiated in 2022 to promote inseting emissions rather than offsetting after the fact. AIT is committed to extending these projects in 2023 and beyond.

PROJECT	EXPLANATION	RESULT
<b>Hydrotreated Vegetable Oil (HVO) fuel pilot in Europe</b>	AIT is partnering with one of our primary road carriers to use 100% biofuel for all moves in the Netherlands.	Emission reduction up to 90% compared with fossil fuels on shipments for AIT's technology vertical.
<b>EV trucks in India and China</b>	We gathered sample shipments with small EV trucks for short distance deliveries within 200 km/124 miles. Providing these services to a broader customer base will boost AIT's carbon inseting efforts.	Continue the process for 2023 and grow the product.
<b>EV truck pilot program in the United States</b>	AIT initiated an EV pilot program in the Northeast with a carrier partner; the launch was postponed until 2023 due to quality issues with the trucks.	Results of this program will be included with the next sustainability report.
<b>SAF and SMF usage</b>	Partnerships established with multiple carriers to begin offering sustainable aviation fuel (SAF) and sustainable marine fuel (SMF) alternatives in 2023 and beyond.	Updates for sustainable fuel usage will be included with the next sustainability report.

## PILOT PROJECTS TO REDUCE AND AVOID EMISSIONS

Based on the full emission balance sheet, AIT and our external partners generated in total **1,012,124 metric tons of carbon dioxide equivalent (CO2e) in 2022**. The balance sheet includes all three scopes of GHG Protocol.

We analyze our emissions mainly by the number of teammates against the size of our office and warehouse facilities. AIT will continue to measure our emissions and monitor the success of our emissions-reduction efforts as both a global initiative and at the local facility level.

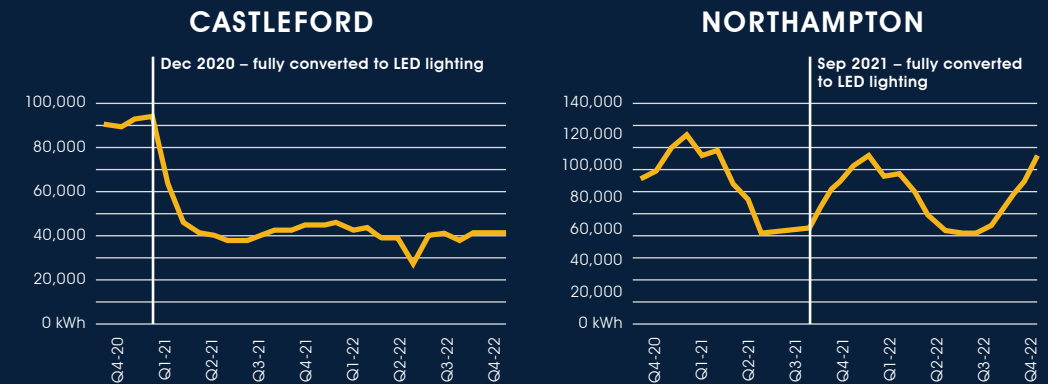
A positive impact on emissions was generated by using renewable energy. Based on electricity used, **renewable sources account for 10.6%** of AIT's global electricity consumption.

In the absence of real electricity consumption figures from all locations, the actual electric consumption total for AIT's global network is unknown. Additionally, the percentage of kilowatt-hours (kWh) from renewable vs. non-renewable sources cannot be determined based on the way calculations in some markets are provided. In total, AIT consumed **1,704,804 kWh from renewable energy sources in 2022**.

## AIT's two-person delivery offices and warehouses in the UK offer a good example of efforts to reduce electricity consumption at existing company locations.

We identified an investment backlog with respect to warehouse lighting and acted on an opportunity to replace incandescent and fluorescent bulbs with **energy-efficient LED lighting**. Once the conversion was complete, the results were stark and immediate. Electricity consumption at the warehouse-only location in **Castleford dropped by approximately 50%** while the **Northampton location reduced its consumption by 11%**.

Note: Northampton's office space is warmed by electric heating which is why the reduction in electricity usage was more modest compared to the warehouse-only Castleford location.



The results reported on this page are based on preliminary data and estimated to be up to 95-98% accurate. This data will be validated in the coming months to ensure the highest possible quality and to be SBTi-ready. Updates will be documented in AIT's next sustainability report.

# Physical Impacts of Climate Change

## Why

AIT maintains operations across the globe, with some facilities located in areas at high risk for climate-change impacts, such as sea level rise, drought, and flooding. We aim to **mitigate these risks** to not only maintain the continuity of our business operations, but more importantly, to **protect our employees and the communities where they live and work**.



## Where We Are Now

As part of our business continuity planning, AIT has defined our approach to minimize climate change risks. And as our efforts become fully integrated into our day-to-day business practices, we're committed to sharing the results of our improvements.

In the event of an extreme climate incident, redundancy in AIT's planning and infrastructure supports network-wide stability and resiliency.

For example, all AIT locations have access to a single transportation management system which enables operators to take over shipment handling from other facilities, if necessary.

## Looking Ahead

In the coming months, we will extend our work with specialists to ensure the most accurate and reliable results. AIT will conduct climate risk assessments for all locations and dedicate funds to improve severe weather readiness for facilities in high-risk areas. Each assessment will be reviewed and updated as necessary, every five years. In the case of identified high risks, the action(s) taken will be reviewed for effectiveness.

**In the event of an extreme climate incident, redundancy in AIT's planning and infrastructure supports network-wide stability and resiliency.**

# Labor Practices



One of AIT's greatest strengths is our workforce's world-class industry experience.

## Why

AIT continues to **prioritize our culture and core values** to drive teammate **engagement, morale, and workforce retention**.

Additionally, as a global company operating in many nations around the world, AIT is subject to unique sets of labor laws in different jurisdictions with varying levels of complexity.

## Where We Are Now

AIT offers a complete benefits package and discretionary, variable-pay rewards. The company also acknowledges our team members for their contributions, via our peer recognition program, impression badges, milestone accomplishments, certificate programs, wellness initiatives and employee appreciation events. AIT pays competitive wages, regularly validated based on internal and external benchmark comparisons, which take location into consideration.

AIT also utilizes an Employer Net Promoter Score (eNPS) system to gauge workforce satisfaction. We pair our eNPS score with our Core Value Index (CVI) to better represent employees' priorities within AIT's global company culture.

## LABOR PRACTICES

### Looking Ahead

We will continue to focus on ensuring AIT remains an employer of choice for our teammates. How we behave and interact with one another is a large part of what drives our company's success, and we will continue to create and support programs that help grow our eNPS and CVI scores.

To ensure we remain competitive in the marketplace and provide benefits that meet our teammates' well-being – including financial, mental and physical needs – AIT continually explores practices to improve our team member experience, such as our new hire onboarding program, training content and development opportunities, recognition programs, charitable giving programs, and global benefit offerings.

We also provide new offerings like mindfulness resources to our global teammates and implement new trainings that align with our core value behaviors.

In 2022, we set a **participation record** for the Core Value Index survey, with a **96% response rate**.





# Employee Health and Safety



## Why

We are committed to providing a **safe and secure workplace** for our teammates and contractors. Workforce wellness is a critical component of our overall health and safety program, and many of AIT's employees and contractors perform functions that involve relatively high risks to health and safety (e.g., driving). Therefore, maintaining high standards for safety across AIT and our extended network is a top priority.

## Where We Are Now

In addition to tracking global workforce safety using both leading and lagging safety indicator metrics, AIT also employs a safety and risk management program

implemented by the Corporate Safety and Risk Management Committee.

This committee provides resources located on AIT's intranet, including emergency response procedures, safety metrics, safety packets, and policies to develop and ensure adherence to best practices, safety audits, and incident response forms.

The safety site also enables teammates to directly report unsafe working conditions.

Additionally, AIT maintains a code of conduct outlining our expectations that our partners take adequate steps to safeguard health and safety in compliance with local and international requirements.

## Looking Ahead

AIT will continue to review and track service providers' publicly available safety ratings and/or safety scores, while extending safety-related incident tracking to subcontractor service failures. This will provide insights into health and safety throughout the supply chain and across global regions, allowing us to implement the corrective actions needed to maintain high safety standards and ensure a safe workplace.

Our goal is to maintain a total recordable incident rate, and other employee incident rates, well below industry averages. AIT will continue to evolve our health and safety program, including the adoption of industry best practices, such as incorporating leading indicator metrics into our tracking program. We will also continue to implement improved safety and driver training to support ongoing safety initiatives.

# Employee DE&I



## Why

AIT believes a diverse workforce is essential for generating new ideas and innovations that keep us ahead of our competition.

We are committed to advancing employment of all qualified individuals regardless of their background, and to creating a safe and productive workplace for all teammates.

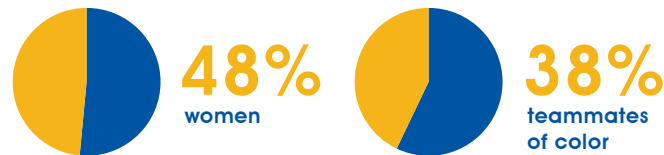
## Where We Are Now

Our global diversity census tracks gender and ethnicity (as appropriate) by region to identify and prioritize meaningful DE&I initiatives. AIT's diversity, equity and inclusion committee meets monthly to focus on cultural awareness training and community involvement.

In the United States, we implement DE&I-related policies, including an Affirmative Action Program and Equal Employment Opportunity.

Globally, we focus on anti-discrimination and harassment policies while continuing to drive diversity and inclusion training topics throughout the organization.

### AIT'S CURRENT WORKFORCE



We strive to **employ a diverse workforce** and support external initiatives and causes that **advance gender diversity**.

## Looking Ahead

We will continue to train our global workforce in anti-discrimination and anti-harassment to help create an inclusive workplace. AIT will continue to monitor the diversity of our population—**women make up almost 50% of our workforce and teammates of color make up almost 40%**. We will also continue recruiting efforts that help increase diverse representation in executive leadership, senior management, and our overall workforce.

In 2023, AIT launched our first employee resource group focused on women in the workplace. In line with our focus on cultivating inclusion across the global network, we developed the Women's Business Resource Group to invest in women and create an environment that celebrates their contributions, empowers one another within the workplace and promotes personal and professional growth.



# Human Rights

AIT remains at the forefront of the industry in both understanding and offering guidance to our customers about end-to-end supply chain due diligence as it relates to human rights issues.

## Why

As a global organization specializing in transportation logistics, and with more than **110 worldwide locations** in Asia, Europe, and North America, AIT recognizes that operating in such diverse environments across the transportation industry presents **potential exposure to human rights violations**.

We understand that the transportation of goods, particularly across national borders, involves the risk of various forms of smuggling, including human trafficking. We also acknowledge the labor rights risks that exist in the global supply chain, which must be managed appropriately. As regulatory requirements increase and consumers have access to more information to make informed purchasing decisions, it is critical that AIT remains at the forefront of the industry in both understanding and offering guidance to our customers about end-to-end supply chain due diligence as it relates to human rights issues.

## HUMAN RIGHTS

### Where We Are Now

We continue to be committed to ensuring every part of our business – including our extended network – is free from slavery or forced labor of any kind. Our Modern Slavery and Forced Labor Policy reflects our commitment to acting ethically and with integrity in all our business relationships.

We are further committed to implementing and enforcing effective systems and controls to ensure **slavery and forced labor does not take place** anywhere in our supply chains.

We have a zero-tolerance approach to slavery and forced labor. All of our suppliers are well-vetted and expected to comply with all local and national laws and regulations. We operate a supply chain compliance program, which includes pre-contractual due diligence inquiries and ongoing monitoring throughout the duration of our relationship with that supplier.



AIT's Supplier Code of Conduct outlines our expectation that our partners respect human rights and avoid any human rights violations. We also conduct due diligence processes for modern slavery and forced labor and have a policy Combatting Trafficking in Persons and Forced Labor. Our Regional Teammate Handbooks also include policies against human trafficking, slavery and forced labor.

When selecting suppliers, responses to our due diligence questionnaires are taken into consideration, and we make them aware of any concerns we might have with those responses. Where necessary, we will cease to engage with any supplier who is unable to provide adequate responses to our due diligence inquiries or abide by the AIT Supplier Code of Conduct.

As governments continue to focus efforts on eliminating forced labor in the supply chain through amendment to trusted trader program criteria, such as the updates to the [C-TPAT program](#), or enacting new laws and regulations, such as the German Supply Chain Due Diligence Act, AIT will continue to provide effective guidance and transparency to ensure clients' supply chains remain free from forced labor.

Our HR and procurement teams **work together** to ensure compliance with **human rights policies** across the business while also managing any issues that may arise.

We have a clear Whistle Blower Rights policy, which is published on our company intranet. All teammates are encouraged to raise any concerns with their manager, Human Resources, or Global Compliance.

## HUMAN RIGHTS

### Looking Ahead

**To identify and mitigate risk, we will continue to monitor ethical standards across the organization,** as well as periodically reviewing our policies and supplier due diligence documentation in relation to slavery and forced labor in the supply chain.

By partnering with a new third-party risk management platform, AIT can monitor, report on, and make better procurement decisions within its network to support ongoing human rights efforts.

Moving forward, AIT is working to ensure that our entire organization—particularly facilities in high-risk markets—conducts proportionate risk assessments to ensure our policies are properly and consistently applied.



# Philanthropy



## Why

Giving back by actively engaging in our communities is a core value at AIT. [The AIT Cares program](#) aims to help others by improving the quality of life in the communities where we live and work with a three-part approach: company-supported volunteer time, flagship charitable alliances, and organizational giving.

## Where We Are Now

We hired a community engagement specialist to find and curate opportunities across the globe for teammates to participate in the nonprofit sector.

### COMPANY-SUPPORTED VOLUNTEER TIME

Teammates are encouraged to support a cause or mission that they connect with on a personal level. Every team member has access to five paid volunteer hours per year to achieve this goal.

### REGIONAL FLAGSHIP CHARITABLE ALLIANCES

Our teammates across the globe can maximize impact in their regions by participating in volunteer opportunities with our teammate-nominated flagship charitable alliances. Annually, AIT matches the donations raised by our teammates within their respective regions, up to a predetermined amount.



A flagship alliance for India will be announced in 2023

### Where We Are Now

#### ORGANIZATIONAL GIVING

In 2022, AIT gave a total of \$250,000 in donations and grant requests in the communities where we live and work. Teammates may recommend nonprofit organizations for one-time donations from AIT. The committee meets monthly to review submissions, make final recommendations, and announce new charitable donations on a quarterly basis.

To be considered for a grant from AIT, nonprofits must support one of the following:

- The fight against cancer
- Helping children reach their full potential by supporting childhood development, education, and improvement in low-income communities
- Equity and empowerment of women, minority groups, and underserved communities

In 2022, AIT teammates around the world gave back to the communities where they live and work with hands-on volunteer efforts supporting a broad range of charitable causes. Just a sample of the causes include:

- [American Cancer Society](#) annual [Chicago Select Golf Invitational](#)
- [Blutspende SRK Schweiz](#)
- [CAYAM Centro de Adaptación y Atención al Menor A.C.](#)
- [The Center for Enriched Living](#)
- [Girls in the Game](#)
- [Purses for a Purpose, Inc.](#)
- [Refuge for Women](#)
- [Ronald McDonald House](#)
- [Tianai Children Rehabilitation training center](#)
- [WINGS](#)

### Looking Ahead

As part of our philanthropic strategy, we continue to **build partnerships** on a global level with different nonprofit organizations that **support our missions**. We will continue to find occasions for teammates to participate in volunteer opportunities throughout the year.



# Cybersecurity

Protecting our customers' cargo through the global supply chain is part of AIT's **core values** with **data privacy** and **security** playing key roles.

## Why

Complying with **data protection and privacy laws** allows AIT to conduct business while also protecting the global supply chain. AIT remains vigilant about cybersecurity risks and ensuring our **business partners' and customers' information remains secure**.

## Where We Are Now

AIT's Information Security Management Group (ISMG) includes key executives from all aspects of the business. The information security officer leads monthly ISMG meetings to discuss emerging threats and risks facing the company.

One of the core pieces driving AIT's security program is a "risk register" that measures known risks to the company's mission, objectives, and obligations, while also taking the likelihood of those risks transpiring into account. The ISMG shares the overall risk score with AIT's board of directors on a quarterly basis, with consistent score improvements each quarter.

AIT teammates are required to complete annual information security training that includes a wide range of topics, such as phishing, insider threats, ransomware, social engineering, and malware. The company conducts quarterly phishing email trials that test individuals' ability to identify malicious links and attachments. Security awareness training is also part of the new hire onboarding process.

Every October, AIT promotes Cybersecurity Awareness month with weekly emails that cover a range of topics applicable to protecting company and personal data.

New threats are always emerging, and the company's information technology group periodically sends out emails covering shifts in the security landscape. Data security posters around the office reinforce these topics.

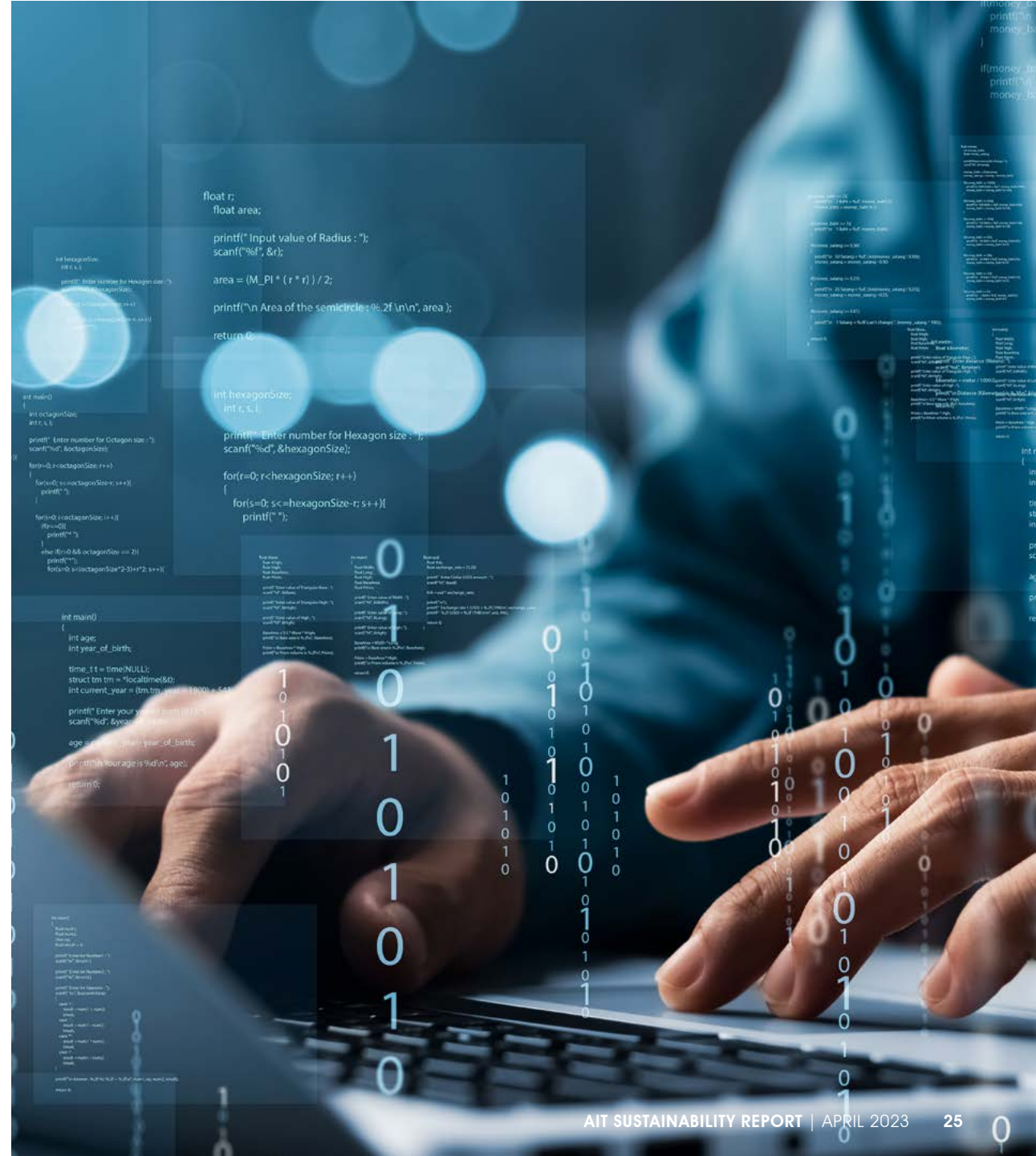
Finally, AIT is partnered with a highly respected third-party security group to keep up to date on the latest security news and bulletins, ensuring that the organization is always operating under security best practices. The third party acts as an extension of AIT's security team, and the two groups meet weekly to discuss continuous improvement to the company's overall security program.



## Looking Ahead

As AIT continues to grow, it is essential to consistently monitor our IT risks, **evaluating any new threats** that newly acquired entities may pose to the parent organization's ability to **best serve our customers**.

To best accomplish this, AIT's rigid onboarding process for new acquisitions ensures the technology brought into the AIT network meets our security standards and that no residual threats are lingering within the acquired companies' infrastructure.



# Supply Chain Management



We recognize our responsibility in creating a safe, secure, and resilient supply chain, while ensuring compliance with applicable laws and reducing the environmental impact of our business.

## Why

At AIT, **protecting the global supply chain** is an essential priority and core value. We recognize our responsibility in creating a **safe, secure, and resilient supply chain**, while ensuring compliance with applicable laws and **reducing the environmental impact** of our business.

## Where We Are Now

AIT's supply chain security program utilizes standardized policies, procedures, and best practices to effectively **secure and safeguard** our customers' supply chains across all locations globally.

AIT team members train annually on the supply chain security program and work vigorously to protect supply chain integrity. We developed the company's security standards using guidance from programs and organizations including:

- [Customs-Trade Partnership Against Terrorism \(C-TPAT\)](#)
- [Authorized Economic Operator \(AEO\)](#)
- [U.S. Transportation Security Administration](#)
- [European Union Aviation Security](#)
- [International Civil Aviation Organization \(ICAO\)](#)
- [Transported Asset Protection Association \(TAPA\)](#)

## SUPPLY CHAIN MANAGEMENT

### Where We Are Now

#### SERVICE PROVIDERS

AIT's service provider relationships are critical to providing a secure and resilient supply chain. The careful selection and ongoing management of service providers is necessary to mitigate exposure to security and compliance issues in the supply chain.

AIT maintains a robust service provider qualification and management program outlined in our Business Partner Policy.

All service providers must undergo a pre-qualification process based upon the services that they intend to offer.

Pre-qualification includes maintaining appropriate licensure and registration, contractual obligations, completion of a supplier questionnaire and security audit, proof of required insurance coverage amounts, completion of an anti-bribery attestation, compliance with applicable laws and regulations, and adherence to AIT's Supplier Code of Conduct.



AIT's Supplier Code of Conduct outlines the expectations of our supply chain partners, including operating in a manner that respects human rights, providing a safe work environment, and engaging in ethical practices.

Service provider relationships are monitored on an ongoing basis with a variety of solutions to ensure compliance with AIT requirements.

Furthermore, AIT strictly adheres to and enforces a supplier management program based on associated risk and customer requirements, which

incorporates value of goods, sensitivity of commodities, and customer security and quality assurance needs. For example, the AIT Life Sciences Division maintains quality agreements in addition to AIT's standard master agreement to ensure service providers maintain adequate controls and procedures to handle sensitive temperature-controlled goods in accordance with Good Distribution Practices. Similarly, AIT's Technology vertical ensures service providers are properly vetted to accommodate strict routing guides and no-stop policies in certain high-risk areas by utilizing GPS and geo-fencing solutions.

## SUPPLY CHAIN MANAGEMENT

### Where We Are Now

#### TRUSTED TRADER PROGRAMS

AIT's **commitment to supply chain security** is recognized by the various **trusted trader program certifications** that we maintain at offices around the world.

C-TPAT is a voluntary, public-private sector partnership program designed and implemented by U.S. Customs and Border Protection (CBP) to provide the highest levels of security throughout the supply chain. Participating companies must strictly adhere to a broad range of security criteria, regularly perform risk assessments to identify security gaps, and implement specific security measures and CBP recommendations. AIT received C-TPAT certification in 2006 and was last revalidated in 2021 as both a forwarder/consolidator and customs broker.

AIT also participates in the AEO security and customs programs in several locations around the world and regularly evaluates additional AIT locations for participation. AEO certification establishes that a participating organization maintains adequate procedures and controls to ensure compliance, security, and safety throughout the supply chain.

#### SUPPLY CHAIN MANAGEMENT AND COMPLIANCE TRAINING

To ensure that we adhere to all applicable laws and regulations when providing supply chain solutions for our customers, training and providing substantive resources for team members are top priorities.

Teammates are required to take a range of recurrent training, including, but not limited to:

- Anti-corruption and anti-bribery
- Antitrust
- Anti-boycott
- Sanctions and embargoes
- Supply chain security
- Good distribution practices
- Dangerous goods handling
- Export control laws and regulations
- U.S. export declarations

### Looking Ahead

AIT will continue its efforts as a market leader in sustainable supply chain solutions by utilizing preferred providers that align with AIT's sustainability goals.

To continuously improve efficiencies and reduce transportation emissions in our supply chain, we aim for all of our U.S. motor carriers to achieve SmartWay Transport Partnership certification. AIT has now implemented new functionality within its operating systems to allow for users to make more sustainable procurement decisions at time of shipment based upon providers that are Smartway certified, qualify as minority-owned businesses, and/or maintain strong sustainability programs.



# Critical Incident Recovery

AIT currently maintains a robust library of **policies, procedures, and resources** that provide instruction and guidance to team members in the event of failures or disruption.

## Why

AIT provides transportation solutions to customers around the world. These solutions impact and are impacted by thousands of people and places every day. Operating in a variety of global environments presents unique challenges and exposure to risks, like environmental disruptions, transportation failures, and IT infrastructure problems.

Regardless of the challenges, it is crucial that AIT maintain appropriate policies, procedures, and solutions to mitigate business interruptions and recover critical business activity as quickly as possible.

## Where We Are Now

AIT's critical systems are designed with several levels of redundancy to ensure availability during failure events.

This enables work to easily transition to other locations or to be safely and securely handled off-site as described in AIT's Remote Operating Policy. The company also maintains a comprehensive Security Incident Response Plan to ensure that any IT infrastructure failure is urgently addressed. AIT's leadership last participated in Incident Response Plan training and a tabletop exercise in 2022.

## Looking Ahead

AIT continues to mitigate risks by updating our business continuity plan and disaster recovery protocols. We will expand training in this area globally to ensure all team members are comfortable with AIT policies and procedures.

# Ethics



AIT teammates aim to deliver exceptional **world-class logistics solutions** and **build trust** with our business partners and customers by conducting ourselves **ethically and honestly**.

## Why

We are fully aware that the shipment of goods, particularly across national borders, includes the risk of various forms of smuggling, including human trafficking, fraudulent behavior, modern slavery, and corruption.

Additionally, we are cognizant that AIT's partnerships with sensitive customers, including governments, government contractors, and service providers in high-risk markets, heightens bribery risks.

That's why we believe in maintaining an ethical supply chain with a network of thousands of qualified, transparent suppliers across the globe.

## ETHICS

### Where We Are Now

AIT maintains an **extensive compliance program** addressing topics such as **anti-boycott, anti-bribery, anti-corruption, antitrust, sanctions and embargoes.**

Teammates receive recurrent, comprehensive training on these topics to understand what constitutes a violation of law or improper practice, aid in the recognition of how violations can occur, and support the development of skills to avoid violations. All teammates review and sign AIT's employee handbook and policies addressing ethical expectations as part of the new hire onboarding process.

Building awareness and creating an ongoing culture of integrity within the organization ensures that AIT team members both act ethically and hold our service providers to the same standard.

AIT's Supplier Code of Conduct and contracts set forth expectations that our service providers will comply with all applicable business ethics laws and regulations, including, but not limited to, respecting human rights,



providing a safe work environment, engaging in ethical practices, and environmental awareness.

If a service provider does not comply with our code of conduct, AIT maintains strict adherence to response protocols. Corrective action or termination of the relationship is required, depending upon the severity of the finding.

AIT's operations teams perform **regular business reviews** with **key service providers** to ensure our partners are meeting **operational and ethical expectations.**

AIT provides various means of reporting ethical findings or issues with both teammates and service providers. Team members can reach out directly to AIT's ethics officer or director of compliance to report an issue.

In 2022, AIT implemented an updated anonymous ethics hotline and incident management platform that empowers team members to choose how to submit reports. The centralized, multilingual platform ensures a confidential, professional, and predictable reporting experience in an effort to continue promoting a speak-up culture. The automated workflow and incident management features ensure that reports are immediately reviewed and investigated.

## ETHICS

### Looking Ahead

As AIT's global footprint continues to grow, we will continue implementing our **critical incident and ethics policies** in new territories.

We will also continue to maintain ethics as a core value, as we work to develop a culture of honesty, integrity and transparency across all locations.

Finally, as adherence to local and global business regulations is crucial to our business, AIT aims to train 100% of our teammates on anti-bribery and anti-corruption.





# Taking Action Today to Deliver a Better Tomorrow

AIT is building a livable future for our people, customers and communities, with a global focus on environmental, social and governance sustainability.

To learn more about AIT's sustainability plans or our corporate social responsibility initiatives, contact [sustainability@aitworldwide.com](mailto:sustainability@aitworldwide.com)

Connect with us 