



# AIT Sustainable Vendor Policy

## 1. Introduction

At AIT, we recognize that sustainability is not only a saying but part of our daily activities. Our commitment includes all aspects of AIT's business and our relationships with our partners and suppliers. We want to support our customers with the support and commitment of our partners.

Our Sustainability Vendor Policy, a pivotal document that guides our interactions with suppliers and partners, is a fundamental pillar of AIT's commitment to sustainability.

Our Vendor Policy is a shared commitment to our core values and a benchmark for responsible sourcing, transparent supply chains, and sustainable business practices. It not only forms the foundation for our current and future activities with our partners but also provides them with the opportunity to align with our sustainability goals, enhance their practices, and gain a competitive edge in the evolving industry landscape.

Through our Sustainability Vendor Policy, we aim to:

1. **Prioritize Sustainability:** We aim to prioritize suppliers and partners who share our commitment to sustainability and demonstrate proactive efforts to minimize their environmental impact, reduce waste, and promote ethical labor practices.
2. **Ensure Transparency:** We believe in transparency and accountability throughout our supply chain. We expect our vendors to provide clear and comprehensive information regarding their abilities & activities in the environmental area, their social impact, and the governance structure, allowing us to make informed decisions and maintain the highest standards of integrity.
3. **Advance Innovation:** We actively support vendors who embrace innovation and continuously strive to develop sustainable solutions, products, and services. We believe that by collaborating with forward-thinking partners, we can drive positive changes in our industry.
4. **Support Local Communities:** We believe vendors play a crucial role in community development. Vendors can significantly impact the communities they operate by prioritizing fair labor practices, supporting diversity and inclusion, and engaging in community development initiatives.
5. **Continuous Improvement:** Sustainability is a journey that never ends, and we are committed to continuous improvement. We foster open dialogue with our vendors, conduct regular performance assessments, and encourage collaborative efforts to identify opportunities for enhancement and innovation, ensuring that our sustainability practices are always evolving and improving.

Our Vendor Policy is not just a set of guidelines; it reflects our values, vision, and dedication to creating a better world for future generations. By adhering to these principles and partnering with like-minded vendors, we can drive meaningful change and build a more sustainable and prosperous future for all.



## 2. Process

This policy supports the identification of the seniority of our vendor base based on Environmental, Social and Governance (ESG) criteria. Our standard supplier policy and code of conduct cover basic ESG requirements. The additional questions asked through this policy will push the vendors to a higher level for AITs selection, supporting our sustainability goals and the service provided to our customers.

Every vendor will automatically get the standard supplier questionnaire via our onboarding and monitoring tool submitted to the primary contact. Within the supplier questionnaire, a separate section deals with the sustainable performance of the supplier. If the supplier has any initiatives, programs, or actions to improve the environmental sustainability performance, a further assessment will be triggered with sustainability-specific questions. This will identify and rank the supplier performance within the same category. These results will be the base for further supplier selection.

## 3. General requirements

We expect suppliers to comply with all local environmental sustainability requirements, rules, regulations, and standards. This also applies to indirect responsibilities, such as if third parties provide services in favor of the supplier. The supplier oversees monitoring the mentioned requirements and ensuring that changes and updates are implemented promptly.

We encourage the suppliers to implement a life-cycle approach to improve their environmental performance within their scopes and limitations. This also includes indirectly linked aspects like their office building and equipment needed to support their services.

We expect our suppliers to communicate significant changes to AIT, as explained in chapter 7. AIT's supplier database is the primary storage for decision-based information, next to operational-related topics like service level, quality, and cost. If the information level varies significantly from reality, misleading details could impact the contractual situation.

## 4. Certification and Partnership

While we do not require specific sustainability certifications, we encourage our suppliers to demonstrate their performance, improvements, and forward-looking activities by reaching a certified level for their business, entirely or even partly.

Certifications and accreditations covered by this are, but not limited to:

- ISO 14001:2015 or later
- ISO 45001:2018 or later
- ISO 50001:2018 or later
- ISO 26000:2010 or later
- SA 8000:2014 or later
- EPA SmartWay
- EcoVadis
- SupplierAssurance
- CDP
- Eco-Management and Audit Scheme EMAS
- EnergyStar
- LEED
- BREEAM
- Corp B
- EU Ecolabel
- Forest Stewardship Council FSC



## 5. Service-specific details

### 5.1. Air Carrier

We strive to partner with air carriers, providing sustainable solutions and supporting environmental improvement. This includes the availability of SAF and improved equipment, infrastructure, and general operational performance.

We actively encourage air carriers to offer SAF solutions to support customer demand. In the current setup, this is the most crucial aspect of reducing the emissions generated by air transportation.

Before offering SAF solutions to our customers, AIT validates the process, including the needed certification schemes and the related sourcing solutions, before making them available for broader usage.

### 5.2. Ocean Carrier

We strive to partner with ocean carriers, providing sustainable solutions and supporting environmental improvement. This includes the availability of SMF and improved equipment, infrastructure, and general operational performance.

Actively offering SMF solutions to us is encouraged to support our customer demand. In the current setup, this is one of the most important aspects of reducing the emissions generated by ocean transportation. Furthermore, the current fleet plays a significant role in reducing emissions. Equipping with the latest technology, complying with the latest regulations, and investing in forward-looking solutions are welcome.

Before offering SMF solutions to our customers, AIT validates the process, including the needed certification schemes and the related sourcing solutions, before making them available for broader usage.

### 5.3. Forwarder & Co-loader / NVOCC

Due to the setup of their business, forwarders usually have limited possibilities to improve their environmental performance. Nevertheless, they are our critical local partners in identifying sustainable solutions. They maintain knowledge about regulations and obligations; we rely on them to improve our performance.

Thinking about the forwarder's footprint and impact is also important, not only for AIT. Further partners and direct customers will also request these aspects if they haven't already.

### 5.4. Motor Carrier and Trucker

Motor carriers and trucker partners are the backbone of our ground transportation network. They support AIT in delivering outstanding service to our customers, and their environmental performance is directly related to AIT's service.

Participating in local programs to improve environmental performance is crucial for reaching the next level. AIT supports an efficient fleet, driver training, and investment in alternate energy vehicles. Only their investment enables AIT to provide services with fewer emissions to our customers. Based on the availability, AIT will include environmentally friendly services in the portfolio. This will support their investment by utilizing the services on a broader scale.

### 5.5. Warehouse and CFS

The indirect impact is significant, especially in warehouses. The footprint will automatically lower by ensuring the most efficient warehouses, including LED lighting, automatic light switches, electric forklifts, and installing solar panels or wind turbines. Staying ahead of the market not only supports lower emissions but also decreases electricity consumption, which is reflected in the cost of energy.

Furthermore, warehouses that implement adequate recycling procedures focus on a circular economy and ensure the lifecycle of used products, which will benefit suppliers' scoring.



## 6. Further resources and important areas

In addition to the information mentioned, we encourage our suppliers to think forward and support the AIT's commitment to Sustainability. To this end, the suppliers should consider the following points.

- **Sustainability Standards and Environmental Regulations:** Adherence to internationally recognized sustainability standards can guide vendors in implementing sustainable practices within their operations and the whole supply chain. Compliance with environmental regulations, such as emissions standards, waste management regulations, and restrictions on hazardous materials, is essential for ensuring vendors operate in an environmentally responsible manner.
- **Carbon Reduction:** Commit to reducing carbon emissions associated with transportation and logistics operations by optimizing routes, utilizing fuel-efficient vehicles, and investing in alternative fuels and energy sources. Align communicated goals with the Paris Agreement or further initiatives like Science Based Targets (SBT).
- **Resource Efficiency:** Minimize resource consumption, including fuel, energy, and water, by implementing efficient processes, utilizing renewable energy sources, and reducing waste generation throughout the supply chain.
- **Circular Economy Principles:** Embracing circular economy principles, such as product design for longevity, reuse, repair, and recycling, encourages vendors to minimize waste and extend the lifespan of products and materials.
- **Eco-friendly and sustainable Packaging:** To minimize environmental impact, prioritize using sustainable, biodegradable, compostable, and recyclable packaging materials, reduce packaging waste, and promote reusable packaging solutions.
- **Modal Shift:** Encourage the use of environmentally friendly transportation modes, such as rail and sea freight, over road transportation whenever feasible to reduce greenhouse gas emissions and highway congestion.
- **Sustainable Supply Chains:** Collaborate with suppliers to promote sustainable sourcing practices, ensure ethical treatment of workers, and minimize environmental impact across the entire supply chain. Following the outlined standards of the International Labor Organization (ILO), the Ethical Trading Initiative (ETI) or the Fair Labor Association (FLA) helps vendors ensure fair labor practices and ethical treatment of workers throughout their supply chains.
- **Green Transportation Practices:** Implementing green transportation practices, such as optimizing route efficiency, using low-emission vehicles, and promoting multimodal transportation, helps vendors reduce the environmental impact of logistics operations.
- **Green Warehousing:** Implement energy-efficient warehouse facilities, utilize innovative technology for inventory management, and optimize storage space to reduce energy consumption and improve operational efficiency.
- **Biodiversity Preservation:** Protect natural habitats and biodiversity by avoiding environmentally sensitive areas for infrastructure development, minimizing land disturbance, and implementing habitat restoration measures where necessary.
- **Community Engagement:** Engage with local communities to understand their needs and concerns, minimize social and environmental impacts, and contribute to community development initiatives through partnerships and collaboration.
- **Transparency and Reporting:** Provide transparent reporting on sustainability performance, including carbon emissions, energy consumption, waste generation, and social impact, to stakeholders and customers to demonstrate accountability and drive continuous improvement.
- **Supplier Code of Conduct:** Implementing a supplier code of conduct that outlines expectations for ethical, environmental, and social performance helps vendors align with sustainability objectives and fosters accountability throughout the supply chain.
- **Stakeholder Collaboration:** Collaborate with industry peers, governmental organizations, non-governmental organizations (NGOs), and other stakeholders to share best practices, address common challenges, and drive collective action towards a more sustainable logistics industry.



## 7. Supplier training and support

As we all learn and improve around sustainability day by day, AIT is also committed to supporting its vendors in improving their sustainability performance. While providing general information and requesting support, AIT is open to more detailed discussion about the supplier's sustainability ambitions and knowledge sharing to improve their maturity.

So far, AIT has not maintained a supplier training and improvement program. While this could be implemented in the future, we encourage already interested suppliers to contact the AIT sustainability team at [sustainability@aitworldwide.com](mailto:sustainability@aitworldwide.com) to discuss further improvements.

## 8. Approval and acknowledgement

The management team approved this policy, which will be shared on the company website and during the supplier assessment.