





2023 Annual Corporate Social Responsibility Report

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# Our Commitment to Sustainability

A letter from Enterprise Owner and Chairman, Charles S. Kuhn

I am delighted to present our 2023 Enterprise Sustainability Report—a testament to our steadfast dedication to foster positive change for our customers, communities, and the environment.

This past year marked a period of rejuvenation for us, with a reinvigoration of our Sustainability Task Force and an unwavering pledge to assess and diminish our carbon footprint. We have reserved thousands of acres of land for conservation through JK Land Holdings and have supported the nonprofit JK Community Farm with donations of time, talent, and funding. It is with immense pride that I share the remarkable accomplishments of our teams across various pivotal domains, including health and safety; diversity, equity, belonging, and inclusion; and environmental stewardship.

Looking ahead, we have selected a new carbon accounting vendor to establish our 2023 greenhouse gas emissions baseline. Our employees and leadership are actively planning initiatives to enhance the well-being of all stakeholders, and I am eager to discover the meaningful work our teams will accomplish in 2024.

We remain dedicated to giving back and making a difference. Our enterprise culture is built on our core values and our brand promise, we treat everyone with care and respect, from our employees and customers to those in our communities. I invite you to join us in this commitment as we fulfill our values—Together We Succeed!

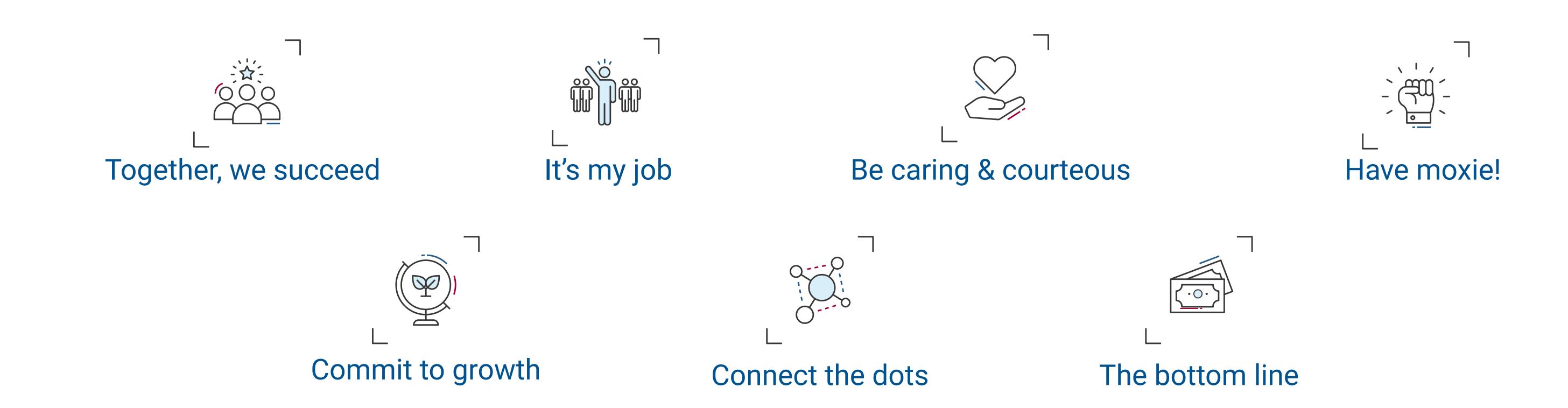
Warm Regards,

#### **Chuck Kuhn**

Enterprise Owner and Chairman

Our brand promise: You will be treated with care and respect.

Our Core Values:



# Our employee groups

#### **Belonging and Inclusion Council**

We established an employee-led Belonging and Inclusion Council dedicated to fostering a diverse, equitable, inclusive, and belonging environment across all facets of our organization. A three-member Leadership group spearheads the Council, planning and overseeing initiatives. Supported by our Executive Team, the Council collaborates closely to make impactful decisions benefiting the entire company and our broader community, promoting unity and respect for all.

#### **Sustainability Task Force**

Founded in 2000, our task force has a primary mandate: to pinpoint and bolster opportunities aimed at diminishing our organization's environmental impact. This collective task force comprises representatives spanning our entire business spectrum, collaborating as a cohesive unit to propel initiatives forward. Beyond this, the team shoulders the crucial duties of overseeing and revising policies, monitoring and transparently communicating company operations, and delivering comprehensive reports to external stakeholders.

#### Belonging and Inclusion Council mission and enterprise core values

To foster a culture of belonging and inclusion that champions diversity and equity. We are committed to promoting continual learning, active listening, and thoughtful dialogue to treat one another with care and respect.



#### Together, we succeed

We work collaboratively to support the entire enterprise and to bring value to our customers.



#### It's my job

We take ownership of our work and strive to deliver a quality product, on-time and within budget.



#### Be caring & courteous

Life can be stressful for our coworkers, suppliers, and our customers. When we interact with others, we want them to feel listened to, cared for, and respected.



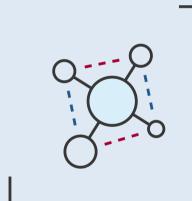
#### Have moxie!

We employ know-how and a fearless resolve to lead, raise the bar, and embrace challenges. Approach work with enthusiasm and determination!



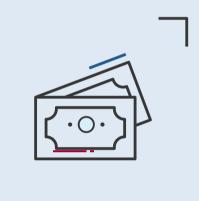
#### Commit to growth

To grow, we must develop new skills, hone our talents, take some risks, build our revenue, and encourage new ideas.



#### Connect the dots

By collaborating across teams, we develop and execute solutions that enhance processes, create efficiencies, and ultimately benefit our customers.



#### The bottom line

Being profitable ensures
the future of the
enterprise, allows us to
invest in our clients and
our employees, and fuels
our success.

# Commitment to Sustainability

We are deeply committed to fostering innovation that enhances operational efficiency, mitigates the depletion of natural resources, and upholds long-term environmental quality for the well-being of future generations. Our dedication to sustainability spans various facets, encompassing the utilization of more sustainable materials, inventory reuse, integration of recycled materials, energy-efficient adaptations in our facilities, streamlined paperless procedures, responsible fleet and logistics management, and overall efficient operational strategies. Empowering our employees with environmental education is pivotal, encouraging their active engagement and input towards reducing our environmental footprint. Moreover, we inspire our staff to adopt eco-conscious practices both at work and in their personal lives, aiming to expand our positive impact.

Our overarching goal is to minimize our environmental impact by educating employees and implementing best practices. We believe that every individual holds a responsibility, both personally and collectively, to conserve our planet's natural resources. Continually challenging ourselves, we strive to adopt effective practices that reduce the adverse environmental effects of our operations. Furthermore, by setting an example within our

industry, we seek to advocate and propagate similar conservation policies throughout the transportation sector.

#### **Handbook and Policies**

The Employee Handbook clearly outlines our dedication to reducing our environmental footprint with our Environmental Values Statement and Environmental Policy taking a prominent place. These documents serve as a compass, articulating our firm commitment to educating our employees and adhering to the highest standards of best practices aimed at preserving and protecting the environment.

We encourage, promote, and maintain an ongoing awareness and sensitivity to conservation of our protected wetlands and our surrounding and extended communities. As an organization, we are mindful of the effects of human activity on the environment, particularly those measures designed to prevent or reduce harmful effects to our ecosystems. Through the creation of a Community Farm that supplies organic produce and proteins to persons with food insecurities, we are mindful of how the environment affects future resources. Whether internally or externally facing, our energy conservation, use of recycled materials, or the effective management and recycling of used and repurposed materials, we advocate for the environment.

# Carbon Accounting Initiative and Timeline

Our Sustainability Task Force recognized the imperative to establish a comprehensive understanding of our enterprise's environmental impact. Identifying the necessity to measure our carbon footprint, we embarked on a rigorous journey towards transparency and scientific accuracy.

To ensure a meticulous and scientifically sound approach, we initiated a survey targeting potential partners capable of assisting us in precisely calculating our greenhouse gas (GHG) footprint. The pursuit of complete transparency guided every step of this process.

In December, we initiated a robust Request for Proposal (RFP) process, aiming to streamline our search and identify a partner whose expertise, support, and dedication aligned most effectively with our objectives. After thorough consideration, we are delighted to announce our selection of Planet Mark to collaborate with us in establishing a carbon footprint baseline for our 2023 impact.

Together, we will work towards setting ambitious and credible targets to drive our efforts in reducing emissions not only in 2024 but in the long term.

Planet Mark is an internationally recognized sustainability certification which acknowledges continuous progress, encourages action, and builds an empowered community of like-minded individuals who make a world of difference. Planet Mark supports and guides organizations to achieve net zero, offering tailored certifications for businesses and real estate.

Organizations become Planet Mark members as soon as they sign up and commit to reporting their carbon footprint and engaging their stakeholders. Once organizations have submitted the data required and Planet Mark has assessed its carbon footprint, they become Planet Mark Certified and start their journey to continually reduce their emissions.

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



#### 2024 Targets:

- Select carbon accounting partner.
- Develop 2023 Greenhouse Gas (GHG) emissions baseline.
- Establish GHG reduction target.



#### **Key Milestones:**

- ▶ December 2023 Launched RFP and Received Responses
- January 2024 Selected Provider
- ► February Kick-off GHG Emissions Baseline
- April Complete Scopes 1, 2, and 3 accounting
- ► May Establish GHG reduction targets for 2024 and beyond.

# Diversity, Equity, Belonging, and Inclusion

Guided by our Belonging and Inclusion Council, we remain dedicated to nurturing a culture of diversity, equity, inclusion, and belonging, recognizing that our collective strength lies in the unique perspectives, talents, and abilities brought by our diverse workforce. Embracing individual differences in age, color, disability, ethnicity, family or marital status, gender identity or expression, sexual orientation, language, national origin, and more, underscores our commitment to creating an inclusive environment. Our core value—Together We Succeed—reflects this dedication.

We emphasize that all employees, managers, and supervisors bear the responsibility to always treat each other with dignity and respect, whether at work, work functions, or company-sponsored events. Any deviation from this principle may result in disciplinary action, aligning with our core value of being caring and courteous. Furthermore, a clear process for employees to report any perceived discrimination backs our commitment to diversity and inclusion, ensuring an initiative-taking approach to addressing concerns and maintaining an inclusive workplace.



#### **Employee Mentorship Program**

Launched by the Belonging and Inclusion Council in 2022 following a pilot program the previous year, the Employee Mentorship Program has evolved into a resounding success in its third consecutive year. This pioneering initiative consistently empowers employees by offering a platform for mentorship and guidance in their career journeys. Participants engage in a structured program, fostering opportunities for both mentoring and receiving guidance from colleagues across the Enterprise.

The inclusive nature of our Mentorship Program welcomes all Enterprise employees, presenting exceptional prospects for networking, continuous learning, and personal growth. As it enters its fourth year, the program remains dedicated to nurturing talent, fostering professional relationships, and facilitating career development within our diverse workforce.

# Visitington D.C. Visitington

#### **Community STEM Mentorship Program**

Our Belonging and Inclusion Council plays a pivotal role within our organization and extends its impact into the community. The Council actively fosters external mentorship initiatives and outreach programs. One notable past collaboration involved partnering with Nova Labs Robotics Youth Group, aimed at empowering young women to pursue careers in STEM fields. In 2022, the Council hosted collaborative meetings at our Virginia headquarters, facilitating engagement both in-person and virtually. The Council continues to look for additional opportunities to continue similar programs.

#### **Belonging and Inclusion Education**

The Belonging and Inclusion Council consistently publishes a quarterly newsletter and collaborates with external vendors to offer diversity certification training. Looking forward to 2024, the Council will introduce mandatory quarterly micro-training sessions on DEI&B. All employees will attend brief 10-to-15-minute training sessions each quarter, ensuring they stay current on various DEI&B topics within the workplace. The objective is to enhance comprehension of the definitions and concepts related to Diversity, Equity, Belonging, and Inclusion in the workplace. These initiatives underscore our unwavering commitment to cultivating an inclusive environment within our organization, while actively contributing to the broader community.



#### **DEI&B Book Club and ERG**

In 2024, the Council is set to introduce a Book Club, marking the inaugural phase in establishing an Employee Resource Group (ERG). The ERG will be a voluntary, employee-led initiative designed to unite employees based on shared interests, backgrounds, or common purposes. This group aims to cultivate belonging and mutual support within the company, ultimately contributing to the furtherance of an inclusive workplace. While the Council will provide oversight, it is essential to note that the ERG will operate independently from the Belonging and Inclusion Council, making it accessible to all employees who wish to participate.



#### **DEI&B Survey**

In December 2020, the Enterprise took a significant step towards fostering a diverse, equitable, and inclusive workplace by conducting its first comprehensive DEI&B Survey. During the first quarter of each year, the Enterprise conducts a new DEI&B survey. In 2023, a total of 167 employees actively participated, offering insights into our organizational culture, the sense of belonging within the enterprise, and perspectives on talent development. The survey focused on critical aspects such as employees' comfort in voicing opinions, the organization's commitment to DEI&B values, and the effectiveness of talent development practices.

The survey results reflect a positive outlook on our workplace culture, with a majority expressing comfort in interacting with colleagues from diverse backgrounds and feeling supported in expressing their ideas and beliefs. The commitment is to create a sense of belonging and inclusion where employees feel accepted and valued to foster a productive work environment, increase morale, and improve employee retention. In the realm of belonging, employees feel included, respected, and valued, highlighting the supportive atmosphere that encourages open discussions. These insights provide a valuable foundation for continuous improvement in our DEI&B initiatives, ensuring a workplace that celebrates diversity and promotes equal opportunities for all.

#### **Supply Chain Diversity**

Our Enterprise actively collaborates with over 400 diverse suppliers specializing in relocation services. Our partnerships embrace a wide spectrum of diversity classifications, predominantly Small Disadvantaged Businesses (SDB), Minority Business Enterprise (MBE), Women-Owned Small Business Enterprise (WOSB), and Veteran-Owned Small Business (VOSB). Within our family of companies, our engagement with diverse suppliers spans various facets of our services, encompassing coaching, temporary accommodations, household goods, destination services, and real estate. In 2023, our enterprise facilitated more than \$46 million in spending supporting diverse suppliers through our procurement system (approximately 34% of all third-party spending).

Our Supplier Code of Conduct includes specific language detailing our requirements of suppliers to ensure non-discrimination. All supplier personnel actions, including recruiting, hiring, assignment, and promotion, as well as decisions affecting compensation, benefits, transfers, and training, shall be made without regard to creed, race, color, age, gender, sexual orientation, ethnicity, mental or physical disability, religion, political affiliation, health condition, pregnancy, union membership, marital status, or any other status protected by law.

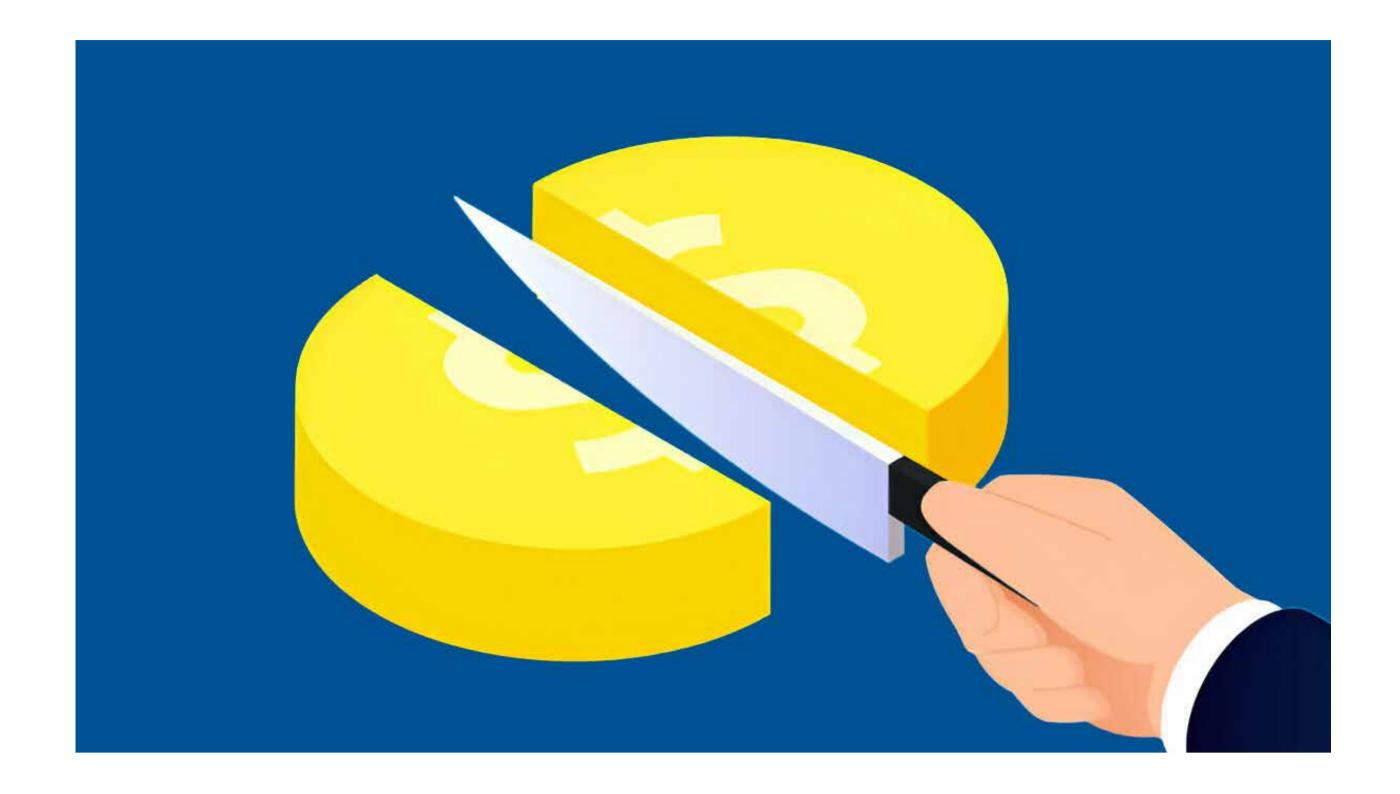
Our stringent reporting requirements reflect our commitment to diversity. We mandate diversity reporting from all Tier 1 subcontractors on an annual basis. To engage diverse suppliers, we actively leverage resources such as the Minority Business Development Agency and state websites. Specifically, within real estate services, we enforce a broker agreement and application, ensuring identification and acknowledgment of the diverse business classifications of all involved suppliers.

#### **Pay Equity**

The Enterprise remains dedicated to upholding pay equity as a core principle, as outlined in our Pay Equity Policy. Ensuring pay equity is one of the ways we remain competitive and promote a workplace where we fairly reward everyone for their contributions while supporting continual growth of the enterprise.

We are committed to providing equal pay for work of equal value to attract, retain, and motivate employees without discrimination due to race, color, religion, national origin, sex, age, marital status, sexual orientation, or any other reason prohibited by applicable law. Simply put, ensuring pay equity makes good business sense.

Because of this, we actively engage in comprehensive compensation analyses in collaboration with our Affirmative Action Plan (AAP) provider, Berkshire, on a biennial basis. The meticulous evaluation of pay gaps during promotion and merit performance periods by our HR department exemplifies our commitment to fairness.



Our latest pay equity analysis, conducted in 2021, underscores our dedication to transparency and equality. Berkshire, our trusted partner, employs robust methodologies, including cohort and regression analyses, to scrutinize pay differentials across job groups.

Upon analyzing job groups, we observed that in five out of the seventeen groups, women were the favored group. Among the twelve groups displaying differences, ten exhibited statistically insignificant variations, signaling minimal disparities. In the two remaining groups with statistically significant differences, the deviation from the average of all twelve groups was seven percent.

Although we cannot provide an executive summary due to the confidential nature of the regression data, we want to assure stakeholders that Berkshire conducted a detailed review session with our HR department to delve into the data, ensuring a thorough understanding. Our next pay equity analysis will take place this year.

Our unwavering commitment to fostering a workplace that champions equality and fairness is evident. Moving forward, we pledge to proactively address any identified disparities in our pay equity analyses, reinforcing our dedication to creating an inclusive and equitable work environment.



#### **Equal Employment Opportunity**

The Enterprise commits to fostering an inclusive and diverse workplace, promoting equal employment opportunity for all employees and prospective employees. Our employment policy prohibits discrimination based on race, color, religion, sex, age, national origin, disability, veteran status, sexual orientation, gender identity or expression, genetic information, pregnancy, and other protected classifications. This commitment extends beyond federal law to encompass all applicable laws in every location where the enterprise operates.

#### **Affirmative Action Program**

In alignment with our commitment to equal employment opportunity, we maintain a robust Affirmative Action Program (AAP). This program ensures that we conduct our recruitment, hiring, training, and promotion practices without regard to any protected classification. We make employment and promotion decisions based solely on objective qualifications, striving for a workplace environment that is free from discrimination. We strive to administer all personnel actions, including compensation, benefits, transfers, and social programs, without bias, and we actively promote a discrimination-free workplace, taking prompt action to address any unlawful discrimination.

Our CEO, Chuck Kuhn has designated the Senior Vice President of Human Resources as the Corporate Equal Employment Opportunity Officer. Together with the Equal Employment Coordinator and senior management, they bear the responsibility for overseeing our overall Equal Employment Opportunity and Affirmative Action performance. Our AAP is available for inspection in the Human Resources Department during regular business hours, reflecting our transparent approach to fostering an inclusive and equal workplace.



#### Veterans

We stand unwavering in our commitment to those who serve. Our Enterprise values the leadership, reliability, and dedication that active duty and veteran armed forces members bring. With a proud history of offering career opportunities to veterans in transition, active military personnel, and the National Guard and Reserve, we remain dedicated to supporting their professional growth.

Our commitment extends beyond mere words. Through collaborations with the Army Reserves and the Wounded Warrior Regiment at Fort Belvoir, we provide unique training opportunities and support the transition of combat veterans into the civilian sector. We also recently introduced DOD's SkillBridge Program, offering transitioning military members valuable work experience. Our pledge to those who have served remains ingrained in our actions, ensuring that we value and nurture their skills and experiences within our team.



#### **Americans with Disabilities Act**

The Americans with Disabilities Act of 1990 (ADA), as amended by the Americans with Disabilities Amendments Act of 2008 (ADAAA), serves as a cornerstone in our commitment to fostering an inclusive and equitable workplace. This legislation safeguards qualified applicants and employees with disabilities from discrimination in various facets of employment, spanning hiring, promotion, discharge, pay, training, benefits, and more. The ADA mandates that covered employers provide reasonable accommodations for individuals with disabilities, ensuring that such accommodations do not pose undue hardship.

We are steadfast in adhering to all federal and state laws related to employing individuals with disabilities, working in accordance with regulations from the Equal Employment Opportunity Commission (EEOC). We encourage employees with disabilities to request accommodation through their supervisors or Human Resources, with a commitment to facilitating such accommodations unless an undue hardship or workplace safety concern arises.

#### **Discrimination and Harassment**

We are unwavering in our commitment to maintaining a workplace free from discrimination, harassment, and sexual harassment and our Employee Handbook explicitly prohibits our employees from discriminating or harassing anyone in any form. Discrimination consists of conduct adversely affecting employment terms based on an individual's Protected Status, encompassing various characteristics such as religion, race, national origin, and more. Examples include biased employment decisions and inappropriate requests for genetic information. Harassment, defined as unwelcome conduct based on Protected Status, includes demeaning name-calling, threatening acts, negative stereotyping, and offensive written or graphic material. Sexual harassment involves unwelcome sexual conduct creating a hostile environment and may include explicit material, suggestive gestures, unwanted comments, and physical advances. We encourage all employees to report discrimination or harassment via our Ethics Hotline. Violations of these policies may result in disciplinary action, including termination.

# Environmental Sustainability

We passionately support various initiatives annually to promote sustainability and enhance the wellbeing of our customers, employees, and communities. Explore our recent endeavors in the following sections to learn more.

#### **Sustainability Ratings**



#### **EcoVadis**

Over the past three years, CapRelo, has diligently undergone EcoVadis' sustainability assessment. EcoVadis, a globally recognized platform, evaluates businesses' sustainability performance across four pivotal categories: environmental impact, labor and human rights standards, ethics, and procurement practices.

We take pride in achieving a Bronze Rating in 2023, a testament to our commitment, even as EcoVadis continuously raises the standards for companies across diverse industries. Our fourth assessment in June will encompass our 2023 greenhouse gas (GHG) emissions data alongside our targets for reductions.



#### Carbon Disclosure Project (CDP)

In October, we eagerly anticipate submitting our inaugural CDP disclosure. CDP, a not-for-profit organization, operates the global disclosure system enabling investors, companies, cities, states, and regions to effectively manage their environmental footprints. With a rich 20-year history, CDP has cultivated an unparalleled platform fostering global engagement on environmental matters.

The CDP disclosure process involves both quantitative data and qualitative responses. We eagerly await the opportunity to share the outcomes and rating from our disclosure with you once this process concludes.





#### FIDI Audit

JK Moving Services (JKMS) takes immense pride in being among the exclusive 31 U.S. companies honored with FIDI/FAIM certification. This distinguished recognition underscores our unwavering commitment to excellence. Our team members undergo rigorous training programs mandated by FIDI to attain FIDI Mover certification, a testament to their expertise and dedication.

Headquartered in Europe, FIDI sets forth comprehensive guidelines, quality control programs, and training standards for moving companies across the globe, including the United States.

FIDI introduced the FAIM (FIDI-Accredited International Mover) program in the late 1990s, an exacting initiative ensuring international moving companies stay updated on prevailing regulations, rules, and training methodologies. Compliance with stringent training procedures every two years is imperative for maintaining membership. FIDI/FAIM diligently equips its members with innovative tools and industry best practices.

FIDI requires member companies to routinely audit onsite compliance procedures encompassing diverse aspects such as safety protocols, security measures, facility standards, equipment and material assessment, staff proficiency, training evaluations, quality of management, customs documentation, insurance and risk management, legal conformity, and customer feedback.

In a pivotal development in 2023, FIDI incorporated new sustainability benchmarks into their triennial audit. We are thrilled to announce that we not only met but surpassed these sustainability criteria with exemplary success, affirming our unwavering commitment to eco-friendly practices and responsible business operations.



#### **Conservation Easements**

Established in 2016, JK Land Holdings (JKLH), has utilized proceeds from land acquisition towards safeguarding and conserving valuable properties and land parcels. Over the past decade, we have strategically reinvested and acquired thousands of acres in multiple states and directed these efforts into conservation easements. This initiative ensures the protection of vulnerable landscapes and habitats, preserving them for the benefit of future generations.

A conservation easement is a permanent restriction placed on a parcel or parcels of land that protects the conservation value and strictly limits development. Conservation easements serve as a crucial strategy for safeguarding land, water, flora, fauna, as well as cultural and historical sites. These legally binding agreements, forged between landowners and land trusts, serve to permanently protect the land from future industrial and residential development and in places where such development would likely be deemed unsustainable. Importantly, these easements remain attached to the property in perpetuity, enduring even if the land changes ownership. JKLH leadership emphasizes that by acquiring properties to place into conservation easement, we are continuing to serve as good stewards and making a great contribution to the future.

Properties under conservation include:



- Cherry Grove Lane
- Clubhouse Drive
- Lovettsville Road
- Wolver Hill
- Snickersville Farm
- Browns Lane
- Clover Hill
- Guinea Bridge
- Poor House Lane



- Tollhouse Road
- Taylor Road
- Lincoln Road II
- Lost Corner
- Charlestown Pike
- Snake Hill Road
- Hogback Mountain
- JK Community Farm
- Middleburg Training
  Center
- Seven Lakes Ranch

Our dedication lies in fostering partnerships with the communities we serve. We steer our investments using a set of guiding principles we refer to as our Creed. We believe in:

- Demonstrating the same care and respect to all communities that we touch, as we do across our enterprise.
- The need for balance between preserving area lands for future generations and commercial development to support area economic growth.
- The need for balance between preserving area lands for future generations and commercial development to support area economic growth.
- Giving back, so we put approximately 44 acres into conservation easement for every 1 acre we develop commercially.

- Smart development that benefits the area community in terms of jobs and tax revenue.
- Demonstrating our commitment to the environment by preserving historically and environmentally important sites through conservation easement.
- Committing time to collaborate with the communities to listen to their wants and needs.
- Partnering to clean up the environment for the community.



#### **Addressing Food Insecurity**

Among our most significant contributions to environmental sustainability and community welfare is The JK Community Farm, a nonprofit founded by the Kuhn family and supported, in part, by the Enterprise. Spanning 150 acres, this farm cultivates over 50 varieties of vegetables, fruits, proteins, and herbs, proudly holding the title of the largest chemical-free nonprofit farm in the United States. The Farm's primary mission is to donate 100% of its produce to local food banks and pantries. In 2023 alone, it distributed an additional 247,448 pounds of organic food to families facing food insecurity in Virginia and DC, bringing the Farm to 1,019,372 since our inception in 2018.

Engaging more than 4,500 volunteers annually, including local employees, the Community Farm involves them in planting, nurturing, and harvesting processes. Collaborating with various nonprofits like Loudoun Hunger Relief, Food for Others, and Arlington Food Assistance Center, the farm ensures efficient distribution to pantries within their regions.

The dedication of our enterprise employees is evident through their voluntary contributions to the Community Farm via payroll deductions, accumulating to more than \$50,000 in donations for the year 2023. Moreover, the farm runs an extensive food education curriculum aligned with Virginia's learning standards, offering students valuable insights into nutrition and agriculture through informative field trips.

In 2024, the Farm's goal is to increase the varieties it grows and the food education that it provides to food pantry partners and the families they serve. The Farm will provide more than 185,000 chemical-free meals to families facing food insecurity and host more than 5,200 volunteers, and 2,500 field trip students.

#### **Supply Chain Sustainability**

Sustainability is a core element of our identity, intricately woven into our supply chain practices. Our commitment to sustainability is not merely a statement but a rigorous approach that permeates our supplier selection process. Environmental impact and sustainability serve as paramount criteria, shaping our supplier agreements and practices. Our enterprise procurement team upholds sustainability goals throughout our network of suppliers, employing industry-specific agreements that emphasize and enforce sustainable practices.

Our Supplier Code of Conduct underscores our dedication to minimizing our environmental impact. Suppliers must obtain and maintain all necessary environmental permits and registrations, adhering to operational and reporting requirements. Strict guidelines are in place regarding product content, chemicals, hazardous materials, air emissions, and pollution prevention. We emphasize waste reduction and resource efficiency across all operations, promoting responsible practices in water, energy, raw materials, and waste management. Environmental stewardship is a continuous effort, with suppliers encouraged to actively work towards minimizing the environmental impact of their operations, products, and services. We maintain the right to amend this Code of Conduct and may terminate relationships with suppliers found in violation, ensuring the integrity of our commitment to sustainability.

#### **Waste Management Practices**

Our steadfast commitment to sustainable, eco-conscious moving practices shines through, evident in the annual saving of over 4.5 million pounds diverted from landfills. Our multifaceted approach to sustainability encompasses a range of strategies and processes aimed at minimizing our environmental impact. We prioritize the use of plastic reusable crates, repurpose inventory, and embrace the principles of Zero Waste, ensuring that we responsibly recycle all materials back into nature or the marketplace in an environmentally sound manner.

One of our standout sustainability initiatives, BoxlessMove®, embodies our dedication to integrating sustainability into our daily operations. Within our warehouses, we actively recycle paper, cardboard, and wood from our crates. We utilize a compactor and auger to significantly reduce the volume of materials destined for landfills.

Our commitment extends further, providing customers the choice between new or reused boxes, with surplus boxes sold in our used box store or recycled if unsold. Moreover, we implement a range of green and sustainable moving practices as part of our standard procedures:

- Noving blankets crafted from recycled fabrics.
- Implementation of paperless driver and fuel tax reporting logs.
- Integration of motion sensors to regulate lighting and conserve energy across our facilities.
- Utilization of power units on tractor trailers equipped with environmentally friendly generators to reduce idling.
- Reuse of antifreeze and vehicle batteries.
- Retreading of tires to optimize fuel efficiency.
- Repurposing of engine oil as a heating source at our maintenance facility.

These sustainable initiatives highlight our unwavering commitment to environmental stewardship and responsible business practices.



#### **EPA SmartWay**

We proudly participate as a SmartWay Partner, aligned with the Environmental Protection Agency (EPA) program dedicated to curbing carbon emissions. Our active partnership involves a concerted effort to enhance fuel efficiency through various strategies. This includes optimizing vehicle settings, conducting comprehensive driver training programs, and adhering to stringent maintenance protocols.

To ensure operational efficiency, we meticulously monitor route planning to maximize load weight per mile while minimizing empty miles traveled. Additionally, our vehicle procurement strategy prioritizes the replacement of older units with newer models adhering to enhanced engine and emission standards, further contributing to reduced emissions.

Having established our partnership with SmartWay in 2008, we remain steadfast in our commitment to sustainable practices, continually striving to mitigate our carbon footprint and contribute positively to environmental conservation.

#### **Energy Conservation**

To champion the preservation of Earth's finite energy reservoirs, our Enterprise has implemented eco-conscious measures across its facilities. Initiatives include the integration of environmentally sensitive practices such as the installation of motion-sensitive lighting in warehouses, the innovative reuse of engine oil for heating maintenance facilities, and



the transition to energy-efficient compact fluorescent lights (CFLs) in administrative buildings.

Energy Star - A testament to our commitment, our latest facilities situated in Gaithersburg, Maryland actively participate in and proudly uphold the U.S. Environmental Protection Agency's esteemed ENERGY STAR program, maintaining coveted ENERGY STAR certification. These certified buildings not only conserve energy and reduce operational costs but also play a pivotal role in safeguarding the environment by significantly curbing greenhouse gas emissions. The ENERGY STAR certification necessitates stringent adherence to the EPA's rigorous energy performance benchmarks, ensuring our facilities align with the highest standards of sustainable energy efficiency.

#### **Tesla Trucks**

Our Enterprise recently made a groundbreaking investment in Tesla semi trucks, a revolutionary addition to our meticulously maintained fleet. These trucks, designed by Tesla, Inc. since 2022, herald a new era in transportation by utilizing electricity instead of traditional oil-based power sources.

The Tesla Semi boasts innovative features, including three powerful motors providing nearly triple the force of conventional diesel semi trucks. With an impressive range of 500 miles (800 km) on a single charge, it operates at an energy efficiency of under 2 kWh per mile (1.2 kWh per km). This innovation aligns with our commitment to embracing sustainable and high-performance solutions in our operations. The anticipation for integrating these exceptional vehicles into our fleet is palpable, marking a significant step towards a greener and more efficient future for the enterprise.



#### ecolegIT

We have forged a strategic partnership with ecolegIT, a sustainability program dedicated to reducing carbon footprints within the moving and global mobility industry. The collaboration reflects our dedication to fostering a sustainable future while delivering top-tier service to our clientele worldwide.

The ecolegIT program utilizes innovative technology to offset carbon emissions resulting from corporate clients' employees' activities, including travel, moving coordination, and waste. Through a unique algorithm and meticulous audits, the program guarantees offsetting emissions by supporting sustainable forestry projects aligned with social and environmental objectives. Our integration of ecolegIT's platform into its processes facilitates real-time tracking, enabling clients to monitor and measure their sustainability impact. All carbon offset credits are issued in the client's name.

# Health and Safety

Since its inception in 2004, our robust Health and Safety Program has remained a cornerstone of our commitment to employee wellbeing. One of our key initiatives includes a monthly newsletter meticulously crafted to equip employees with invaluable insights and tips for maintaining holistic wellness, encompassing healthy lifestyle practices, physical fitness, and fostering work-life balance.



In line with our dedication to promoting wellness, we provide employees with benefits such as discounts for gym memberships, access to Weight Watchers programs, and options for healthy eating. Additionally, we offer an array of health-focused resources and information to empower employees in making informed choices for their wellbeing. To further encourage employee engagement in wellness activities, our Human Resources department organizes optional fitness challenges. These challenges aim not only to enhance physical fitness but also prioritize emotional health, fostering a supportive environment that encourages personal development and overall wellbeing.

# **Corporate Safety Health and Environment Commitment Standards**

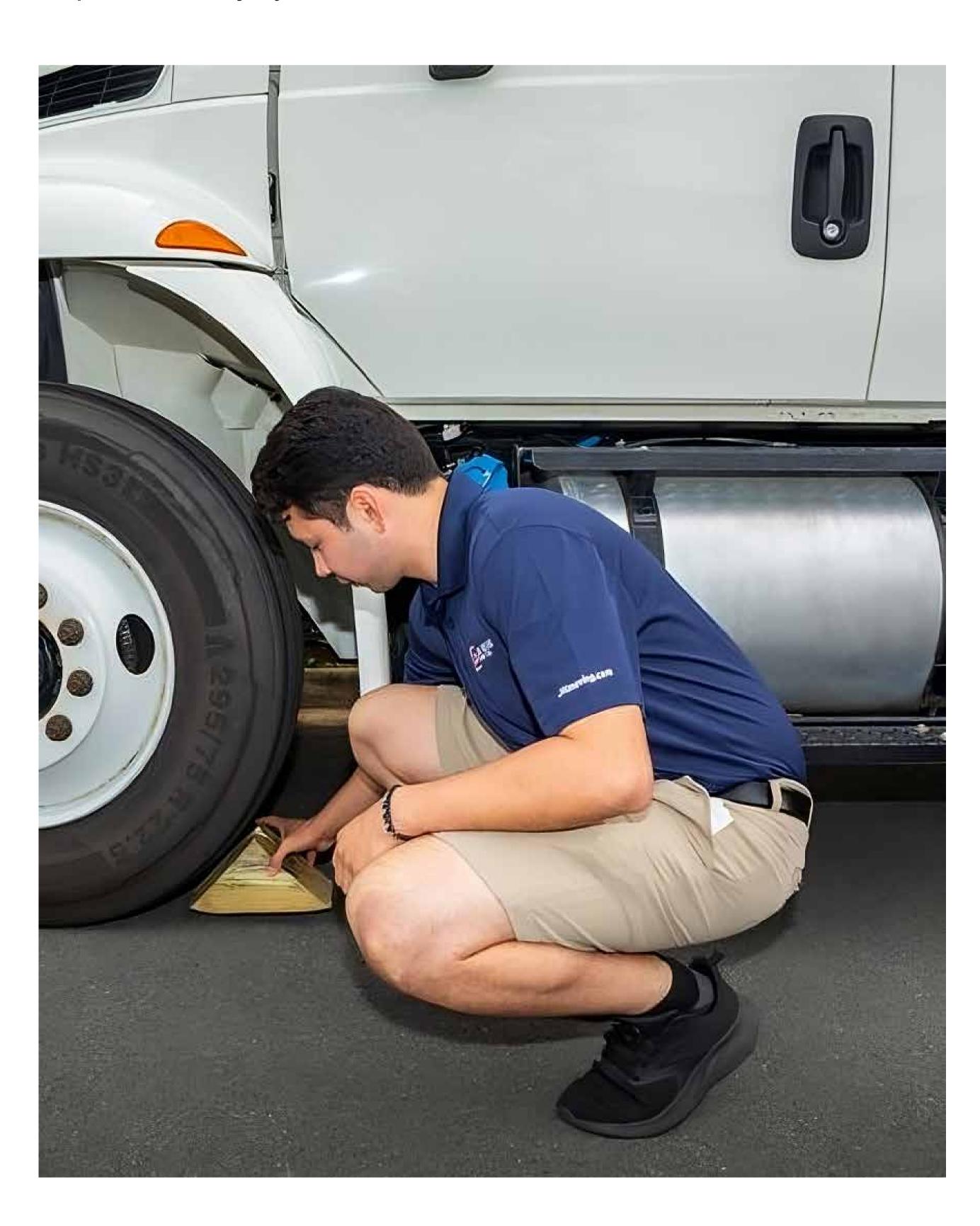
Our safety policy underscores compliance with applicable laws and industry standards, with a commitment to continual improvement in environmental, health, and safety (EHS) performance. We incorporate safety as a principal core value, requiring individual accountability and active promotion of health and safety standards. We dedicate ourselves to maintaining a safe workplace, establishing safety objectives for all employees, committing resources to support safety standards, and fostering an initiative-taking safety attitude. Employees at all levels, including senior management, are accountable for safety, with the authority to halt tasks to prevent unsafe incidents. We provide industry-approved training, regularly review safety programs, and ensure thorough incident reporting and investigation. Our unwavering commitment to safety extends to the community we serve, reflecting our dedication to maintaining ambitious standards, continuous education, and a healthy work environment.

#### **Safety Recognition Programs**

In our commitment to fostering a safe and healthy work environment, we proudly introduce our 90-Day Injury Free Program. This initiative celebrates the dedication and vigilance of our employees by sponsoring safety-related events for crew-level employees within a department that achieves a remarkable milestone of ninety consecutive injury-free days. This program not only underscores our emphasis on safety but also serves as a tangible recognition of the collective effort to maintain a workplace free from injuries and accidents.

#### **OSHA Results**

It is the responsibility of our Safety Program administrators to audit OSHA 300 logs to properly record injuries and secure required support documentation. Administrators must also post the annual OSHA 300 summary during the month of February each year and respond to Bureau of Labor Statistics (BLS) requests for injury/illness information.



# Cybersecurity



Safeguarding our customers' sensitive and confidential information takes priority. We proudly maintain ISO 27001 certification and comply with the General Data Protection Regulation (GDPR). We also comply with U.S. data privacy laws, including the California Consumer Privacy Act (CCPA), California Privacy Rights Act (CPRA) initiative, the Colorado Privacy Act, the Connecticut Privacy Act, the Utah Consumer Privacy Act, and the Virginia Comprehensive Data Privacy Act.

We further support this commitment with stringent Personal Identifiable Information (PII) training required of every employee. Employees perform these training modules annually, learning the correct protocols for handling sensitive data, awareness of phishing and hacking, the latest safeguards, and a review and test of our PII standards. Our rigorous data security protocols include:

#### **Secure Encryption**

Our secure main data center in Ashburn, Virginia houses our systems on redundant web and database servers. The facility qualifies as a SOC 2 Type II and SOC 3-compliant environment. We encrypt all communications between clients and our systems using TLS 1.2 and employs AES 256-bit encryption during transmission.

#### Privacy by Design



We designed our systems to limit access to Personally Identifiable Information (PII). Only parties or individuals who require access to provide contracted services may view this information. Our HR process immediately denies system access once HR terminates an employee or procurement releases a supplier. Additionally, we maintain an "A" rating from SecurityScorecard for our data security protocols—an independent validation that we will protect our customers' information according to a strict security process.

#### Virus/Malware Prevention

A multilayered approach protects our systems from compromise. Administrators schedule each server for Microsoft patch application to ensure an up-to-date Operating System, IIS, and SQL and correct known exploits. State-of-the-art anti-virus and anti-spyware software continuously monitor servers for unusual activity. Our systems also employ centralized log monitoring systems with exception-based heuristics to alert key personnel of potential unauthorized activity.

#### **System Reliability**

Our hosted server environment supplies redundant power, HVAC, and data connectivity to the system. Our host limits secure access to data center personnel and authorized representatives. We house the systems on fully redundant hardware, software, and storage. In the event of a system failure, parallel systems will come online in near real-time. Backup servers mirror all data to ensure recovery from any potential disaster.

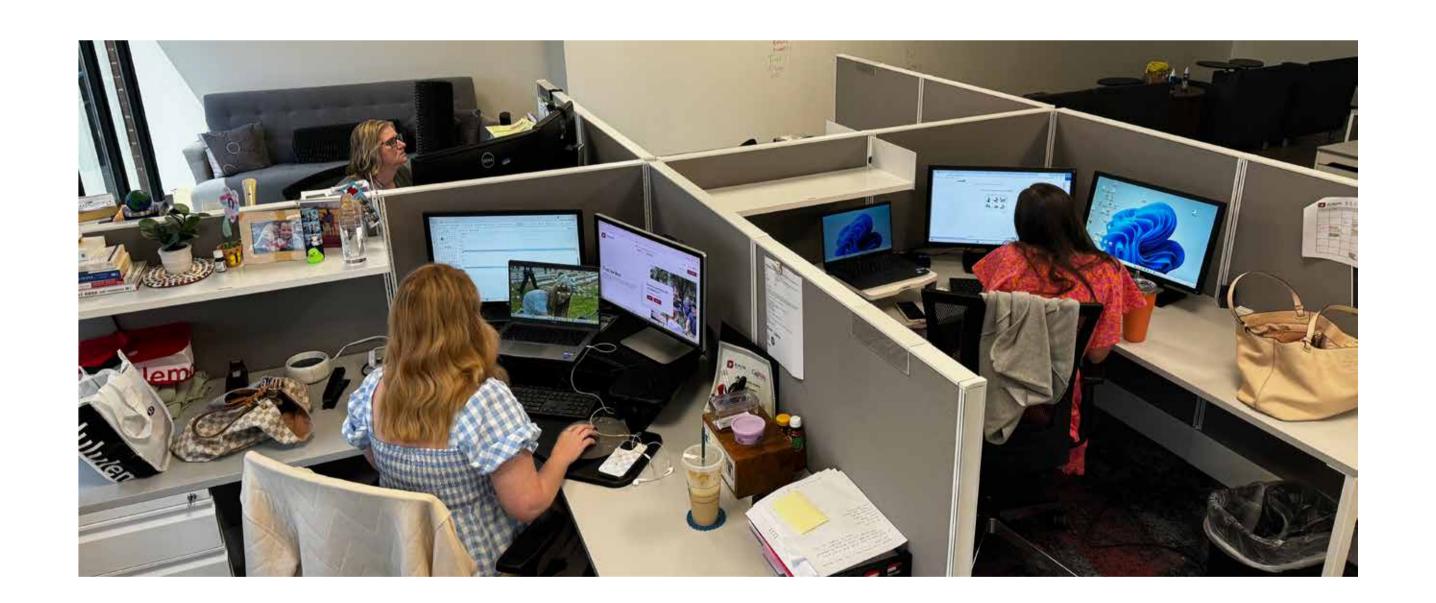
#### **Proactive Defense**

We take a multilayered approach to proactive, defensive security. We protect all internet-facing assets using CloudFlare CDN for DNS, proxied connections and WAF. We also use both SPLUNK and Arctic Wolf to provide SIEM and XDR 24/7/365 monitoring and response to security incidents. We manage risks both internally and externally through Arctic Wolf's Managed Risk Services which monitors security compliance and anomalous behaviors. CloudFlare Zero Trust framework protects system access, and we utilize OKTA/TechMFA to prevent unauthorized external access to data.

#### **Business Continuity and Disaster Recovery**

Leveraging a remote workforce and redundancy in key roles, we assure uninterrupted service to our customers. The Enterprise has robust plans in place for Disaster Recovery and Business Continuity. For Disaster Recovery, we maintain redundant, synchronized, and geographically diverse virtual environments, with automatic recovery triggered in case of a primary virtual node failure. Our 24-hour monitoring, structured escalation, and annual mock tests ensure swift response and adaptation to unforeseen challenges.

The Business Continuity plan encompasses emergency procedures, management succession plans, and contingency plans for various emergencies, ensuring critical functions' seamless operation. Each facility houses backup generators, and client-facing departments cross-train employees, ensuring uninterrupted service. We store key documents, records, and equipment off-site in emergency packs, and the recovery process involves comprehensive checklists and coordination with relevant authorities.



### Ethical Conduct and

## Company Culture

We uphold a culture of excellence, guided by our unwavering commitment to ethical conduct, continuous growth, and employee wellbeing. Our Code of Conduct and Business Ethics serves as a foundational guide, emphasizing personal and professional responsibility, while the accompanying Business Ethics Policy sets clear expectations for integrity and compliance. We invest in our employees' growth through extensive training opportunities, utilizing a learning management system and talent management portal. Our Employee Assistance Program (EAP) provides confidential counseling and work-life balance services, fostering a supportive environment. With a robust Business Ethics reporting procedure and Ethics Hotline, we ensure accountability and transparency. We prioritize employee satisfaction, offering competitive compensation, comprehensive training, career development, and active engagement in community initiatives for our teams.

#### **Code of Conduct and Business Ethics**

Our Code of Conduct serves as a foundational guide for each employee, emphasizing personal and professional responsibility in upholding core values and the brand promise of Care and Respect. Our Standards of Business Conduct and Ethics Policy shape our growth and financial health, emphasizing the importance of ethical decision-making. The code outlines the Enterprise's expectations for performance and conduct, emphasizing professionalism, respect, and a positive attitude. It also addresses confidentiality, proprietary information, and expectations for handling financial transactions, payroll activities, and accounts payable. The Code reminds employees of their role in protecting confidential information, and employees can direct any questions or clarifications to management or the President/CEO.

- Admin/Management Training
- Local Residential Crew (Helpers, Packers, and Drivers)
  Training
- Commercial Services Crew Training
- Warehouse Crew Training
- Driver Qualification
- Driver Training
- Relocation 101
- CRP certification and continuous training for recertification
- Relocation process counseling
- MAGIC-Customer Service Training
- Relocation tax issues
- Training on our technology
- Succession Planning

Our talent management and development portal, Commit2Growth, houses every employee's resume, certifications, skills, and experience. This tool allows each employee to map out their future career path and work on securing qualifications and training they will need for that future position.

Every manager must review his or her direct report's resume and career preferences for future career possibilities. Any manager can view each employee experience and future aspirations. If a new job is open internally, managers can use the Talent Search tool to match potential candidates.

#### **Employee Assistance Program**

Our Employee Assistance Program (EAP) offers confidential and free counseling, along with work-life balance services, to all employees, their household members, and their children away at school. EAP counselors, trained and licensed professionals, provide guidance on emotional, work-life, substance abuse, legal, financial, and major life, or health concerns. Additionally, the program offers daily living convenience services, including legal and financial assistance, service provider referrals for childcare, eldercare, schools, doctors, pet-sitters, and identity theft protection. Furthermore, the Financial Wellness program provides free access to www.finfit.com, offering tools for personal financial fitness assessment, budget planning, and financial calculators for retirement planning, home buying, and more.

#### **Ethics Hotline**

Our Enterprise is committed to upholding the highest standards of ethics and integrity in our operations. To ensure a culture of transparency and accountability, we have established a comprehensive Business Ethics reporting procedure designed for addressing serious and sensitive issues.

Stakeholders can report concerns related to financial reporting, unethical conduct, or illegal activities through various confidential channels. We recognize the importance of anonymity for those who come forward, and reporters have the option to remain anonymous.

The diligence and responsibility we encourage through the Business Ethics Hotline underscores our commitment to ethical business practices and continuous improvement.

#### **Best Places to Work and Top Corporate Philanthropist**

We proudly earned 7th place amongst Extra Large Companies on the Washington Business Journal's Best Places to Work award for 2024. This recognition is based on employee engagement survey responses, emphasizing high scores in leadership, culture, and benefits.

In addition, we have been named to the Washington Business Journal's Top Corporate Philanthropist in the greater DC region, giving \$39.7 million in 2023. Our enterprise not only provides competitive compensation but also supports its workforce with comprehensive training, career development, a formal Wellness Program, and generous benefits. We actively encourage employee volunteerism, including opportunities with the Community Farm.

# n Closing

As we conclude this year's Corporate Social Responsibility report, we reflect on the collective strides taken toward a more sustainable future. Across every department and team within our Enterprise, our dedication to fostering positive change resonates deeply.

Our commitment to sustainability is not just a directive; it is a shared endeavor ingrained in the very fabric of our organization. JK Land Holdings' commitment of thousands of acres to conservation easements is a direct reflection of our care for our environment. And our support for the JK Community Farm, administratively and financially, as they work to alleviate hunger highlights the care and concern that we share for our communities. From our Sustainability Task Force meticulously measuring our impact to our diverse employee groups championing inclusion and belonging, each initiative underscores our collective responsibility to the planet and our communities.

We have set ambitious targets, established crucial partnerships, and have implemented innovative strategies to reduce our environmental footprint. Our ongoing efforts in conservation, community welfare, supply chain diversity, and sustainable business practices exemplify our unwavering commitment to responsible business operations.

This report does not merely encapsulate our achievements; it signifies our ongoing commitment to progress. As we move forward, let us continue this journey hand in hand—every action, every decision—towards a future where sustainability and success intertwine.

Together, let us pave the way for a better tomorrow. Our dedication knows no bounds. Join us in our commitment to a sustainable, equitable, and thriving world.

Warm Regards,

The JK Enterprise Team





BUILDING A SUSTAINABLE FUTURE