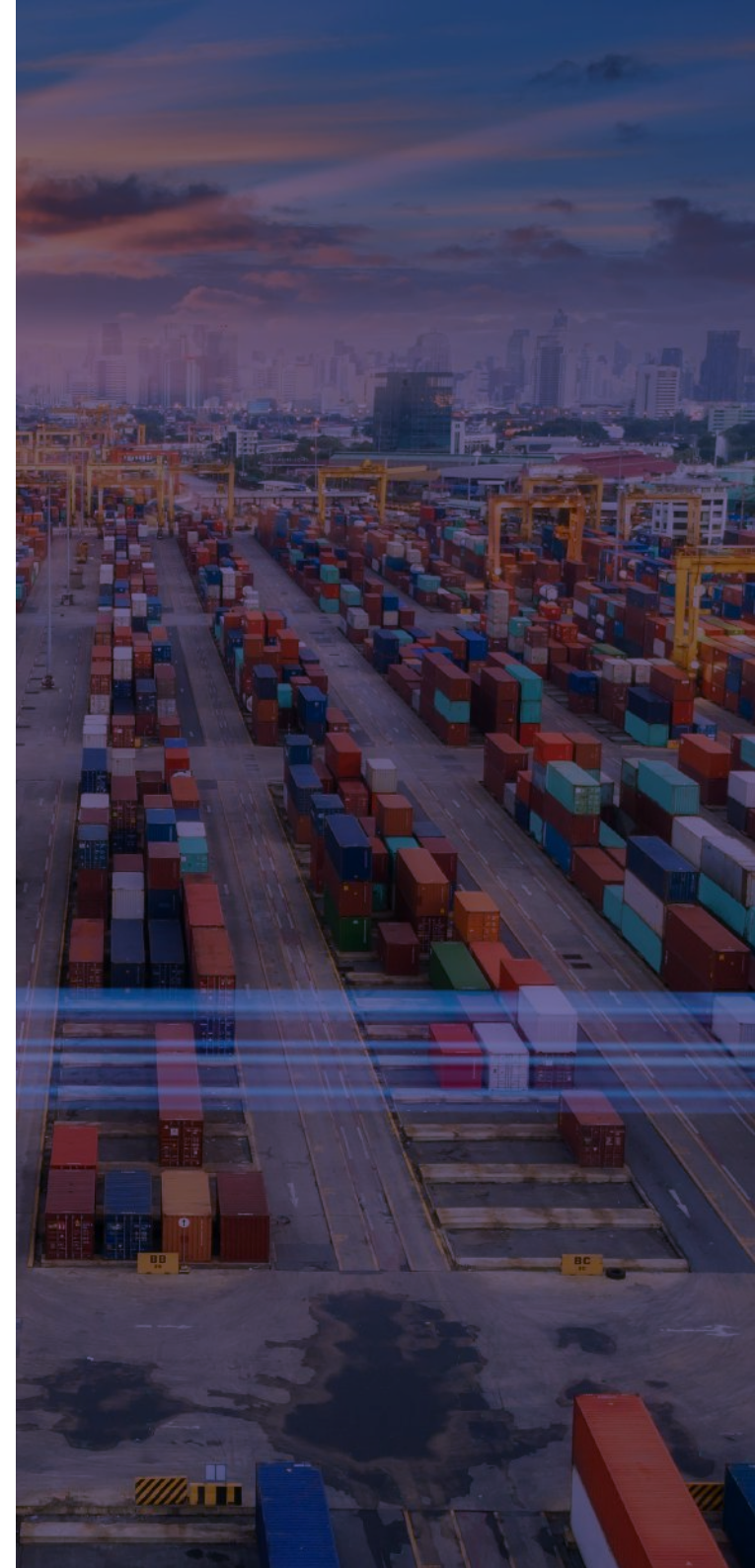


A white SEKO truck is driving on a multi-lane highway that curves through a landscape with autumn-colored trees. The truck's trailer has "SEKO" and "GLOBAL SUPPLY CHAIN SOLUTIONS" written on it. The background shows a sunset or sunrise sky with clouds.

SEKO LOGISTICS' ANNUAL ESG REPORT
2022-2023

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A Message from our Chief Executive Officer



James Gagne,
Chief Executive Officer

I am excited to share with you SEKO's inaugural ESG report. I view this as a critical milestone in our organization's history as it serves as a guide for our decisions and actions with respect to how we take care of our people, help our respective communities, and how we conduct business as responsible stewards of the environment wherever we work and operate.

To this end goal, 2023 will demonstrate SEKO's strong commitment towards being a leader in the Environmental, Social, and Governance (ESG) space as we finalize our carbon calculation tools, our facility energy and vendor audits, and the release of this document - our first annual sustainability report.

In the last 12 months, SEKO has made significant strides in its efforts towards ESG goals through our SEKO Cares program. Establishing a first set of goals, creating a framework for the program and appointing a global leader of sustainability to drive the program forward were key in getting the process successfully launched. Since then, we have seen plans and initiatives begin to turn into real action, which will be realized through numerous substantial deliverables by the end of 2023.

While 2022 proved to be a difficult year for the

global economy and presented a new set of supply chain challenges off the back of two years of COVID disruptions, SEKO managed to maintain growth. Like many companies, in 2023, SEKO will need to be diligent with investments in the short-term as the prospect of enduring inflation and high fuel prices leaves us cautiously optimistic about the near future. Despite these pressures, SEKO is maintaining its commitment to sustainability through investment in people, technology and third-party experts.

I am very optimistic about all that we can do as a company in this space and as you will read throughout this report, there there are great initiatives already in motion. Our continued growth and success as professionals and as an organization are made stronger with our commitment to ESG and this report ensures extreme transparency and accountability. Taking care of our people and the communities in which we live, work, and operate is not only beneficial to our bottom line, it is also the right thing to do. Let's keep the momentum going and please don't hesitate to share your ESG thoughts and ideas with me. The following "Year at a Glance" section highlights a few of my favorite memories from last year."

Our move to a “Green” corporate headquarters

In 2022, SEKO moved from its traditional headquarters in Itasca, IL to a facility in Schaumburg, IL, which carries numerous forms of accreditation including LEED Gold, ENERGY STAR, BOMA 360, TOBY and WiredScore Gold rated. While this relocation is important for SEKO today, it is more important for the SEKO of tomorrow - setting a precedent for a broader, more green, facility strategy.

Atlanta City of Refuge



SEKO was fortunate enough to have been involved first-hand in our work with City of Refuge, an amazing initiative on the westside of Atlanta. Working with people in crisis, many members of SEKO's team have supported City of Refuge with skills training, mentorship and employment opportunities. Seeing individuals gain skills, confidence and ultimately a career path is hugely rewarding for all of the SEKO staff who have been fortunate enough to be involved with the program. We look forward to ensuring our continued support for years to come.

Support for the people of Ukraine

SEKO has been extremely active in our support for the people of Ukraine, both through the movement of freight, as well as in raising funds for charities vital to the humanitarian efforts required to support millions of displaced people. At our global leadership conference in October 2022, SEKO staff donated over \$200,000, a staggering amount for individuals to contribute in the face of their own personal financial pressures. I couldn't be prouder of the immense generosity and it was a clear sign that SEKO's culture of community is by no means superficial.



Aid shipments for Project C.U.R.E. & Airlink

SEKO works closely with two humanitarian organizations that support causes on which SEKO places tremendous value. Project C.U.R.E. is the largest provider of donated medical supplies and equipment to developing countries around the world, and Airlink is a nonprofit organization working with aviation and logistics partners to transport relief workers and emergency supplies for reputable non-governmental organizations (NGOs) responding to rapid-onset disasters and other humanitarian crises around the globe.

SEKO has assisted Airlink with shipments of aid to numerous countries, delivering medical equipment, essential supplies and much-needed donations to countries like Haiti, Türkiye and Ukraine. Throughout these programs SEKO has experienced, first-hand, the impact we can make by leveraging our assets, networking capabilities and partnerships to fulfill our social responsibilities. We have brought airline partners, trucking companies, destination handling companies and numerous other parts to the complex supply chain puzzle that is required to deliver aid in often difficult circumstances.



Through its partnership with Airlink,
SEKO has donated

140 OF **914**
SHIPMENTS TONS OF AID

REACHING
2.2M
PEOPLE



Defining “ESG” for SEKO

People, Planet and Community are at the core of ESG for SEKO.

People

People, whether they are our employees, our clients or our suppliers, are the essence of why we exist as a business. For this reason, SEKO believes in the importance of supporting issues impacting people, especially those less fortunate than ourselves. Through policies that protect child labor, encourage diversity or promote inclusion or are in support of people impacted by war, a global pandemic or a natural disaster, SEKO is looking for ways to better the lives of people however we can. Internally, we must strive to train and develop our people to be in a position to make a positive impact as global citizens. Education is the foundation and SEKO is embracing the importance of implementing learning initiatives throughout all levels of the business, from the warehouse to the boardroom.

Planet

There are a few undeniable truths in this world, though one is certainly that, as a species, we are consuming resources and damaging the air and ocean around us at an unsustainable pace. For the sake of those in developing nations who are bearing the brunt of our poor maintenance of this earth and for the generations to come, doing whatever we can to minimize our impact on this planet must become a habit for people and companies alike. Through local programs and global initiatives, SEKO is working with our clients and suppliers to support change, take risks, try new things and embed a continuous environmental improvement mindset in everyone within our ecosystem.

Community

At SEKO, we provide global reach with local expertise. With our unique business model, SEKO has offices and deep relationships within local communities, but can provide global reach to areas impacted around the world. From a tree-planting day in Hong Kong to an airplane full of medical supplies into Haiti, SEKO is committed to supporting the local communities who support us. We do these things not because we have to, but because we want to. This is the right path forward, and it is a necessity that our employees, our clients and our suppliers share a similar mindset. On our own, SEKO can only do so much, but if we can assist or influence positive actions around us, we believe that the collective movements of our employees, clients and suppliers will create substantial positive change.



ESG Strategy Development

SEKO Logistics ramped up its focus on ESG in the fall of 2021 with the onboarding of a third party sustainability consulting firm. This marked SEKO's first investment in outside partners to develop a tailor-made ESG strategy that would allow for future growth and evolution.

The ESG strategy development process, which concluded in summer 2022, began with a Materiality Assessment that provided SEKO an understanding of how its stakeholders, both internal and external, viewed the relative importance of sustainability topics and helped to guide the establishment of goals and objectives to improve SEKO's sustainability footprint.

GIS then led SEKO through two ESG workshops, which included a team of SEKO leaders from offices around the globe. The workshops were beneficial

to highlighting key SEKO values and activities that helped to further refine and establish the "how to" in achieving our sustainability goals and objectives.

The ESG strategy development process also provided us with an opportunity to update our Mission and Vision statements, as well as review and enhance our company policies with respect to sustainability. We identified several sustainability professional development courses to adopt, which will help improve understanding and awareness company-wide.

As we entered 2023, we continued our vendor audit program, aimed at creating a deeper understanding of how our suppliers' sustainability goals and actions support our ESG aspirations. With a goal of all SEKO suppliers having sustainability goals and programs by 2025, our vendor audits and continuous improvement programs are key to collective

progress and success.

Audits are not only limited to our vendors. SEKO is also actively conducting energy audits of its U.S. facilities to identify improvement opportunities. We began this process in fall 2022 and will continue until we have an accurate energy assessment of each of SEKO's facilities globally. These audits will also examine our vehicle fleets as we look towards electrification and alternative fuels wherever possible.

Finally, it is our belief that no strategy can be a success without constant self-assessment. SEKO has already conducted one independent third-party assessment of its ESG direction through EcoVadis and will continue to do so each year. This approach will help to ensure we are in a better position to achieve our ESG goals and objectives, and make adjustments as necessary.

Company Overview

SEKO began in 1976, operating out of a single office in Chicago. Since, we have grown to over 150 offices across 60 countries worldwide, SEKO delivers sustainable client-first service, expert reliability and tech-driven shipping solutions that turn supply chains into a competitive differentiator. Our commitment to giving back through the logistics industry further supports our clients and the people they support and serve. Without people, there is no progress in sustainability, and we support our people throughout every area of our business.

Products & Solutions

AIR

At SEKO, we've concentrated on forming long term relationships with selected worldwide airlines and cartage companies. Through these individual partner alliances, we are able to negotiate the best pricing available for our Air Freight Forwarding services. In our most critical market areas we have 'blocked space' agreements in place that guarantee us capacity during both low and high seasons, with the flexibility to expand or contract these commitments based on customer need. Relative to sustainability, we're proud to have signed commitments with airline partners to purchasing Sustainable Aviation Fuel (SAF) to encourage reductions in airfreight emissions.

GROUND

For store openings, displays, remodels, high value, regular product replenishment and more, SEKO provides time-definite and specialized services with our own SEKO branded trucks, vans and equipment. Whether the cargo is oversized or it needs to be delivered before the store or business opens, we can handle any type of special project for retail expansion, trade show, event or other specialty cargo needs. In support of these activities, we are pursuing a goal of having all "white glove" trucking be carbon neutral by 2023. We anticipate a great deal of sustainability-related activities in our ground solutions in the coming years.

OCEAN

SEKO's ocean logistics, global sea freight and shipping network encompasses more than 60 countries worldwide, including all of the world's major seaports. We have strong working relationships with the largest ocean carriers in the world, which enables us to offer flexible routing and multiple ocean transportation options for both part container (LCL) and full container (FCL) movements. In addition, SEKO provides consolidation and deconsolidation of ocean shipments at points of origin and destination, to optimize the supply chain and deliver a full range of global shipping logistics. Several of SEKO's main ocean freight partners are aggressively tackling the challenges posed by alternative fuel solutions.

OUR INDUSTRIES

AEROSPACE & AVIATION

AUTOMOTIVE

DIRECT TO CONSUMER BRANDS

FASHION APPAREL

GOVERNMENT, SPACE & DEFENSE

HEALTH, BEAUTY & COSMETICS

HIGH-TECH

HOME GOODS, RECREATION

& FURNITURE

INDUSTRIAL

LUXURY

MARKETPLACES & SELLERS

MEDICAL DEVICES

RETAIL

SPORT & LEISURE

WINE & SPIRITS

CONTRACT LOGISTICS / FULFILLMENT

Our global infrastructure is made up of multi-user logistics facilities throughout the world, enabling us to stock products and fulfill orders in a more timely and cost-effective manner in each local market. SEKO also offers dedicated site solutions on a contract logistics basis. We can provide as much consultation and project management as necessary to ensure logistics operations are designed professionally to meet business requirements, in the right location(s), and operated the way our clients want.

ECOMMERCE

Our innovative approach to ecommerce is founded upon our four core services which together, transform every phase of our clients' process: International and Domestic Parcel Delivery, Ecommerce Warehousing and Fulfillment, Global Parcel Returns/Recommerce and Heavyweight Ecommerce Shipping and Last-Mile Delivery.

WHITE GLOVE DELIVERY

There's no 'one size fits all' when it comes to heavyweight home delivery. That's why we have a solution for any requirement. The transfer of heavyweight parcels is where we set the benchmark for home delivery - competing on price, but never compromising on quality of service. White Glove, room of choice, assembly - these are just some of the ways we guarantee the secure and efficient delivery of heavyweight goods.

SEKO BY THE NUMBERS



12,000+
CLIENTS

OVER 5 MILLION
SQ FT OF WAREHOUSING SPACE

ACROSS 60+
COUNTRIES

Acquisitions

Bansard International

Acquired by SEKO Logistics in 2021, Bansard was the largest acquisition to-date for SEKO, bringing with them more than 700 employees across 17 countries with a significant portfolio of existing customers. Relevant to this report, Based in France, Bansard was already on its own sustainability journey prior to the acquisition, having published an annual ESG report and progressing numerous related initiatives in previous years. As part of SEKO, Bansard's freight movements and carbon emissions are included in this report.

Bansard began its Corporate Social Responsibility program in 2018, with the creation of an ethical charter, which included elements around compliance, human respect, environment and other key aspects of ESG. Throughout 2020 and 2021, Bansard achieved multiple certifications, including 6PL, ISO 9001 and ISO 14001.

Since the acquisition, SEKO Bansard has continued

its initiatives surrounding CSR, including carbon reduction programs for our Paris-CDG operation, which is now 100% powered by green electricity through a partnership with Engem. Bansard's legacy of commitment to ESG initiatives has been a welcome addition to our broader efforts globally at

SEKO Netherlands

Following a more than 15-year-long relationship, in June 2022, SEKO acquired full equity ownership of SEKO Benelux, renaming the operation to SEKO Netherlands. The Netherlands-based team had recently embarked on its own global sustainability journey, such as utilizing alternative energy resources like solar panels to power its warehouse facilities, as well as reducing CO2 consumption by shifting freight from air to ocean traffic for select clients. Plans are in the works for a robust roll-out of additional measures, including a formal ESG audit and diversity and equity leadership training both taking place in 2023.

Pixior/Dura Trucking

In August 2022, SEKO announced the acquisition of Pixior, LLC (Pixior), a leading 3PL and fulfillment services provider based in Commerce, CA. The acquisition of Pixior brought key ecommerce capabilities in-house to SEKO in the critical West Coast market, including high-touch value-added fulfillment services that provide a customized brand experience to client customers. This acquisition nearly doubled SEKO's fulfillment and warehouse space in the US and tripled SEKO's existing West Coast space capacity. In addition, SEKO added Pixior's drayage business, under the Dura Trucking brand, to increase further the speed and efficiency of its port discharge services.

Moving forward, we are committed to assessing and implementing measures to improve efficiencies in our growing footprint on the West Coast.



Vision, Mission & Goals



In 2022, SEKO made a commitment to sustainability and, with that, updated our company mission and vision statements to reflect this direction.

Our Sustainability Vision Statement

To be the global leader of environmental, social, & governance in the logistics industry.

Our Sustainability Mission Statement




As a global logistics business, we are dedicated to leveraging our assets, networking capabilities, data and partnerships to achieve our environmental, social and governance responsibilities.







As we mature in our journey, so will our goals.

Our Goals

In 2022, SEKO published our first set of sustainability goals, touching on multiple areas of ESG. We felt that it was important to include both long-term material targets as well as shorter-term initiatives and readily measurable targets. As our sustainability journey progresses we will create additional goals applicable to the company and the world around us.

When considering our current and future goals, we bear in mind the United Nations Sustainable Development Goals (SDG). The SDG's aim is to transform our world by acting as a call-to-action to end poverty and inequality, protect the planet, and ensure that all people enjoy health, justice, and prosperity.

| TOPIC | OBJECTIVE | |
|-------------------------|---|--|
| COMMUNITY | SEKO will invest 2% of pre-tax profits OR \$5M annually into local communities and charitable initiatives from 2025 onwards. Donations will be through value-in-kind services or cash donations |  <p>10 REDUCED INEQUALITIES</p> |
| DIVERSITY & INCLUSION | 100% of SEKO-owned offices will have a diversity and inclusion goal by 2023 and SEKO agents by 2025 |  <p>5 GENDER EQUALITY</p> |
| LEADERSHIP & GOVERNANCE | 100% executives credentialed on inclusive leadership by 2023 |  <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> |

| TOPIC | OBJECTIVE | |
|-------------|--|---|
| ENVIRONMENT | Carbon neutral for all SEKO-owned or controlled facilities and activities by 2050 |  |
| | Energy audit completed on all SEKO-owned/leased facilities by 2023; agents by 2025 |  |
| | Carbon neutral SEKO-owned facilities and SEKO-owned last mile/white glove trucking by 2030; and agents by 2032 |  |
| | Carbon neutral air and ocean freight by 2040 |  |
| | Carbon neutral road linehaul and parcel final mile by 2050 |  |
| | 100% SEKO-owned & leased facilities meet LEED certification (or equivalent) standards by 2040 |  |
| | Subgoal: USA, UK and AU facilities by 2035; Other facilities by 2040 |  |
| | Subgoal: 90% electric material handling equipment at facilities by 2030 |  |
| | Subgoal: 80% of SEKO business will be contracted to third party carriers who have adopted sustainability goals by 2025 |  |
| | 100% of employees trained on sustainability by 2025 |  |

A few words from Kai



Kai Lincoln, Global Vice President, Sustainability
SEKO Global

I have been blessed with a second-life.

A bit dramatic, yes, but my career as a logistician with over twenty years' experience in supply chain, building, and executing operations to move largely disposable goods around the world has led to this new amazing chapter of my career in sustainability. During the first part of my career, I rarely considered the environmental impact those freight movements had. In recent years, however, my mindset has changed. In my quest to find a place where I could begin a renewed career that may have a more positive legacy on our earth, I was lucky enough to find it within the company that I have called home for almost a decade.

It is with great respect that I hold the title of the Global Sustainability Lead for SEKO, a progressive global supply chain business. I know we are an important piece in the challenging puzzle that is solving the climate crisis. While we are by no means the biggest, we are also not the smallest, and sitting in that middle gives us intimate proximity to our clients and our vendors. This positioning affords us the opportunity to explore pilot opportunities with customers and suppliers. Like a stone being thrown into a pond, such is our

desire as a business, to create ripples that join other ripples, from other like-minded companies, which will create a wave of urgency, innovation, and acceptance that we are at the here-and-now moment here-and-now moment to act.

It is with this mindset that we are driving forward our initiatives around continuous improvement in our carbon calculations and data-analysis. We are holding our vendors accountable, as our clients have done to us, through our audit, rating system, and rationalization of our total supplier base. We are looking within our own operations to understand our starting point and our opportunities. From these actions, roadmaps are becoming clear and projects begin to move us from discovery to execution and, with that, we bring our vendors and clients along for the ride.

I have faith in our leadership that the hard decisions and sacrifices required to be game-changers will be made and followed through. I am confident that the suppliers suppliers, with whom we align, will make and execute on their own commitments. I know that retailers understand their part in improving the supply chain, as well. I believe that consumers can change their habits, whether consciously or subconsciously. I do this for my kids, for the waves, fields and mountains on which I play on and for those individuals who are not in a position to make change themselves.

Carbon Reporting Methodology

SEKO'S CARBON CALCULATION PROGRAM IS BROKEN DOWN INTO SEVERAL STREAMS:

B2C PARCEL | B2B FREIGHT | WAREHOUSE ENERGY CONSUMPTION

Due to the nature of SEKO's systems, largely due to acquisitions in recent years, capturing 100 percent of freight movements to measure our 2022 base has been a monumental effort. Fortunately, other projects within the business will see a more centralized data storage structure moving forward.

Our primary calculation tool is via a third-party platform called EcoTransIT, a company based in Germany that is compliant with the Global Logistics Emissions Council (GLEC) framework and is EN16258 accredited. They are used by numerous global companies, including some of our own clients and competitors.

EcoTransIT was chosen after evaluating several other companies, largely due to their accreditations, their sizable database of pre-stored variables (truck, aircraft, ship, rail-engine types) and their fairly simple, pre-set APIs. SEKO has been working with EcoTransIT since 2021 when

we began building out our calculations on end-to-end parcel emissions for our ecommerce division.

The reporting of carbon consumption will be an ongoing process of refining data and assumptions. For example, there are default assumptions contained in the EcoTransIT database for variables such as vehicle type, fuel type and vehicle utilization. These can all be customized where we have access to more accurate information. Part of SEKO's journey of discovery is understanding which of the assumptions provide the most material change to the outputs so we can focus on those as we refine the data.

In addition to reporting carbon emission numbers, we have several objectives for using our calculation tools that include but are not limited to:

- Provide useful data to our clients regarding their emissions, allowing them to proactively reduce emissions through improved packaging, smarter SKU offering, multi-mode offering (standard vs.

express, road vs. air), possible use of offsets to consumers at purchase or building in offset costs to their pricing

- Provide useful data to SEKO to seek solutions for reductions wherever possible. This may include changing vehicle types, improving load utilization, seeking opportunities to increase our use of alternative fuels and reducing scope 1 warehouse emissions.
- Provide baseline and ongoing data for SEKO to track trends and report as part of our total emissions

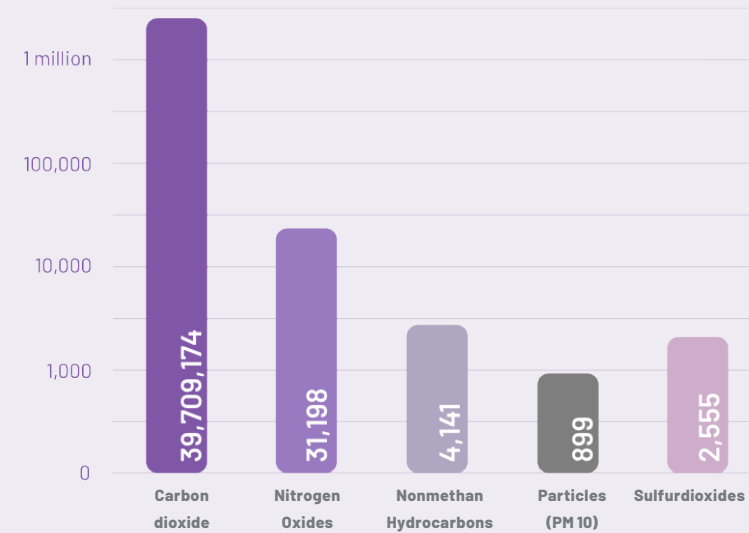
Ideally, for SEKO to live our vision of being "the global leader of environmental, social, & governance in the logistics industry," we should be looking towards our reporting and analytics capabilities to serve as a unique selling proposition. Taking accurate reporting data and making proactive and meaningful recommendations to our clients will establish SEKO as a leader in our space.

Total Scope 3 CO2 Equivalent 2022

SEKO’s Scope 3 emission measurement is in CO2e. CO2e is “carbon dioxide equivalent” and is used to compare emissions from various greenhouse gases (GHG) in a common unit. For any quantity and type of greenhouse gas, CO2e signifies the amount of CO2 which would have the equivalent global warming impact.

SEKO’s total Scope 3 CO2e for 2022 was 794,186 Tonnes, with the sizable majority attributed to airfreight. This highlights an area of focus for SEKO in 2023 and beyond, including both opportunities for introducing more Sustainable Aviation Fuel (SAF) into our operations as well as working with clients to focus on reducing reliance on airfreight.

CARBON EMISSIONS AND AIR POLLUTANTS



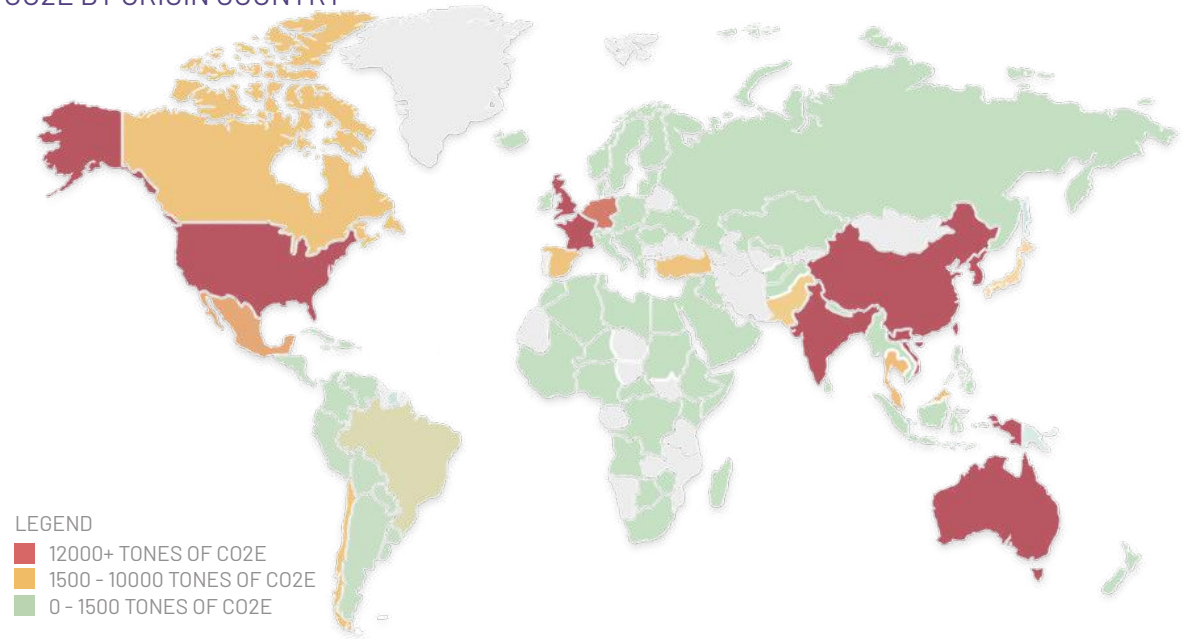
| Origin | Destination | Shipments | Co2 Equivalents (T) | Weight (T) |
|--------|-------------|-----------|---------------------|------------|
| CN | US | 24,694 | 106,929 | 227,297 |
| US | CN | 8,853 | 64,767 | 25,225 |
| CN | FR | 12,193 | 32,702 | 69,318 |
| US | AU | 2,583 | 28,640 | 9,264 |
| CN | GB | 13,908 | 25,523 | 135,783 |
| US | IL | 690 | 25,404 | 4,621 |
| GB | US | 5,050 | 17,165 | 12,914 |
| SG | US | 1,208 | 17,019 | 12,275 |
| TW | US | 3,036 | 14,382 | 23,163 |
| HK | US | 2,351 | 12,432 | 8,244 |

This table represents SEKO’s top-emitting tradelanes by CO2e. It is no surprise that China is heavily represented in these results and it provides us with an opportunity to dive into the shipments and clients driving these material emissions to explore reduction opportunities.

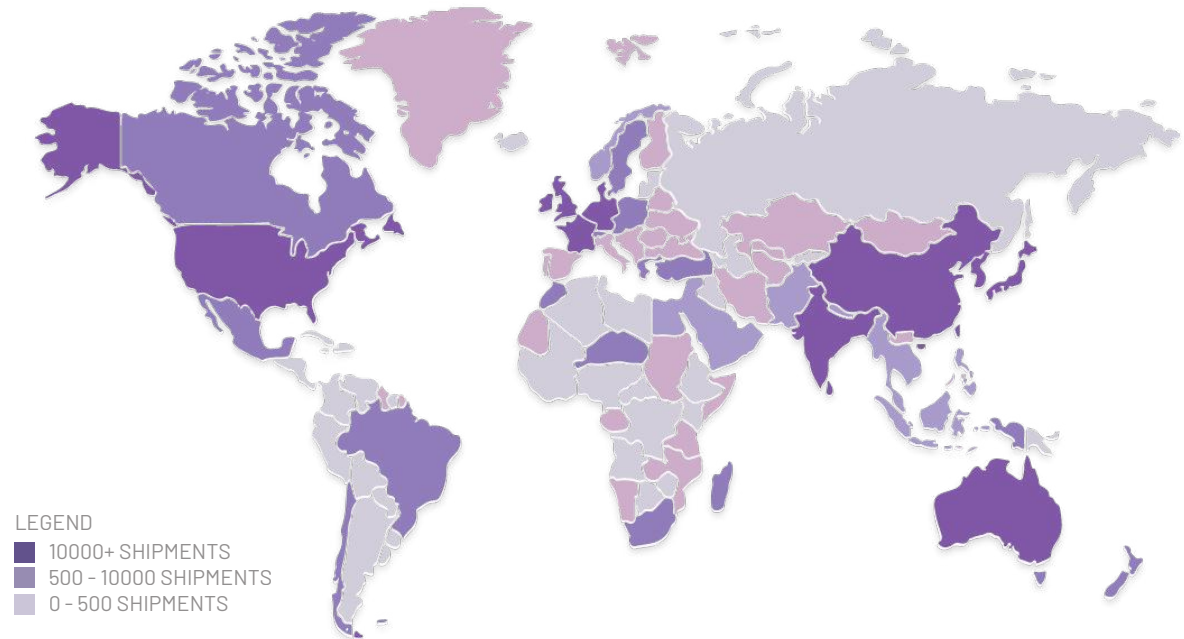
- High emissions
- Moderate emissions
- Lower emissions

The maps highlight CO2e **emissions** by Origin Country versus the number of **shipments** by Origin Country. In theory there should be a direct correlation between the number of shipments and the emissions. For the most part, this hypothesis holds true; however, there are some contrary results. For example, Indonesia, New Zealand, and South Africa each have high/medium volumes of shipments, but aren't registering as heavy emitters of CO2e.

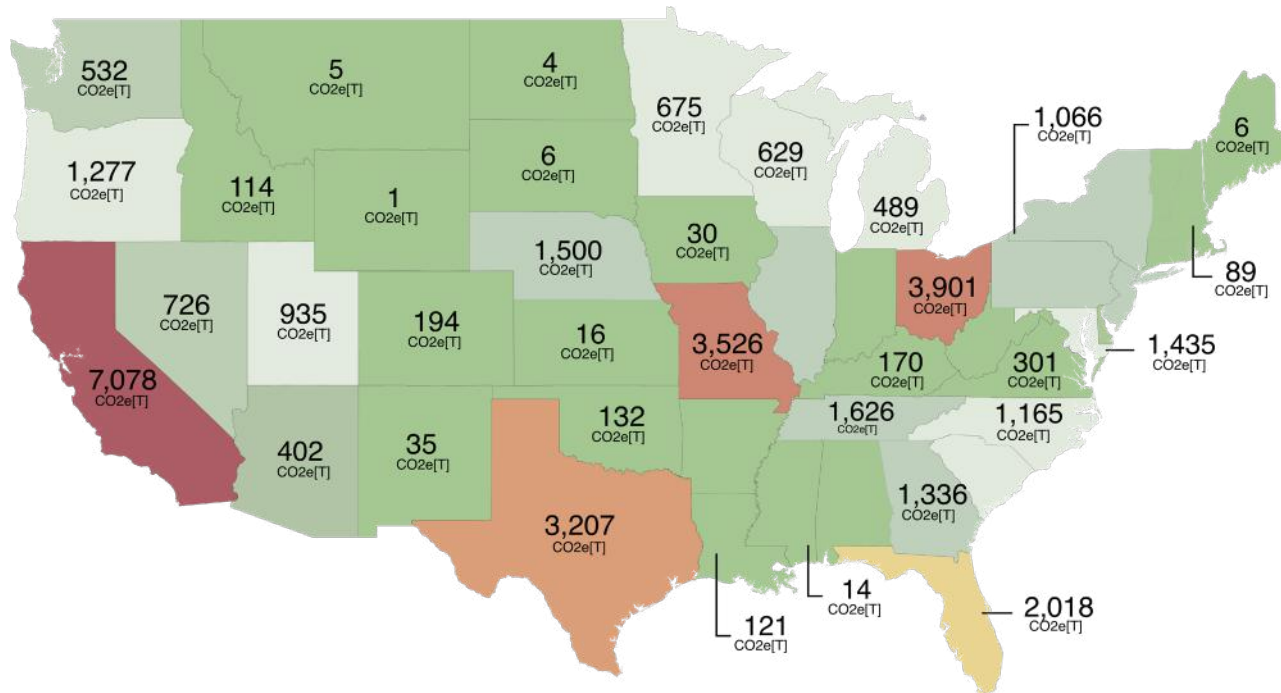
CO2E BY ORIGIN COUNTRY



SHIPMENTS BY ORIGIN COUNTRY



The map below highlights emissions from domestic USA trucking by state. While you expect states with large populations to be heavy emitters, as we see with CA, TX and FL, there are some surprising results shown as well.



The purpose of reviewing data in different formats is to ensure that our efforts to target reduction projects and initiatives are correctly focussed. With finite resources, both in people and alternative fuels, SEKO must focus on areas in which we can make the most significant impact to make material reductions in future years.

Data doesn't lie and SEKO, as a technology led logistics business, believes in the importance of measuring and closely tracking emissions data on a constant basis.

Carbon Emission Reporting: Looking Forward

Our 2022 baseline data presents SEKO with the ability to dive into immediate opportunities for emission reductions and operational improvements with regards to waste management and Scope 1 energy improvements.

Science Based Target Initiatives

SEKO Logistics has submitted our commitment letter to the Science Based Targets initiative (SBTi), a partnership between Carbon Disclosure Project (CDP), the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). The SBTi call to action is one of the We Mean Business Coalition commitments (<https://sciencebasedtargets.org/>) of which SEKO is involved.

Through this process, our climate goals are becoming more granular and science-based, providing SEKO with a more clearly-defined path to emission reductions. In order to be “science-based,” our targets will be in line with the latest climate science information available, with the ultimate goal to achieve our primary long-term aim of carbon neutrality by 2050.

With transport emissions accounting for 25 percent of global CO2 emissions and the fastest growing source of emissions, it is critical that SEKO take ownership of our contribution in tackling this challenge.

Data Mining and Discovery

Ensuring SEKO is data-led will ensure that we are focusing on the areas with the most materiality to reductions. It is common for companies to get distracted by rhetoric and hearsay; however, these are often reactionary based on a recent incident or incomplete assumptions.

By diving deeper into the data, we will discover the areas of greatest concern and quickest wins. For example, our 2022 data shows that our top five airfreight export origins account for more CO2 emissions than the total of our entire ocean freight program. As such, our biggest opportunity isn't currently in exploring alternative ocean freight fuels (though it is important). Instead, it is to dive into the clients sitting behind the airfreight and work with them to explore changes to behavior that may allow them to reduce their shipments in air and shift to ocean or even introduce ocean/air hybrid programs.

For the next several years, we believe there is a significant opportunity to reduce emissions through smarter supply chain management while technology, science and innovation related to alternative fuel solutions becomes available on a scalable level. SEKO views these initiatives as multi-faceted wins – a win for our clients, a win for SEKO and a win for the environment.

SEKO Cares

SCHAUMBURG HEADQUARTERS

After several decades in our office headquarters in Itasca, IL, SEKO Logistics moved to a building in Schaumburg, a northwest suburb of Chicago. The Schaumburg Corporate Center carries numerous environmental accolades, including Energy Star rating, Gold LEED and Boma 360. These certifications are only achievable through the regular auditing and updating of processes and equipment to ensure there is a path of constant improvement to achieve current sustainability measures.

The unique characteristics incorporate very simple concepts that resonated deeply with our staff and leadership. One example of a simple, but unique aspect of the site, is the use of an app where bulletin board announcements are shared, including a marketplace for buying/selling/swapping furniture and equipment, providing an easy avenue for the repurposing of items that might otherwise be disposed. In addition, there are beehives on site that provide a home to 150,000 bees and monthly beekeeping seminars. At the end of the harvesting season, staff have access to free honey, soap and candles produced from the product of our onsite bees!

In protection of our staff, the site management continuously monitors interior air quality, looking at 10 attributes, from temperature and humidity to particulates and volatile organic compounds. The filtration system is hospital-grade, which captures 50 to 85 percent of particles 0.3 to 1.0 microns in size. This provides our staff with great confidence that a return to office in the post-COVID era is safe.

Most importantly, the move to Schaumburg sets the precedent for other SEKO facilities. For SEKO to reach our goal of carbon neutral facilities and offices by 2030, it is crucial that our offices around the world follow the lead of the Schaumburg move. With millions of square feet under lease across the globe, SEKO has an opportunity to show our commitment to a reduction in our Scope 1 emissions through our upcoming lease agreements. It is our hope that we can help to drive change with our landlords to see them upgrade existing facilities rather than just moving on and leaving the inefficient facilities behind. For those properties that are already making or achieving success with energy efficiency, we can show support for their capital investments by extending our agreements.





City of Refuge and Buyer Connected

Founded in Atlanta in 2014 by its President, Jamal Lewis, Buyer Connected Inc (BCI) is the market leading Minority Business Enterprise (MBE) retail services consultant, specializing in the delivery of in-store solutions. In support of this, SEKO Logistics provides BCI with transport and logistics expertise as its network infrastructure support system. BCI operates a 'shop in a shop' model within SEKO warehouse and office facilities. This model offers 'brick and mortar' support, warehousing, and final mile transportation to BCI's client network, and provides the services and network BCI needs to scale its end-to-end retail solutions.

"As a certified MBE and African American Owned business, Buyer Connected believes that our work as leaders in our community extends well beyond our service offerings," said Jamal Lewis. "We pride ourselves in living out our mission every day, and never forgetting why we exist," said Lewis.

The City of Refuge helps people in crisis to thrive in their community, offering food, housing, and emergency healthcare support, while its Reentry Hub provides opportunities to learn new skills through education, job training and financial literacy. By bringing together like-minded community



members, organizations and volunteers, the City of Refuge is able to create jobs, local opportunities, and stronger families in an area where nearly 40 percent of residents live below the Federal Poverty Level.

The City of Refuge has been providing vocational training for over 10 years and, today, with the help of donors and sponsors, provides a wide range of courses under one roof - preparing students for jobs in the automotive, technology, banking, culinary arts, sales administration, and security sectors.

In partnership with City of Refuge, BCI/SEKO created a two-week Logistics and Warehouse class in Atlanta's most impoverished zip code to provide students with the tools needed to start their careers in supply chain. Collectively, the partnership aims

to help reduce recidivism. The class leaves with an understanding of global supply chain, warehouse operations and earn forklift and CPR certifications. To date, more than 120 individuals have graduated from the program. There are services available to all students after completion of the course to help guide them in the job search, preparation, and placement services. The commitment to grow and geographically expand this course is shared by every individual and organization involved.

"When previously incarcerated individuals return to their community, they very often face immediate and multiple issues such as debt, unemployment, broken families and limited access to safe housing," said Rob Keuten, Buyer Connected's CEO "The strain of

these factors can lead to increased chances of them returning to prison, but the City of Refuge and its Reentry Hub have proven that when the community works together, we can make amazing things happen. Since 2019, nearly 600 individuals have been placed in stable employment through this program and we know that Buyer Connected and our partner SEKO can make a positive contribution to help more people. As soon as we outlined our plans to the SEKO leadership team to provide a logistics training course, their immediate reaction was ‘We’re all in.’ Together, we will work hard to support the City of Refuge program and its goal of reducing recidivism by helping people thrive in their lives outside of prison.”

“As a proud mid-sized, regionally-based organization, having a partner the size of SEKO, with its national infrastructure and leadership in major cities across the US, means we can ultimately scale this initiative to other regions of the country where we can add our logistics training to the courses already being offered for other sectors by City of Refuge supporters,” added Keuten.

The program to help detainees begins 18 months before their release. Case workers determine the individuals in a strong position to succeed, and who will be committed to the program and the opportunity it offers. Then, they work with each person to understand if they can be a leader in their job, home and community. This support then continues once they find employment.



THE WAR IN UKRAINE

Through our SEKO Cares initiative, SEKO serves as both a coordinator and an active participant in humanitarian relief needs around the globe. Not only introducing organizations and corporations to one another, but also directly handling the end-to-end supply chain to move aid – from pick-up to final mile delivery into medical facilities, distribution centers and individuals' hands.

Since February 2022, SEKO has donated and provided more than \$300,000 in goods and services to support those impacted by the conflict in Ukraine. This initiative has been aided by SEKO's partnership with the Ukraine Logistics Coalition, a non-profit organization focused on providing supply chain services to bring vital medical and humanitarian supplies into the region. SEKO also has partnerships with several other humanitarian relief organizations including Operation White Stork, Project Aid & Rescue and Be An Angel, to provide additional medical supplies to Ukraine through HemaSource. Through both their individual and collective work, these organizations have safely evacuated thousands of Ukrainians and distributed vital survival equipment.

In collaboration with these organizations, which have been dedicated to delivering in-kind donations and humanitarian aid to Ukraine since the conflict began, SEKO has shipped hundreds of pallets of medical supplies, including emergency first aid kits and other trauma supplies, at no cost. Upon arrival, distribution teams on the ground in Ukraine distributed the pallets directly to hospitals in dire need of supplies.



"We are truly inspired by the work of these organizations. SEKO is people-focused in all we do, and we've built a network of humanitarians who work hard to make a difference and change the lives of others," said Gagne "As a global logistics provider, it's our responsibility to leverage our assets, network and capabilities to serve as the backbone for so many other organizations and partners on the frontlines."

"I've seen first-hand how Ukrainians are struggling each day to meet their basic needs," said Jeff Kaminsky, Project Aid & Rescue's CEO & Founder. "Through SEKO's generosity, Project Aid & Rescue as well as our other partner organizations can continue its mission of collecting and transporting much needed items."

THIS PARTNERSHIP REPRESENTS ONE IN A SERIES OF PROJECTS IN SUPPORT OF HUMANITARIAN RELIEF EFFORTS FOR UKRAINIANS. IN PARTNERSHIP WITH GLOBAL HUMANITARIAN ORGANIZATION, AIRLINK, AND SEVERAL OTHER ORGANIZATIONS, SEKO:

- ▶ Shipped over 500 pallets of medical, food and other humanitarian aid by air and ground to Ukraine and neighboring countries.
- ▶ Donated \$150,000 in transportation services.
- ▶ Raised an additional \$200,000 to support Airlink's work providing relief efforts around Ukraine and other communities in crisis.
- ▶ Coordinated the logistics to ship 10,000 teddy bears and dozens of neonatal incubators to children affected by the war.



Earthquake Relief for Türkiye and Syria

On February 6, 2023, a magnitude 7.8 earthquake struck southern and central Türkiye and northern and western Syria. This was the largest earthquake in Türkiye since the 1939 Erzincan earthquake of the same magnitude, and there were more than 10,000 aftershocks in the three weeks that followed. There was widespread damage in an area of about 140,000 sq. mi. with an estimated 14 million people affected. Development experts from the United Nations estimated that about 1.5 million people were left homeless.

As of March 20, 2023, more than 57,300 deaths were confirmed: more than 50,000 in Türkiye, and more than 7,200 in Syria. It is the deadliest earthquake worldwide since the 2010 Haiti earthquake and the fifth-deadliest of the 21st century.

Reacting quickly to assist, a specially chartered Virgin Atlantic cargo-only flight from London's Heathrow airport was organized. The flight transported 58 pallets of clothing and other essential supplies, including 31,000 coats and blankets and almost a ton of infant milk powder. The flight landed in Adana, a city approximately 115 miles from the epicenter of the earthquake, in Gaziantep province. The shipment was then handled on the ground by AFAD, the Turkish Government's Aid Agency.

Magen David Adom UK joined forces with crisis response charity, Goods for Good, and medicines and essentials supplier, Durbin and Virgin Atlantic, who donated the flight, to deliver the humanitarian response in less than seven days. The consortium also worked with disaster response and logistics nonprofit Airlink, which coordinates and transports aid for a global network of 150 NGOs and charities, and their partner SEKO, who provided trucking services.

"The UK public has made a heartfelt and generous response to those affected by the Türkiye-Syria earthquake but it is vital that donations turn into aid as quickly as possible to help those in need. The response by all the charities involved to turn around such a huge aid operation so quickly has been an incredible effort and we'd like to thank all those involved for making this happen," said Daniel Burger, Magen David Adom UK's CEO.

"This movement of humanitarian cargo is an excellent example of the benefits of the private and philanthropic sectors working together, each bringing their skills and resources to bear with the aim of reducing human suffering," said Steve Smith, Airlink's President and CEO. "We are delighted to be working on another successful partnership with

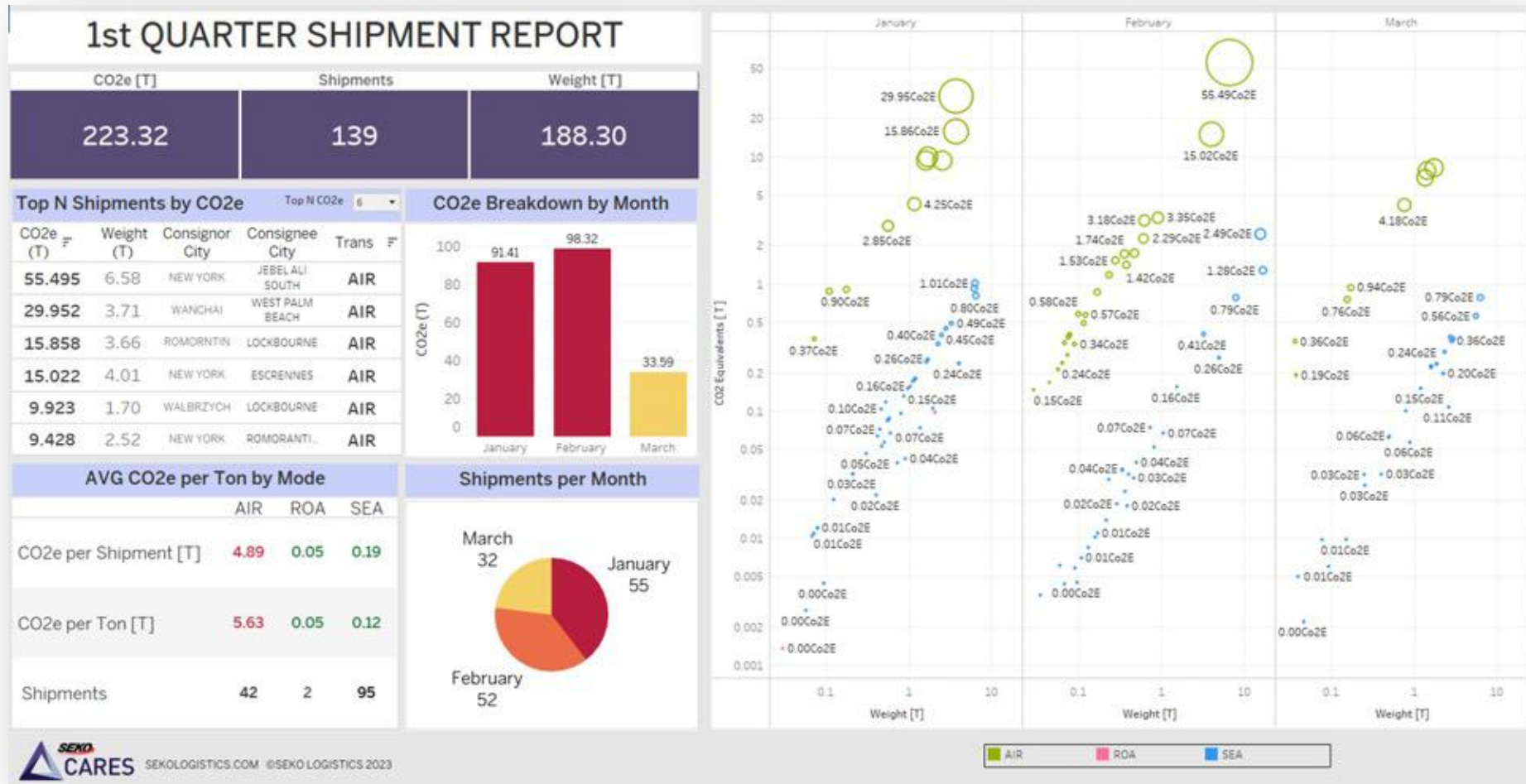
Virgin Atlantic and SEKO, and to have the opportunity to work with Magen David Adom UK and Goods for Good."



Client Reporting

As part of our ongoing commitment to information sharing, SEKO will be providing quarterly emissions reporting to our clients so we can continue to work collaboratively to find reduction solutions in a collaborative manner.

A sample of our quarterly reporting is here:





Client Focus

Without our clients, there is no business and fortunately for our earth, an increasing number of our clients are demanding that their suppliers become more active participants in the decarbonization of their supply chains. It is through client-vendor collaboration that we will begin to see material reductions in emissions. With large-scale innovation still several years away, we are at an exciting stage of pioneering innovation.

Why is trial and error “exciting?” SEKO believes that pilot projects uncover the opportunities for true future change. Whether this is in testing new packaging and consumable products or sharing additional costs to utilize greener biofuels, these innovations do not happen without willing risk-takers who can bravely try something new without the guarantee of success.

In the last 12 months, we’ve seen a significant increase in the number of clients who are surveying their suppliers to understand where we are in our sustainability programs. Likewise, client RFP’s now almost all require a response regarding SEKO’s ESG initiatives and policies. For us, this is a great sign that the industry is prioritizing sustainability as a key factor in decision making, which is how we believe sweeping change will happen. We are also receiving more and more requests from clients to provide customized carbon reporting on a regular basis. Similarly, SEKO’s Client Solutions Group is now building carbon reporting and ESG metrics into our quarterly business reviews.



Alpha Augmented Services

One exciting client collaboration that SEKO is undertaking utilizes new technology to tackle an old problem – packing efficiency. Statistics vary, but more broadly, they agree there are double-digit percentages of “air” being shipped around the world. This is often due simply to poor (or no) planning with container utilization in mind. Working with Alpha Augmented Services, SEKO and several clients are looking to make significant inroads to improving respective packing configurations, which in turn will deliver cost and carbon savings.

Alpha’s proven success in this space includes modeling for a global manufacturing client, with over 17,000 airfreight shipments/year, that saved the company \$16 million in freight costs and 40 million metric tons of CO2 per year. SEKO believes it can use this technology to provide similar benefits to our client base.



Vendor Focus

SEKO is equally focused on increasing the level of interest and participation in ESG with its vendors as it is internally and among its client base. During the last six months, we have made significant inroads to understand our own vendor pool. This has been conducted through desktop audits and vendor surveys. The ultimate goal for SEKO is to work with vendors whose goals are aligned with ours.

Our audits and surveys have revealed that our suppliers are largely in one of four categories and highlights the area of focus for vendor compliance in the short-term.

| Category | Definition | SEKO Action |
|----------|---|---|
| Mature | Well-developed program and robust reporting already in place. | Continue current engagement and seek pilot projects. |
| Emerging | Early stages of ESG, with some defined goals and a roadmap in place. | Continue current engagement and encourage further development of the program with assistance from SEKO as required/requested. |
| Willing | Conscious of the importance of initiating an ESG program, but have not yet begun. | Limit or cease current trading, but provide a roadmap to resume trading based on key ESG initiatives/requirements. |
| None | No ESG program planned in the next 12-24 months. | Cease trading and relationship. Provide roadmap and process for re-engaging at a future date. |

VENDORS BY THE NUMBERS

GREAT RESULT

More than

97%

of Air and Ocean Freight suppliers are categorized as Mature

IMMEDIATE NEED FOR IMPROVEMENT

More than

90%

of USA Road Freight suppliers are categorized as Willing or None

OPPORTUNITY FOR REDUCTION

600

The approximate number of international suppliers used by SEKO in 2022

OPPORTUNITY FOR REDUCTION

425

The approximate number of USA Road Freight suppliers used by SEKO in 2022

OPPORTUNITY FOR REDUCTION

49.8%

The number of international suppliers used by SEKO where our annual spend was less than \$50,000

OPPORTUNITY FOR REDUCTION

60.7%

The number of USA Road Freight suppliers used by SEKO where our annual spend was less than \$50,000

CMA-CGM

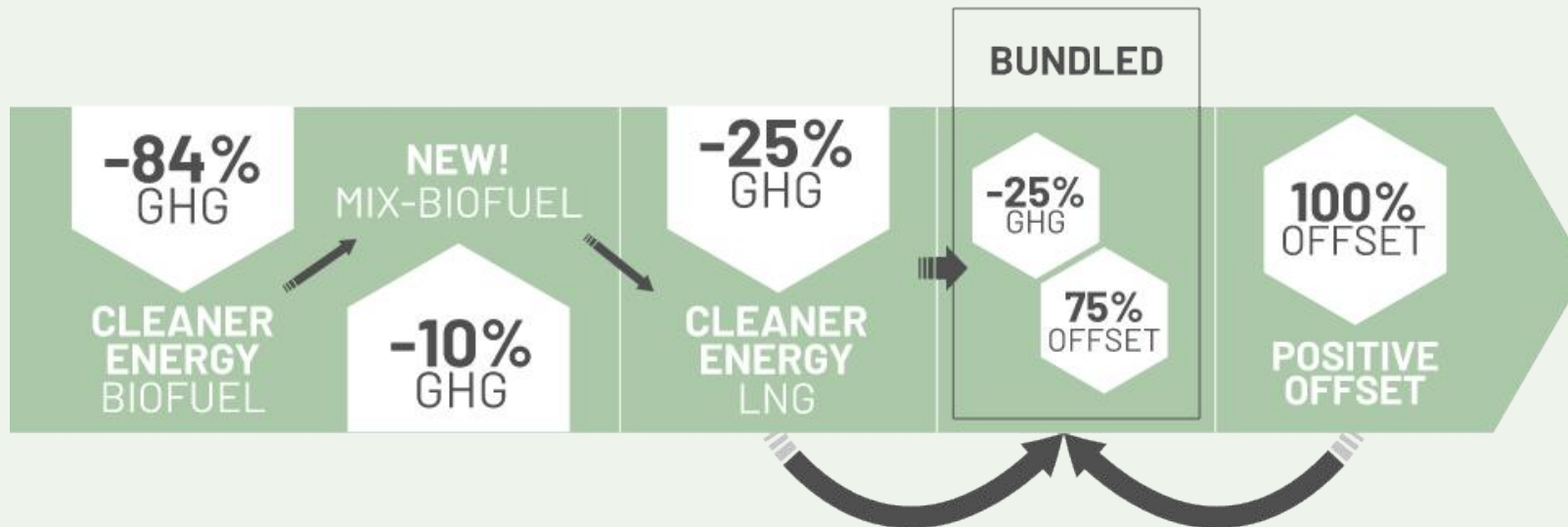
In the quest to promote alternative fuels in the shipping industry, SEKO has been speaking to a number of its core ocean freight vendors about the initiatives within each of their companies. Shipping line CMA-CGM has launched a global program based on the concept of "Mass Balance," where various alternative fuel options are offered to all of their global customers. Although alternative fuels are currently only available on specific tradelanes, participating in the program allows CMA-CGM to procure larger volumes of alternative fuels on the lanes where they have vessels and fuel sources available. This will accelerate the ability of shipping

lines to introduce retrofitted and new vessels, making greener shipping more readily available and affordable for all clients.

Currently, CMA-CGM is offering an alternative fuel program that is in-line with the Clean Cargo Working Group (CCWG) methodology. The CCWG is a collaborative partnership between ocean container carriers, freight forwarders, and cargo owners. Their focus is on tracking and reducing greenhouse gas emissions from container shipping and sharing ocean container freight decarbonization best practices.

CMA-CGM's offering utilizes a combination of alternative fuels and, if desired, offsets that can produce shipments that are as close to 100 percent neutral as is currently available. In fact, SEKO Australia is currently working with the Australian Fashion Council and CMA-CGM on a pilot program that will bring these mass-balanced shipping solutions to the Australian fashion industry.

SEKO believes it will require a collective effort by clients and forwarders to trial and promote initiatives like these to ensure alternative shipping options are able to become the standard in the coming years.



Air France KLM

In 2022, SEKO Bansard in France signed an agreement with its long-standing partner, Air France KLM Martinair Cargo, to participate in its Sustainable Aviation Fuel (SAF) Program; thus, significantly reducing CO2 emissions in the air freight sector.

ORIGIN AND BENEFITS OF THE PROGRAM

The aviation sector currently accounts for 2-3 percent of global man-made CO2 emissions. SAF represents an alternative fuel for aviation and is currently the only viable alternative to liquid fossil fuels powering commercial aircrafts. SAF reduces CO2 emissions by up to 85 percent compared to conventional jet fuel. This reduction occurs throughout the life cycle of the production and use of sustainable jet fuel compared to fossil fuel.

COMMITMENT TO THE SAF AK KLM PROGRAM

"We are very proud to join the Air France KLM Martinair Cargo SAF program," said Simon Pinto, President of SEKO EMEA. "As Franco European airlines, it is important to work together to reduce carbon emissions in the aviation sector. This action is part of a global and voluntary approach to sustainable development within SEKO Bansard. It is essential to engage and empower the transport and logistics industry to evolve and innovate towards more environmentally friendly solutions."

"As the main suppliers of air cargo from Asia to Europe, it is essential for Air France KLM Martinair Cargo and SEKO Bansard to commit to a cleaner, more sustainable and more responsible approach with concrete actions on this trade," said Loïc Benatar, SEKO Bansard's Vice President Asia Pacific. "This program is the logical continuation of our mutual commitments with our trusted partner and attests to SEKO Bansard's concrete efforts to move toward even more responsible logistics."

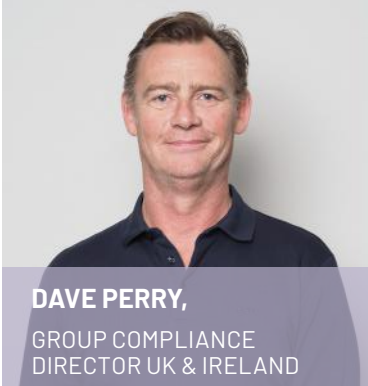
SEKO Bansard have just renewed our commitment to SAF for 2023-2024.



People Focus

Global Steering Committee

With 150 offices in over 60 countries, SEKO has assembled a sustainability steering committee that comprises passionate individuals from some of our key operations around the world. The responsibility of the steering committee is to assist with driving global initiatives within their respective regions while also encouraging, implementing and sharing information related to their local activities and initiatives. We thought it would be beneficial to introduce a few of our representatives and gain some insight to what makes them tick.



DAVE PERRY,
GROUP COMPLIANCE
DIRECTOR UK & IRELAND

“With increasing demands in an ever-changing environment, sustainability has become one of the key drivers to winning and retaining business, as well as something we all are responsible for. Being a solutions-based logistics company, we are at the forefront of environmental impact and have the opportunity to ensure the world we live in becomes a better place. Every solution we offer now has an element of ESG associated with it and SEKO is leading the way in initiatives with our clients, suppliers, and our teams to drive change.”

“Price and quality are the traditional factors on which business decisions are made. In today’s world, sustainability has become another driving factor in the decision making process. In every decision we make nowadays, we first look at the impact on sustainability. We require our suppliers to have the same sustainability goals as SEKO.”



TJALLING CLEVERINGA,
MANAGING DIRECTOR,
NETHERLANDS



CHARLIE WELLINS,
CHIEF COMMERCIAL OFFICER, ASIA PACIFIC REGION

“Working in the Asia Pacific Region places SEKO in the heart of heavy carbon emissions. As the manufacturing hub of the world, there is no avoiding large, scope 3 emissions both in and out of the region. Compounding the sheer volumes are the lack of government-imposed regulations driving down carbon emissions surrounding manufacturing and shipping. For these reasons, it’s critical that companies are the instigators of change. For many of our clients, SEKO is the eyes, ears and feet on the ground. Therefore, it is our responsibility to help them learn and navigate existing options, such as the assistance of carbon calculators to suggest changes needed to be now and in the future. This practical carbon calculator approach to scope 3, combined with SEKO’s internal focus on scopes 1 and 2, enable our clients and ourselves to collectively reduce emissions and make our impact on the Asia Pacific region and, most importantly, on this one world we have to share.”



JACK HACKETT,
GLOBAL VICE PRESIDENT,
CLIENT SOLUTIONS GROUP

“Within our Client Solutions Group globally, we manage our top 30 clients in each region. These clients are across different sectors and are all very different in many aspects, but the one constant is the visibility needed on managing sustainability and CO2 emissions. This really comes down to the saying, ‘You cannot manage what you cannot measure.’ Some of our clients have a very particular way they would like us to report on that and others love our standard reporting. It is becoming a huge part of what we do at SEKO. Our job is to enable our clients to make better informed decisions with better visibility. At the same time, we are learning from them, too!”

“It is essential to engage and empower the transport and logistics industry to evolve and innovate towards more environmentally friendly solutions.”



SIMON PINTO
PRESIDENT, EMEA

SEKO Initiatives

For sustainability to take hold as part of SEKO's culture, encouraging action at the individual office and facility is key. Regardless of the scale of change, the more our people take action within their respective local setting and the more we share stories about what people are doing, the more sustainability and social responsibility will become ingrained in everything we do.

HERE ARE A FEW STORIES OF SEKO'S PEOPLE DOING THEIR PART.

On March 8, 2023, SEKO launched our newest employee resource group – Women In Logistics Leadership (W.I.L.L.) in celebration of International Women's Day. SEKO recognizes that Diversity is vital for us in order to grow and innovate in a fast changing environment. Employee Resource Groups are an integral part of SEKO's commitment to drive change through diversity and inclusion.

They allow us to capitalize on the extraordinary resources of our greatest asset – our employees. Employee Resource Groups such as W.I.L.L. offer employees the opportunity to network, address common issues and concerns, and receive support from those who share similar backgrounds, experiences, or interests. It also enables our management to mentor and 'lead up' for others on their teams and in cross functional groups throughout the organization.

Additionally, Employee Resource Groups offer employers excellent opportunities to recruit and retain diverse talent and profit from the wide range of thoughts, perspectives, cultures, and experiences they bring to the workplace. This rich diversity is especially important in today's global economy as it allows companies to extend their reach and understanding of the world marketplace. W.I.L.L. has a simple mission: To empower women. In business. In life. W.I.L.L. is committed to enabling SEKO team members to do their best and offer the necessary resources for success. W.I.L.L.'s inaugural board is being led by: Char L. Dalton, Nichole Vallem, Lisa Weiler, Jamie Andrade, Hailey Astorga, Irene Cheung, Carrie Frisbie, Lila Landis, Jacqueline Manfredini, Celina Mora, Jihan Lee, Rebecca Runstrom and Elizabeth Sanchez.



As we continue to evolve this program, we are confident that W.I.L.L. will accomplish great things at SEKO in the coming years and is already having a significant impact on our workforce, relationships, and careers. Some of the offerings of the W.I.L.L. Program at SEKO include, but are not limited to:

Mentorship Program: The Mentorship program is a key enabler to support current and future women leaders at SEKO.

- A foundational pillar of 'SEKO Cares' is Diversity, Equality, and Inclusiveness. Women comprise 41% of the supply chain workforce overall, but only 15% of senior leadership roles. At SEKO, women make up 47% of our U.S. employee population and 36% of management roles. While we are above the average, we can and must do better.
- Barriers for women in leadership can include a lack of development opportunities, a lack of advancement opportunities, and pressure to do more than their male counterparts to prove themselves as leaders. SEKO's establishment of the W.I.L.L. group seeks to address these barriers by

providing support to women in SEKO at all levels, visibility for high potential women employees, and resources for development.

- For our first year, all mentee participants are women only and mentors can be both men and women.
- Mentors and mentees both commit to a minimum number of meetings together during the program, which include the opportunity to discuss and dive deep into topics of interest to the mentee and to get critical feedback in the process.
- The program has been introduced to SEKO US, SEKO Australia, SEKO UK and SEKO Hong Kong.

Lunch & Learns: Monthly learning & skill building opportunities for all levels focused on personal and professional development. Rotating speakers from different parts of the organizations covering a variety of topics.

Examples of some recent and upcoming sessions are below.

Recent Sessions:

- o Building your career path
- o Presentation skills

Upcoming Sessions:

- o Networking & Mentoring
- o Work Hard, Play Hard - Work-Life Balance
- o 'Leaning In' as a Women & "Ally"-ship with Others

American Cancer Society Walk

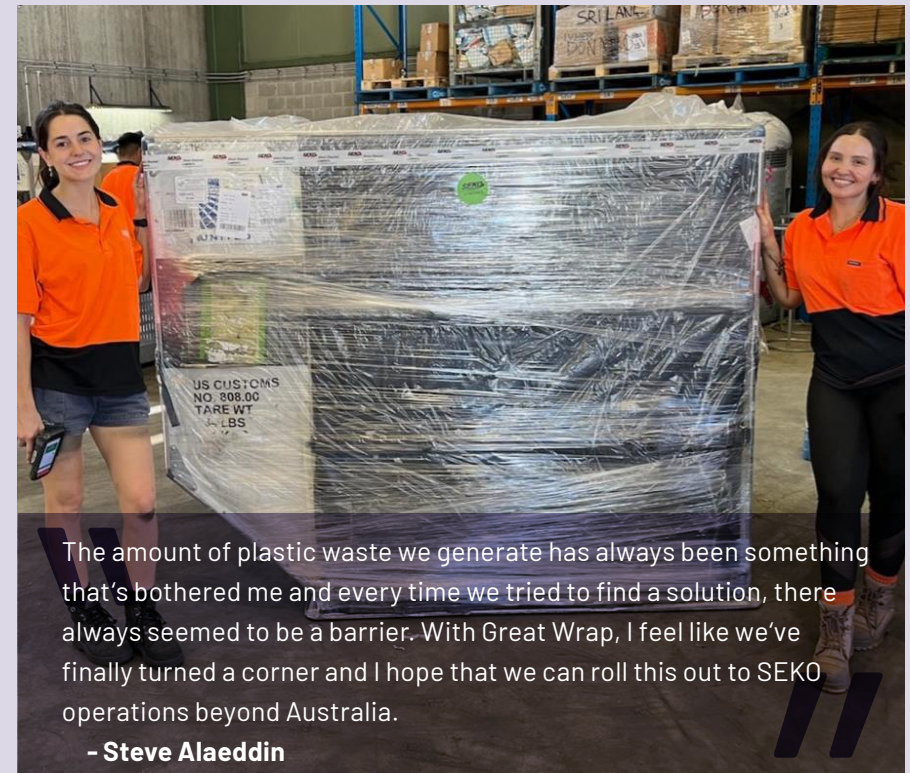
& Roll: Walk & Roll is the longest-running cancer fundraiser in Illinois and offers participants of all ages and skill levels a 5K Walk, 5K Timed Run, 10K Skate, or 15K Bike.

For this year's event, W.I.L.L. partnered with SEKO Cares and hosted Team SEKO Logistics. Our team raised \$1845 and had about 30 local employees and family members participate in the walk



We are hoping by 2024/2025 we can rollout more SEKO W.I.L.L Chapters Globally and have yearly in-person meetings with all SEKO women involved in W.I.L.L.

In Sydney, Australia, our export airfreight operations previously used over 11 tons of stretch-wrap plastic per year. In most destinations, this plastic is not recyclable and goes straight to the landfill. An Australian company, The Great Wrap Co, has developed a ground-breaking product – stretch wrap made from potato biowaste. This stretch wrap looks and feels like plastic, but being entirely made from biowaste is 100% biodegradable within 180 days. Steve Alaeddin, the manager for Sydney's airfreight warehouse, conducted tests for durability of the product in rain and sun, and determined its suitability to handle international transit.



The amount of plastic waste we generate has always been something that's bothered me and every time we tried to find a solution, there always seemed to be a barrier. With Great Wrap, I feel like we've finally turned a corner and I hope that we can roll this out to SEKO operations beyond Australia.

- Steve Alaeddin

- In Chicago, Jane Sorensen, Vice President, Operations, Customs Brokerage & Transformation, gave a special holiday present to all of the staff in her office last December – everyone’s own five-piece set of metal utensils. Removing disposable plastic cutlery from their kitchen seemed like such an easy solution, but there are still many company offices and warehouses who haven’t yet shed the plastic habit.
- In the UK, employees annually vote on their charity of choice for the year, and they chose Mind – a UK charity focused on mental health. All employees will be carrying out various fundraising activities, such as The Three Peaks Challenge, The Kilt Walk, The Jurassic Coast Challenge and other bespoke fundraising activities. In 2022, a team from Windsor took part in a Tough Mudder and raised funds through personal donations. SEKO UK matched the employee target of £15,000, contributing £30,000 to Mind.
- In 2022, SEKO Hong Kong joined Kadoorie Farm and Botanic Garden (KFBG) with their reforestation initiatives. The KFBG projects aim to recover a diverse native forest at the northern slope of Tai Mo Shan, with hopes to share the results for recovering forests in other parts of Hong Kong and the South China region. Experimental forest restoration plots were set up in 2013. Since then, more than 60,000 tree seedlings representing more than 300 native species have been planted. All of these seedlings were raised in nurseries from seeds collected in Hong Kong’s Country Parks.



A Focus on Compliance

SEKO conducts its business ethically and in compliance with all laws in countries where we do business. Our reputation for high standards of business conduct and integrity is one of our greatest assets, as it enables us to continue to provide effective services. As a player in a global market, we take compliance seriously and that includes making sure that we adhere to best practices.

- The Compliance team published **SEKO's first internal Compliance Manual** in 2022, replacing over 20 individual documents with a single source for compliance policies and procedures. The manual covers many areas, including: Anti-Bribery and Anti-Corruption; Antitrust; Supply Chain Security; Vendor and Agent Vetting; Data Privacy; and Domestic and International Transportation. All SEKO employees are required to comply with the policies and procedures outlined in the company's Compliance Manual. Since its initial publication, we have added our Asia-Pacific countries and are currently finishing adding our EMEA countries to make it truly global in scope. With its availability on the SEKO intranet, all employees have easy access to answering any questions that they may have on a wide range of topics.
- Our CEO James Gagne, Chief Legal Officer Char Dalton, and Director of Global Compliance Lila Landis, filmed **a new Anti-Bribery/Anti-Corruption training video** that is used internally for training our employees and externally for training all vendors and international agents. This video includes references to global Anti-Bribery/Anti-Corruption regulations and makes clear SEKO's commitment to compliance.
- In 2022, SEKO launched a new Learning Management System, SEKO Learn, providing online training to all of our stations globally. Compliance and HR worked collaboratively to ensure the enrollment of all SEKO employees around the world for both owned and partner stations. All of our Compliance trainings were updated to provide the most relevant and up-to-date information for our personnel. We added role-specific training to our onboarding process while expanding the scope of our basic Compliance trainings, including Anti-Bribery/Anti-Corruption and Supply Chain Security.
- Our vetting process for new vendors and international agents was updated in 2022 to provide enhanced due diligence and tracking. We moved from static, one-time questionnaires to a vetting system that includes sanctions screening, background checks, and the ability to re-check compliance with our policies on an annual basis. Our vetting process includes questionnaires for Anti-Bribery/Anti-Corruption, Data Privacy, IT Security, Supply Chain Security and Sustainability.
- In 2023, SEKO launched a formal Health and Safety Program for all U.S. stations. This new program includes comprehensive policies and procedures for all relevant health and safety topics for our offices and warehouses, supported by customized training in SEKO Learn. Each station is currently appointing a Station Safety Coordinator, who will lead the implementation of the Health and Safety Program. Additionally, stations will have a local Health and Safety Committee and will report key information to SEKO Compliance for inclusion in the Corporate Health and Safety Committee, staffed by Compliance, HR, Legal, and Operations. Our regional Compliance teams are working to expand the Health and Safety Program internationally to cover health and safety requirements at all SEKO stations.





The privacy and the safekeeping of the information provided to us by our clients, is critically important. SEKO Logistics and our affiliates and subsidiaries conduct our business ethically and in compliance with all laws in countries where SEKO does business.

SEKO is firmly committed to being transparent about how it collects and uses any of your personal data and shares these policies on our website.

Moreover, SEKO conducted a data privacy risk assessment in 2022, including data mapping for all of our internal departments. As we continue to improve our data privacy practices and our overall security program, we have upgraded our website cookie management and in 2023, have embedded new technologies and processes to detect and prevent cyber security incidents, and we have launched data privacy training for all of our employees worldwide.

SEKO is running a modern security program to protect customers by providing multiple layers of security including aspects around identity, monitoring, and endpoint security. Leveraging SEKO's security technologies and processes enables the protection of customer data and the availability of systems that our customers rely on us for.

We recognize that despite the best efforts of companies, cybersecurity incidents do occur. As such, to support our prevention and deterrence activities and training, we have also put significant work into our contingency and incident response processes to ensure that, should the unfortunate occur, we will be able to respond quickly and securely.



EcoVadis

EcoVadis provides a collaborative web-based rating platform assessing the non-financial global performance of organizations, working towards increased insight into the sustainability performance of companies. Providing a comprehensive internal audit tool across Environment, Labor & Human Rights, Ethics and Sustainable Procurement, EcoVadis is at the heart of ensuring a stable ESG platform.

In 2022, SEKO undertook its first EcoVadis audit, knowing that the results would highlight gaps in our existing ESG framework. The final report was beneficial in helping us identify 34 areas of improvement and 17 gaps for focus and completion.

Since undertaking the original audit in September 2022, SEKO has worked diligently to fill the identified gaps and improve on the existing deficiencies with an aim to resubmit towards the end of Q2 2023, SEKO is confident that the roadmap and framework constructed by EcoVadis and the extensive work carried out by the compliance team will help to make SEKO a stronger company for the future.

IN SUMMARY

2022 was a challenging year for many industries – logistics and supply chain especially. What has become abundantly clear is that an increasing number of companies are recognizing the importance of ESG to a healthy, well-rounded business. SEKO is proud to be one of the many corporations that are taking on the challenge of making environmental sustainability and social responsibility part of our ethos.

With **2023** starting off with high-inflation, falling freight rates, rising interest rates, high fuel costs and unemployment on the rise, it is expected that challenges related to funding sustainable initiatives will continue to be problematic. It is during these times that we all must remember that this is a long game in which we are taking part, and we must not give in to short-term pressures.

A quote from motivational speaker Brian Tracy goes,

“If you want to sail your ship in a different direction, you must turn one degree at a time.”

For SEKO, a non-asset owning logistics provider, it is our responsibility to do everything we can to help push the bow of the boat one degree at a time. In freight forwarding, these are big ships, so pushing it even a degree is hard work on your own, which is why we need our clients, vendors and competitors to be standing shoulder-to-shoulder with us as we do our part to help change the course of our future.