



SUSTAINABILITY REPORT 2024



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WELCOME

I am pleased to present AIT Worldwide Logistics' annual sustainability report looking back at 2023. We're proud to reaffirm our commitment to a sustainable logistics sector and to provide reporting on the status of our efforts as we work towards this goal. At AIT, we believe that incorporating sustainability into our operations is vital to the continuing success of our company and the well-being of the communities in which we live and work.



PROGRESS

Over the previous year we have made progress in several key areas:

- Sustainable Aviation Fuel**
After completing a major purchase of sustainable aviation fuel with Air France KLM, AIT was recognized for our efforts with their Airfreight Enterprise Sustainability Award.
- Ground Transportation**
AIT rolled out additional electric vehicle (EV) tractors in partnership with our carriers in Southern California, China, and the Netherlands. These EV tractors are used for short-haul cartage and drayage.
- Data**
We are making improvements to tracking and reporting on sustainable moves being made for our customers.

CONCLUSION

AIT remains dedicated to making progress towards our sustainability goals. We look forward to continued collaboration with our customers, teammates and partners as we strive to deliver on our commitments.

Sincerely,
Vaughn Moore
Chairman and CEO

MESSAGE FROM AIT'S SUSTAINABILITY TEAM

I am glad to share with you the progress and achievements outlined in our 2024 Sustainability report. As the company's vice president, global sustainability, I am proud of the significant achievements AIT Worldwide Logistics has made in this hard-to-abate industry. After joining the organization in September 2023, I have been pleased to see our teammates' commitment and dedication to sustainability.

Our sustainability strategy is built on three key pillars:

- Reduce carbon emissions
- Leverage global regulations
- Nurture the culture of sustainability at AIT

My role within the organization is to ensure that sustainability is embedded in our strategic decisions and activities. In 2024, we will be launching an ESG steering committee to further incorporate sustainability into our business.

Collaboration is essential for our success and to make progress towards our sustainability goals. We have forged strong relationships with our customers and partners to deliver results more effectively for sustainability projects. And in 2023, we joined the Smart Freight Centre to leverage additional industry expertise with respect to sustainable logistics.

Looking forward, we are setting additional short-term sustainability goals, including a goal for 100% renewable energy by 2030. Our long-term vision is to achieve net-zero emissions for our Scope 1 and 2 emissions by 2035 and for Scope 3 by 2050. Additionally, we are working to make improvements in our data accuracy and reporting and to reduce the average amount of carbon used to move freight on a weight basis.

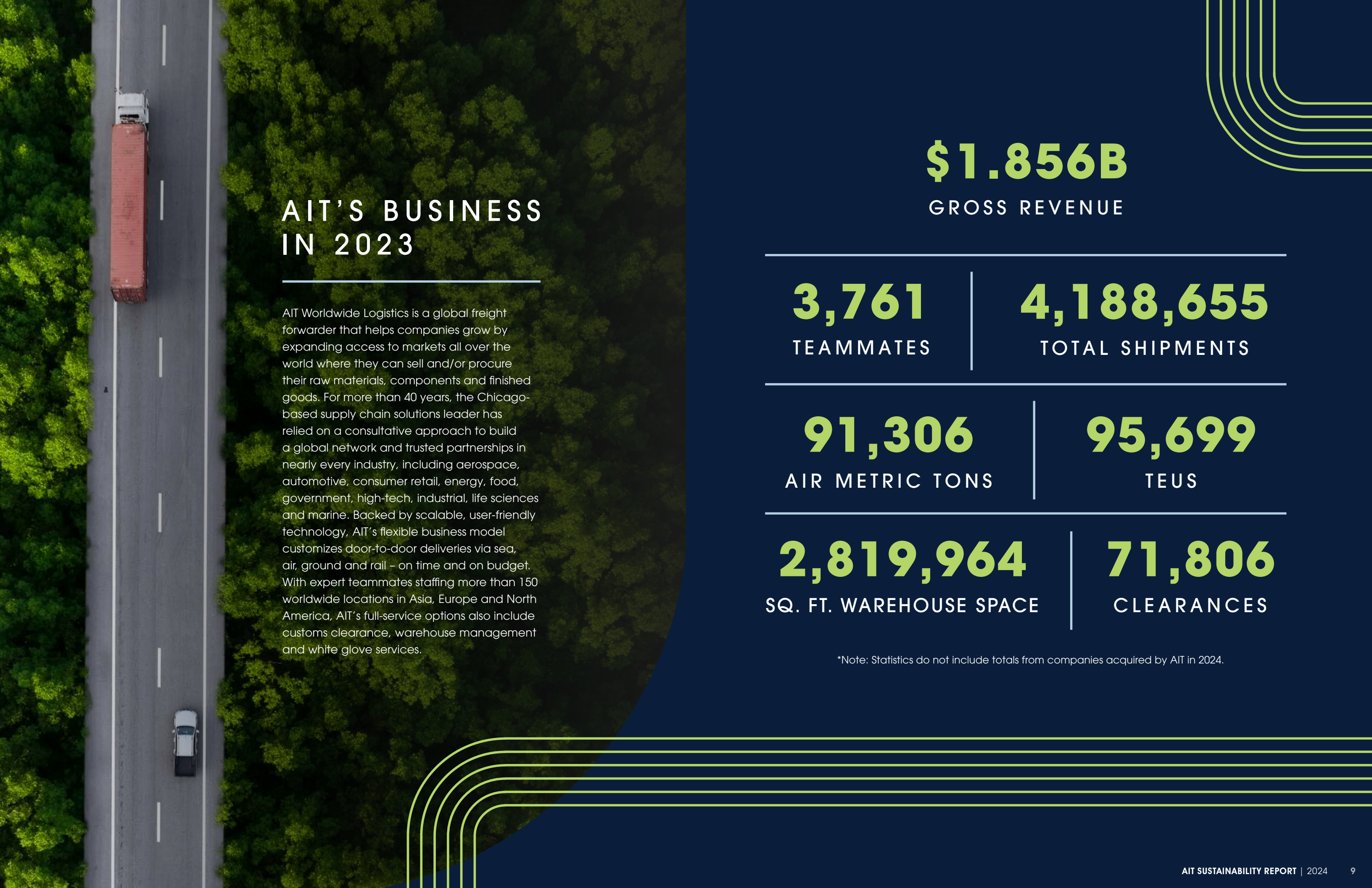
I would like to extend gratitude to our sustainability team as well as all AIT teammates, customers and partners, for their dedication and hard work. We will continue to work together to make a positive impact in the supply chain industry.

Sincerely,
Chelsea Lamar
Vice President, Global Sustainability



Scan the QR code to view a video message from Chelsea Lamar.





AIT'S BUSINESS IN 2023

AIT Worldwide Logistics is a global freight forwarder that helps companies grow by expanding access to markets all over the world where they can sell and/or procure their raw materials, components and finished goods. For more than 40 years, the Chicago-based 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, energy, food, government, high-tech, industrial, life sciences and marine. 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 150 worldwide locations in Asia, Europe and North America, AIT's full-service options also include customs clearance, warehouse management and white glove services.

\$1.856B
GROSS REVENUE

3,761
TEAMMATES

4,188,655
TOTAL SHIPMENTS

91,306
AIR METRIC TONS

95,699
TEUS

2,819,964
SQ. FT. WAREHOUSE SPACE

71,806
CLEARANCES

*Note: Statistics do not include totals from companies acquired by AIT in 2024.

SUSTAINABILITY HIGHLIGHTS

FACILITIES: NEW AIT-CHICAGO STATION

In 2023, construction was finalized on AIT’s new Leadership in Energy and Environmental Design (LEED)-certified warehouse in Palatine, Illinois. This significant milestone consolidated the company’s suburban Chicago operations and support staff – previously dispersed among three locations in Itasca and Wood Dale – into a unified, more sustainable terminal.

The facility brings together more than 240 teammates representing many of AIT’s specialized logistics groups under one roof, including experts from consumer retail, government and aerospace, life sciences, food, high-tech, and the Middle Mile Network.

SUSTAINABLE FEATURES

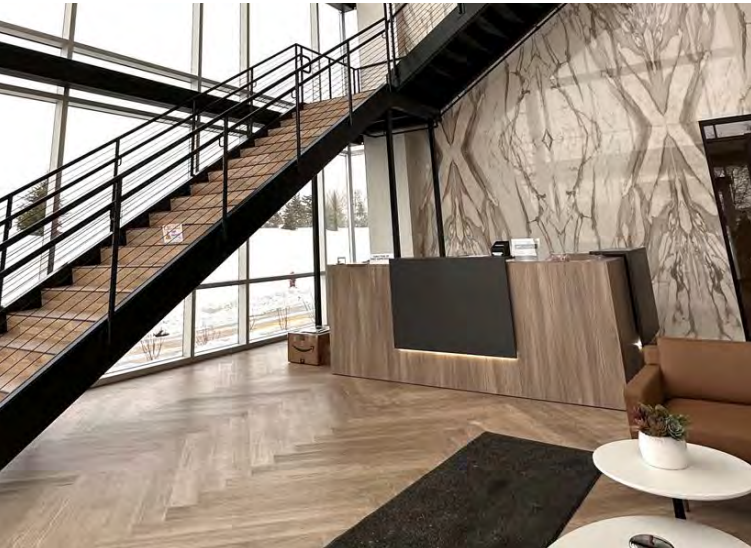
Energy savings

- ▶ Low-consumption lighting fixtures
 - Interior lighting power reduced by 65%
 - Exterior lighting power reduced by 75%
- ▶ Gas heating consumption reduced by 30%, due to highly efficient equipment

▶ **Landscape design** includes low-water-consumption species, most native or adapted

LEED features

- ▶ **LEED commissioning**
A commissioning process was completed to review the compliance of systems designed to local and American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) standards, from the design process to on-site testing.
- ▶ **Construction waste management**
During construction, less than 10 lb/ft² of waste was generated and more than 50% of discarded materials were recycled.
- ▶ **Lamps with no-mercury content**
The amount of mercury brought onto the building site was reduced by purchasing lamps with no mercury or 35 picograms per lumen hour or less.
- ▶ **Recycled content of materials**
30% (by cost) of the materials met the criteria of using recycled content as the compositional source.
- ▶ **EV infrastructure**
Charging stations installed for both passenger and heavy-duty vehicles.



SUSTAINABILITY HIGHLIGHTS

INTERNATIONAL ORGANIZATION FOR STANDARDIZATION (ISO) 14001 CERTIFICATION EXTENDED IN EUROPE

The scope of AIT’s ISO 14001 certification was extended to 19 locations across Europe from the four originally certified offices in AIT-Switzerland. Documentation scope was also extended from office-only facilities to now include locations with warehouses, setting the stage for additional environmental-related improvements such as reducing waste, reducing electricity consumption, and improving vendor relationships.

VOLUNTEER EFFORTS

Social commitment is an important pillar of AIT’s culture. In 2023, teammates continued to focus on giving time back to the communities where they live and work, making a bigger local impact on behalf of AIT and the AIT Cares program. The company recorded 4,500 volunteer hours last year, which more than tripled the 2022 total. The measurable shift in commitment to giving back demonstrates that more teammates are actively participating in their communities.

RISK MANAGEMENT

The introduction of a third-party risk management platform in 2023 allows AIT to obtain more precise information on environmental and social standards from transportation partners. The company also renewed its participation in international voluntary sustainability rankings such as CDP, EcoVadis and Supplier Assurance, reflecting AIT’s reputation as a trusted and committed partner for its customers.



MATERIALITY ANALYSIS

In today’s rapidly changing world, sustainability is no longer an optional add-on for businesses – it’s a strategic imperative. Organizations that integrate sustainability into their core strategies are better positioned to thrive, attract top talent, and create long-term value. 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 the company’s growth and success.

The heart of the sustainability program is defined by the essential and material topics for AIT. These are determined by a materiality assessment: the process of identifying, refining and assessing numerous potential environmental, social and governance issues that could affect AIT’s business and/or stakeholders, then condensing them into a shortlist of topics that inform AIT’s strategy, targets, and reporting. In 2021, the following three strategic core topics emerged from the materiality analysis:

- Greenhouse gas (GHG) emissions and energy management
- Labor practices
- Employee health and safety

Due to increasing external requirements and regulations, AIT decided to renew its materiality assessment. In accordance with the European Sustainability Reporting Standards (ESRS), this updated practice will fulfill future reporting obligations in the EU and globally for 2024 and beyond.

This double materiality assessment identifies and prioritizes the most important issues in terms of the environment, society and the economy. Relevant ESG topics are identified by thorough research on relevant peers, comparing different sectoral standards, ESG rankings, and different reporting frameworks such as GRI and the Sustainability Accounting Standards Board (SASB). In addition, the company reviewed its value chain and carried out an in-depth analysis of respective stakeholders.

As part of a comprehensive process, the negative and positive impacts that AIT’s business activities have or can have on the environment, society and economy were analyzed. At the same time, financial risks and opportunities that arise or could arise for AIT as a result of external circumstances were discussed. The results were gathered through a company-wide survey as well as internal and external interviews.

A total of 22 topics that are important for AIT were identified during the process. Nine topics (identified by leaf icon in Figure 1A) were defined as material – from a financial perspective, an impact perspective, or both. Future sustainability strategy and reporting will be based on these topics.

Figure 1B contains the results identified by AIT.

FIGURE 1A

ENVIRONMENT: Protecting the planet	SOCIAL: AIT’s people and culture	GOVERNANCE: High-quality business continuity
<ul style="list-style-type: none">Energy and fuel managementClimate changeGreenhouse gas emissionsSustainable logistics products and innovationEcosystems and biodiversityWater qualityAir qualityWaste management and recycling	<ul style="list-style-type: none">Employee diversity, equality and inclusionLabor practicesEmployee health and safetyEmployment and talent attractionTraining and educationCommunity engagementValue chain conditions	<ul style="list-style-type: none">Business resiliency and continuityBusiness ethics and complianceSustainable investments and growthResponsible value chainOperational excellenceData privacy and cybersecurity

FIGURE 1B



ENVIRONMENT

GHG EMISSIONS

Drive understanding for the impact of emissions, improve data accuracy, analyze results, set and monitor reduction targets for Scopes 1, 2 and 3.

OUTLOOK: Net-zero by 2050 for Scope 3.



PARTNERSHIP WITH SMART FREIGHT CENTRE

In 2023, AIT joined the Smart Freight Centre (SFC), an international non-profit organization focused on reducing the emissions impact of global freight transportation. Membership in this organization ensures alignment to industry best practices including the Global Logistics Emissions Council (GLEC) framework. AIT leverages the GLEC framework to provide emissions reporting

MEASURE	EMISSIONS SCOPE	2023 PROGRESS
Renewable fuels for fleet	Scope 1	Leveraging renewable diesel for vehicles operated in California, assessing biodiesel in other regions
Electrification of company fleet	Scope 1	In progress – finalizing pilots in 2024
Energy efficiency in stations	Scope 2	LEDs installed; new construction built to sustainable building standards (for example, LEED)
Renewable energy purchases	Scope 2	Planning completed to achieve 100% renewable energy for stations by 2030



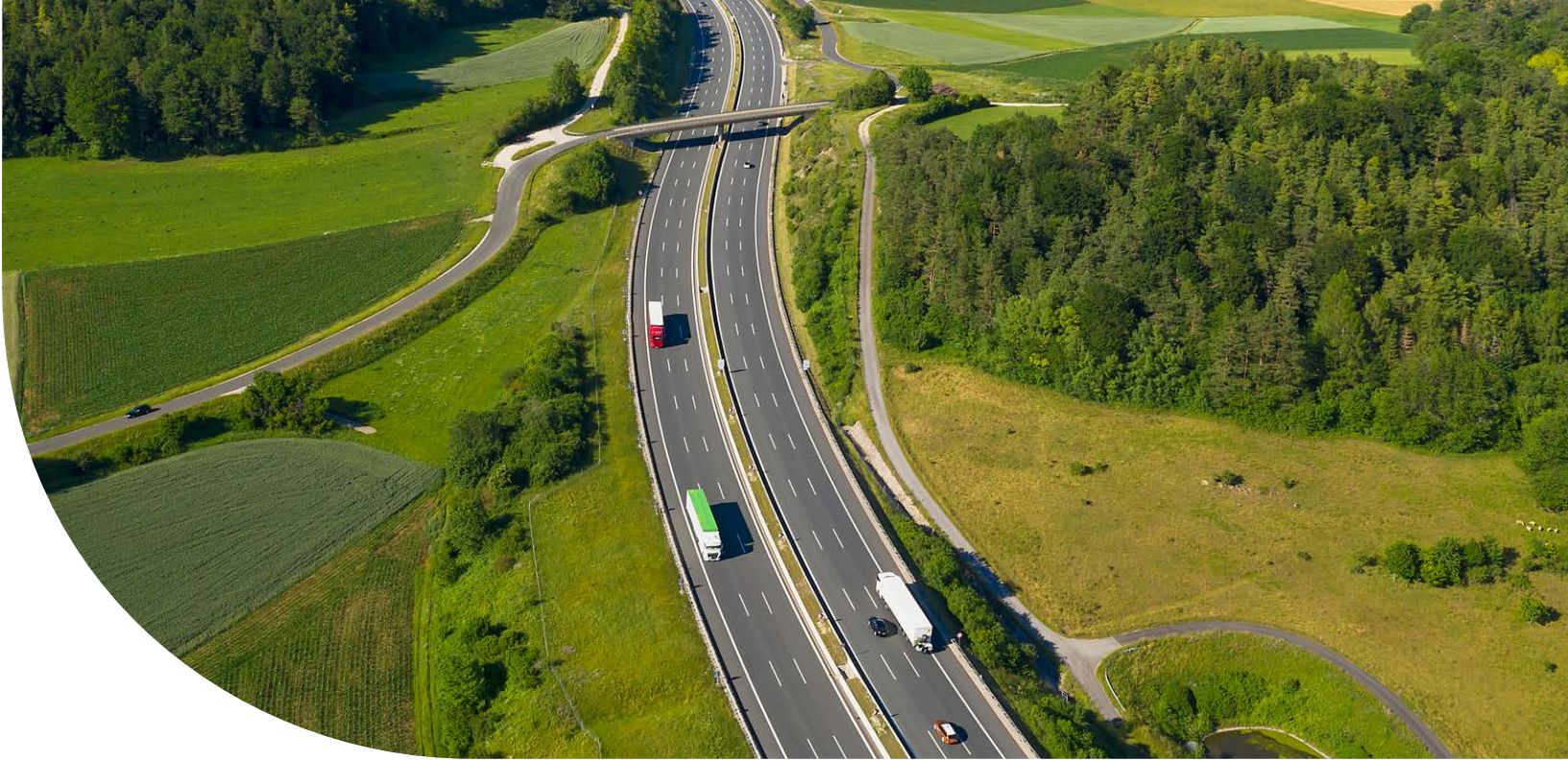
for customers. Increasing collaboration with SFC and their members contributes to AIT’s overall goal of creating a more sustainable freight sector and supply chain. AIT is also participating in SFC’s Clean Cargo and Clean Air Transport program.

PARTNERSHIP WITH EPA SMARTWAY

The U.S. Environmental Protection Agency approved AIT’s 2022 emissions reporting, qualifying the company for its 16th year as a SmartWay Transport Partner in 2023. SmartWay Partner tools measure progress toward fewer emissions and cleaner air.

PROGRESS TOWARDS 2035 NET-ZERO (SCOPES 1 AND 2) GOAL

AIT’s Scope 1 and 2 emissions are mainly in owned or operated vehicles and warehouse energy usage. The table below includes examples of measures undertaken by the company as part of its multipronged emissions reduction strategy.



To achieve a long-term reduction in emissions, the following cornerstones are set:

DATA QUALITY IMPROVEMENT

The company is constantly working to improve the data quality in operational systems to visualize reduction potential. The aim is to obtain more meaningful data on AIT’s emissions, which will also help customers to achieve their goals.

FREIGHT EFFICIENCY

AIT’s operators are working to transport customers’ goods as efficiently as possible by consolidating shipments and increasing capacity utilization.

MODE SHIFT

Lower-emission transport alternatives are selected in consultation with customers, shifting from high carbon transports to lower carbon solutions.

ROUTE OPTIMIZATION

In consultation with customers, routes with lower emissions are selected and unnecessary empty runs are avoided.

EMISSIONS ROADMAP FOR AIT VEHICLES

AIT is focusing on a comprehensive strategy to mitigate the impact of carbon emissions of the

company’s vehicles on the environment. The strategy encompasses both current and future incentives. Beginning in 2024, the implementation of a Long Idle Policy underscores AIT’s commitment to minimizing emissions from unnecessary idling, thereby significantly reducing the company’s carbon footprint.

The company’s future approach involves leasing renewable natural gas vehicles and battery-powered EVs, fostering a transition towards a more sustainable fleet. Incorporating these alternative fuel options will curtail reliance on traditional fossil fuels and consequently lessen the environmental strain caused by vehicle emissions.

Additional plans include intermodal shipping to further distinguish the company’s sustainability initiatives, showcasing a substantial reduction of greenhouse gas emissions by up to 65%. This concerted effort to integrate more environmentally conscious practices into AIT’s operations aligns with the overarching goal to promote sustainability and environmental stewardship. While continuing to evolve and uphold these commitments, the company’s teams strive to set a positive example within the logistics industry while contributing to a more environmentally sustainable future.



ENVIRONMENT

GHG EMISSIONS

As a freight forwarding company, AIT’s biggest challenge is to transparently present and reduce operational emissions as well as emissions along the value chain. The company provides its customers with emissions reporting on a shipment basis. The calculation of transport emissions is based on the GLEC framework or ISO 14083, taking into account freight weight, different transport modes, country-specific factors and distances. The company’s future goal is to record transport emissions as granular as possible and to include emissions from even the smallest transport movements.

AIT’s 2023 corporate carbon footprint calculation and data collection follows the GHG Protocol. Compared to 2022 data, changes in Scope 1 and 2 results come from corporate growth and increasing data accuracy. CO₂ emissions were calculated using AIT’s consumption data and reliable emission factors. The corporate carbon footprint calculates all emissions as CO₂ equivalents (CO₂e).

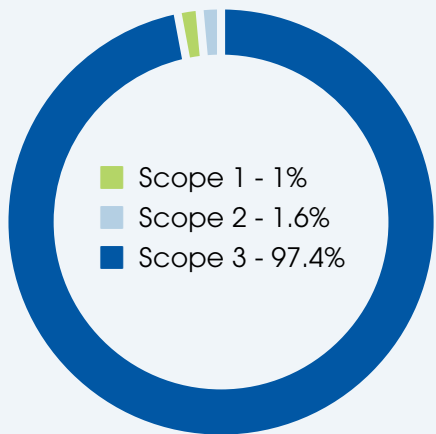
Wherever possible, primary data is used. If no primary data is available, secondary data from highly credible sources is used. Emission factors are taken from scientifically recognized databases. By defining the operational system boundaries, AIT indicates which activities are covered by the carbon footprint. The various emission sources at AIT have been divided into three scopes following the GHG Protocol.

SCOPE 1
All emissions generated directly, for example, by company-owned equipment or vehicle fleets.

SCOPE 2
Emissions generated by purchased energy including electricity and district heating.

SCOPE 3
All other emissions that are not under direct corporate control, such as teammate travel or upstream transportation and distribution.

AIT GREENHOUSE GAS EMISSIONS BY SCOPE



ENVIRONMENT

CLIMATE CHANGE

Adaptation and mitigation strategies to address transition risks (changes to become a lower-carbon business) and physical risks (flooding, heatwaves, etc.) from climate change.

Physical risks caused by climate change are a factor that should not be neglected and can also cause considerable costs in the future. Understanding these risks is crucial for assessing the resiliency of AIT’s business. To that end, the company has evaluated its real estate footprint and identified risks. The sustainability team is working to develop more robust risk management plans for these locations in the U.S.:

- Locations in areas with risk of earthquakes
- Locations with risks of flood
- Locations with a risk of strong winds, hail and hurricanes



ENERGY CONSUMPTION



Monitoring, sourcing and reducing energy and fossil fuel consumption by switching to lower emissions solutions (e.g., electricity consumption in offices and warehouses; fuel consumption of AIT-owned vehicles).

FUEL CONSUMPTION: SOLAR PANELS ON TRUCKS

Using a dedicated partner, the AIT Life Sciences Division in Europe operates a large number of temperature-controlled vehicles to help deliver their clients' pharmaceutical products in a regulatory- and temperature-compliant manner. The vehicles and their refrigerated units are powered by diesel engines, generating large amounts of CO₂ annually. To reduce emissions, solar panels were installed on the roofs of new vehicles being commissioned.

The chosen solution was developed for use in temperature-controlled transport vehicles. The system is designed to significantly reduce fuel consumption, emissions, and operational costs for temperature-controlled transport by utilizing renewable energy sources.

The system combines solar power with a kinetic energy recovery system (KERS). The solar panels, which cover a vehicle's available roof space, collect energy that is stored in lightweight lithium batteries. Additionally, the KERS captures energy typically lost during braking and deceleration, further boosting the stored power. This stored energy is then used to power on-board refrigeration units, providing a consistent and reliable power source without the need for diesel fuel.

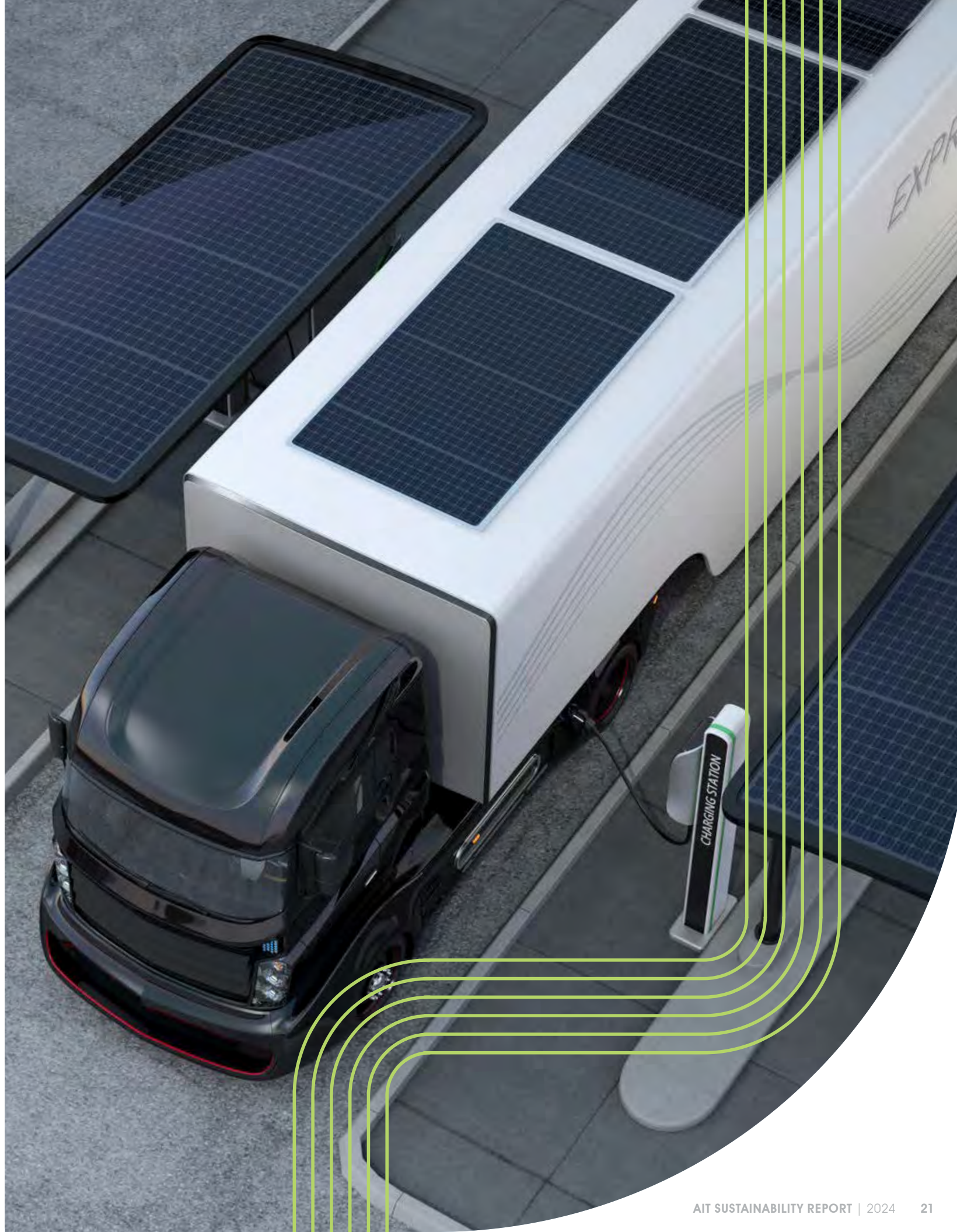
A three-phase power supply is required to ensure the correct plug-in power is available for refrigerated units when the vehicles travel on ferries. This allows for uninterrupted operation of the temperature-controlled system during open water crossings. Adapting the system to operate on a three-phase power supply involved several technical challenges. Three-phase power systems are commonly used in industrial and commercial settings due to their efficiency in delivering large amounts of power, but integrating such systems with hybrid energy solutions required careful consideration. AIT assisted with the development of this power integration, becoming the first company to get the system installed with three-phase connectivity.

The system is under consideration to be installed on all new vehicles coming into the fleet.

BENEFITS

Using both solar panels and the kinetic recovery unit to charge the lithium battery makes this system ideal for diesel-powered vehicles. It can provide 100% free power to onboard refrigeration units, which helps in reducing fuel costs while cutting down on carbon emissions. Fuel costs can be greatly reduced as there is no more overnight or stationary running of the engine while in operation. Vehicle maintenance costs are also reduced, due to fewer running hours on an engine.

The system offers noise reduction compared to the constant running of diesel engines. In addition to the obvious social benefit, EU law requires resting vehicles to have engines turned off, which can be problematic when running a temperature-controlled system.





CASE STUDY: ELECTRIC VEHICLES IN HOME DELIVERY

AIT partnered with a major furniture retailer to leverage Ford E-Transit vans for home deliveries in the state of Georgia. In 2023, more than 2,000 deliveries covering over 13,000 miles were completed with the electric delivery vans. In 2024, AIT is rolling out delivery vans in additional markets such as Connecticut, Indiana and Michigan.



CASE STUDY: HEAVY-DUTY ELECTRIC VEHICLES FOR SHORT HAUL

AIT has partnered with vendors to introduce medium- and heavy-duty electric vehicles for cartage and drayage in a number of markets, including California and China. In 2023, the electric delivery truck in Shenzhen, China, completed more than 100 freight moves, traveling over 5,000 kilometers. In 2024, AIT will roll out electric tractors in additional markets including the Netherlands and New York/New Jersey.



CASE STUDY: HVO (RENEWABLE DIESEL)

AIT is partnering with a carrier and a customer to make all moves in the Netherlands using renewable diesel or hydrotreated vegetable oil (HVO). This fuel has the potential for up to 80% emissions reduction. In 2024, AIT will utilize renewable diesel and other biofuels in additional markets.

CASE STUDY: SAF

In 2023, AIT completed its first major purchase of sustainable aviation fuel (SAF), resulting in a reduction of 1,500 mt CO₂e well-to-wheel (WtW). This is one of the best levers for reducing emissions for air freight. In 2024, the company plans to expand usage of SAF in partnership with customers. AIT is also participating in the Clean Air Transport sub-group of Smart Freight Centre which facilitates data sharing and provides updates and inputs into "book and claim," a methodology used for tracking the environmental attributes of SAF.

SAF PURCHASE (AWARD FROM KLM)

In 2023, AIT completed its first major sustainable aviation fuel purchase and received the KLM Airfreight Enterprise Sustainability Award.

This recognition validates the company's dedication to a more sustainable logistics industry. AIT is proud to sponsor projects which act as market indicators towards this more sustainable direction.



ENVIRONMENT

WASTE MANAGEMENT AND RECYCLING



Generation, treatment, handling and reduction of hazardous and non-hazardous waste in local operations and throughout supply chain processes; eliminating waste and promoting recycling to minimize impact on the environment and human health.

OUTLOOK: Obtaining a clear view about purchased services and goods.

In 2023, AIT partnered with customers on a number of recycling initiatives related to freight movement, including novel processes for recycling furniture and technology packaging. The company also works towards conscientious resource usage at facilities via ISO 14001 and IT programs, which encourage less printing.

In 2024, the sustainability team will begin gathering waste data from all facilities to set waste management and recycling goals.

WASTE MANAGEMENT PROGRAM FOR AIT HOME DELIVERY

In the U.K., AIT Home Delivery initiated a waste management program to foster recycling across the network with the objective of reaching goals set and shared with clients. The overall target is to achieve 95% recycling.

AIT partnered with waste collection company Footprint Recycling to centralize waste and recycling for the U.K. network. Footprint found the best recycling options and offered opportunities to recycle TVs, polystyrene and plastic banding.

The organization also partnered with two mattress/bed recycling companies to deploy a white goods recycling plan. AIT Home Delivery provides debris removal for many customers as a value-added service. Disposals of mattresses and white goods are sent to companies that break down the items and recycle as much of the material as possible; nothing is sent to the landfill.

Additional Recycling Baler

A second baler was introduced, enabling increased recycling volume.

Reduced Waste Compactors to One Site

Previously, two depots were operating with compactors and each depot had its own dumpster, but this was removed to reduce the amount of waste being generated. All waste is now centrally managed and reviewed at one main depot to ensure as much recycling is split out as possible.

Waste Analysis

The compactor contents were analyzed to understand what materials were being disposed of as most of the waste produced by the business is recyclable materials. The analysis revealed a significant percentage of recyclable materials being sent to the compactor, with general waste accounting for only 5% of the contents. This information was shared with depot managers so they could pass it along, encouraging teammates to think about what refuse is being discarded into general waste and whether it could be recycled.



Challenges

Waste segregation is the biggest challenge. This has been a cultural change that the business is still working on, since depots are accustomed to having their own dumpsters.

Achievements

AIT Home Delivery achieved 93% recycling in the U.K. – a 5% increase compared to the previous year.

The addition of a new baler has improved processing by providing a new stream for the increased volume of recycled materials.

Increased Visibility

Recycling partners provide full monthly breakdowns of where materials are being sent and whether they are recycled. This information is passed along to Footprint for waste stream management and they return accurate totals describing details about what the business is recycling.

Focus for 2024

Reduce the tonnage of waste that is not being recycled.

Warehouse Recycling for Teammates

In warehouse areas, there are no general recycling bins for teammates to segregate their own waste. Areas are clearly marked to separate out materials such as cardboard, plastic and EPS, but not for smaller recyclable items. In 2024, clearly marked bins for separating cans and plastic bottles have been added.

Ecological benefits

Recycled materials are processed for reuse. One partner uses materials from old mattresses to produce new mattresses and other goods.

Social benefits

Increased awareness of the importance of recycling and the impact it has on the environment.

Economic benefits

Recycling has a tax rebate. The rebate covers approximately half the cost of the general waste. Reducing the volume of general waste and increasing the volume of recycling reduces the number of lifts needed on the compactor each week. As savings increases, waste management could become a cost-neutral process.

SUSTAINABLE LOGISTICS PRODUCTS AND INNOVATION



Integrating innovative logistics solutions and technologies in operations across the entire supply chain; minimizing the environmental impact and reducing transport emissions while maintaining high service standards.

OUTLOOK: Plan to expand and offer further options to customers.

CASE STUDY: 1,500 mt CO₂e AVOIDED VIA SAF PURCHASE

CHALLENGE

Sustainability is increasingly important, not just from a regulatory perspective, but also because of the growing moral and ethical imperative to reduce the negative impact of supply chain operations on the environment and society. Shippers are searching for solutions to reduce their own negative impacts, and AIT provides

reduced emissions alternatives with its partners. Air transportation, in particular, imposes a substantial negative impact on the environment by generating CO₂ and other harmful greenhouse gases.

SOLUTION

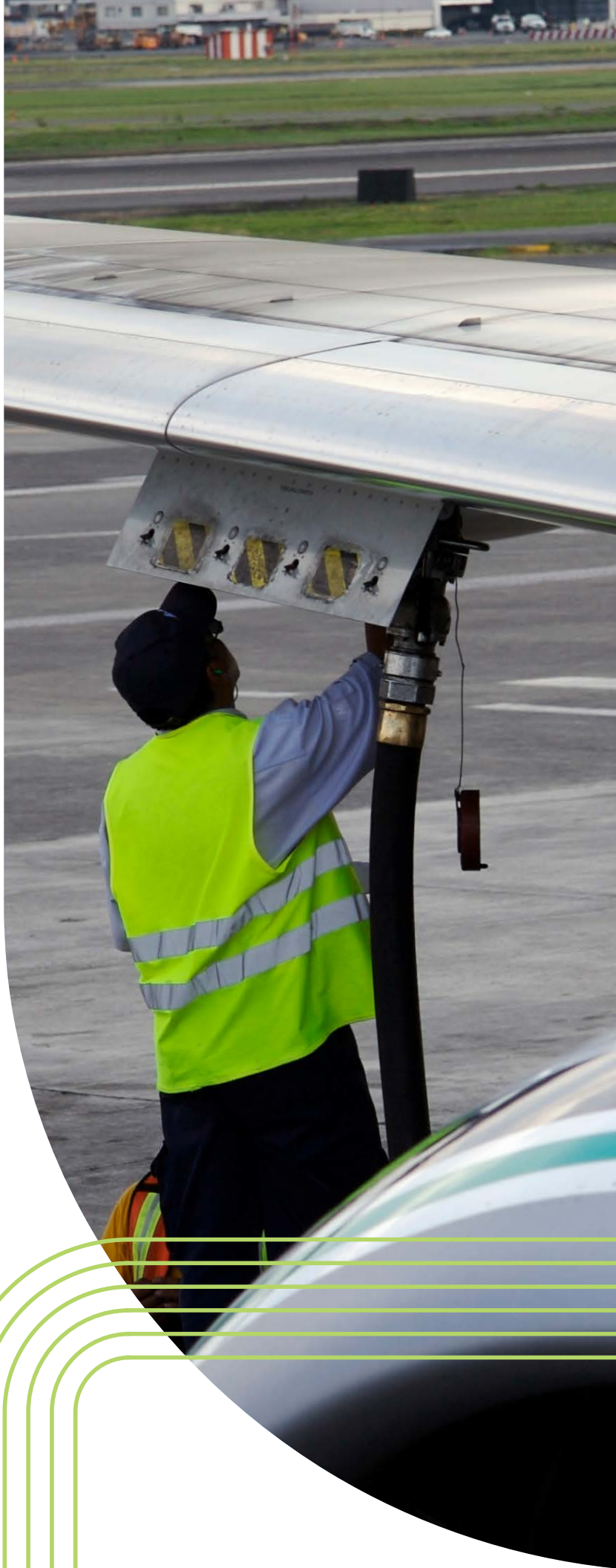
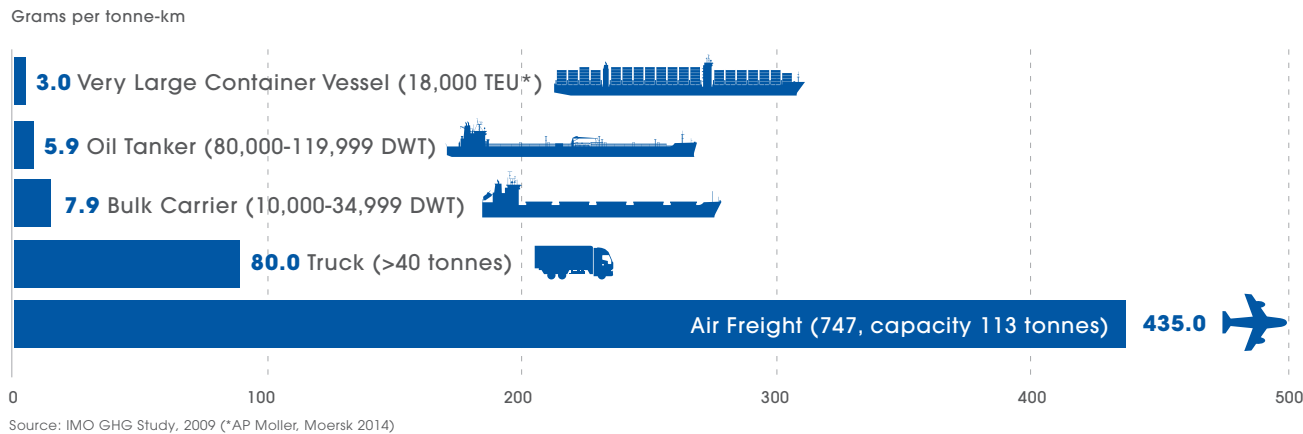
AIT is qualified to support its customers by reducing the negative environmental impact in air transportation. With its global partners, the company is investing in the production of sustainable aviation fuel (SAF), which can be used as a replacement for conventional Jet A fuel. Generating an overall lower emissions impact on the environment is an important aspect when selecting SAF. AIT carefully procures SAF that is produced using sustainable feedstock (based on globally accepted standards). For example, feedstock intended to feed people can't be treated as sustainable. Social and governance considerations must also be taken into account.

When procuring SAF, AIT takes the responsibility to conduct all formal steps on behalf of the customer to reach the highest level of emissions avoidance, while also preparing required documentation and validation procedures. By working with experienced partners in sustainable fuels, emissions can be reduced by up to 95% – a direct impact on the customer's emissions balance sheet. AIT also acts in partnership with the customer to ensure that emissions impacts are reduced collaboratively while recording emissions avoidance in the customer's Scope 3 balance sheet.

RESULT

The AIT sustainability team partners with customers' pursuit of more sustainable solutions from the beginning (when considering the investment in SAF) until the end (with required documentation and audit support, if needed). This partnership enables customers to be sustainable market participants that can directly claim emissions reductions. AIT provides documentation to support the customer through internal validation while providing external assurance to validate the realized emissions reduction. As a result, AIT has been trusted by its customers to help achieve their ambitious emissions reduction targets with investment in forward-looking insetting solutions that deliver real emissions reductions rather than a retrospective approach from offsetting previously-generated emissions.

COMPARISON OF TYPICAL CO₂ EMISSIONS BETWEEN MODES OF TRANSPORT



SOCIAL

EMPLOYEE DE&I

Fostering a fair, inclusive workplace culture where diverse backgrounds, talents and perspectives are valued and empowered to make meaningful contributions; ensuring fair rewards and providing equitable opportunities for career advancement.

CERTIFIED DIVERSITY AND INCLUSION
RECRUITER (CDR)

As part of AIT’s commitment to continual improvement, all company recruiters become AIRS Certified Diversity and Inclusion Recruiters, learning strategies to create and advance DEIB recruitment processes. The certification teaches recruiters how to initiate and implement a plan for building diverse candidate pools across industries and experience levels, while mitigating the impact of unconscious bias.

THE MORE YOU KNOW CAMPAIGN

The More You Know campaign is a weekly “nudge” email that increases awareness for teammates across the globe by promoting the understanding of all cultures represented at AIT. The campaign garnered a 92% positive rating across the organization.

WOMEN IN BUSINESS RESOURCE GROUP (WBRG)

AIT’s WBRG aims to invest in women by creating an environment that celebrates contributions, champions professional and personal growth, and empowers one another. The WBRG focuses on professional development, networking opportunities, career advice, recognition and resources. There is no formal process to join; the group is open to everyone.

The WBRG launched in January 2023 with program offerings including:

- ▶ Live webinars on professional development topics
- ▶ Quarterly speaker series of leaders sharing their experiences and insights
- ▶ Spotlights of women across AIT sharing their stories
- ▶ A community group within the HR system that is focused on career advice, inspiring articles, book reads and more
- ▶ A virtual global networking session



SOCIAL

LABOR PRACTICES

Ensuring the fundamental human rights and well-being of teammates, including the possibility to organize, communicate with management, and participate in decision-making processes within the workplace.

HUMAN RIGHTS

AIT is dedicated to the recognition, respect and promotion of human rights wherever company business is conducted. The company believes that teammates are critical to business success. Encouraging open dialogue and allowing each teammate to be heard makes the company stronger and more successful. AIT is committed to complying with all applicable human rights, labor laws and regulations. As a part of this commitment, the company respects freedom of association and the right to collective bargaining in accordance with applicable law in each of the jurisdictions in which AIT operates. The company supports the elimination of all forms of forced or compulsory labor, the abolition of child labor, and the elimination of all forms of unlawful discrimination. Providing a safe working environment for all teammates is essential, and AIT strives to comply with all applicable laws regarding occupational health and safety.

AIT CORE VALUES

The Core Value Index is AIT’s biennial satisfaction survey, which is completed by all teammates. It is based on the four core values and forms the basis of internal collaboration. AIT’s four core values are (1) earn our customers’ trust, (2) value our teammates, (3) engage in our communities, and (4) apply our ethics.

Based on employee feedback, leadership develops measures and initiatives that are implemented in the 12 months following the survey. These initiatives are reviewed and evaluated at regular intervals with respect to their success and the achievement of objectives.



SOCIAL

TRAINING AND EDUCATION

Implementation of skills training and leadership development for all teammates to foster a well-trained workforce with access to well-defined training programs and paths.

OPERATIONAL TRAINING

Evolve is the training path for operations teammates. It was implemented in the U.S. in 2022 and expanded to Europe in 2023. The program ensures that operations teammates receive in-depth training on the company’s freight forwarding systems. This program’s focus is to relieve the operations team of the burden of training, while ensuring a consistent experience for new hires. After two weeks, new teammates will be ready to work independently with minimal support.

164 teammates went through Evolve training in 2023

SUMMER INTERNSHIP PROGRAM

By implementing summer internship and young professionals programs, the company has taken a further step in 2023 to nurture young talent in the freight forwarding industry. For students studying supply chain or logistics, many career options are available. While working for a freight forwarder is a possibility, it’s not the only path. The internship program provides college students with an honest glimpse into what it’s like to work at AIT, offering a range of career opportunities to consider.

Over the course of nine weeks, interns rotate through various operational teams at AIT, receiving both formal instruction and hands-on training. At the end of the program, all interns from around the United States come together for a corporate visit, where they have the opportunity to network, participate in round table discussions with the leadership team, and engage in other professional development activities.

LAUNCH PROGRAM FOR YOUNG PROFESSIONALS

Like the intern schedule, participants in the young professionals program rotate through operational teams, but they are afforded the time to be fully immersed in the operation.

Participants receive a comprehensive overview, including both formal and on-the-job training. They have the chance to take ownership of their tasks and grow as professionals. After spending the first year at their home station, they embark on four three-month rotations to other AIT stations in the U.S. and overseas. This is an incredible opportunity to gain valuable experience working with diverse cultures, business accounts and management styles.

After the two-year program is finished, every participant has the opportunity to engage in a thoughtful discussion with a corporate sponsor about career interests and goals. Based on the outcome of that discussion, a full-time position will be offered to the participant. In some cases, relocation will be encouraged.

Program Goals

- ▶ Provide a fast-track opportunity for new graduates to become fully immersed in AIT operations
- ▶ Assist participants in identifying a fulfilling career path at AIT
- ▶ Develop a talent pool for future leadership succession

Year One

- ▶ Onboarded at AIT home station
- ▶ Rotate through operational teams
- ▶ Two-week visit to AIT global headquarters in Itasca, Illinois

Year Two

- ▶ Three-month rotations at two different U.S. stations
- ▶ Three-month rotations at two different stations in Asia and/or Europe
- ▶ Future career discussion with sponsor

LEADERSHIP TRAINING

AIT leaders prioritize diversity because they understand that a multitude of perspectives fuels innovation, fosters creativity, and enhances problem solving. Embracing diversity isn’t just about fairness; it’s about cultivating a rich tapestry of ideas that propels the organization forward in an ever-evolving global landscape. The HR team continues to advance leadership development training globally. In 2023, 150 leaders in the U.S. participated in a new manager training program and European leaders participated in a 60-day training course to further develop their leadership skills.

2024 focus topics

- ▶ Continued CargoWise education
- ▶ Customer service training

- ▶ On-demand domestic operations training
- ▶ Acquisition integration
- ▶ Roll-out of the early career program
- ▶ Growthspace pilot (1:1 mentoring with a third party for high-potential candidates)
- ▶ New manager training build
- ▶ Leadership development build

Metrics

- ▶ Total e-trainings in 2023: 18,919





SOCIAL

EMPLOYEE HEALTH AND SAFETY

Ensuring the occupational safety, health and well-being of employees, contractors and stakeholders within AIT’s operations by securing high safety standards.

HEALTH AND SAFETY AT WORK

AIT is committed to providing a safe and secure workplace for teammates, visitors and vendors. The company has a comprehensive safety program to reduce or eliminate hazards that may lead to job-related illnesses and injuries. Workplace safety and well-being programs are established for the welfare of the company’s highly valued teammates, and to ensure compliance with all country regulations. AIT does not tolerate violence in any form in the workplace and all teammates are accountable for creating a healthy and safe working environment.

In 2023, a Monthly Online Driver Training program was implemented for AIT drivers, covering various essential topics such as road safety, warehouse safety, driver health and environmental awareness.

This program was initiated with the belief that well-trained drivers can significantly reduce accidents involving commercial vehicles, thereby decreasing insurance costs and enhancing the public perception of AIT. By the end of 2023, this training incentive had successfully contributed to an impressive 23% decrease in the company’s Compliance, Safety, Accountability (CSA) score from 56% to a significantly improved 33%, demonstrating the effectiveness of the program.

Safety culture is a key facet of the company’s strength and success. From stringent hiring processes to continuous training and support, every aspect is meticulously tailored to ensure the highest safety standards are upheld. Upon onboarding, each driver must review and agree to the company’s safety expectations, underscoring their commitment to safety from day one. With ongoing support and guidance from managers and dispatchers, a collaborative approach is emphasized to maintain safety and compliance standards.

In addition to fostering a culture of safety, the company is committed to embracing new technologies aimed at enhancing safety measures and improving working conditions for drivers. Investments have been made in cutting-edge technologies designed to not only meet safety goals, but also to further strengthen the company’s safety culture while fostering continual improvement:

- ▶ Electronic logging devices for all vehicles
- ▶ Automatic transmission
- ▶ Collision mitigation and adaptive cruise control
- ▶ Forward- and inward-facing cameras with feedback coaching
- ▶ Speed for conditions alert
- ▶ Long idle alerts
- ▶ Sitting duck alert
- ▶ Side object alert
- ▶ Distracted driving alert

Driver Safety Training

- ▶ Monthly safety trainings are distributed via a software platform and all drivers must complete this training by the last day of each month to remain road-eligible (38 drivers)
- ▶ Safety-focused training courses in Paylocity Learning

High Performance Training

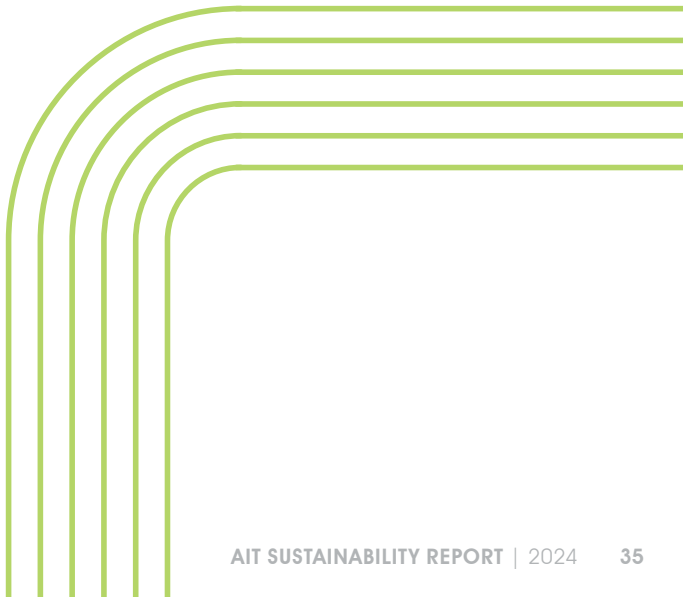
AIT acknowledges the busy nature of the logistics industry, including commitments made to customers, the incredible stress, and ultimately, coping with the feeling of being extraordinarily overwhelmed. Focusing on oneself takes time and daily practice in this service industry. The company launched a high-performance training program with a three-year

commitment campaign in a phased approach for senior leaders across the global network. The program was adapted to align with AIT’s core value behaviors, whereby teammates and leaders learn to live a high-performance lifestyle, both personally and professionally.

Calm App

In 2023, AIT offered the Calm app for the first time to all teammates across the globe. Teammates can also give complimentary access to five additional people in their personal circle. This further aligns with the core value of high performance and creating support around mental health for all teammates.

- ▶ 28.3% utilization rate at AIT compared to the industry rate of 26.3%
- ▶ 71.2% engagement rate
- ▶ 15,737 sessions completed (123,195 mindful minutes)
- ▶ Monthly themes
- ▶ Support for neurodiverse teammates
- ▶ Content for stress and well-being management



SOCIAL

EMPLOYMENT AND TALENT ATTRACTION

Attracting and retaining talent through the creation of desirable workplaces and benefits.

AIT leaders are charged with creating and building a dynamic team where innovation thrives and talents are celebrated. The goal is not just to hire teammates, but to build a community of passionate individuals who are committed to shaping the future together.

AIRS CERTIFIED DIVERSITY AND INCLUSION RECRUITERS

As part of AIT’s commitment to continual improvement, all recruiters become AIRS Certified Diversity and Inclusion Recruiters to learn strategies that create and advance DEIB recruitment processes. The certification teaches recruiters how to initiate and implement a plan for building diverse candidate pools across industries and experience levels, while mitigating the impact of unconscious bias.

RECOGNITION

AIT leaders know it is critical to celebrate and recognize teammates’ achievements. Recognition is accomplished in many ways including: new hires completing a Get to Know You form which establishes a positive working partnership with their teammates, email notes in the teammate’s preferred language, and Impression badges via the Paylocity platform.

The company celebrated the following service milestones in 2023:

- 309 new hires
- 419 one-year anniversaries
- 113 three-year anniversaries
- 113 five-year anniversaries
- 46 10-year anniversaries
- 15 15-year anniversaries
- 12 20-year anniversaries
- 13 25-year anniversaries
- Five 30-year anniversaries
- Three teammates celebrated 41, 42, and 54 years of service

Through the recognition program, more than 13,000 impression badges were awarded with 950 unique or new recognizers on the platform (a 54% increase over the previous year).

PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

All AIT teammates participate in the annual performance appraisal process. Any teammate hired before Oct. 1 is formally evaluated the following calendar year. Performance appraisals are conducted yearly, effective the first quarter after the fiscal year. AIT’s annual performance appraisal meetings provide an equitable means for discussing, planning and reviewing the performance of each teammate. This critical process offers a way to identify areas for performance enhancement and promote professional growth.



SOCIAL

COMMUNITY ENGAGEMENT

Supporting local communities through initiatives and partnerships to create positive social impacts; management of relationships between businesses and the communities they operate in or interact with. Responding to challenges from changes in society, economics or politics from an event or general trend.

2023 AIT CARES FLAGSHIP ALLIANCES

- North America
 - St. Jude Children’s Research Hospital
- Europe
 - Childhood Cancer International – Europe
- Asia
 - Tung Wah Group of Hospitals – Hong Kong
 - Taiwan Cardiac Children’s Foundation – Taipei
 - Aihao Children Rehab Training Center – Shanghai
 - SOS Children’s Villages – Vietnam

NEW IN 2023 – INDIA

- Salaam Baalak Trust – Supporting street and working children in India by providing housing, food, education, counseling and healthcare

2023 AIT CARES PROGRAM DEVELOPMENT

- Formalized the foundation of the AIT Cares program and campaign focus areas across all stations
- Built an AIT Cares community captains network across U.S. stations
- Partnered with HR Leads in Asia, Canada, Europe, India and Mexico to offer community engagement strategies
- Developed group and individual volunteer opportunities for teammates globally, beginning with monthly activities for corporate and AIT-Chicago teammates, and creating an AIT Cares annual cause roadmap
- International monthly focus with a giving calendar
- Local women’s shelters for International Women’s Day in March
- Local clean-up days in April for Earth Day
- Partnering with St. Jude and CCI-Europe for Childhood Cancer Month in September

METRICS

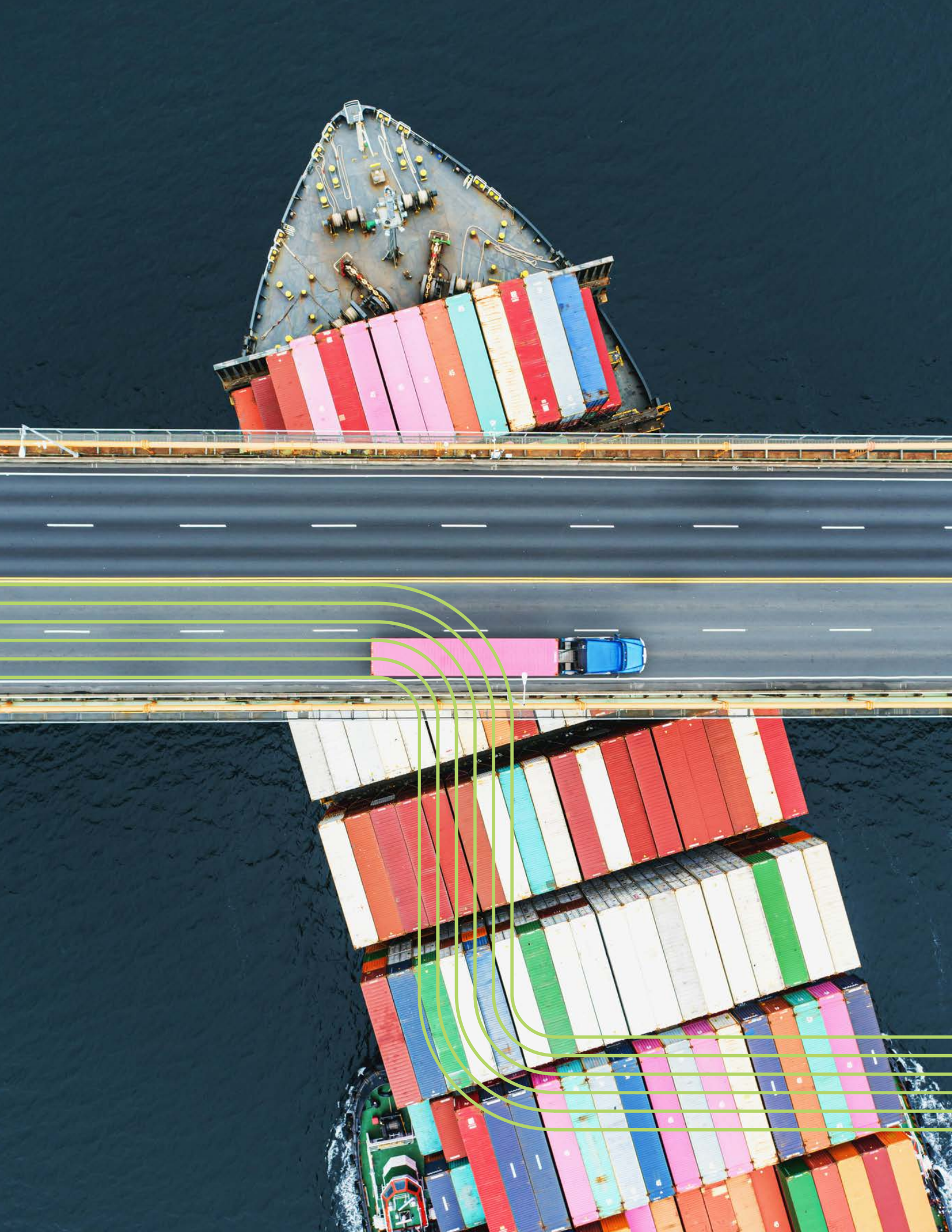
- Teammates logged 4,585 volunteer hours, representing a 350% increase compared to 2022

ADDITIONAL NOTES

- India named a flagship charitable partner, the Salaam Baalak Trust
- Mexico engaged all stations and teammates in meaningful local volunteer opportunities
- Several European stations answered the call to help Ukrainian families displaced by war with children fighting cancer. Through CCI-Europe, more than 200 family hygiene and care kits were distributed.

AIT Cares recorded significant growth in the types and numbers of nonprofit and non-governmental organizations supported in 2023, expanding both reach and impact.





SOCIAL

VALUE CHAIN CONDITIONS

Throughout 2023, increases in cargo theft incidents plagued supply chains across the globe. As a result, AIT has incorporated additional vetting techniques and new technology tools to better mitigate the risk of being subject to fraud and theft. Maintaining a safe and secure supply chain remains AIT’s top priority. In a business model that remains asset-light, it is critical that the company continues to partner with trustworthy providers that share common values while being capable of delivering world-class service.

In 2023, AIT incorporated the use of a third-party risk management platform for supplier vetting and ongoing management of its global vendor base. This platform provides the company with greater efficiency and transparency into the management of service providers to better reduce risk through improved reporting and dashboard capabilities.

In tandem with the implementation of the third-party risk management platform, AIT also rolled out a standardized formal process for contracting, vetting and managing third-party service providers throughout Europe, including an updated code of conduct and questionnaire for suppliers drafted in local languages. This standardization utilizes best practices to better reduce risk associated with service providers, improve the vendor selection process through gained efficiencies and synergies, and ensure regulatory requirements are satisfied for both AIT and its customers in all locations across Europe.

AIT updated its Supplier Code of Conduct to include expectations related to wages and working hours, freedom of association, providing a safe work environment, protection of identity, and use of private or public security forces.

GOVERNANCE

BUSINESS RESILIENCY AND CONTINUITY

Focusing on how the business responds to changes and ensures the ability to adapt to disruptions, maintain essential functions, and recover quickly from operational setbacks during unforeseen events or crises. Identifying and managing risks connected to social, environmental, public health and economic challenges in business model planning.

In recent events that have impacted the global logistics and supply chain industry, companies have been affected by a variety of serious, unforeseen challenges – some of which have put their ability to conduct business and service clients at risk. Mitigating the risk from events like cyber-attacks and natural disasters allows companies to be reliable, low-risk partners providing continuous service to clients.

AIT launched this initiative to avoid massive disruptions to supply chains and compromising the company’s operations. A formal business continuity plan has been drafted and posted with input from Operations, Business Systems and

Risk Management to establish a comprehensive plan that can keep business running, while minimizing interruptions to clients’ supply chains.

BUSINESS CONTINUITY PLAN

The 2023 business continuity plan outlines procedures that explain how AIT will recover from and restore interrupted critical functions. Preventive measures will be implemented globally to fulfill the following objectives:

- Ensuring life and safety of all teammates throughout the emergency condition, disaster declaration and recovery process
- Minimizing the impact of interruptions
- Recovering from interruptions as quickly as possible
- Reducing confusion and misinformation with clearly defined command and control structures



BUSINESS ETHICS AND COMPLIANCE

Capturing the management of risks and opportunities associated with ethical considerations, lawful behavior and compliance practice as well as implementation of controls and processes to ensure compliance with regulations and standards. It further refers to the company’s regulatory compliance strategy and how it engages and aligns itself with regulators to ensure good governance.

KEY PERFORMANCE INDICATORS

- 100% compliance with sanctions and embargo laws, regulations and rules
- Over 90% compliance with completing anti-trust, anti-boycott, and anti-bribery training

RESPONSIBLE VALUE CHAIN

AIT strictly adheres to the various international supply chain security and safety regulations and standards under which services are operated. These include, but are not limited to, the Customs Trade Partnership Against Terrorism (CTPAT), Authorized Economic Operator (AEO), International Civil Aviation Organization (ICAO), Transported Asset Protection Association (TAPA), various civil aviation authority security programs, and supply chain due diligence laws around the world.



GOVERNANCE

OPERATIONAL EXCELLENCE

CASE STUDY: END-TO-END AUTOMOTIVE LOGISTICS SOLUTION HELPS SONNENWAGEN AACHEN'S SOLAR CAR HIT THE ROAD

In fall 2023, a group of electrical engineering students from RWTH Aachen University and FH Aachen who specialize in creating efficient solar-powered vehicles needed to ship one of their cars – cost-effectively and carefully – from Germany to Australia for the annual Bridgestone World Solar Challenge. The emissions-free race of more than 3,000 kilometers (about 1,864 miles) across the Australian Outback was not only an opportunity for the team, dubbed Sonnenwagen Aachen, to put their vehicle to the test, but also to raise awareness of sustainable mobility. AIT's multimodal, comprehensive logistics solution delivered the car on time, and in race condition.

CHALLENGE: SENSITIVE FREIGHT, TIGHT TIMELINE

The prospect of shipping overseas was particularly challenging for the team due to the delicate and dangerous nature of the batteries and technology used to build and support the solar-powered racing vehicle. They were also on a strict timeline dictated by the event schedule in Australia.

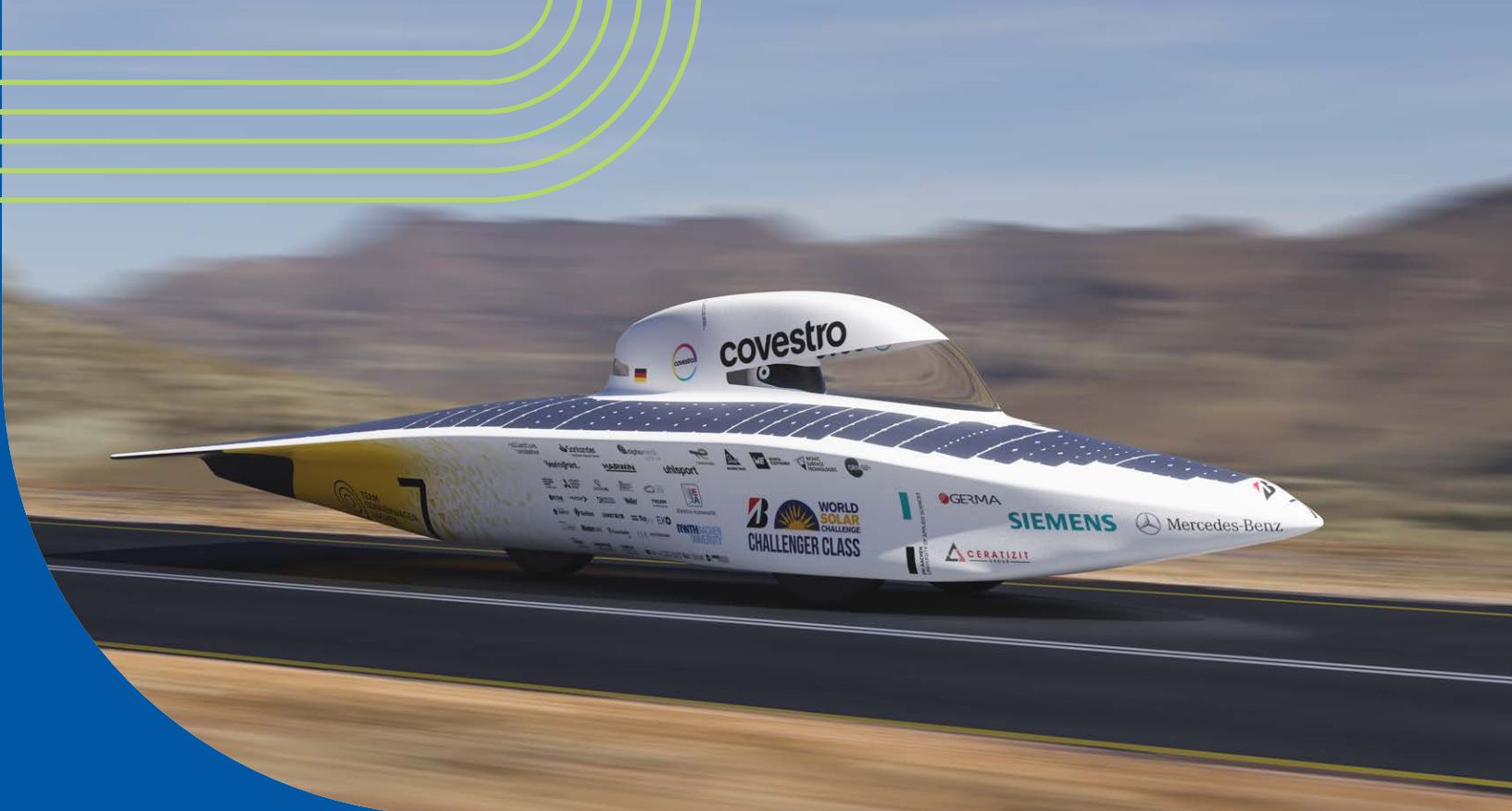
The team was also inexperienced with customs clearance, oftentimes a daunting challenge even for seasoned international shippers.

SOLUTION: END-TO-END MULTIMODAL SHIPPING

- ✦ Air, ocean and ground freight management
- ✦ Dangerous goods documentation, packaging
- ✦ Customs clearance services
- ✦ Hands-on logistics consultation

In collaboration with the Sonnenwagen Aachen team, as well as AIT's local partner in Australia, AIT-Germany developed a multimodal solution: fast, low-impact airfreight for the solar car, economical ocean shipping for the accompanying equipment, and trucking in both Germany and Australia.

This dual-mode solution prioritized time-efficiency and cargo security, protecting the delicate vehicle and its sensitive supporting technology from pick up to final delivery.



Upon completion of the race, all materials were meticulously repackaged and transported back to Germany.

AIT's expertise in international customs protocols was especially instrumental in the shipment's success. The team was proactive in addressing all potential bottlenecks, particularly focusing on adherence to the timeline by all parties involved, including the carrier partner in Australia.

The AIT Difference Makers

- ✦ Strong carrier relationships
- ✦ Dangerous goods shipping experience
- ✦ Customs clearance expertise
- ✦ Extensive automotive shipping capabilities
- ✦ Proactive communication and 24/7 operational support

RESULT: COMPLEX SHIPPING, EXECUTED SEAMLESSLY

Thanks to AIT-Germany's automotive logistics experts, Sonnenwagen Aachen's solar-powered car and its support equipment made it to Australia in great condition and in time for the race.

Not only was the project smooth from start to finish, but it was also a more cost-effective and hands-on solution compared to other freight forwarders' proposals.

Although the team faced disappointment during the event when the vehicle rolled over, no one was injured, and AIT is confident more success is just down the road for Sonnenwagen Aachen.

With a two-year sponsorship deal in place, and more international competitions on the horizon, AIT is already developing additional strategic logistics solutions for Team Sonnenwagen.

GOVERNANCE

OPERATIONAL EXCELLENCE

Delivering high-quality services by ensuring standardized quality management, monitoring customer relations and satisfaction.

ISO 9001 AND ISO 14001 EXTENSION IN EUROPE

AIT extended the scope of its ISO 9001 and ISO 14001 certificates in Europe from four to 19 locations after successfully passing an audit in November 2023.

The broader certification coverage serves as a foundation for improving AIT's external scoring with EcoVadis, SupplierAssurance, CDP and others. The certification process involved preparing documentation, training and tools, helping to build knowledge that continuously improves AIT's global quality and environmental performance.

Likewise, certification efforts extended the training scope for improving general understanding, awareness and adherence around the applicable topics, including compliance, finance, health and safety, human resources, operational procedures and sales.

Other benefits include improved retention of organizational knowledge with documented and controlled information, strengthening risk management and regulatory monitoring across AIT-Europe, and fostering proven standards in change control and risk awareness.

ISO 14001 DETAILS

- Added documentation for handling environmental-related aspects in warehouses
- Provide broader standardized procedures for handling local waste and electricity consumption up to customer-related emissions reporting
- Build a base for implementing sustainable vendor assessment procedures

ISO 9001 DETAILS

- Improved handling of non-conformities, subsequent identification of root causes, and definition and follow-up of initiated CAPAs
- Improved integral employee lifecycle management approach
- Improved dangerous goods monitoring and control mechanism to ensure compliance with applicable laws and regulations and the highest level of safety and security against incidents
- Strengthened international claims handling procedure to ensure clear visibility, transparency, roles and responsibilities, and an improved customer experience

DATA PRIVACY AND CYBERSECURITY

Protect and ensure the privacy and security of company information, systems, applications, networks and data to prevent security breaches.

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

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 partners 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 security group 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.

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

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



TAKING ACTION TODAY TO DELIVER A BETTER TOMORROW.

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

To learn more about AIT's sustainability initiatives, contact sustainability@aitworldwide.com

