



Sustainability Report

2023

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About this Report

We continually work to provide meaningful disclosure on a wide range of sustainability efforts taking place throughout our facilities around the world. Throughout this report, we will show how the pillars of our sustainability program are woven into our business and demonstrated through our management approach, key initiatives, performance, success stories, and future goals. Each year we aim to enhance our disclosure on Environmental, Social and Governance (ESG) matters while monitoring developments in ESG reporting. This year, we remain aligned to the Sustainability Accounting Standards Board (SASB) disclosures for Marine Transport and Air Freight, and the Taskforce on Climate-related Financial Disclosures (TCFD).





A Letter from Our CEO

At Expeditors, we take sustainability seriously, and we are proud to present our current sustainability report, which we update at least annually to highlight our continuous progress and latest achievements. This year, we highlight how we made progress on our greenhouse gas (“GHG”) emissions reductions targets and continued to prioritize taking care of our people and appreciating our service providers.

- **Emissions Reduction Targets** – We began implementing our plans to achieve our Scope 1 & 2 greenhouse gas (“GHG”) emissions reduction targets for our operations. Further details regarding our targets and timelines are included on page 13 of the Environment section below.
- **Service Provider Appreciation** – Once again, we made special efforts to recognize and appreciate our trucking, warehouse and distribution, airline, and ocean carrier partners for their hard work and dedication in support of our customers, as highlighted on page 29 of our Social section below.
- **Protecting Our People** – We continued to protect our people with strong safety, security, and business continuity programs, with data showing that we once again met our own safety targets and performed far better than industry averages based on the latest information from the U.S. Bureau of Labor Statistics, as highlighted on page 34 of the Social section below.

We are proud of the fact that we have always put our people first. This strategy, fueled by our unique culture, has been crucial to our success over the years.

On the environmental front, we are proud that we continue to focus on real change. We recognize that many organizations see value in signing up for lofty, long-range goals, but at Expeditors we are pragmatic: we focus instead on achieving incremental, methodical, and measurable results in areas we can control. For example, we are making meaningful progress on our Scope 1 and 2 GHG emission reduction targets, which involves a significant investment by the Company (e.g., swapping out gas forklifts, converting to green power, implementing energy conservation measures, and hiring experts to oversee these initiatives). Regarding Scope 3 GHG emissions, we recognize that we have the greatest positive impact on the environment when we help our customers eliminate waste and pursue their supply chain transformation strategies. We are working with our customers and carriers on many exciting projects to help optimize supply chains. Here are some examples:

- **Eliminating Waste** – Our core business, freight consolidation, involves the combining of multiple different shipments in an efficient manner to maximize space utilization and, consequently, minimize the consumption of resources. Our business saves money for our customers while being measurably better for the environment.
- **Green Supply Chain Transformation** – We continue to offer Sustainable Aviation Fuel (“SAF”) arrangements to interested customers, where available. We remain uniquely positioned to help our customers leverage more fuel-efficient fleets and lower carbon routing options precisely because we do not own transportation assets. We remain neutral and nimble: free to tailor solutions to customers’ needs and poised to accelerate the transition to next-generation assets as they become available.
- **Data-driven Metrics** – On top of this, our visibility tools and supply chain “digital twin” solutions deliver the critical data customers need to drive and measure their green supply chain transformation targets, including our “Living Model” Carbon Modeler further described on page 15.

Above all, Expeditors focuses on sustaining its financial health while meeting our customers’ primary need for pricing efficiencies. Given stakeholders’ increased expectations for companies—including ours—to measure, manage, and report their ESG risks and opportunities, Expeditors can provide customers increased efficiencies and reduced costs while minimizing their environmental impacts.

We explain our approach and highlight key accomplishments in greater detail throughout this report. We invite you to explore what we are doing, ask questions, and provide valued feedback.

I want to thank our entire team for their tireless efforts around sustainability in 2023. By investing in sustainability, continuing to safeguard our people, and recognizing our service providers, we invest in Expeditors’ future and the future of our employees, customers, service providers, and communities.

Sincerely,

Jeff Musser
President and Chief Executive Officer





A Letter from Our Executive Sponsor

Expeditors is committed to the fundamental values implicit in environmental, social and governance (ESG) as part of our business model. These values are reflected in the various long-standing mechanisms we have in place to promote the best interests of all Expeditors’ stakeholders – including shareholders, employees, service providers, customers, and communities. This commitment and its results have not gone unnoticed:

- In 2021, we were honored to place in the top 3% in the SmartWay program managed by the U.S. Environmental Protection Agency (“EPA”), based on average performance rankings among 742 logistics companies.¹
- In 2022 and 2023, we obtained a “low risk” ESG rating from Sustainalytics/Morningstar, ranking in the top 10% of firms in our industry group.²
- In 2023, we again excelled in the SmartWay program, being 1 of only 5 logistics companies designated as a “SmartWay High Performer.”³ In the words of the EPA:

“Under five percent of all SmartWay logistics companies meet the emissions and carrier selection criteria to make the SmartWay High Performer list for logistics companies. High performing SmartWay logistics companies serve their shipper and carrier clients through analyses that consider the efficiency gains and emissions reductions of the transportation management strategies they develop and recommend.”

We are proud of the fact that all of these achievements are a natural consequence of executing against our core business strategy effectively and ethically.

Reflecting on 2023, we continued to make investments in our Environmental Sustainability program as further detailed below, and we continued our track record of strong performance across our Social Responsibility, Security, Health and Safety, and Governance programs. Seeing our ESG initiatives continue to advance, we are proud of the fact that we have had our ESG Committee in place for more than seven years now.

What Is the Purpose of Our Sustainability Report?

By publishing this report, Expeditors is pleased to be able to tell our story—how ESG fits into our company’s culture, mission, and goals, and how we are making consistent progress through our initiatives. We hope this report serves not only as a source of education and validation for our stakeholders, but also as a source of inspiration for sustainability efforts in supply chain and logistics as a whole.

How Do We Approach Sustainability at Expeditors?

At Expeditors, we have been quietly and steadfastly going about our work in these important areas for many years. In our report, you will see that:

- We have always said our people come first—no change there.
- We have always said that superior financial results are essential—no change there.
- We have always said that ours is a place of unlimited opportunity—no change there.

¹The EPA SmartWay program reports performance rankings across six emissions categories: CO₂ grams per mile, NO_x grams per mile, Particulate Matter (“PM”) grams per mile, CO₂ grams per ton-mile, NO_x grams per ton-mile, and PM grams per ton-mile. In 2021, Expeditors’ average ranking across the six categories placed it #19 out of 742 logistics companies on the list. See <https://www.epa.gov/smartway/smartway-carrier-performance-ranking>

² Expeditors ranked #27 out of 387 firms in the Transportation industry group, as of September 2022, and ranked #42 out of 408 firms in this group, as of September 2023.

See <https://www.sustainalytics.com/esg-rating/expeditors-international-of-washington-inc/1008148317>

³ See <https://www.epa.gov/smartway/smartway-high-performers-logistics-companies>



A Letter from Our Executive Sponsor (Continued)

What is evident from our report is the power of our unique culture that has organically set in motion our efforts to:

- Build Green Teams in our districts motivated by passionate people seeking ways to save the planet through operational efficiencies while helping our customers explore green supply chain solutions;
- Create opportunities for youth and veterans through Opportunity Knocks and Avasar;
- Support our corporate charitable giving program and encourage our employees to get involved locally through giving and volunteer activities; and
- Organize Safety Teams in every district to make sure we continue to protect our people.

Key Developments and Initiatives

Across our various sustainability programs, we made additional progress and investments. These efforts culminated in several key actions:

- We executed the initial steps in our plans to achieve our Scope 1 & 2 GHG emissions targets;
- We created two new positions – Chief Information Security Officer (“CISO”) and Chief Technology Officer (“CTO”) – bolstering the Cybersecurity component of our Governance pillar;
- We were once again revalidated under the Customs-Trade Partnership Against Terrorism, marking our 5th revalidation and 20 years of success participating in this key supply chain security program (see further details on page 32 of the Social section below); and
- We conducted various table-top exercises in support of our business continuity plan, including some in partnership with government agencies, designed to test the practices and procedures for a wide range of emergencies, including political unrest, terrorist acts, pandemics, cyber-attacks and power outages, and all types of natural disasters (see further details on page 40 of the Governance section below).

As we gain momentum with these steps forward, we will continue to focus on making a difference not only by managing our own emissions, but also collaborating with our customers and service providers – something we are well-positioned to do because we operate as an intermediary at the supply chain orchestration level (i.e., we are non-asset based).

Metrics and Reporting

On the metrics front, we remain mindful of the rapidly evolving and varied landscape of ESG reporting. We continue to monitor competing proposals and standards. These include the Stakeholder Capitalism Metrics created by the International Business Council of the World Economic Forum as outlined in their report entitled, “Toward Common Metrics and Consistent Reporting of Sustainable Value Creation”(with its four organizational pillars: 1) Principles of Governance; 2) Planet; 3) People; and 4) Prosperity); as amplified in September 2020 by the supplemental report entitled, “Measuring Stakeholder Capitalism.” In addition, the U.S. Securities and Exchange Commission (“SEC”) announced new rules in February 2024 to enhance and standardize climate-related disclosure requirements for U.S. publicly-listed companies; and the newly-formed International Sustainability Standards Board (“ISSB”) published its inaugural standards in June 2023, IFRS S1 and IFRS S2. We will be assessing the interplay between the new SEC disclosure requirements and the new IFRS standards during 2024 for purposes of our next sustainability report. For this year’s report, we are once again mapping our disclosures on a range of ESG topics to selected metrics outlined in the SASB Standards and in the Task Force on Climate-Related Financial Disclosures (TCFD) that are directly relevant to our non-asset, knowledge-based, business model. You will find our SASB and TCFD disclosures indexed in the Indices section at the end of this report.

Gratitude

We want to thank all of our employees for their tireless efforts—year in and year out—to reinforce our culture through their sustainability efforts worldwide. We also wish to thank our sustainability team members for their work in leading our sustainability efforts at Expeditors. I am extremely proud of not only what we are doing, but also how we are doing it: authentically, tirelessly, methodically, and always in keeping with our culture, mission, and goals.

Sincerely,



Todd Brown

Vice President, Associate General Counsel
Executive Sponsor-Sustainability



2023 Highlights

Environmental Data

Energy

110.576 GWh

Energy usage

Scope 1 Emissions

9,457.50

Metric tons CO₂e

Scope 2 Emissions

43,057.85

Metric tons CO₂e

Social Data

54 Hours

Of training per employee

14 Graduates

From Individual Development Program

21 Offices

Provided skill training or financial contribution through Opportunity Knocks Youth program

Safety Data

0 Fatalities

0.48 DART

Days Away Restricted or Transferred Rate

0.67 TCIR

Total Case Incident Rate

0.41 LTIR

Lost Time Incident Rate

Governance Data

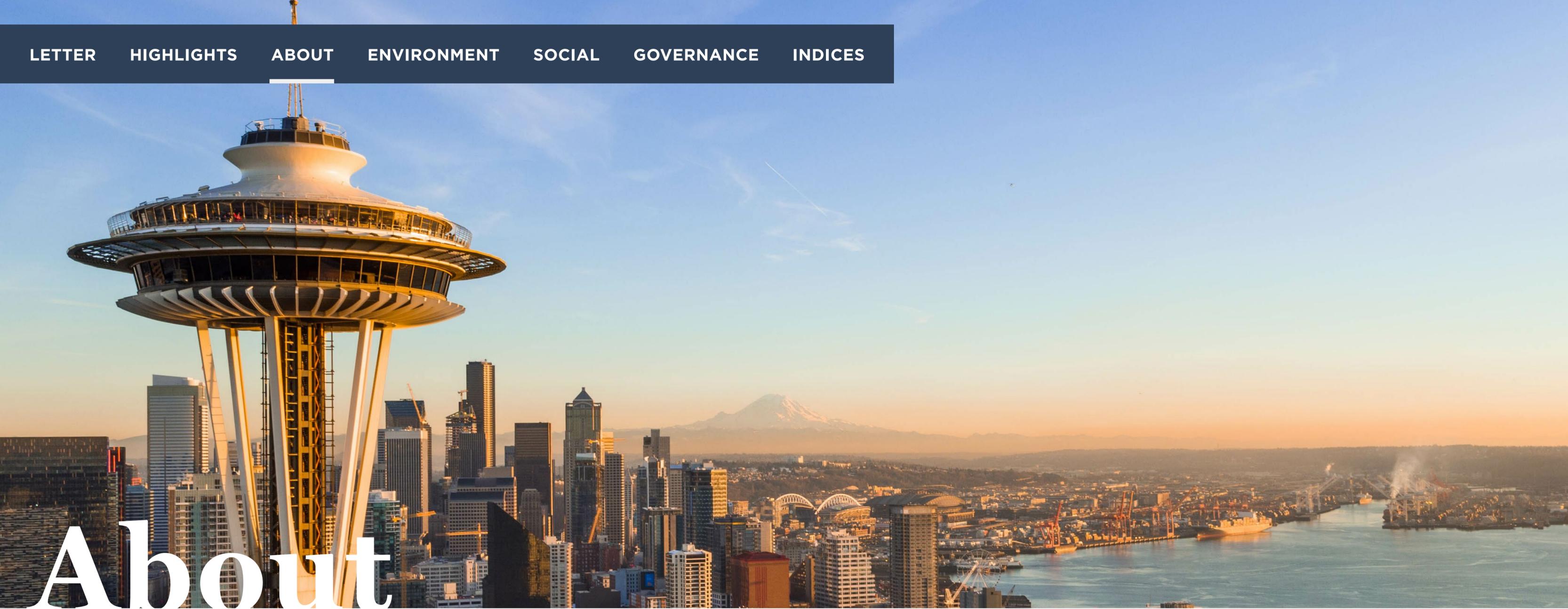
33%

Women on the Board

100%

Employees completed required compliance trainings





About

Expeditors is a NYSE-listed Fortune 500 service-based logistics company with headquarters in Seattle, Washington, USA. At Expeditors, we generate highly optimized and customized supply chain solutions for our clients with unified technology systems integrated through a global network of 340+ locations in 100+ countries on six continents.

As a service-based company, we don't own the aircraft, ships, or trucks we use every day. This means we can be highly flexible in our approach to supply chain management, and very effective at finding the best route and pricing options.



Products, Services & Markets

Founded in 1979, Expeditors International of Washington, Inc. is a global, service-based logistics company that specializes in transportation and supply chain management solutions.

We work with customers across industries, including retail, fashion, technology, oil and energy, manufacturing, healthcare, automotive, and aerospace.

We offer reliable, cost-effective transportation choices to our customers via air, ground, ocean, and multimodal options and improve customers' supply chain performance through our technical solutions.

We also provide customs and compliance management, warehousing, and distribution services.



Freight consolidation is at the core of our business and involves the combining of multiple different shipments in an efficient manner to maximize space utilization. It minimizes the consumption of resources, therefore, saving our customers money while being measurably better for the environment by reducing unnecessary waste.

Expeditors uses a non-asset business model to perform this important supply chain optimization role, meaning that we do not own or operate any airplanes, ships, or trucks.

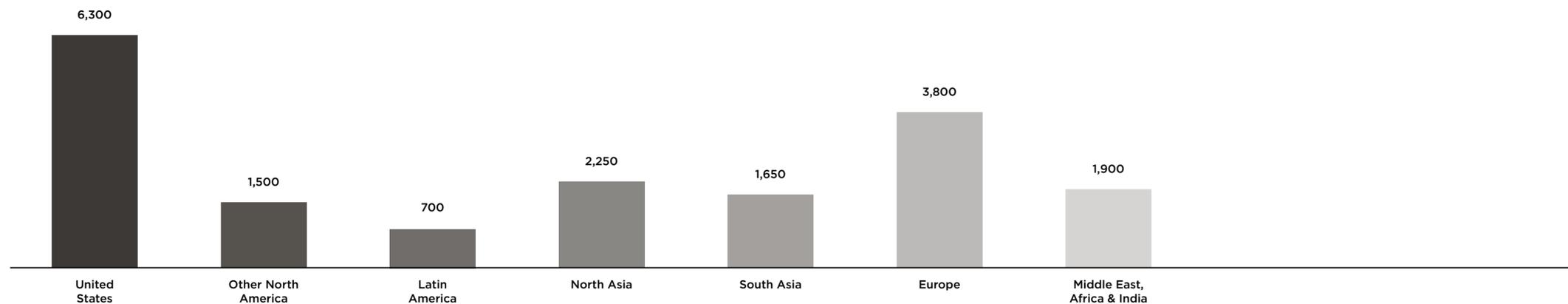
For more information on our services and performance, please review our 2023 Annual Report on Form 10-K.

Our Workforce

Our employees are our most valuable asset - they set us apart in the industry by promoting both operational excellence and customer service. As of December 31, 2023, we employed approximately 18,100 people worldwide.

They set us apart in the industry by promoting both operational excellence and customer service.

Our Employees



Countries of Operation

In addition to our corporate headquarters in Seattle, and our regional headquarters in London, Dubai, Shanghai, and Singapore, Expeditors operates 176 district offices across the globe. We also maintain branch offices in several locations that report into a given district office.

Culture

Our culture is driven by our commitment to our people and devotion to exceptional customer service. Our Vision Statement, shown below, reflects these commitments and further solidifies the people-first culture we aim to cultivate.

Our Vision - To create unlimited opportunities for our people through sustainable growth and strategic focus, inspiring our premier customer-focused logistics organization.

We foster a higher level of customer service by emphasizing organic company growth rather than growth by acquisition. Without fear of a merger, our employees can learn and grow faster, work harder and with more confidence, and are better rewarded for their effort.

We feel a great sense of pride in our work, energy in what we do, and focus on customer satisfaction.

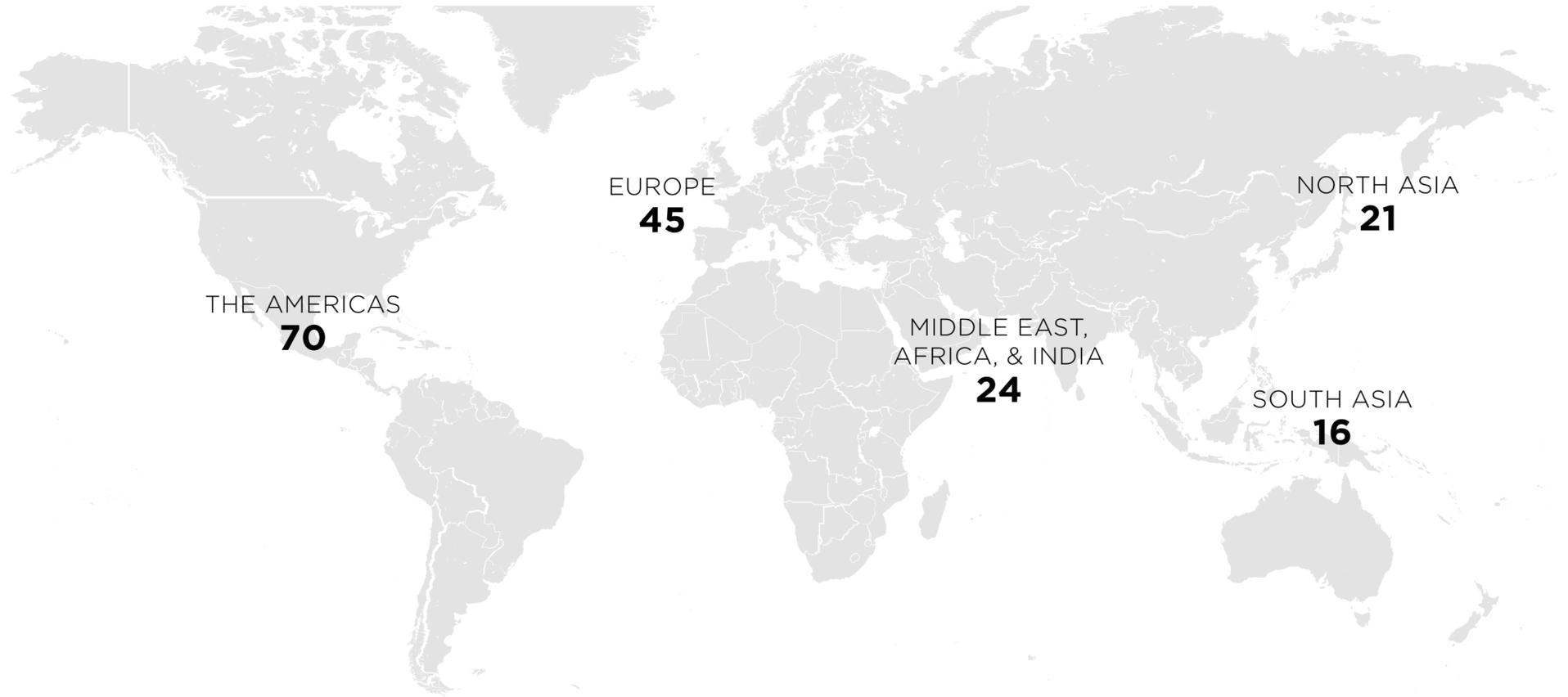
Our employees embrace our CORE VALUES and help support our company culture.

Appearance

A neat office and a neat personal appearance speak to our commitment to a higher level of professionalism in everything we do.

Confidence

When we trust in ourselves and in our coworkers, we can achieve great things together.



Curiosity

We encourage our people to inquire, investigate, be curious, and grow with the knowledge and inspiration that come with a great discovery.

Excellence

Our people challenge themselves every day to go beyond that which is expected and push to another level—a level of excellence.

Pride

It feels good to be part of something special and unique, and to know that you are valued.

Attitude

Every day, we bring the right attitude for service, for teamwork, and for what it takes to succeed for our clients and our company.

Sense of Humor

While our business is serious, a sense of humor keeps us listening, learning, and having fun with the talented people we work with and for.

Integrity

The pillars of integrity—fairness, honesty, and dignity—rest in the heart of successful relationships with coworkers, our clients, and our service providers.

Resolute

We are resolved to do what we say, to take risks, to be competitive, and to be determined, loyal, firm, and fair.



Sustainability at Expeditors

Sustainability is not only the right thing to do, it also enables us to make good business decisions by being efficiency-oriented, highlighting potential risks and opportunities, and strengthening the lives of our employees, communities, and future workforce.

Our holistic view of sustainability embraces the importance of five groups of stakeholders as espoused by the Business Roundtable¹:



- **Delivering Value to Our Customers:** As indicated in our Mission Statement, we have always focused on delivering world-class customer service.
- **Investing in Our Employees:** Our unique Vision Statement prioritizes our employees first: “We create unlimited opportunities for our people through sustainable growth and strategic focus, inspiring our premier customer-focused logistics organization.”
- **Dealing Fairly and Ethically with Our Suppliers:** Through our Total Value Proposition, we emphasize a “win-win” philosophy with our service providers so that our success is also theirs.
- **Supporting the Communities in which We Work:** We have a strong tradition of giving back to the communities in which we work through our Corporate Social Responsibility activities, as highlighted in the “Social” section of this report.
- **Generating Long-term Value for Shareholders:** Our financial performance in terms of cumulative returns to our shareholders over 40 years speaks for itself.

¹Business Roundtable “Statement on the Purpose of a Corporation”.

Our Sustainability Program

Conducting business with integrity is central to our mission of excellence and leadership in the global logistics industry and we hold ourselves to high standards across the three pillars of our sustainability program:



We believe in the pursuit of environmental quality and taking care of the environments in which we operate. We strive to make the communities where we live and work better places to do both, and the safety and security of our people and the security of our customers’ supply chains are a top priority.

TO HEAR MORE ABOUT SUSTAINABILITY AT EXPEDITORS VISIT [OUR WEBSITE.](#)

Key Affiliations & Memberships

Expeditors supports collaborative solutions to industry issues through involvement in key organizations and initiatives. Our current memberships focus on solutions for the largest industry issues including climate, security, and ethics. Despite our non-asset business model, we participate in various climate related initiatives focused on helping our service providers reduce their carbon footprints.





Environment

At Expeditors, we go beyond environmental compliance. Our goal is to make a positive difference through our own operational footprint and our partnerships with customers and service providers.

Expeditors' non-asset based business model provides several important environmental advantages, including our ability to accelerate transitions to more modern, fuel-efficient fleets as they become available in the market, thereby further improving Expeditors' and our customers' overall supply chain footprint.



Environmental Management

Managing Our Environmental Impacts

Expeditors manages our environmental impact through a tiered approach. Responsibility starts at the senior management level, with our President of Global Geography leading our environmental strategy, and extends to the district level where local employees implement and assess environmental initiatives.

To monitor emissions impact, we use Scope 5, a third-party environmental management system (EMS), which allows our employees around the world to upload facility energy data online from utility bills, regardless of language, and calculates Expeditors' carbon emissions. We have deployed Scope 5 to all the facilities under our operational control, allowing us to internally track our numbers and develop a Scope 1 & 2¹ emissions baseline for 2022.

Global locations use Scope 5 to track additional metrics such as water use, diesel/gasoline for forklifts, garbage/recycling volume, and paper purchases. Scope 5 enables us to validate data, find opportunities to reduce our impact, and implement targeted efficiency programs. This data is internally verified on a half yearly basis and certified by our District Managers on a yearly basis.

Beyond our EMS, several of our locations are ISO 14001-certified, including two locations in the United States, one each in Hong Kong, France and China, and seven in Germany. We aim to strategically increase the number of facilities that are ISO 14001-certified.

We are taking additional steps both to manage our own GHG emissions and to help our customers eliminate waste and pursue their own supply chain transformation strategies.

In 2022, we set our Scope 1 & 2 emissions targets. Our focus on short term targets creates opportunity for a specific direction on portions of business under our direct control.

As we gain momentum, we will continue to focus on making a difference not only by managing our own emissions, but also by collaborating with our customers and service providers – something we are well-positioned to do as a non-asset based intermediary at the supply chain orchestration level.

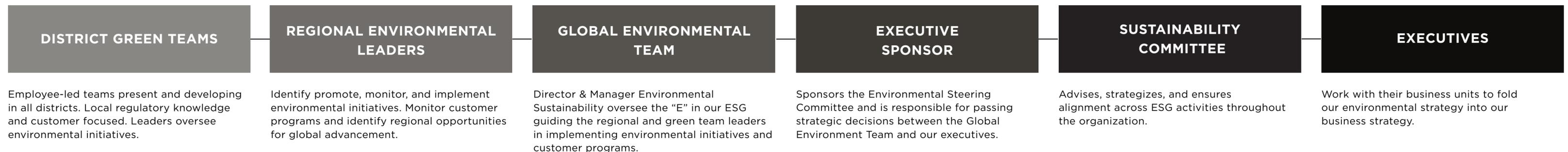
Our Director of Environmental Sustainability drives strategy and provides additional oversight to our tactical business plan.

We are taking additional steps both to manage our own GHG emissions and to help our customers eliminate waste and pursue their own supply chain transformation strategies.

Our Regional Environmental Leaders, in all five global geographies, are eyes and ears in the field monitoring progress and identifying opportunities. With our emissions data being even more important to working towards our targets, we added a data analytics expert having the primary responsibility for collecting and maintaining our Scope 1 & 2 emissions and identifying opportunities in further scope reporting. We recalibrated our District Green Teams to not only encompass existing local projects but to also take an increased regulatory monitoring role and present commercially sustainable logistics opportunities to customers.

Scope 1 emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles). Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Source: [US EPA](#)

Environmental Management Structure at Expeditors



Listening to our Customers & Service Providers

At Expeditors, we work closely with our customers and service providers to help them reduce their impact on the environment. Green logistics opportunities focus around four key areas: avoidance, reduction, insetting and offsetting. Through regular management meetings, we present tailored solutions in each area that will pair best with our core offerings and match our service provider and carrier partners. Innovative solutions have been presented to multiple customers keeping carbon and cost as key drivers in the overall solutions. These include modal shifts, supply chain speed optimization, warehouse space optimization, freight consolidation, alternative fuels and vehicles, and data-based decision making.

We provide carbon emissions data to our customers using the Greenhouse Logistics Emissions Council (GLEC) Framework and EcoTransIT software tool that is now ISO14083 certified. This data allows better understanding of the environmental impacts of value chains and analyzes supply chain impacts on a mode and lane basis. Separate tools have been developed to show effects of mode shifting or insetting through the purchase of SAF (Sustainable Aviation Fuel) or SMF (Sustainable Marine Fuel).

Working with our service providers and carrier partners we continue the natural evolution of our Total Value Approach. There is an increased focus on our Environment & Sustainability section. Here we are enhancing not only the quality of information reviewed on a regular basis but also how the information is maintained, evaluated, and influences decisions.

Expeditors' service provider contracts require compliance with environmental regulations. We go a step further to include environmental criteria as part of our selection process for service providers. We foster partnerships with service providers that have strong environmental attributes, such as operating fuel-efficient fleets, using energy-efficient equipment, and having strong environmental programs.

Lasting relationships and forecast planning with our carriers are paramount to securing future fleet enhancements. Great examples of this planning and collaboration took place in Amsterdam and Bangkok where they have sourced multiple electric trucks to provide pickup and delivery services for our customers. The same approach is being played out in many more global facilities.

Expeditors is also actively involved in Smart Freight Centre's Clean Cargo, Clean Air Transport and GLEC working groups, which work to collaboratively bring together carriers, shippers, and forwarders to reduce freight transportation's environmental impact.

Expeditors' service provider contracts require compliance with environmental regulations.

Total Value Approach

Balancing all TVP criteria in our non-asset model is key to service provider selection. Environmental Sustainability is no different and its is an important level of focus in determining service provider and carrier partnership at Expeditors.



Service Provider Management

The SPM Program is aligned across the company through a four-phase approach:



Qualify
Assess Needs
Plan
Source



Engage
Review Expectations
Integrate
Execute



Relationship
Monitor Performance
Improve & Optimize
Strengthen Partnership



Results
Evaluate Outcomes
Reward



Energy & Emissions

As a non-asset based logistics company serving more than 100 countries, both directly and indirectly, Expeditors is committed to reducing our impact on climate.

To emphasize our commitment to the environment and remain consistent with our Materiality Assessment, Expeditors set initial near-term targets that we are on our way to achieving. Working with the Executive Team and in close collaboration with the sustainability committee, an initial path towards those reductions has been defined for our Scope 1 & 2 emissions and is administrated by our Global Environmental Team. Initial wins were identified by our local Green Teams and tracked at the global level through a central database. Data is tracked regularly and reported quarterly to our Worldwide Senior Managers. Following initial energy conservation steps by our Green Teams, our focus shifted to the purchase of renewable energy, building improvements and planned installation of renewable energy sources. We look forward to meeting these targets and defining future emission reduction goals.



Reducing Electricity

Expeditors districts across the globe are implementing local practices to help reduce our Scope 1 & 2 emissions. Budget approvals have been made in multiple locations for more energy-efficient LED motion sensor lighting and employee led teams have implemented initiatives to reduce electricity consumption through signs and reminders.

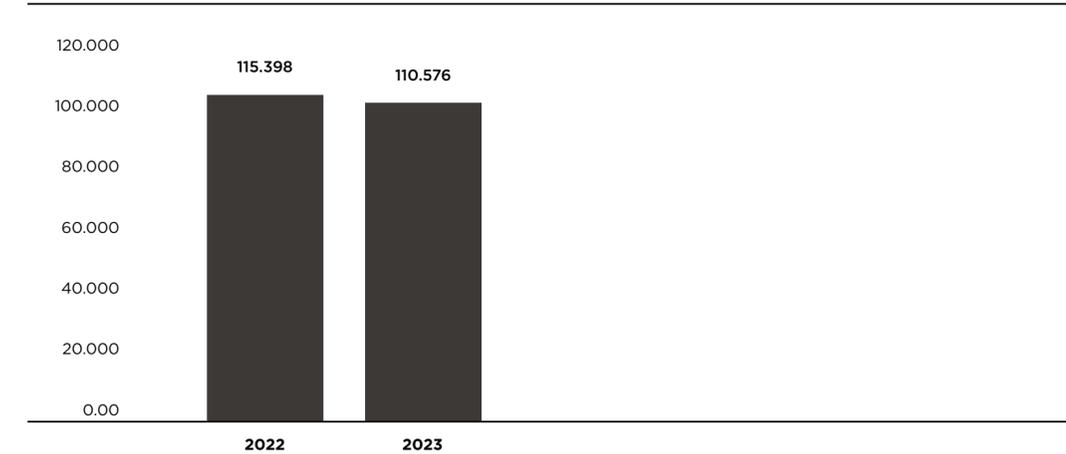
Expeditors' Emissions Targets and Energy Use

Expeditors continues to examine opportunities to reduce the impact of its operations on the environment, and has set the following short-term greenhouse gas ("GHG") emissions reduction targets for the period 2023-2025 measured against a 2022 baseline:

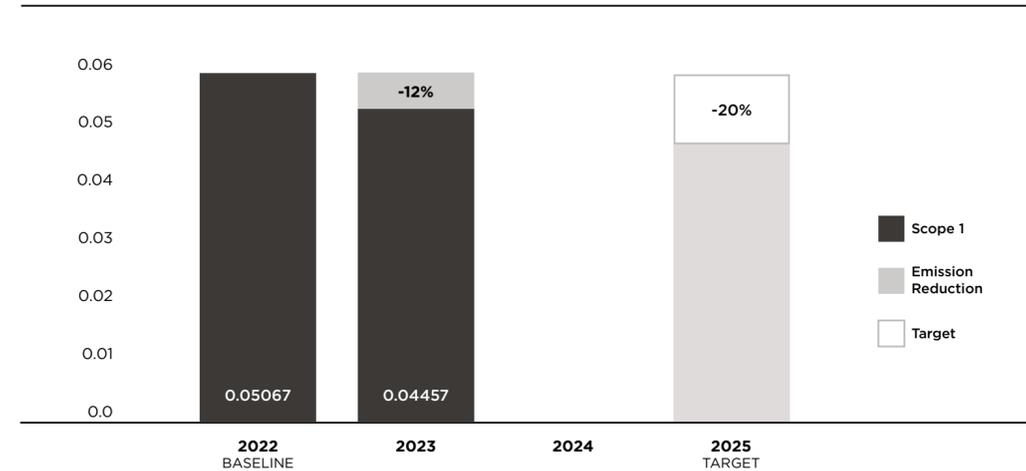
SCOPE 1 Reduce Scope 1 CO₂e emissions per square foot from mobile equipment 20% by the end of 2025 via electric forklifts. This would result in approximately 95% of the Company's forklifts being electric. ¹

SCOPE 2 Reduce Scope 2 CO₂e emissions per square foot 15% by the end of 2025. ²

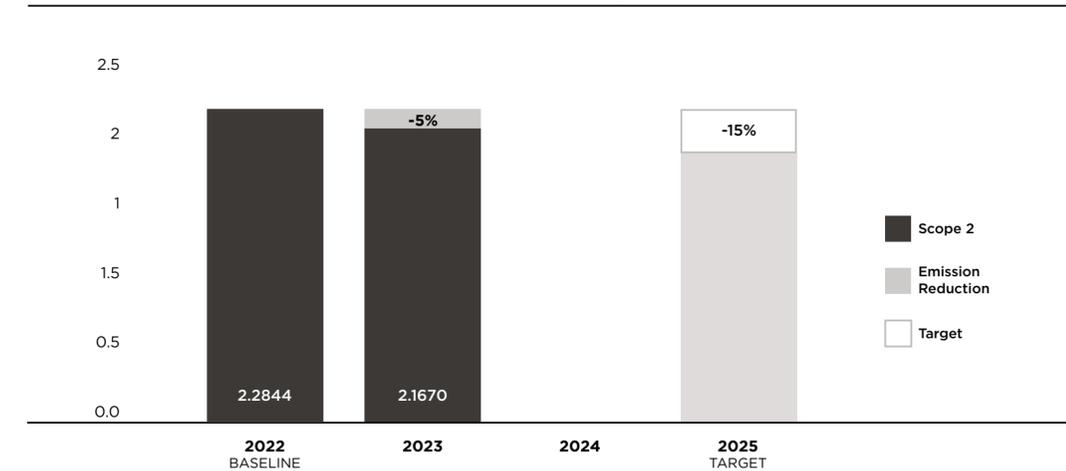
GWh Energy Use⁴ (ELECTRICITY)



SCOPE 1: Progress to Target Emissions from Mobile Equipment³ (CO₂e/sqft)



SCOPE 2: Progress to Target Emissions⁴ (CO₂e/sqft)



¹ In addition, the Company plans to review all new acquisitions of mobile equipment on a going-forward basis to determine to what extent it could use zero emission vehicles and forklifts by a date certain, based on available technology.

Note: currently, some electric forklifts do not provide sufficient power to lift all cargo units handled in our operations. Our goal is to continue to assess feasibility as technology evolves.

² In addition, the Company plans to review all new power contracts on a going-forward basis to determine whether renewable energy could be sourced and utilized 100% in all locations, by a date certain.

³ A downturn in business, improved data reporting procedures and emissions reduction initiatives were the contributing factors to the net decrease in Scope 1 CO₂e emissions per square foot from mobile equipment in 2023.

⁴ A downturn in business, improved data reporting procedures, updated eGRID emissions factors and energy conservation initiatives were the contributing factors to the net decrease in Scope 2 CO₂e emissions per square foot in 2023.



Climate-Related Risks & Opportunities

Expeditors monitors climate-related risks and opportunities and assesses their potential impact on our business in the short, medium, and long term. We monitor climate-related risks and opportunities through our engagement with our customers and service providers and through our active participation in key initiatives and organizations focused on climate. Expeditors’ operational model and success is based on our ability to meet our customers’ logistics needs. To best do this we use a non-asset model which provides flexibility to work with a range of air, ocean, and road carriers.

Expeditors’ offices are located worldwide to create a geographically diverse network that provides our customers with local support wherever they need. Our global operations allow our network and operating systems to continue operating even when a local operation may be impacted by acute events, including flooding or other weather issues. Relying on the strength of our global network and Business Continuity Plan has proven to be successful throughout several regional, national, and global disruptions (see Business Continuity for further details).

Given our geographically diversified, non-asset business model, we do not perceive any material risks or opportunities related to climate change beyond risks and opportunities inherent in our business at this time. Our flexible footprint and our ability to change locations, modes, and carriers based on evolving operating conditions and customer preferences translate into a model that may be less potentially prone to acute climate-related risks than more asset-heavy models. We are confident that the flexibility of our non-asset based business model, geographically diverse network, Business Continuity Plan and Enterprise Risk Management Framework around Catastrophic Risks are sufficient for identifying, assessing, and responding to potential disruptions, including climate-related risks and opportunities.

Expeditors’ offices are located worldwide to create a geographically diverse network that provides our customers with local support wherever they need.



Risks/Opportunities

We recognize that some operations and offices could be impacted in the long-term by climate change, for example due to potential compliance costs, or transition risks (e.g., related to a warehouse facility located in an area expected to experience gradual changes in sea-level). However, it is unlikely that this type of change would have a substantive financial or strategic impact on our overall business. We also recognize that it is possible that certain ports may become more or less advantageous over time; however, we anticipate that major port operators and governments would adapt their facilities and infrastructure in response to such climate-related changes, and adjacent warehouse and office space may shift accordingly. Similarly, it is possible that customers will seek out more fuel-efficient routings or options, such as those provided by our consolidation services and multimodal options, which could create opportunities.



Working with Our Customers to Reduce Emissions

We analyze customer supply chains and recommend ways to reduce costs and carbon emissions through options such as modal shifts, reducing distances traveled and consolidating freight to utilize transportation assets more efficiently. By leveraging our tools and services, our customers can make informed decisions regarding their transportation footprints. Because many of our tools are focused on maximizing transportation efficiency, both cost and the environmental footprint of our customers' supply chains improve.

Expeditors' Green Logistics Solutions offer our customers multiple levels of insight through several different tools:

- **Carbon Dashboard Report:** This tool illustrates emissions across a customer's network, by mode, geography, and business entity. Significant value has been placed in this tool for both companies that are advanced in their decarbonization journey as well as those in the early stages by setting a solid baseline for their current emissions.
- **Supply Chain Carbon Diagnostics:** This service delivers a more detailed assessment of supply chain flows and carbon emissions, identifying opportunities and recommendations for emissions reductions.
- **Supply Chain Solutions, Carbon Modeling Capabilities:** To help customers take a more expansive view of their supply chain we have developed our Living Model Platform. This subscription service allows for a steady stream of the customer's shipping data (across their network) in order to simulate the activities happening in their supply chain with a single and precise calculation methodology. This steady stream creates the foundation of their own digital twin which provides a single, harmonized view of their carbon footprint throughout their logistics network. This tool is our most comprehensive approach and guides customers in reducing carbon emissions through balancing business requirements and the associated cost and lead time needs.

Post shipment reporting continues to evolve both within Expeditors and through the varied approaches and purposes customers require. The four most common requests for carbon reporting are: (1) setting of baselines, (2) preparing for pending reporting regulations, (3) wanting to get visibility over current footprint and (4) analysing impact of carbon initiatives. Whilst

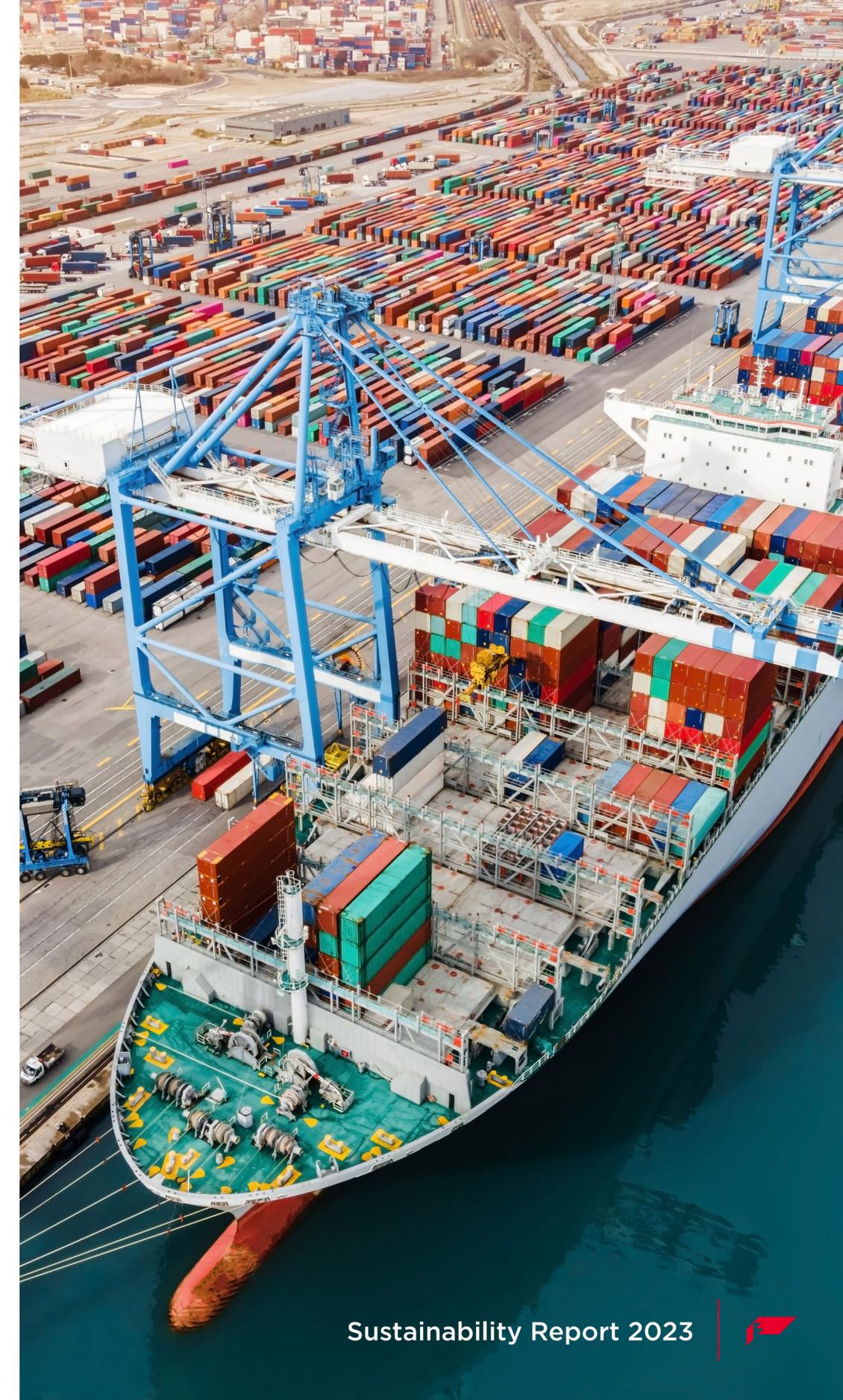
post shipment remains the most common requirement for carbon emissions there is continued to push to increase the visibility into the procurement process. This is a challenging area to ensure processes are aligned both at procurement and operational stages but the importance of carbon emissions measurement is only increasing.

Carbon emissions are becoming a key decision criteria for routing and carrier selection. We continue to track emissions so we can work with our customers to identify overall carbon reduction strategies in their supply chains.

The most important aspects remain a solid TMS to capture shipment level data and a tool that keeps pace with GLEC/ISO14083. Expeditors single source of data, feeds into EcotransIT world to capture estimates based on current science and built off an energy-based bottom up approach

Expeditors reporting is available in multiple formats to reflect various approaches of customers. Our preferred method is through interactive reports that enable intelligent visibility. This supports baseline setting, reduction initiatives and pure visibility requirements. The presentation of results both in an aggregated and shipment level basis allows customers to view at the micro level, but seek solutions at the macro level.

Because many of our tools are focused on maximizing transportation efficiency, both cost and the environmental footprint of our customers' supply chains improve.



Highlight

Drayage via Electrified HGV Optimization

In 2023, we worked with a leading global manufacturer of intelligent shading and home automation systems to implement a sustainable logistics solution for their ocean shipments from their factory in China to their main distribution center in France.

They were looking for a solution that would provide them with reliable lead times, competitive rates, and enhanced visibility, and help them to reduce their carbon footprint.

Our solution started with mapping out their shipment flows along with the corresponding GHG footprint to look for opportunities to optimize. From there we were able to identify potential opportunities to achieve all their goals through introducing multi-modal solutions at both origin and destination, as well as changing their port of loading.

At origin in China, we shifted from a purely truck movement from factory to Shanghai port to a truck/barge solution which resulted in a change to Ningbo port. Based on our analysis this optimization resulted in a reduction in total GHG emissions at origin by approximately 30%.

At destination in France, we were able to implement a rail/truck solution from Marseille port to the customer's distribution center, resulting in over 55% reduction in GHG emissions.

The Impact

Through the implementation of multiple sustainable logistics initiatives, Expeditors was able to help a customer reduce its GHG emissions significantly against a large increase in sales and shipments.



Waste

Digitizing operations is a key tenet in what has been traditionally a paper-intensive business. We strive to reduce and recycle our paper along with other waste streams, including computer equipment, dunnage, pallets, food, and everyday waste. Our Global Business Operations team communicates best practices for waste stream reductions to our district management, who then implement them locally. We also monitor the number of printed pages from our online server to identify opportunities for improvement and track paper reduction through a Print Ratio dashboard. We plan to report on additional waste data, such as recycling, waste to landfill, and compost, in the future as this information becomes available.

Paper Reduction

Expeditors has a paperless deployment project that is focused on creating a paperless office environment globally. We utilize various strategies to reduce our paper consumption, including:

- Dual monitors at workstations
- Web-based workflows for every product
- Digital copies of documents
- Digital customer invoices

These efforts have led to a significant reduction in our global paper use. Since tracking in 2015 our global districts have saved over 26,112,706 pages or the equivalent of approximately 3,000 trees.

Recycling

Various teams across the world have implemented programs to reduce the consumption of single-use plastics and to collect and recycle items that benefit from coordinated collection, including batteries and cooking oil. We responsibly dispose of all computers and electronic equipment across our operations in compliance with the Waste Electrical and Electronic Equipment (WEEE) Directive and the Restriction of Hazardous Substances (RoHS) Directive in the European Union.

Expeditors continues to offer recycling in our digital solutions services, including within Cargo Signal Solutions, our wholly-owned, sensor-based logistics business. New plastic and electronics are increasingly introduced in the waste stream as the market continues creating “disposable” devices. To help reduce

this waste, Cargo Signal Solutions has implemented a recycling program for lithium metal batteries. In 2022 we recycled 6000+ batteries from our devices and also developed an in-house process to recycle more than 25% of the full devices with plans for future circularity.

Water

Water consumption at our facilities is nonindustrial and used for drinking and sanitation purposes only. However, a significant number of our facilities are in water-sensitive areas. As such, our Green Teams are empowered to proactively identify water conservation methods based on their facility’s activities and needs. Past methods include upgrading to automatic sinks and toilets and reducing water used for landscaping.



Expeditors’ employee-led Green Teams take ownership of reducing waste and increasing recycling efforts at their local districts.

Regional Highlights

Our employees are passionate about reducing the impact we have on the environment.

North Asia: Expansion of alternative fuel vehicles for ocean drayage and store delivery programs in China along with implementation of alternative fuel vehicles for store deliveries in Korea. Additionally, our office building in Guangzhou obtained the highest rating of LEED PLATINUM issued by the U.S. Green Building Council (USGBC).

South Asia: Expeditors South Asia Region implemented significant multimodal/mode shift solutions to cater to customers moving freight from IndoChina to the US. This involved multimodal routings starting with cross-border trucking, followed by fast ocean service to the United States with final delivery inland. Shipments that were converted from pure air to our multimodal solution were able to benefit from an 85% - 95% reduction in greenhouse gas (GHG) emissions.

Americas: In Brazil over 80% of our service provider partners fleet are equipped with ARLA 32 to reduce the emission of nitrogen oxide in the exhaust gases of diesel-powered vehicles. There has also been implementation of electrical vehicle pickup and delivery model for specific customers through service provider partners in Brazil, New York & Los Angeles. The Americas has also welcomed the Curitiba office as its newest LEED facility with the transition into the brand-new LEED Gold certified building.

Europe: Our teams in Switzerland have been working with our key suppliers to reduce carbon footprint through use of rail which brought carbon emissions reductions in 2023.

MAIR: The Global Service Center in Chennai opened a new office space recently and it is situated inside RMZ One Paramount IT campus which is a USGBC certified LEED Platinum facility that embraces renewable energy sources and is committed to generate long-term sustainable value for the community.



Green Teams

In 2023 restructured Green Teams were deployed globally by district. Each Green Team consists of three primary roles of Team Lead, Regulatory Role and Commercial Role followed by general members.

Our Team Lead manages local sustainability programs as a point of accountability. The regulatory member obtains and tracks local consumption data for environmental metrics and monitors local regulations. The commercial member is a key point for local Sales and Account Management and customer requests in sustainable logistics.

The restructuring of these teams creates a focus both internally and externally for our partners where sustainable excellence can thrive.

Our teams are constantly working to lower our energy usage and make our facilities as sustainable as possible. Additionally, Green Teams host community cleanup and recycling projects as we strive to be the best possible community member we can in the places we operate.

Evaluating Our Facilities for Clean Energy/Green Modifications

This year all Expeditors facilities underwent evaluation for sustainable modifications. Our Global Green Teams played a crucial role in being our "boots on the ground" in each district to complete an in-depth review of each facility. Our Green Teams reported their findings for any modifications that could be made to the facility or changes in machinery such as forklifts, etc. In addition to exploring clean energy sourcing, Expeditors is actively working to pursue all identified opportunities to make our facilities as sustainable as possible.

Alternative Fuel & Vehicle Databases

Expeditors tracks and monitors the status of alternative fuels and vehicles our service providers have available in each region. Our database is a living document which enables real-time updates with the latest information. This allows us to best meet the needs of our customers when they are interested in choosing sustainable shipping options.

Carrier Management Database

As a non-asset-based carrier it is crucial we monitor the environmental performance of our carriers and service providers. We track our service providers' reduction targets, their plans to meet those targets as well as their progress. Commitment to emission targets has influenced our core strategy as part of our regularly reviewed environmental enabler.

Pick Up & Delivery Evaluation Criteria

In 2023 Expeditors added Environmental Sustainability to our Pick Up & Delivery Evaluation Criteria. This is to ensure that Expeditors is partnering with service providers that are participating in the collective goal to reduce emissions and preserve our planet. We hold our service providers to the standard of joining us in being the best global citizens we can be.

Environmental Sustainability Team Strategy Statement

To enable and support our network in identifying and sharing sustainable logistics solutions within Expeditors' operations and our customers' supply chain. To drive collaboration across all stakeholders engagements in working towards achieving decarbonization goals for Expeditors and our customers.



Social

Expeditors' unwavering commitment to make our communities a better place to live and work is ingrained in our culture. We integrate positive actions into our daily practices and procedures that build skills and trust with our employees, service providers, customers, and communities to support strong and effective operations.

To fulfill our commitment, we provide extensive training and support on health, safety, and security, give back to the communities in which we live and work, and engage with under-resourced young adults and veterans on career development to help develop promising careers for these individuals.



Social Responsibility

People are core to Expeditors, whether it's our own employees or those in the community. Expeditors is committed to building a stronger business while making a better world.

Employee Relations

For more than 40 years, Expeditors has set the standard for excellence in global logistics by prioritizing our employees. Our founders believed that if we took care of our employees, they would take care of our customers. This founding principle remains at the core of our philosophy today and is why Expeditors' Vision Statement is about our people first rather than logistics.

To create unlimited opportunities for our people through sustainable growth and strategic focus, inspiring our premier customer-focused logistics organization.

Our founders sought to create a different kind of company where people could do well for themselves – a place of “unlimited opportunities.” Expeditors' employees are vital to our ability to serve our customers, manage our partnerships with service providers, and run our business. We are committed to providing opportunities throughout our employees' careers that help them grow.

Diversity, Equity, & Inclusion (DEI)

Diversity, equity and inclusion (DEI) are fundamental to our vision of unlimited opportunity for our employees. **In 2023, our United States workforce was 44% women and 42% racially/ethnically diverse persons.**

Our global practice is to hire local employees in our offices so that our operations continue to reflect the diverse and vibrant communities we serve, and we are extremely proud of our highly talented, inclusive and multi-cultural global workforce.

We provide relevant training with our Code of Business Conduct and workplace harassment trainings as well as through self-led options on LinkedIn Learning. Diversity is also considered at the leadership level for our executive succession planning and required for our CEO and Board of Director candidate searches.

We have formalized in our governing principles that qualified female and racially/ ethnically diverse individuals must be included as part of any candidate search.

We proactively pursue diversity in our recruitment process. We have recruitment programs for youth and veterans through our job training program “Opportunity Knocks” and have recruitment web pages for:

- **Cristo Rey Network Alumni** - the broadest U.S. high school network for low-income students, serving 99% people of color
- **JA Worldwide Alumni** - a global non-profit youth organization equipping young people with employment and entrepreneurship skill sets and mindsets
- **Veterans and Veteran Spouses** - service members of the U.S. armed forces returning to civilian life

Expeditors has set the standard for excellence in global logistics by prioritizing our employees. Our founders believed that if we took care of our employees, they would take care of our customers.



Employee Relations

Expeditors is a leader in the global logistics industry with a culture of organic growth and promotion from within that attracts high caliber candidates. We are committed to developing our employees' capabilities so that they grow their knowledge and experience, have better opportunities to service our customers, and further their careers. We ask our employees to complete at least 52 hours of training each year which can be achieved through Expeditors' developed training courses, external webinars, conferences, and university courses, among others. Employees have access to our internal catalog of Expeditors-developed courses as well as coursework from LinkedIn Learning. Thanks to culture of learning, the average hours of training in 2023 per employee was 54.

Our commitment to our employees' development is reflected in our annual review process and "hire-from-within" culture. Our Professional Development Center (PDC) houses our online trainings and career development tools where goals and annual reviews can be tracked to support completion. We encourage a 3+1 approach where employees have three formal touch points with their manager throughout the year and complete one annual review process, which are all tracked in the PDC, to support regular communication on employee development.

We also prioritize employee development by providing upward mobility opportunities. All job openings are posted internally to allow any employee the opportunity to apply, and we aim to retain employees from hire to retire.

Labor Standards and Relations

Our expectations regarding labor standards are outlined within our Code of Business Conduct. This includes information on equal opportunity employment, prohibition of harassment, intimidation, or discrimination of any kind, and the prohibition of forced or child labor. Expeditors is also a party to collective bargaining agreements with a limited number of employees outside the U.S.



Individual Development Program

2024 will mark the 10-year anniversary of Expeditors' most demanding and selective management and leadership development program. The IDP is a global, multi-year, cohort-based program focused on teaching critical thinking and decision making. It leverages contemporary cognitive methodologies that maximize learning and application of new knowledge and information.

Over 500 employees have applied for the IDP since it was first rolled out. On average, only 20% of eligible participants are selected to start the program each year. Cohorts average between 10 and 14 learners. Senior Executives from each of the five Expeditors geographies lead the selection process and play a key role in the program. 67% of graduates have been promoted into to new roles leading and managing key functions across all the major business units within the company.



Job Training Programs



Opportunity Knocks Youth

We proudly offer opportunity to youth through our Opportunity Knocks Youth (OKY) program. OKY is Expeditors' internal, annual, paid internship program to support the professional development of youth and young adults who lack opportunity or face more obstacles than some of their peers by offering workplace readiness, mentorship, skill training, and viable career pathways. Our Senior Vice President of Digital Solutions oversees the program, and it is managed by our Manager of Social Responsibility. We have gained candidates through collaboration with non-profit organizations including the Cristo Rey Network of Schools and Year Up, among others.

Our program benefits the youth we work with and provides Expeditors with an expanded talent pipeline, broader employee diversity, and increased employee development, plus engagement and positive relationships within our communities. To further our impact, we provide a downloadable toolkit through our "Opportunity Knocks in a Box" so that other companies can replicate a program like Opportunity Knocks in their organizations.

FURTHER INFORMATION ABOUT OPPORTUNITY KNOCKS IS AVAILABLE ON OUR [WEBSITE](#).

Opportunity Knocks Youth PROGRAM STATS

50 Offices have hired interns in **7 countries**



710 targeted internships offered since inception in 2008



100+ young adults have gained long-term positions



Program alumni have been hired in 5 countries with tenure up to **13 years**



Our OKY partnership Organizations



Year Up

A non-profit workforce development organization committed to ensuring equitable access to economic opportunity, education, and for all young adults.

I came to Expeditors in 2017 through Year Up, which is a one-year extensive program where you have six months of learning and development and then six months internship at a company. I was fortunate to start at Expeditors and then got hired on as a software tester. This was my first time working in a corporate setting.

I was very nervous. I had no background in the logistics industry so I was learning all the company lingo, the acronyms, trying to understand all that. It was very overwhelming at first, but I was fortunate to have a really supportive team that was there for me if I had any questions and just one hundred percent supported me the whole way. And I've got the same team six years later.

We're pretty much like a family, actually. I can't imagine working with another team.



JJ Openiano
Quality Assurance Engineer III,
Information Services
Seattle, WA



The Cristo Rey Network of Schools

Cristo Rey is the largest network of high schools for low-income students in the US, with up to five times the college graduation rate for students coming from the same demographic background.

Cristo Rey schools provide a career-focused, college-preparatory education for students with limited economic resources, uniquely integrating rigorous academic curricula with four years of work experience and support to and through college. Students earn a substantial portion of their tuition while gaining valuable work experience in entry-level professional jobs. In 2023, Expeditors provided real-world work experience for 50 students.

Expeditors is the Corporate Work Study corporate partner with the widest breadth in the Cristo Rey Network - partnering in 14 markets and counting.

"Our partnership with Cristo Rey enables Expeditors to live out our core value of creating opportunity for underserved students. Working with Cristo Rey students engages our employees and each CRJS student who works at our company increases their confidence, skills, and job readiness. For corporate partners like Expeditors, Cristo Rey is a true win-win."

Jose Ubeda
Senior Vice President of Digital Solutions and Executive Sponsor for Social Responsibility



Opportunity Knocks for Veterans

Launched in 2015, Opportunity Knocks for Veterans is a recruiting program that honors veterans and hires extremely talented and highly motivated individuals that embody Expeditors' cultural attributes. More than 200,000 U.S. service members return to civilian life each year, and our program supports veterans in their transition. Our program has three pillars: recruit and hire, provide career guidance and mentorship, and recognize service. Over 50 program volunteers have coordinated and supported hiring and recruiting events across the United States, as we partner with various veteran service organizations at the state and national level.

Through partnerships with organizations such as Hiring Our Heroes, Microsoft Software and Systems Academy, and veteran-owned service providers, Expeditors is honored to support our veterans and service members transitioning back to civilian life and benefits from adding these talented and motivated individuals to our organization. Despite the challenges associated with the pandemic, the Expeditors Opportunity Knocks Veterans program was able to hire corporate fellows through the Hiring our Heroes Corporate Fellowship Program and continue volunteer efforts within local communities supporting Flags for the Fallen and Wreaths Across America.

Our program has three pillars: recruit and hire, provide career guidance and mentorship, and recognize service.



“Expeditors actually aligned with my values really well. Coming out of the Marine Corps, I wanted camaraderie. I wanted the feel of being a family again. With their core values, Expeditors does that really well. It was a very easy transition for me to go from the Marine Corps to Expeditors, we look after each other.

Expeditors is a very veteran friendly company. I definitely put Expeditors as a good company to work for, especially for veterans. Expeditors is actually like the military, in that they hire for attitude and train for skill.”

Zach Bass
Program Manager, Global Transportations Warehouses, Global Business Operations
Louisville, KY



“What really caught my attention immediately was Expeditors' company culture and its core values. I could easily relate to them, thus making my transition from military to civilian that much easier. Expeditors is a great place for veterans. I love that I can once again be challenged daily to learn new things, never a dull day at work. I can also share some of my experiences and knowledge with the team, hoping that it can also benefits others. As a veteran, Expeditors gave me back something I missed once I left the service, I felt I was part of a team again.”

Fernando Huerta
Security, Health & Safety Support
El Paso, TX



The Avasar Foundation | Helping Underprivileged Youth with Education and Employment

The Avasar Foundation (Avasar) was employee-founded and has been part of Expeditors India’s Corporate Social Responsibility program since 2015. Avasar is a non-profit with the mission to empower talented but underprivileged children and youth through education, training, skill development, coaching, and mentorship.

Avasar’s growing impact through Expeditors includes:

Pre-Primary Schools – 6 schools, providing 100% free early childhood care and education, are running successfully with 371 students. Blended learning was adopted and digital tablets provided to support learning online since 2020. In total, 550 children have graduated by 2023.

School Development – 5 new school development projects have been undertaken to improve infrastructure. In 2023, new school buildings of 4 classrooms and a multipurpose hall were constructed and donated to 5 schools; toilet facilities constructed in 3 schools. Sports room and equipment’s were donated to 2 schools. 3 schools; toilet facilities constructed in 2 schools.

Digital Literacy – 70 schools are now equipped with state-of-the-art computer labs.

Training Center – 888 college graduates have completed a three-month Job Readiness Training program since 2018, which includes computer skills, “soft skills” and English conversation training.

Scholarships – Started in 2012, our program has funded the education of 246 students over the age of 14 and is largely funded by Expeditors employees. This support covered tuition fees, books, uniform fees, stationery and travel costs in the form of bus passes for two years.

Avasar is a non-profit with the mission to empower talented but underprivileged children and youth through education, training, skill development, coaching, and mentorship.



Kusuma first became involved with the Avasar program while attending high school in Immadihalli, a suburb of Bangalore. With support from Avasar, she went on to attend university and achieved a bachelor of science degree in computer science. Not only did Avasar provide financial support for her education, but they also provided workshops and training in important skills such as communications as well as industry knowledge. Upon completing her degree, Kusuma started her career with Expeditors as an intern through the Opportunity Knocks program for a few month before becoming a full time employee. Today, ten years from the time she first became involved with Avasar, she is thriving as an Information Services professional in our Bangalore office. Kusuma, who recently received her five year service pin with Expeditors, is very proud of this accomplishment, “It’s been 10 years. I feel very happy for that, and very much thankful to Avasar and Expeditors, for all of the 10 years of support. I didn’t know that I would join Expeditors and receive my five-year pin. This was a proud moment for me and I’ll continue to do a good job with Expeditors.”



Community Involvement & Charitable Giving

At Expeditors, we embrace both the opportunity and the responsibility to make a positive impact in the communities in which we live and operate. We give to our communities at the corporate level and globally through our districts.

Corporate Initiatives & Donations

Expeditors' Charitable Giving Committee meets twice a year to review the organizations we partner with and donate funds to. We focus our corporate giving on organizations involved with research to cure insufferable diseases and those that help individuals and families meet their basic human needs. We also allow employees to propose organizations they would like to see the company support, which broadens our giving reach and increases our engagement.

Each year Expeditors conducts a Corporate Matching Gift Campaign. During this campaign employees select any 501(c)(3)-qualified charities they wish to donate to, and Expeditors matches 50% of their donations.



District Initiatives

District offices are involved in their local communities and create their own charitable initiatives. Beyond these district initiatives, many of our employees generously give their money and time to their communities at a local level. Employees regularly partake in activities such as charitable drives to donate supplies to those in need and racing events to raise funds for various causes. To further give back to their communities, all U.S. employees, regardless of tenure, receive one paid day off to volunteer at a local non-profit of their choice.

Charleston: Putting the “Fun” in Fundraising

Our district office in Charleston, South Carolina, has a Charity Committee that each quarter determines a local organization to give to and creative ways to fundraise the money that is donated.

They hosted a fundraiser where employees donated funds to determine who they wanted to see get pied in the face! All proceeds benefited a local domestic abuse shelter. Trey Chakides, Import Manager, gallantly received his “just desserts.”

Another quarter the donation recipient was a local organization focused on avian conservation. Fundraising for this organization was accompanied by a visit from some feathered friends, thanks to the local Center for Birds of Prey.

In summertime, the committee partnered with a local ice cream truck that agreed to donate a portion of the proceeds. Warehouse Agents Kerniqua Green, Juwan Stinson, and Aja Evan were among many who took time out to enjoy a sweet treat and raise money for a great cause.



Trey Chakides
Import Manager



Avian Conservation Center
Local Center for Birds of Prey: Spectacled owl



Kerniqua Green, Juwan Stinson, and Aja Evan
Warehouse Agents



Seattle: Bike MS

Expeditors has sponsored and participated in Bike MS in the Puget Sound area for the past 15 years. Bike MS rides are the primary fundraising events for the National Multiple Sclerosis Society to support their vision of creating A World Free of MS. For the 2023 event as a Gold Sponsor, Expeditors had 65 employees, family members and friends that participated in Team Expeditors and together raised over \$100,000. All together over the course of our 15-year history with this event, Expeditors has raised over \$1M to help the MS Society fund the research needed to find cures for MS and the programs to support those living with the disease.

All together over the course of our 15-year history with this event, Expeditors has raised over \$1M to help the MS Society fund the research needed to find cures for MS.



“We could not have asked for a better weekend. It was sunny and warm, perfect for riding and perfect for relaxing and enjoying the company of our fellow team members and the broader MS community. There is a special, joyful feeling about Bike MS unlike any other event, and it was wonderful to experience it again as it was meant to be after several years of more muted rides due to the pandemic.”

Scott Noe

Senior Manager, Global Customs and Team Expeditors Co-Captain, (pictured with Andrew Leisner-Expeditors and Laurie Johnson-MS Society)



“Over these 15 years, Bike MS has become a really valuable way to connect my work family with other important people in my life and fold in friends and family who are also affected by MS. Recruiting friends as new riders for our team and being able to share our story with friends who have MS or know someone with MS, gives me a sense of pride in the difference we’re able to make each year as the cure gets closer and closer.”

Ellen Barber Walworth

Manager, Seattle District Office and 15-year Bike MS participant



Service Provider Rewards & Recognition

We are committed to recognizing and celebrating achievement through our Service Provider Rewards and Recognition Program. Our top local providers are invited to attend an event where we highlight outstanding performance and show our appreciation for their partnership.



Expeditors Verona (Maria Grazia Bisazza) presented Girelli Logistics founder and owner Luca Girelli with the Environmental Stewardship award for their continued commitment to sustainability.



Girelli trucks can be fueled both with LNG and biomethane. This allows for significant reductions in CO2 and NO2 emissions and particulate matter.



Girelli is in the final phase of building a new part of their facility where they are installing solar panels for energy, adding an electric vehicle charging station, and using tanks to gather and reuse rainwater

Truck Driver Appreciation Week

We have a tradition of showing appreciation to our truck carriers during annual Truck Driver Appreciation Week, usually held in September. Over the years, our Districts have embraced the spirit of this event by organizing food and other tokens of appreciation to demonstrate our gratitude for these valuable partners.



This year the Expeditors Phoenix team thanked our drivers by making them a delicious breakfast and lunch onsite. They also demonstrated appreciation by greeting and handing out goodie bags as drivers arrived that included sweet treats, cooling rags, and water bottles.



Expeditors Chennai opened their event with the lighting of the lamp, which in Indian culture symbolizes the beginning of good tidings, and in this case, shines a spotlight on the drivers and their contributions to our success. After a luncheon, the event concluded with the official opening of a new Driver Waiting Area.



Expeditors Taipei held their event shortly before Mid-Autumn Festival, which is one of the most important holidays of the year. It was a perfect opportunity to show their gratitude by giving out goodie bags to the drivers who keep their freight moving and continually exceed our customers' expectations.



Security, Health & Safety

Security

At Expeditors, the security of our employees and our customers' supply chains is one of our top priorities. Our security efforts aim to protect our people, information, systems, customers' assets, and our brand. To help achieve this goal, we have a robust Security Program built on Expeditors' Security Standards – a set of global standards integrated into our daily practices and procedures.

The Security Standards cover our employees and our service providers, with the expectation of strict adherence. Expeditors is actively involved in industry organizations and government initiatives to help implement best practices around supply chain security throughout the industry. We consider ourselves leaders in supply chain security and want to ensure the entire industry has processes in place to keep everyone safe.

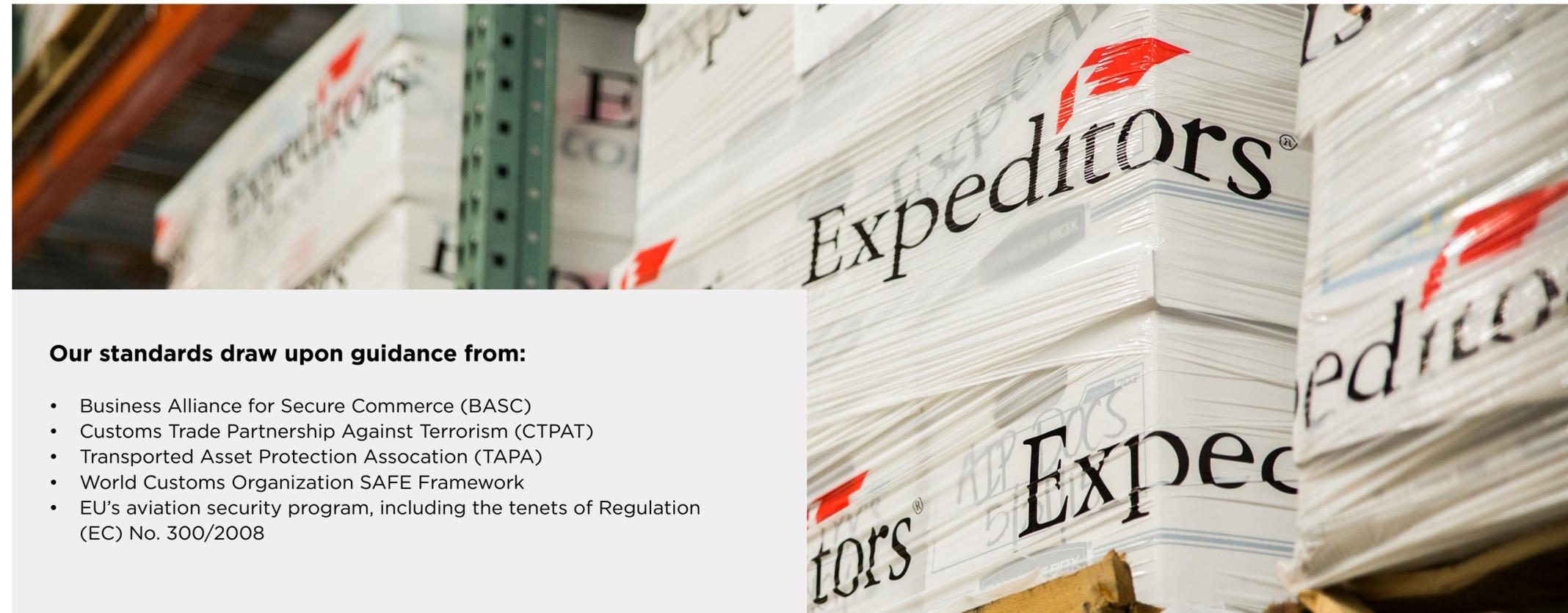
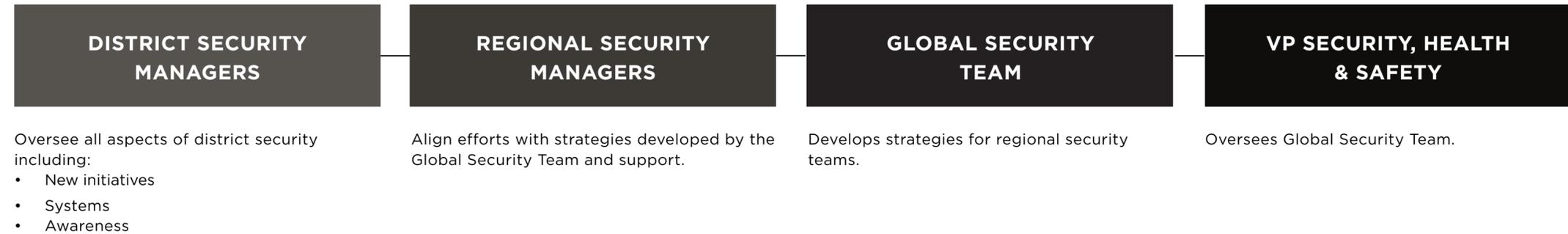
Security Standards Management

While every Expeditors employee is responsible for following the Security Standards, we have dedicated teams that ensure the Security Standards are properly followed and routinely updated.

Expeditors' Security Standards apply to all districts, incorporate industry standards, government initiatives, and best practices, and cover the following topics:

- Security Managers Requirements
- Personnel Security
- Service Provider Selection and Management
- Access Control
- Physical Security and Security Systems

Security Management Structure at Expeditors



Our standards draw upon guidance from:

- Business Alliance for Secure Commerce (BASC)
- Customs Trade Partnership Against Terrorism (CTPAT)
- Transported Asset Protection Association (TAPA)
- World Customs Organization SAFE Framework
- EU's aviation security program, including the tenets of Regulation (EC) No. 300/2008



Service Provider Security

Expeditors carefully selects our service providers to maintain supply chain security. Potential suppliers must go through our pre-qualification process and participate in an audit to confirm they are willing and able to meet our rigorous security standards. Our supplier requirements depend on the services provided and include contractual obligations that bind our service providers to Expeditors Security Standards. Other requirements include in-person reviews of the business partner's security and safety protocols, proof of insurance with required coverage amounts, and compliance with laws. We review our expectations with our service providers and measure their performance on a regular basis. This review cadence depends on a variety of factors including the level of risk associated with the service provider, changes in ownership or company expansions, among others.

Risk management is an important component of our service provider security. We conduct annual on-site risk reviews for our key district service providers based on agreed-upon standards. In addition, Expeditors follows a risk-based service provider due diligence program. This program is part of our efforts to ensure that our service providers are conducting business in a compliant manner, and in accordance with applicable laws, Expeditors Security Standards, rules, and regulations to support our customers' logistics needs.

Government-Industry Partnership to Bolster Supply Chain Security

Expeditors actively participates in over 20 government-industry partnerships to provide top-level supply chain security for our customers. One of our strongest partnerships is with the Customs Trade Partnership Against Terrorism (CTPAT) – a voluntary public-private sector partnership with U.S. Customs and Border Protection (CBP) to protect supply chains from terrorism. CTPAT requires participating companies to identify supply chain security risks and implement specific security measures and best practices. Expeditors became one of the first CPTAT certified and validated brokers/forwarders in 2003. We received our most recent revalidation in 2023 at a tier 2 level, the highest level of certification available to Expeditors. We continue to focus on meeting and exceeding the global Authorized Economic Operator (AEO)/CTPAT security requirements.

Leadership & Involvement in Security Initiatives

Expeditors takes part in various security focused initiatives and organizations to aid in the improvement of security throughout the industry.

We have been involved in key security innovation projects such as:

- **Air Cargo Advance Screening Program:** A program by the CBP and U.S. Transportation Security Administration (TSA) that requires participants to submit air cargo information in advance for shipments arriving in the United States from a foreign location.
- **Certified Cargo Screening Program:** A program by TSA that certifies cargo screening facilities in the United States to screen cargo prior to providing it to airlines for transport on passenger flights. The program requires participants to carry out a TSA-approved security program and adhere to a strict chain of custody requirements.

Expeditors' representatives participate in key security associations such as:

- **American Society for Industrial Security:** An organization providing security certification, career development and resources to a global community of security practitioners.
- **Transported Asset Protection Association:** A nonprofit coalition of manufacturers, shippers, carriers, insurers, service providers, law enforcement, and government agencies tackling the multibillion-dollar problem of cargo theft from supply chains.

Global AEO Participation

Expeditors participates in over 20 supply chain security AEO programs globally. We continue to evaluate other AEO programs for participation and certification.

We have actively participated in Partners in Protection in Canada since 2003, the Secure Trade Partnership/ TradeFirst in Singapore since 2009, and the Authorized Economic Operator (AEO) programs in China, Taiwan, and several Member States of the European Union (EU) since 2010, among others. Most recently, we received certification in Australia's Trusted Trader Program.



Along with the exceptional performance against our Health and Safety targets, there are additional stories of success and acknowledgment for our teams in the districts.

Expeditors ORD - CTPAT Revalidation

During this year’s CTPAT revalidation, Expeditors was represented by the ORD Brokerage Team. The team did an excellent job representing the network and found this be a rewarding experience. The following are direct quotes from Expeditors ORD participants:

“Being involved with the CTPAT revalidation opened my eyes to just how important Expeditors Security Standards are, not just for our company, but for the entire supply chain.”

Adrienne Murphy
Security Manager

“Being involved in the CTPAT Revalidation really connected a lot of the dots for me from new business partner screening through the entire supply chain. What the Customs Brokerage teams do on a daily basis has a significant impact in supporting the Expeditors Security Standards.”

Lori Boyer
Customs Brokerage Manager

Thank you to our ORD team for your exemplary performance during our most recent CTPAT revalidation!



Lori Boyer (pictured on the left side) and **Adrienne Murphy** (pictured on the right side)

Expeditors DXB - Fire Safety Campaign

Expeditors in Dubai was recently awarded a special appreciation award for its contribution, participation, and commitment towards the Fire Safety Campaign 2023 in Dubai South.



Health & Safety

The health and safety of our employees is not only a pillar of our Code of Business Conduct, it is synonymous with our culture and mission. Our employees are our most valuable asset, and it is critical that we offer a safe working environment that attracts the best and brightest in the logistics industry.

Our Health & Safety Program

Since 2010, we have followed our global Health and Safety program which is focused on maintaining workplace safety across our operations. The program elements include:

- Designated local leadership who set the tone and manage health and safety
- Periodic hazard assessments
- Internally developed and tailored safety trainings for all employees
- Local emergency response plans
- Fire prevention procedures and training
- Job-specific training for manual and mechanical handling
- Working environments that are clean, professional, and in compliance with our culture and global standards
- Regular safety monitoring, reviews, and audits
- Incident reporting and review
- Periodic safety reviews of our strategic service providers

We manage our Health and Safety program at the corporate, regional, and district levels. Additionally, our Global Business Operations team completes operational performance assessments annually on all facilities globally to monitor compliance.

To ensure we identify and manage health and safety risks, we require that each district perform an annual risk assessment based on the hazards identified globally by the facility type and those associated with their business activities. The EHS Manager oversees completion of the risk assessment as well as the coordination of any additional risk mitigation items that may result from the assessment. Our program also requires updated risk assessments when the working environment changes, such as a facility expansion, engineering restructure, or new facility acquisition. In 2023, Expeditors completed a total of 493 individual risk assessments across all of our facilities globally.

To manage Health and Safety, we use our roadmap which includes:

- Working environment enhancements, such as air quality, noise control, and radiation protection
- Chemical/hazmat safety and compliance awareness
- Spill containment and environmental response protocols
- HazComm and Right to Know focus
- High Hazard Work Activities safety

Our employees are our most valuable asset, and it is critical that we offer a safe working environment that attracts the best and brightest in the logistics industry.

Safety Management Structure at Expeditors



Health & Safety *(Continued)*

Our hazardous waste standard aims to ensure employees know how to identify, respond to, and correctly manage instances involving hazardous waste that may arise from our business. Expeditors provides job-specific training to all EHS managers globally on the adherence of our hazardous waste standard which includes:

- Development of local Hazardous Waste Plans
- Posting and communication of Expeditors Hazardous Waste Identification Chart in all warehouse facilities
- Procurement and placement of Hazardous Waste Management equipment
- Hazardous Waste/Dangerous Goods spill response management

Health & Safety Training

We require all new hires to take a one-hour, computer-based Health and Safety training course. An additional Security, Health and safety refresher course is required annually for all employees globally and over 18,000 employees completed this course in 2023. We also offer specialized trainings based on employee roles, including a Manual Materials Handling training for specific positions, a Safety Hazard and Incident Reporting training for all supervisors and managers, and an extensive Forklift course for forklift operators.

We track Health and Safety training completion in our PDC for data analysis and accountability.

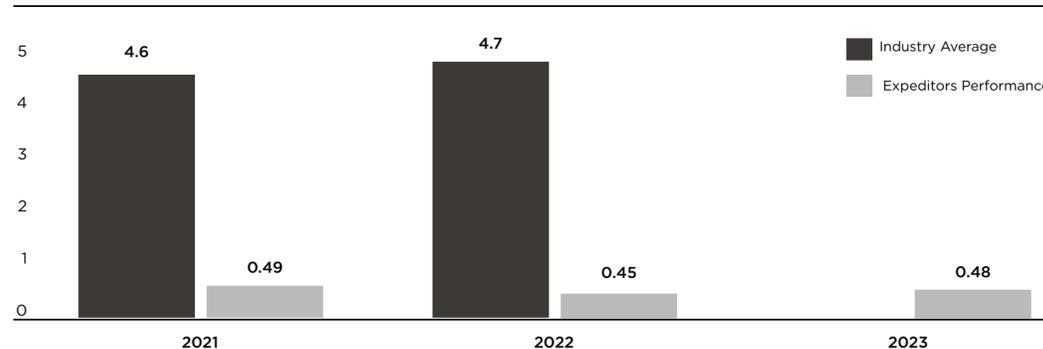
In 2023 Expeditors completed 52,267 safety specific trainings that accounted for a total of 36,350 hours of training.

In 2021, we successfully implemented a new certification program for all EHS Managers which requires 12 weeks of health and safety training and provides consistent foundational knowledge for employees within these roles. In 2022, Expeditors incorporated the EHS certification into our operational performance standards, making it a requirement for all EHS managers to complete within 12 months of position appointment.

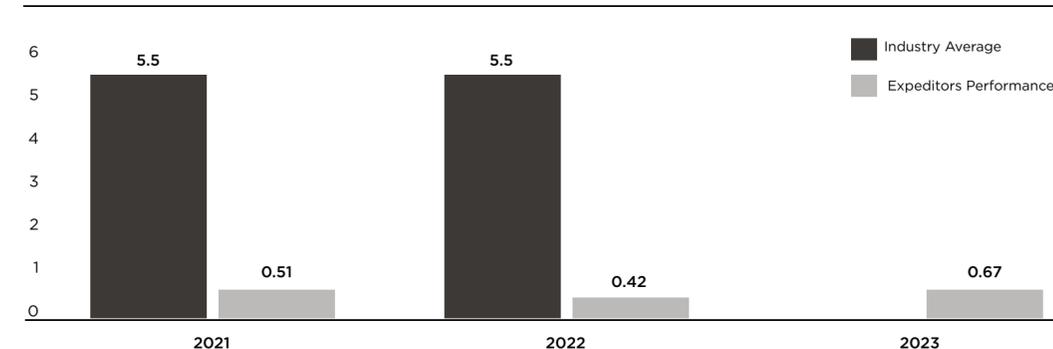
Safety Metrics

We track our Days Away, Restricted, and Transferred (DART), Incident and Lost Time Rates as a way to measure the success of our Health and Safety program. Our safety metrics continue to reflect that Expeditors performs better than the industry average. We set a target of 0.75 or less for each of our safety metrics, and we have continued to meet our safety goals for the last seven years.

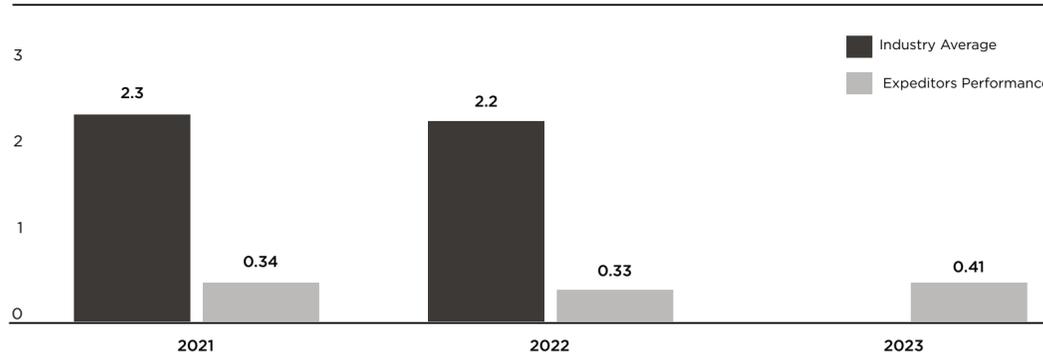
DART RATE



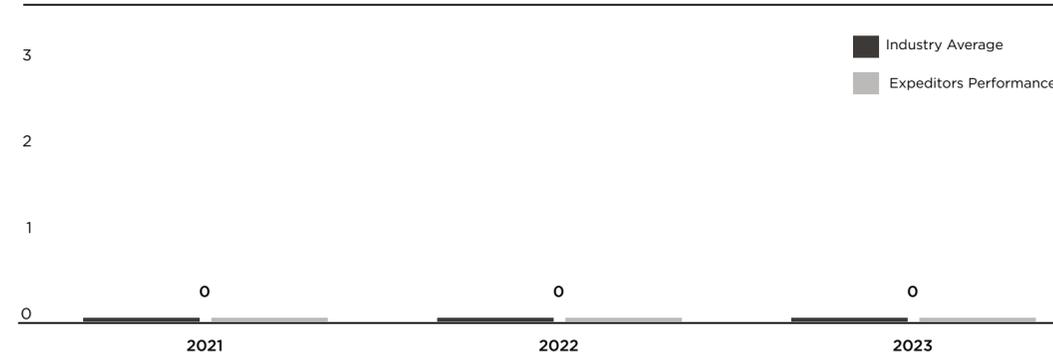
TOTAL CASE INCIDENT RATE



LOST TIME INCIDENT RATE



EMPLOYEE FATALITIES



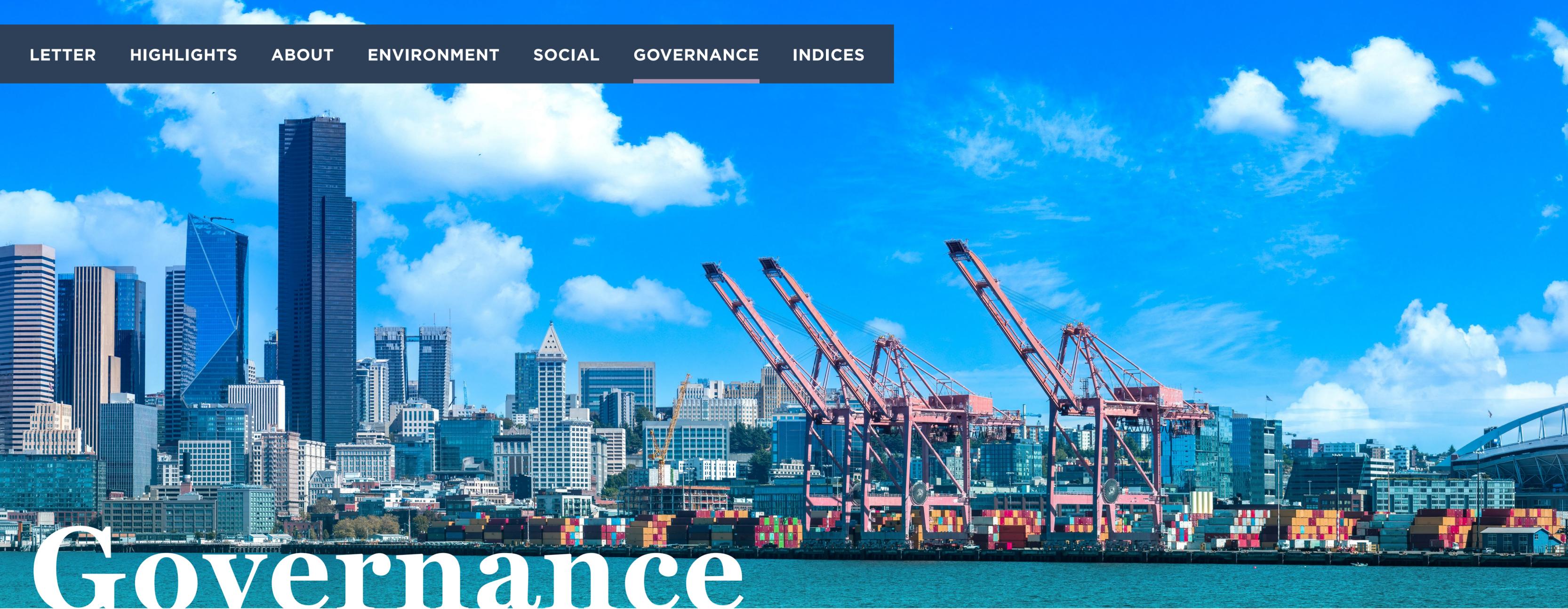
DART Rate: Number of incidents that had one or more lost days, one or more restricted days, or that resulted in an employee transferring x 200,000/work hours.

Total Case Incident Rate (TCIR): Number of Occupational Safety and Health Administration (OSHA) recordable cases x 200,000/work hours.

Lost Time Incident Rate (LTIR): An occupational injury or illness which results in an employee being unable to work a full assigned work shift x 200,000/ work hours.

*Industry averages are based on published U.S. Occupational Safety and Health Administration/Bureau of Labor Statistics data. They are reported mid-calendar year; therefore, 2023 industry averages are not available for this report.





Governance

Building value over the long term for our employees, our customers, our service providers, our investors, and our communities is imperative to the success of Expeditors, and we have principles and standards in place to help achieve this.



Board Oversight

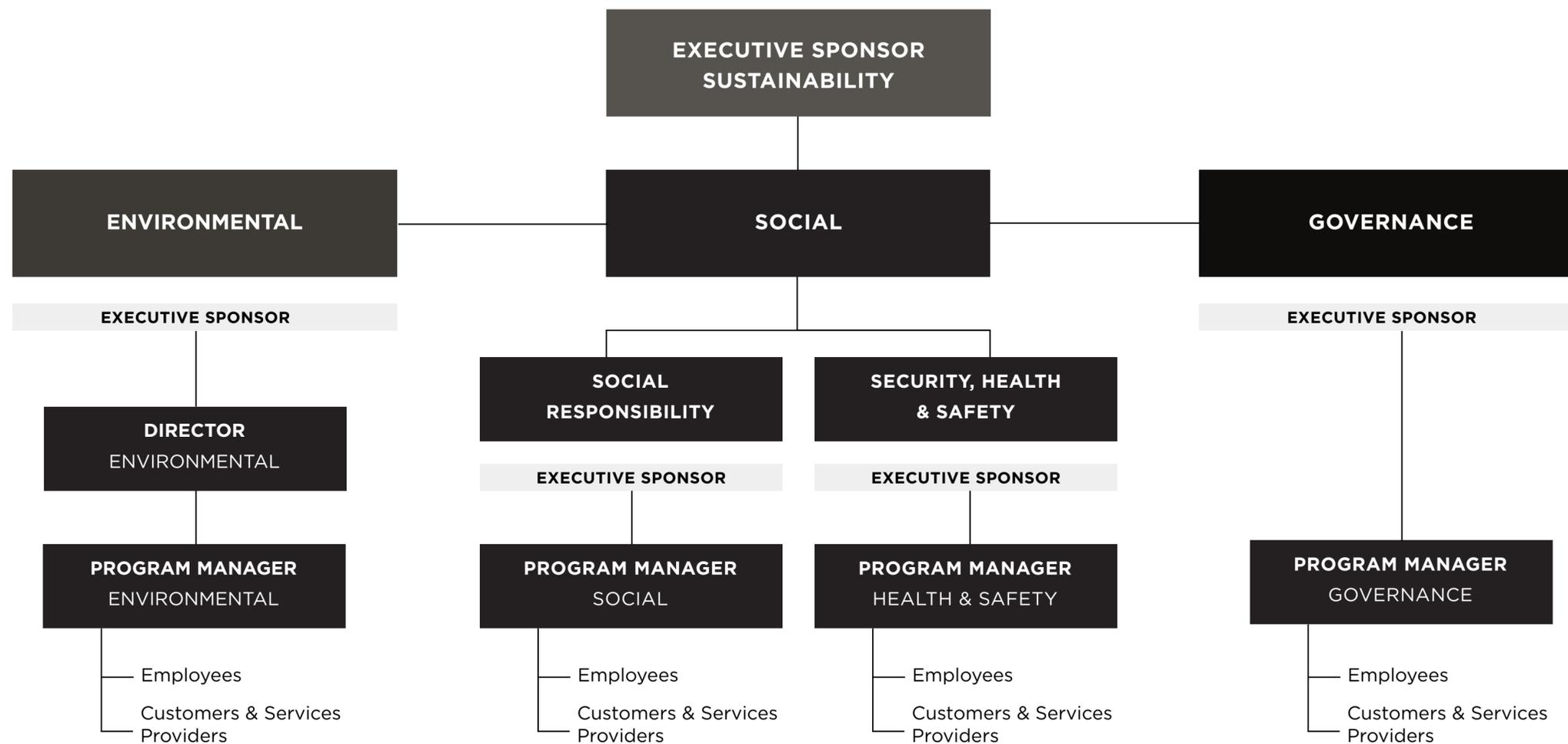
Our Board of Directors (Board) represents our most senior governance body and is actively involved in the company’s sustainability efforts. As of the date of publication of this report, Expeditors has nine directors sitting on the Board, of which 33% are female. Because diversity is part of our global culture, we believe that our Board should be comprised of directors with diverse backgrounds, experiences, and perspectives that will improve board decision-making and effectiveness. The Board is comprised of three committees – the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee (NCGC). Board committees share specific responsibilities for overseeing various aspects of our sustainability program. These responsibilities include reviewing climate-related matters and identifying industry trends and opportunities to advance the company’s sustainability initiatives and reporting, among others. The Vice President, Associate General Counsel, who serves as our ESG Executive Sponsor, reports annually to the NCGC on company progress.

Oversight responsibilities for certain areas of risk are assigned to the Board’s three standing committees and others are assigned to the full Board. The Board and its committees regularly discuss with management the Company’s strategies, operations, compliance, policies, cybersecurity and inherent associated risks in order to assess appropriate levels of risk taking and steps taken to monitor, mitigate and control such exposures.

Executive Oversight

Expeditors’ ESG Executive Sponsor develops our company-wide sustainability strategy in conjunction with the Executive Sponsors for each of the three pillars of our sustainability program. This cross-functional team includes several Vice Presidents and Senior Vice Presidents, reflecting broad, senior-level representation. Each pillar has a program manager who facilitates sustainability programs, empowers employees, measures and reports progress, responds to customer and investor inquiries, ensures employee compliance, and more. Senior executive management is also responsible for the assessment and day-to-day management of risk and bringing any material risks to the attention of our Board of Directors, who are responsible for overseeing the conduct of our business and monitoring significant enterprise risks.

Sustainability Management Structure at Expeditors



Code of Business Conduct and Policy Handbook

Our Code of Business Conduct (Code) is an important reference that guides employees on how to do business the right way. It covers a range of compliance and ethics topics including anti-corruption, conflicts of interest, community activities and political contributions, privacy and data protection, labor standards, security, health and safety, and the environment, among others. Our Code of Business Conduct applies to all employees and service providers and is published on our global website. Additionally, the Code is currently available on our internal website in nine languages, and we plan to continue increasing the number of translations.

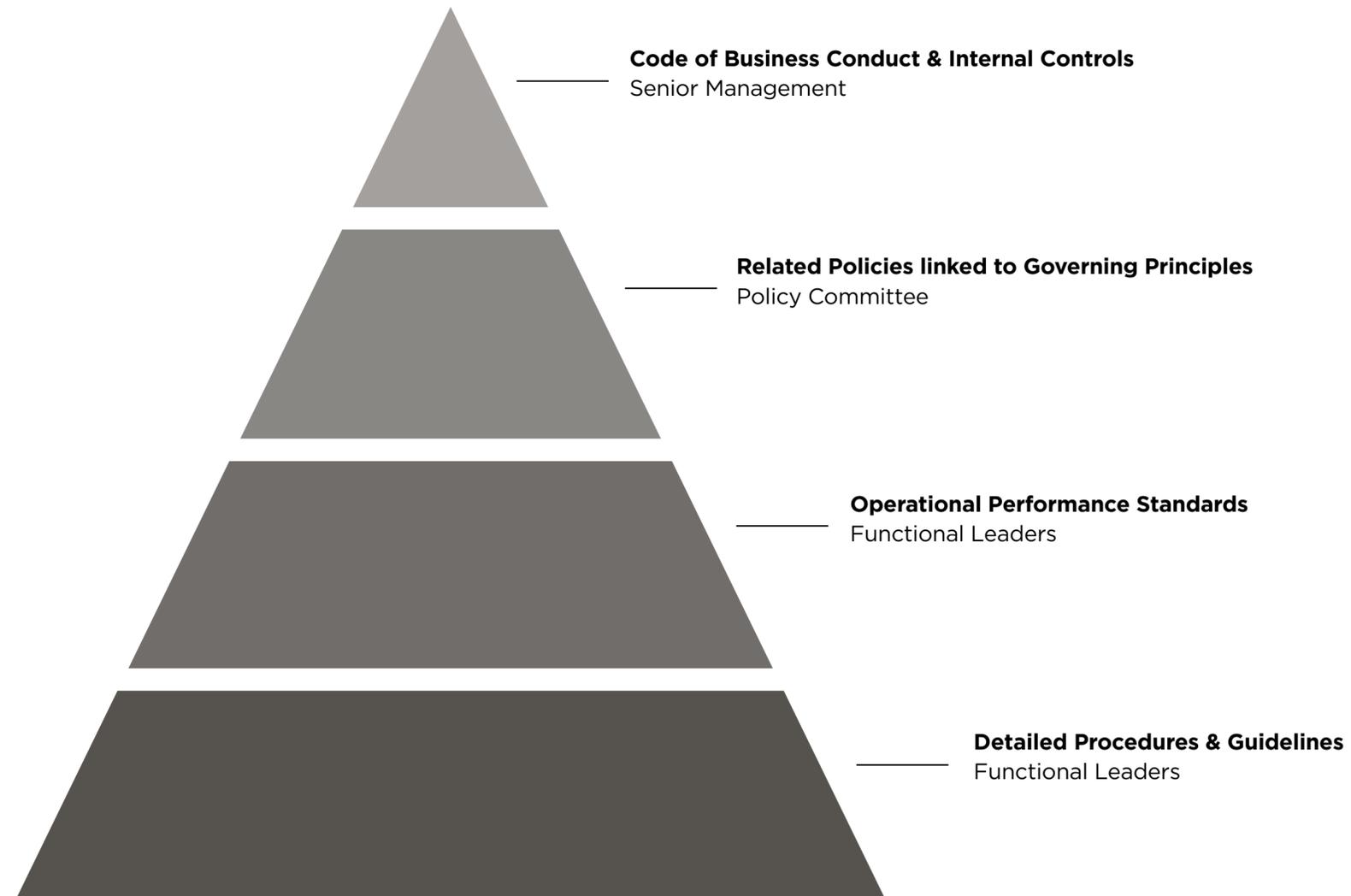
Expeditors compiled our policies into an internal Policy Handbook. The Handbook serves as an enterprise-wide framework to harmonize existing policies, categorize them into relevant themes, link the themes to more detailed operational standards, and provide overall policy guidance. The Handbook provides a coherent structure under which all of Expeditors’ policies are created, enforced, and reviewed to meet the company’s goals, all while referencing the Code, which outlines our primary company business principles.

At Expeditors, our Code is the ethical compass, guiding policies and practices towards our company goals.

Policy Framework

Expeditors’ Policy Framework outlines the clear hierarchy of controls for all our governing documents. The Code provides the governing principles that all other documentation stems from. Policies establish roles, responsibilities and controls.

Standards provide a uniform method of implementing the policies and establish performance measures. Procedures provide step-by-step instructions on how to carry out the standards and guidelines provide additional suggestions.



Cybersecurity & Privacy

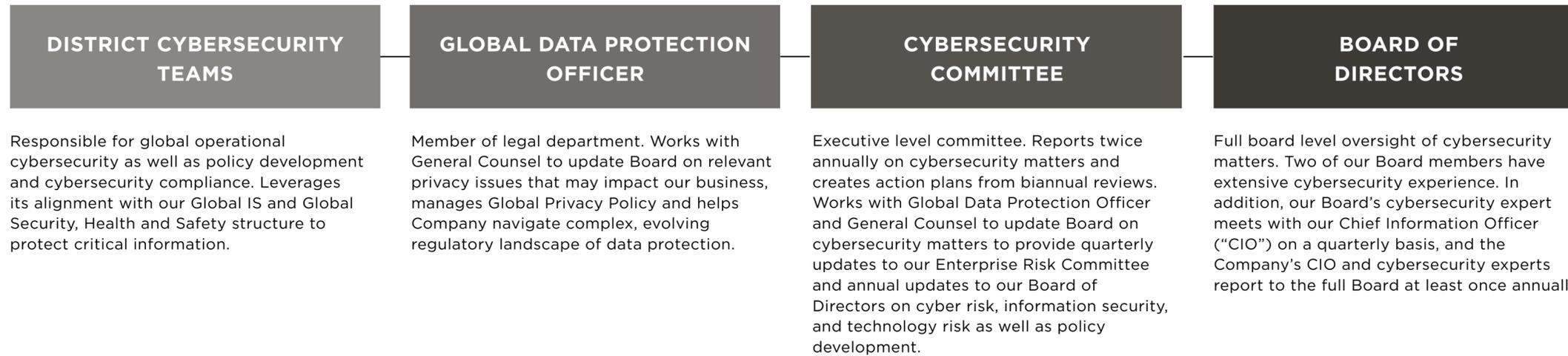
Protecting our stakeholders' personal data is of the utmost priority to Expeditors. Given the technology- and data-intensive nature of our knowledge-based business model, we have invested in mandatory cyber-specific training and frequent company-wide reminders, and in a number of controls to maintain the privacy and security of our information and data.

Expeditors employs a dedicated team of cybersecurity experts with technical expertise, including several Certified Information Systems Security Professionals, and cybersecurity staff in our district offices in each region. We work to continuously enhance our cybersecurity capabilities in order to detect and protect against threats and system compromise, including running table-top exercises and simulations.

We continue to focus on the key fundamentals of protect, monitor and respond and leveraging industry experts and government resources and associations, including the National Institute of Standards and Technology Cybersecurity Framework, to safeguard the security of our systems.

In 2023, we further invested in our cybersecurity and IT capabilities by creating two new positions: Chief Information Security Officer (CISO), and Chief Technology Officer (CTO). Each of these individuals reports to our Chief Information Officer (CIO).

Cybersecurity & Privacy Management Structure at Expeditors



We take a “protect, monitor, and respond” approach to our program.



Protect

Expeditors implements various standards and controls that aim to protect data and prevent incidents.



Monitor

We measure the success of our protection efforts through assessments and audits and monitor our systems for any incidents that may occur.



Respond

We believe in continuous improvement and implement action plans based on our monitoring efforts. We have dedicated teams able to respond to incidents if they occur.



Privacy & Data Protection

We believe privacy and data protection form a critical element of corporate responsibility for every organization. Customer trust—in our products, our services and our business practices—is foundational to our mission. We recognize that we cannot protect our customers and achieve our mission without a deep commitment to information security and data privacy ourselves.

As a part of our privacy compliance infrastructure, Expeditors has a Global Privacy Policy that regulates our collection, use, and disclosure of individuals’ personal information; determines responsibility if there is a violation; and assures the rights of individuals to access their information in accordance with applicable laws. Mandatory annual training for all employees is included within this policy. We also maintain an online Privacy Statement that describes some or all of the ways we gather, use, disclose, and manage customer, third-party service provider or employee personal information. We have in place industry-accepted physical, technical and administrative security measures appropriate to our business to safeguard and secure the personal information we process.

As a part of our privacy compliance infrastructure, Expeditors has a Global Privacy Policy that regulates our collection, use, and disclosure of individuals’ personal information; determines responsibility if there is a violation; and assures the rights of individuals to access their information in accordance with applicable laws.

The Six Privacy Principles

1. LAWFUL, FAIR AND TRANSPARENT

2. PURPOSE LIMITATION

3. DATA MINIMIZATION

4. DATA ACCURACY

5. DATA RETENTION

6. SECURITY AND CONFIDENTIALITY

Our processing of personal data follows all six of the following privacy principles:

Lawful, fair and transparent: We collect, use and retain personal data in a fair, lawful, and transparent manner by issuing privacy notices that explain why and how we process personal data. Our privacy notices contain the following information: type of personal data we collect/use; purposes of collecting/using the data; third parties to whom we disclose/transfer the data; security safeguards employed; and a data subject’s rights.

Purpose limitation: We collect, use and retain only personal data that is relevant and useful to our business operations and as needed to fulfill our legal and business obligations. Personal data may not be collected in advance and stored for potential future purposes unless required or permitted by law. This simply means that personal data collected for one purpose should not be used for a new, incompatible purpose. There is an exception however, when further processing is purely for statistical purposes in which case, we will ensure that the data is anonymized or pseudonymized.

Data minimization: We will not collect data that we do not have a legitimate purpose to collect and we will not use it for something other than what it was collected for. For example, in connection with an online service, we will not collect personal data (e.g., contact details) that is not strictly necessary in connection with the provision of that service, unless a data subject chooses to provide such additional data to us.

Data accuracy: We are responsible for taking all reasonable steps to ensure that personal data is accurate and, where necessary, current. We take reasonable steps to ensure any inaccurate data is either erased or rectified without delay.

Data retention: Personal data may be stored in a local Expeditors branch, at an Expeditors national, regional or global headquarters, at the locations of our service providers and customers, at one or more of our international data centers, and in the cloud. We will retain personal data only for as long as it is necessary to fulfill the purposes for which it was collected (including, for the purpose of meeting any legal, accounting or other reporting requirements or obligations), for a period in accordance with our record retention policy. If destroying or erasing personal data is not mandatory by law, we may make it anonymous such that it cannot be tracked back to the individual.

Security and confidentiality: We have in place appropriate technical and organizational security measures to protect personal data against accidental or unlawful destruction or loss, alteration, unauthorized disclosure or access. Similar to the manner in which we protect our customers’ confidential information, the same standards extend to all personal data that we process.

Business Continuity

Our Flexible Framework Adapts to All Types of Events

Expeditors' ability to meet the toughest supply chain challenges instills a great sense of pride. We've successfully navigated through hurricanes, typhoons, wildfires, political unrest and cyber-attacks. The COVID-19 pandemic was no different. Although the pandemic presented its own unique challenges, including unprecedented levels of supply chain disruptions, delays and other operational impacts, Expeditors persevered. Through the strength of our worldwide Business Continuity Plan (BCP) and our dedicated employees, we were able to safely continue our operations and reduce the impact on our customers.

Our BCP provides a framework for protecting the safety of our people and minimizing adverse impacts on our operations and our customers' businesses. Within the plan employees can find additional guidance on how it should be implemented. The plan also includes protocols on cybersecurity and how to escalate in response to an attack on Expeditors' system along with information on key communication systems and tools. The BCP strengthens our ability to resume regular operations, process shipments, communicate status updates to our global network, and reroute shipments as needed during times of crisis. The BCP also sets us up for success through its flexibility and enables us to respond to multiple disasters, of various types and levels of severity, even if they are occurring simultaneously in different locations.

Expeditors continued its focus on business resilience and continuity throughout 2023. Our Product, Service, and Geographic teams conducted tabletop exercises in 2023 that challenged their current plans. Our corporate teams participated in two tabletop exercises last year. Individual teams focused on testing the impact a significant earthquake in Seattle would have on their business operations. This tabletop challenged our plans to address how we would respond to a loss of critical infrastructure (buildings, power, roads) and leverage our global network to maintain operations. In addition, we worked with a consulting company to facilitate an enterprise-wide tabletop exercise designed to challenge and validate the updates to our plans over the last two years. With each test comes validations on the plans as well as new understandings on how it can be further enhanced.

These new discoveries drive our program to continuously look for opportunities to increase our resiliency. Being better prepared to respond to the unforeseen events that are on the horizon allows Expeditors to better protect our customers, service providers, and employees.

Through the strength of our worldwide Business Continuity Plan and our dedicated employees, we were able to safely continue our operations and reduce the impact on our customers.

BCP Framework

The BCP is made up of four overarching steps and a wide range of interconnected systems, processes, and standard operating procedures.



1. Prepare: Expeditors prepares our employees through training on the infrastructure, processes and strategic teams in place to respond to an event.

2. Respond: Our employees respond to the event using their training to protect our people and mitigate adverse impacts.

3. Recover: After the event passes, our employees work to return all facets of operations to normal levels.

4. Re-assess: Once we have recovered, we analyze how Expeditors responded to the event and make continuous improvements.



Ethics & Compliance Structure

Ethics Reporting

We encourage our employees to raise ethical concerns by providing two ways to communicate concerns: our open-door policy and our ethics helpline. Our open-door policy encourages direct communication between employees and leadership by ensuring that our employees know they can talk to any supervisor, manager, or executive. Our ethics helpline is operated by an independent third-party and allows employees to report their concern anonymously if they choose. Employees can find a direct link to the ethics helpline in the Code. We take any reports of Code violations seriously. Our Chief Ethics and Compliance Officer reviews all submissions, and periodically communicates findings to our Audit Committee. Expeditors follows up with employees who have raised concerns based on their original method of communication, either directly through the open-door policy or indirectly through the hotline, even if employees choose to report anonymously.

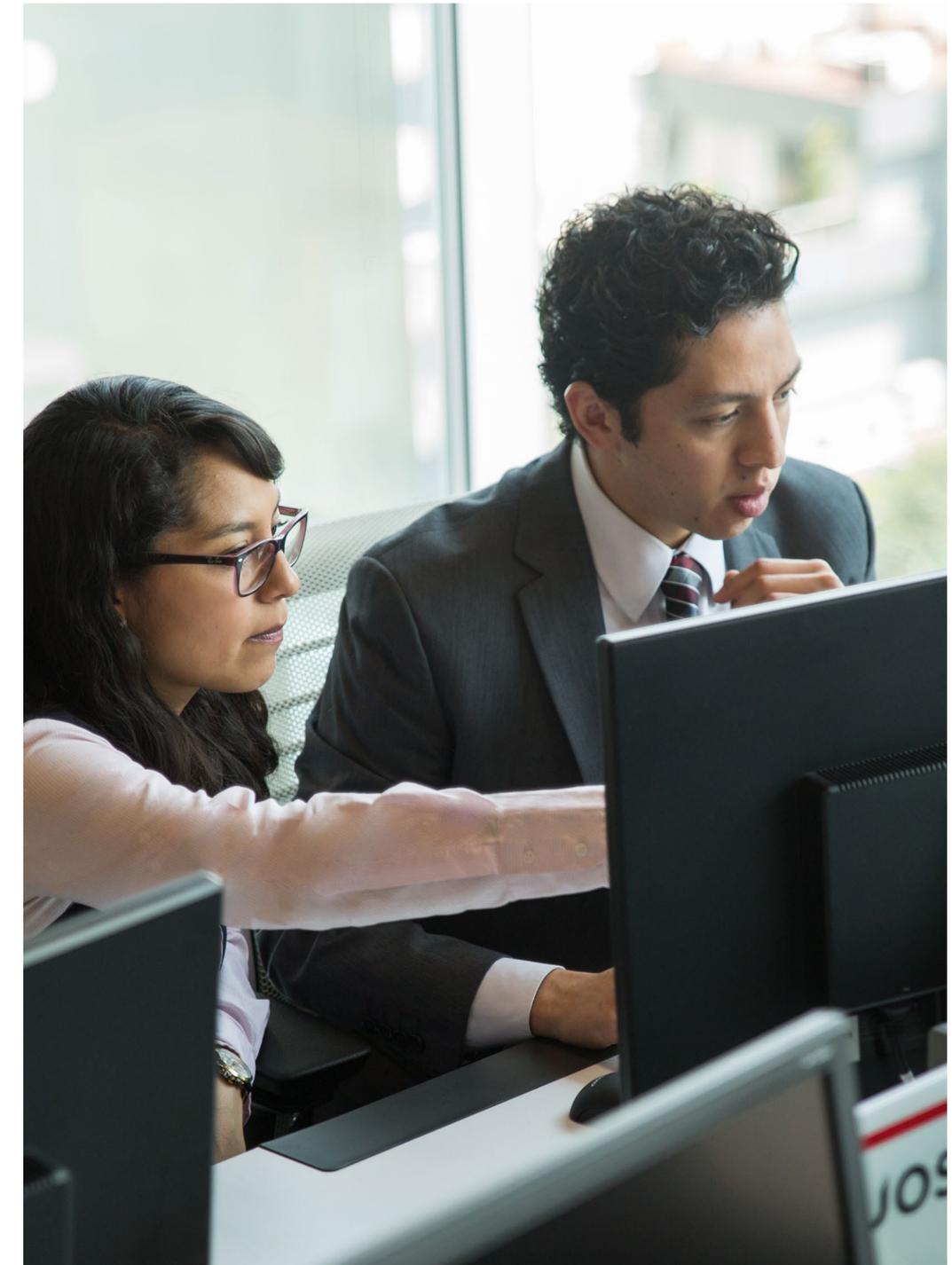
Compliance & Related Training

Given our global nature, we take a comprehensive approach to compliance and strictly adhere to all applicable regulations. We require annual training for our employees to ensure that we remain compliant with the most up-to-date standards. Each year, every employee goes through a one-hour Code of Business Conduct training course and more than 10 hours of mandatory compliance-related training, based on role. In 2023, 100 percent of our employees completed the required trainings, globally, which include:

- Anti-Corruption
- Code of Business Conduct
- Competition and Antitrust
- Confidential Information and Computer Security
- Cybersecurity Level II
- Data Privacy and Protection
- Internal Controls
- International Traffic in Arms Regulations (ITAR)
- U.S. Sanctions and Export Controls Awareness

We also provide a voluntary Sustainability course to educate employees on company efforts. The course shares messages from senior leadership that focus on our sustainability programs.

Given our global nature, we take a comprehensive approach to compliance and strictly adhere to all applicable regulations.





Indices

Voluntary Reporting Frameworks: When applying voluntary frameworks to our non-asset business model, we focus on what we can control. For example, we include our Scope 1 and 2 GHG emissions from our office locations and freight consolidation warehouses but exclude metrics that

do not apply to our business model such as those tied to emissions from airplanes, ships or trucks, which we do not own or operate. Set forth below are the relevant sections of SASB and TCFD.



SASB Disclosures

Marine Transportation (2018) & Air Freight & Logistics (2018)

SASB CODE	Accounting Metric (abbreviated)	Response
GREENHOUSE GAS EMISSIONS		
TR-AF-110a.1 TR-MT-110a.1	Gross global Scope 1 emissions	2023: 9,457.50 metric tons CO ₂ e
TR-AF-110a.2 TR-MT-110a.2	Discussion of long-term and short term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	See pages 13 & 15
TR-MT-110a.3	(1) Total energy consumed, (2) % fuel oil, (3) % renewable	(1) 580,118.40 GJ (2) Not applicable (3) Not determined
EMPLOYEE HEALTH & SAFETY		
TR-MT-320a.1	Lost time incident rate (LTIR)	2023: 0.41 Target: 0.75
TR-AF-320a.1	(1) Total recordable incident rate (TRIR), and (2) fatality rate for (a) direct employees and (b) contract employees	2023: (1) TRIR: 0.67 (direct employees: 0.51; contract employees: 1.57) Target: 0.75 (2) Fatality Rate: 0.0



Task Force on Climate-Related Financial Disclosures (TCFD)

QUESTION	RESPONSE
GOVERNANCE: Disclose the organization’s governance around climate-related risks and opportunities.	
1 Describe the board’s oversight of climate-related risks and opportunities. See page 36.	See page 36.
2 Describe management’s role in assessing and managing climate-related risks and opportunities.	For further details on our environmental management see page 11 and for broader sustainability/ESG oversight, which includes climate, see page 36.
STRATEGY: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning where such information is material	
3 Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	See page 14.
4 Describe the impact of climate-related risks and opportunities on the organization’s business, strategy, and financial planning.	
5 Describe the resilience of the organization’s strategy, taking into consideration different climaterelated scenarios, including a 2°C or lower scenario.	
RISK MANAGEMENT: Disclose how the organization identifies, assesses, and manages climate-related risks.	
6 Describe the organization’s processes for identifying and assessing climate-related risks.	We identify, assess and manage climate-related risks through our ESG Committee in conjunction with certain of our enterprise risks, which are reviewed as part of our Enterprise Risk Management framework. Board committees share specific responsibilities for overseeing various aspects of our sustainability program as part of this framework. We utilize our Business Continuity Plan and Enterprise Risk Management Framework around Catastrophic Risks to identify and assess potential disruptions, including climate-related risks. See pages 36 & 40 for further details.
7 Describe the organization’s processes for managing climate-related risks.	



Task Force on Climate-Related Financial Disclosures (TCFD) (Continued)

METRICS AND TARGETS: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

<p>9 Disclose the metrics used by the organization to assess climate-related risks and opportunities</p>	<p>See page 14.</p>
<p>10 Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p>We operate under a non-asset model and do not own airplanes, ships, or trucks. Based on our current assessment of climate-related risks and opportunities, Expeditors does not have climate-related metrics that are material from a financial perspective. Our Scope 3 Category 6 emissions (business travel) for 2023 was 1,820.01 CO₂e. Please see page 13 for all our other energy and emissions metrics.</p>
<p>11 Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>See page 13 for information on our targets.</p>



Disclaimer on Forward-Looking Statements:

Certain statements contained in this report are “forward-looking statements,” based on management’s views with respect to future events and underlying assumptions that involve risks and uncertainties. These forward-looking statements include statements regarding our sustainability goals and plans, including our plans to reduce our GHG emissions in line with our Scope 1 & 2 GHG emissions targets; our plans to disclose additional data regarding waste, water consumption, energy usage, and emissions; the future risks and opportunities to our business related to climate change, including potential short, medium and long term financial, operational, and reputational impacts; planned further investments in our sustainability strategy, program, systems and goals; potential advancements in technology; our ability to help our customers accurately calculate and model the carbon footprint of their supply chains; and our ability to help our service providers transition to more fuel-efficient fleets. Forward-looking statements involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such statements. We presently consider the following to be among the important factors that can cause actual results to differ materially from the company’s expectations: costs of compliance with existing and future environmental, social or governance requirements, including those related to climate change; our ability to leverage the strength of our carrier relationships to secure space; the strength of our non-asset-based operating model; our ability to remain a strong, healthy, unified and resilient organization where people want to work; our ability to purchase or lease sufficient cost-effective electric forklifts to reduce our Scope 1 emissions; our ability to identify cost-effective sources of renewable energy to reduce our Scope 2 emissions; and any change in our targets and programs as our sustainability programs evolve. These and other factors are discussed in the Company’s regulatory filings with the Securities and Exchange Commission, including those in “Item 1A. Risk Factors” of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2023. The forward-looking statements contained in this report speak only as of the date of publication of this report, which is March 26, 2024 and the Company does not assume any obligation to update them except as required by law.

