

## GLOBAL COMPACT ANNUAL COMMUNICATION ON PROGRESS

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<b>Company Name</b>	MTI Worldwide Logistics Corp.	<b>Date</b>	June 1, 2012
<b>Address</b>	16040 Christensen Road Suite 320 Seattle, WA 98188	<b>Membership date</b>	July 1 <sup>st</sup> , 2008
<b>Country</b>	USA	<b>Number of employees</b>	20
<b>Contact name</b> <b>Contact Position</b> <b>Contact telephone no.</b>	Karl Krug CEO 1-206-431-4366	<b>Sector</b>	Industrial transportation

### Brief description of nature of business

Founded in 1991 MTI Worldwide Logistics Corp. operates upon the principle that freight forwarding and transportation are trusted and fundamental extensions of the businesses we serve. MTI Worldwide Logistics offers services in the area of air, ocean and domestic freight and serves as a licensed customs brokerage as well.

### Statement of support

MTI Worldwide Logistics is committed to the principles and goals of the United Nations Global Compact advancement of the ten universal principles in the areas of human rights, labor, environment and anti-corruption.

### Signature

Karl Krug

### Position

CEO

We have chosen to list all of the 10 principles in our COP even though some of them may never require significant updating. The complete list will be a good reminder of where we've been, and where we're going. We ensures the principles are maintained in our own operations to the extent that they are relevant (for example, we have never had an issue with human rights abuses, child labor, forced or compulsory labor, corruption, etc.). On the other hand, we have found room for improvement in the environmental category and are creating several procedures for improving our environmental impacts.

### PRINCIPLE 1 BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS

#### Our Commitment or Policy

All MTI Worldwide Logistics policies are nested with US government requirements in order to ensure strict compliance.

### PRINCIPLE 2 BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES

#### Our Commitment or Policy

All MTI Worldwide Logistics policies are nested with US government requirements in order to ensure strict compliance.

### PRINCIPLE 3 BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

#### Our Commitment or Policy

The MTI Worldwide Logistics policy guarantees to all employees the right to collective bargaining as well as the freedom of association.

## GLOBAL COMPACT ANNUAL COMMUNICATION ON PROGRESS

### **PRINCIPLE 4 BUSINESS SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR**

#### **Our Commitment or Policy**

All MTI Worldwide Logistics are nested with US government requirements in order to ensure strict compliance.

### **PRINCIPLE 5 BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR**

#### **Our Commitment or Policy**

All MTI Worldwide Logistics are nested with US government requirements in order to ensure strict compliance.

### **PRINCIPLE 6 BUSINESS SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION**

#### **Our Commitment or Policy**

We actively promote diversity in our staff recruitment.

#### **Actions implemented in the last year / planned for next year**

- As a small business and by comparison -MTI Worldwide Logistics provides a good health insurance, liberal annual vacation schedule, employer funded pension plan and a profit sharing program for all employees.
- Implemented in 2012, VOIP to allow flex-work-flow from home or office whenever feasible..... decreasing the need to commute for some to the office.

#### **Measurable Results or Outcomes**

- All our employees have health insurance, a pension & participate in a rewarding profit sharing plan.
- Almost a third of the employees are able to work from home on a partial/selective basis.

### **PRINCIPLE 7 BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES**

#### **Our Commitment or Policy**

Our policies are to reduce the environmental footprint of our operation.

#### **A brief description of our Processes or Systems**

Recycle system and Electronic Document Repository

#### **Actions implemented in the last year / planned for next year**

- We have continued our “go-green” initiative with both internal (MTI & Global Partner Network) and external clients & vendors.
- We implemented a recycle procedure in all our operations in 2012.
- Implementation of vendor electronic invoicing. Electronic invoice copies are retained online for reference, and effectively improves the environmental impact by reduced printed materials, and the handling and resources taken to mail the invoice.

### **PRINCIPLE 8 BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY**

#### **Our Commitment or Policy**

MTI Worldwide Logistics policies are focused to reduce the environmental footprint of our operation

#### **Actions implemented in the last year / planned for next year**

- Our introduction of a CO2 Calculator – enhancing our client’s carbon footprint awareness as it applies to mode of transportation choices, is postponed until later this year. This is planned as part of our website re-design project.
- Introduced a company intranet that provides online access to essential documentation, eliminating the need for employees to print reference or essential materials to carry with them

## GLOBAL COMPACT ANNUAL COMMUNICATION ON PROGRESS

when outside of company offices.

- We are in the process of updating company forms to be fillable online, eliminating the need to print the forms. All are stored electronically.
- Implementation and conversion of vendors to electronic invoicing. This reduces the environmental impact of printing, processing, and delivery of the document.

### **PRINCIPLE 9 BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES**

#### **Our Commitment or Policy**

The MTI Worldwide Logistics provides help to existing & start-up companies which are attempting to develop environmentally friendly technologies.

#### **Actions implemented in the last year / planned for next year**

We offer recyclable cardboard pallets to targeted customers in order to replace the wooden pallets which account for almost 30% of all the trees cut each year in the USA alone.

#### **Measurable Results or Outcomes**

Cheap wooden pallets (and a strong political lobby ...) during a recession are a major hurdle for companies resisting change to a more environmentally friendly cardboard pallet. However we are starting to see positive momentum in the willingness of companies to entertain eco-friendly pallet alternatives.

### **PRINCIPLE 10 BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY**

#### **Our Commitment or Policy**

All MTI Worldwide Logistics policies are nested with US and Host Nation government requirements in order to ensure strict compliance.

#### **How do you intend to make this COP available to your stakeholders?**

The MTI Worldwide Logistics COP will be provided to all staff for review and feedback in order to continue to refine our policies and procedures to remain compliant in this process.