



Environmental Stewardship

The “three pillars” of sustainability are commonly cited as “people, planet, and profit”. At Expeditors, our three pillars of sustainability closely mirror this original idea, with a focus on the earth we live on (environmental stewardship), society as whole (social responsibility), and the people who are the essence of our company (health & safety). The pursuit of sustainable business practices is essential to achieving our mission of excellence in global logistics. Information on our three pillars of sustainability can be found at <http://www.expeditors.com/Sustainability.asp>.

Beyond Compliance, Toward Efficiency

At Expeditors, we work with our customers, service providers and employees to demonstrate a measurable commitment to environmental sustainability. We go beyond compliance to lead and create new opportunities to reduce pollution, while saving money. As a non-asset owning logistics provider, we are not tied to aging fleets. We have the freedom to move your freight on cleaner vessels and in cleaner ways, based on data we provide you to make informed decisions.

We communicate this environmental commitment to our employees through a formal policy in our Employee Code of Business Conduct, which can be found at <http://www.investor.expeditors.com/CBC.asp#environment>. We offer environmental training and voluntary participation in Global or Branch Green Teams. Currently, there are over 600 employees participating in these Green Teams.

Expeditors' Footprint

As a non-asset owning logistics provider, our primary source of greenhouse gas emissions is electricity in our offices and warehouses. We have been measuring and working to reduce our carbon footprint since 2009 and have reported our greenhouse gas numbers, reduction projects, and goals to the Carbon Disclosure Project for 2009, 2010, and 2011. We implemented an internal certification process for our Branch Green Teams to reduce energy. This program has helped us grow our energy usage at a lower rate than our revenue and employee growth. In addition to this global program, we target the top twenty offices that use the most energy, and then work with them to reduce their energy levels. In 2012, we set a target to reduce our CO2 per square meter by 5% over three years with 2011 as our base year.

Working with Service Providers

We don't have control over how quickly our service providers modernize their fleets, but we do have influence. We partnered with the US EPA SmartWay program in 2008 and quickly earned “Outstanding Performer” status due to our ability to promote the program to existing and new trucking service providers. In 2010 our participation in the SmartWay helped save an estimated 225,000 metric tons of CO2 in the US.

Expeditors' Global Green Team actively researches potential partnerships with service providers and other groups to help us make a bigger impact. We are members of the Coalition for Responsible Transport.

We use environmental criteria to score all new service providers to understand where they are in their environmental efforts and to help us make decisions regarding which service providers to select.

Working with Customers

We have partnered with several customers in the last two years to measure and recommend ways to reduce their transportation carbon footprint. A lot of money has been saved due to these recommendations. We meet with these customers on a quarterly basis to review their carbon footprint and spend and then take action on that data. We also offer customers online tools for estimating their transportation footprint.

There are many ways to reduce a transportation footprint, ranging from modal shifts like truck to rail, to slowing down the supply chain, to consolidation of freight in order to utilize containers effectively. In almost every case, where less fuel is burned, there is less carbon footprint and less cost. We have years of expertise in helping our customers find solutions that work for them, and sophisticated systems to provide data for making informed decisions. View a sample Carbon Emission Report at <http://www.expeditors.com/forms-downloads/pdf/CO2-Calculation-Methodology.pdf>.

You'd be surprised how far we'll go for you.®