



HEALTH, SAFETY, AND SECURITY

Our Perspective

We are committed to the health and safety of all our employees, customers and all persons affected by our operations.

Long-Term Strategic Goal

Drive for Zero; zero at-fault fatalities, zero at-fault injuries, and zero at-fault accidents.

Inside this Section:

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2006 Highlights	2007 Goals	2009 Goals
<ul style="list-style-type: none"> Established Health and Safety Working Group at GSO Conducted first company-wide survey to determine safety incident data and primary causes, prioritize safety risks, concerns, and identify opportunities for improvement 	<ul style="list-style-type: none"> Establish H&S Index to measure degree to which safety is equated to corporate culture 	<ul style="list-style-type: none"> Achieve 80% average of 'Excellent' score on H&S Index

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2006 Highlights	2007 Goals	2009 Goals
<ul style="list-style-type: none"> Established Key Performance Indicators for Health and Safety Identified key gaps in data collection 	<ul style="list-style-type: none"> Design and implement H&S management system based on OHSAS18000 Begin tracking of H&S KPIs 	<ul style="list-style-type: none"> Be capable of certification to OHSAS18001

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2006 Highlights	2007 Goals	2009 Goals
<ul style="list-style-type: none"> Expanded our 'Healthy Back' training Identified key gaps in training 	<ul style="list-style-type: none"> Significantly expand H&S training (both road safety and warehouse safety) Undertake warehouse safety equipment audit Establish a baseline at-fault accident rate per shipment, and achieve 10% reduction Establish baseline lost-time injury frequency rate per 200,000 working hours (covering all aspects of our operations), and achieve 10% reduction 0 fatalities 	<ul style="list-style-type: none"> 50% reduction in accident rate 50% reduction in lost-time frequency rate 0 fatalities

Note: Unless otherwise stated, the data from this Health and Safety section is based on 13 stations representing 55% of revenues in 2006. These stations are: Abu Dhabi (United Arab Emirates), Amman (Jordan), Bahrain (Bahrain), Beirut (Lebanon), Cairo (Egypt), Dhaka (Bangladesh), Dubai (United Arab Emirates), Hong Kong (China), India, Jeddah (Saudi Arabia), Kuwait, Riyadh (Saudi Arabia), Tripoli (Libya).

Key Area 1: Create a Safety Culture

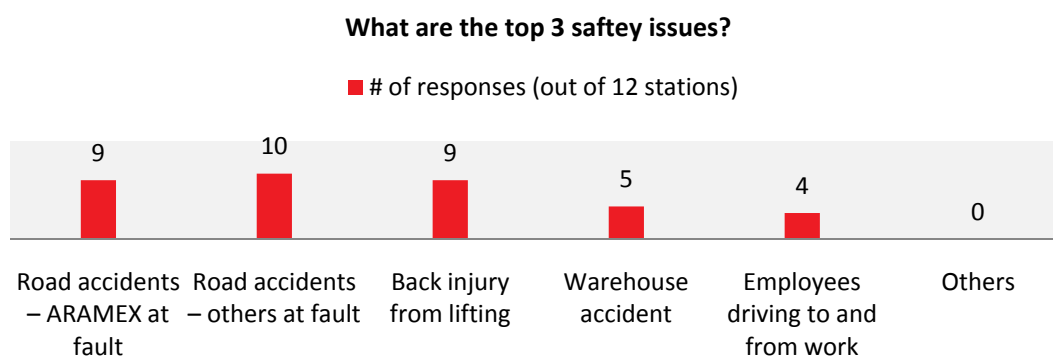
Every day, Thousands of our employees operate motor vehicles to deliver packages for our customers. Their safety is of utmost importance to us, as is the safety of other drivers and passengers with whom they share the roads. Our couriers understand the importance of meeting service deadlines. We also want to do more to reinforce that safety is as crucial as timeliness and cannot be compromised. To do this, we have to first of all set a very clear and aggressive long-term strategic goal: To drive for zero at-fault accidents, zero at-fault fatalities, and zero at-fault injuries.

From an implementation perspective, we are going to:

- Ensure appropriate and high quality training for our couriers
- Improve management systems that allow for the tracking and reporting of accidents, injuries, and any fatalities and their causes, and carefully analyze this data to determine where we can make the most effective improvements
- Increase our engagement with couriers and warehouse floor persons to find out from them how we can help make their jobs safer
- Integrate safety into surveying and establish a safety perception index

Our first step in identifying where to focus our efforts required getting a better understanding of the actual – as opposed to perceived – top safety issues, and the causes of those accidents. We have two major operating safety cases where accidents are most likely to occur: road accidents (vans, cars, and especially motorcycles), and in our warehouses.

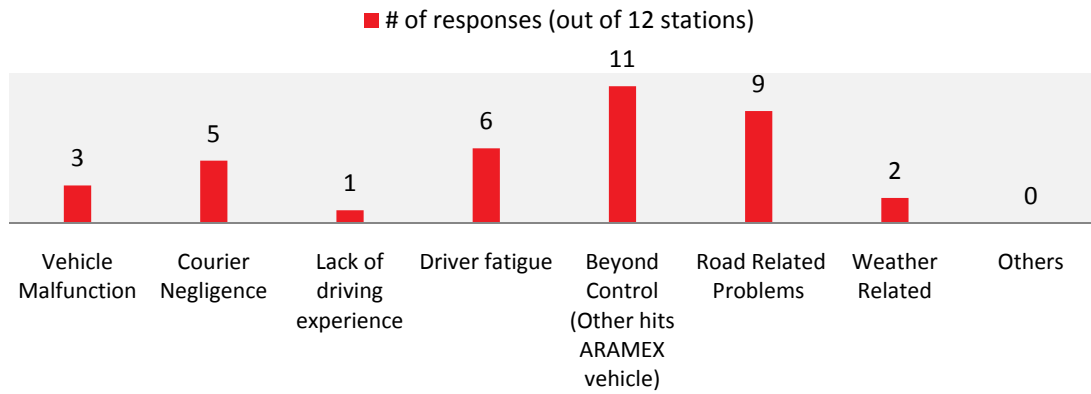
We surveyed 13 of our major stations representing 55% of revenues in 2006 as noted above. The first thing asked was ‘what are the top safety issues’:



According to our survey, road accidents caused by a non-Aramex driver were the most common type of accident or safety incident. Of the four stations that ranked their responses, Aramex at fault scored first three times. Back injuries ranked 3rd four times. Other at fault ranked in top 2 twice, as did warehouse accidents.

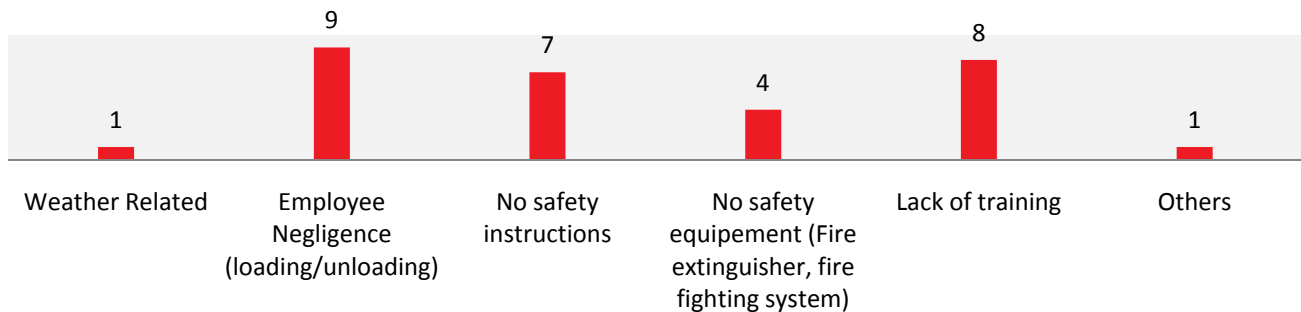
We then proceeded to ask what the top causes of these accidents were. We broke the accidents into two categories – road accidents and warehouse accidents.

What are the top three causes of accidents?



The survey emphasized that on perhaps half of all road accidents, the fault is of the other driver. However, this has led us to commit to defensive driving training and other specialized training to give our couriers better opportunity to anticipate and potentially avoid such accidents. Among factors directly under Aramex control, courier fatigue was the number one rated issue. This is cause for concern and we will be taking immediate steps to determine appropriate action.

Warehouse Accident



For warehouse accidents, we were concerned to learn of the high response rate regarding inadequate safety instructions and training. As a result, for 2007 we have committed to implementing a warehouse safety training program, and to undertaking a safety and safety equipment audit at all our warehouses. In 2006 we opened 4 new warehouses and intend to open 7 warehouses in 2007. All warehouses will comply with Aramex safety procedures which are published as part of the logistics quality manuals, and these procedures will be significantly enhanced as we implement our health and safety management systems and as we learn the results of our safety equipment and safety audit. The enhanced procedures will be applied to all our warehouses effective immediately.

Key Area 2: Health and Safety Management Systems

Although we already provide some training relating to safety and take other measures to mitigate accidents, we currently do not have a good system for tracking our performance with regard to accidents, safety incidents, and safety training. Our number one task for systematically improving our safety record is the development of an effective health and safety management system that is integrated with existing management systems and decision-making. In 2007 we will design and implement an H&S system including key performance indicators (KPIs). The system will be designed using best practice and will be consistent with OHSAS18000. Our 2009 commitment is to ensure that all of our operations are in a position to be certified OHSAS18001 (a decision on certification to OHSAS18001 will be made at a later time – our initial focus is on performance improvements and incident reductions).

We have already initiated this process for a more structured approach to health and safety management. We have established a Health and Safety Working Group at the GSO level. We intend to establish a contact person specifically for H&S at each major station, who will serve as a champion of awareness, training, implementation and tracking of performance at the stations, while also contributing to corporate H&S strategy and plans. For larger stations, these contact persons will coordinate an H&S committee at the station.

Key Area 3: Achieve Dramatic Performance Improvements

Based on: 1) indicators used by other companies in our sector, 2) guidance of the GRI, and 3) our internal capabilities, we intend to develop the following Key Performance Indicators for Health and Safety:

- Fatalities (covering all aspects of our operations);
- Automobile accident rate per shipment¹ (separated for at-fault or not); and
- Lost-time accident (i.e., injury) frequency rate per 200,000 working hours (covering all aspects of our operations)

We aim to be able to report on these indicators in our 2007 Sustainability Report. Due to current limitations to our data tracking, we are not able to present complete data. The implementation of the Fleet Management System and the new Human Resources tracking system will assist us tremendously in tracking this data, and these indicators are being included in their design.

As part of our commitment to aggressively adopt sustainability management, and to reiterate the importance we place on the health and safety of our people, we are committing to aggressive targets for these indicators. Our long-term strategic goal is to drive for zero at-fault incidents for each of the above. On a one year and three year basis, our targets are outlined in the following table:

Key Areas and Key Performance Indicator	2007 Target	2009 Target (3 year)
Automobile accident rate per shipment	10% reduction in at-fault accident rate	50% reduction in accident rate
Fatalities (Aramex, contractors, and third parties)	0 fatalities	0 fatalities
Lost-time accident (i.e., injury) frequency rate per 200,000 working hours (covering all aspects of our operations)	10% reduction in lost-time frequency rate	50% reduction in lost-time frequency rate

There are at least four main elements to achieving these performance gains:

- The commitment to the culture of safety
- Management systems to capture and use data and human support structures in the forms of working groups, committees, and champions
- Well-targeted training
- Implementation - Follow up on training and translation of training into performance gains

➤ Well-Targeted Training

The main type of safety training currently offered at Aramex is related to lifting heavy objects. Originally started in 2004, 'Healthy Back Training' is now offered in at least 12 stations (based on the 13 survey respondents).

In 2007, we aim to ensure that all stations offer the healthy back training to anyone who should receive it but has not yet received it.

In 2007, we also aim to offer targeted driver safety training to 100% of our courier staff. We do understand that the vast majority of our couriers have excellent safety awareness and are careful drivers. This training is meant to both help protect the safety of our couriers, as well as other people who share the streets. We intend to follow up intensely with these locations to ensure corresponding performance gains.

Healthy Back Training			
	2004	2005	2006
Number of stations	5	7	12
Total participants	117	484	624
Total employee hours	145	1309	1763

We also intend in 2007 to develop and begin providing safety procedure and equipment training for warehouse staff.

¹ We will transition this over time to a 'per 100,000 kilometers driven' rate, in order to facilitate comparison against our sector peers. In the short term, our most reliable data is on a per shipment basis.

➤ Implementation and Performance Gains

Our goal is to ensure that our training efforts result in significant performance gains. The Health and Safety Working Group and its anticipated network of Health and Safety station representatives will be responsible for ensuring aggressive follow up. The following paragraphs outline our starting point in terms of data availability and performance.

➤ Reducing road accidents

As a result of no formal tracking system currently in place, we do not have reliable data on the aggregate number of road accidents involving Aramex. As part of an approach that will help to address this, in 2007 we are continuing the rollout of a 'Fleet Management System' (FMS) which tracks accidents for every vehicle in our fleet. Our quality department is also involved in the implementation of FMS to help provide a framework for what constitutes key terms such as an 'accident', and to help ensure the system is being used.

Road accidents involving Aramex vehicles	2004	2005	2006
With injuries	3	4	14
Without injuries	273	312	385
Total	276	316	399

The available data on road accidents is represented in the above table.

Note that:

- 2004 Data represents 7 of 13 surveyed stations (not reporting were Abu Dhabi, Dhaka, Hong Kong, India, Kuwait, Tripoli)
- 2005 data represents 9 of 13 surveyed stations (not reporting were Abu Dhabi, Dhaka, Hong Kong, Tripoli, and India's number represent only accidents causing injury)
- 2006 data represents 10 of 13 surveyed stations (not reporting were Dhaka, Hong Kong, Tripoli, and India's number represent only accidents causing injury)

➤ Reducing Fatalities

Tragically, one of our employees lost their life this year in a road accident. Our stated goal is zero fatalities and as such, any fatality is a terrible tragedy. We are saddened by this development and we extend our sympathy to the family.

Total # of fatalities (deaths) ²	2004	2005	2006
Road	5	1	1
Warehouse	0	0	0
Total	5	1	1

➤ Injuries

We do not have adequate data collection techniques to present injury information for past years. We are ensuring that our new management systems which are being implemented in 2007 will be able to accurately capture this data.

➤ Compliance

To the best of our knowledge, there were no significant fines paid relating to H&S in 2004, 2005, 2006.

² Breakdown of the deaths are as follows: 2004: 1 Beirut, 2 Cairo, 1 Dhaka, 1 Riyadh; 2005: 1 Dhaka; 2006: 1 Dhaka

Security

It is Aramex's policy to take all reasonable measures to protect its assets, customers' shipped goods and other property from loss, destruction or damage, and to protect all its buildings from unauthorized intrusion. Aramex has published security procedures that cover all aspects of the business cycle, from building security to information and data security. At the same time each station has an appointed security officer that takes care of all security issues that are related to his or her station.

Aramex stations comply with their local governmental security rules and regulations at each site, such as the Transportation Security Administration in the USA, the department of Transport in UK, the IATA organization and many other important governmental bodies.

Aramex also has two TAPA certified sites in Jordan, and is working on preparing four more sites in the Middle East and Gulf to be TAPA certified. TAPA (Transported Asset Protection Association) is an association of security professionals and related business partners from technology companies who have come together for the purpose of addressing the emerging security threats that are common to the high tech industry.

Working with international government agencies, Aramex as a transportation solutions provider understands the regulations and laws that govern international trade. As a C-TPAT certified provider, our security measures meet the latest requirements established by U.S. Customs and Border Protection. Our certification in the C-TPAT program highlights our commitment to a secure and efficient supply chain. Aramex also complies with the US bio-terrorism Act, that includes provisions designed to protect the United States against bio-terrorist threats to its food supply including food from foreign sources.

For 2006, in our entire global operations we are aware of only one minor and isolated incident of non-compliance with a regulation resulting in a limited warning and an insignificant fine, for which we took quick action and immediately resolved to the satisfaction of authorities. In addition to our efforts with the above-mentioned associations and standards, we work closely with the relevant authorities in individual countries to ensure strong security measures in all of our regions of operation. We are continuously improving our efforts to adopt best practice approaches to safety and security of our services. Our excellent track record is a testament to our efforts in this regard.