Our 2020 Environmental, Social and Governance (ESG) report.
Who We Are

OIA Global was founded in 1988. Back then, we specialized in exporting perishable foods from the United States and we were more commonly known as Oregon International Airfreight. Now, we are a global leader in supply chain management, with more than 1,200 passionate employees across 27 countries, with annual revenue exceeding a billion dollars.

We deliver innovative and resilient solutions that optimize customers’ supply chains.

As an asset-light company, we offer customers exceptional service through global logistics, packaging design and optimization, and material sourcing solutions, in addition to emerging fourth- and fifth-party logistics outsourcing.

For more information, please visit www.oiaglobal.com.

What’s new in our 2020 report:

Employee Engagement
OIA Global is seeking ways to improve our culture in inclusive, meaningful and measurable ways.

Business Continuity
In 2020, OIA Global partnered with Castellan to examine, expand and test our business continuity plans. Our teams are more confident and prepared to handle the unexpected.

Carbon Reporting Validation
OIA Global’s carbon reporting tool and methodology has been validated by the Smart Freight Centre.

Scope 2 Emissions
OIA Global offices around the world increased recycling by 26% and reduced paper consumption by 55%. With employees working remotely, our emissions dropped 20% in 2020.
Our Vision

The pandemic has changed our lives, our relationships and the way we think about work.

In the face of uncertainty, we experienced unique challenges and setbacks. Our entire leadership team is proud of how employees supported and encouraged one another through significant change.

During the pandemic, our organization’s ESG efforts diverted from the expected path. Instead, we made a commitment to invest in our employees’ well-being and professional development. Many of our employees are still working remotely, and this change has elicited progress toward our sustainability targets: reduced Scope 2 emissions, increased recycling and a notable drop in paper consumption. We intend to reach our 2025 targets through meaningful, long-term changes in the way we work.

In 2022, we will begin assessing our office network and identifying opportunities to switch to renewable energy sources. Additionally, our organization will consider different global hybrid work policies to keep OIA attractive to global talent, wherever they may reside. We are confident in this report’s featured engagement action plans, and many of our short-term action plans are already in progress. I look forward to sharing more details in 2022.

Our customers will benefit from several changes highlighted in this report: new business continuity plans, an expanded sustainability team and a carbon reporting method validated by the Smart Freight Centre.

As we explore new ways of working, our vision is to build smart, resilient supply chain solutions. Every step will be powered by intent and purpose to make our world a better place.
Governance

Established in 2020, our Environmental and Social Governance (ESG) committee is sponsored by Tim Sethor, EVP, Chief Financial Officer, and guided by our Board of Directors at LDI, Ltd.

The ESG committee is represented by Human Resources, Compliance, Finance, Operations and IT to address customer inquiries, emissions measurement and reporting, employee training, compliance and employee engagement.

Our 2020 goal was to fully implement and refine our carbon reporting tool, EcoTransIT, for all customers. In 2021, we pursued GLEC-compliant reporting validation from the Smart Freight Centre. In 2022, we will build a global training library for standardized education on emissions and reporting, and to elicit compliance across our organization.

Our materiality matrix highlights the initiatives we are currently working on. Our goal for the 2021 ESG report is to provide readers with a road map of intended actions, in addition to actions taken that address initiatives within the materiality matrix.

Lacy Diversified Industries (LDI, Ltd.) is an Indianapolis-based family office with more than a century of experience funding and operating high potential, middle-market companies. LDI leads with integrity, encourages innovation, and is dedicated to growing great companies into companies of greatness. For more information, please visit https://lacydiversified.com.
OIA Global seeks to be a more progressive organization. We are recommitting to our vision of a better world in service to our environment, employees, customers, suppliers and communities.

The pandemic taught us to explore new ways of working, to invest in our employees, to build clear policies, practices and processes, and to strive to meet the needs of global supply chains in the most efficient and economical means possible.

Since the pandemic, four key issues have become increasingly essential:

**Occupational Health & Safety**
We continue to follow and enforce guidelines from global, national and local health authorities to prevent the spread of coronavirus and its emerging variants.

However, we must approach work in a different way to develop flex work guidelines that address long-term work-life balance and health and safety.

**Employee Engagement**
OIA Global is seeking ways to improve our culture in inclusive, meaningful and measurable ways. In 2019, OIA Global partnered with Quantum Workplace to conduct our first annual employee engagement survey and establish baseline metrics for employee satisfaction.

When favorability worsened in 2020, we took targeted measures to improve the employee experience. We held more than 40 focus groups to collect additional feedback from employees, with representation from all offices in our network. We took that information and developed 23 action plans for 2021. Actions include updates to our code of conduct, the development of flex work guidelines, the implementation of salary grade structures, increased communication pathways and further training and resources for employees.

**Training Compliance**
OIA Global is proud to report that newly implemented training on Diversity, Equity and Inclusion, Foreign Corrupt Practices Act and Anti-harassment have a 99% participation rate or higher.

**Scope 3 Reporting**
When OIA Global first implemented EcoTransIT World, a carbon reporting tool, only 63% of customers required carbon reporting. Now, OIA Global offers carbon reporting for all customers, down to the shipment level. In 2021, our process for delivering carbon reporting was validated by the Smart Freight Centre. In 2022, we will add CO2e emissions estimates at the time of shipment quoting.
Memberships

The energy required to manufacture, package and transport cargo around the world adds to rapidly increasing global greenhouse gas emissions. To mitigate the impact on climate change, we support industry research and collaboration while promoting responsible decision-making across the supply chain.

Through these memberships, we’re able to offer customers more sustainable supply chain services. Whether it’s switching to 100% recyclable packaging materials or choosing road freight carriers with an energy-efficient fleet, we find sustainable ways to decarbonize supply chains.

- **Clean Cargo**: We are active members of Clean Cargo, a BSR buyer-supplier initiative dedicated to reducing the environmental impacts of global transportation and promoting responsible shipping.

- **Smart Freight Centre**: A non-profit organization dedicated to creating a zero-emissions global logistics sector through the only globally recognized methodology for harmonized calculation and reporting of logistics emissions across the multi-modal supply chain: the Global Logistics Emissions Council (GLEC).

- **Sustainable Air Freight Alliance**: We are active members of SAFA, a BSR buyer-supplier initiative dedicated to reducing emissions from air freight and promoting responsible freight transport.

- **EPA SmartWay**: We use United States Environmental Protection Agency data and partner network to select carriers that meet the EPA’s highest standards in environmental and energy efficiency. Nearly 75% of the shipments we manage in the United States are transported by an EPA SmartWay approved road freight carrier.

- **Sustainable Packaging Coalition**: The SPC is a membership-based collaborative that believes in the power of industry to make packaging more sustainable.

- **BSR**: An organization of sustainable business experts that works with its global network to build a just and sustainable world. OIA Global is one of 250+ member companies that support the research and industry collaboration required to shift to an inclusive, net zero economy.

- **Smart Freight Centre Transport Partnership**: Getting There With Cleaner Air.
Tracking Scope 2 Emissions

In 2019, OIA Global recorded Scope 2 emissions baseline at 6,581,984 MT. Our target is to reduce CO2e emissions 5% by 2025. We are hiring an additional sustainability role to drive the organization toward more aggressive, science-based approaches and targets in 2022.

Like many companies during the pandemic, OIA Global experienced a drop in global emissions as most employees worked remotely.

During the time spent away from the office, OIA Global saw a 26% increase in offices that offer and encourage recycling, and a 55% drop in paper consumption.

We will continue our progress in 2022 by incorporating Scope 1 emissions, identifying which offices can switch to renewable energy sources, as well as improving recycling and reducing consumption.

### 2025 Targets

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<thead>
<tr>
<th>Metric</th>
<th>Baseline</th>
<th>Goal</th>
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<tbody>
<tr>
<td>5% Reduction in Scope 2 emissions</td>
<td>6.5m MT</td>
<td>6.2m MT</td>
</tr>
<tr>
<td>75% Branches powered by renewable energy sources</td>
<td>35%</td>
<td>75%</td>
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</table>

### Total Scope 2 Emissions (MT)

- **EMEA Region**: 1,021,388 MT
- **Americas Region**: 3,167,359 MT
- **APAC Region**: 2,253,379 MT

### 2020 Insights

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<thead>
<tr>
<th>Metric</th>
<th>Baseline</th>
<th>Goal</th>
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</thead>
<tbody>
<tr>
<td>60% Branches offer recycling</td>
<td>30%</td>
<td>100%</td>
</tr>
<tr>
<td>55% Decrease in paper consumption</td>
<td></td>
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OIA Global’s Scope 2 emissions baseline measurement was documented in 2019. Scope 1 emissions are considered nominal, we will assess and include Scope 1 emissions in future reporting.
Tracking Scope 3 Emissions

OIA Global follows the Global Logistics Emissions Council’s (GLEC) framework to calculate and report carbon emissions across multi-modal supply chains.

The GLEC framework was developed by the Smart Freight Centre, in alignment with the Greenhouse Gas Protocol, the UN-led Global Green Freight Action Plan and the Carbon Disclosure Project reporting. The framework is designed to inform business decisions and steer efforts toward efficient, zero-emissions global freight and logistics.

With this framework and through industry collaboration, OIA Global can identify multi-modal supply chain partners to transport our customers’ freight.
Scope 3 Emissions Reporting

OIA Global has implemented an interface from a Smart Freight Centre-accredited tool provider to calculate and track greenhouse gas (GHG) emissions data by leveraging shipment data from our transportation management system (TMS).

In 2019, we adopted EcoTransIT World and the Clean Cargo methodology to conform with the GLEC Framework, the only globally recognized methodology for harmonized calculation and reporting of logistics GHG footprints across multi-modal supply chains. EcoTransIT World was integrated directly inside of our TMS system, where it could deliver shipment-level metrics from multiple legs through an API.

Before full implementation, system parameters were established and then tested using a variety of movements. The first GHG calculation outputs were reported in January, 2020.

Smart Freight Centre has reviewed the system and confirmed that the input and output data flows are sound for all modes, and that final emission values are calculated in accordance with the GLEC Framework.

Adopting the GLEC Framework allows OIA to improve customer reporting and offer an efficient, reliable, auditable solution to record GHG emissions.

Following the technical review and data validation by Smart Freight Centre, OIA will work with SFC to implement continuous reporting functionality, improve data accessibility and explore GHG emissions transparency for more accurate calculations going forward.

To standardize and accelerate reporting practices across the industry, the Data Access & Exchange GLEC project is developing data exchange guidance and standardized protocols.
Business Continuity

Amidst unprecedented pandemic-related disruption, OIA Global activated contingency plans for the first time in our 30-year history.

We diversified one customer’s manufacturing outside of China in less than one month, we sourced 4 million at-risk materials in backup countries when Italy shutdown, and we leveraged agreements with strategic airline partners to preserve space during extreme competition and skyrocketing prices.

Business continuity plans (BCPs) provide a framework for protecting daily operations during unanticipated events. In the supply chain industry, BCPs are critical because they can provide flexibility and equip operational staff to navigate evolving situations with concrete directives.

OIA Global partnered with Castellan to examine, expand and test our business continuity plans and capabilities. As a result, our teams are more confident and prepared to handle the unexpected.

“OIA’s leadership was extremely engaged and committed to building a culture focused on resilience,” stated Brian Zawada, Castellan’s Chief Operating Officer and one of the consultants that helped design and implement OIA’s business continuity program. “The effort started with inventorying existing capabilities, identifying vulnerabilities and gaps in preparedness, and then over the past year, closing the highest priority gaps and preparing further via tests and exercises. OIA’s customers are more resilient because the organization’s investment in business continuity.”

Castellan is the largest provider of business continuity and operational resilience solutions – spanning consulting, software, managed services, and staffing – Castellan is uniquely positioned to help clients find the right balance of risk tolerance and resilience to protect their employees, brand, and bottom-line. Leveraging a proprietary proven process for driving business continuity success, Castellan partners with clients to establish a clear vision, drive real results, and provide on-going support from their community of business continuity experts. Castellan helps clients replace uncertainty with confidence. Now you’re ready™ Castellan is strategically and financially backed by Resurgens Technology Partners. For more information, visit castellanbc.com.
Let's continue to move forward, together.