



June 11, 2020

H.E. António Guterres  
Secretary-General  
United Nations  
New York, NY 10017  
USA

Dear Mr. Secretary-General,

I am pleased to confirm that Agility Public Warehousing Company and Subsidiaries supports the Ten Principles of the United Nations Global Compact on human rights, labor, environment and anti-corruption. With this communication, we express our continued intent to implement those principles. We are committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. Agility will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the UN Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the Ten Principles. We support public accountability and transparency, and hereby submit our COP covering the period January 2016 to December 2019.

Our COP includes:

- This letter from the chief executive of Agility, expressing our continued support for the UN Global Compact and our renewed commitment to the initiative and its principles.
- A description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken (or plans to undertake) to implement the UN Global Compact principles in each of the four issue areas (human rights, labour, environment, anti-corruption).
- A measurement of outcomes (i.e., the degree to which targets/performance indicators were met, or other qualitative or quantitative measurements of results)

Sincerely yours,

Tarek Sultan  
Vice Chairman & CEO



## UN Global Compact: Communication on Progress

### Content Overview

Agility's COP includes the following components:

1. CEO statement of continued support
2. This content overview
3. [2019 Sustainability Report: Values into Action](#)
4. [2020 Sustainability Data Disclosure](#)

In addition to the above, publicly-available publications, [Agility's sustainability website](#) contains updated information on our sustainability programs, including highlights from the reports above, as well as information on 2019 and 2020 projects reported after the publication of the above documents, including:

- community investments, including COVID-19 response projects
- country-level disclosure of human rights program implementation, including voluntary 3<sup>rd</sup> party audits
- green operations projects
- green supply chain projects

To understand the full scope of Agility's sustainability work and efforts to achieve the SDGs, it is important to review the entire 2019 Sustainability Report. In specific response to the requirements for the CoP, the following overview includes the components for the **GC Active level** of CoP reporting, and where to find them within this COP.

### Sustainable Development Goals (SDGs) supported by Agility

#1 – End Poverty

#4 – Quality Education

#5 – Achieve gender equality and empower all women and girls

#7 – Ensure access to affordable, reliable, sustainable and modern energy for all

#8 – Promote sustainable, inclusive and sustainable economic growth, full and productive employment and decent work for all

#9 – Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

#13 – Take urgent action to combat climate change and its impacts

An explanation of how our programs support these SDGs is available on p. 10 of our 2019 Sustainability Report, as well as the [SDGs page of our website](#).

## **Opportunities and Responsibilities that these SDGs represent to our business, and our company's priorities**

Agility conducts a materiality assessment to determine the opportunities and responsibilities that are material for our business. An overview of this assessment is available on pp. 10-11 of our 2019 Sustainability Report, and in greater detail in the Material Risks and Opportunities Index on pp. 62-67.

### **Agility's goals and targets to achieve the SDGs**

This section provides an overview of our publicly stated goals, some information on how we measure performance and our progress, as well as the expected outcomes. In addition to these goals and performance metrics, Agility tracks a range of sustainability indicators according to the GRI G4 disclosure standards (please see the 2019 Sustainability Report GRI Index).

#### **1. Uphold a high standard for respect of human rights in all of our operations, including voluntarily conducting 3rd party social audits in 100% of full-service operations in emerging markets (Goal #9)**

Since 2008, Agility has been building an industry-leading fair labor program, driven by the highest leadership of our organization. Since 2018, we have conducted a full exercise to assess human rights risk in all of our operations based on the external business and regulatory climate, the scale of our operations, and the engagement of the country in our Fair Labor program. In 2018 and 2019, our ten largest full-service operations in Asia and the Pacific underwent voluntary 3rd party SMETA audits. Worldwide, ninety percent of our full-service operations in emerging markets have undergone a 3<sup>rd</sup> party social audit in the past 2 years. Additionally, we have developed a Human Rights Declaration for Manpower Providers, which we aim to include in all of our contracts with labor providers globally by 2025. See the [human rights page](#) of sustainability.agility.com for more progress measures.

**Expected Outcomes:** Agility aims to set a high-standard for human rights, particularly in markets where large populations of foreign migrant workers are vulnerable to human rights abuses. First and foremost, we aim for all of our employees to be protected from these abuses, but we also seek to influence others in the logistics and warehousing industry as a whole by demonstrating how to collaborate with suppliers to protect human rights.

#### **2. Contribute to the education of at least 5,000 students a year through our community investments program ensuring that at least 50% of students are women and girls. (Goals #1, #4 & #5)**

From 2016 to 2019, Agility and its employees donated over \$16 million to support 443 community projects in over 30 countries. Over 10,000 employees volunteered to support 36,000 people. In particular, our programs focus on women and girls, as well as providing tech education resources and support. Our [Community Investments webpage](#) includes many examples of how our operations in India, Indonesia, Pakistan, Bangladesh, Brazil, and others have donated computers and provided hours of tutoring to support technology education. Each year since 2016, we surpassed our goal of contributing to the education of at least 5,000 students.

See pp. 29-33 of our 2019 Sustainability Report for more information and project highlights. Our 2017 – 2019 Sustainability Data Disclosure also includes data on projects and beneficiaries. While we currently require our community investments to support projects with 50% female students, we are not yet tracking beneficiaries by gender. We are actively working to improve impact data collection and monitoring.

**Expected outcomes:** By supporting education organizations in the communities where we operate, we hope to make a measurable difference in access to affordable education, which will then help our students to access better jobs and break out of poverty. We also hope to strengthen the Agility culture of volunteering and provide meaningful opportunities for our employees to improve their communities.

### **3. Reduce our direct carbon footprint by 25% against a 2016 baseline (Goal #13)**

See 2017 – 2019 Sustainability Data Disclosure for our latest carbon footprint and resource consumption information. In 2019, our emissions were down 5% from 2016 levels. To reduce our carbon footprint, Agility is reducing energy usage in its facilities. For example, in two large facilities in Dubai, improvements to our lighting systems achieved reductions of over 50%, the UAE operation's carbon footprint by more than 7%. We are also investing in renewable energy generation and sourcing, including the installation of a 6-megawatt peak solar array on our rooftops in Singapore, and 100% renewable sourcing in Agility Spain. Please see p.39 - 43 of our 2019 Sustainability Report, as well as our [Greener Operations](#) page.

**Expected outcomes:** To achieve this goal, Agility will need to comprehensively integrate low-carbon thinking into our operations, so we take advantage of every opportunity to improve the efficiency of our use of energy. We believe that our strong presence in emerging markets, particularly in the Middle East, allows us to facilitate the transition to sustainable logistics in these geographies.

### **4. Invest in green supply chain technology (#7)**

Agility is investing in start-ups that are reshaping the future of logistics through the Agility Ventures team. One of the four priority investment areas is green tech for the supply chain. Agility has committed to investing \$18 million in this space over three years. Using our coverage of the logistics market, we can promote promising innovations, such as the Hyllion Class 8 electrification solution, and help them achieve greater recognition and access in the market (please see p. 45 of 2019 Sustainability Report)

**Expected outcomes:** By supporting green tech for the supply chain, Agility can help new ideas gain traction in the market, facilitating a transition to greener global logistics.

### **5. Support humanitarian logistics operations for natural and man-made disasters in partnership with other logistics leaders (Goals #1 & #13)**

Since 2006, Agility has responded to over 75 humanitarian emergencies around the globe. Agility's emergency response programs often include the coordination of logistics services in an emergency, and sometimes the donation of logistics equipment, such as refrigerated containers for temperature-sensitive medical supplies. Agility may work through the Logistics Emergency Team, or independently. In 2018 and 2019, Agility conducted 14 different disaster response and preparedness





projects in 12 different countries. For the full list, please see the [Humanitarian operations page](#) of our sustainability website.

For more detailed information about our disaster response projects, and our ongoing collaboration with the Logistics Emergency Team, please see p. 46-49 of the 2019 Sustainability Report, the last page of the 2017-2019 Sustainability Data Disclosure.

**Expected outcomes:** Our preparedness and emergency response operations help to reduce the cost and response time of disaster response. Doing this can save lives, and help communities get back on their feet faster when disaster strikes.

### **Partner with humanitarian organizations to contribute to the well-being of refugees worldwide (Goal #1)**

From 2016 to 2018, Agility raised funds to support the United Nations Refugee Agency (UNHCR) to provide aid for Syrian refugees living in Jordan. Donated funds provided cash transfers through a program that uses iris scanning technology to enable refugees to access funds without the need for a band card. Agility matched employee contributions during a three-month campaign, raising almost 57,000, supporting close to 2,400 refugees displaced by the Syrian conflict. For more, see p. 48 of our 2019 Sustainability Report.

**Expected outcomes:** We aim for our support to improve the wellbeing of refugees globally.

### **How the SDGs are built into our business model (Goals #8 & #9)**

Sustainable development, and particularly SDGs #8 and #9, is integrated into Agility's core business model and our growth strategy. Agility's 3-pronged approach to responsible business includes the following components:

- Invest in high-quality infrastructure in emerging markets in Africa, the Middle East, and South Asia to improve access to global value chains
- Identify and respond to the needs of SMEs in all markets (see pp. 55 – 56 of our 2019 Sustainability Report for a case study)
- Uphold ethical business practices, honoring rules of engagement and transparency to build trust with stakeholders

We bring world-class infrastructure and logistics services to emerging markets, where trade and sustainable development are directly linked. Where Agility invests, we hire local employees and train them on international business standards, improving the quality, security, and reliability of value chains for the long haul. Our operations create opportunities for small and large businesses alike to trade affordably, responsibly, and ethically, creating jobs and improving well-being. 100% of our Agility Africa employees are hired locally. Additionally, Agility engineers design warehouses to be environmentally-friendly, incorporating sustainable warehouse features to increase access to affordable, reliable energy and services in emerging markets (see p. 43 of our 2019 Sustainability Report). For more information on how SDGs #8 & #9 are built into Agility's business model, please see p. 50-60 of our 2019 Sustainability Report, or visit the [Agility Logistics Parks](#) section of our website.

## How Agility works with other stakeholders to achieve the SDGs

Agility works with innumerable charity groups, industry partners, and other stakeholders to contribute to a more sustainable world. In our 2019 Sustainability Report, p. 12 provides an overview of how we engage our stakeholders. Our most notable partnerships are highlighted below, with the page in our 2019 Sustainability Report, or a direct link to our website page where you can find more information:

### Industry Collaborations

- Clean Cargo Working Group (p. 38)
- Sustainable Air Freight Initiative (p. 38)
- Logistics Emergency Team (p. 47)

### Innovators

- TVP Solar (p. 45)
- Hyllion (p. 45)
- CargoX (p. 45)

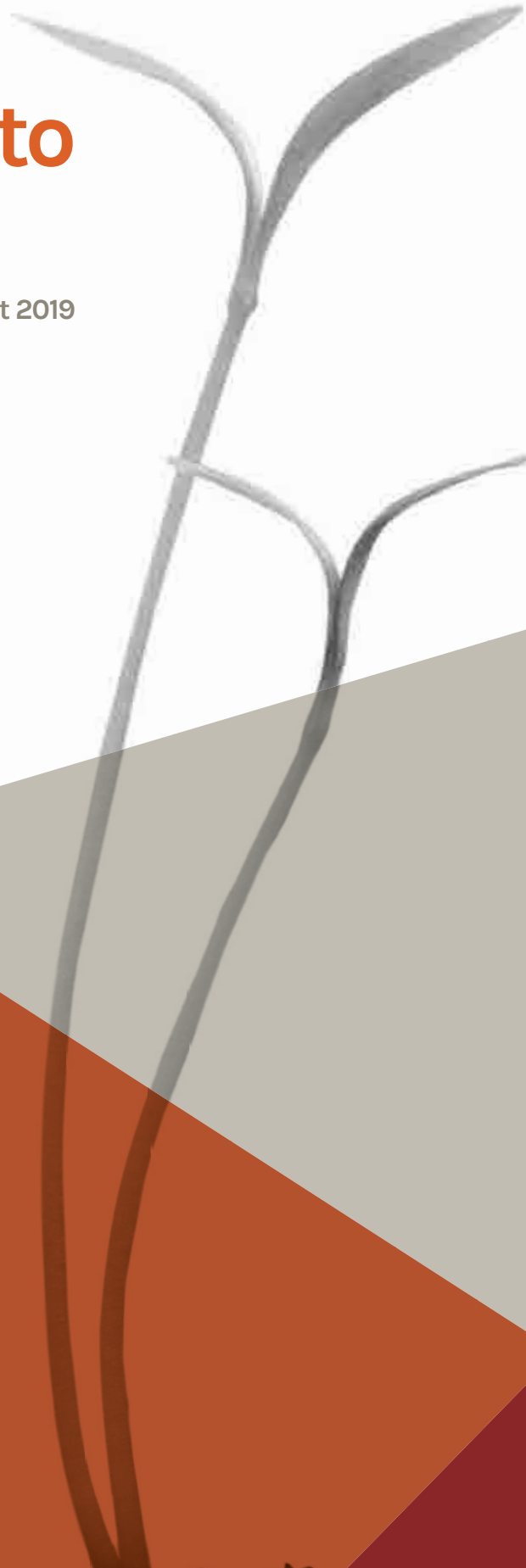
### Community Organizations

- [INJAZ \(Kuwait\)](#)
- [Kuknoor Village \(India\)](#) - website
- [The Citizens Foundation \(Pakistan\)](#) - website
- [Gulshan Literacy Project \(Bangladesh\)](#)
- [Oiada \(Ghana\)](#)
- UNHCR (p. 48)



# Values into Action

Agility Sustainability Report 2019



## ABOUT THIS REPORT

Agility formalized its Corporate Social Responsibility (CSR) program for the first time in 2006, and issued its first CSR report in 2011. The 2019 Sustainability Report, our fourth CSR or sustainability report as a company, is a progress update on performance from 2016 to 2018.

This report covers data and activities from Agility-branded organizations. Data and statistics on human rights, gender and age breakdown, health and safety, and emissions apply only to Agility's core commercial business division, Global Integrated Logistics (GIL), unless otherwise stated. Agility aims to comprehensively include all subsidiary companies, each independently managed with their own boards and trademarks, in its sustainability reporting within the next 5 years. Examples of CSR initiatives at infrastructure and subsidiary companies are included as case studies.

Three of our subsidiary companies report on sustainability independently. For Tristar, more information is available in their 2018 Sustainability Report. Both UPAC and GCC Services submit a Communication on Progress to the UN Global Compact which is available on the UN Global Compact website.

All data covered is current through the end of 2018. We have made every effort to ensure the accuracy of information presented, and we are continuously working to improve the quality of the data and data management systems to capture and report on non-financial information. The limitations of the data, measurement techniques and basis of calculation are described throughout the report as relevant, and specifically in Annex II of this report.

We have not pursued external validation for this report. Information presented in this report has been reviewed by relevant subject matter experts within Agility and signed off by the senior management team. This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines (G4). All Agility CSR reports can be viewed on [Agility.com](https://www.agility.com) in the Sustainability section.

We welcome your feedback and questions. To contact Agility's sustainability team, please email us at [csr@agility.com](mailto:csr@agility.com).



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# Sustainability Highlights

## ENVIRONMENT



TOP **4** %  
OF OUR INDUSTRY FOR ENVIRONMENTAL PERFORMANCE  
ecovadis

**90** %  
OF OUR OPERATIONS VOLUNTARILY REPORT ENERGY USAGE

TRACKING EMISSIONS FOR  
**600** K  
CUSTOMER SHIPMENTS

## COMMUNITY



**1.6** +  
MILLION PEOPLE REACHED THROUGH COMMUNITY PROJECTS SINCE 2006

**45** +  
HUMANITARIAN RESPONSE OPERATIONS SINCE 2008

**2.5** K  
REFUGEES SUPPORTED VIA UNHCR

## PEOPLE



**70** %  
OF EMPLOYEES TRAINED IN FAIR LABOR PROGRAM

**50** %  
EMERGING MARKET OPERATIONS AUDITED BY THIRD PARTY FOR HUMAN RIGHTS

**30** %  
DECREASE IN INJURIES SINCE 2016

## SUSTAINABLE DEVELOPMENT



**\$100** MILLION INVESTED IN DIGITAL PLATFORM TO SUPPORT SME LOGISTICS

MODERNIZING TECH & SERVICES IN  
**30** +  
COUNTRIES IN AFRICA & MIDDLE EAST

**313** K m<sup>2</sup>  
OF WAREHOUSING UNDER CONSTRUCTION IN AFRICA & MIDDLE EAST



We have a great opportunity to drive a positive transformation to a sustainable and equitable future for global trade.

As a leading logistics company, with operations in over 100 countries, the decisions we make today shape global supply chains, influence prosperity in emerging and developed markets, and impact our own long-term success. Sustainability is something we therefore take seriously, at every level of our company, and part of our engagement strategy with our customers, suppliers and communities. Our sustainability program responds to the environmental and social risks that we face as a business, as well as those areas where we have the greatest opportunity to drive a positive transformation to a sustainable and equitable future for global trade.

## CEO STATEMENT

# The decisions we make today shape global supply chains

**Sustainability is something we take seriously, at every level of our company, and is part of our engagement strategy with our customers, suppliers and communities.**

Our primary asset is our people, so the cornerstone of our sustainability strategy is the protection of our employees' rights and well-being. Our Fair Labor Program, now integrated into all of our largest operations across the Middle East and Asia, sets a high standard for the protection of human rights, with zero tolerance for modern slavery or child labor. Just recently, six of our largest country operations in Asia and the Pacific underwent voluntary third-party human rights audits. Our Target Zero health and safety program consistently achieves industry-leading results.

We aim to strengthen every community where we operate. The Agility community investments program, with close to 2,300 Agility volunteers working on more than 120 projects in 30 countries in 2018, is the manifestation of the collective spirit of giving across our business. Our employees partner with communities to improve educational outcomes and enable entrepreneurs, preparing tomorrow's business leaders. Our efforts in humanitarian response and preparedness are helping to build capacity to respond to increasingly frequent extreme weather events. Through financial support to the UNHCR and the MIT Enterprise Forum's Innovate for Refugees program, we actively support tech-driven solutions for the world's most vulnerable populations.

We believe in equitable and inclusive supply chains. More trade, fairer trade, and trade with more actors leads to greater global prosperity, and is good for our business. Agility strongly believes that small and medium-sized businesses, in particular, are currently under-served in the logistics space. We have launched Shipa, a digital logistics company, to connect small and medium-sized businesses to the global economy in the areas of ecommerce logistics, urban deliveries, and online freight. Agility is also improving emerging markets competitiveness by building world-class

industrial infrastructure across the Middle East, Africa and Asia, improving the ability of countries to connect to the world.

Reducing negative environmental impacts is critical to both our social and financial bottom line. We believe green logistics = good logistics. There are significant efficiency gains from tackling sustainability issues in both Agility's and our customers' supply chains, and particularly through reducing the use of fossil fuels. Careful data collection across our operations has allowed us to identify and address the main drivers of emissions so we can reduce our own carbon footprint. By working in partnership with our customers and carriers, contributing to the Clean Cargo Working Group and other collaborative platforms, and supporting start-ups pioneering green logistics innovations, we help guide the industry to overcome challenges and meet new regulations with better services and innovation.

While we still have a long way to go to achieve the change we want to see in the world, I'm proud of Agility's progress since our sustainability journey formally began in 2011. Nascent initiatives have grown together into a comprehensive strategy that is part of our corporate identity across the globe. Engaging with our shareholders, customers, employees, suppliers, partners and communities is a critical part of our journey. We would like to thank you for your support, and welcome you to give us feedback on how we can continue to improve and make a difference.



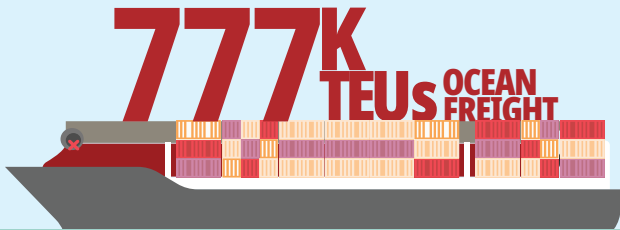
Tarek Sultan, CEO

# Agility's Business


**392K TONS**  
AIR FREIGHT



**777K**  
TEUS OCEAN FREIGHT



OPERATING GLOBALLY IN  
**100+** COUNTRIES



**2.2** MILLION  
SQ. METERS  
WAREHOUSING & STORAGE



**2.4+** MILLION  
SHIPMENTS



**26K+**  
EMPLOYEES



**\$5.1** BILLION  
REVENUE







# Logistics to connect your world

## ABOUT OUR BUSINESS

Agility is a global logistics company with \$5.1 billion in annual revenue and 26,000+ employees in more than 100 countries. It is one of the world's top freight forwarding and contract logistics providers, and a leader and investor in technology to enhance supply chain efficiency.

Agility is a pioneer in emerging markets and one of the largest private owners and developers of warehousing and light industrial parks in the Middle East, Africa and Asia. Agility's subsidiary companies offer fuel logistics, airport services, commercial real estate and facilities management, customs digitization and remote infrastructure services.

## HISTORY

Agility began as a local warehousing provider in Kuwait and grew to become the largest logistics company in the Middle East.

It acquired more than 40 logistics brands around the world, investing billions to build a global network with a strong footprint in emerging markets.

# What We Do

## Global Integrated Logistics (3PL)



Freight forwarding



Contract logistics



Supply chain solutions



Specialized logistics

## Logistics Parks (2PL)



Warehousing & light industrial facilities

## Infrastructure Portfolio (Subsidiaries)



Fuel logistics



Aviation services



Commercial real estate



Customs digitization



Remote life support

## Digital Platform: Shipa



eCommerce



eDelivery



eFreight

# The Agility Group

## Core business

Agility provides supply chain services in 100+ countries and is a leading developer of logistics parks in emerging markets.

### Global Integrated Logistics (GIL)

GIL offers air, ocean and road freight forwarding, warehousing, distribution and specialized services in project logistics, fairs and events, and chemical logistics. GIL accounted for about 68% of total Agility headcount in 2018.

### Agility Logistics Parks (ALP)

Agility Logistics Parks offers world-class warehousing and light industrial parks for the Middle East, Africa and Asia, with 1.5 billion in real estate assets and over 20 million square meters of industrial land in 17 high-growth, emerging markets.

## Infrastructure portfolio

Agility's subsidiary companies are independently operated businesses that strengthen trade infrastructure in emerging markets.



Tristar is a liquid logistics solutions provider catering to the downstream petroleum and chemical industries across the Middle East, Africa, Asia and the Americas.



UPAC is a commercial real estate company with a portfolio that includes airport and mall properties in Kuwait and Abu Dhabi.



NAS is the world's fastest growing aviation services company in emerging markets. NAS serves 40+ airports across the Middle East, Africa, and Asia.



GCC Services focuses on providing life support, catering, and worldwide camp facility construction and management.



GCS is a joint venture with the Kuwait General Administration for Customs (KGAC) to modernize, optimize and support Kuwait customs operations.



Agility's public sector arm serves governments, ministries of defense and international organizations around the world.



ICS provides governments around the world with customs modernization, trade facilitation and e-government solutions.



LABCO (Kuwait International Laboratory) provides third-party quality control and assurance services through scientific analytical data.



MRC offers waste management, scrap trading, and recycling solutions in the Middle East.

## SHIPA

Shipa is a digital logistics platform designed to help consumers and small businesses tap into the global economy.



Shipa Ecommerce gives access to fast-growing and complex e-commerce markets, offering freight, fulfilment, delivery and returns solutions, underpinned by easy-to-use digital integration.



Shipa Delivery offers businesses and consumers on-demand, same-day, next-day or cross-border urban deliveries. Hassle-free delivery is now a reality.



Shipa Freight makes it easy to get instant air and ocean freight quotes and to book, pay and track your shipments online.





## OWNERSHIP & GOVERNANCE

Agility is publicly listed on the Kuwait Stock Exchange and the Dubai Financial Market.

We have an estimated 14,000 shareholders including both individuals, and public and private institutional investors. The largest shareholders are the National Real Estate Company, a publicly listed company in Kuwait,

and the Public Institution for Social Security, a representative of Kuwait's government pension fund.

Agility's parent company is governed by an elected Board of Directors and provides global policy and strategy guidance. The Board is elected every three years and has six members.

The Chairperson of the Board of Directors is Henadi Al Saleh. The Vice Chairman & CEO of the company is Tarek Sultan. For more on our ownership and governance, as well as recent financial performance, please visit our Investor Relations page and our most recent Annual Report.

## GROUP FINANCIAL PERFORMANCE

Group Financial Performance <i>in millions of Kuwaiti Dinars</i>	2018
Revenue	1,550
Net Revenue	498
Net Revenue Margin	32%
EBITDA	155
EBITDA Margin	10%
Net Income	81
Net Income Margin	5%
Total Assets	1,843
Total Liabilities	777
ROA	4%
ROE	8%
GIL Revenue	1,153
GIL EBITDA	36
Infrastructure Revenue	412
Infrastructure EBITDA	131

## ECONOMIC VALUE

Economic Value <i>in 000s of Kuwaiti Dinars</i>	2018
<b>DIRECT ECONOMIC VALUE GENERATED</b>	<b>1,554,662</b>
Revenues	1,550,190
Cash rec'd as interest on financial loans	893
Dividends rec'd from shareholdings	2,054
Cash rec'd from sale of assets	1,525
<b>ECONOMIC VALUE DISTRIBUTED</b>	<b>1,459,083</b>
Cash Operating Costs	1,167,000
Salaries & Employee Benefits	236,364
Payments to Providers of Capital	45,533
Payments to Government	6,196
Community Investments	3,990
	KFAS 764
	NLST 2,121
	Zakat 848
	CSR Donations 257
<b>ECONOMIC VALUE RETAINED</b>	<b>95,579</b>

More details about Agility's financial performance can be found in the company's latest annual report and quarterly earnings releases available on our website.





# Sustainable supply chains for a brighter future

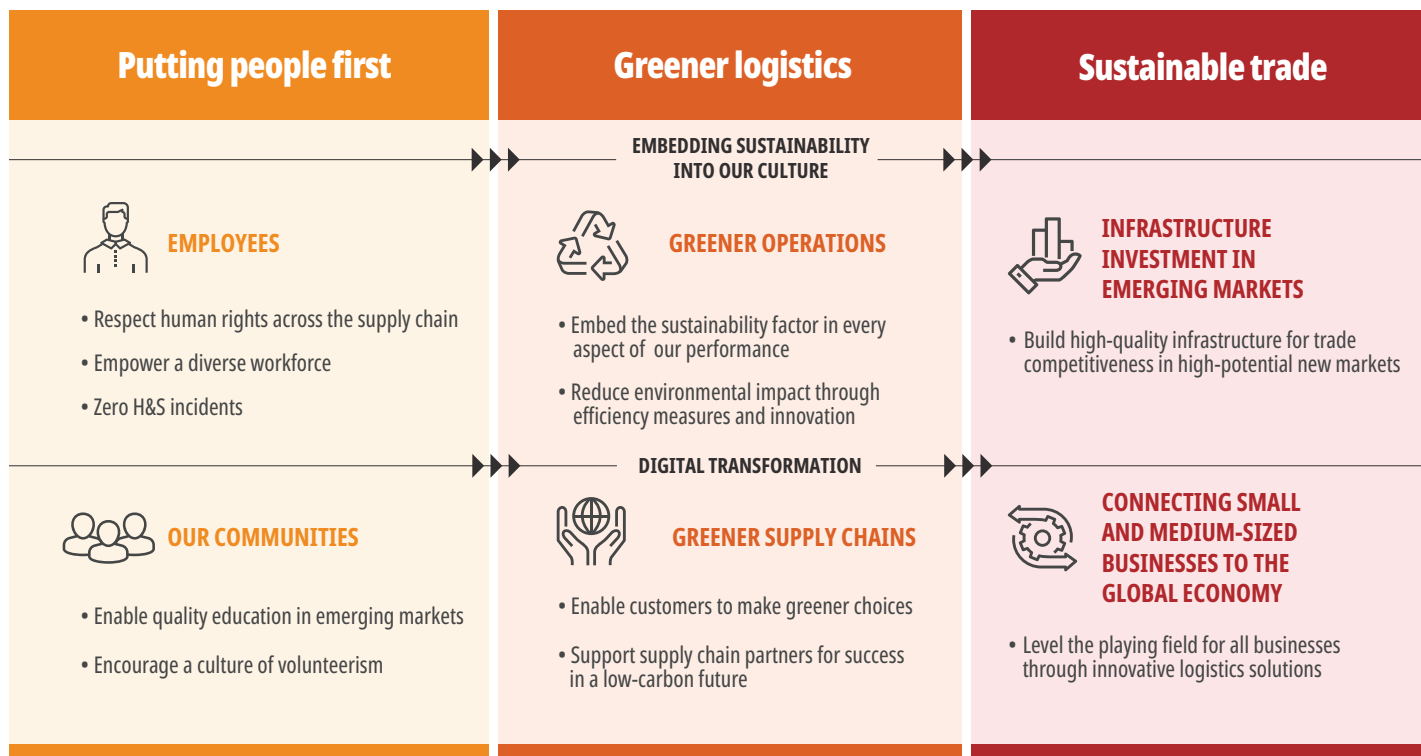
## SUSTAINABILITY STRATEGY

Agility is on track to integrating sustainability into the heart of our business. Our preliminary materiality assessment allows us to identify and prioritize activities that address our direct environmental and social impact and explore opportunities where we can make a difference. We have also reserved space for philanthropic activities that reflect the spirit of our employees, including our extensive community investments program.

## OUR FOCUS

Agility's environmental activities focus on reducing the use of fossil fuels through efficiency measures and sourcing of renewables. Our social activities focus on respect for human rights, community engagement and humanitarian logistics. Our economic development activities focus on improving trade infrastructure and helping SMEs access global supply chains.

# Our Strategic Framework



## OUR STRATEGY

The assessment of our material risks and opportunities informs our three-pillar sustainability strategy, and represents the three areas where we believe we can best contribute to a more sustainable future.

First, by putting people first, both with our employees and in the communities where we operate, we can contribute to a more equitable world, and help to address poverty and low levels of education.

Second, by innovating to improve energy efficiency in our operations, as well as sourcing more renewable energy, we can reduce our direct environmental impact. Our large footprint means that as we work with suppliers and supply chain partners, we can advocate for change.

Lastly, Agility's success depends on the successful integration of emerging markets into global supply chains. Addressing gaps in infrastructure, as well as designing services to level the playing field for small and medium-sized businesses, is good for our business and a more sustainable, equitable trade system.

## OUR SUPPLIERS

The ability to manage a complex global network of suppliers is part of the inherent value we add to our customers. As an asset-appropriate company, Agility does not always own the ships, planes and trucks we move freight on. Rather, we offer the technological backbone and supplier relationships to move freight anywhere in

the world using a combination of owned and outsourced assets. The implication is that subcontractor management is an important part of our core business. When it comes to sustainability issues, Agility works closely with strategic carriers through various industry partnerships described throughout this report.





## SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs), set by the United Nations General Assembly in 2015, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. Agility contributes to several SDGs across a number of our sustainability activities.

### GOAL 1: NO POVERTY

Humanitarian Operations  
Community Investments



Poverty is widespread across the world. Agility's community investments program allows employees to tackle poverty issues that are close to home. Agility also provides help directly to communities impacted by disasters, and is one of four logistics leaders that make up the Logistics Emergency Team, a humanitarian response partnership with the UN Global Logistics Cluster and World Food Programme.

### GOAL 4: QUALITY EDUCATION

Community Investments



Agility's community investments program supports teacher training, school building and facility improvements to enable students to access quality education in emerging markets. We have an ambitious target to make a measurable contribution to the education of 5,000 students each year by 2025, with 50% of those being girls.

### GOAL 5: GENDER EQUALITY

Diversity



At Agility, we work to ensure women have equal opportunities for leadership and advancement.

### GOAL 7: AFFORDABLE AND CLEAN ENERGY

Greener Operations  
Greener Supply Chains



Agility actively investigates how to improve the energy efficiency of our operations and seeks to launch pilot investments in renewable energy sourcing and generation, where feasible for our business. We also support start-ups championing new energy solutions for the supply chain.

### GOAL 8: DECENT WORK AND ECONOMIC GROWTH

Human Rights, Health and Safety



The Agility Fair Labor program sets a high standard for human rights practice, including a strict policy prohibiting recruitment fees and implementing procedures to prevent exploitation of our workforce, including employees hired by third-parties. In this way, Agility contributes to the UN target to end modern slavery and child labor by 2025, protect labor rights, and promote safe and secure working environments.

### GOAL 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE

Infrastructure Investments



Agility supports emerging market competitiveness by building world-class industrial infrastructure across the Middle East, Asia and Africa. Agility invests in innovation. Our digital logistics company, Shipa, empowers small and medium-sized businesses to be part of the global economy by enabling them to bring their logistics online.

### GOAL 13: CLIMATE ACTION

Greener Operations  
Greener Supply Chains



Across over 100 countries, we work to reduce our emissions through good data management, behavior change, and investment in sustainable warehousing and freight technologies. In our supply chain operations, we work with carriers and suppliers to reduce transportation emissions, as well as participate in industry platforms to advocate for climate smart policies. We provide our customers with monthly emissions reports and offer green solutions to help customers reduce their emissions and waste.



### Material Risks & Opportunities

Agility has identified 24 material sustainability topics in five categories: environmental (5), social (7), governance (3), economic (4) and technology (5), based on external research and subject matter expertise from our stakeholders.

We have built a preliminary materiality matrix that prioritizes topics based on urgency and potential impact.

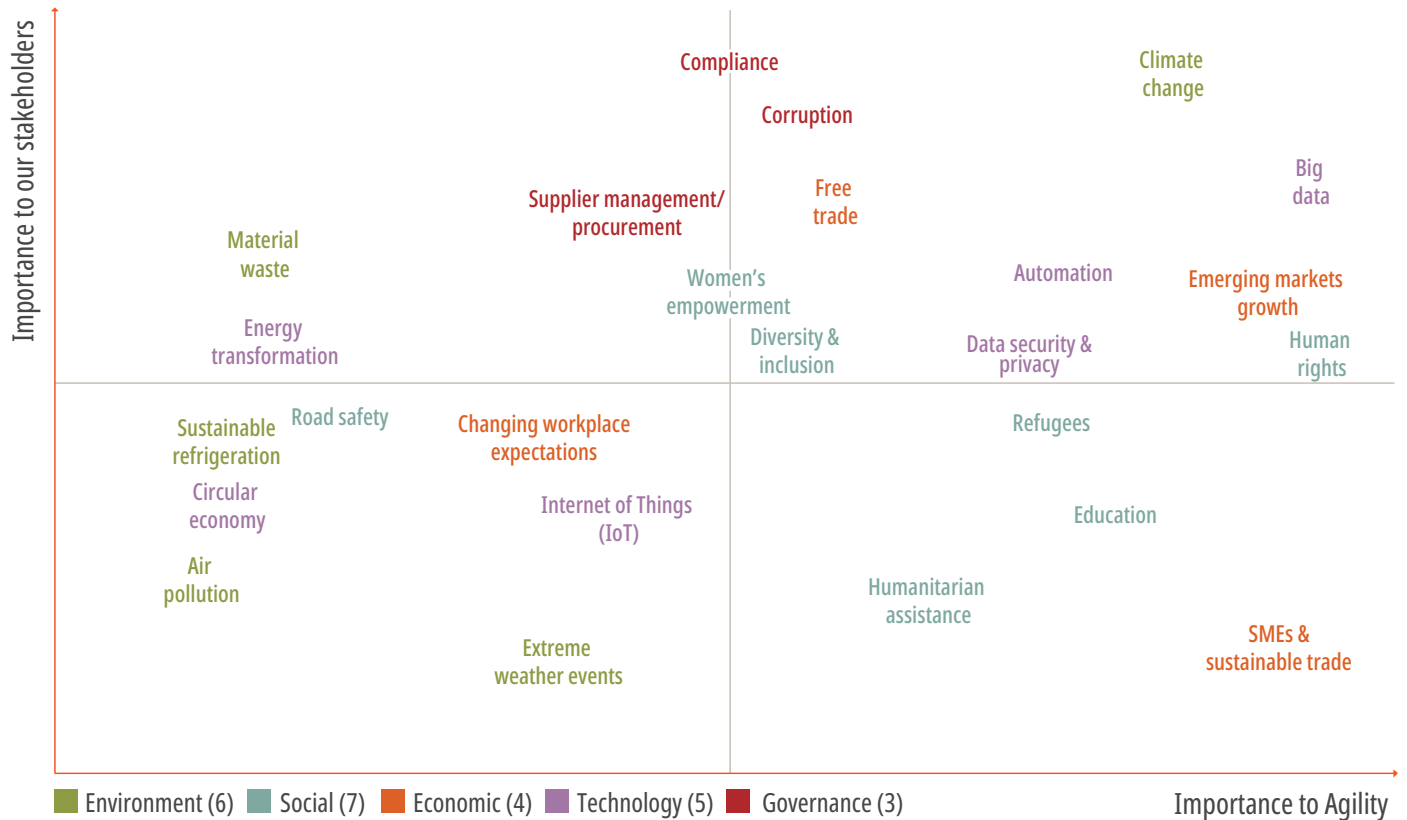
In the chart below, the x-axis represents Agility's view on how much these topics impact the long-term health of our business. The y-axis shows how our customers, community partners, suppliers, government stakeholders and others prioritize these topics based on ongoing conversations.

Agility is moving towards formalizing and extending its stakeholder engagement process.

We will undergo a full stakeholder engagement into materiality exercise in 2019/20 and will update our preliminary findings based on that exercise.

For a detailed description of each topic's associated risks and opportunities, as well as our management approach, please refer to Annex I of this report.

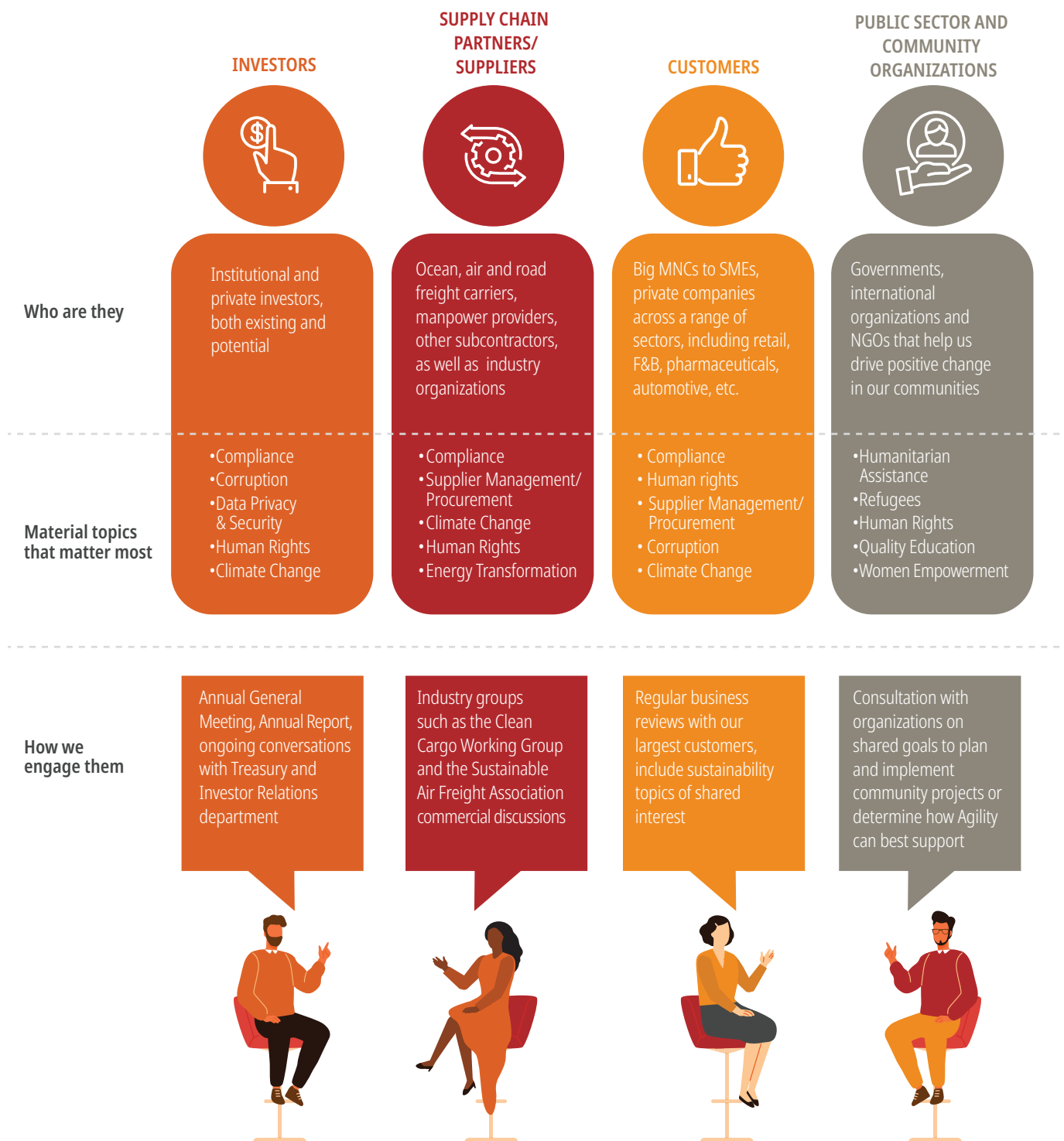
## Materiality Matrix 2018





## OUR STAKEHOLDER GROUPS

As part of our ongoing business relationships, Agility regularly engages with stakeholders on strategic sustainability topics of shared interest. The sustainability team provides tools, resources and training for different divisions within our business to understand how to listen to customers about their sustainability challenges, articulate Agility's related policies and activities, and identify opportunities to collaborate for a more sustainable future.





## GOVERNANCE

Sustainability is represented at the Board level.

Agility's CEO has long been deeply and personally engaged in shaping the company's sustainability strategy.

The Board of Directors formed a sustainability committee in 2019 to formally guide and monitor social and environmental issues company-wide.

Sustainability is one of the portfolios led by the company's Group Chief Marketing Officer, and is spearheaded day-to-day by the Vice President of Sustainability. By design, much of the operational execution of the sustainability strategy falls to the business.



## MANAGEMENT APPROACH

Our management philosophy is to work through the business. Different programs within our sustainability strategy have their own separate management approaches based on how they are embedded into the business.





# Leading the market with human rights

## HUMAN RIGHTS

In many dynamic emerging markets, labor laws and enforcement have not kept pace with the growth in global trade. Volatile and unpredictable supply chains can sometimes mean volatile and unpredictable income and working conditions for the people that are the collective engine of global commerce. This is why, as a leader in emerging markets logistics, Agility must take the lead by setting and enforcing a high standard for the protection of human rights and well-being for everyone in our operations.

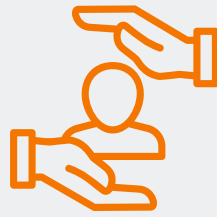
## OUR FAIR LABOR PROGRAM

The Agility Fair Labor Program embeds respect for human rights into our organization, ensuring that all employees know their rights and how to exercise them. Driven from the highest leadership in the business, the program includes a comprehensive Global Human Rights Policy and implementation tools. The program has been growing steadily since its inception in 2007.



**PROTECTION FOR COMPLAINANTS**

Agility investigates all reported ethics grievances while protecting complainants. Agility forbids any retaliatory action toward anyone raising a grievance in good faith.



**HEALTH, SAFETY & THE ENVIRONMENT**

Agility ensures all employees have the right training and equipment to perform their job safely and healthily. Accommodations, when provided, are clean, safe and secure.



**COMMUNITY & STAKEHOLDER ENGAGEMENT**

Establishing open dialogue with the communities in which we work is essential to identify and collaboratively address any fair labor issues in our supply chain.



**NO FORCED LABOR**

We prohibit the use of forced labor, including labor demanded of employees because of their debt. We don't tolerate agencies charging prospective employees illegal recruitment 'fees' or bribes, and will not hold passports without voluntary consent.

**Our  
Human  
Rights  
Promise**



**NO DISCRIMINATION & HARASSMENT**

Agility does not discriminate on the basis of race, color, religion, gender, age, nationality, sexual preference, disability or any other factors prohibited by applicable laws. Agility is committed to providing a work environment that is free from all types of harassment.



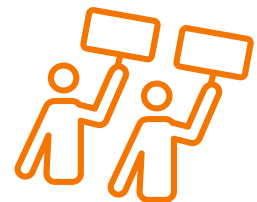
**NO CHILD LABOR**

Agility does not employ anyone under legal working age, and ensures no one under 18 works in hazardous conditions.



**FAIR WORK HOURS & WAGES**

Agility strives to compensate employees fairly, and comply with all minimum or living wage requirements, overtime and benefit laws. We do not allow disciplinary measures that cause an employee to work without pay.



**FREEDOM OF ASSOCIATION**

Agility takes an open attitude toward collective bargaining, where permitted by law, and will not hinder the development of means for independent and free association.



## OUR 2025 GOALS



100% of countries identify their own human rights risks



100% of employees trained on human rights



100% of largest emerging market operations are audited every two years

## PROGRESS TOWARDS OUR GOALS

100% of countries understand human rights risks

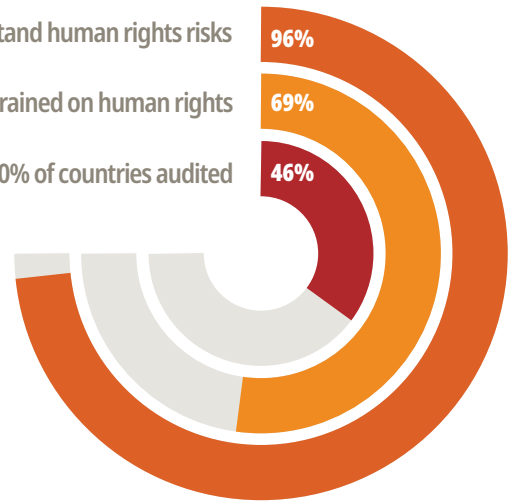
96%

100% of employees trained on human rights

69%

100% of countries audited

46%



## HOW IT WORKS



For our largest operations in Asia and the Middle East, HR managers submit a human rights self-assessment for their country. All country management and HR employees go through a management training session, where they apply our policies through real scenarios taken from across our operations. A select group of Fair Labor trainers rolls out the program to all employees, including those hired by a third party, and ensures each site has a responsible person and fair labor posters, and that the anonymous grievance reporting channels are clearly posted. Once the training is complete, all non-compliance areas are addressed and an audit follows. The cycle repeats every 2 years.

Human rights workshop in Indonesia:  
Scenario modelling







## PROGRESS BY REGION

We assess human rights risk for our business on the basis of the scale of our operations, the presence of potentially vulnerable employees, including subcontracted or foreign migrant workers, and the country regulatory environment.

We have identified 26 operations in the Middle East and Asia Pacific, reflected in the tables to the right, for full participation in our Fair Labor program.

Each country undergoes self-assessment and management training each year. Employee Training and third-party audits occur every 2 years.

In Europe and the Americas, labor laws and enforcement tend to be stronger. For these regions, our operations undergo self-assessment and management training each year. Employee trainings are conducted as requested by management. Audits are conducted as requested by third-parties.

## EMPLOYEE ENGAGEMENT AND COLLECTIVE BARGAINING

Agility strives to maintain an ongoing dialogue and a relationship of mutual respect with employees. We protect Freedom of Association and ensure all employees know how to anonymously and confidentially report grievances. All reports are investigated.

The total percentage of our workforce that is unionized is estimated to be below 3%. With regards to unionization, there is a wide variety of arrangements in Agility depending on local laws and regulations. Agility employees in Brazil, Sweden, Finland, Spain and Italy are unionized, as are some in the United States, Germany, Portugal and Australia. In some EU countries, like France, employees have the right to be consulted and informed about company decisions through country and EU-level works council representation.

## MIDDLE EAST AND AFRICA

Reporting country	Self-Assessment conducted w/n the past year	Management training conducted	Employee rollout completed	Audit completed in 2018
Algeria	●	●		
Bahrain	●	●	●	
Egypt	●	●		●
Iraq	●	●		●
Jordan	●	●		
Kenya	●	●		●
Kuwait	●	●	●	●
Lebanon	●	●		●
Oman	●	●		
Saudi Arabia	●	●	●	
South Africa		●		
Turkey	●	●		
UAE, Abu Dhabi	●	●		●
UAE, Dubai	●	●	●	

## ASIA & THE PACIFIC

Reporting country	Self-Assessment conducted w/n the past year	Management training conducted	Employee rollout completed	Audit completed in 2018
Australia	●	●		
Bangladesh	●	●	●	●
China	●	●		
Hong Kong	●	●		
India	●	●	●	●
Indonesia	●	●	●	●
Malaysia	●	●	●	●
Pakistan	●	●	●	●
Philippines	●	●	●	●
Singapore	●	●		
Thailand	●	●	●	●
Vietnam	●	●	●	



# Safety is our No.1 Priority

## HEALTH AND SAFETY

Even with the right equipment and the right training, accidents can still happen. Agility's multifaceted approach to health and safety goes far beyond compliance to changing our behavior, and it's gotten us industry-leading results.

## OUR HEALTH AND SAFETY FOCUS

A health-and-safety-conscious workplace is a critical priority for Agility. It is the first item on the agenda for every management board meeting. We've set a global target, Target Zero, to achieve a zero-incident work environment for all of our facilities. When it comes to the health and well-being of our people, no other target makes sense.



# Our QHSE Approach



## ONGOING RISK ASSESSMENTS

Ongoing assessments of each region and country's unique risk profile help us optimize our efforts by ensuring we address both the needs on the ground and the expectations of our customers.

## Secrets to our health and safety success

How do we achieve and maintain a high health and safety standard across a multifaceted business with operations in over 100 countries? By building a culture of safety.



## BEHAVIOR-BASED APPROACH

Agility fosters a work culture where each individual is responsible for everyone's safety. Employees, especially frontline operations staff, view reporting incidents as an essential part of building a safe work environment.



## STOPPING ACCIDENTS BEFORE THEY START

Safety training in on-boarding, risk assessments and a focus on reporting allow us to tailor safety programs to the needs of our employees at each facility, from safe use of cleaning products in office bathrooms to safely operating a forklift in a warehouse.



## FOSTERING CONTINUOUS COMMUNICATION

To support ongoing communication and best practice sharing of the global health and safety team, tools like our Global Incident Management System (SIMS) enable real-time incident reporting and visibility of our safety performance around the world.



## TECHNOLOGY TO EMPOWER OPERATIONS

Those employees that are most vulnerable to health and safety risks are often not sitting in front of computers. Agility's suite of mobile applications helps everyone play a role in ensuring a healthy workplace.

# Our Health and Safety Apps

## WeSafe

The WeSafe mobile app allows our global health and safety team to proactively identify unsafe conditions in real time, and apply corrective action before an incident occurs. By quickly uploading a photograph of an unsafe condition in any of our facilities, any employee can essentially communicate a risk directly to the highest levels of the organization in real time.



## Behavior Based Safety (APAC only)

The Behavior Based Safety mobile app enables the documentation of behavior-based observations. Employees conduct inspections and record “safe” and “unsafe” observations. Recorded observations are analyzed to identify training needs and support implementation of operational controls to reduce the hazards and associated risks in the facility. The application captures the records in a non-WiFi/3G/4G environment and transmits the report once the device is back in network range.

## Take5 (APAC only)

The Take5 mobile app ensures that all possible hazards are identified and the associated risks analyzed before work begins. It allows users to carry out mini risk assessments of any task, eliminating any hazards or the associated risk that may change the circumstances of the work activity. The app will enforce the “Take 5 by 5” processes before the user/supervisor starts any activity or work.



## Facility Inspection Checklist

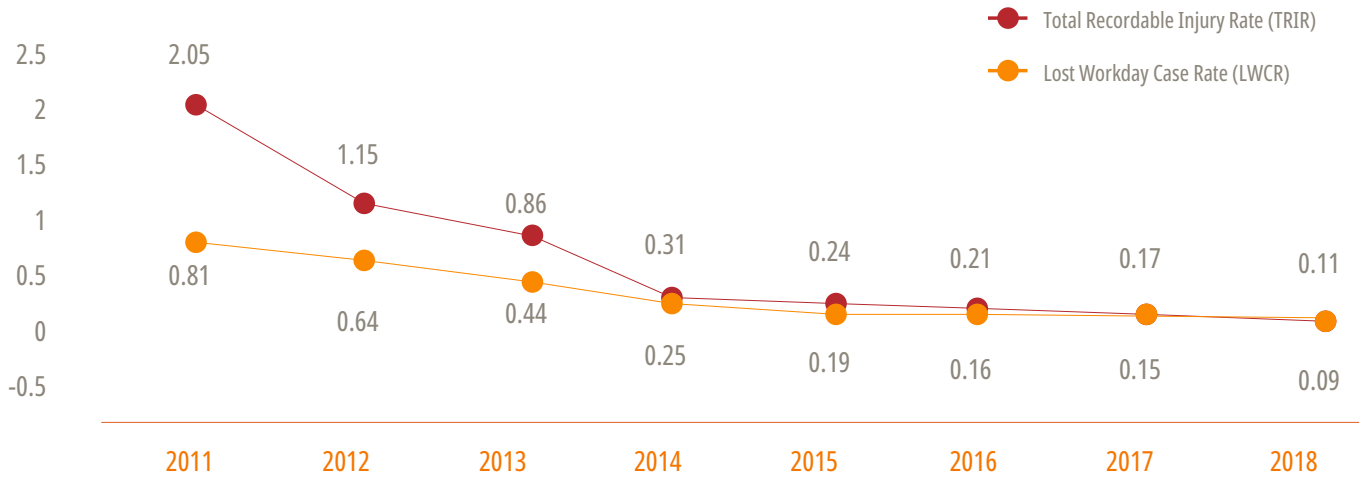
The Facility Inspection Checklist mobile app enables the documentation of facility inspections to be automated and the results of such inspections to be captured for further action. The action and status of any non-compliance cases can be monitored and tracked to completion.



## HEALTH AND SAFETY PERFORMANCE

Since 2016, we've improved our Health and Safety performance considerably, including a decline of 50% in our Total Recordable Incident Rate, and a decline of 30% in our Lost Workday Case Rate, mostly due to strong improvements in the Middle East and Asia. Agility identifies "near miss" events to tailor training to local needs.

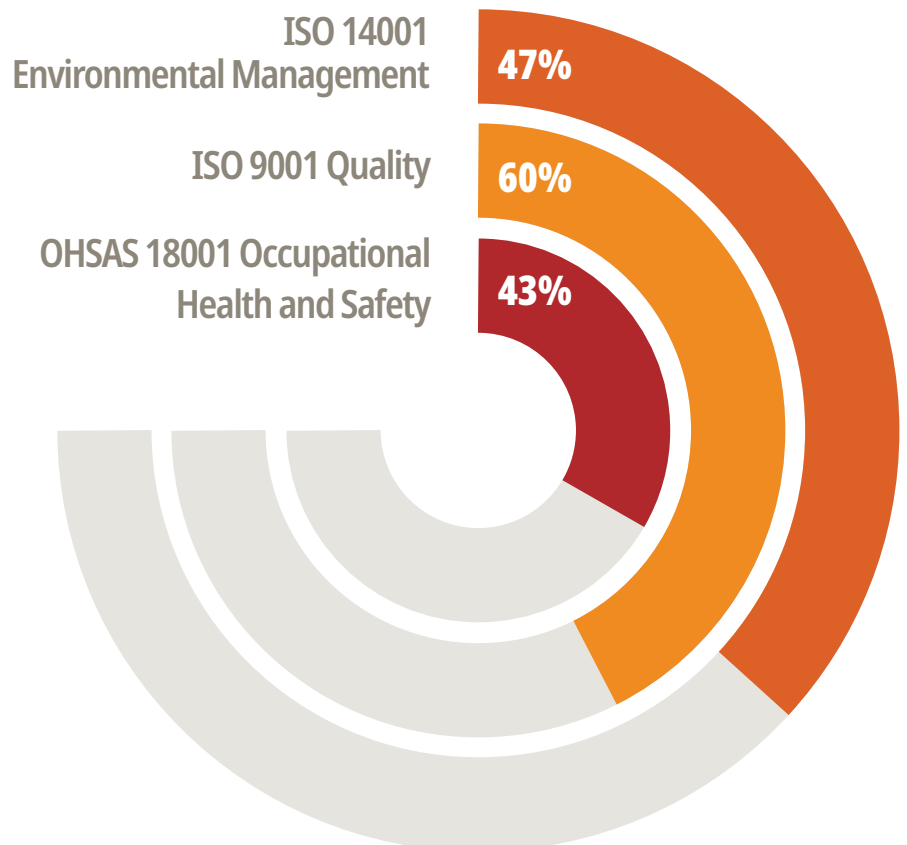
We are deeply saddened to report three fatalities during this period. In 2016, one employee suffered a fatal motor vehicle accident while driving a tractor trailer, while another was struck by falling cargo while opening a container. The cargo had been improperly loaded at origin. In 2018, an Agility employee driving a motorbike was struck by a vehicle after completing a cargo declaration at the airport.



*Total Recordable Injury Rate (TRIR) = the rate of Total Recordable Incidents (TRI) per 200,000 hours worked*  
*Lost Workday Case Rate (LWCR) = the rate at which injuries involving lost workdays occur per 200,000 hours worked*

## PERCENTAGE OF GLOBAL GIL HEADCOUNT COVERED BY SELECTED INTERNATIONAL CERTIFICATIONS

To ensure that our internal Health and Safety programs stay up to date with international standards, we encourage our country and branch managers to independently pursue selected certifications in international standards that are relevant for their unique operations. This approach improves local capacity and motivation to understand and operate to international standards.







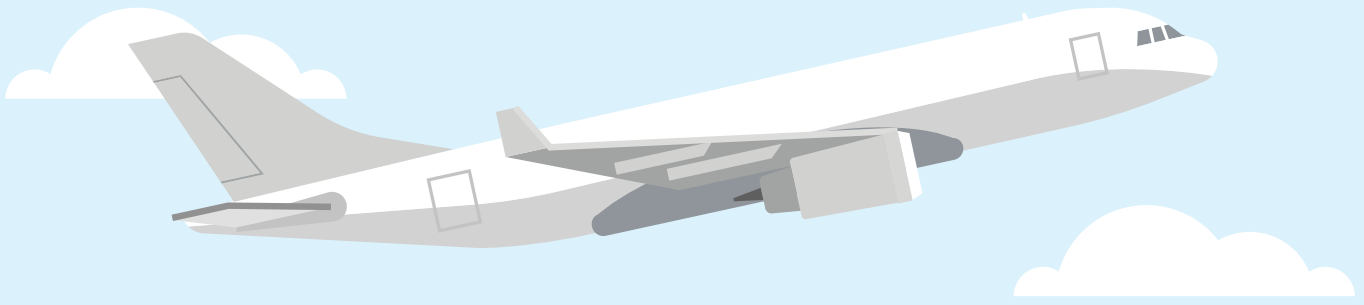
# People are the foundation of our success

## **GENDER & DIVERSITY**

Agility employees are at the heart of the company's success. Our people define our character, deliver our performance, and possess the specialized knowledge that differentiates us as a company.

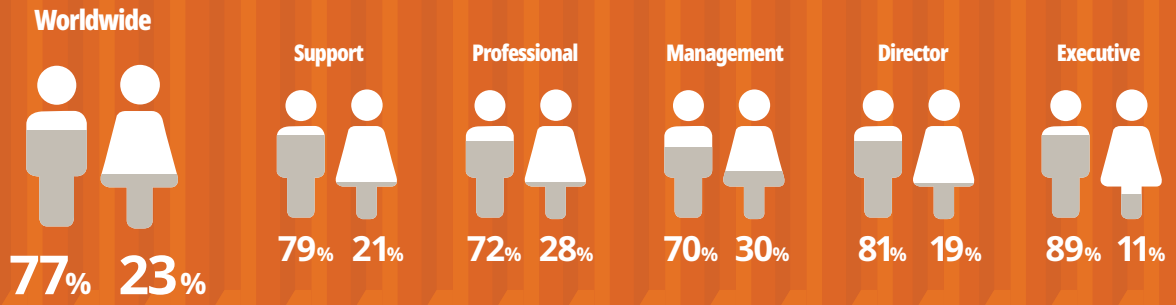
## **EMPOWERING A DIVERSE WORKFORCE**

We consider the diversity of our workforce to be one of the company's biggest assets. Our logistics experts originate from all around the world, and they provide world-class service to our many customers regardless of where our operations are situated or our services are rendered. Agility's local leadership is empowered with a high degree of autonomy in decision-making, with communication channels in place to allow for best practice sharing across regions.

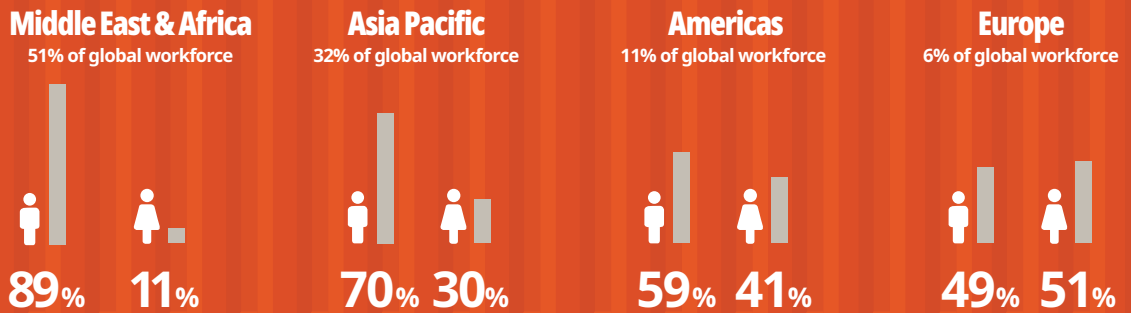


# Gender & Diversity

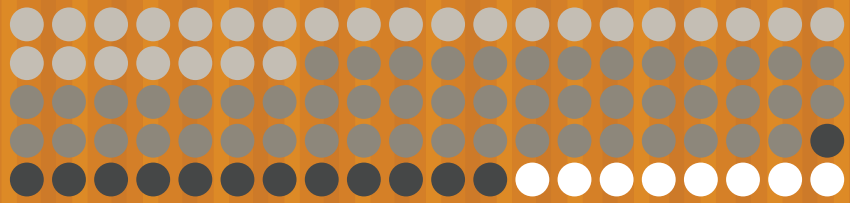
## Gender by job level



## Gender by region



## Age worldwide



● <30 y/o (27%)  
 ● 30-50 y/o (52%)  
 ● >50 y/o (12%)  
 ● Unreported (8%)



### WOMEN IN LOGISTICS

Agility faces a challenging industry and geographic context when it comes to gender participation. According to the World Bank, 104 countries around the world have laws that prevent women from working in some jobs, and in many emerging economies, this includes certain jobs in transporting goods, particularly at night. Beyond regulations, there are often cultural taboos associated with women working in warehouses or driving trucks in some parts of the world.

In this context, Agility has worked hard to recognize and foster female talent, and has achieved women participation levels that are on par with other companies in the industrial sector, with about 30% representation at the management level, 19% at the director level, and 11% at the executive level. Women occupy important leadership positions, including: Chairperson of the Board, CEO of Agility Chemical Logistics, CEO of Agility Fairs & Events, among many others.

Times are changing. As more young women see supply chain as an attractive career option and pursue advanced education in the industry, we are seeing more women in logistics.

## GENDER AT AGILITY

At Agility, we aim to continuously improve our gender performance through policies and action. However, with a business as diverse as ours, a one-size-fits-all approach doesn't make sense. At the corporate level, Agility is taking steps to motivate regional and country operations to identify their gender gaps and put in place activities and programs that meet their needs at the local level. Some of our activities include:

- Raise visibility and recognition of strong female leaders as role models
- Wherever possible, flexible work arrangements allow employees to balance work and life demands
- Require that qualified women candidates be considered for all roles (some countries)
- Collect data and perspectives at the country level to identify strengths and weaknesses



### THE GENDER PAY GAP IN THE UK

Agility has reported on its gender pay gap in the UK since 2017, as required by law. The results, available online, show a gap between men's and women's earnings. Upon investigation, we found that these results have to do with the historic composition of the industry workforce, reflected in our business. Most of Agility's senior leaders are men that

have worked for our business for more than 20 years. They began working for the company at a time in which logistics attracted more men than women. Decades later, a gender imbalance persists. To correct this imbalance in future years, every effort is made to ensure that new entrants into the workforce are recruited across genders.



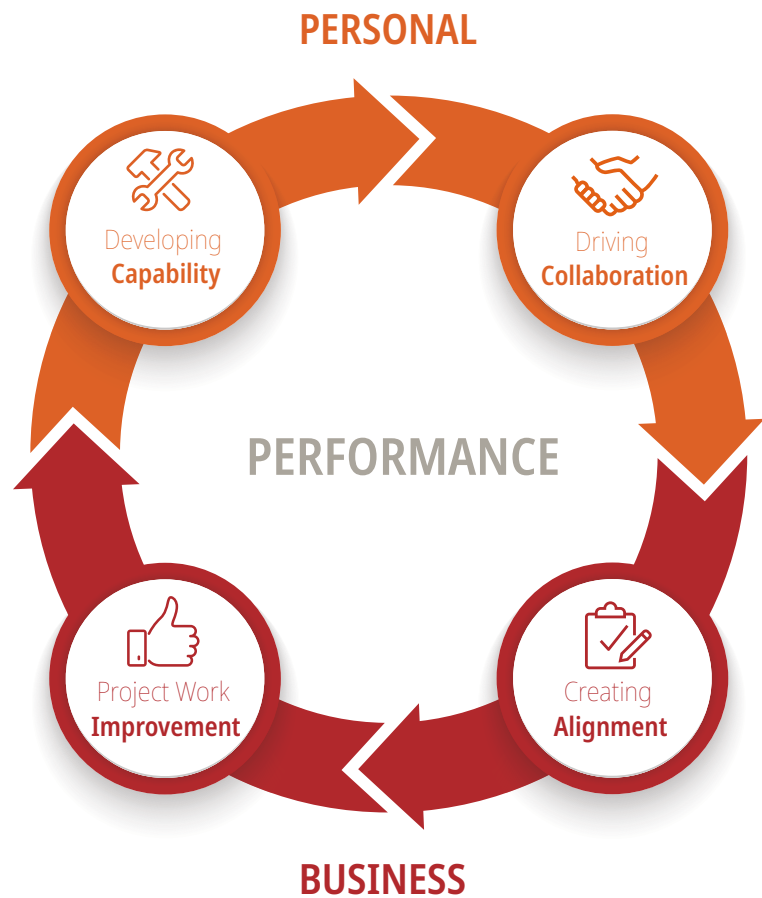


## DEVELOPING THE NEXT GENERATION OF LOGISTICS LEADERS

At Agility, our leadership development programs grow and maintain an aligned and collaborative culture, with engaged and skilled leadership driving a dynamic, continuously improving and high-performing organization. Individual development programs are designed to build leaders at every level of our organization, from the global to the branch level, and for individual business functions.

Each program balances personal and professional growth, developing capabilities and driving collaboration at the personal level, while also improving project work and alignment across our network. Typically, programs run in three to four-week blocks over an 8 to 12-month period. Team building is followed by ongoing assignments that address real challenges faced by Agility.

The longest-running programs are the Leadership Development Program (LDP) at the global level, the Management Development Program (MDP) at the regional level, and the Branch Management Excellence (BMX) at the branch level. We've recently added new programs like Commercial Development Excellence (CDX) and Management for Excellence (M4X). Other leadership training programs are tailored to specific country or functional audiences to meet their unique needs.



### LEADERSHIP DEVELOPMENT PROGRAM

At the global level, Agility's LDP program provides directors and senior managers with current, relevant training on strategy, leadership and change management. LDP participants work in teams on projects critical to the company's transformation, including the improvement of operations productivity, sales effectiveness and the continued development of Agility GIL's broader strategy. The program design matches stretch assignments with disciplined learning and a coaching environment.

### MANAGEMENT DEVELOPMENT PROGRAM

At the regional level, the MDP enables senior managers and junior level executives with successful track records to get access to relevant learning and development to accelerate the ability of our people to meet today's and tomorrow's challenges. Participants work with teammates from different cultures and backgrounds across the region and receive Board-level mentorship.

### BRANCH MANAGEMENT EXCELLENCE

For our leaders on the frontlines, Agility's Branch Manager Excellence program aims to improve business results by increasing organizational capacity via improved management of human capital, fostering a culture of P&L ownership, improving employee morale with stronger leadership and improved HR skills, continually upgrading talent and skills of this critical organizational level, and strengthening the internal succession pipeline.



“ An experience that brought out the best in me and has given me confidence to open a lot more doorways in my work and life! ”

“ Great projects with clear relevance to our business. Moreover, a platform for networking and building strong relationships and new friendships. Unbeatable! ”

“ The growth and union of a group of people from very different cultures and backgrounds was fantastic. We are already sharing best practices and actively searching for business to move between our branches. ”

“ The whole program has given me a new perspective on work but also life. A truly life-changing experience! ”



“ Leadership development is core to GIL’s strategy. We are building leaders at every level of our organization who share our values and commitment to create a high-performing organization that delivers for our customers, employees and communities. ”

*Steve Dichter, Chief Operating Officer, Agility*

### WOMEN’S LEADERSHIP IN AGILITY ASIA PACIFIC

As part of the Asia Pacific (APAC) Leadership Development Program, Agility leaders studied how to increase the pipeline of female employees transitioning to executive and director-level positions. In 15 countries, the group gathered data and conducted a perception survey to understand the current state of women leadership in Agility and build the business case for women’s empowerment. Interviews with external experts provided guidance on how to implement successful women’s empowerment programs based on experience from other companies.

A majority of women surveyed reported that:

- Their managers support gender equality and women’s career development
- They benefit from flexible working arrangements
- Managers do not assume that mothers are uninterested in career advancement

To reach an ambitious goal of a 30% increase in women’s participation in leadership, the research team recommended the following actions:

- Improve the regularity of data on gender indicators, including gender pay differentials and maternity leave return rates

- Leadership should drive proactive engagement with employees on the topic
- Address low proportions of female candidates at the junior level by requiring the inclusion of female candidates in recruiting

Since the study was conducted, Agility APAC has been working to increase women leadership in the region, and achieving results. From 2015 to 2018, the proportion of women selected for the regional Management Development Program jumped from 10% to 50%. We look forward to empowering more women leaders in coming years.



## GCC transforms lives through training and good employment in conflict zones



Gulf Catering Company (GCC Services) is an Agility infrastructure company specializing in remote site services, including camp catering, integrated facility management and camp construction services in Africa, the Middle East and Asia.

The company sees its work in remote regions as an opportunity to influence a better way of doing business, including setting a high standard for human rights and labor standards of its suppliers, implementing good environmental practices, and training local employees.

As a provider of bulk food for the United Nations in Darfur, Sudan; Abyei, Sudan; and Cyprus, GCC

Services hires as many local employees as possible, providing needed income for families that have suffered through conflict.

GCC Services is certified by Highfield Awarding Body for Compliance (HABC) in the UK to conduct, test and certify HACCP (food safety) training, and offers eight certified tutors. In the three locations where GCC Services provides food rations for the UN, 471 employees have been certified in HACCP, giving them a valuable certification that is applicable for other jobs in restaurants, hotels or food manufacturing. In addition to the certification, GCC Services employees are paid

above market rate, and receive medical benefits, vacation time, and an indemnity when they leave, giving them de facto savings.

Trained employees have gone on to help prepare our three Darfur food warehouses for ISO 22000 certification. This is the first time such a massive training has taken place and ISO 22000 certification has been achieved in a remote conflict zone.



# National Aviation Services (NAS) brings world-class training to aviation in Africa



National Aviation Services (NAS) is the fastest growing aviation services provider in emerging markets, offering a range of airport and air freight services across Africa, the Middle East and Asia. Wherever NAS builds new ground handling or cargo management infrastructure, implements digital airport systems, or builds and operates lounges, it trains local employees to a high international standard, offering employment opportunities and building local skills.

In 2018, the International Air Transport Association (IATA) recognized NAS Uganda, formerly Entebbe Handling Services Limited (ENHAS), as a Top Performing IATA

Accredited Training School (ATS) in Africa and the Middle East. That year, the school trained 477 individuals, offering a range of aviation industry training programs for NAS employees, local and international aviation customers.

In Tanzania, NAS recently offered fresh grads a comprehensive internship program to help build awareness about the different types of career alternatives available in the aviation industry, and encourage young people to join the private sector.

The company also has a Train-the-Trainer program, which gives promising employees the opportunity to travel to other cities as

trainers, bringing new learning with them. NAS also offers opportunities for international employment, including past programs to recruit Rwandan and Ugandan employees from overseas to join the company operations in Kuwait.







# Giving back to our communities



## COMMUNITY INVESTMENTS

Agility invests to have a positive social impact in every community we touch by improving education, health and employment opportunities. Our community investments are driven by the commitment and passion of our people.

## EMPLOYEES LEAD THE WAY

Any Agility employee can apply for a company grant to support a community project that he or she believes will make a difference, allowing the employee to identify the social issues most relevant to his or her community. Agility supports projects that involve partnership with registered charities who adopt a humane and impartial approach to service. We aim to build long-term partnerships with established organizations to support youth and education, health, disaster response or environmental action.



**Community Investments**  
2016 - 2018



**\$16.9M**



**443**  
PROJECTS



**10k+**  
VOLUNTEERS



BENEFITED  
**36k+**  
STUDENTS



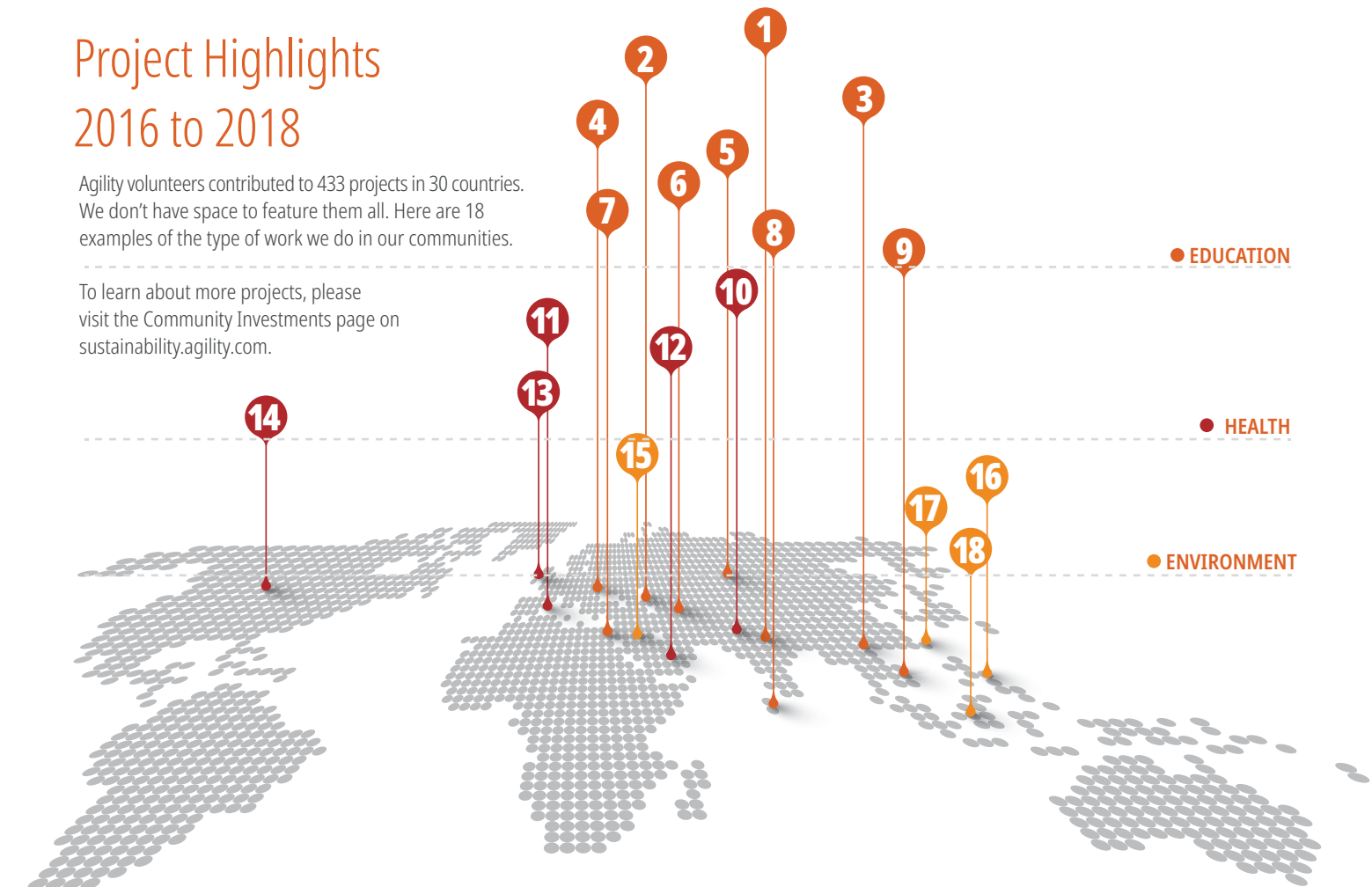
PROJECTS  
IN  
**30**  
COUNTRIES

# Project Highlights

## 2016 to 2018

Agility volunteers contributed to 433 projects in 30 countries. We don't have space to feature them all. Here are 18 examples of the type of work we do in our communities.

To learn about more projects, please visit the Community Investments page on [sustainability.agility.com](http://sustainability.agility.com).



● EDUCATION

● HEALTH

● ENVIRONMENT

**1 Adoption of Kuknoor Village**  
 India ❤️ 1000+ 🙋 300

**2 School renovation**  
 Iraq ❤️ 500 🙋 3

**3 Scholarships and supplies**  
 Thailand ❤️ 550 🙋 78

**4 Scouting trip**  
 Romania ❤️ 1000 🙋 6

**5 The Citizens' Foundation Partnership**  
 Pakistan ❤️ 230 🙋 35

**6 Food distribution**  
 Kuwait ❤️ 787 🙋 14

**7 School refurbishment**  
 Egypt ❤️ 700 🙋 28

**8 Classroom building**  
 Sri Lanka ❤️ 200 🙋 6

**9 Food distribution**  
 Vietnam ❤️ 3000 🙋 30

**10 Blood donations**  
 Pakistan ❤️ 56 🙋 56

**11 Cycle for charity**  
 Switzerland ❤️ n.a. 🙋 1

**12 RunKuwait**  
 Kuwait ❤️ n.a. 🙋 57

**13 Support for a children's hospice**  
 Germany ❤️ 350 🙋 10

**14 Get Ready, Get Set, STEP! for charity**  
 USA ❤️ n.a. 🙋 100

**15 Green school renovations**  
 Turkey ❤️ 698 🙋 20

**16 NatGeo run on Earth Day**  
 Philippines ❤️ n.a. 🙋 55

**17 Beach clean-up**  
 Taiwan ❤️ n.a. 🙋 40

**18 Green initiatives to prevent landslides**  
 Indonesia ❤️ 40 🙋 40

❤️ Beneficiaries 🙋 Volunteers



## Community Investment Project Highlights



### AGILITY BANGLADESH PARTNERS WITH THE GULSHAN LITERACY PROJECT

Since 2016, the Agility Bangladesh team has partnered with the Gulshan Literacy Program to support the education of 500 unprivileged children attending local schools. The Gulshan Literacy Program is built on the principle of equal access to education for all slum children and is dependent on donor funds. This partnership aligns with Agility's goal to create long-term benefit in children's lives, through equal opportunity education. Through this program, Agility volunteers contribute their time to students in two different schools, offering tutoring in English, general knowledge and computer skills. The volunteers visit the students for 4 hours per week over the course of a semester. Recently, our volunteers helped by setting up a computer lab. Over years of support, the program has touched the lives of more than 850 students.

### AGILITY INDIA GIVES BACK ACROSS THE COUNTRY

Since 2006, Agility employees across India have been conducting activities with long-term partners in their communities, including nonprofits and schools in Pune, Mumbai, Delhi, Kolkata and Chennai. For example, our employees partnered with St. Joseph's Night School, where they set up a computer lab and continue to tutor at least 100 young adults a year on IT and basic computer skills, in order for them to get better jobs. This program has reached nearly 1,000 students in Pune. Employees have also donated a bus to Dilasa Kendra, a local nonprofit, to help students get to school and avoid walking long distances on dangerous tracks. They worked with a school for blind children and a local village school on several projects during the past 12 years to aid and enhance their education, and organized a solar power aid project with them to educate them on the environment, sustainability and renewable energy.





### A DECADE OF GIVING TO PARALYZED VETERANS IN THE UNITED STATES

Over the last decade, Agility USA has raised over USD\$3.3 million for disabled veterans. Since 2008, Agility USA has organized the Paralyzed Veterans Golf Open Day to benefit Paralyzed Veterans of America (PVA). Donations go to support Operation PAVE (Paving Access for Veterans Employment), an employment and benefits program run by PVA. Operation PAVE serves all veterans across the United States using a holistic, integrated approach to support individuals, spouses and caregivers in the pursuit of meaningful, sustainable careers. It also offers assistance to employers committed to hiring veterans. Agility DGS underwrites 100% of the tournament cost, so that every dollar raised goes directly to support PAVE.

### GCC SERVICES BUILDS THE BAREEQ COMPUTER LEARNING CENTER

In 2018, GCC Services, an Agility subsidiary company, funded the establishment of a Computer Learning Center at Bareeq Education and Development, an organization in Amman, Jordan that seeks to provide opportunities for Syrian, Palestinian and Iraqi refugees residing in Jordanian refugee camps, allowing them to create new lives and become part of the societies in which they are living. In

particular, the program targets women who are not allowed to work, and children who struggle to access quality education.

Launched in May 2018, the project currently meets the needs of 350 women and children between the ages of 13 and 60, providing computer training, job skills and business set-up mentoring. All week, women's classes

are taught by a female refugee from Syria who holds a Bachelor's degree in IT and was a computer teacher in a Syrian middle school.







# Green logistics is good logistics

## OUR ENVIRONMENTAL APPROACH

Agility's three-pronged environmental sustainability program responds to the nature and characteristics of our environmental impact. First, for our supply chains, we work with customers and carriers one-on-one and through industry collaborations. Second, for our operations, we invest in efficiency improvements and sustainable features for our assets, and support country operations to pursue their own sustainability projects. Third, we contribute to a green shift in the industry by investing in start-ups that are pioneering new, clean technologies for our industry.

## OUR ENVIRONMENTAL IMPACT

Emissions from fuel and electricity used to power our supply chains drive most of our environmental impact.

During this reporting period, we are most proud of the strides we have made to better report our emissions, as well as the fact that we have now set a clear target for emissions reductions of 25% by 2025.

# Our Carbon Footprint

## Supply Chain Emissions

97%

4.5<sup>mil</sup>  
MTs



2.26<sup>mil</sup>  
MTs



412<sup>k</sup>  
MTs



### Our response:

- Industry advocacy
- Collaborative action

## Direct Emissions

3%

139<sup>k</sup>  
MTs



71<sup>k</sup>  
MTs



### Our response:

- Energy efficiency investment
- Renewable energy sourcing and generation
- Innovative green logistics technologies



# Our Three-Pronged Approach



## ADDRESSING SUPPLY CHAIN EMISSIONS

Supply chain emissions are outsourced emissions that come from shipments that we coordinate but do not operate directly. As an “asset appropriate” logistics company, the vast majority (97%) of our carbon footprint is outsourced. This means that we can have the most impact working collaboratively with customers, carriers and other supply chain partners.

Agility's internal Green Team brings together employees from across different functions to engage customers, carriers and others actively on our shared environmental impact, and how we can act together to reduce it, whether through optimization, renewable energy sourcing or other methods.

Agility also participates in industry partnerships to advocate for a greener industry, most notably through the Clean Cargo Working Group, a BSR initiative, with membership representing 80% of global container cargo capacity.

## ADDRESSING DIRECT EMISSIONS

Direct emissions are those emissions generated from the electricity and fuel used to power our warehouses and move our trucks. While they account for a much smaller proportion of our overall carbon footprint (3%), Agility has more control over our direct emissions. To address these emissions, we have both a top-down and a bottom-up approach.

From the top, we analyze our emissions data to identify where investment will have the greatest impact, and then work with our operations to identify opportunities to reduce costs and emissions in their unique markets.

Some of Agility's country operations have independently invested in environmental projects. In these cases, Agility's sustainability team advises on how to measure impact and communicate accomplishments effectively, in order to create real case studies from within our business that can motivate other operations to act as well.

## INVESTING IN INNOVATION

Our own efforts are part of a larger systemic shift in how our industry operates, driven by increasing affordability and access of low carbon fuels and renewable energy, as well as digitization.

Agility's Corporate Ventures and Sustainability teams engage with innovators in individual markets to identify new innovations that could be good for business and contribute to a green transformation of the industry.

Agility's Corporate Ventures team actively invests in start-ups that are driving sustainability innovations in logistics as one of their priority investment work streams.

## We engage with:



CUSTOMERS



SUPPLIERS



INDUSTRY ASSOCIATIONS



LOCAL OPERATIONS



GREEN-TECH START-UPS





## ADDRESSING SUPPLY CHAIN EMISSIONS

### OUR SUPPLY CHAIN STRATEGY: COLLABORATION

In our business, the majority of the transportation assets are controlled by our strategic carriers, and customers decide the mode of transport. Ultimately, our impact depends on our influence. Agility engages closely with customers, carriers and other partners to drive positive environmental change.

#### THIRD PARTY-ASSURED CO<sub>2</sub> SHIPMENT REPORTING

Agility offers free monthly emissions reports for our customers. To ensure our customers can have confidence in our data, we worked with the experts at Carbon Trust to improve and verify our web-based carbon footprint measurement tool against the ISO 14064 standard for emissions measurement.



### WORKING WITH CUSTOMERS

We put our expertise to work to help our customers achieve their sustainability goals. Agility offers bespoke solutions that measurably reduce costs, kilometers, carbon and waste. Here are some examples of solutions we already offer:

- **Carbon footprint analysis** to identify opportunities for emissions reduction
- **Emissions and cost trade-off modelling** for different routing decisions
- **Training on emissions measurement** methodologies and techniques
- **Green network optimization** to achieve a more carbon-efficient supply chain
- **Reduction and reuse of packaging materials** to meet changing consumer preferences and new regulations
- **Circular solutions** that enable recycling, upcycling or reuse of waste materials

### CUSTOMER CASE STUDIES



#### WASTE REDUCTION

One of our retail customers wanted to decrease supply chain waste in order to mitigate consumer pressure and prepare for impending regulations. Over a period of 5 years, Agility implemented a solution to increase rates of carton reuse in order to reduce waste and save costs in the Philippines and Indonesia. In the Philippines, we were able to double carton reuse, leading to over \$50,000 in packaging cost savings. In Indonesia, we increased the average reuse rate from 47% to 72%, leading to new total savings of \$78,000.

#### NETWORK RATIONALIZATION

One of our chemical customers in Europe challenged us to help organize their distribution network spanning 16 warehouses, packing and filling operations across one country. Agility rationalized the distribution network, reducing the total distance travelled by 22% while maintaining the existing structure and adhering to the existing level of service requirements. The improvements resulted in cost reductions of 13%, a 7% increase in the volume delivered within 400 kilometers, as well as savings of 1,000 tons of CO<sub>2</sub>-equivalent emissions.





**WORKING ACROSS THE INDUSTRY**

Agility collaborates with both air and ocean carriers, as well as key customers through a number of industry groups dedicated to sustainability.

**OCEAN FREIGHT**

Agility participates in the BSR Clean Cargo Working Group, a cross-industry platform that is the leading buyer-supplier forum for sustainability in the cargo shipping industry, representing 85% of global container cargo capacity. Working with shippers, ocean carriers and other freight forwarders in a non-competitive context, Agility has contributed to a standard methodology to measure emissions from ocean freight, which will help shippers to evaluate environmental performance across shippers and make better choices.



**AIR FREIGHT**

Agility is a founding member of BSR's Sustainable Air Freight Alliance (SAFA), a collaborative initiative established in 2018, bringing together shippers, carriers and freight forwarders to agree on common standards and methods to measure and report on CO<sub>2</sub> emissions and sustainability performance in order to meet ambitious industry climate goals. Agility sits on the SAFA Steering Committee and represents the Freight Forwarding community. In previous years, Agility participated as a member of The International Air Cargo Association's (TIACA) Environmental & Infrastructure Sub-committee to establish an environmental best practices program for the air cargo industry.

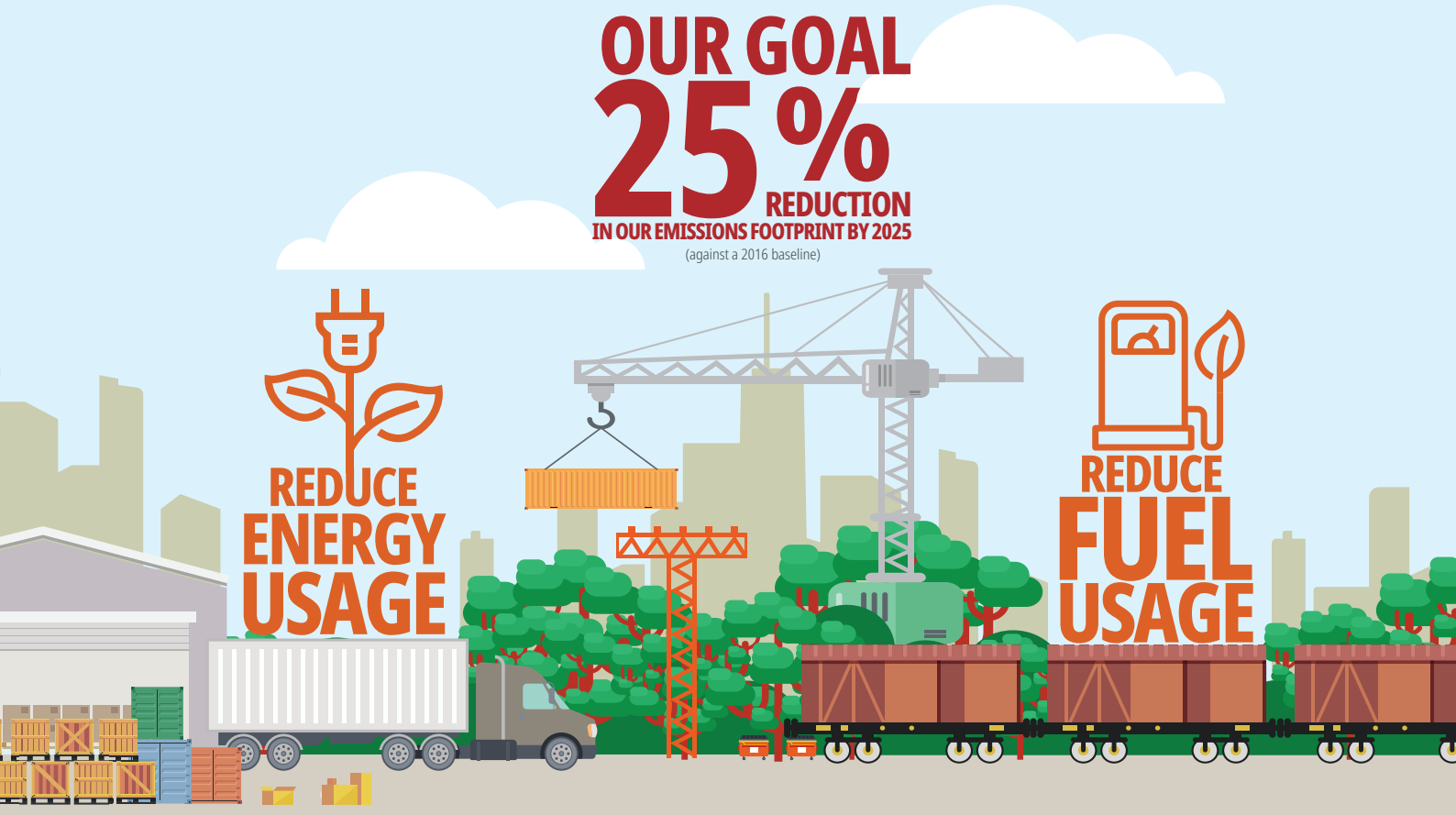
**SUPPLIER MANAGEMENT**

It's critical for Agility to work with suppliers, trading partners and other organizations that share our values and are compliant with our ethics, fair labor, health and safety, and environmental standards. But asking suppliers to fill out endless questionnaires increases a reporting burden for them and doesn't facilitate quick and easy viewing and sharing of supplier information across our operations. Agility's SmartView stakeholder management application seamlessly integrates sustainability into supplier management and procurement. The automated online application enables suppliers to quickly and easily qualify for a

trade relationship with Agility once they have entered critical information on their own policies, standards and compliance in critical sustainability areas, and are found to qualify. It requests only what we need according to the type and geography of the supplier, saving time and hassle, while also ensuring that the type of information Agility collects is proportional to the sustainability risks that we, and our customers, could face.



# Greening Our Operations



## MEASURING PERFORMANCE

What doesn't get measured, doesn't get managed. Over several years, Agility has measurably improved the coverage and accuracy of our carbon footprint measurement by working in close collaboration with our country operations and systems engineers.

First, we train our operations teams to report their energy usage. The sustainability team works with the country operations team to designate and train a key person to report data on electricity and fuel usage. Next, the indicated person receives training on how to report through our internally developed resource consumption app, which automatically calculates the related carbon emissions.

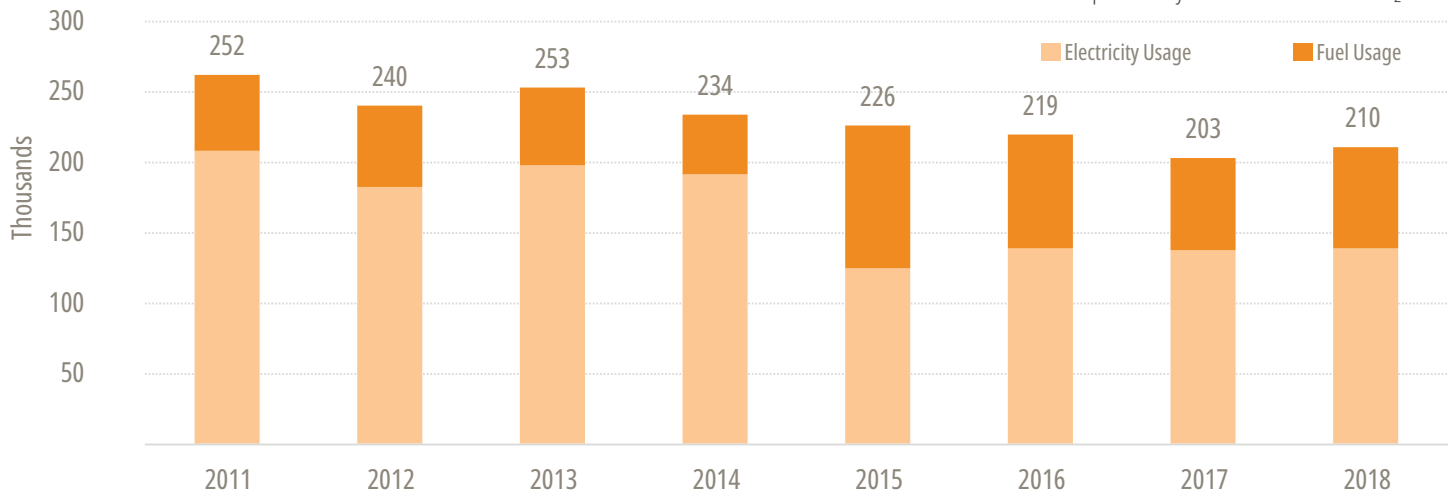
Next, the sustainability team analyzes the data at the country level. For cases where data differs substantially from previous years' data, the sustainability team conducts a verification exercise with the country to identify whether differences result from data collection and reporting error or from a change in our business in that market.

Once all the data is verified, Agility's carbon footprint is ready for public disclosure. It's never perfect, but we do the best we can to investigate inconsistencies and disclose honestly to the best of our knowledge. Presently, we are working to enhance our reporting system to automated reporting linked to payment processes, as well as creating emissions efficiency and intensity ratios. These metrics will allow operations to compare their energy performance against similar peers within the network. Other initiatives include increasing coverage of emissions from our subsidiary companies, and improving the quantity and quality of data we collect on water and waste.



## Agility Direct Emissions 2011 - 2018

from warehouses and trucks operated by GIL in metric tons of CO<sub>2</sub>



### AGILITY'S CARBON FOOTPRINT

Over the past seven years, Agility has measured and reported its direct carbon footprint. Our 2018 carbon footprint is about 210,000 MTs of CO<sub>2</sub> emissions generated by operations in 39 countries, covering an estimated 90% of the headcount of our core logistics business.

Our carbon footprint increased by 4% from the previous year, mostly due to 17 new countries reporting their energy usage for the first time. In fact, those 17 new countries accounted for 18% of our carbon footprint.

The increase in emissions from new reporting countries was somewhat offset by significant reductions in some of our largest markets in the Middle East and Asia. These reductions were achieved through efficiency improvements in warehouse operations.

Agility is on track to achieve our goal of a 25% reduction in emissions by 2025 against a 2016 baseline.

### A DATA-DRIVEN APPROACH TO EMISSIONS REDUCTION

We can reduce the carbon footprint of our operations in two ways: by improving the energy efficiency of our operations or by generating and/or sourcing renewable energy. Agility prioritizes emissions reduction activities in those countries where both the energy expenditure and our carbon footprint account for a large percentage of the global total.

Once we've identified the countries with high potential, Agility's sustainability team researches the energy market in those countries to determine how best to act.

## GUIDING QUESTIONS FOR MAKING GREEN DECISIONS



- ❓ Are there any incentives for renewable energy investment in this market?
- ❓ Will reducing electricity usage lead to significant cost savings?
- ❓ Are there any factors that could contribute to an increase in electricity price in the near future?
- ❓ For fuel emissions, is the fuel supply infrastructure available to allow us to use alternative fuel vehicles?
- ❓ Are solar panels affordable, or is renewable energy sourcing a better deal?
- ❓ What partners can we work with? What kind of contract structures are available?
- ❓ What options have other companies in our industry pursued?
- ❓ Once we determine our options, which investments will maximize environmental benefits and cost savings?



**GRASSROOTS ENVIRONMENTAL INITIATIVES**

Many of Agility's operations have acted to reduce their emissions through investments in green warehousing and renewable energy sourcing and generation.



**50% REDUCTION IN ENERGY USAGE AT TWO DUBAI MEGA-FACILITIES**

The Middle East, where we have our largest operational footprint, is a climate hotspot. Cheap, abundant fossil fuels means electricity consumed there typically generates more greenhouse gas emissions per kilowatt hour than in other regions. Summer temperatures are projected to rise twice as fast as the global average, with temperatures above 46°C more than five times as likely by 2050.

Fortunately, Agility Dubai makes progress each year in greening our operations to cool our people and our customers' cargo. New lighting

solutions at one facility achieve energy savings of up to 77%, while upgrades to the lighting system at a second facility reduce usage by over 50%. These improvements stand to reduce Agility's carbon footprint in the United Arab Emirates by more than 7% and help the business achieve a target of 25% reduction of our carbon footprint.

Investments to reduce water usage and further efforts to reduce electricity usage are coming in Dubai and other operating regions in the near future.



**69% OR MORE REDUCTION IN ELECTRICITY USAGE AT DATA CENTERS**

Since 2011, Agility has been working to reduce power consumption and emissions from our data centers/servers in Irvine, California and Leeds, UK. In Irvine, an original virtualization and consolidation project in 2011 reduced the server totals by over 60%.

A second consolidation project in 2015 reduced the number again by a further 60% in 2015. Today, our total average electricity usage

has decreased to 69% of peak usage in 2011, resulting in a reduction of CO<sub>2</sub> emissions by over 45 tonnes of CO<sub>2</sub> per year. A similar exercise in Leeds reduced energy consumption of the data center to more than 83% less than peak usage in 2010, saving over 60 tons of CO<sub>2</sub> emissions each year. A forthcoming hardware upgrade is expected to reduce energy consumption by a further 50% of the new total.





**AGILITY'S CORPORATE HQ BUILDING ACHIEVES LEED SILVER CERTIFICATION**

The Agility corporate headquarters building in Kuwait, which opened in January 2017, was built with state-of-the-art sustainability features that maximize the use of natural light while improving overall cooling efficiency and energy use.

The 834 m<sup>2</sup> building is equipped with solar thermal panels, which provide the energy needed to operate the air-conditioning units.

The building also includes triple-pane windows that are covered in electro chromic coating, to adjust tint in response to external conditions, allowing light to pass through while blocking heat and increasing energy efficiency.

At the time of writing, Agility is one of only four certified and one of 38 registered LEED projects in Kuwait.

**HOW ARE WE DOING?**

Ecovadis, a not-for-profit organization that rates tens of thousands of suppliers on their sustainability performance, has awarded Agility a silver rating since 2014.

Agility ranks in the top 4% of our industry for sustainability performance and in the top 18% of all suppliers worldwide.



**HIGH VOLUME, LOW SPEED FANS IN HONG KONG**

While the year-round climate in Hong Kong is quite cool, summer temperatures can easily reach highs in the low 30s. As the summers get hotter, Hong Kong sought a solution to keep our employees and cargo cool without adding a lot of energy usage and associated emissions.

The team installed High Volume, Low Speed fans at four of our warehouses. With a

diameter of more than 7 meters, each fan relies on size, not speed, to move a significant amount of air, resulting in a silent, non-disruptive and even distribution of breezes over large spaces.

To achieve the same air flow using traditional, smaller wall fans would require more than 10 times the energy.



**GREEN WAREHOUSING**

In addition to improving the energy efficiency of our existing and leased warehouses, Agility sets a high standard for new builds to ensure that the infrastructure we put in place today will continue to be energy efficient and sustainable in a low carbon future.



Agility builds around 200,000m<sup>2</sup> of warehouses per year at the global level, and all of Agility's facilities are built according to environmental rules and regulations.

Agility optimizes land usage by building up and not out, maximizing the space available for storage while minimizing the space that requires heating and cooling. For more sustainable warehouse features, please refer to the diagram.

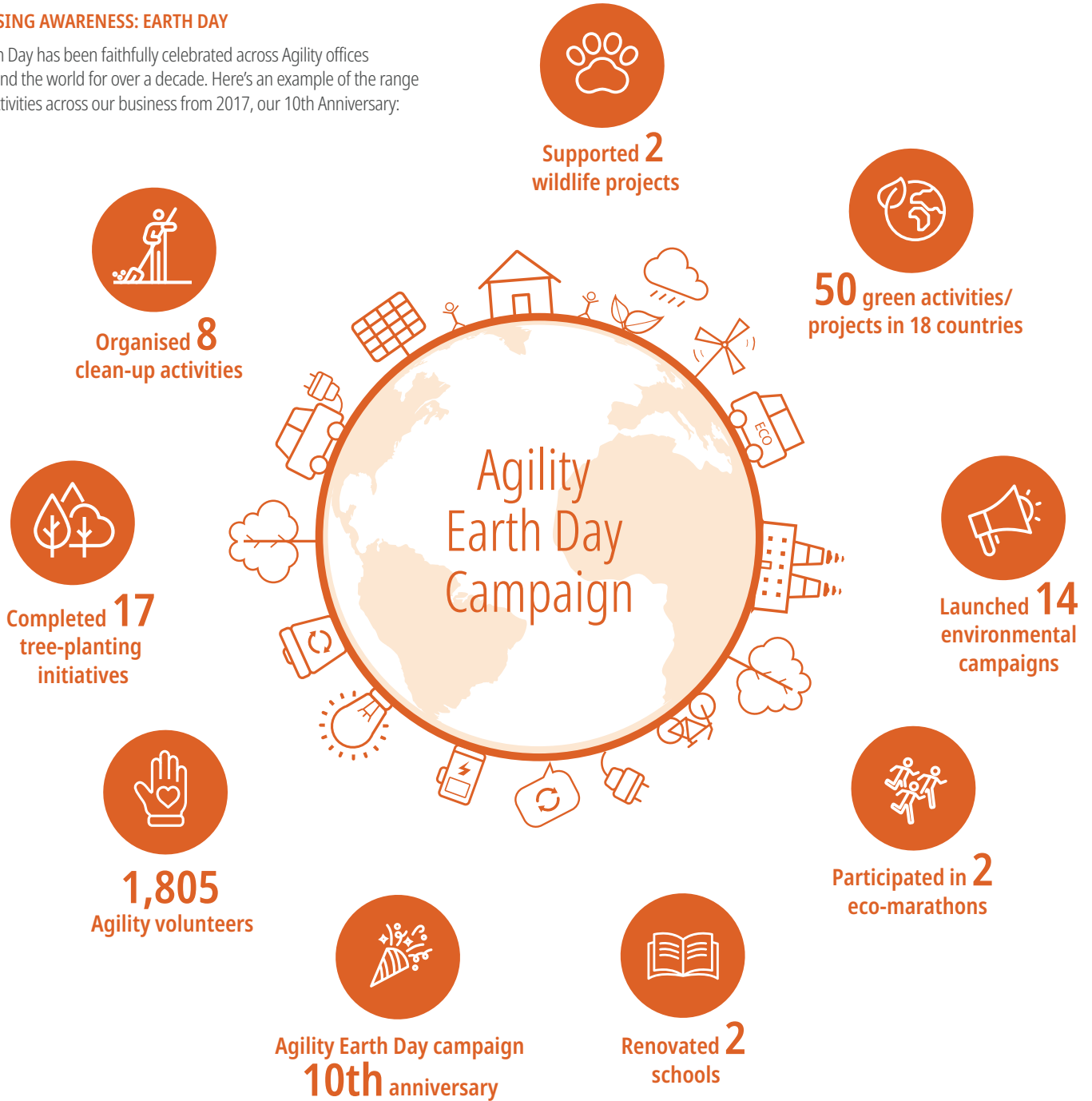


## SUSTAINABLE WAREHOUSE FEATURES

- 1 Recycling:** minimizing environmental impact by collecting packaging and waste for recycling
- 2 Solar panels:** turning our rooftops into sources of clean energy
- 3 Xeriscaping and drought-tolerant plants:** beautifying, cleaning and cooling industrial areas with plants and trees while minimizing water use for landscaping
- 4 Green building certification:** designing according to standards like IFC EDGE for comprehensive sustainability
- 5 Skylights:** lowering daylight lighting costs through use of natural light
- 6 Roofing and walls:** selecting materials that ensure greatest energy efficiency for local climate, repelling heat and lowering indoor air temperature
- 7 Low-emitting paint:** reducing health risks associated with conventional paint
- 8 Interior and exterior LED lighting:** reducing environmental impact and cutting energy costs
- 9 Regionally sourced building materials:** boosting local economies and lowering costs by finding local sources of materials
- 10 Recycled and recyclable materials:** using recycled building materials, or at least, use materials that can be recycled in the future

### RAISING AWARENESS: EARTH DAY

Earth Day has been faithfully celebrated across Agility offices around the world for over a decade. Here's an example of the range of activities across our business from 2017, our 10th Anniversary:



### WASTE MANAGEMENT

Our reporting system offers local offices the opportunity to track their waste and water consumption. However, it has been very challenging for our local offices to physically weigh their different types of waste, which means that the consistency and coverage of our data still needs improvement.

That said, we're not letting our measuring efforts delay action. Through our Earth Day

initiatives, our offices contribute to a greener environment by installing low-water use fixtures, running paperless campaigns, planting trees and cleaning up beaches all over the world. Anecdotally, we know most offices are recycling where services are available, and that pallets and packaging waste are reused or recycled in most of our largest warehousing facilities.



**INVESTING IN GREEN INNOVATION FOR THE SUPPLY CHAIN**

Agility is investing in start-ups that are reshaping the future of logistics through the Agility Ventures team. One of the four priority investment areas is green tech for the supply chain. Agility has committed to investing \$18 million in this space over three years.



**CARGOX**

Agility has invested in CargoX, a platform to revolutionize how road freight is booked in complex markets like Brazil. CargoX works to connect businesses that need to ship freight with truckers who have excess capacity. Brazil reportedly has an excess of between 300,000 and 350,000 vehicles, with trucks running empty 40% of the time. Reducing the number of empty trucks on the highway increases revenue for truckers, reduces costs for freight owners and reduces the carbon footprint of transport.

**HYLIION**

Agility has invested in Hylion, a hybrid technology for the trucking industry that reduces fuel consumption and corresponding emissions up to 30%. The Hylion technology recycles kinetic energy from braking that would otherwise be wasted. A 30-minute retrofit is all that's needed for a trailer to begin to use this technology.



**TVP SOLAR**

Agility has invested in TVP Solar, a breakthrough, high-vacuum solar thermal technology serving the most energy-demanding applications, such as air conditioning, desalination, and process heat. Already deployed in the Middle East – including at Agility's corporate headquarters – TVP solutions operate autonomously with no need for cleaning, directly replacing fossil fuels with cheaper, cleaner solar heat.





# Disaster preparedness and response

## DISASTER PREPAREDNESS AND RESPONSE

Major humanitarian emergencies, both of natural and man-made origin, are exacerbated by the enormous logistics challenges they create. Quick, effective, coordinated responses save lives and reduce unnecessary suffering, both for natural and man-made disasters.

Agility partners with the humanitarian community and other like-minded organizations in the private sector to donate logistics expertise, assets and services when and where they are needed the most.

## THE GLOBAL DISASTER TOLL

Natural and man-made disasters have a high economic and social toll. According to Munich Re, natural disasters had an economic impact of \$160 billion and led to 10,400 fatalities in 2018, including 3,000 in Indonesia alone. According to UNHCR, over 68 million people in our world have been forcibly displaced by either natural or man-made disasters, with over half of them children.



### EMERGENCY RESPONSE

We provide direct support in response to emergencies. Agility employees are often involved in actively supporting the coordination of humanitarian response, including donations of transport services and containers, shipments and expertise, to help alleviate bottlenecks in the reception and distribution of life-saving food, water, medicine and other supplies. Agility employees often engage in emergency response as part of our partnership with other global logistics companies and the Global Logistics Cluster in the Logistics Emergency Team. In other cases, our employees mobilize independently to collect donations and provide logistics support.

### PREPAREDNESS

Agility engages in preparedness projects. According to the UNDP, “Every dollar spent reducing people’s vulnerability to disaster saves around US\$7 in disaster response and reconstruction.” Preparedness activities help create vital linkages between the humanitarian sector, the public and private sectors, and ensure that local actors on the ground have the knowledge and assets to respond when disaster strikes. From 2016 to 2018, Agility, as a member of the Logistics Emergency Team, contributed to Logistics Capacity Assessments in Somalia and Iraq, in addition to training and capacity-building activities in Bangladesh and Indonesia.

### AGILITY HUMANITARIAN OPERATIONS 2016 - 2018

Year	Country	Humanitarian Operations and Preparedness projects
2018	Bangladesh	Preparedness activities with the Logistics Emergency Team*
	Indonesia	Preparedness activities with the Logistics Emergency Team*
	Indonesia	Donation of overland transport services and provision of crucial logistical information to support the coordination of efforts in Palu, Indonesia after a tsunami*
	Iraq	Donation of customs clearance process documentation and management support*
	Lebanon	Donation of humanitarian logistics/fleet operations training to Red Cross/Crescent*
2017	Bangladesh	Donation of a refrigerated shipping container to support temperature-controlled storage for the Rohingya refugee response*
	Bangladesh	Flood relief distribution led by Bangladesh office to support 1,200 families on Dharabarshar char island
	Peru	Support coordination of flood relief efforts, collection of more than 400 tons of relief supplies for distribution*
	Thailand	Collection drive for donations and disaster relief logistics support by Thailand office for over 16,000 people in 12 flood-stricken provinces
	Mexico	70 employees from Mexico office involved in emergency assistance activities and donation collection for Red Cross after massive earthquakes
	Somalia	Somalia fuel Logistics Capacity Assessment completed by Tristar*
	USA	Donation and transportation of aid materials from Chicago to Puerto Rico after hurricane
	USA	Donations raised and disbursed by Houston office to help employees affected by Hurricane Harvey
Yemen	Donation of a refrigerated shipping container for temperature-controlled medication needed after a massive cholera outbreak*	
2016	Ecuador	Donation of 1000m <sup>2</sup> of warehouse space and labor for 2 months after earthquake*
	Haiti	Donation of 2,000m <sup>2</sup> of space for a staging warehouse for the base of operations for humanitarian supply chain, 11 experienced logisticians, a forklift and generator*
	Iraq	Supported the Logistics Capacity Assessment*
	Japan	Importation, transport, clearance and set up of 2 mobile storage units flown in from the United Nations Humanitarian Resource Depot in Malaysia, as well as pallet donation, and other support after earthquake in Kumamoto*
	India	Donations raised to support those affected by floods in Chennai
	Greece	Donations raised in Spain to support refugees in Greece

\*Denotes activities conducted as part of the Logistics Emergency Teams or at the request of the World Food Programme

“ More than 75% of the cost for emergency humanitarian assistance comes from supply chain operations. Agility globally supports its humanitarian partners by donating supply chain resources to help humanitarians provide critically needed materials to crisis-affected people in need of assistance. We are proud of our team members who contribute each year to our humanitarian assistance program by deploying to the field or working directly with humanitarian logisticians in active response operations.”

**Frank Clary, Vice President,  
Sustainability**





### LOGISTICS EMERGENCY TEAM

The Logistics Emergency Team (LET) is comprised of four of the largest global logistics and transportation companies: Agility, UPS, Maersk and DP World work together to support the United Nations World Food Programme-led Logistics Cluster and its partners. The LET partnership was facilitated by the World Economic Forum in 2005.

The LET partners provide logistics support to humanitarian emergencies. They also work with the Logistics Cluster to assist local governments and NGOs with preparedness activities.

Since its establishment, Agility and its LET partners have supported humanitarian relief responses and/or preparedness projects in many countries and locations, including Bangladesh, Chile, Ecuador, Ghana, Haiti, Indonesia, Iraq, Japan, Kuwait, Myanmar, Nepal, Pakistan, the Philippines, Yemen, and the Horn of Africa.

Humanitarian assistance needs have continued to grow since the LET's founding. In 2018, more than 80% of the Logistics Cluster's humanitarian funding and resources were allocated for responses to complex emergencies. Since 2017, the LET has expanded its engagement to include the ability to respond to calls for assistance during complex and protracted emergencies, in addition to sudden onset natural disasters.



©UNHCR, David Azia

### UNHCR

From 2016 to 2018, Agility raised funds to support the United Nations Refugee Agency (UNHCR) to provide aid for Syrian refugees living in Jordan. The donated funds provided cash transfers through a program that uses iris scanning technology to enable refugees to access funds without the need for a bank card or

PIN code. Jordan is the first country in the world where humanitarian are using this technology. Agility matched employee contributions dollar for dollar during a three-month campaign, raising almost US \$57,000. These campaigns and donations provided financial support, allowing more than 480 Syrian families – or close to 2,400 refugees displaced by the Syrian conflict – to ensure their basic needs were met.





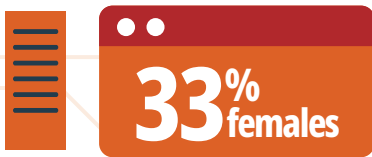
## INNOVATE FOR REFUGEES

In 2017 and 2018, Agility supported the second and third editions of the Innovate for Refugees technology competition, an initiative of the MIT Enterprise Forum (MITEF) Pan Arab. The competition looks for the best tech-driven

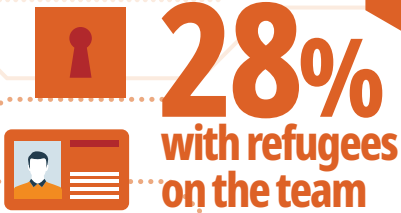
solutions to address the challenges faced globally by refugees. Semi-finalists presented their work to a jury comprised of key investors and business people, including Rashad Sinokrot, CEO of GCC SERVICES, one of Agility's infrastructure companies.

# INNOVATE FOR REFUGEES

## APPLICANTS



Solutions address **13 of 17 SDGs**



**3,000 Applicants from 27 countries**

## GENERAL



- ✓ Innovative
- ✓ Scalable
- ✓ Financially sustainable
- ✓ Impactful
- ✓ Well managed

**Tech-driven solutions**  
to address refugee challenges



## WINNERS

**New contacts & additional funds raised**

**Training & Mentorship**

**15 winners**  
representing 9 countries

20% of winning start-ups report annual revenue of **100-500K**

**280K** in equity-free investment awarded





# Shared prosperity through sustainability

## OUR SUSTAINABLE PURPOSE

Sustainable development is integrated into Agility's core business model and our growth strategy. When the emerging markets we serve prosper, our business prospers. We bring world-class infrastructure and logistics services to emerging markets, where trade and sustainable development are directly linked.

Where Agility invests, we hire local employees and train them on international business standards, improving the quality, security and reliability of value chains for the long haul. Our operations create opportunities for small and large businesses alike to trade affordably, responsibly and ethically, creating jobs and improving well-being.

## EMERGING MARKET LOGISTICS

Incorporating emerging markets into global value chains is essential for a sustainable future, but it's a lot more challenging than it sounds. Shortfalls in the provision of quality infrastructure and logistics services can make trading difficult and expensive. Unpredictable swings in currency values, cost of labor and property values make investment risky. As a company that started in the emerging market context, Agility has expert knowledge of how to manage and overcome some of these challenges, opening up new markets to trade.

# Our Three-Pronged Approach to Responsible Business



**AGILITY'S RESPONSIBILITY**

Agility invests in the potential of emerging and frontier markets, providing high-quality, secure and efficient infrastructure and services that contribute to social and economic development. In Africa, the Middle

East and Asia, we build and operate affordable trade facilities, modernize airport services in 30 countries and digitize customs to facilitate faster, more accurate trade transactions.

Three key strengths make us uniquely well positioned to contribute to emerging markets development:



**LOCAL EXPERTISE**

Agility's emerging markets leaders are nearly always local experts with decades of experience managing practical challenges in their home context.



**OUR SCALE & REACH**

The scale and reach of our business allows us to unite businesses across regions, leveraging the power of global trade to improve the lives of our diverse stakeholders.



**OUR HERITAGE**

Our distinct emerging market heritage gives us a unique perspective on the variety and complexity of challenges companies face in fast-growing, high-potential, underserved markets.

Challenges of trade in emerging markets	How Agility addresses them
Dense, ambiguous, or inconsistently applied regulations, and complex bureaucratic processes that lead to delays	Strong understanding of local regulations and relationships with local authorities, and planning documentation in advance
Connectivity challenges related to insufficient infrastructure	Creativity in finding effective routes and modes of transport to move goods
Ever-present need for talented, professional and customer-oriented human resources	Experienced logistics professionals with a strong understanding of the local market
Security considerations, supply chain resilience in parts of the world that are often at higher risk for natural disasters or political change	A safety-oriented approach and ability to respond quickly to external events to minimize disruptions
Challenges of managing a diverse set of suppliers	Strong supplier relationships, project management capabilities, and systems and technology support
Fast-changing cost structures, escalating labor and property prices	Well-established network in emerging markets, commitment to helping customers manage costs, and proven ability to provide innovative solutions
Difficulty finding a logistics partner who truly "gets it" – not just during the good times, but also when things get tough	Can-do attitude, flexibility in tailoring solutions to individual customer needs, and a deeply held belief in personal service

**AGILITY LOGISTICS PARKS**

We see a huge potential for growth in a number of markets across Africa, the Middle East and Asia. With over 40 years of expertise in warehousing, Agility can supercharge sustainable growth through the provision of world-class trade infrastructure, helping to integrate high-potential emerging markets into global value chains and create the right foundation for local players to expand internationally.

Both large and small businesses alike face challenges finding world-class warehousing facilities that include:

- Consistent access to affordable electricity
- 24/7 operations
- International standards for safety & security
- Temperature-controlled facilities and other specialized facilities
- Sustainable building features to save costs and improve efficiency

Agility aims to fill this gap in infrastructure provision with a network of high-quality warehousing and light industrial facilities across the continent.

To ensure our facilities are accessible for smaller players, we offer SME incentive packages starting from 500m<sup>2</sup> of space, without capital requirements, and requiring a three-month rental deposit, as opposed to up to 3 years in some markets.



Agility Logistics Parks bring world-class warehousing and light industrial facilities to emerging markets. Move-in-ready in 18 markets and growing.

**AFRICA**

- Cote D'Ivoire
- Ghana
- Mozambique
- Nigeria

**MIDDLE EAST**

- Bahrain
- Egypt
- Iraq
- Jordan
- Kuwait
- Lebanon
- Oman
- Qatar
- Saudi Arabia
- Turkey
- United Arab Emirates

**SOUTH ASIA**

- India
- Pakistan

**Built-to-Suit**

- Angola
- Cameroon
- DRC
- Djibouti
- Ethiopia
- Kenya
- Mauritius
- Tanzania
- Senegal





### DIGITIZING TRADE INFRASTRUCTURE IN EMERGING MARKETS

In many emerging market countries, customs clearance delays lead to lost cargo and capital, hindering trade, as well as trade's ability to power economic growth. Many emerging market countries still depend on paper-based customs processing systems, with myriad government entities operating physically together, but without clear procedures for cooperation. Traders lose time moving from window to window, waiting for signatures and approvals, with cargo delayed by days, and sometimes even lost or expired in transit.

The burden of these delays falls predominantly on smaller traders, who generally lack the expertise and resources to manage these situations. For governments, these systems weaken enforcement of critical controls and inhibit revenue collection.

Inspection and Control Services (ICS), an Agility Infrastructure company, knows the pain points of customs collection firsthand. To facilitate trade, ICS developed MicroClear®, a fully integrated end-to-end web-based Customs and Single Window Solution that simplifies customs clearance. Where needed, ICS supports MicroClear® implementation by collaborating across multiple government agencies to simplify tariff rules, rewrite business processes, and coordinate customs procedures, helping everyone to trade faster and more transparently.

When the MicroClear® solution was implemented in Kuwait in 2005, government revenue increased by 58% over 3 years, and continued to increase, while the average time for customs clearance dropped from an

average of 21+ days to 120 hours. After implementation in Pakistan, average customs clearance time dropped from 3-4 days to less than 5 minutes for participating berths at the Port of Karachi.

MicroClear® projects have made a difference, and continue to do so, in more than 10 countries, saving time and money for the public and private sector alike.



# Agility Africa enables exportation: a true story



Felicia owns Homefoods, a fast-growing small business that makes mixed rice and seasonings in Ghana.

To keep growing, she'll need to export...



**\$3.5 MIL**

To secure consistent international orders, she'll need a packaging facility that meets international standards, but this could cost \$3.5 million to build.





The Bank offers her a loan at an interest rate of 29%.



Instead, Felicia rents 1,200 m<sup>2</sup> of space in an Agility facility for a reasonable 3-month deposit.



The facility's safety and security certificates meet international buyers' requirements. She starts exporting right away, and can easily expand as business grows.



## SUPPORTING SMES

### SMEs

Achieving global prosperity requires inclusive global supply chains in which all businesses, regardless of size and geography, have access to affordable, high-quality logistics services. Identifying and responding to the needs of SMEs in all markets is integral to Agility's business strategy.



● MNCs ● SMEs

# 95% SMEs

According to the World SME Forum, SMEs account for 95% of all firms, deliver over 50% of GDP, and account for two-thirds of formal employment in most countries.

## CHARTING A COURSE FOR SUCCESS FOR SMES

### 1

### The Challenge

To achieve their potential, SMEs need to overcome the hurdles to accessing global supply chains.

Agility surveyed 800 SMEs on the challenges they faced to internationalize. The growing number and complexity of compliance standards, high costs and low quality of logistics services were among the key impediments.



### 2

### The Opportunity



At the same time, our research showed us the extent to which skilled use of technology is increasingly a differentiator among SMEs.

Some **86%** of those surveyed said technology is "levelling the playing field" to allow them to operate globally by giving SMEs virtual scale they could never attain before or achieve on their own.

### 3

### The Innovation



Acting on what we learned, Agility has decided to invest \$100 million over 3 years in the development and launch of Shipa. Shipa is a digital logistics platform designed to help businesses, entrepreneurs and consumers tap into the global economy. Three Shipa businesses meet the evolving needs of today's small businesses. Shipa Ecommerce gives online merchants access to some of the

world's fastest growing and most complex Ecommerce markets. Shipa Delivery offers businesses and consumers on-demand, same day, next-day or cross-border urban deliveries. Shipa Freight makes it easy to get instant air and ocean freight quotes, and to book, pay and track shipments online. We're making it possible for small businesses to see their logistics move online.





### ETHICS & COMPLIANCE

Integrity is one of Agility's core values. By doing business with integrity, honoring rules of engagement, following laws and being transparent, we build trust with our employees, customers, communities, shareholders, suppliers, and public and private partners.

### REPORTING CONCERNS & GRIEVANCES

We encourage all employees to promptly report any ethics violations to their supervisors. We understand this might not always be possible, and that's why we offer anonymous and confidential reporting channels in almost every country where we operate. Every report we receive is investigated by our Ethics team.

### CONFIDENTIAL AND ANONYMOUS REPORTING CHANNELS



#### DEDICATED EMAIL

Send an email to the personal mailbox of any member of the Ethics team.



#### SECURE WEBSITE

Enter a report on our secure website from our employee intranet.



#### TOLL-FREE HOTLINE

Call the Agility Alert Line, a toll-free hotline operated by a third party that can receive calls in 220 languages and accents.

## Zero-tolerance policy towards bribery

Agility is a signatory of the World Economic Forum's Partnering Against Corruption Initiative (PACI). Signatories of PACI are committed to developing and implementing anti-corruption programs and have a zero-tolerance policy towards bribery.





**COMPETITION AND FAIR SELLING PRACTICES**

Agility's Code reflects the anti-trust standards detailed in Agility's Competition Compliance Policy which is designed to ensure a marketplace free of collusion, abuse of market position, and other unfair business practices.

# Code of Ethics & Business Conduct



**HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION**

Agility's Code requires that offices and workplaces be safe for employees, and that our products and services are not injurious to public health, safety or the environment.



**FINANCIAL INTEGRITY AND CONTROLS**

Financial controls exist to protect the rights of companies and shareholders, and Agility takes them seriously.

Before they begin work, all employees are required to read and sign our Code of Ethics & Business Conduct. Core courses on ethics and anti-bribery are required for all Agility employees.



**BRIBES, GIFTS AND CONFLICTS OF INTEREST**

Agility's Code reflects the strong anti-corruption standards set by both the U.S. Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act.



**EMPLOYEE RIGHTS AND WORKING CONDITIONS**

Respect for one another and a high regard for the rights of employees is one hallmark of an ethical company culture. Agility maintains standards designed to foster fair working conditions for all. Agility expressly forbids discrimination, harassment, forced labor and child labor.



**GOVERNMENT INVESTIGATIONS, CONTROLS AND SANCTION**

Agility's Code guides employees on how to comply with a government investigation and international regulations, and how to manage the impact of US, UN and EU sanctions on the business, including a detailed screening mechanism for compliance with multilateral and unilateral economic sanctions.



**RECORD KEEPING AND REPORTING**

Agility's Code mandates that company records must be administered strictly in accordance with applicable laws and company policy. Agility preserves all records required to be kept by law, retains them for as long as required and discloses them to authorities when appropriate.



# Ethics & Compliance



## ETHICS TRAINING

Agility's online ethics training program began in 2006, and currently includes 11 courses offered in six languages. This program reaches all computer-based Agility employees. To reach our non-office staff, Agility is presently piloting in-person trainings in a classroom setting for our basic comprehensive course on the Code of Ethics.

Needs and requirements vary across Agility's businesses and even within business units. Our Ethics team works with individual business managers to determine which of our courses meet the needs of which employees, and if

new courses must be added. In some countries, we extend our courses to third-party providers to make sure our partners operate according to the same standard.

Since 2011, Agility employees have taken over 165,000 courses, including over 63,000 taken between 2016 and 2018. The number of courses taken in 2018 almost doubled from 2017 due to the introduction of three new courses, Conflict of Interest, Insider Trading, and Global Data Protection. Together, these three courses account for almost 60% of all courses taken.

## INVESTIGATIONS AND CONSEQUENCES

Paramount for our ethics and compliance program is our policy of Protection for Complainants. We protect the anonymity of all employees that report a concern in good faith. All complainants are protected from retaliation in any form.

Incidents reported are investigated and documented by the Ethics and Compliance

team. They work with country management to implement the recommended actions arising from an investigation and to prevent further incidents.

If an agreement on actions to be taken cannot be made, the investigators escalate the information to senior management for review and implementation of recommended actions.



## LEGAL ISSUES AND RESPONSE

In November 2009, the U.S. Department of Justice made public an indictment alleging that Agility overcharged and committed fraud in connection with its Prime Vendor contracts to supply food to U.S. troops and contractors in Iraq and Kuwait. In May of 2017, Agility announced a global settlement in the case, affirming its view that Agility acted transparently and responsibly as it carried out the extraordinarily complex mission to deliver

food and related materials to U.S. troops in an active war zone.

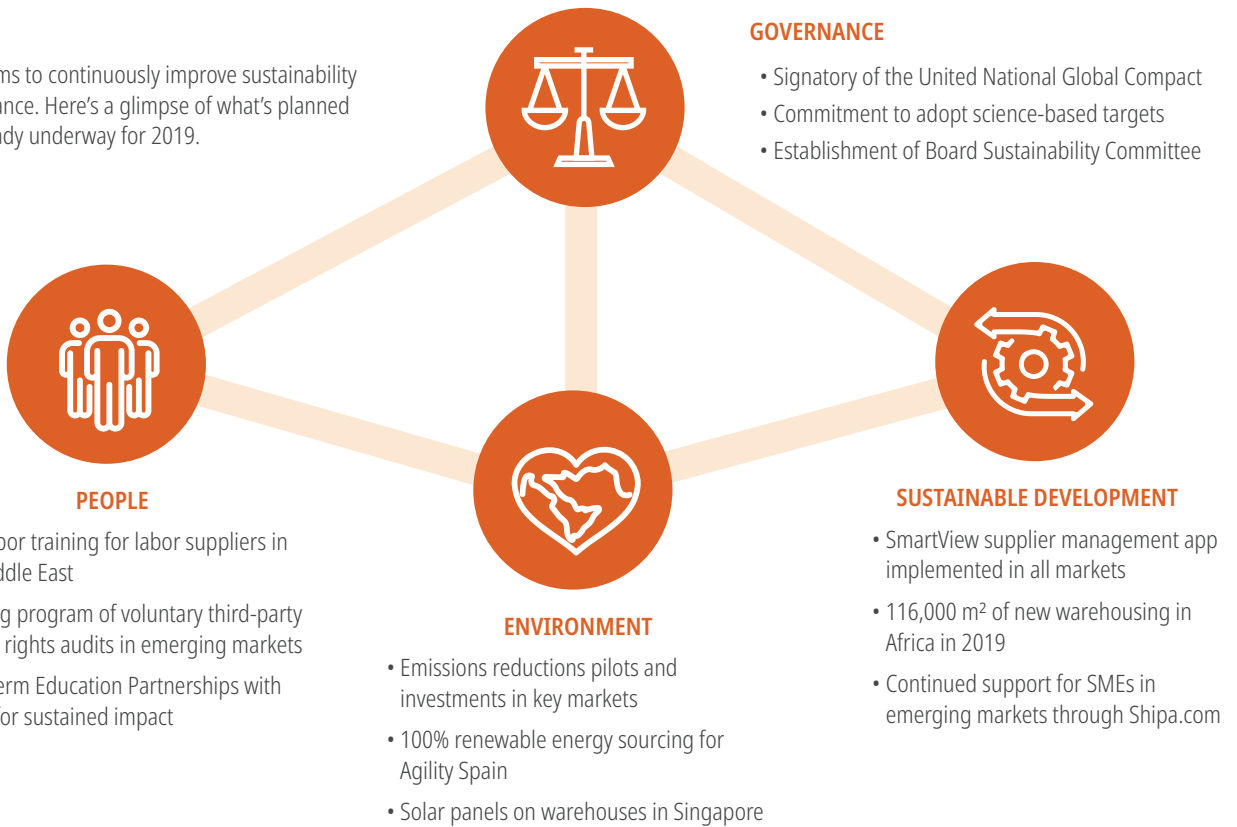
In the criminal portion of the case, Agility agreed to plead to a misdemeanor in connection with a single invoice valued at \$551. In the parallel civil proceedings of the case, the company agreed to pay \$95 million in cash. In addition, Agility and the U.S. government agreed to mutual releases of all

outstanding contract claims related to the food-supply contracts. The agreement will resolve all legal issues related to these contracts for Agility employees, directors, officers and affiliates. Under the terms of the settlement, the U.S. government removed Agility and all of its subsidiaries and affiliates from the list of suspended companies.



# On the horizon

Agility aims to continuously improve sustainability performance. Here's a glimpse of what's planned and already underway for 2019.





# Annex I. Material Risks and Opportunities



## AGILITY'S MATERIAL TOPICS

Agility has identified the risks and opportunities for our business and our stakeholders associated with each of our material topics across five categories. The tables below explain these risks and opportunities, as well as our current approach to managing them.

To structure our thinking, we have used the risk and opportunity categories from the Final Report: Recommendations of the Task Force on

Climate-related Financial Disclosures (July 2017). The Task Force on Climate-related Financial Disclosures (TCFD) is a private sector-led initiative that creates consistent and coherent guidelines for businesses to assess their climate-related risks and communicate them to their investors. By using these categories, we demonstrate our willingness to be part of the global network of companies committed to understanding and disclosing

climate-related risks, and to contribute to a low-carbon future.

The codes that we use for each risk or opportunity correspond to the types of risk indicated in the table at the bottom of the page. For more information on these risks, please do visit the website for the TCFD.

<b>(T) Transition Risks</b>		<b>(P) Physical Risks</b>	<b>(O) Opportunities</b>		
<b>(T:P)</b> Policy and Legal	<b>(T:M)</b> Market	<b>(P:A)</b> Acute	<b>(O:RE)</b> Resource Efficiency	<b>(O:PS)</b> Products/Services	<b>(O:R)</b> Resilience
<b>(T:T)</b> Technology	<b>(T:R)</b> Reputation	<b>(P:C)</b> Chronic	<b>(O:E)</b> Energy Source	<b>(O:M)</b> Markets	

## Agility's Material Topics: Environmental

Description	Impacts, Risks and Opportunities for Agility and its Stakeholders	Management Approach
Climate Change and GHG Emissions	<ol style="list-style-type: none"> <li>1. Risk that rising temperatures in many emerging markets will lead to increased demand for electricity, straining distribution infrastructure, which would lead to service disruptions and potentially higher costs. <b>(P:C)</b></li> <li>2. Risk that countries adopt pro-climate policies that increase costs for our business or limit our operations. <b>(T:P)</b></li> <li>3. Risk that customers expect low- and zero-emissions solutions but are not willing to pay for them, which would increase our costs. <b>(T:M)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Reduce emissions through energy efficiency measures, as well as through sourcing and generation of renewable energy for both new builds and existing operations.</li> <li>2. Monitor how climate-friendly policies progress in markets with full operations.</li> <li>3. Engage customers on sustainability and proactively identify collaborative opportunities to reduce emissions.</li> </ol>
Air Pollution	<ol style="list-style-type: none"> <li>1. Risk that air quality regulations requiring cleaning technologies increase carrier prices, increasing prices for our customers. <b>(T:P)</b></li> <li>2. Risk that air pollution negatively affects employee health and well-being.</li> <li>3. Risk that poor air quality in key markets deters or slows economic development. <b>(P:C)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Raise awareness and educate our customers on emerging regulations to help them to prepare.</li> <li>2. Engage in industry discussions on innovations to address SOx, NOx and particulate matter.</li> </ol>
Sustainable Refrigeration	<ol style="list-style-type: none"> <li>1. Risk that our current refrigeration systems may become obsolete as countries implement policies in line with the Kigali Agreement. <b>(T:P)</b></li> <li>2. Opportunity to pioneer by leading in the demand for clean cooling solutions, particularly in the Middle East region. <b>(O:P)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Raise awareness internally about the Kigali Agreement to ensure that operations and procurement teams understand the risk.</li> <li>2. Explore natural refrigerant options with low global warming potential as upgrades are needed.</li> </ol>
Extreme Weather Events	<ol style="list-style-type: none"> <li>1. Risk that increasingly frequent disruption of supply chains impacts our performance and increases costs; insurance costs increase; our employees, customers and communities, which may lead to loss of life and property. <b>(P:A)</b></li> <li>2. Opportunity to support humanitarian partners in disaster response, building experience to improve our resilience in the face of disruptions to our own operations. <b>(O:RE)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Collaborate with other logistics partners on the Logistics Emergency Team (LET) of the World Food Programme to respond to disasters and conduct preparedness activities, building our own capabilities as well as our partners' ability to respond.</li> </ol>
Material Waste	<ol style="list-style-type: none"> <li>1. Risk that governments introduce extended producer responsibility legislation, leading our customers to require circular solutions and ask for waste management. <b>(T:P)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Measure and report materials usage to identify how and where to reduce.</li> <li>2. Offer waste-reduction solutions to our customers.</li> </ol>



# Agility's Material Topics: Social

Description	Impacts, Risks and Opportunities for Agility and its Stakeholders	Management Approach
Human Rights	<ol style="list-style-type: none"> <li>1. Risk that human rights violations are uncovered in our supply chain. <b>(T:R)</b></li> <li>2. Opportunity to proactively pioneer best practices in our industry and develop a supplier training program that sets a standard for our industry. <b>(O:PS)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Create a culture of respect for human rights through an industry-leading global human rights policy, training and assessment program.</li> </ol>
Refugees	<ol style="list-style-type: none"> <li>1. Risk that vulnerable refugee populations in countries where we operate face years of exclusion from education and decent work, living in economically precarious situations. <b>(P:C)</b></li> <li>2. Opportunity to encourage entrepreneurship among refugee populations. <b>(O:R)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Fundraise and provide corporate support for UNHCR.</li> <li>2. Support refugee entrepreneurship through participation in MIT Innovate for Refugees.</li> </ol>
Road Safety	<ol style="list-style-type: none"> <li>1. Risk that individuals in our communities face unnecessary danger on a daily basis. <b>(P:C)</b></li> <li>2. Risk that one of our employees or shipments could be involved in a road accident. <b>(P:A)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Build a Target Zero culture and help raise the safety performance of our suppliers.</li> </ol>
Women Empowerment	<ol style="list-style-type: none"> <li>1. Risk that our efforts are not sufficient to meet the social expectations for gender equality programs and transparent reporting. <b>(T:T; T:R)</b></li> <li>2. Risk that we do not secure the best talent in the industry if we are not inclusive in our recruitment and retention approach. <b>(T:R)</b></li> <li>3. Opportunity to pioneer women's empowerment in emerging markets and/or the logistics industry. <b>(O:R)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Monitor our gender performance and benchmark against others in our industry.</li> <li>2. Research women's empowerment programs in the industry to determine what could work for us.</li> </ol>
Quality Education	<ol style="list-style-type: none"> <li>1. Risk that poor education attainment leads to youth unemployment, limiting economic opportunity in our communities and slowing economic development. <b>(P:C)</b></li> <li>2. Opportunity to contribute to education to improve economic opportunity and our business engagement in the communities where we work. <b>(O:R)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Support quality education through our extensive community investment program.</li> </ol>
Diversity & Inclusion	<ol style="list-style-type: none"> <li>1. Risk that we struggle to secure the best talent in the industry if we do not do enough to recruit and maintain talent from diverse groups. <b>(T:R)</b></li> <li>2. Risk that we miss out on diverse perspectives that could unlock opportunities to improve our performance. <b>(T:M)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Aim to hire and train management locally.</li> <li>2. Leadership development programs that set our senior management at the country level on a path to regional or global leadership roles.</li> </ol>
Humanitarian Assistance	<ol style="list-style-type: none"> <li>1. Risk of increased morbidity and mortality rates due to natural or man-made disasters in communities where we work. <b>(P:A; P:C)</b></li> <li>2. Opportunity to save lives by offering logistics support during emergencies. <b>(O:R)</b></li> <li>3. Opportunity to build the adaptability and agility of our teams and communities to respond in a crisis. <b>(O:R)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Participate in the Logistics Emergency Team (LET) to provide pro bono logistics services for major humanitarian emergencies.</li> </ol>

**(T) Transition Risks**

**(T:P)** Policy and Legal

**(T:T)** Technology

**(T:M)** Market

**(T:R)** Reputation

**(P) Physical Risks**

**(P:A)** Acute

**(P:C)** Chronic

**(O) Opportunities**

**(O:RE)** Resource Efficiency

**(O:E)** Energy Source

**(O:PS)** Products/Services

**(O:M)** Markets

**(O:R)** Resilience



# Agility's Material Topics: Governance

Description	Impacts, Risks and Opportunities for Agility and its Stakeholders	Management Approach
Compliance	<p>1. Risk of non-compliance with applicable laws and regulations at the global, country and local levels that would endanger business and lead to fines. <b>(T:P; T:R)</b></p> <p>2. Risk of losing business with customers and financial institutions if we are non-compliant for their shipments. <b>(T:P; T:R)</b></p>	<p>1. Establish a global compliance organization that administers and enforces the compliance program.</p> <p>2. Establish mandatory global training program to provide training to employees, key customers, suppliers and other external third parties. Training covers topics including anti-corruption, international trade controls and sanctions, antitrust, conflicts of interest, and other relevant compliance subjects.</p> <p>3. Establish key policies and procedures to define baseline expectations for how Agility business is conducted in accordance with applicable company policies and government regulations.</p> <p>4. Perform audits to ensure adherence to applicable company and governmental regulatory and statutory requirements.</p> <p>5. Establish an anonymous global reporting process for employees and third parties to raise compliance- and ethics-related concerns.</p>
Supplier Management/ Procurement	<p>1. Non-compliance of a supplier exposes our business and customers to reputational risk and could lead to fines. <b>(T:P; T:R)</b></p>	<p>1. Use standard operating procedures to qualify the capabilities and credentials of suppliers and third parties. Require suppliers and third parties to acknowledge and agree to adhere to Agility's Code of Conduct.</p> <p>2. Conduct audits of key suppliers and third parties to check and confirm adherence to applicable national and international guidelines.</p>
Corruption	<p>1. Risk of improper payments that violate applicable laws, resulting in fines and penalties. <b>(T:P; T:M)</b></p> <p>2. Risk of shipment delays and lost cargo as retaliation for Agility's refusal to pay bribes. <b>(T:M; P:A)</b></p> <p>3. Risk that continued corruption erodes trust in emerging markets, slowing growth, increasing costs to trade and slowing transport times. <b>(P:C)</b></p>	<p>1. See 'Compliance' above.</p> <p>2. Establish and continuously improve existing risk-based third party due diligence processes to minimize risk when conducting business via external third parties and ensure understanding of Agility's compliance-related expectations.</p> <p>3. Establish key anti-corruption policies and procedures designed to prevent improper payments (including improper payments made by third parties) and create effective internal controls and reporting practices.</p>

**(T) Transition Risks**

**(T:P)** Policy and Legal

**(T:T)** Technology

**(T:M)** Market

**(T:R)** Reputation

**(P) Physical Risks**

**(P:A)** Acute

**(P:C)** Chronic

**(O) Opportunities**

**(O:RE)** Resource Efficiency

**(O:E)** Energy Source

**(O:PS)** Products/Services

**(O:M)** Markets

**(O:R)** Resilience





## Agility's Material Topics: Economic

Description	Impacts, Risks and Opportunities for Agility and its Stakeholders	Management Approach
SMEs and Sustainable Trade	1. Risk that traders struggle to affordably access global value chains, losing out on opportunities to grow. <b>(T:M)</b>	1. Build logistics parks in emerging markets, offering small businesses the opportunity to access world-class infrastructure to grow their business.  2. Invest in Shipa, a digital logistics platform that connects small businesses to the global economy.
Emerging Markets Growth	1. Opportunity to have the first-mover advantage by quickly building the foundation for logistics infrastructure and services in high-potential, underserved emerging markets. <b>(O:PS)</b>	1. Build world-class warehouses and light industrial facilities and commercialize offerings to address local market financing and affordability constraints.
Changing Workforce Expectations	1. Risk that our current workforce cannot adapt to the demands of our changing operating context. <b>(T:M)</b>  2. Opportunity to bring in employees that think differently, design new business models and transform the business for success in a high-tech world. <b>(O:PS)</b>	1. Provide employee training to build digital skills and activity of existing workforce.  2. Aim to recruit employees with emphasis on agility and willingness to learn and adapt.
Free Trade	1. Risk that increased protectionism and a weak international trade system will increase the volatility and instability of trade rules and relationships, increasing the complexity and cost of trade. <b>(T:P; T:M)</b>	1. Provide training for relevant employees on compliance with global trade rules and sanctions.  2. Advocate for fair and inclusive trade via partnerships with the World Economic Forum, including the Global Alliance on Trade.

### **(T) Transition Risks**

**(T:P)** Policy and Legal

**(T:T)** Technology

**(T:M)** Market

**(T:R)** Reputation

### **(P) Physical Risks**

**(P:A)** Acute

**(P:C)** Chronic

### **(O) Opportunities**

**(O:RE)** Resource Efficiency

**(O:E)** Energy Source

**(O:PS)** Products/Services

**(O:M)** Markets

**(O:R)** Resilience



## Agility's Material Topics: Technology

Description	Impacts, Risks and Opportunities for Agility and its Stakeholders	Management Approach
Big Data	<ol style="list-style-type: none"> <li>1. Opportunities to take advantage of data to optimize performance and improve real-time decision making. <b>(O:PS)</b></li> <li>2. Risk that new tech start-ups and innovative incumbents will introduce new business models that disrupt logistics and erode our customer base before we can adapt. <b>(T:T)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Agility's digital transformation is underway, with the introduction of new digital processes and products, including the introduction of a global operating platform built on cutting-edge technology, and the introduction of Shipa.com, a digital logistics platform with freight forwarding, e-commerce and last mile solutions.</li> <li>2. Agility Ventures invests in start-ups, reshaping the supply chain.</li> <li>3. Agility's partnership with MIT Media Labs helps the company stay close to some of the most innovative thinking around technology in the world today.</li> </ol>
Automation	<ol style="list-style-type: none"> <li>1. Opportunity to improve efficiency and save costs from upgrading our automated processes and products. <b>(O:RE)</b></li> <li>2. Risk that the pace of our continuous automation is not fast enough, which could lead us to lose competitive advantage. <b>(T:T)</b></li> <li>3. Risk to existing jobs if employees are unable to adapt to new approaches. <b>(T:T)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Agility's digital transformation efforts are moving the company to a system-based approach to every aspect of work.</li> <li>2. Next-level training provides employees with the skills to identify opportunities and automate processes independently.</li> <li>3. Train employees on new systems and skillsets to run them.</li> </ol>
Data Security & Privacy	<ol style="list-style-type: none"> <li>1. Risk that a data breach or cyber attack compromises our systems leading to financial losses and requiring time to recover. <b>(T:T; T:M; T:R; P:A)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Continuously evaluate the latest threat. Deploy and update tools and technologies to address and mute threats. Active monitoring for response within minutes.</li> </ol>
Internet of Things (IoT)	<ol style="list-style-type: none"> <li>1. Opportunity to improve efficiency and accuracy of data collection, improving real-time decision making. <b>(O:PS)</b></li> <li>2. Risk that hacking of devices may lead to data manipulation. <b>(P:C)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Provide an unprecedented level of customer service by tracking and monitoring consignments in real time. Provide added value by leveraging data to provide predictive analysis.</li> <li>2. Identify and implement IoT-based solutions to meet customer requirements and expectations.</li> </ol>
Circular Economy	<ol style="list-style-type: none"> <li>1. Opportunity to generate value from common waste materials (pallets, plastic, etc.). <b>(O:PS)</b></li> <li>2. Opportunity to develop circular logistics solutions for customers that would like to harness waste streams or implement circular supply chain structures to limit their environmental impact. <b>(O:PS)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Begin to identify and manage largest waste streams that could be reused or upcycled.</li> <li>2. Engage with customers about sustainability, including the possibility to work together to develop circular solutions.</li> </ol>
Energy Transformation	<ol style="list-style-type: none"> <li>1. Opportunity to reduce emissions, save on costs and improve our reputation through the generation and sourcing of renewable energy. <b>(O:E)</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Identify markets where renewable energy sourcing and generation are viable and commercially attractive.</li> </ol>

### (T) Transition Risks

**(T:P)** Policy and Legal

**(T:T)** Technology

**(T:M)** Market

**(T:R)** Reputation

### (P) Physical Risks

**(P:A)** Acute

**(P:C)** Chronic

### (O) Opportunities

**(O:RE)** Resource Efficiency

**(O:E)** Energy Source

**(O:PS)** Products/Services

**(O:M)** Markets

**(O:R)** Resilience

## Annex II. Sustainability Data Table



## Agility Sustainability Data

2016

2017

2018

### Group Financial Performance (in millions of Kuwaiti Dinars)

Revenue	928	1,062	1,550
Net Revenue	429	470	498
Net Revenue Margin	35%	33%	32%
EBITDA	115	135	155
EBITDA Margin	7%	7%	10%
Net Income	59	69	81
Net Income Margin	5%	5%	5%
Total Assets	1,544	1,729	1,843
Total Liabilities	595	705	777
ROA	4%	4%	4%
ROE	6%	7%	8%
GIL Revenue	928	1,062	1,153
GIL EBITDA	32	34	36
Infrastructure Revenue	318	358	412
Infrastructure EBITDA	94	121	131

### Group Economic Value (in millions of Kuwaiti Dinars)

<b>Direct Economic Value Generated</b>	<b>1,237,247</b>	<b>1,410,096</b>	<b>1,554,662</b>
Revenues	1,234,047	1,407,033	1,550,190
Cash rec'd as interest on financial loans	843	570	893
Dividends rec'd from shareholdings	1,548	1,698	2,054
Cash rec'd from sale of assets	809	795	1,525
Economic Value Distributed	1,184,074	1,324,154	1,450,392
Cash Operating Costs	916,945	1,051,555	1,167,000
Salaries & Employee Benefits	210,744	222,688	227,673
Payments to Providers of Capital	46,650	38,958	45,533
Payments to Government	6,671	7,425	6,196
Community Investments	3,064	3,528	3,990
	<i>KFAS</i>	618	717
	<i>NLST</i>	1,546	1,793
	<i>Zakat</i>	618	717
	<i>CSR Donations</i>	282	301
Economic Value Retained	53,173	85,942	104,270





## Agility Sustainability Data

2016

2017

2018

### Health & Safety

#### Total Recordable Incident Rate (TRIR)

Rate at which injuries involving lost workdays, restricted workdays or medical treatment occur per 200,000 hours worked

0.21

0.17

0.09

#### Lost Workday Case Rate (LWCR)

Rate at which injuries involving lost workdays occur per year per 200,000 hours worked

0.16

0.15

0.11

#### Fatalities

2

0

1

### People Data

#### Male employees - Global

18,506

19,263

20,399

#### Female employees - Global

5,468

5,679

6,194

### % Female by Job Level

#### Overall

23%

23%

23%

#### Executive

10%

11%

12%

#### Director

17%

19%

17%

#### Management

31%

30%

30%

#### Professional

27%

28%

29%

#### Support

21%

21%

21%

### % Female by Region

#### Middle East & Africa

10%

11%

11%

#### Asia & the Pacific

30%

30%

29%

#### Americas

51%

51%

51%

#### Europe

41%

41%

42%

### Total Global Workforce

23,974

24,942

26,593

#### Part-time employees - GLOBAL

396

384

391

#### Full-time employees - GLOBAL

23,578

24,558

26,202

#### Employees in MEA

11,680

12,587

12,937

#### Employees in APAC

7,939

7,920

8,909

#### Employees in Europe

2,846

2,865

2,936

#### Employees in AMR

1,509

1,570

1,811

#### Total Female employees in MEA

1,128

1,343

1,428

#### Total Female employees in APAC

2,393

2,356

2,612

#### Total Female employees in Europe

1,173

1,184

1,237

#### Total Female employees in AMR

774

796

917

#### Total Male employees in MEA

10,552

11,244

11,509

#### Total Male employees in APAC

5,546

5,564

6,297

#### Total Male employees in AMR

735

774

894

#### Total Male employees in Europe

1,673

1,681

1,699



## Agility Sustainability Data

2016

2017

2018

### Total Global Workforce (continued)

Employees under 30	6,010	6,009	6,527
Employees 30-50	13,518	14,281	15,085
Employees 50+	2,781	2,929	3,126
Employees unassigned	1,665	1,723	1,855
Total of new hires - FEMALE	1,236	1,414	1,640
Total of new hires - MALE	3,740	3,847	4,407
Rate of new hires - FEMALE	25%	27%	27%
Rate of new hires - MALE	75%	73%	73%
New hires under 30	2,540	2,581	3,241
New hires 30-50	1,811	2,032	2,115
New hires 50+	170	175	180
% of new hires under 30	56%	54%	59%
% of new hires 30-50	40%	42%	38%
% of new hires 50+	4%	4%	3%
New hires - MEA	2,436	2,398	2,243
New hires - APAC	1,686	1,879	2,675
New hires - AMR	375	442	567
New hires - Europe	479	542	562
% of new hires - MEA	49%	46%	37%
% of new hires - APAC	34%	36%	44%
% of new hires - AMR	7%	8%	10%
% of new hires - Europe	10%	10%	9%
Employees that have left - MALE	3,232	3,324	3,294
Employees that have left - FEMALE	1,261	1,312	1,173
% of employees that have left - MALE	72%	72%	74%
% of employees that have left - FEMALE	28%	28%	26%
Employees that have left - under 30	1,796	1,892	1,737
Employees that have left - 30-50	2,039	1,987	1,995
Employees that have left - 50+	304	353	372
% of employees that have left - under 30	44%	45%	42%
% of employees that have left - 30-50	49%	47%	49%
% of employees that have left - 50+	7%	8%	9%
Total employees that have left - MEA	1,693	1,835	1,965
Total employees that have left - APAC	2,023	1,893	1,688
Total employees that have left - AMR	321	377	328
Total employees that have left - Europe	456	531	486
% of employees that have left - MEA	38%	40%	44%
% of employees that have left - APAC	45%	41%	38%
% of employees that have left - AMR	7%	8%	7%
% of employees that have left - Europe	10%	11%	11%



## Agility Sustainability Data

2016

2017

2018

### Resource Consumption

Vehicle Fuel (in liters unless otherwise noted)	26,678,648	20,448,191	22,548,836
Diesel (100% Mineral)	19,360,021	18,620,548	19,073,449
Diesel (Biofuel Blend)			1,002,111
Gas - Natural Gas (m3)			154,644
Gas CNG - Compressed Natural Gas	987,260	795,999	335,839
Gasoline (100% Mineral)	6,331,367	1,031,643	1,982,793
Electricity (in kwh)	159,509,292	158,291,946	162,208,170
Water (in liters, underreported prior to 2018)	187,585,087	84,030,223	209,621,834

\* Reported data on water usage for all 3 years represents early attempts at reporting for most countries. Figures are likely to be incomplete and inaccurate. In 2016 and 2017 respectively, 10 and 18 countries reported water usage. As with fuel and electricity data, we are continuously working to improve the accuracy and completeness of the data through regular and consistent reporting. A few new countries that started reporting in 2018 faithfully reported annual water data.

### CO<sub>2</sub> Emissions (in metric tons)

Direct Emissions	219,465	202,787	210,411
Scope 1	66,841	53,065	58,943
Scope 2	104,938	103,848	105,080
Scope 3	47,686	45,874	46,388
Emissions Intensity (Scope 1 & 2 Emissions/Revenue (KWD))	0.19	0.15	0.11
Emissions from Electricity	138,454	137,382	138,936
Emissions from Fuel	81,011	65,417	71,475
Total	219,465	202,799	210,411
<b>Outsourced Emissions</b>	<b>4,090,752</b>	<b>6,592,090</b>	<b>7,231,827</b>
Air Freight	2,609,426	4,022,304	4,555,831
Ocean Freight	1,137,523	2,165,539	2,263,483
Road Freight	343,803	404,247	412,513
Total	4,090,752	6,592,090	7,231,827

\* Direct emissions data reflects reported fuel and electricity usage in Agility's own operations, including both GIL and infrastructure owned and operated by Agility Logistics Parks. Reporting countries account for about 75% of our operational footprint (in 2018, this jumped to over 90%). We work every year to increase the number of operations that are reporting, as well as to incorporate emissions data from other Agility entities that do not otherwise produce a separate sustainability report. Our outsourced emissions are estimated from data on all shipments coordinated by Agility GIL, and should be taken as an "at least" estimate. That said, our most common source of error in emissions reporting is through double counting of shipments on different platforms as both import shipments and export shipments, so it is likely we are overreporting. All 2018 data is pending verification.



## Agility Sustainability Data

2016 2017 2018

### Community investment projects

Total projects	162	158	123
Asia	47	57	40
Americas	46	39	23
Europe	25	28	23
Middle East	36	34	37
Total # of community projects since 2006	1,487	1,645	1,768
Agility volunteers	3,709	4,128	2,273
People impacted	25,108	49,750	21,235
People educated with Agility support	10,309	10,929	15,036
Total # of people impacted since 2006	285,171	334,921	356,156

### Donations and Fundraising (in USD)

Total annual corporate and employee giving	\$5,020,240	\$5,717,805	\$4,904,368
Donations and funds raised by local offices	\$26,972	\$29,463	\$135,434
Direct Employee Donations (online/payroll)	\$31,178	\$73,758	\$23,931
Agility Corporate Giving	\$413,491	\$412,010	\$413,731
Kuwait Foundation for the Advancement of Sciences (KFAS)	\$2,044,300	\$2,363,287	\$2,528,721
Kuwait Zakat	\$2,044,300	\$2,363,287	\$2,806,748
DGS Paralyzed Veterans Golf Open	\$460,000	\$476,000	\$277,922

\* Donations and funds raised by local offices are tracked through our Community Investments database, as are Direct Employee Donations. Direct Employee Donations account for both funds contributed directly by employee donations as well as those raised from friends and family or the general public by employees through events and other fundraising activities. Agility Corporate Giving is our corporate donations budget, which goes to support community investment projects, Global Education Drive and Earth Day events, often in the form of matching donations or grants to local offices. The KFAS and Zakat are required corporate contributions in Kuwait (these numbers are also available in our annual reports). The DGS Paralyzed Veterans Golf Open is a signature DGS charitable event in the United States that has been running since 2008. Where relevant, amounts in Kuwaiti Dinars have been converted to US dollars using the annual average exchange rate available here: <https://www.ofx.com/en-us/forex-news/historical-exchange-rates/yearly-average-rates/>.

### Ethics Courses

Ethics courses completed	17,557	15,618	30,558
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\* Core ethics and anti-bribery courses are assigned to all computer-based employees. Additional courses are assigned depending on what is needed for an employee to know depending on the scope of their job.



## Annex III. GRI Index



**Key references:**

This report has been prepared in accordance with the GRI Standards: Core Option

**ORGANIZATIONAL PROFILE**

GRI Indicator Number	Description & Response	Where to find it
102-1	Name of the Organization	About our Business pp. 2-7 Please also visit the Agility website and the 2018 Annual Report.
102-2	Activities, brands, products and services	
102-3	Location of Organization's Headquarters	
102-4	Location of operations	
102-5	Ownership and legal form	
102-6	Markets served	
102-7	Scale of the organization	
102-8	Information on employees and other workers	pp. 22-24; 70-72
102-9	Supply Chain	pp. 8-9 List of Air Freight Carriers List of Ocean Freight Carriers Within the next 2 years, our supplier management system will be able to give us a global view on the number of suppliers we engage by geography.
102-10	Significant changes to the organization during the reporting period	(1) Increased infrastructure investment through ALP in emerging markets (2) Introduction of our digital logistics business, Shipa
102-11	Precautionary Approach	Agility does not currently use the Precautionary Approach. Information on our approach to Risk Management may be found in our 2018 Annual Report (p. 27).
102-12	External initiatives	(1) Agility is a strategic partner of the World Economic Forum (WEF) and is an active member in the WEF's social, environmental and anti-corruption initiatives. (2) Agility is a signatory of the Partnership Against Corruption Initiative (PACI). (3) DGS, GCC and Tristar are all signatories of the UN Global Compact. Agility Group became a signatory in 2019 (after the reporting period).
102-13	Membership of associations	(1) Strategic partner of the World Economic Forum (WEF) - see above (2) Logistics Emergency Team pp. 46-49 (3) Member of the BSR Clean Cargo Working Group p. 38 (4) Member of the Sustainable Air Freight Alliance (SAFA) p. 38 (5) Silver Member of the Asia Business Trade Association (ABTA)



## STRATEGY

GRI Indicator Number	Description & Response	Where to find it
102-14	Statement from senior decision-maker	p. 2
102-15	Key impacts, risks and opportunities	pp. 62-67

## ETHICS AND INTEGRITY

102-16	Values, principles, standards, and norms of behavior	Please see the Agility Code of Business Conduct and Ethics.
102-17	Mechanisms for advice and concerns about ethics	pp. 58-60

## GOVERNANCE

102-18	Governance structure	Please see the 2018 Annual Report and the Corporate Governance section of our website.
102-19	Delegating authority	
102-20	Executive-level responsibility for economic, environmental and social topics	Our Chief Marketing Officer reports directly to the Board on sustainability risks, opportunities and activities on an 'as needed' basis.
102-21	Consulting stakeholders on economic, environmental and social topics	pp. 11-12
102-22	Composition of the highest governance body and its committees	Please see the 2018 Annual Report and the Investor Relations section of our website.
102-23	Chair of the highest governance body	
102-24	Nominating and selecting the highest governance body	Please see the 2018 Annual Report (p. 15) and the Investor Relations section of our website.
102-25	Conflicts of interest	Agility ensures conflicts of interest are avoided and managed. Please see the 2018 Annual Report and the Investor Relations section of our website.
102-26	Role of highest governance body in setting purpose, values and strategy	The highest governance body sets the purpose, values and strategy of Agility. For example, the human rights component of our sustainability program is a directive from our CEO. We report on progress on an annual basis. All sustainability goals are approved by the Board prior to public disclosure.
102-27	Collective knowledge of highest governance body	The Sustainability team communicates risks and opportunities, activities and progress to the Board on a regular but ad hoc basis. In 2019, Agility will conduct a full stakeholder engagement and materiality exercise, as well as formalize a process of regular engagement with the Board Sustainability Committee (founded in 2019) on sustainability matters. For information on our prior stakeholder engagement exercise, please see our 2016 CSR report.
102-28	Evaluating the highest governance body's performance	Currently, our Board of Directors' performance is not assessed based on environmental or social topics.
102-29	Identifying and managing economic, environmental and social impacts	The Board of Directors is presently not responsible for the identification and management of environmental and social impacts, risks and opportunities.
102-30	Effectiveness of risk management processes	The Board of Directors has a Risk Management Committee that is presently responsible for the identification and management of risks, including environmental and social risks. For this and more information, please refer to our 2018 Annual Report (p. 27).



## GOVERNANCE (con't.)

GRI Indicator Number	Description & Response	Where to find it
102-31	Review of economic, environmental and social topics	p. 11
102-32	Highest governance body's role in sustainability reporting	All public sustainability communications are reviewed and approved by Executive Management prior to publication.
102-33	Communicating critical concerns	Critical concerns, as they arise, are communicated directly to the Chairman and President of the Board by the Chief Marketing Officer.
102-34	Nature and total number of critical concerns	Not disclosed
102-35	Remuneration policies	There is currently no linkage between social and environmental performance and Executive/Board compensation.
102-36	Process for determining remuneration	Board remuneration is determined by the Articles of Association of the company and in accordance with local commercial law. Please see our 2018 Annual Report.
102-37	Stakeholders' involvement in remuneration	Board remuneration is determined by the Articles of Association of the company and in accordance with local commercial law. Please see our 2018 Annual Report.
102-38	Annual total compensation ratio	Not disclosed
102-39	Percentage increase in annual total compensation ratio	Not disclosed

## STAKEHOLDER ENGAGEMENT

102-40	List of stakeholder groups	p. 12
102-41	Collective bargaining agreements	p. 17
102-42	Identifying and selecting stakeholders	pp. 11-12 See also Material Topics pp. 62-67
102-43	Approach to stakeholder engagement	
102-44	Key topics and concerns raised	

## REPORTING PRACTICE

102-45	Entities included in the consolidated financial statements	p. 7
102-46	Defining report content and topic boundaries	Please see 'About this Report' on the back front cover.
102-47	List of material topics	pp. 11; 62-67
102-48	Restatements of information	None
102-49	Changes in reporting	For the first time in this report, we recognize the contribution of our infrastructure investments and digital logistics programs to sustainable development, and specifically SDG #9 (pp. 50-57). This reflects increased emphasis on these programs in our core business strategy and increased integration of sustainability into our core business model.
102-50	Reporting period	January 2016 to December 2018. We were delayed in releasing our report due to the completion of our sustainability microsite in a first step to transition to digital reporting.
102-51	Date of most recent report	Released in 2016 covering 2014 and 2015 activities





## REPORTING PRACTICE (con't.)

GRI Indicator Number	Description & Response	Where to find it
102-52	Reporting cycle	Please see 'About this Report' on the back front cover.
102-53	Contact point for questions regarding the report	Please see 'About this Report' on the back front cover.
102-54	Claims of reporting in accordance with the GRI Standards	Please see 'About this Report' on the back front cover.
102-55	GRI content index	This is it.
102-56	External assurance	Please see 'About this Report' on the back front cover.

## MANAGEMENT APPROACH

103-1	Explanation of the material topics and its boundary	pp. 11; 62-67
103-2	The management approach and its components	
103-3	Evaluation of the management approach	

## ECONOMIC PERFORMANCE

201-1	Direct economic value generated and distributed	p. 7
201-2	Financial implications and other risks and opportunities due to climate change	pp. 11; 62-67
201-3	Defined benefit plan obligations and other retirement plans	Not disclosed
201-4	Financial assistance received from government	None

## INDIRECT ECONOMIC IMPACTS

203-1	Infrastructure investments and services supported	pp. 52-54 Please see the ALP website.
203-2	Significant indirect economic impacts	Agility's local hiring and training strategy and infrastructure investments have positive economic impacts. Please find details on pp. 27-28; 50-67.

## ANTI-CORRUPTION

205-1	Operations assessed for risks related to corruption	Agility carefully monitors our operations for risks related to corruption as part of our risk management process disclosed in our 2018 Annual Report.
205-2	Communication and training about anti-corruption policies and procedures	pp. 58-60 Please refer to the (1) Agility Code of Business Ethics and Conduct (2) Agility Competition Compliance Policy
205-3	Confirmed incidents of corruption and actions taken	Not disclosed
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	p. 60



## ENERGY

GRI Indicator Number	Description & Response	Where to find it
302-1	Energy consumption within the organization	p. 72
302-4	Reduction of energy consumption	Measures implemented appear in case studies on pp. 40-45.

## WATER

303-1	Interactions with water as a shared resource	Water usage is not a material issue for our operations. Some offices do report water usage, but it is not a significant proportion of total water usage. For renovations and new builds, we use low-use fixtures in bathrooms and kitchens. All of our operations comply with local laws regarding discharge of waste water.
303-2	Management of water discharge-related impacts	
303-3	Water withdrawal	
303-4	Water discharge	
303-5	Water consumption	p. 72

## EMISSIONS

305-1	Direct (Scope 1) GHG emissions	pp. 35, 40, 72
305-2	Energy indirect (Scope 2) GHG emissions	p. 72
305-3	Other indirect (Scope 3) GHG emissions	
305-4	GHG emissions intensity	
305-5	Reduction of GHG emissions	Measures implemented appear in case studies on pp. 40-45.

## EFFLUENTS AND WASTE

306-1	Water discharge by quality and destination	Water is not a significant input or output of our business. ISO 14001: Environmental Management certificates cover 47% of our headcount. These environmental management systems include the safe management of waste water where relevant.
306-2	Waste by type and disposal method	At this time, we are not able to comprehensively measure our waste by category across 100+ countries, though we are implementing measures to reduce waste. Please see p. 44.
306-3	Significant spills	None
306-4	Transport of hazardous waste	None



## ENVIRONMENTAL COMPLIANCE

GRI Indicator Number	Description & Response	Where to find it
307-1	Non-compliance with environmental laws and regulations	No known cases of non-compliance with environmental laws and regulations. 47% of our operations by headcount are compliant with ISO 14001: Environmental Management.
308-1	New suppliers that were screened using environmental criteria	All new suppliers complete a questionnaire that includes questions about compliance with environmental regulations. Agility is currently rolling out a new supplier management tool to assess environmental performance at a deeper level, based on the regulatory context and supplier type. Please see p. 38.
308-2	Negative environmental impacts in the supply chain, and actions taken	None reported over the period.

## EMPLOYMENT

401-1	New employee hires and employee turnover	p. 71
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## OCCUPATIONAL HEALTH AND SAFETY

403-1	Occupational health and safety management system	Agility's Target Zero Occupational Health and Safety program achieves industry-leading results. Please read about it on pp. 18-21.
403-2	Hazard identification, risk assessment, and incident investigation	pp. 19-21
403-4	Worker participation, consultation, and communication on occupational health and safety	
403-5	Worker training on occupational health and safety	
403-8	Workers covered by an occupational health and safety management system	In 2018, Agility APAC's Target Zero program was expanded to become a global program covering all operations. 43% of our operations are covered by OHSAS 18001: Occupational Health and Safety.
403-9	Work-related injuries	pp. 21, 70
403-10	Work-related ill health	pp. 21, 70

## TRAINING AND EDUCATION

404-1	Average hours of training per year per employee	Hours of employee training vary greatly by job function, with much of it being demand-driven. All employees are required to undergo training that ensures they conduct themselves according to Agility's values, policies, and safety standards.
404-2	Programs for upgrading employee skills and transition assistance programs	pp. 25-26
404-3	Percentage of employees receiving regular performance and career development reviews	All computer-based employees set annual goals and undergo annual performance reviews.

## FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	pp. 14-17 Through the Agility Fair Labor program, we identify and manage risks related to freedom of association, among other human rights risks.
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## CHILD LABOR

408-1	Operations and suppliers at significant risk for incidents of child labor	pp. 14-17 Through the Agility Fair Labor program, we identify and manage risks related to child labor, among other human rights risks.
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## FORCED OR COMPULSORY LABOR

GRI Indicator Number	Description & Response	Where to find it
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	pp. 14-17 Through the Agility Fair Labor program, we conduct annual assessments of forced labor risk in all of our operations, assessing based on the scale of operations, the presence of subcontracted or migrant workers, and the regulatory context. We monitor this risk closely, work with management to correct any areas of non-compliance with our Global Human Rights policy, and conduct third-party social audits every 2 years in our largest emerging markets operations in the Middle East and Asia.

## SECURITY PRACTICES

410-1	Security personnel trained in human rights policies or procedures	pp. 14-17 Human rights training covers all employees, including security personnel.
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## RIGHTS OF INDIGENOUS PEOPLES

411-1	Incidents of violations involving rights of indigenous peoples	No incidents reported. This is included in our Global Human Rights Policy, but is not a significant risk for our business.
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## HUMAN RIGHTS ASSESSMENT

412-1	Operations that have been subject to human rights reviews or impact assessments	pp. 14-17 We aim for our largest operations in the Middle East and Asia to undergo third-party human rights audits every 2 years.
412-2	Employee training on human rights policies or procedures	pp. 14-17 Agility has an extensive human rights training program which currently covers 69% of headcount.
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Our largest investments and operations in the Middle East are screened for compliance with Agility's Global Human Rights Policy. Agility works with project teams to conduct ongoing monitoring of labor practices where subcontracted labor is used, and identify and correct any practices that are not compliant with our policies. For GIL, our global logistics business, we aim for all supplier contracts to include standard language enforcing our policies by 2025.

## LOCAL COMMUNITIES

413-1	Operations with local community engagement, impact assessments, and development programs	pp. 29-33 For more projects over the period, please see the Community Investments section of our website.
413-2	Operations with significant actual and potential negative impacts on local communities	Our primary impact on local communities is positive, due to our strategic focus on local hiring and training. For examples, please see the case studies on pp. 27-28.

## SUPPLIER SOCIAL ASSESSMENT

414-1	New suppliers that were screened using social criteria	100% of new suppliers are screened using a questionnaire that includes questions on compliance with local labor law. We are currently working on a supplier management system that will include a more rigorous assessment of human rights performance and labor practices depending on the regulatory context.
414-2	Negative social impacts in the supply chain and actions taken	Our greatest human rights risk comes from migrant workers in the Middle East. We ensure compliance through background checks of all suppliers and ongoing monitoring, including accommodation site visits and employee interviews to check for recruitment fees and passport withholding. We aim to begin a supplier training program in the next 2 years.





### POLITICAL CONTRIBUTIONS

GRI Indicator Number	Description & Response	Where to find it
415-1	Political contributions	Agility does not contribute to any political parties.

### CUSTOMER PRIVACY

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No reported issues in this area. In 2018, we required all employees that handle customer data to take a GDPR course. Please refer to the Agility Privacy Policy.
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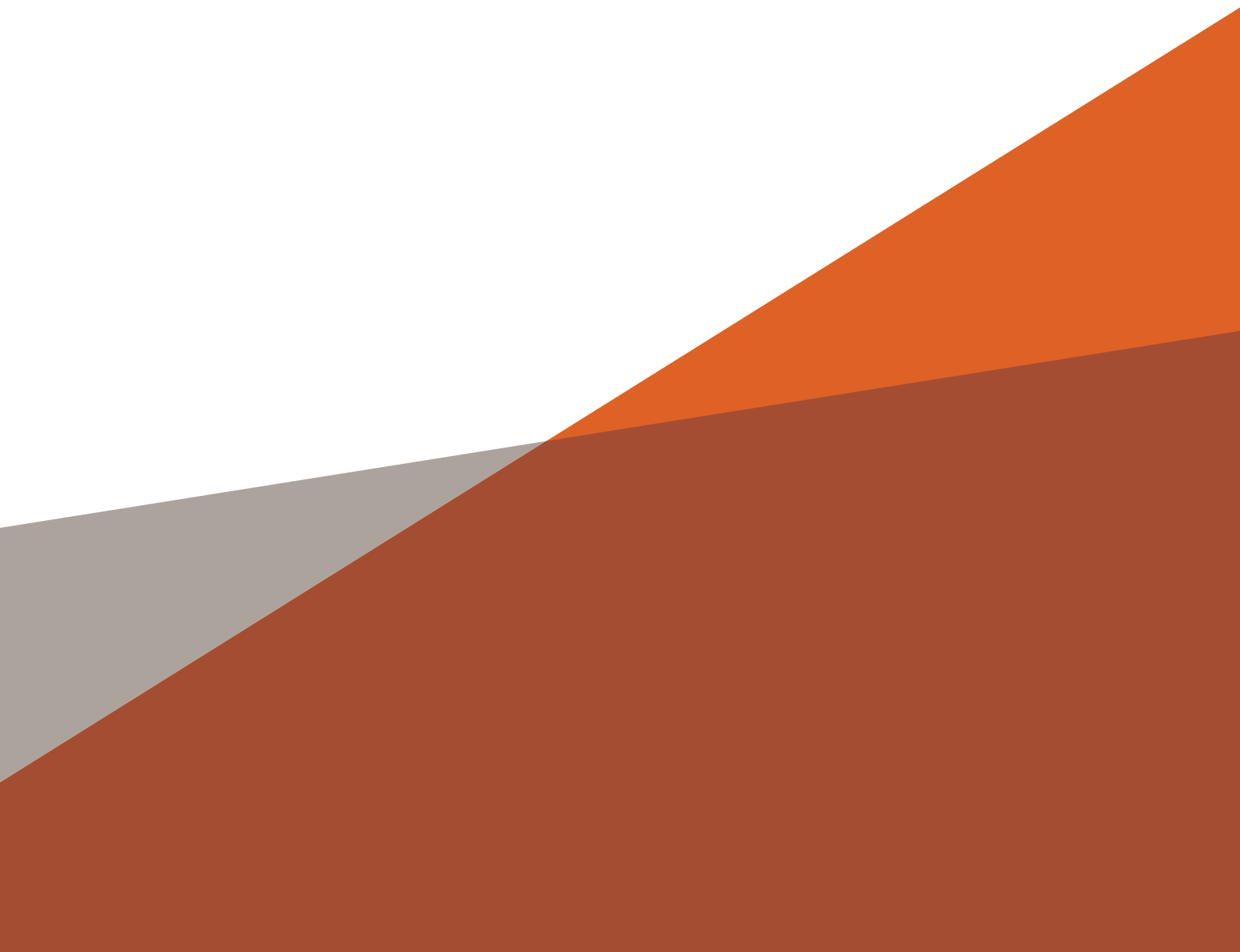
### SOCIOECONOMIC COMPLIANCE

419-1	Non-compliance with laws and regulations in the social and economic area	None reported during the period.
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# 2017 – 2019 Sustainability Data



# Notes

In the Fall of 2019, Agility released its 2019 Sustainability Report: Values into Action, which includes sustainability program information and performance data for 2016 - 2018. This Sustainability Data Disclosure includes data for 2017 - 2019. For updated information on our sustainability programs and performance, our website is the best source of information.

# About

## **About Agility's Sustainability Disclosure**

Data and information presented here covers data and activities from Agility branded organizations for 2017 - 2019. Data and statistics on human rights, gender and age breakdown, health and safety, and emissions apply only to Agility's core commercial business division, Global Integrated Logistics (GIL) unless otherwise stated. Agility aims to comprehensively include all subsidiary companies, each independently managed with their own boards and trademarks, in its sustainability reporting within the next 4 years. Qualitative information can be found on our website, or in our most recent sustainability report.

We have made every effort to ensure the accuracy of information presented, and we are continuously working to improve the quality of the data and data management systems to capture and report on non-financial information. The limitations of the data, measurement techniques and basis of calculation are described as relevant in the footnotes to the data tables.

We have not pursued external validation for our sustainability data. All information presented has been reviewed by relevant subject matter experts within Agility and signed off by the senior management team. This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines (G4).

We welcome your feedback and questions. To contact Agility's sustainability team, please email us at [csr@agility.com](mailto:csr@agility.com).



Agility Sustainability Data	2017	2018	2019*
<b>Group Financial Performance</b> (in millions of Kuwaiti Dinars)			
Revenue	1,062	1,550	1,579
Net Revenue	470	498	531
Net Revenue Margin	33%	32%	34%
EBITDA	135	155	193
EBITDA Margin	7%	10%	12%
Net Income	69	81	87
Net Income Margin	5%	5%	5%
Total Assets	1,729	1,843	2,082
Total Liabilities	705	777	933
ROA	4%	4%	4%
ROE	7%	8%	8%
GIL Revenue	1,062	1,153	1,125
GIL EBITDA	34	36	59
Infrastructure Revenue	358	412	470
Infrastructure EBITDA	121	131	135

\*Includes IFRS impact

**Group Economic Value** (in thousands of Kuwaiti Dinars)

<b>Direct Economic Value Generated</b>	<b>1,410,096</b>	<b>1,554,662</b>	<b>1,587,203</b>
Revenues	1,407,033	1,550,190	1,579,563
Cash rec'd as interest on financial loans	570	893	1,086
Dividends rec'd from shareholdings	1,698	2,054	2,006
Cash rec'd from sale of assets	795	1,525	4,548
<b>Economic Value Distributed</b>	<b>1,324,154</b>	<b>1,450,392</b>	<b>1,587,338</b>
Cash Operating Costs	1,051,555	1,167,000	1,147,471
Salaries & Employee Benefits	222,688	227,673	236,501
Payments to Providers of Capital	38,958	45,533	52,080
Payments to Government	7,425	6,196	9,389
Community Investments	3,528	3,990	3,994
	<i>KFAS</i> 717	764	817
	<i>NLST</i> 1,793	2,121	2,269
	<i>Zakat</i> 717	848	908
	<i>CSR Donations</i> 301	257	242
<b>Economic Value Retained</b>	<b>85,942</b>	<b>104,270</b>	<b>137,768</b>

Agility Sustainability Data	2017	2018	2019
<b>Health &amp; Safety (Agility GIL)</b>			
Total Recordable Incident Rate (TRIR) Rate at which injuries involving lost workdays, restricted workdays or medical treatment occur per 200,000 hours worked	0.17	0.11	0.12
Lost Workday Case Rate (LWCR) Rate at which injuries involving lost workdays occur per year per 200,000 hours worked	0.15	0.09	0.05
Fatalities	0	1	1
<b>People Data</b>			
Male employees - Global	19,263	20,399	24,906
Female employees - Global	5,679	6,194	6,729
<b>% Female by Job Level (Agility GIL)</b>			
Overall	23%	23%	21%
Executive	11%	12%	10%
Director	19%	17%	18%
Management	30%	30%	28%
Professional	28%	29%	29%
Support	21%	21%	19%
<b>% Female by Region (Agility GIL)</b>			
Middle East & Africa	11%	11%	11%
Asia & the Pacific	30%	29%	29%
Americas	60%	58%	51%
Europe	32%	35%	42%
<b>Total Global Workforce</b>			
Part-Time employees - GLOBAL	384	391	370
Full-Time employees - GLOBAL	24,558	26,202	31,265
Employees in MEA	12,587	12,937	17,718
Employees in APAC	7,920	8,909	9,077
Employees in AMR	1,570	1,811	1,880
Employees in EUR	2,865	2,936	2,960
Total Female employees in MEA	1,343	1,428	1,918
Total Female employees in APAC	2,356	2,612	2,597
Total Female employees in AMR	796	917	962
Total Female employees in EUR	1,184	1,237	1,252
Total Male employees in MEA	11,244	11,509	15,800
Total Male employees in APAC	5,564	6,297	6,480
Total Male employees in AMR	774	894	918
Total Male employees in EUR	1,681	1,699	1,708

Agility Sustainability Data	2017	2018	2019
<b>Age Breakdown (Agility GIL)</b>			
Employees under 30	6,009	6,527	8,672
Employees 30-50	14,281	15,085	17,800
Employees 50+	2,929	3,126	3,526
Employees unassigned	1,723	1,855	1,637
<b>New Hires</b>			
Total of new hires - FEMALE	1,414	1,640	1,682
Total of new hires - MALE	3,847	4,407	5,822
% of new hires - FEMALE	27%	27%	22%
% of new hires - MALE	73%	73%	78%
New hires under 30	2,581	3,241	4,196
New hires 30-50	2,032	2,115	2,697
New hires 50+	175	180	309
% of new hires under 30	54%	59%	58%
% of new hires 30-50	42%	38%	38%
% of new hires 50+	4%	3%	4%
New hires in MEA	2,398	2,243	4,051
New hires in APAC	1,879	2,675	2,421
New hires in AMR	442	567	512
New hires in EUR	542	562	520
% of new hires in MEA	46%	37%	54%
% of new hires in APAC	36%	44%	32%
% of new hires in AMR	8%	10%	7%
% of new hires in EUR	10%	9%	7%
<b>Employees That Left</b>			
Employees that left - MALE	3,324	3,294	4,787
Employees that left - FEMALE	1,312	1,173	1,494
% of employees that left - MALE	72%	74%	76%
% of employees that left - FEMALE	28%	26%	24%
Employees that left - under 30	1,892	1,737	2,670
Employees that left - 30-50	1,987	1,995	2,850
Employees that left - 50+	353	372	441
% of employees that left - under 30	45%	42%	45%
% of employees that left - 30-50	47%	49%	48%
% of employees that left - 50+	8%	9%	7%
Total employees that left - MEA	1,835	1,965	3,135
Total employees that left - APAC	1,893	1,688	2,263
Total employees that left - AMR	377	328	410
Total employees that left - EUR	531	486	473
% of employees that left - MEA	40%	44%	50%
% of employees that left - APAC	41%	38%	36%
% of employees that left - AMR	8%	7%	6%
% of employees that left - EUR	11%	11%	8%

Agility Sustainability Data	2017	2018	2019
<b>Resource Consumption</b>			
<b>Vehicle Fuel (in liters, unless otherwise noted)</b>			
Diesel (100% Mineral)	18,620,548	19,073,449	23,997,862
Diesel (Biofuel Blend)		1,002,111	291,368
District Heat & Steam (in Gigajoules)			270
Fuel Oil		1,500	4,057
Gas - Natural Gas (m3)		154,644	315,641
Gas - Natural Gas (kwh)			164,102
Gas CNG - Compressed Natural Gas (kilograms)	795,999	335,839	150,355
Gas LPG - Liquefied Petroleum Gas			238
Gasoline (100% Mineral)	1,031,643	1,982,793	804,282
Gasoline (Biofuel Blend)			15,059
Electricity (in kwh)	158,291,946	162,208,170	147,767,857
Water (in liters)	84,030,223	209,621,834	1,187,444,743
<b>CO<sub>2</sub> Emissions (in metric tons)</b>			
<b>Direct Emissions</b>	<b>202,787</b>	<b>210,411</b>	<b>208,174</b>
Scope 1	53,065	58,943	66,471
Scope 2	103,848	105,080	98,015
Scope 3	45,874	46,388	43,688
Emissions Intensity (Scope 1 & 2 Emissions/Revenue (KWD))	0.15	0.11	0.10
Emissions from Electricity	137,382	138,936	126,230
Emissions from Fuel	65,417	71,475	81,944
<b>Outsourced Emissions</b>	<b>6,592,090</b>	<b>7,231,827</b>	<b>6,180,518</b>
Air Freight	4,022,304	4,555,831	3,570,659
Ocean Freight	2,165,539	2,263,483	2,213,859
Road Freight	404,247	412,513	395,999

**A Note on Agility's Resource Consumption and Emissions Data**

In 2019, Agility collected operationally controlled resource consumption data from 50+ Agility Global Integrated Logistics (GIL) country operations, representing an estimated 94% of total GIL headcount. GIL currently represents about 70% of Agility's revenue. We believe GIL represents more than 75% of our operationally controlled carbon footprint. Tristar, another Agility entity, reports emissions separately in its own Tristar Sustainability Report. The remaining Agility entities, the infrastructure subsidiaries, are not currently collecting resource consumption data, though we expect to have baseline data for the largest subsidiary, Agility Logistics Parks (ALP) within the next 2 years.

For GIL resource consumption and direct emissions data, we work continuously to increase the number of country-operations that are reporting, as well as the accuracy and regularity of this data. However, our operations are still learning. In 2019, reported data for both electricity and fuel usage fluctuated by more than 20% in some countries. Through verification exercises with those countries, we were able to identify the source of error, or the business reason for year-on-year inconsistencies for most entries. Based on our verification exercises, we believe some of our largest operations in the Middle East may have erroneously double reported electricity usage prior to 2019. This double reporting is related to warehouses that are owned by Agility but leased to customers who actually control the resources consumed in the warehouse operations. Therefore, these warehouses are not under our operational control. But for all years prior to 2019, our operations teams erroneously included energy consumption information related to these warehouses. This error has led to a decrease in reported electricity usage in affected operations, first in 2018 and then again, in 2019. This decrease has been largely offset by newly reported electricity consumption from countries reporting for the first time in 2018 and 2019.

Our outsourced emissions are estimated from data on all shipments coordinated by Agility GIL, and should be taken as an "at least" estimate. The methodology used to calculate these emissions has been granted limited assurance by Carbon Trust.

Agility is not involved in manufacturing or similar industrial processes that require significant water consumption. However, we try to report on our consumption nevertheless. For water consumption information, reported data for all 3 years represents early attempts at reporting for most countries. Data is incomplete and inaccurate. In 2017 (18), 2018 (26), and 2019 (28) the number of countries reporting water increased. Also, the quantity of water reported increased considerably for countries that reported in both 2017 and 2018, with an average year-on-year change of about 90%. Typically, a country making its first report will report resource usage at the country headquarters, and expand to all branches in the following two years, so this year-on-year increase may make sense.

At the present time, waste and recycling data is not consistent or comprehensive enough for public reporting.

Within the next two years, we aim to be able to internally verify resource consumption reports from more than 90% of GIL operations, as well as establish a baseline for ALP, which will allow us to revisit our emissions reduction targets and ensure they are ambitious. In the meantime, we continue to pursue measures to reduce our environmental impact. Please see our latest initiatives on our Greener Operations page. For detailed inquiries into our resource consumption reporting process, please reach out to [csr@agility.com](mailto:csr@agility.com).



Agility Sustainability Data	2017	2018	2019
<b>Community Investment Projects</b>			
<b>Total projects</b>	<b>158</b>	<b>123</b>	<b>78</b>
Asia	57	40	21
Americas	39	23	16
Europe	28	23	15
Middle East	34	37	26
Total # of community projects since 2006	1,645	1,768	1,846
# of Agility volunteers	4,128	2,273	969
# of people impacted	49,750	21,235	44,102
# of people educated with Agility support	10,929	15,036	6,416
Total # of people impacted since 2006	334,921	356,156	400,258

#### Donations and Fundraising (in USD)

<b>Total annual corporate and employee giving</b>	<b>\$991,231</b>	<b>\$851,018</b>	<b>\$798,261</b>
Donations and funds raised by local offices	\$29,463	\$135,434	\$87,520
Direct Employee Donations (online/payroll)	\$73,758	\$23,931	\$75,592
Agility Corporate Giving	\$412,010	\$413,731	\$295,807
DGS Paralyzed Veterans Golf Open	\$476,000	\$277,922	\$339,342

Donations and funds raised by local offices is tracked through our Community Investments database, as are Direct Employee Donations. Direct Employee Donations account for both funds contributed directly by employee donations as well as those raised from friends and family or the general public by employees through events and other fundraising activities. Agility Corporate Giving is our corporate donations budget, which goes to support community investment projects, global education drive and earth day events, often in the form of matching donations or grants to local offices. The DGS Paralyzed Veterans Golf Open is a signature DGS charitable event in the United States that has been running since 2008. Note that in 2019, the total reported here includes donations that were received after the event, and is higher than the total amount presented at the event itself. Where relevant, amounts in Kuwaiti Dinars have been converted to US dollars using the annual average exchange rate available here: <https://www.oFx.com/en-us/forex-news/historical-exchange-rates/yearly-average-rates/>.

#### Ethics Courses

Ethics courses completed	15,618	30,558	52,141
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Core ethics and anti-bribery courses are assigned to all computer-based employees. Additional courses are assigned depending on what is needed for an employee to know depending on the scope of their job.

#### Fair Labor Program Targets

100% of countries identified their own human rights risks	96%	90%
100% of employees trained on human rights	69%	87%
100% of largest emerging market operations audited every 2 years	46%	85%

For country-level fair labor data, please refer to [sustainability.agility.com](https://sustainability.agility.com)

#### How we measure progress

(1) 100% of countries understand human rights risks: 73 countries are required to conduct a self-assessment survey each year. Their human resources managers must undergo an annual training on the Fair Labor program. The denominator for this percentage is the headcount covered by the number of countries that have completed both the self-assessment and management training.

(2) 100% of employees trained: For full-service operations in the Middle East, Africa and Asia, human resources managers are required to conduct an employee roll-out to ensure that all employees, including subcontractors, are aware of their rights and how to report a grievance. For operations in the Americas and Europe, human rights managers are trained on the program, and are required to incorporate the fair labor training video into onboarding. The percentage here is of total headcount in countries that fulfill the requirements based on their region and scale.

(3) 100% of full-service emerging market operations audited: We assess human rights risk for our business on the basis of the scale of our operations, the presence of potentially vulnerable employees, including subcontracted or foreign migrant workers, and the country regulatory environment. We have identified 26 operations in the Middle East and Asia Pacific, reflected in the table above, for full participation in our Fair Labor program. For these countries, in addition to the first 2 steps, they are required to undergo a 3rd party social audit every 2 years. This audit must cover all aspects of the Fair Labor program. If no 3rd party audit is requested by a customer, the operations must voluntarily undergo an audit.

## Agility Humanitarian Operations &amp; Preparedness Projects 2017 - 2019

Year	Country	
2019	Lebanon	Fleet Management Training workshop for humanitarian logisticians
2019	Malaysia	Delivery of donated relief materials for flood-affected families in Johor Bahru
2019	Bangladesh	Customers Workshop in Cox's Bazaar with the Logistics Emergency Team*
2019	Mozambique	Cyclon Idai Flood Relief Donation to hasten delivery of aid materials
2019	Bahamas	Hurricane Dorian Relief Fundraising for World Food Kitchen
2019	South Sudan	Agility Tristar warehouse and distribution safety training for humanitarian logisticians
2018	Bangladesh	Preparedness activities with the Logistics Emergency Teams*
2018	Indonesia	Preparedness activities with the Logistics Emergency Teams*
2018	Indonesia	Donation of trucks and logistics coordination in Palu, Indonesia after a tsunami*
2018	Iraq	Donation of customs clearance process documentation and management support*
2018	Lebanon	Donation of humanitarian logistics/fleet operations training to Red Cross/Crescent*
2018	Nigeria	Logistics Capacity Assessment for port clearance process and timelines (import constraint mapping)
2018	Somalia	Donation of consultative services to help the World Food Programme build local market resilience
2017	Bangladesh	Donation of a refrigerated shipping container to support temperature-controlled storage for the Rohingya refugee response*
2017	Bangladesh	Flood relief distribution led by Bangladesh office to support 1,200 families on Dharabarshar char island
2017	Peru	Support coordination of flood relief efforts, collection of more than 400 tons of relief supplies for distribution*
2017	Thailand	Collection drive for donations and disaster relief logistics support by Thailand office for over 16,000 people in 12 flood-strick provinces
2017	Mexico	70 employees from Mexico office involved in emergency assistance activities and donation collection for Red Cross after massive earthquakes
2017	Somalia	Somalia fuel Logistics Capacity Assessment completed by Tristar*
2017	USA	Donation and transportation of aid materials from Chicago to Puerto Rico after hurricane
2017	USA	Donations raised and disbursed by Houston office to help employees affected by Hurricane Harvey
2017	Yemen	Donation of a refrigerated shipping container for temperature-controlled medication needed after a massive cholera outbreak*

\* Conducted with the Logistics Emergency Team (LET), comprised of four of the largest global logistics and transportation companies: Agility, UPS, Maersk and DP World. The LET collaborates to support the United Nations World Food Programme-led Logistics Cluster and its partners. The LET partners provide logistics support to humanitarian emergencies. They also work with the Logistics Cluster to assist local governments and NGOs with preparedness activities.

