



A member of the *KWE* Group

# 2023

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# SUSTAINABILITY REPORT



# LETTER FROM THE PRESIDENT

Thank you for taking the time to read our 2023 Sustainability Report. This is our second report in the history of APL Logistics and we are proud of the work we have done to get to this point. We made good progress in 2023 against our goals. Among our accomplishments include winning multiple Employer of Choice awards in Asia and Employers for Youth recognition in Central America that echo our commitment to accountability, transparency, and our employees. APL Logistics has been actively engaged in both recruiting and retaining employees from diverse backgrounds and life experiences. Additionally, we have participated in numerous events worldwide that resonate with our core values. We understand that fostering a healthy work-life balance is crucial for promoting employee retention. By prioritizing the well-being and personal development of our team members, we create an environment where individuals feel valued and supported, ultimately leading to greater job satisfaction and longevity within the organization. Last year, we decentralized our Diversity, Equity, and Inclusion (DEI) efforts to better attend to regional needs. This is crucial, as it allows for more culturally relevant and impactful initiatives, ultimately fostering a more inclusive and supportive environment for employees worldwide.

In the last few years, we have enhanced and expanded our partnerships with customers, collaborating with them to address climate concerns, responsible procurement practices, and the development of services rooted in safety and sustainability principles. In December, APL Logistics and one of our major retail customers came together to bring EV truck capabilities to China. Beyond the emissions reductions, this effort showcases APL Logistics commitment to help improve the operating infrastructure in sourcing countries so that clean energy solutions can be deployed. We are excited at the possibilities of EV technology throughout Asia and look forward to more implementations in 2024.

We are excited to test and expand technologies that will support efficiency in our own operations. In 2023, we implemented a robotic innovations in the US facilities which is significantly enhancing efficiency by boosting productivity and reducing the reliance on Material Handling Equipment (MHE), leading to streamlined operations and cost savings.

Across the APL Logistics network, we made demonstrable and measurable improvements that will help our carbon reduction goals and our focus remains in Asia. We see enormous potential for clean energy in Asia and believe this fits well with our commercial message of helping customers modulate and better understand demand from their consumer markets. Following our concerted endeavors to enhance our climate stewardship, APL Logistics has achieved a significant milestone: the approval of our Scope 1, 2, and 3 GHG emissions reduction targets by SBTi (Science-Based Target Initiatives). This formal recognition underscores our unwavering dedication to decarbonizing both our operations and those within our supply chain.

And again, the accomplishments documented in this report were realized because of the coordination and collaboration of our teams around the world. Thank you for these efforts and we will continue to drive change in 2024.



**Thad Bedard**  
President, APL Logistics



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## ABOUT THIS REPORT

This is the second Sustainability Report of APL Logistics (APLL), covering data from our global operations for the 2023 calendar year. This report consolidates information on our primary ESG activities and includes the GRI index in the annex, as APLL discloses information in accordance with GRI-4 standards. The report is structured into six main sections, with the first section providing an overview of APLL operations. The remaining sections are organized around APLL's 5 Values, which are closely tied to our key sustainability material topics.



Introduction

Sustainability

Diversity

Innovation

Fairness

Accountability

GRI Index



A member of the *KWE* Group

# INTRODUCTION



# INTRODUCTION

## ABOUT US

We are APL Logistics Ltd. (APLL), a wholly-owned subsidiary of the KWE Group, dedicated to providing innovative global supply-chain solutions for transportation and logistics across Automotive, Commercial, Industrial, and Retail markets. Our expertise lies in end-to-end order management, distribution, fulfillment, transportation, customs brokerage, and global trade compliance.

With our significant global presence, we operate from three headquarters: Scottsdale, Arizona in the United States; London in the United Kingdom; and Singapore. The information presented in this report showcases stories and metrics from our global operations.

Our 5,664 collaborators across 60 countries are the steam motion and the reason for 2023 successes and learnings.

## Our Operations

**We operate out of over 150 operational sites across 6 Geographies:**

**NAM** North America

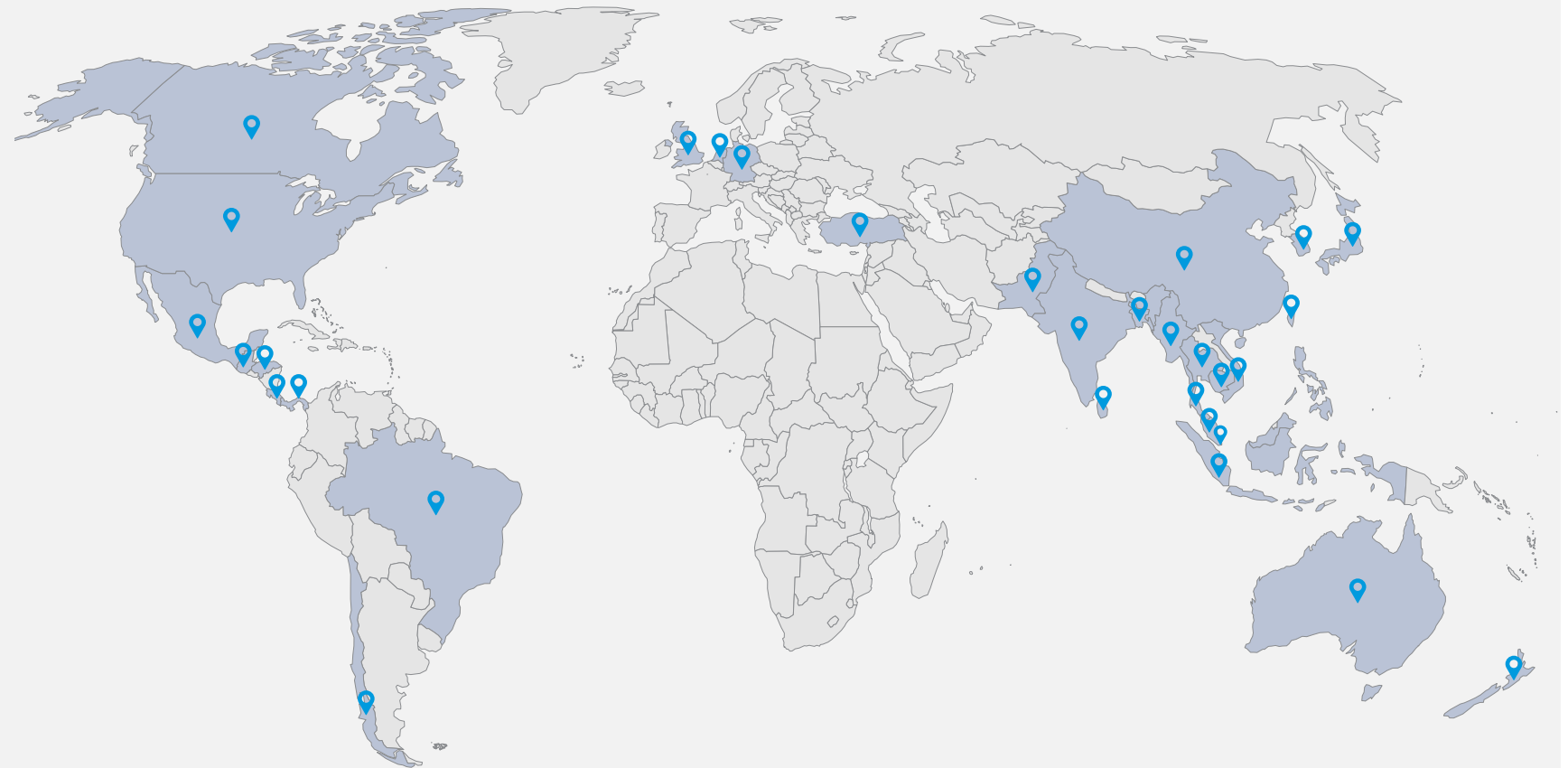
**LATAM** Latin America

**NAS** North Asia

**EMEA** Europe & Middle East

**SAS** South Asia

**SEA** Southeast Asia



## OUR GUIDING LIGHTS

As a global entity, our Maxims function as unwavering guiding principles that transcend geographical boundaries. These Maxims embody our dedication to accountability and our responsibility towards the communities we influence, constituting fundamental pillars in propelling and advancing our sustainability endeavors. Explore our YouTube series linked below to delve deeper into the essence of our Maxims and gain insights into their significance.



### Maxim #1



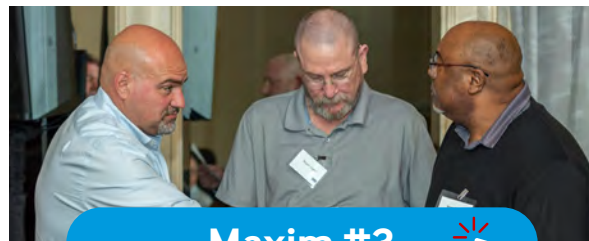
Strive to be the premier Order Management provider in the world.



### Maxim #2



Create opportunities for all employees and commit to improving the communities in which we operate.



### Maxim #3



Be accountable to our employees, each other and our customers.



### Maxim #4



We will be an employer of choice in our chosen markets.

The next sections of this report will be guided by our Values, which are inspired by the United Nations Sustainable Development Goals (UN SDGs). Our Values are Sustainability, Fairness, Diversity, Innovation, Accountability.

## IDENTIFYING WHAT IS IMPORTANT FOR US

In 2022 we completed a multi-stakeholder analysis to determine our priority sustainability topics – known as a “Materiality” assessment. Various stakeholder groups were engaged, including customers, clients, suppliers, contractors, APLL management, academics, government labs, and NGOs. Stakeholders provided feedback via an online survey on 22 initial topics, and stakeholders from all over the world supplied additional information through interviews and facilitated discussions. As the result of the stakeholder’s feedback and the industry impact assessment, APLL identified 8 high priority topics to guide our ESG strategy. These topics are still deemed as important/material to APLL, and they were important to guide the company activities in each of these areas during the reporting year. Each of the material topics disclosed in this report is in accordance with GRI 4.

The review process started with executive team involvement in the execution and delivery of Materiality Assessment. Executive team members were present on all material topic review calls and provided valuable input for the construction of our path forward. A more intensive meeting was hosted with the president and Chief Commercial Officer to prioritize 2–3 identified initiatives within each material topic. APLL’s sustainability report is reviewed and approved by the Board before publishing as the Board has a vested interest in the Material topics covered.

Materiality Threshold	Topic	APLL Values
CRITICAL MATERIAL ISSUES	Emissions	Sustainability
	Data Security	Accountability
	Diversity, Equity and Inclusion	Diversity
	Energy	Sustainability
	Social Impact in the Supply Chain	Fairness
HIGH MATERIAL ISSUES	Occupational, Health and Safety	Fairness
	Waste	Sustainability
	Local Communities	Fairness
IMPORTANT MATERIAL ISSUES	Economic Performance	Accountability
	Anti-Corruption	Accountability
	Forced or Compulsory Labor	Fairness
MATERIAL ISSUES	Training and Education	Fairness
	Water and effluents	Sustainability

# SUSTAINABILITY

## WE ARE REDUCING OUR FOOTPRINT

We are working hard to create a less wasteful, more decarbonized, and eco-conscious global business model. Through collaborative industry and customer partnerships, we will stay committed to our shared planet.

**Material Topics:** Energy, Emissions, Waste

**GRI:** 302, 305 and 306

# SUSTAINABILITY

At APLL, we understand the profound impact of our operations on the planet and are dedicated to tracking our environmental data meticulously to minimize our impact. Our comprehensive sustainability strategy engages employees across all levels and locations, fostering a culture of eco-consciousness and innovation. By setting ambitious goals and rigorously measuring our performance, we continuously strive to minimize our environmental impact and contribute positively to the communities we serve, in line with our 6 goals:



Topic	Goal	2023 Progress
<b>Emissions Reduction Targets</b>	By 2030, reduce our Scope 1 & 2 emissions by 42% and Scope 3 by 42% from a 2022 baseline.	<ul style="list-style-type: none"> <li>Submitted targets to SBTi.</li> <li>14% decrease in Scope 1 and 2 emissions since 2023.</li> <li>16% decrease in Scope 3 emissions since 2023.</li> </ul>
<b>Renewable Energy</b>	Grow our use of renewable energy through renewable energy procurement, partnerships with our landlords, and integration of alternative fuels throughout our logistics network.	<ul style="list-style-type: none"> <li>Purchased our first RECs to cover 55,000 kwh. APLL has plans to cover additional sites in 2024.</li> <li>Established relationship with accredited offset provider to cover residual shipping emissions.</li> </ul>
<b>Climate Reporting</b>	Maintain annual ESG and Climate Disclosure reporting.	<ul style="list-style-type: none"> <li>In partnership with our parent company, KWE, increased our combined CDP Climate Change disclosure score to a B.</li> <li>Increased APLL's EcoVadis score to 46/100.</li> </ul>
<b>Energy Efficiency</b>	Consult with green facility experts to explore energy efficiency projects; pursue LEED and green building certifications to mandate energy-efficient new builds.	<ul style="list-style-type: none"> <li>Broke ground on 2<sup>nd</sup> APLL LEED-certified facility in Asia.</li> <li>Allocated sustainability headcount to Singapore to focus on origin network sustainability and EV deployment.</li> </ul>
<b>Waste Reduction</b>	Pilot waste diversion and tracking programs at select facilities, and begin tracking facility-level waste footprints.	<ul style="list-style-type: none"> <li>Achieved a 33% waste diversion rate for 2023.</li> </ul>
<b>Sustainability Education</b>	Provide sustainability information and education materials to all new hires during onboarding. Conduct annual trainings for all employees to support energy efficiency, renewable energy, and climate reporting action.	<ul style="list-style-type: none"> <li>Released employee onboarding materials that have a renewed emphasis on APLL's ESG initiatives, commitments, and expectations.</li> <li>Edits to our Corporate Code of Conduct and Vendor Code of Conduct to ensure more stringent environmental accountability within our network.</li> </ul>



## CLIMATE CHANGE

Transport demand is projected to triple by 2050, with significant growth driven by Asia, Africa, and Latin America. Even in its most conservative scenario, the International Transport Forum anticipates transport demand at least doubling to over 270,000 billion ton kilometres (t-km) across all modes by 2050, potentially reaching nearly 350,000 billion t-km in its highest scenario. Without intervention, freight transport emissions are expected to more than double by 2050.<sup>1</sup>

In 2023, APLL services utilized 5,964 million t-km through multiple transportation modes. As part of the global logistics sector, APLL is committed to reduce emissions within its operations and across its value chain through strategic partnerships, investments, and innovative solutions. Although we are in the early stages of our climate journey, we have made significant strides in various areas and remain dedicated to continuous improvement and learning.

### Our Emissions

With our GHG emissions 2022 baseline year established, we have effectively pinpointed our primary hotspots and developed targeted strategies for emissions reduction projects. We have also made significant strides in enhancing data collection for certain Scope 3 emissions sources. We collaborated with key vendors, including software and data center providers, to gather precise emissions data. Additionally, we refined our Employee Commute data through a global survey that collected comprehensive commuting information from our workforce. APLL remains dedicated to gathering emissions data from major carriers and vendors in years to come. Our Scope 1 and 2 GHG Emissions have been verified by a third-party provider.

<sup>1</sup> The GLEC Framework\_v3

## Our Emissions Profile\*

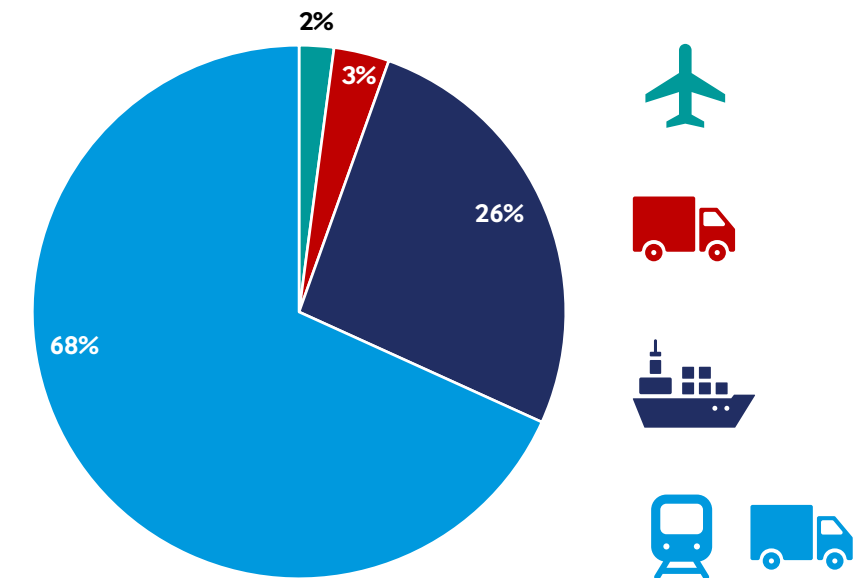
Category	2022	2023
<b>Scope 1</b>	<b>17,325.36</b>	<b>15,540.16</b>
<b>Scope 2 (Market-Based)</b>	<b>7,322.57</b>	<b>5,668.15</b>
<b>Scope 3</b>	<b>202,027.45</b>	<b>169,640.27</b>
▪ Upstream Transportaion	118,321.42	104,293.44
▪ Purchased Good and Services	67,249.64	50,312.22
▪ Fuel and Energy	4,999.60	4,410.36
▪ Business Travel	3,515.00	2,124.47
▪ Waste	1,368.66	759.50
▪ Employee Commute	6,169.73	6,963
▪ Capital Goods	403.40	777.28

\*More data and figures are available in the GRI Index on page 44.

Together, our Scope 1 and 2 emissions account for approximately 11% of our total carbon footprint. These emissions primarily stem from fuel consumption, particularly diesel, as well as electricity usage across our warehouses and offices.

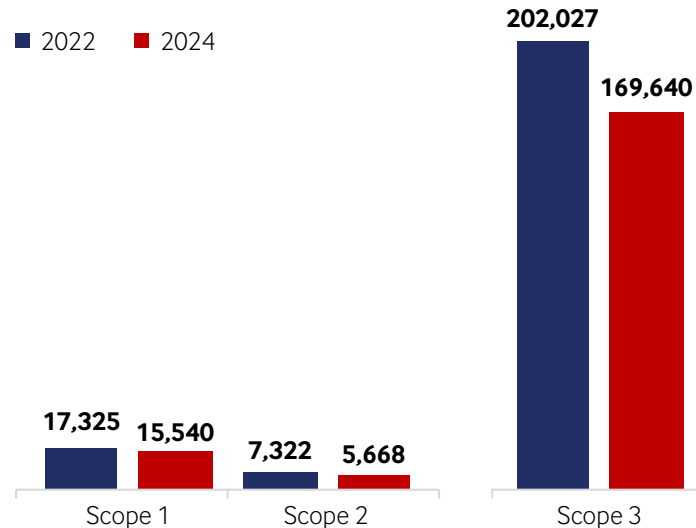
In Scope 3, upstream transportation is our largest contributor, encompassing all shipment movements handled by APL Logistics as a freight forwarder. Our transportation activities are categorized into four modes: Air, Truck, Ocean, and Intermodal (integrated rail and truck movements). Intermodal transportation is the dominant source, contributing 68% of emissions within this category, followed by Ocean shipments at 26%. Truck and Air shipments contribute significantly less, representing 3% and 2% of emissions, respectively. These figures reflect the scale and impact of our logistics operations on our overall emissions profile.

### Upstream Transportation and Distribution – Share of Emissions by Transportation Mode



## Baseline vs. Reporting Year

### Scope 1, 2\* and 3 Greenhouse Gas Emissions by year (MTCO<sub>2</sub>e)



\*Market-Based

In 2023, APLL saw significant reductions in GHG emissions across Scope 1, 2, and 3 GHG Emissions. Scope 1 emissions decreased by 10.3% due to energy efficiency projects and facility closures. Energy efficiency projects also influenced the reduction in Scope 2 emissions alongside clean energy procurement. Scope 3 emissions also declined by 16%, driven by a nearly 12% reduction in upstream transportation emissions, a 25% drop in purchased goods, and a 40% decrease in business travel. However, employee commute emissions increased by 13% due to improved data collection through a global survey.

## How are we Decarbonizing?

### Scope 1

The majority of APLL's direct emissions from sources we control are traced to diesel fuel consumption from global forklift/yard truck vehicles and corporate passenger fleets.

Our strategy to minimize this diesel reliance is to invest in battery-electric vehicles once existing units are up for retirement. APL Logistics is also investing in environmental and energy management systems to optimize energy use across our facilities. Unfortunately, we cannot not reach 100% forklift electrification as certain customer loads are too heavy for today's battery electric forklifts to transport.

### Scope 2

While electricity emissions do not make up a large portion of APLL's footprint, they are still important to address.

We are identifying key origin facilities that will undergo lighting upgrades, solar panel installations, or renovations in order to meet building certification thresholds.

The latter is a part of our larger green warehousing strategy that will debut for 2024-2026. New and existing sites in the APLL network will pursue LEED, China Green Building, ISO 14001/45001, and other regional building certifications that put a large emphasis on energy efficiency.

APLL also purchased it's first iRECs (international renewable energy certificate) in 2023. We have plans to acquire more in 2024 to cover certain sites with residual Scope 2 emissions that cannot be optimized through other reduction strategies.

### Scope 3

As is the case with most organizations, APLL's Scope 3 emissions are the hardest to address. Each year, we are making steps to improve Scope 3 data quality and transparency.

In 2024, we will be improving the data collection process for the Upstream Transportation, Employee Commute and Waste categories. We are making conscious efforts to tackle our IT-related emissions (a large portion of purchased goods and services) with a data center consolidation project. Business travel is also coming under the microscope in 2024 with the introduction of environmental impact data in our booking platform, and a cut-back on non-essential air travel.



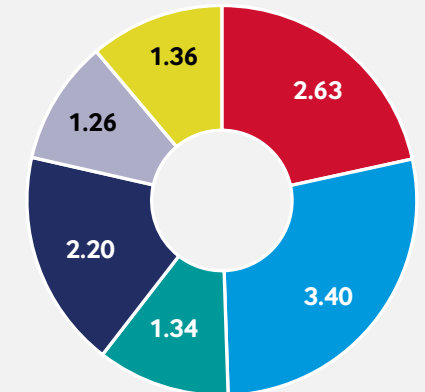
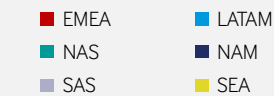
## Transportation Emissions

Minimizing transportation emissions is a challenging task, even in 2023, but we are committed to overcoming all the challenges, APLL is proud to collaborate with the decarbonization experts at World Kinect Energy Services (WKES), offering our customers a way to manage residual shipping emissions. This partnership, alongside our existing decarbonization solutions, underscores our commitment to providing world-class sustainability solutions. We are dedicated to helping businesses maximize efficiency while minimizing supply chain emissions. Reach out to our team today to learn how you can move closer to your carbon neutrality goals, and tune into our [podcast](#) with the experts at WKES to learn more!

## Energy and Fuel Consumption

In 2023, APLL's energy consumption decreased by approximately 4% compared to 2022, totaling 289,187.81 GJ (gigajoules) in 2023 from various fuel sources such as electricity, diesel, gasoline, natural gas, and propane. Diesel accounted for the largest share at 55% of total consumption, followed by natural gas at 22% and gasoline at 18%. The graphic on the right shows a breakdown of electricity consumption per square foot by region. LATAM is the region with the highest metric while SAS presents the lower metric, indicating that less kwh is consumed per square foot among all other regions. For more information on our intensity metrics, please refer to our GRI Index, [page 43](#).

### ELECTRICITY CONSUMPTION PER SQFT (KWh/sqft)



## Waste Management

Waste management is a key focus for APLL, with a strong commitment to reducing landfilled waste generation across its warehouses while simultaneously increasing recycling efforts. In 2023, APLL achieved a significant milestone by reducing landfilled waste by 49%, from 3,263.20 tons in 2022 to 1,666 tons. 555 tons of our global waste was recycled in the reporting year. Notably, South Asia leads the way in recycling, boasting the highest rate at 52%. This success is a direct result of our goal to achieve lean operations, incorporating environmental considerations into every aspect of our facilities.



South Asia leads our recycling efforts with a **52% diversion rate**

## Climate Leadership

We actively participate in global climate groups addressing emissions and climate concerns pertinent to the logistics industry. Our memberships and Communities of Practice include the Smart Freight Center and its Clean Cargo Working Group, SmartWay, Green Freight Asia, and the World Business Council for Sustainable Development.

As our world and climate science evolve rapidly, it is crucial that our customers and employees stay informed about the latest developments and are equipped with the technology to navigate these changes successfully.

## Our Targets and Decarbonization Efforts

The latest climate science from the IPCC, which the UN has termed a "code red for humanity," indicates that while it is still possible to limit the global temperature rise to 1.5°C, we are perilously close to surpassing that critical threshold. To be part of this change movement, APLL has established its GHG emissions reduction targets in alignment with a 1.5°C pathway, based on the latest scientific requirements and consistent with the Paris Agreement commitments. As a result, our Scope 1, 2, and 3 targets have been validated by the Science Based Targets initiative (SBTi). APLL is now publicly committed to reducing absolute Scope 1 and 2 emissions by 2030, using 2022 as the base year. We have also pledged to reduce our Scope 3 emissions within the same timeframe. Making these targets official will drive our decarbonization initiatives and the development of a clear decarbonization roadmap.

Complementing our Science Based Targets (SBT) for climate action, APLL has set internal goals to reduce energy consumption at selected facilities, focusing first on our Asia origin facilities. Following our 2022 GHG emissions calculations, we identified the facilities with the largest footprints and we are now implementing energy efficiency measures and renewable energy conversions to drive significant reductions at these locations.



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

### By 2030

Reduce APL Logistics'  
Scope 1 and 2 emissions by **42%**

Reduce APL Logistics'  
Scope 3 emissions by **42%**

From a 2022 Baseline

## Awards and Recognition

Green Freight Asia Network certified APLL China with Leaf-1 Shipper certification in 2023. This bolsters our unwavering commitment to helping our customers achieve their sustainability goals. The Labelling and Certification program offered by Green Freight Asia (GFA) serves as an external verification of a company's commitment to sustainability.

By participating in this voluntary certification program, GFA members can showcase their sustainable initiatives and gain recognition for their progress towards sustainable freight practices.



## Ecosystems First

We recognize the severity and immediacy of climate change and the biodiversity crisis. APLL is committed to conducting its business operations in a manner that demonstrates respect and consideration for our local environment. Our goal is to work to minimize any adverse effects of our own operations while safeguarding air, water, and soil quality, animal welfare, and noise pollution. It is our responsibility as a company to uphold related environmental standards, and where deemed necessary, we involve local external stakeholders in our corrective and preventative actions. National regulations and international instruction serve as our guidelines and help us maintain our environmental due diligence.

- **Minimize Impact:** To reduce the negative impact of our operations on biodiversity, including land use, habitat disturbance, noise and air pollution.
- **Enhance Biodiversity through Restoration:** Each year, APLL actively contributes to the restoration and enhancement of biodiversity in the regions where we operate through coordinated shore cleanup and reforestation events. See more on these InMotion efforts on [page 28](#).
- **Compliance:** To ensure adherence with all relevant environmental regulations and international biodiversity conservation standards.



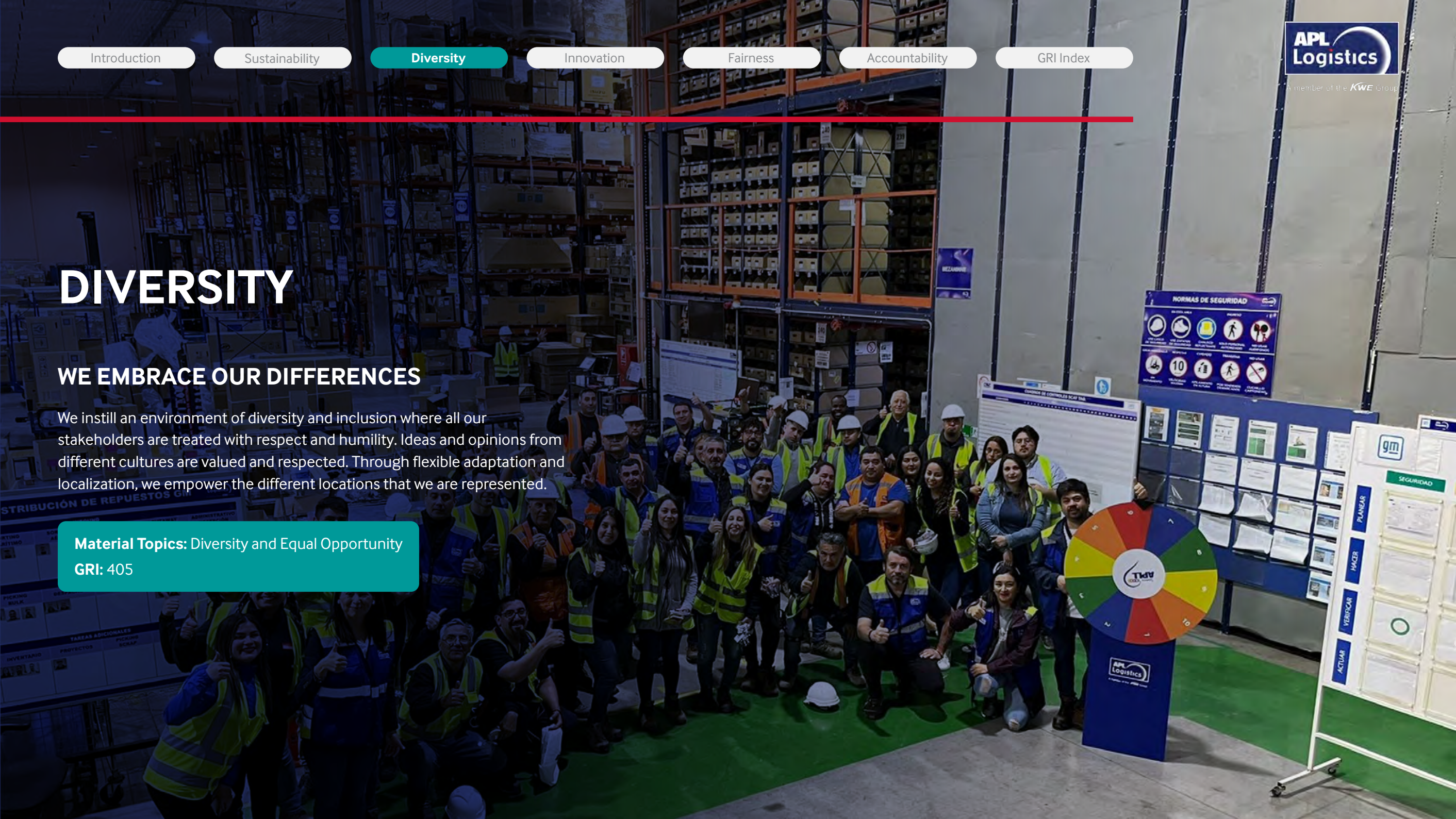
# DIVERSITY

## WE EMBRACE OUR DIFFERENCES

We instill an environment of diversity and inclusion where all our stakeholders are treated with respect and humility. Ideas and opinions from different cultures are valued and respected. Through flexible adaptation and localization, we empower the different locations that we are represented.

**Material Topics: Diversity and Equal Opportunity**

**GRI: 405**



# DIVERSITY

Welcome to the section dedicated to Diversity, Equity, and Inclusion (DEI) Community Support and Employee Growth in our sustainability report. At APLL, we believe that fostering a diverse, equitable, and inclusive environment is not only essential for the well-being of our employees but also crucial for the sustainable growth of our business and the communities we serve. In this section, we will delve into our commitment to supporting DEI initiatives both internally and externally, and how we prioritize the growth and development of our employees to create a more inclusive workplace and society at large.

## EMPLOYEE RESOURCE GROUPS (ERGs)

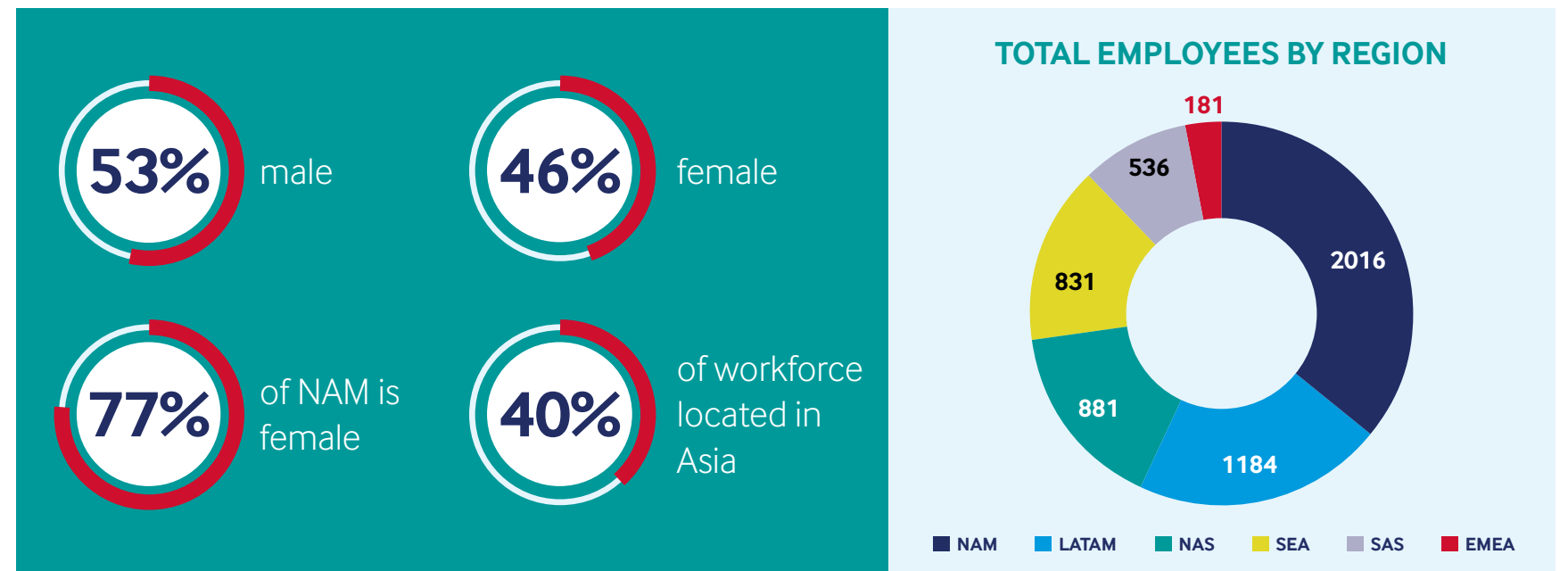
Our ERGs play a pivotal role in fostering a vibrant, inclusive workplace that not only supports employees but also drives organizational success.



## OUR WORKFORCE

In 2023, APLL had over 5,600 employees. Of these, 53% were male, 46% were female, and 1% did not identify as either. Nearly 77% of North America's workforce is composed of women, whereas South Asia has the lowest rate, with women making up 15% of the workforce.

Our global workforce is strategically distributed across 6 regions, reflecting our commitment to a diverse and balanced presence worldwide. As of 2023, NAM accounts for the largest segment, with 36% of our total employees. LATAM follows, comprising 21% of our workforce. NAS and SEA represent 16% and 15% respectively, while SAS contributes 9% to our global team. EMEA makes up the remaining 4%. This regional distribution enables us to leverage local expertise and insights, fostering a resilient and adaptable organization that is well-positioned to meet the diverse needs of our global clientele. The graphic below shows our global employee distribution.

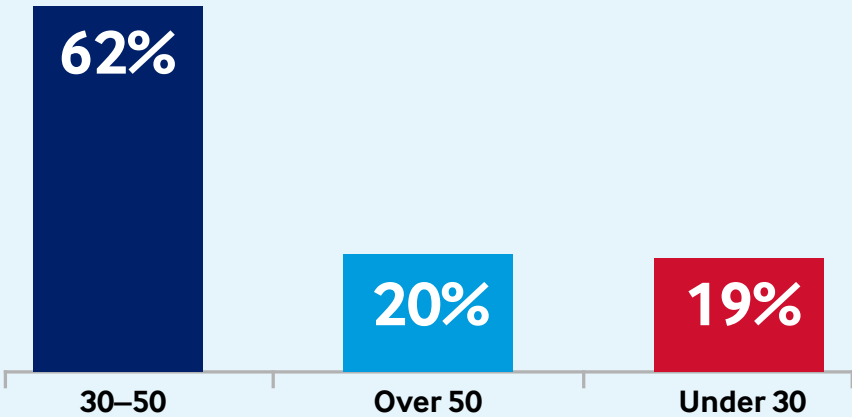


## FOSTERING DEI

Diversity, Equity, and Inclusion (DEI) are fundamental to APLL's core values. We take our DEI initiatives seriously, which is why we have chosen to decentralize these efforts. This approach allows us to better address regional needs and ensure that individual cultures are respected and accurately represented. By tailoring our DEI initiatives to specific regions, we are committed to creating an inclusive environment that values and interprets the unique cultural contributions of our diverse workforce.

In 2023, the demographic distribution of our workforce reflects our commitment to diversity and inclusivity across all age groups. A significant portion, 62%, of our employees fall within the 30–50 age range, bringing a robust blend of experience and energy to our operations. Employees over the age of 50 make up 20% of our workforce, contributing their extensive knowledge and expertise. Meanwhile, 19% of our employees are under 30, infusing the company with fresh perspectives and innovative ideas. This diverse age representation fosters a dynamic and balanced work environment, driving our sustainability initiatives forward with a blend of wisdom, vigor, and new thinking. The ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees is 29.26.

### EMPLOYEE'S BY AGE GROUP



APLL is committed to being a global organization by continuously extending its reach. Expanding our services to new regions not only enhances our market reach but also enriches our workforce with a tapestry of diverse perspectives, skills, and experiences. Embracing multiculturalism fosters an inclusive environment where employees from different backgrounds collaborate, learn from each other, and collectively drive innovation and success. This diversity empowers us to better understand and serve the needs of our diverse customer base, ultimately strengthening our position as a global leader in our industry.

### WHAT IS IT LIKE WORKING IN SUCH A MULTI-CULTURAL COMPANY?

“To move products between countries, communication is crucial. Working for a global logistics service provider offers exposure to diverse cultures and potential overseas opportunities. APLL allowed me to travel 18,000 km from Brazil to Hong Kong, a melting pot of cultures. Living in Asia for two years has broadened my worldview and enhanced empathy. Interacting with people from various backgrounds in regional meetings and problem-solving sessions highlighted the importance of understanding biases based on ethnicity, nationality, or background. It's essential to recognize and address these biases to avoid unintentionally marginalizing others.”



**Luiz Spino,**  
Sr. Manager,  
Business Development



## GLOBAL DEI STRUCTURE

Building global Diversity, Equity, and Inclusion (DEI) programs is crucial for achieving our Company Maxim of becoming the Employer of Choice in our chosen markets. Since 2021 our DEI team has focused on establishing formal DEI programs in North America and developing a centralized global DEI strategy. Significant progress has been made, and we look forward to further advancements in the upcoming years.

### Commitment to Global DEI

We remain committed to creating a workplace that offers opportunities for all employees worldwide. This commitment is of the highest priority to APLL. We will continue to listen, learn, and make necessary changes to achieve our DEI goals.



## Decentralizing DEI

We have learned that a one-size-fits-all approach to DEI is not effective due to the diverse cultural, social, and legal differences across our regions, subregions, and countries.

Moving forward, DEI strategy and initiatives will be defined and rolled out at the regional level. This will be an employee-led effort, in collaboration with local HR and regional leaders, ensuring alignment with our APLL Maxims and Values. Our DEI leadership will focus on North America and periodically share best practices with other regions for potential local implementation.

### HOW HAS APLL HELPED YOU TO GROW AS A GLOBAL CITIZEN?

“APLL boasts an expansive global presence, encompassing employees from diverse cultural backgrounds. Collaborating with colleagues worldwide has broadened my perspective, emphasizing the necessity and significance of honoring and celebrating individual and cultural differences. As a North American team member who embarked on an overseas assignment in Europe, I had the opportunity to engage with DEI initiatives across different regions. While guided by common principles and values, each region tailored its approach, addressing specific socioeconomic issues relevant to local employees, thereby fostering awareness and advocacy. I found these customized initiatives to be more impactful and relatable.

A pivotal takeaway from our ongoing DEI education series is the distinction between equality and equity. DEI represents a steadfast, long-term commitment and guiding ethos, not only striving for equal access to opportunities but also acknowledging, understanding, and respecting diverse needs. This realization holds particular resonance for me, given our company’s diverse global talent pool and portfolio.”



**Christina Tarango**

Director of Strategic  
Business Architecture

## EMPLOYEE VOICE

For the second consecutive year, we conducted our global Employee Experience Survey (EEXS), providing our employees with a platform to voice their opinions on various aspects of their workplace environment. In 2023, 86% of our total workforce participated in this survey, demonstrating their engagement and commitment to improving our organization. We are thrilled to observe progress this year, with notable improvements identified in different topic areas.

Below you can find some of the main overall stats, these numbers represent our global employees.



84%

say they are treated with respect at work.

86%

say their managers show commitment to safety.

67%

say they have meaningful discussions with managers about career developments.

69%

say they receive meaningful recognition when they do a good job.

## REGIONAL ACCOMPLISHMENTS

### Awards and Recognition

In 2023, APLL received an unprecedented 14 HR awards across 4 geographies. From Guatemala to Thailand, we received Employer of Choice, HR Asia, Great/Best Place to Work, and Employers for Youth awards. These recognitions serve as acknowledgement of our unrelenting efforts to putting our people first. Congratulations, Team APL Logistics!

### Investing in Our People

APLL has continued to be awarded as one of the Best Companies to Work for in Asia for the second year in a row. The HR Asia Best Companies to Work for in Asia Awards is a prestigious program that honors organizations identified by their employees as top employers in Asia. It targets companies across the continent, recognizing those with exemplary HR practices, high employee engagement, and outstanding workplace cultures. Fortune 500 companies, multinational corporations, and government-linked companies apply for this award.

### Recognition of Employer for Youth

Employers for Youth (EFY) measures the perception of the employees among 18 to 35 years old about the company they belong to, with the purpose of acknowledging the best companies for young professionals. For Mexico, Guatemala and Honduras, it was the first time that APLL participated in this survey, and we got a good ranking to be recognized among top employers.

### Physical and Mental Wellbeing

We care deeply about our employees' mental health and well-being. Over 700 hours were dedicated to emotional wellness virtual sessions held across Mexico, Costa Rica, Guatemala, Honduras, and Panamá. APLL has engaged employees from multiple countries in a free, onsite basic health screening program through the Minmed Group. This event enabled our employees to gain insights into their current lifestyles and receive guidance on improving their overall physical and mental health, thereby maximizing their well-being. Our main goal is to increase participation over the years and extend these programs to other countries operations.

### Empowerment

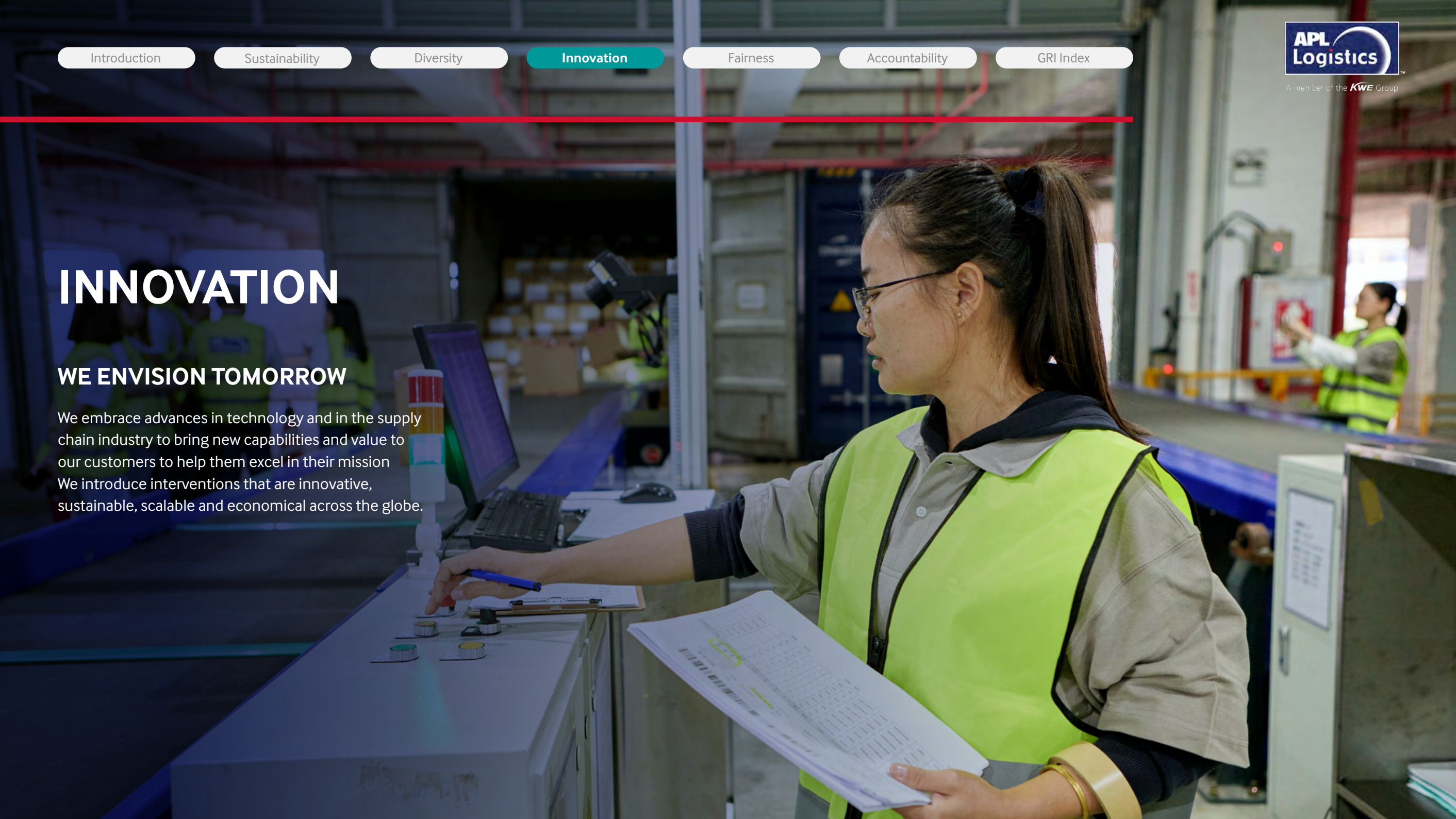
For the second year, APLL's LATAM teams hosted the "We All Have A Voice" forum for International Women's Day. This event provided a space for openness and reflection, featuring a guided meditation that offered moments of relaxation, conversation, and personal introspection, evoking many positive emotions. The forum engages participants to reflect on important questions such as gender equality and inclusion.



# INNOVATION

## WE ENVISION TOMORROW

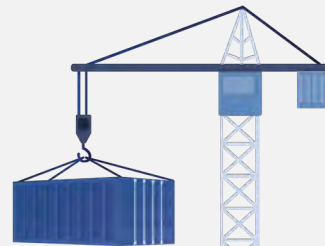
We embrace advances in technology and in the supply chain industry to bring new capabilities and value to our customers to help them excel in their mission. We introduce interventions that are innovative, sustainable, scalable and economical across the globe.



# INNOVATION

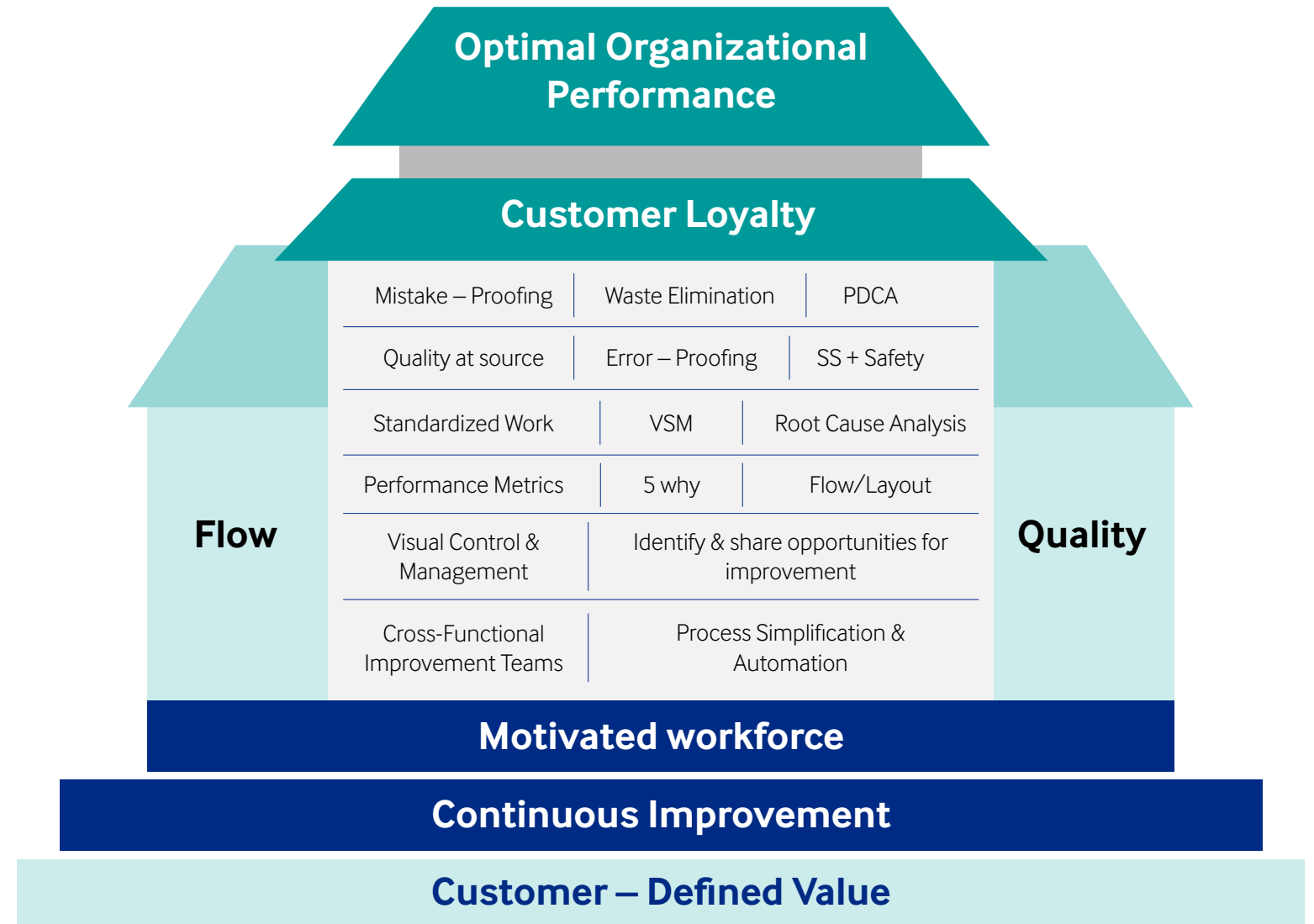
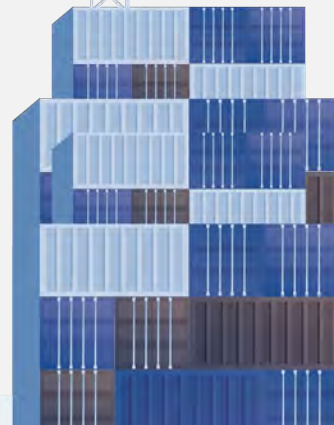
## EMBRACING TECHNOLOGICAL DISRUPTION AND SHIFTING BUSINESS MODELS

In today's rapidly evolving landscape, technological disruption and shifting business models continually reshape the way businesses operate. To remain competitive, companies must deliver high-efficiency and high-quality services in a cost-effective manner. This necessitates work processes that emphasize reliability, profitability, and efficiency.



### People as the Cornerstone of Success

Success hinges on our people. To cultivate high-performing teams, leaders must foster a culture of continuous improvement. At APLL, we are dedicated to driving this culture through our organization-wide Continuous Improvement (CI) program, designed to empower employees to unlock new growth opportunities and enhance competitive agility.



## Commitment to Operational Excellence

Our commitment to operational excellence and service quality is embodied in the CI program, which offers comprehensive training and tools to employees. The program aims to:

- **Analyze Problems:** Equip employees with the skills to identify and address issues effectively.
- **Eliminate Non-Value-Added Work:** Streamline processes to focus on activities that add value.
- **Reduce Waste:** Minimize inefficiencies and unnecessary resource usage.
- **Optimize Performance:** Enhance overall organizational performance.
- **Improve Savings:** Achieve cost savings through more efficient operations.

By integrating these principles into our daily operations, APLL ensures that we not only meet but exceed industry standards, driving sustainable growth and maintaining our competitive edge.

## Continuous Improvement Program Outcomes

The successful implementation of our Continuous Improvement (CI) program will deliver the following results:

- **Improved Supply Chain Performance:** Enhancing efficiency and effectiveness across the supply chain.
- **Bottom Line Savings:** Achieving significant cost reductions and financial savings.
- **Sustainable Solutions:** Developing and implementing environmentally and economically sustainable practices.
- **Workforce Pride:** Building a sense of pride and ownership among employees.
- **High Employee Engagement:** Increasing engagement and motivation within the workforce.

By focusing on these areas, APLL is committed to accelerating success and fostering sustainable, profitable growth for our clients and our organization.

## Accelerating Success

To drive workforce transformation, we empower employees at all levels to implement improvements in their work processes. We continuously celebrate and reward employee achievements in meeting company, department, or facility goals through the performance metrics outlined in our business and employee plans.

## Sustainable and Profitable Growth

Delivering operational excellence and service quality is at the heart of APLL's core values. This enables us to support our clients in navigating uncharted territories. Standardizing, ensuring reliability, and enhancing efficiency in our work processes are crucial for achieving sustainable, profitable growth. We constantly simplify work processes to boost productivity, fostering a collective success that leads to sustainable improvements.



## BUILDING A SMARTER OPERATION

### Customer Collaboration

We work closely with customers to identify pain points, enhance processes, and measure objectives based on their impact on business outcomes.

### Building Local Ownership

Transformation begins with local teams. We empower the Operations team to identify gaps, select projects, and execute them effectively, ensuring the project team is capable of delivering results.

### Advancing a Culture of Continuous Improvement

Our actions benefit all stakeholders, including individuals, departments, and businesses, reinforcing a culture of continuous improvement within the organization. The Continuous Improvement (CI) program redesigns operational workflows essential for success. We optimize the operating model by standardizing facilities and processes, maintaining 5S and Safety, Security & Environment (SSE) standards through visual and performance management, and integrating industry best practices. Following the deployment of 5S/SSE, operation sites undergo a facility audit program to sustain these standards and performance.

### Our Commitment to You

Through the CI program, we proactively enhance services and solutions across the entire supply chain. As an APLL customer, you are well-positioned for future success. From solution design to implementation to service optimization, we are committed to helping you achieve your business goals at every step.

## EMBRACING TECHNOLOGY

### Project Buddy Phase 1: Summary and Performance Metrics

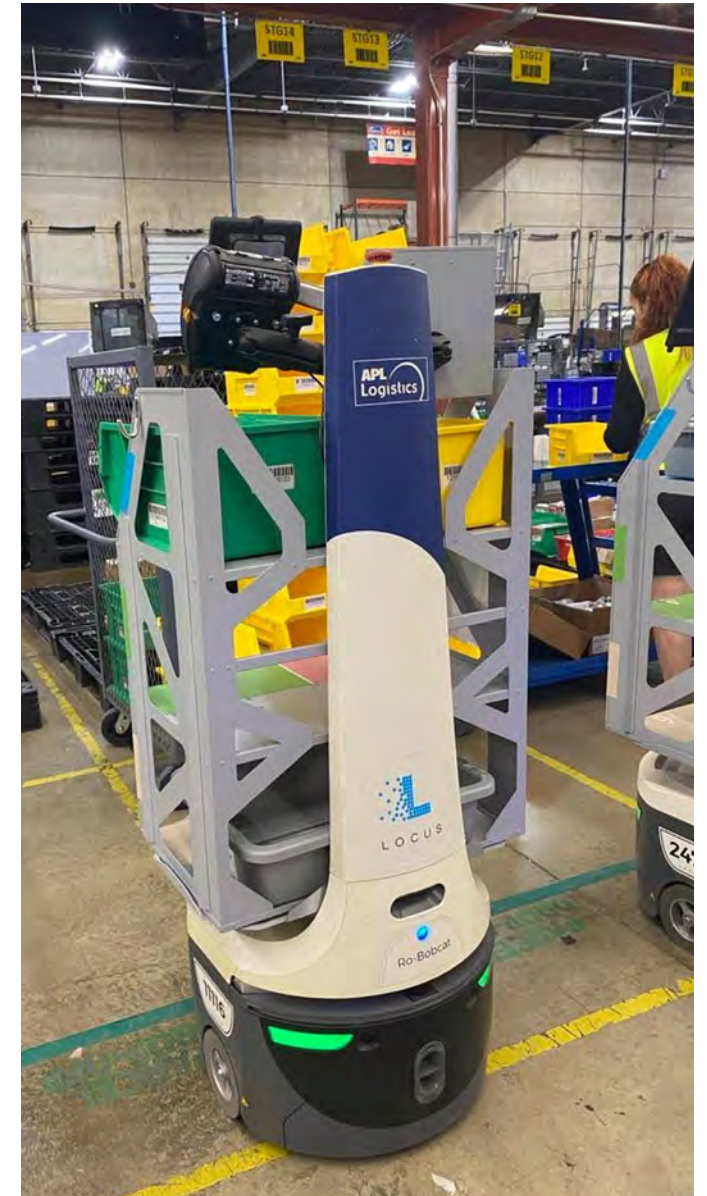
The operations team in North America has successfully collaborated with the Technology Solutions team to deploy an integrated platform with WMS (xxxx). This platform enables APLL to integrate with multiple technology providers and automated solutions within CLS.

In September 2023, we launched Project Buddy at our Woodridge, IL facility. This project leverages Robots or Autonomous Mobile Robots (AMR) technology to address several key challenges, including productivity issues, labor dependency, and inventory accuracy.

Below are the observed impact and benefits of the phase 1 of the Project Buddy:

- **Improved Productivity:** Significant increase in pick productivity, surpassing the target on multiple days.
- **Reduced Labor Dependency:** Automation reduces the reliance on manual labor, mitigating labor shortages and dependency.
- **Enhanced Inventory Accuracy:** Integration with WMS ensures higher inventory accuracy, reducing errors and improving operational efficiency.

By deploying Project Buddy, we have demonstrated the potential of AMR technology to drive operational excellence and address critical challenges in our logistics processes. The positive trends and key achievements underscore our commitment to leveraging advanced technology for continuous improvement and sustainable growth.



# FAIRNESS

## EVERYONE HAS A VOICE

We pledge to treat all our stakeholders with fairness and equality. Empowering our associates through developmental and growth opportunities that are mutually beneficial. Together, we create a work environment of teamwork and collaboration where recognition will be commensurate with performance.

**Material Topics:** OHS, Social Impact in the Supply Chain, and local

**GRI:** 403, 413



# FAIRNESS

In this section of the report, we delve into the critical nexus between Occupational Health and Safety (OHS) practices within our operations, our supply chain and their profound social impact on the local communities we operate in. We believe that a safe and healthy work environment is the first parameter to discuss and promote employee fairness. At the heart of our approach lies a steadfast commitment to treating all stakeholders equitably and fostering an environment where their well-being is prioritized. By examining the interconnected relationships between our operational practices, the safety of our workforce, and the broader community, we underscore the fundamental role that fair treatment of stakeholders plays in shaping a sustainable and socially responsible business model.



# HEALTH

APLL prioritizes the holistic well-being of employees through comprehensive health insurance options and proactive health and wellness initiatives. Our company-sponsored plans offer robust coverage, ensuring employees have the support to prioritize their health. We organize health fairs at each site, providing essential screenings and immunizations in collaboration with local occupational medical providers.

Beyond insurance, our Benefit Support Center offers personalized assistance to employees, supported by comprehensive resources on our UKG platform. We emphasize preventive care and mental health awareness through regular communication and engagement with insurance providers, empowering employees to manage their well-being.

Employees enrolled in our Health Savings Account (HSA) program can earn incentives by participating in healthy activities, fostering a culture of wellness and reducing long-term healthcare costs. Recognizing that employee health is vital for sustainability, we invest in initiatives that promote wellness, contributing to a healthier workforce and communities.



## SAFETY

APLL adheres to ISO 45001 standards to steer our safety management system. Our Safety Management System is meticulously crafted to encompass internal risk assessments and align with legislative requirements, with the strategic aim of global implementation by 2025, benefiting all our employees. Over a cumulative 444,085 worked hours at our warehouses, APLL takes pride in achieving a zero-rate of fatalities and minimizing high-consequence work-related injuries. Predominantly, musculoskeletal disorders constitute the primary type of injuries, with our total record incident rate standing at 1.49, significantly lower than the average across the US industry, as per the US Bureau of Labor Statistics, by approximately 70%.

Guided by standards set forth by OSHA, NIOSH, NFPA, and NEC, we diligently compile and analyze all data pertinent to the safety of our entire workforce. Given that warehousing poses the highest risk, it receives our paramount focus on safety training initiatives. However, all new office employees undergo computer-based learning to ensure comprehensive coverage of general safety training and mandatory regulatory requirements.

Training is a key component of our safety system, and for this reason our warehouse employees are provided with 18 different trainings throughout the year which address:

EMERGENCY ACTION PLAN | PPE | HAZARD COMMUNICATION | POWERED INDUSTRIAL TRUCK | FIRST AID (CPR & AED) (EMPLOYEES ON FIRST AID TEAM) | LOCK-OUT TAG-OUT (ENERGY ISOLATION) | FALL PROTECTION | HAZARD IDENTIFICATION AND RISK MITIGATION | HEAT STRESS AWARENESS | WAREHOUSE SAFETY | INCIDENT REPORTING | PREVENTING EYE INJURIES | ACTIVE THREAT PREPAREDNESS | ELECTRICAL SAFETY | PALLET SAFETY | FIRE PREVENTION | LADDER SAFETY | ILLNESS PREVENTION.

To ensure a safe working environment, we have established clear responsibilities for our Safety Committee and Facility Management Team.



### SAFETY TEAM-COMMITTEE

Every site at our company boasts an incredible safety team—a vibrant mix of associates and management members, all passionate about championing health and safety excellence! This dynamic committee isn't just about titles—it's where our hourly associates truly shine, lending their voices and expertise to our robust health and safety management system. Together, we're forging a culture where everyone has a say, everyone's ideas matter, and everyone plays a vital role in keeping our workplace safe and thriving!

## Safety Committee Responsibilities:

- **Monthly Meetings:** Attend monthly Safety Team Committee meetings to stay updated on safety protocols and initiatives.
- **Leadership in Safety:** Provide leadership by encouraging other associates to work safely and fostering a culture of safety.
- **Safety Audits:** Conduct monthly site safety audits with the site leadership team to identify and address potential hazards.
- **Immediate Action:** Stop any condition or behavior that could cause serious injury and notify a supervisor or manager immediately to prevent accidents.
- **Positive Reinforcement:** Recognize fellow associates for demonstrating positive and safe behavior, and correct any unsafe actions.
- **Communication:** Communicate and follow up with supervisors and managers on safety recommendations to ensure a safer workplace.
- **Start-up Meetings:** Participate in start-up meetings by sharing crucial safety information with the team.

## Facility Management Team Responsibilities:

- **Team Selection:** Select members and alternates for the Safety Team based on recommendations from supervisors to ensure a well-rounded and effective team.
- **Meeting Participation:** Ensure that Safety Team/Committee members attend and actively participate in start-up meetings.
- **Lead by Example:** Always follow safe work practices and set a standard for others to emulate.
- **Communication and Follow-up:** Maintain open lines of communication with associates, supervisors, and managers regarding safety recommendations from Safety Team/Committee members.
- **Accountability:** Ensure accountability processes are adhered to, reinforcing a commitment to safety at all levels.

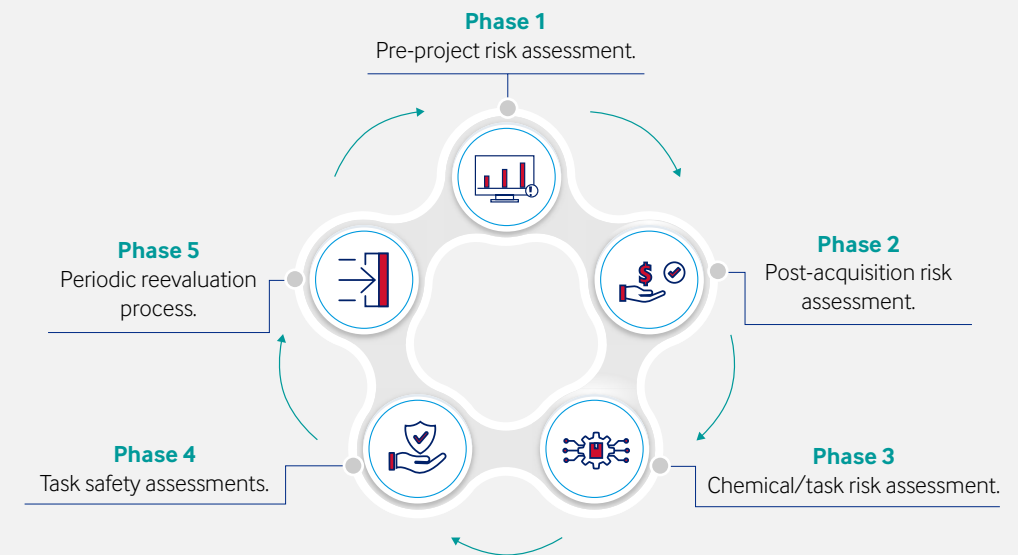
**By adhering to these responsibilities, we aim to foster a workplace where safety is a shared priority and every employee is empowered to contribute to a safer work environment.**

## HAZARD IDENTIFICATION

Hazard identification is a cornerstone of safety management at APLL, employing diverse methodologies guided by risk assessment across multiple phases. Quality assurance overseen by area safety leads ensures precision and effectiveness in each process. Area safety leads intervene with comprehensive hazard recognition training where necessary, bolstering competency in hazard identification across sites. Insights from these processes inform the refinement of HSSE procedures, targeted projects, and advancements in onsite safety technology.

APLL upholds a strict non-retaliation policy for hazard reporting, encouraging workers to report directly to onsite supervisors or through the HSSE team for support. An ethics hotline is also available for reporting unsafe conditions, with all reports managed by HR in compliance with privacy regulations.

Thorough incident investigations, utilizing methodologies like the 5 Whys and fishbone analysis, uncover root causes. Countermeasure implementation is diligently monitored, with the HSSE team conducting follow-up visits to ensure effectiveness.



## RESPONSIBLE BUSINESS CONDUCT

Throughout this report, we highlight the various ways in which we contribute to our global community. This includes our commitment to upholding the highest ethical standards through our Code of Conduct and Vendor Code of Conduct, which apply to our employees, vendors, and suppliers.

At APPL, our commitment to responsible business practices is rooted in our comprehensive compliance program, which is governed by a global Code of Conduct applicable to all employees. The Code of Conduct outlines the group's expectations for ethical and legal behavior and is bolstered by additional policies addressing key risks such as antitrust, anti-bribery, and money laundering.

### Code of Conduct and Ethics Standards

The APPL Code of Conduct requires all employees to comply with applicable laws and regulations. APPL also seeks similar commitments from its vendors through the APPL Vendor Code of Conduct. Both the Code of Conduct and the Corporate Statement of Ethics are accessible online and highlight APPL's dedication to human rights. Key policies, including the Code of Conduct, are typically reviewed and approved by the APPL SG Board. Supplementary policies are reviewed by relevant functional heads and Ethics Committees, with reports submitted to the board. These policies guide all interactions with customers and vendors, embedding responsible business conduct throughout APPL's activities and relationships.

[APPL's Codes of Conduct here](#)



## InMotion

APPL's Corporate Social Responsibility (CSR) program, InMotion, pushes our people to commit to social, environmental, and economic issues that are affecting our global communities. We are always looking for creative ways to give back. Our employees participate in a variety of projects and initiatives worldwide, including Ideathons, food drives, book clubs, event sponsorships, and monetary donations. These initiatives reflect our commitment to making a positive impact in the communities we serve.

### Chile Spotlight

At the close of 2023, the Santiago-based team converged to host the first APPL Chile Sustainability Meeting. With the help of El Reciclador Chile, a local environmental cleanup organization, over 40 participants from APPL and customer accounts walked the beach and collected over 80 kilos of garbage. The day closed with a team meal where participants discussed and presented environmental awareness as a fundamental pillar of Chile's and LTAM's commercial, social, and management missions.



### Hong Kong Spotlight

The Hong Kong office was also getting active and giving back in 2023. From March to mid-June, APPL employees participated in "Farm Together," tilling, seeding, weeding, and harvesting a plot of reclaimed farmland while learning about more sustainable agriculture practices. The Hong Kong-based team spread compassion and sweet treats through a cookie baking and giveaway program with unhoused rehabilitation members. In November, a group of APPL employees also ran the 2023 GORun charity race to raise money for food insecurity campaigns.



### China Spotlight

APPL China employees from Dalian to Shenzhen engaged in numerous CSR efforts in 2023. South China teams came together for First Aid trainings, while North China employees held workshops on environmental advocacy and got their hands dirty with tree planting events and neighborhood cleanups.

### Pakistan Spotlight

For the past 5 years, APPL Pakistan has volunteered and raised money for the Asghari Memorial School in Karachi. In 2023, the local team covered the annual fees for 10 children from families who would otherwise not have a chance to go to school. The APPL Pakistan employees are also active in maintaining their local environment, often combining shoreline cleanups with teambuilding activities.

## Continuous Improvement and Feedback

APLL actively seeks feedback on existing systems during training sessions and incorporates this feedback into the compliance investigation process. Reported deficiencies in policies or processes are addressed with proposed remediation measures.

## Oversight and Accountability

The Ethics Committees review case reports and quarterly compliance statistics, recommending policy or training revisions as needed. They also regularly review hotline complaints to determine if broader policy or training actions are necessary.

## Ethics Hotline

APLL operates an ethics hotline where matters are reported, investigated, and addressed if substantiated. This global hotline, managed by a third-party vendor, allows anyone, including non-employees, to report concerns in their preferred language. Navex serves as the repository for these complaints, ensuring they are managed effectively and transparently.

## Policies and Procedures

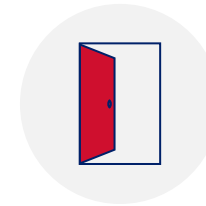
Local and regional HR and legal teams, along with members of the Ethics Committees, work diligently to implement these policies. In addition, to ensure these policies are effectively implemented, APLL has established several mechanisms:

- **Speaking-Up Policy:** Encourages employees to report potential breaches of the law or company policies.
- **Open Door Policy:** Promotes open communication between employees and management.
- **Navex Hotline:** An online and telephone hotline available for reporting concerns, managed by a third-party vendor supporting over a hundred languages.
- **Investigation Toolkit:** Provides resources for thorough investigations.
- **Non-Retaliation Policy:** Protects employees who report concerns from retaliation.

Through these comprehensive measures, APLL demonstrates its unwavering commitment to maintaining high standards of ethical conduct and fostering a responsible business environment.



**SPEAKING UP**



**OPEN DOOR**



**HOTLINE**



**INVESTIGATION**



**NON-RETALIATION**

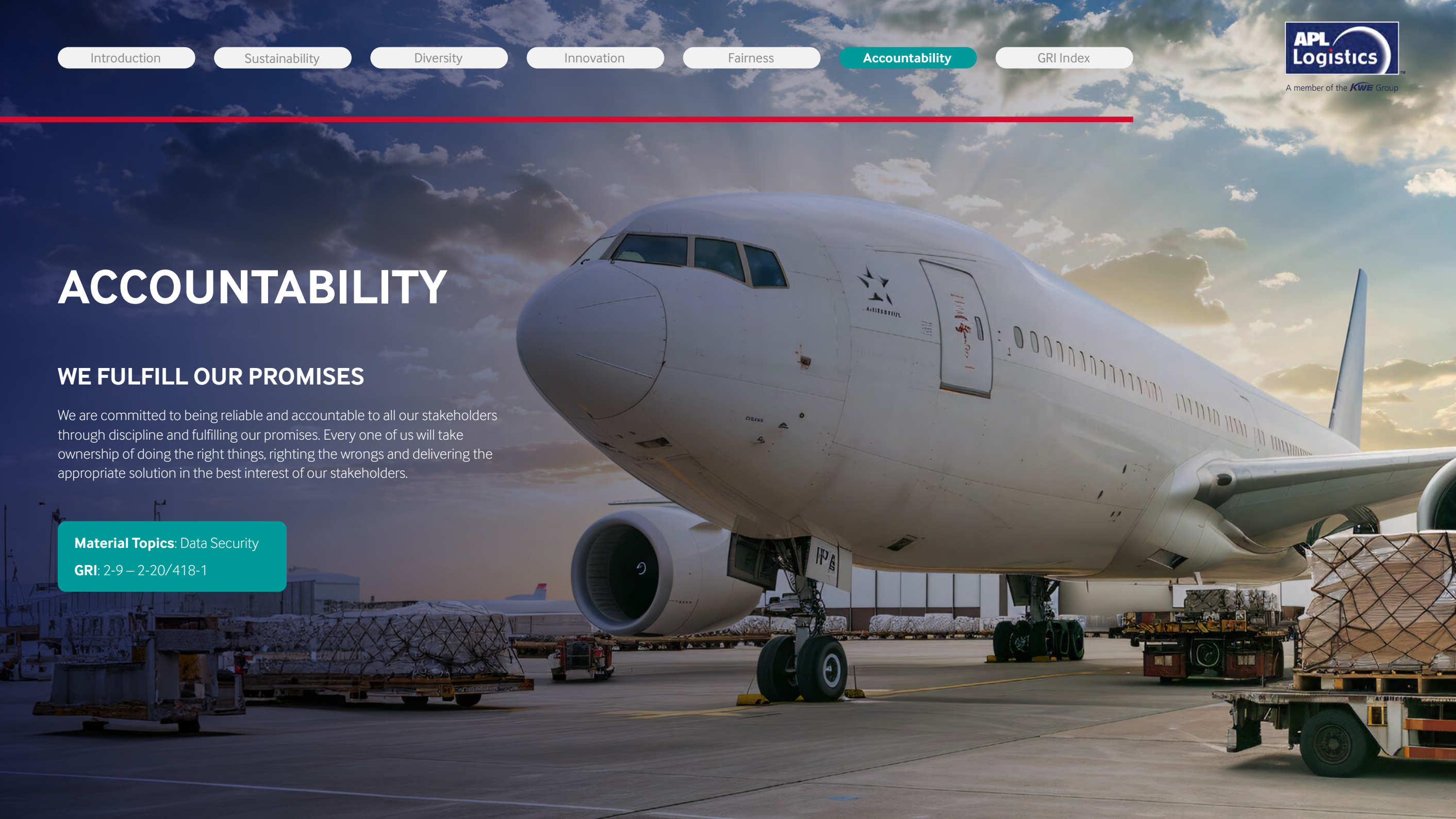
# ACCOUNTABILITY

## WE FULFILL OUR PROMISES

We are committed to being reliable and accountable to all our stakeholders through discipline and fulfilling our promises. Every one of us will take ownership of doing the right things, righting the wrongs and delivering the appropriate solution in the best interest of our stakeholders.

**Material Topics:** Data Security

**GRI:** 2-9 – 2-20/418-1



# ACCOUNTABILITY

## GOVERNANCE

### Our Board of Directors

The Board of Directors plays a pivotal role in guiding the Company's strategic direction and ensuring the seamless integration of environmental, social, and governance (ESG) factors into our business strategy. Led by a representative from our parent company, KWE, the Board comprises APPL's President, C-level management, and at least one KWE senior manager. Notably, all board members are subject matter experts in their respective fields, entrusted with the responsibility of guiding the company with diligence, care, and skill. Stakeholder concerns, regardless of level, are taken seriously, with mechanisms in place to elevate them to the board's agenda. Our Board of Directors dictates and approves our corporate and sustainability strategies. When issues arise, they are appropriately escalated to the Board level with ongoing open dialogue between the company's SMEs. ESG is reviewed by the Board of Directors annually or ad hoc during quarterly meetings. APPL's President also facilitates quarterly Town Halls to foster communication and provide insights into board decision-making, operational trends, and market updates to the entire employee base.

Furthermore, the board assumes responsibility for evaluating the highest governance body and overseeing regular reporting and meetings. Committees, governed by our Policies and Operating Manuals (POMs), are tasked with approving specific measures, ensuring compliance and effectiveness. While these processes are governed by strict confidentiality, they serve as essential mechanisms for maintaining accountability and transparency within our governance framework. APPL's Board has empowered several committees to oversee internal governance, including:

#### Risk Committee

Comprising Heads of Risk, Operations, IT, Internal Audit, and Legal

#### HR and Compensation Committee

Comprising Heads of Finance, HR, Legal, Board Chairman, and company President

#### 401K Committee

Mandated by U.S. ERISA law, consisting of U.S. Heads of HR, Benefits, Finance, and COO

#### Total Rewards Committee

Comprising Head of Global Rewards, U.S. Benefits, COO, CHRO, along with representatives from Finance and HR

#### APL Management Strategic Transaction Committee

Comprising Heads of Legal, Compliance, and President

#### Compliance Ethics Committee

Comprising Heads of Legal, President, and Head of Compliance

## EMBEDDING ESG INTO EMPLOYEE GOALS

We have integrated ESG measurements into our Corporate Bonus Plan (CBP) strategy. Here's how our remuneration practices align with our commitment to sustainability:

- i) **Oversight and Voting:** The Compensation Committee, comprising our Chair, President, CFO, CHRO, and General Counsel, supervises and votes on our remuneration practices and policies.
- ii) **Budgeting and Employee Feedback:** The Compensation Committee agrees upon the remuneration budget, which is then reported to KWE, our parent company. Additionally, we conduct an annual employee satisfaction survey to gather feedback on salaries and benefits, which informs presentations to the Compensation Committee.
- iii) **External Benchmarking:** We utilize external market data sourced from reputable companies to benchmark both salaries and benefits. These benchmarks are aligned with our job evaluation system and are sourced independently from APLL.

Moreover, APLL has appointed a Senior Sustainability Specialist based in Singapore who reports to Operations Management and ultimately to the Asia CCO/COO. Given that our Maxims and Values guide our organizational goals from top to bottom, all C-level managers are mandated to include ESG-related objectives in their Key Performance Indicators (KPIs), as well as those of their direct reports. ESG goals are subject to quarterly review by managers and supervisors, with updates cascaded up the chain for discussion in Board meetings and other supervisory sessions held at least once a quarter.



### DID YOU KNOW?

Governance initiatives play a crucial role in driving sustainability within an organization, ensuring that environmental, social, and governance (ESG) principles are deeply embedded in its operations. At APLL, these initiatives are vital to fostering a culture of accountability and long-term value creation. By integrating ESG goals into employee objectives, the company aligns individual performance with its broader sustainability targets, reinforcing a collective commitment to responsible practices. These efforts are further strengthened by aligning with respected frameworks like CDP, which provide guidance and validation for APLL's sustainability strategies. Through such governance-driven initiatives, APLL not only advances its sustainability agenda but also demonstrates leadership in responsible business practices.



## MANAGING RISKS

APLL employs an external Enterprise Risk Management system that aligns with the highest board approvals. Senior management provides input on the company's top risks, resulting in the identification of 23 primary global risks, including 7 external risks. Notably, climate change-related risks are categorized among the 13 "Operational" primary risks, encompassing hazards like "Physical, Force Majeure Perils" such as floods, fires, earthquakes, and extreme weather events like heat waves and droughts. Quarterly updates on these risks and their significance are communicated to both the Board and senior management.

This risk management process involves several stakeholders, beginning with a Risk subcommittee composed of regional senior-level representatives from across the company. The findings from this subcommittee are then relayed to the Management Ethics, Compliance, & Social Responsibility committee, which in turn reports to the Board Ethics, Compliance, & Social Responsibility. Ultimately, the Board serves as the highest governance body in this chain, overseeing the risk management framework and its implementation.

## CYBERSECURITY

We embrace a multi-faceted strategy when it comes to governing and managing data privacy, collaborating with various stakeholders to ensure the proper categorization and safeguarding of personal data. This approach not only helps us mitigate data privacy risks but also ensures compliance with global data protection and privacy regulations.

Furthermore, we're proud to report that there have been no substantiated complaints regarding breaches of customer privacy from external parties or regulatory bodies. This is a testament to our strong commitment to cybersecurity and business continuity.

At APLL, we prioritize cybersecurity and business continuity by maintaining robust policies, procedures, and guidelines in these areas. Our approach revolves around prevention first, followed by the elimination and mitigation of risks. We achieve this through a combination of technology, people, and process controls.

It's important to note that our security and business continuity plans contain confidential and proprietary information aimed at protecting the safety and security of our employees and data. As such, they cannot be distributed outside of APLL.

In addition, APLL has not identified any complaints in this regard, reaffirming our dedication to upholding the highest standards of data privacy and security.

## CONFLICT OF INTEREST

Under the [Corporate Code of Conduct \(CoC\)](#), APLL Group must avoid conflicts of interest and disclose any potential or actual conflicts. Furthermore, individuals serving on APLL Group entity boards are obligated to adhere to relevant corporate governance standards and laws, necessitating disclosure of any conflicts of interest. Annually, in compliance with Singapore law, each director of APLL Ltd submits a conflicts disclosure, which is shared with other board members. Appropriate controls are implemented to manage identified conflicts, with disclosures visible to the sole shareholder, Kintetsu World Express, Inc.

Both internal and external auditors gather data to conduct periodic reviews of critical matters, including quarterly litigation reports and board/shareholder minutes and resolutions for APLL SG and key subsidiaries. Additionally, certain policies incorporate audit provisions, supplemented by internal audits focusing on significant topics. Related party transactions are disclosed in APLL Ltd's annual financial statements, adhering to applicable accounting standards.



## OUR SUPPLIERS

As a company committed to fostering sustainable practices across our operations, we understand the pivotal role that supplier management plays in achieving our sustainability goals. Our approach to supplier screening for sustainability reports is multifaceted. We prioritize partnerships with suppliers who share our commitment to environmental stewardship, social responsibility, and ethical business practices.

Our Vendors are required to adhere to a strict Vendor Code of Conduct that mandates compliance with international laws related to corruption, antitrust, environmental practices, and data protection (amongst others). The Vendor Code of Conduct also prohibits discrimination, requires safe working conditions, and prohibits child labor. We have invested in screening software to ensure that our vendors are free of legal violations and concerns. We are working to formalize metrics to track our suppliers, including tracking related to ESG screening as well as risk mapping exercises.





A member of the **KWE** Group

## LAST CONSIDERATIONS

If you have any questions about this report, please contact our sustainability representatives at [sustainability@apllogistics.com](mailto:sustainability@apllogistics.com).

## MEDIA

Stay in touch through our platforms:

Website: <https://www.apllogistics.com/>

Linkedin: <https://www.linkedin.com/company/apl-logistics/>



# GRI INDEX

APLL discloses information in accordance with GRI-4 standards.



## Required GRI Disclosures

### Description

### Answer

2-1	Organizational details	<p>APL Logistics Ltd., wholly owned subsidiary of KWE, headquarters located in Singapore. Countries of operation: Afghanistan, Albania, Algeria, Angola, Argentina, Australia, Austria, Azerbaijan, Bahamas, Bahrain, Bangladesh, Belarus, Belgium, Belize, Benin, Bermuda, Bolivia, Brazil, Brunei, Bulgaria, Cambodia, Cameroon, Canada, Chile, China, Colombia, Congo, Costa Rica, Croatia, Cyprus, Czech Republic, Denmark, Djibouti, Dominican Republic, East Timor, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, Faeroe Islands, Fiji, Finland, France, French Polynesia, Gambia, Georgia, Germany, Ghana, Grand Bahama Island, Greece, Greenland, Guadeloupe, Guam, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Hong Kong, Hungary, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Ivory Coast, Jamaica, Japan, Jordan, Kenya, Korea, Kuwait, Laos, Latvia, Lebanon, Lesotho, Libyan Arab Jamahiriya, Lithuania, Luxembourg, Macau, Macedonia, Madagascar, Malaysia, Maldives, Mali, Malta, Marshall Islands, Martinique, Mauritius, Mexico, Micronesia, Moldova, Republic of, Monaco, Morocco, Mozambique, Myanmar, Namibia, Netherlands, Nepal, Netherlands Antilles, New Caledonia, New Zealand, Nicaragua, Nigeria, Norway, Oman, Pakistan, Palau, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Poland, Portugal, Puerto Rico, Qatar, Reunion, Romania, Russia, Rwanda, Saipan, Saudi Arabia, Senegal, Serbia, Seychelles, Sierra Leone, Singapore, Slovakia, Slovenia, Solomon Islands, South Africa, Spain, Sri Lanka, St Kitts-Nevis, Sudan, Suriname, Swaziland, Sweden, Switzerland, Syria, Taiwan, Tanzania, Thailand, Togo, Trinidad, Tunisia, Turkey, UAE, Uganda, Ukraine, United Arab Emirates, United Kingdom, Uruguay, USA, Uzbekistan, Venezuela, Vietnam, Virgin Islands, Western Samoa, Yemen, Yugoslavia, Zambia, Zimbabwe.</p>
2-2	Entities included in the organization's sustainability reporting	<p>APL Logistics financial reports and the information contained in this report represents all APL Logistics entities as listed below.</p> <p>APL Logistics SCS Hong Kong Limited, APL Logistics Taiwan, Ltd, Changan Minsheng APLL Logistics Company, Ltd., APLL Global Support Service (Chongqing) Ltd., APL Logistics Lanka (Private) Limited, APL Logistics Lanka Freight Forwarding (Private) Limited, APL Logistics (India) Private Limited, APL Logistics Pakistan (Private) Limited, India Infrastructure and Logistics Private Limited, APLL Global Support Services (India) Private Limited, APLL Properties (Thailand) Co., Ltd., APL Logistics (Cambodia) Pte., Ltd, APL Logistics (Myanmar) Company Limited, PT. APL Logistics, APL Logistics Sdn. Bhd., APL Logistics Svcs (Thailand) Co., Ltd., APL Logistics Viet Nam Company Limited, APLL Global Support Services (M) Sdn. Bhd., APL Logistics Properties, Inc., APL Logistics Freight Systems, Inc., APL Logistics Americas, Ltd., APL Logistics of Canada, Ltd, APL Logistics Land Transportation Services, Ltd., APL Logistics Warehouse Management Services, Inc., APL Logistics International Services, Ltd., APL Logistics Transportation Management Services, Ltd.</p> <p>APL Logistics Ltd. consolidates information across its multiple entities with a comprehensive and standardized approach. Adjustments are made to the books for the impact of minority interests, ensuring full compliance with IFRS accounting standards. This adherence to IFRS extends to all transactions, including those related to mergers, acquisitions, and the disposal of entities or parts of entities, which are meticulously handled according to these standards.</p> <p>Moreover, all disclosures in our financial statements are developed in collaboration with EY Singapore, aligning with applicable requirements and standards. This consistent approach ensures that our financial reporting is transparent and reliable across all disclosures, maintaining uniformity in the treatment of material topics.</p>
2-3	Reporting period, frequency and contact point	<p>The reporting period for this report is January to December 2023 and it is aligned with APL Logistics financial report period.</p> <p>The contact point for this report is Eva James, <a href="mailto:sustainability@apllogistics.com">sustainability@apllogistics.com</a>.</p>
2-4	Restatements of information	N/A
2-5	External assurance	<p>Aside from our Scope 1 and 2 emissions, the data provided in this report has not undergone third-party verification. However, we are considering third-party assurance in future years to continuously strengthen our approach.</p>

## Required GRI Disclosures

### Description

### Answer

2-6	Activities, value chain and other business relationships	APL Logistics operates in the transportation and logistics industry, specializing as a third-party logistics provider (3PL). APLL offers a comprehensive range of shipment allocation services across various sectors, including automotive, retail, commercial, and industrial markets. These services encompass end-to-end order management, distribution and fulfillment, transportation, customs brokerage, and global trade compliance. Additionally, APL Logistics engages with subcontractors and service providers to assist in delivering these specialized services, ensuring a seamless and efficient supply chain for its clients.			
2-7	Employees	<b>Total Employees:</b> 5,664 <b>Total Full-Time Employees:</b> 5,629	<b>Total Full-Time vs. Part-Time Employees per region:</b> EMEA: 181 vs. 21      LATAM: 1,184      NAS: 881 NAM: 2,016 vs. 13      SAS: 536      SEA: 831 vs. 1		<b>Total Part-Time Employees:</b> 35 For more insights, please refer to the "Diversity" section of this report
2-8	Workers who are not employees	Total number of workers who are not employees are represented by region as below: SEA: a) 108 i. blue collar, no contractual relationship with individuals. Vendors' service agreements. ii. support the operational works.	SAS: a) 141 i. blue collar, no contractual relationship with individuals. Vendors' service agreements. ii. supports various function across the company such as administration activities (cleaner/driver) and operational works.	NAS: a) 274 i. blue collar, no contractual relationship with individuals. Vendors' service agreements. ii. supports various function across the company such as administration activities (cleaner/driver) and operational works. For more insights, please refer to the "Diversity" section of this report.	
2-9	Governance structure and composition	For insights, please refer to the "Governance" section of this report.			
2-10	Nomination and selection of the highest governance body	For insights, please refer to the "Governance" section of this report.			
2-11	Chair of the highest governance body	The chair of the board is a representative from APL Logistics parent company, KWE, and this person is not a senior executive at APLL.			

## Required GRI Disclosures

### Description

### Answer

<p><b>2-12</b></p>	<p>Role of the highest governance body in overseeing the management of impacts</p>	<p>APLL's success is dependent on its accountability – just look at Maxim 3. Our Board of Directors dictates and approves our corporate and sustainability strategies. When issues arise, they are appropriately escalated to the Board level with ongoing open dialogue between the company's SMEs. The Board is tasked with addressing problems with reasonable care and skill while considering the larger entity. The impacts, risks and opportunities, and reporting related to all ESG and sustainability matters are discussed and reviewed by the Board of Directors annually or on an ad hoc basis during quarterly meetings. The company's CSR strategy is in their hands and written into our Board's charter. Data and progress related to APLL's energy and fuel consumption (converted to correlate to emissions reduction goals) is reported monthly to our parent company. In 2022, APLL hired a third party consulting agency, NSF, to assist in identifying and managing the organization's impacts on the economy, environment, and people, through a Materiality Assessment. Their job was to give feedback and aid with APLL's sustainability agenda, materiality assessment, CO<sub>2</sub> reduction target setting, and general ESG reporting. APLL has an external Enterprise Risk Management system that rolls up to the highest board approvals. Senior management is polled for the company's top risks, and this list was distilled down to 23 primary global risks. Within those 23, 7 were external risks. Risks associated with climate change were among the 13 "Operational" primary risks, a risk of "Physical, Force Majeure Perils" for Flood, Fire, Quake, and extreme Weather events such as heat waves and drought. Updates on these risks and their importance are reported to the Board and senior management on a quarterly basis.</p> <p>The stakeholders involved in this process start with a Risk subcommittee, which is made up of regional, senior level representatives from around the company. This committee reports up to Management Ethics, Compliance, &amp; Social responsibility committee, who then report up to the Board Ethics, compliance, &amp; social responsibility. The highest governance body in this chain is then the Board itself. For more insights, please refer to the "Governance" section of this report.</p> <p>The Board takes direction from the relevant subcommittees mentioned in 2-12. They review issues that are escalated to the highest level on a quarterly basis. For more insights, please refer to the "Governance" section of this report.</p>
<p><b>2-13</b></p>	<p>Delegation of responsibility for managing impacts</p>	<p>See answer for Disclosure 2-12</p>
<p><b>2-14</b></p>	<p>Role of the highest governance body in sustainability reporting</p>	<p>President and Executive team (C suite) – process of review started with executive team involvement in the execution and delivery of Materiality Assessment. Executive team members were present on all material topic review calls and provided valuable input for the construction of our path forward. A more intensive meeting was hosted with the president and Chief Commercial Officer to prioritize 2-3 identified initiatives within each material topic in July 2022. APLL's sustainability report is reviewed and approved by the Board before publishing as the Board has a vested interest in the Material topics covered.</p>
<p><b>2-15</b></p>	<p>Conflicts of interest</p>	<p>Under the VCoC, APLL Group vendors are also required to avoid any conflict of interest, and to disclose any potential or actual conflicts. In addition, individuals who sit on the board of APLL Group entities are required to comply with applicable corporate governance standards and laws, which typically require the disclosure of relevant conflicts of interest. On an annual basis, and in accordance with Singapore law, each director of APL Logistics Ltd makes a conflicts disclosure. These are distributed to the other board members and, where relevant, appropriate controls would be put in place to control such conflicts. Such disclosures would also be visible to the sole shareholder of APL Logistics Ltd (being Kintetsu World Express, Inc.). Related party transactions are disclosed in APL Logistics Ltd's annual financial statements in accordance with applicable accounting standards.</p>
<p><b>2-16</b></p>	<p>Communication of critical concerns</p>	<p>Ethics hotline. For more insights, please refer to the "Fairness" section of this report.</p>

## Required GRI Disclosures

### Description

### Answer

<b>2-17</b>	Collective knowledge of the highest governance body	Each member on the board is a subject matter expert in their respective fields and is entrusted with guiding this company with due diligence, reasonable care, and skill. Even the lowest level of stakeholder concerns are taken seriously, and can be elevated to reach the Board's agenda. APLL's president holds quarterly Town Halls as a conduit and educational session between Board decision making, operational trends, market updates, and the company's entire employee base.
<b>2-18</b>	Evaluation of the performance of the highest governance body	General regular reporting to and meetings of the Board of Directors occur within our organization. We also have committees that are required to approve certain measures, all guided by our Procedures and Operations Manuals (POMs). However, further details regarding these processes are confidential.
<b>2-19</b>	Remuneration policies	For insights, please refer to the "Governance" section of this report.
<b>2-20</b>	Process to determine remuneration	For insights, please refer to the "Governance" section of this report.
<b>2-22</b>	Statement on sustainable development strategy	Please, refer to page 2 of this report.
<b>2-23</b>	Policy commitments	The APLL Group Code of Conduct mandates that all employees comply with applicable laws and regulations. Additionally, the group seeks similar contractual commitments from its vendors through the APLL Vendor Code of Conduct (VCOC). Both the Code of Conduct (COC) and the Corporate Statement of Ethics, which outline APLL's commitment to respecting human rights, are available online at <a href="https://apllogistics.com/codeofconduct">https://apllogistics.com/codeofconduct</a> . While supplementary materials are typically distributed only to APLL employees, key policies such as the Code of Conduct are regularly reviewed and approved by the APLL SG Board. Supplementary policies are typically reviewed by relevant heads of function, the Ethics Committees, and are reported to the APLL SG Board. The Code of Conduct and group policies apply to all group entities and employees, guiding all interactions with customers and vendors. For more insights, please refer to the "Accountability" section of this report.
<b>2-24</b>	Embedding policy commitments	For insights, please refer to the "Accountability" section of this report.
<b>2-25</b>	Processes to remediate negative impacts	The APLL group's compliance programme is based on an overarching global Code of Conduct that applies to all employees. It sets the group's expectations surrounding ethical and legal conduct, and it is supplemented with additional policies for key risks such as antitrust, antibribery, money laundering, etc. In order to effectuate these policies, APLL maintains a speaking-up policy which sets expectations for all employees to speak out when they see a potential breach of the law or APLL's policies, an open door policy, an online/telephone Navex hotline, an Investigation toolkit, and a non-retaliation policy. Amongst these avenues, local/regional HR and legal teams and the members of Ethics Committees also work to ensure these policies are implemented. The APLL group seeks feedback on existing systems during training sessions, and an express part of the compliance investigation process is to take account of any reported deficiencies in existing policies/processes and to propose remediation measures. APLL Ethics Committees will review case reports and quarterly statistics on compliance reports and will propose revisions as deemed appropriate. In addition, the Ethics Committee will review hotline complaints regularly and decide if any wider policy/training action is necessary. For insights, please refer to the "Accountability" section of this report.



Required GRI Disclosures	Description	Answer
2-26	Mechanisms for seeking advice and raising concerns	See answer to Disclosure 2-25.
2-28	Membership associations	The APLL group participates in various trade associations where such participation is appropriate, helpful, and legal. Prior to joining any association, due diligence would typically be conducted to ensure that such membership will comply with applicable laws (e.g. antitrust/competition law) and will be in line with the group's legal and ethical commitments.
2-29	Approach to stakeholder engagement	<p>A variety of stakeholder groups were engaged, including customers, clients, suppliers, contractors, APLL management, academics, government labs, and NGOs. 18 stakeholders provided feedback via an online survey on the 22 material topics identified, and more than a dozen stakeholders supplied additional information through interviews and facilitated discussions.</p> <p>The process for conducting a materiality assessment may vary by organization, but all assessments rely heavily on stakeholder engagement. For this assessment, a stakeholder is defined as an individual or entity that can reasonably be expected to affect, or be affected by, APLL's activities, products, services, or objectives.</p> <p>NSF worked with APLL to design a customized process to identify and engage with stakeholders, assess material aspects, and interpret the results. The initial list of material aspects was developed via an industry benchmarking assessment, which identified 31 material topics commonly reported by APLL's peer companies. This analysis served as the basis for collecting stakeholder feedback and evaluating potential impacts of these topics. Material topics were grouped into 21 material issues to simplify stakeholder engagement, and further categorized into 15 strategic material categories during the final stages of analysis. All topics were divided into three categories based on Global Reporting Initiative (GRI) guidelines: Economic &amp; Governance, Environmental, and Social aspects.</p> <p>To develop this report, a core team was identified and contributed to gather data and series.</p>
2-30	Collective bargaining agreements	9.24%
3-1	Process to determine material topics	For insights, please refer to page 6 of this report.
3-2	List of Material Topics	For insights, please refer to page 6 of this report.
3.3	Management of material topics	For insights, please refer to page 6 and the "Sustainability" section of this report.
302-1	Energy consumption within the organization	Total energy consumption: 289,187.81 GJ. Electricity: 53,744.68 GJ, Natural Gas: 62,188 GJ, LPG: 2.73 GJ, Diesel: 162,638.48 GJ, Gasoline: 10,314.47 GJ and Light oil: 299.51 GJ. For more insights, please refer to page 10 of this report.
302-3	Energy intensity	Energy intensity: Gigajoules of energy per square foot per region. Energy numbers are a sum of all types of energy used, including electricity, natural gas, LPG, gasoline, diesel and light oil. EMEA: 0.15, LATAM: 0.06, NAS: 0.02, NAM: 0.03, SAS: 0.05 and SEA: 0.04.
305-1	Direct (Scope 1) GHG emissions	For insights, please refer to page 9 of this report.

Required GRI Disclosures	Description	Answer
305-2	Energy indirect (Scope 2) GHG emissions	For insights, please refer to page 9 of this report.
305-3	Other indirect (Scope 3) GHG emissions	For insights, please refer to page 9 of this report.
305-4	GHG emissions intensity	17.48 MTCO <sub>2</sub> e per Million ton-km. Intensity metric based on the total emissions for upstream transportation and distribution per total million ton.Km for all transportation modes. Intensity metric per transportation mode (MTCO <sub>2</sub> e/ Million t.Km): Ocean: 9, Air: 630, Truck: 12, Intermodal: 24.
305-5	Reduction of GHG emissions	<p>APLL revised the calculations for its baseline year 2022 after discovering data source errors for Scope 1, 2, and 3 emissions (Categories 3 and 6). APLL is committed to full transparency, and as a result, we have updated our baseline calculations. Consequently, the emissions figures will be adjusted. Key highlights from our revised GHG Inventory include a notable reduction in Scope 1 and 2 emissions due to energy efficiency projects and the closure of some facilities in 2023. As anticipated, emissions from Upstream Transportation and Distribution decreased by approximately 20%, reflecting a corresponding drop in ton.km. However, Employee Commute emissions rose by 13%, as more accurate data was collected this year via a survey distributed to our global employees.</p> <p>APL Logistics is committed to improving the accuracy of its GHG emissions data and will communicate any updates in emissions figures to all our stakeholders.</p>
306-1	Waste generation and significant waste-related impacts	For insights, please refer to page 10 of this report.
306-3	Waste generated	For insights, please refer to page 10 of this report.
306-4	Waste diverted from disposal	For insights, please refer to page 10 of this report.
306-5	Waste directed to disposal	For insights, please refer to page 10 of this report.
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There have been no substantiated complaints concerning breaches of customer privacy from outside parties or regulatory bodies. In 2023 there was 0 number of identified leaks, thefts, or losses of customer data. No complaints related to customer privacy data have been identified.
405-1	Diversity of governance bodies and employees	<p>For insights, please refer to the "Governance" section of this report.</p> <p>For insights, please refer to the "Diversity" section of this report.</p>
405-2	Ratio of basic salary and remuneration of women to men	For insights, please refer to the "Diversity" section of this report.
403-1	Occupational health and safety management system	APL Logistics has an occupational health and safety management system. The safety management system covers all employees of APLL including any temporary labor. For more insights, please refer to the "Fairness" section of this report.

## Required GRI Disclosures

### Description

### Answer

403-2	Hazard identification, risk assessment, and incident investigation	Hazard identification is carried out in multiple ways at APLL. Methods used include hazard risk assessments, job safety analysis, health and safety auditing, incident investigation, root cause analysis, etc. Quality of each process is ensured by area safety leads following up with sites that conduct the assessments. Competency is evaluated by looking at hazards presented. If a site is found lacking hazard recognition skills, the area safety lead will travel to the site to conduct hazard recognition training with all employees on site. The results of the processes are used to update our HSSE procedures, implement new projects focusing on top-loss areas, and used to drive safety technology improvements on site. APLL has a zero retaliation policy for reporting health and safety hazards. Workers report the hazards to the on site supervision/managers. If the on site management needs assistance from the HSSE team they will call the area safety lead or the HSSE senior manger for direction/help. In addition, the employees have access to contact the ethics hotline and report unsafe work conditions. Every employee has the right to "stop the job" for unsafe situations that poise an injury or health risk. Once they have notified the on site management team, they will address the hazard or contact the HSSE team as need. All incidents are investigated for root causes. Methodology currently used in the 5 why and fishbone. All countermeasures are tracked for completion and the HSSE team conducts site follow-ups to ensure each countermeasure is completed and functioning as designed.
403-3	Occupational health services	All occupational health services reports are maintained by our human resources department. They comply with all governmental regulations for privacy of health data.
403-4	Worker participation, consultation, and communication on occupational health and safety	For insights, please refer to the "Fairness" section of this report.
403-5	Worker training on occupational health and safety	Training includes emergency action plan, PPE, hazard communication, powered industrial truck, first aid (CPR & AED) (employees on first aid team), lock-out tag-out (energy isolation), fall protection, hazard identification and risk mitigation, heat stress awareness, warehouse safety, incident reporting, preventing eye injuries, active threat preparedness, electrical safety, pallet safety, fire prevention, ladder safety, illness prevention. For more insights, please refer to the "Fairness" section of this report.
403-6	Promotion of worker health	APLL provides employees with the option to purchase health insurance through a company sponsored plan. Outside of that sites are encouraged to hold health fairs with the local occupational medical provider. This can include basic health screening or immunization stations.
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationship	All incidents are investigated for root causes. Methodology currently used in the 5 why and fishbone. All countermeasures are tracked for completion and the HSSE team conducts site follow-ups to ensure each countermeasure is completed and functioning as designed. We utilize the hierarchy of controls to dictate our countermeasures. In addition, each site has a specific business continuity plan that would activate with a significant incident. For more insights, please refer to the "Fairness" section of this report.
403-8	Workers covered by an occupational health and safety management system	All employees are covered by our safety management system, 100%. All employees are covered by internal audits of the management system, 100%. 25% are covered by an external audit system. No workers have been excluded from this disclosure. All data is compiled and reviewed by the HSSE team. We utilize standards from ANSI, BSI, and other national federal regulations when reviewing our safety management system.

## Required GRI Disclosures

### Description

### Answer

<b>403-9</b>	Work-related injuries	Zero is the number and rate of fatalities as a result of work-related injury; ii) 3.02% is the number and rate of all work-related injuries; 18.15 is the number and rate of recordable work-related injuries; total recordable incident rate; musculoskeletal injuries are the main type of work-related injury; 4,370,319 is the number of hours worked. Temporary or contract labor is counted within the above figures. APPL do not track this separately. High-risk tasks are determined through hazard risk assessments and job hazard analysis. ii. Operation of powered industrial trucks. iii. We are currently revamping our PIT training program and looking for new technology to decrease our risks. APPL has a few projects underway to eliminate other work-related hazards and minimize risks. A few include automation projects, security infrastructure projects, and a safety management system upgrade. The rates have been calculated based on the 200,000 hours worked. No workers have been excluded from this disclosure. APPL mainly utilize guidance from OSHA, NIOSH, NFPA, and NEC.
<b>403-10</b>	Work-related ill health	No fatalities as a result of work-related ill health; 3 is the number of cases of recordable work-related ill health; Ergonomics and Musculoskeletal Disorders is the main types of work-related ill health. Temporary or contract labor is counted within the above figures. APPL does not track this separately. High risk tasks are determined through hazard risk assessments and job hazard analysis. Manual material handling has caused or contributed to cases of ill health during the reporting period; Automation project are the actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls. No workers have been excluded from this disclosure. APPL mainly utilize guidance from OSHA, NIOSH, NFPA, and NEC.