



Sustainability Report

2022

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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



Jeff Musser, President
and Chief Executive Officer

At Expeditors, we take sustainability seriously and 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 set greenhouse gas ("GHG") emissions reductions targets and continued to take care of our people and our service providers as the severe operating conditions in global supply chains began to recover to pre-pandemic levels toward the end of the year.

- **Emissions Reduction Targets** – For the first time, we set enterprise-wide Scope 1 & 2 GHG emissions reduction targets for our operations. Further details regarding our targets and timelines are included on page 14 of the Environment section below.
- **Service Provider Appreciation** – Once again, we made special efforts this year to recognize and appreciate our trucking, airline, and ocean carrier partners for their hard work in the face of what at times felt like impossible circumstances.
- **Protecting Our People** – We continued to protect our people with the safety protocols in our phased approach to COVID-19 response, while complying with widely varying rules from local health officials in different countries, such as the lockdowns in China.

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 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.

- **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 successfully closed our first Sustainable Aviation Fuel ("SAF") arrangement for one of our customers. 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 16.

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.

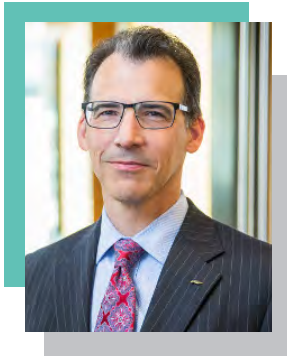
I want to thank our entire team for their tireless efforts around sustainability in 2022 as we continued to persevere through unprecedented supply chain capacity constraints that created challenging conditions in which to service our customers at the operational level. By investing in sustainability, 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 ESG Executive Sponsor



Todd Brown, Vice President,
Associate General Counsel,
ESG 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 U.S. Environmental Protection Agency's SmartWay program based on average performance rankings among 742 logistics companies.¹
- In 2022, we obtained a "low risk" ESG rating from Sustainalytics/Morningstar, ranking in the top 7% of firms in our industry group.²

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

Reflecting on 2022, we made significant investments in the structure of our Environmental Sustainability program as further detailed below, and we refined and focused our ESG priorities based on insights gleaned from a formal ESG materiality assessment. 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 six 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.

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 districts to **get involved locally** through giving and volunteer activities
- **Organize Safety Teams** in every district to make sure we continue to protect our people

¹ The EPA SmartWay program reports performance rankings across six emissions categories: CO₂ grams per mile, NOx grams per mile, Particulate Matter ("PM") grams per mile, CO₂ grams per ton-mile, NOx grams per ton-mile, and PM grams per ton-mile. 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 #26 out of 392 firms in the Transportation industry group, as of September 2022.

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

(Continued - A Letter from Our ESG Executive Sponsor)

KEY DEVELOPMENTS AND INITIATIVES

On the environmental front, we made additional strides both to manage our own GHG emissions and to help our customers eliminate waste and pursue their own supply chain transformation strategies. These efforts culminated in several key actions:

- We hired a **new Director – Environmental Sustainability** – a new role for our organization.
- We **completed a formal ESG materiality assessment** for the first time.
- We **set our own Scope 1 & 2 GHG emissions targets** as further outlined on page 14 of the Environment 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 by 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”) is expected to issue new rules to enhance and standardize climate-related disclosure requirements soon, and the newly-formed International Sustainability Standards Board (“ISSB”) has stated that it will issue the first ISSB Standards in June of 2023, which will replace the Sustainability Accounting Standards Board (“SASB”) Standards starting in 2024.

For the purposes of this year’s report, while we wait for the ESG disclosure frameworks to further coalesce, 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 ESG 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
ESG Executive Sponsor

2022 Highlights

Environmental Data

ENERGY



115.398 GWh
energy usage



SCOPE 1 EMISSIONS
9,742.91
metric tons CO2e

SCOPE 2 EMISSIONS
45,774.40
metric tons CO2e

SCOPE 3 EMISSIONS
1,139.36
metric tons CO2e

WASTE



2,500+
total trees saved since
starting tracking

Social Data



61 hours
of training per employee



30
management
trainees
graduated



12%
increase in total employee
contributions to Corporate
Matching Gift Campaign



24
offices provided skill
training or financial
contribution through
Opportunity Knocks Youth
program

Safety Data



0.42
Recordable Incident Rate



0.45
Days Away Restricted or
Transferred (DART) Rate



0.33
Lost Time Incident Rate



0
Fatalities

Governance Data



33%*
Women on
the Board



100%
employees completed
required compliance
trainings

*As of the date of publication of this report.

About



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.

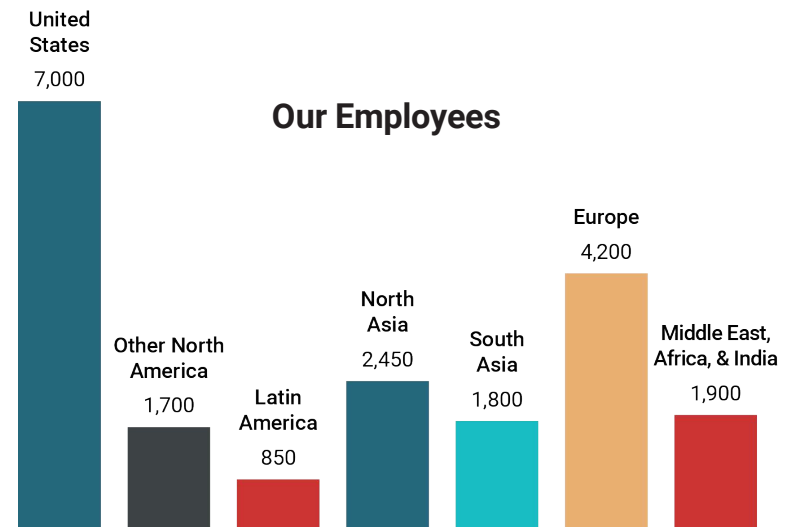
Expeditors uses a non-asset business model to perform this important supply chain optimization role, meaning that we do not own or operate any airplanes, ships, or trucks.

For more information on our services and performance, please review our [2022 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, 2022, we employed approximately 19,900 people worldwide.



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.

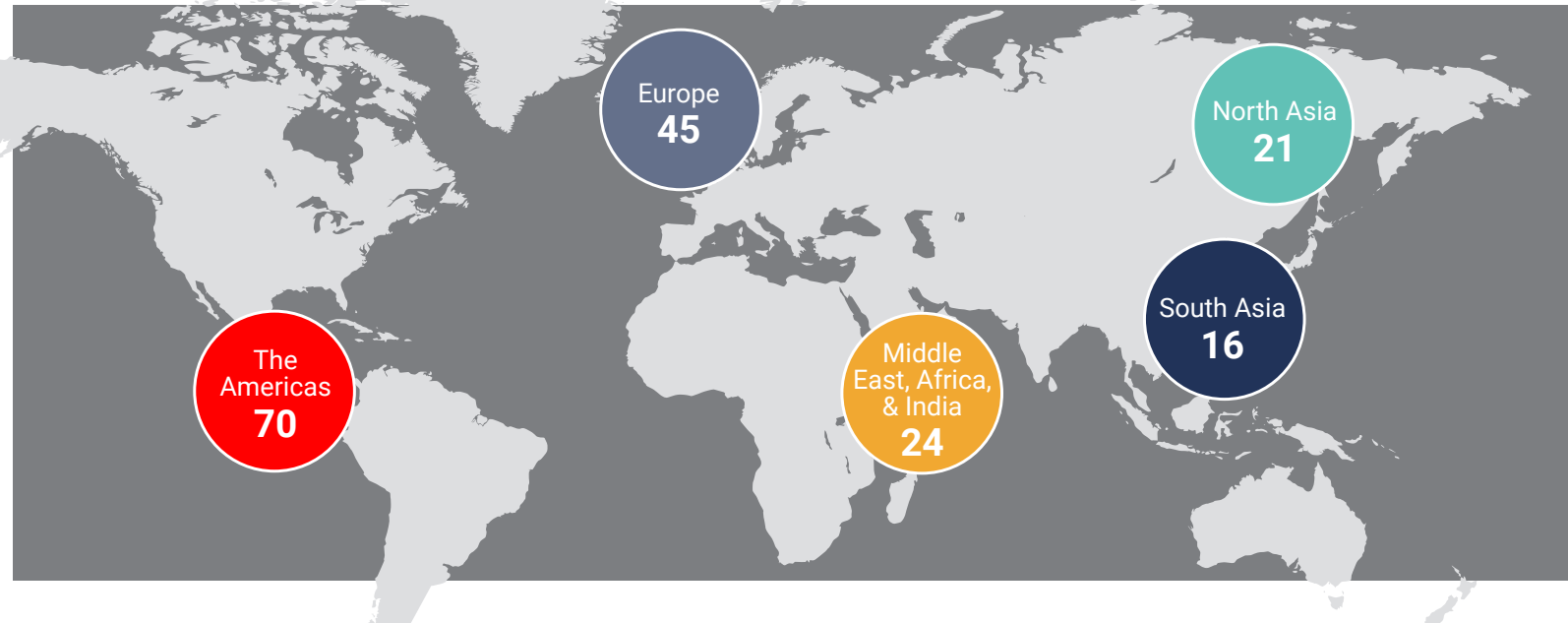
Culture

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.

Visionary

We believe in doing more than what may be asked—to lead with insight and vision that manage the evolving needs of our clients and our company.

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.

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:

Environment

Social

Governance

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](#).



¹Business Roundtable "Statement on the Purpose of a Corporation".

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.



Sustainable Air Freight Alliance



Environment



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 Services 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 & 2 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. Beyond our EMS, several of our locations are ISO 14001-certified, including two locations in the United States, one each in 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.

In 2022, we hired a Director of Environmental Sustainability to drive strategy and provide additional oversight. Supporting that new role, our Manager of Environmental Sustainability focuses on education and implementation. Our Regional Environmental Leaders, in all five global geographies, are eyes and ears in the field monitoring progress and identifying opportunities. We recalibrated our District Green Teams to not only encompass existing local projects but to also take an increased regulatory monitoring role and present commercial opportunities to customers.

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. In 2022 we saw a much greater ask in relation to environmentally sustainable logistics. Green logistics opportunities focus around four key areas: avoidance, reduction, insetting and offsetting GHG footprints. 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 Global Logistics Emissions Council (GLEC) Framework and EcoTransIT software tool. 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 that planning and collaboration took place in Amsterdam and Bangkok where they have sourced multiple electric trucks to provide pick up 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 Working Group and BSR's Sustainable Air Freight Alliance, which work to collaboratively bring together carriers, shippers, and forwarders to reduce freight transportation's environmental impact.

Total Value Approach

Balancing all TVP criteria in our non-asset model is key to service provider selection. Environmental Sustainability is no different and it 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.

We have direct opportunities to reduce energy consumption and emissions at Expeditors' offices and warehouses and indirect opportunities through our relationships with customers and service providers. We provide supply chain transparency that enables our customers to make informed decisions about their service providers and logistics solutions, including their carbon footprint. We also submit our global climate performance to CDP annually.

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 Footprint

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

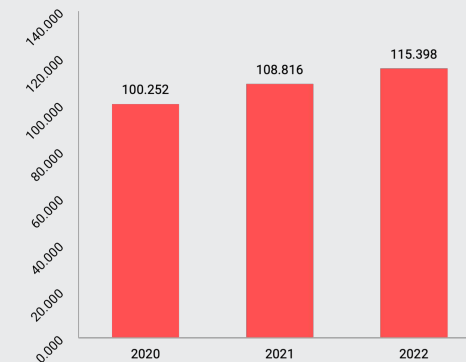
SCOPE 1

Reduce Scope 1 CO₂ 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

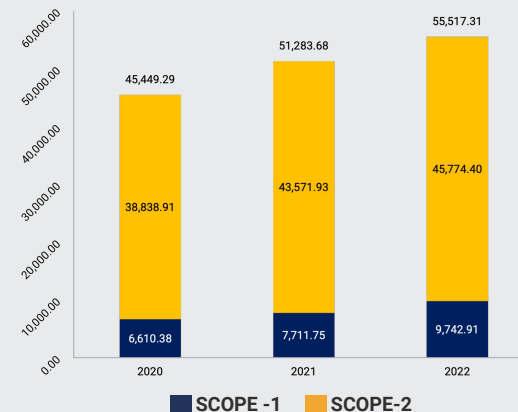
SCOPE 2

Reduce Scope 2 CO₂ emissions per square foot 15% by the end of 2025. ²

GWh Energy Use



Scope 1 & 2 Emissions (METRIC TONS CO₂e) ^{3, 4}



Scope 3 Emissions (METRIC TONS CO₂e) ⁵



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 Scope 2 values for FY2020 and FY2021 were recast due to the retroactive application of the updated US EPA eGRID emissions factors and improved data reconciliation procedures.

⁴ An upturn in business, new facilities, and improved data reconciliation procedures were the primary contributing factors to the increase in Scope 1 and Scope 2 in 2022.

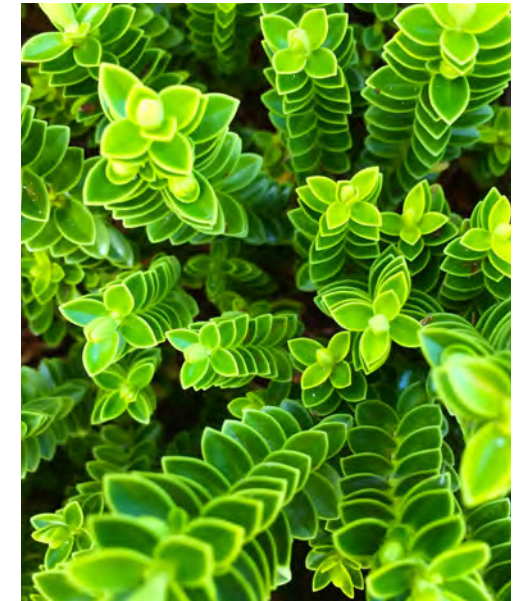
⁵ Scope 3 includes business travel emissions only (excluding Asia, which is not currently measured).

Climate-Related Risks and 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.



Risk/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 travelled 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.

We continue to evolve our reporting reflecting the changing requirements and capabilities in the market. The GLEC framework remains the go to guidance to allow us to measure our customers' transportation related emissions and propose and support emission reduction strategies. Our reporting incorporates EcoTransIT, an EN16258 compliant software tool, widely viewed as the leading logistics emissions tool. The baseline emissions are presented in an interactive dashboard that allows Expeditors and its customers to both analyze and initiate actions that reduce carbon emissions. Once the baseline dashboards are established, initiatives (i.e. mode shift, routing, alternative fuels or vehicles) can be modeled and implemented.

Global Luxury Brand Delivery Optimization

HIGHLIGHT

In 2022 we worked with a luxury fashion brand to implement a sustainable solution for their China domestic market targeting store delivery, transfers and returns without impacting service levels to their customers. Our solution started with accurate GHG reporting to identify the most carbon intense lanes. Lead times were analyzed to determine where mode shifts could be made to secure rail transportation. A command center was set up in Shanghai to control routes and modes in order to optimize assets by eliminating "empty" miles. Electric vehicles were utilized where available. In addition, paper was removed as we digitized the process through document image and mobile technology.

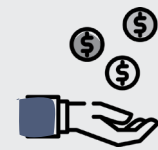
Through the implementation of multiple sustainable logistics initiatives, Expeditors was able to reduce a customer's GHG emissions significantly against a large increase in sales and shipments.



Automated system reporting with analytics including GHG emission reports



Enhanced real time visibility and reliability



45% cost reduction from the non-optimised model

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



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

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. We track water consumption at 112 facilities, and we plan to continue increasing the number of facilities that report this information.

District Initiatives

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

United Kingdom: The London district moved into a new a BREEAM "Excellent" 130,000 sq ft warehouse replacing a less efficient space.

China: Utilized alternative fuel vehicles for local ocean container drayage for specific customers through service provider partners.

The Netherlands: Utilized solar panels on BREEAM certified warehouse roof to power building and electric 40 ton trucks procured for local pick up and deliveries.

Europe: Implemented and maintained an electric vehicle pickup/delivery model for specific customers through service provider partners.

Social



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 jobs 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, and Inclusion (DEI)

Diversity, equity and inclusion (DEI) are fundamental to our vision of unlimited opportunity for our employees. In 2022, 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 **98%** 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

Each web page, including the job openings shown, is tailored to the respective audience with the intention of expanding the diversity of our applicants.

Employee Training & Development

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. In 2021, we began providing LinkedIn Learning to all Expeditors employees and have had over 25,000 course completions in this platform since then. Thanks to the efforts of our employees, the average hours of training in 2022 per employee was 61, taken either through LinkedIn Learning or through our own internal Expeditors training catalog.



25,000 hours
of LinkedIn training
in 2021-2022

61 hours
of total training per
employee on average

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.

In the past two years, we deployed 25 episodes of Career Conversations to our employees. Career Conversations are internal podcast interviews with leaders across our network that aim to encourage relationships, diversity, career opportunities, and our company culture throughout Expeditors. The interviews are 30-minute conversations that give employees the opportunity to get to know Expeditors leadership from diverse voices and backgrounds and learn about their journey, often from entry-level roles to their current positions.

Management Training Program

For over 30 years, our management trainee program has provided employees with the opportunity to spend one year focused on gaining both operational and managerial knowledge of Expeditors business, products and services. Employees are eligible to apply for the program once they have been employed at Expeditors for at least one year.

On average, there are 5-8 programs each year with 8-12 employees per program depending on district capabilities. Over 500 employees have graduated from this program with 30 trainees graduating in 2022.

Many of these graduates currently hold district and regional leadership roles, including several vice presidents.



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.

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 Program Director. 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

48 offices
have hired interns in **7** countries

 **625** 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

2022 STATS Despite the pandemic's continued interruptions of internships and student work-study opportunities:

10 Ten offices reached
years of partnership with
The Cristo Rey Network of Schools

24 offices provided skill training
to apprentices and students,
or financially contributed to
student work-study programs

Our OKY Partner Organizations



The Cristo Rey Network of Schools:
The broadest US high school network for low-income students, serving **98% students of color**.



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

During the 2020-21 school year, Expeditors supplemented remote classroom instruction for 400 students across 15 cities in the Cristo Rey Network of Schools through hosting a guest interview series featuring executive leadership and other subject matter experts from across the company. Guest speakers shared their unique experiences and perspectives as well as expanded on topics familiar to students to help strengthen the connection between classroom instruction and practical application.

Since the expansion to remote outreach, we have impacted more than 800 students in the USA and India through 16 schools and five education or workforce development organizations. The remote outreach impacted these students via:

- Career exploration
- Excel skills training
- Resume tips, interview skills and mock interviews
- Professional dress & appearance coaching
- Guest speaking & student mentoring



DANIEL
Philadelphia, PA since 2012

Daniel began as an intern in 2012 at 16 years old. He went on to college while working at Expeditors, gained a degree, and is now a District Sales Executive. "Expeditors is a great company. As cheesy and cliché as it sounds, it turns into a family. Starting my career under the Opportunity Knocks program as an intern paved the way to build myself up not only as a business professional, but as a person. I am grateful to be in the position that I am today, and it all became possible with Expeditors and the OKY program!"

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.



Veteran Employees Experience with Opportunity Knocks for Veterans

"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 benefit 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, El Paso, TX

"Expeditors is very supportive and understanding of the military community and the "up-and-move" lifestyle that comes along with it. Given the number of locations that Expeditors has both domestically and abroad, there will always be a branch location somewhere near wherever we might end up next; almost as important, with the company's core values there will be a guaranteed strong continuity between locations and a feeling of consistency along the way."

– Kiley Irvin, Seattle, WA



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 – 5 schools, providing 100% free early childhood care and education, are running successfully with 300 students. Blended learning was adopted and digital tablets provided to support learning online since 2020.

School Development – 7 schools adopted to improve infrastructure. In 2022, new school buildings of 4 classrooms were constructed and donated to 3 schools; toilet facilities constructed in 2 schools.

Digital Literacy – 54 schools are now equipped with state-of-the-art computer labs, 12 of which also offer staff support.

Training Center – 750 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 210 students over the age of 14 and is largely funded by Expeditors employees. A recent partnership with CrowdStrike in 2021 provided scholarships to a total of 15 students between 6 and 18 years of age who may have lost one or both parents due to COVID. This support covered tuition fees, books, uniform fees, stationery and travel costs in the form of bus passes for two years.

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.

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. In 2022, **total employee contributions increased 12% over the previous year**, and we were able to support 12% more charitable organizations. At a corporate level, we donate to various charities such as:



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 donations 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.

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.**



AMSTERDAM

In our Amsterdam office, scrap wood leftover from shipments is donated to a local organization focused on providing valuable training and skills to youth. The wood is handcrafted into beautiful fences and planter boxes. In addition to making an impact in the lives of local youth, upcycling these materials has a positive impact on the environment and beautifies the community.

SALT LAKE CITY

A team of employees from our Salt Lake City office used their volunteer day to volunteer with local organization that donates handmade toys to children globally. They spent the day sanding and oiling a fleet of wooden toy cars that are sure to bring smiles to little faces in their community and around the world.

WINDSOR

In December, employees from our Windsor office cooked and served a hearty meal to homeless youth in the area. They also ensured that every person left with a Christmas gift that included a winter hat, scarf, gloves, socks, toiletries, sanitizer and snacks.

SERVICE PROVIDER RECOGNITION

Our valued partners are an essential ingredient to our success, and we are committed to recognizing and celebrating achievement through our **Service Provider Rewards and Recognition Program**. Our top local providers are invited to attend a program where we highlight outstanding performance and show our appreciation for their partnership.



Expeditors offices in Beijing and Tianjin China held a joint virtual award meeting for our valued Service Providers, selecting Beijing XiangAnDa Logistics Limit Co Inc as their Service Provider of the Year. Though the event had to be held online due to the ongoing pandemic, our people were glad to still be able to express their appreciation to a great partner and recognize them for their excellent contributions in 2022.

SERVICE PROVIDER APPRECIATION

We have a tradition of showing appreciation to our truck carriers during the 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.



London celebrated more than 100 drivers on Appreciation Day, providing each with thank you cards, food from a local bakery, and a thermal mug to keep their tea or coffee hot on the road. All of our drivers work hard every day to take care of our customers and we appreciate them going the extra mile!

This year Ankara did something different. Knowing our Service Providers share our values, they would also want to give back to our local community. We provided them with gifts from a local association which helps women to thrive in business and benefits the Leukemia Children's Foundation. They felt it was a great way to show our appreciation and also benefit others in a meaningful way.



Security, Health & Safety

Prioritizing security, health and safety is key to Expeditors' success. Hear more about security, health and safety at Expeditors from our Senior Manager of Environment, Health and Safety [here](#).

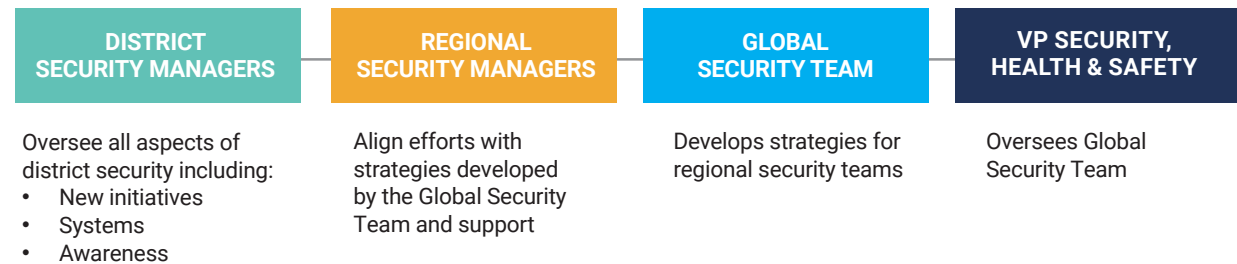
Security

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.

Security Management Structure at Expeditors



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
- Information Security
- Communication Protocols
- Container Security and Seals
- Security Awareness Training
- Incident Reporting and Analysis
- Measurements, Audits, and Follow-up

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.

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 candidate'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, rules, and regulations to support our customers' logistics needs.

Government-Industry Partnerships to Bolster Supply Chain Security

Expeditors actively participates in many 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 security gaps 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 2019 at a tier 2 level, the highest level of certification available to Expeditors. During the pandemic, we transitioned to virtual audits where necessary to keep our employees safe and ensured that we remained in line with CTPAT best practices. Despite the challenges we experienced due to the pandemic, we continued 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.
- 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 multi-billion-dollar problem of cargo theft from supply chains.

Expeditors' representatives participate in key security associations such as:

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.

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, review, 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 specific hazards associated with their business activities. The Safety 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 2022, Expeditors completed a total of 440 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

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 19,000 employees completed this course in 2022. 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 Training course for forklift operators.

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

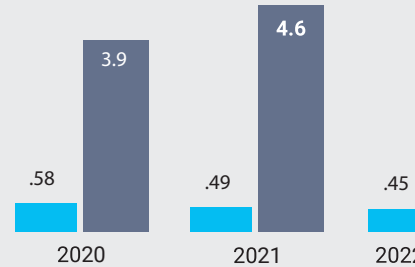
In 2022, Expeditors employees and contingent labor completed 57,210 safety specific trainings that accounted for a total of 47,245 hours of training.

In 2021, we successfully implemented a new certification program for all Safety 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.

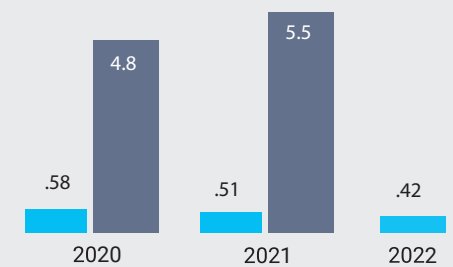
Safety Metrics

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 six years.

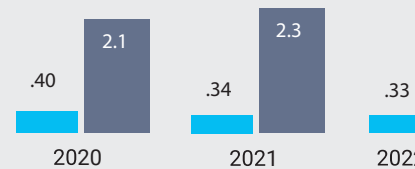
DART RATE



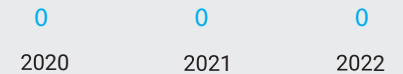
TOTAL CASE INCIDENT RATE



LOST TIME INCIDENT RATE



EMPLOYEE FATALITIES



Expeditors' Performance Industry Average*

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, 2022 industry averages are not available for this report.*

The logo features a stylized, metallic-looking arrow pointing upwards and to the right, positioned above the word "Expeditors".

Expeditors®

G L O B A L
H E A D Q U A R T E R S

Governance

Building value over the long term for ourselves, our stakeholders, our customers, and our employees 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). The NCGC is responsible for overseeing our sustainability program and meets quarterly. Its 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.

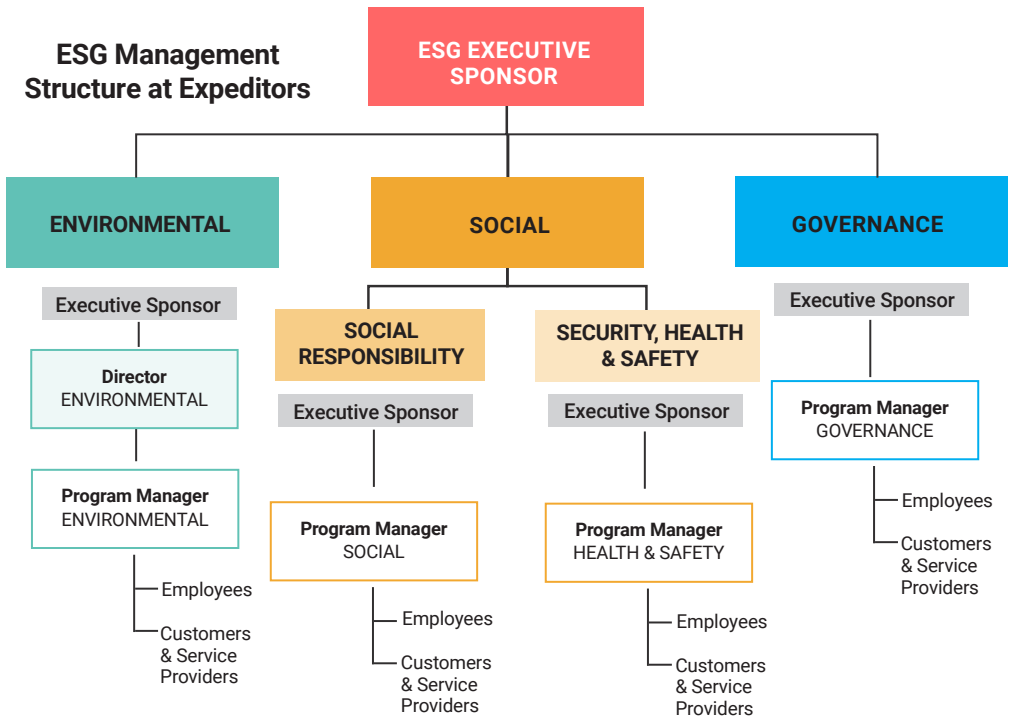
Oversight responsibilities for certain areas of risk are assigned to the Board's three standing committees and others are assigned to the full Board. The Board and its committees regularly discuss with management the Company's strategies, operations, compliance, policies, cybersecurity and inherent associated 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.



Code of Business Conduct and Policy Handbook

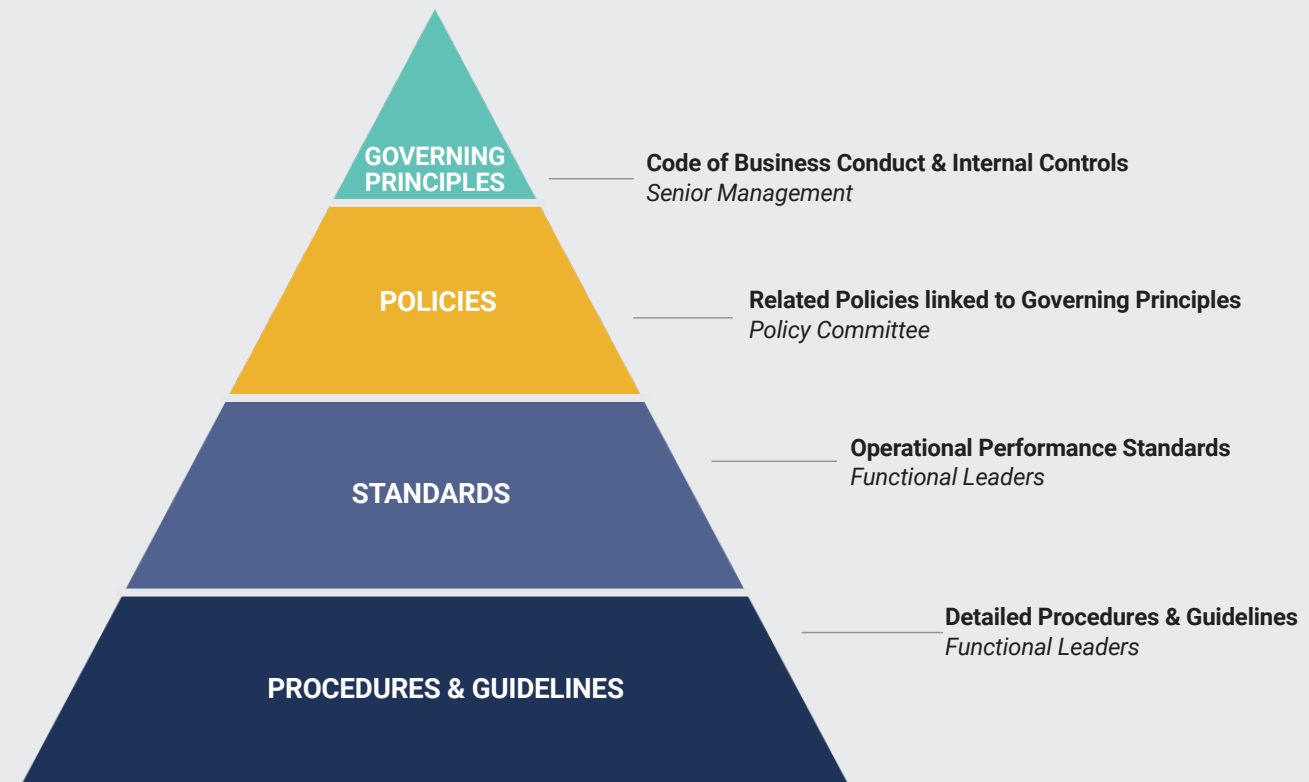
Our **Code of Business Conduct** (Code) is an important reference that guides employees on how to do business the right way. It covers a range of compliance and ethics topics including anti-corruption, conflicts of interest, community activities and political contributions, privacy and data protection, 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.

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 and 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.

Cybersecurity and 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 and 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.



1 Lawful, fair and transparent

2 Purpose limitation

3 Data minimization

4 Data accuracy

5 Data retention

6 Security and confidentiality

The Six Privacy Principles

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

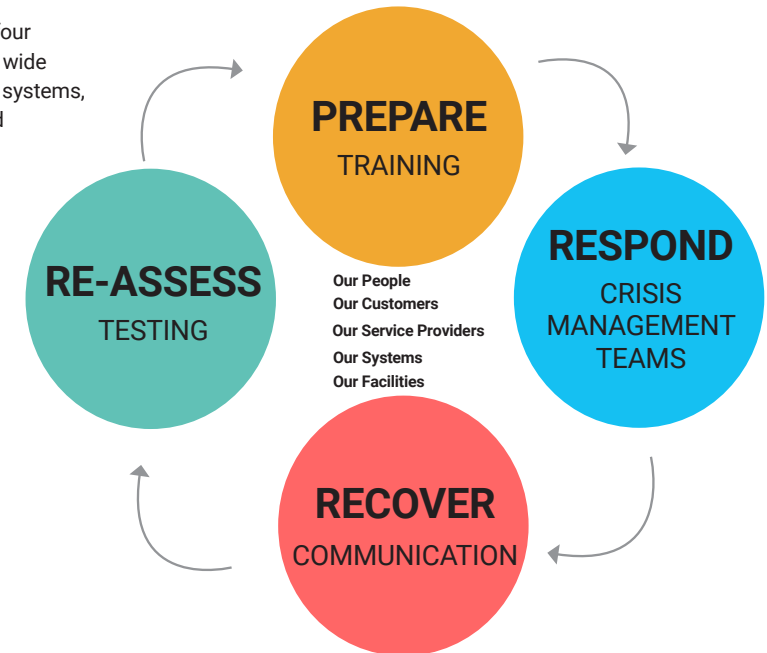
Our Flexible Framework Adapts to All Types of Events

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.

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 chose 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 2022, 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.



Indices



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 to the right and 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 (metric tons CO ₂ e)	2022: 9742.91 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 12 & 14
TR-MT-110a.3	(1) Total energy consumed, (2) % fuel oil, (3) % renewable	(1) 605,296 GJ (2) Not applicable (3) Not determined
EMPLOYEE HEALTH AND SAFETY		
TR-MT-320a.1	Lost time incident rate (LTIR)	2022: 0.33 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	2022: (1) TRIR: 0.42 (direct employees: 0.29; contract employees: 1.18) 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 30 .
2 Describe management's role in assessing and managing climate-related risks and opportunities.	For further details on our environmental management see page 12 and for broader sustainability/ESG oversight, which includes climate, see page 30 .
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 15 .
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 climate-related scenarios, including a 2°C or lower scenario.	

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) (CONT'D)

Question	Response
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 that is overseen by our Nominating and Corporate Governance Committee. 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 30 & 34 for further details.
7 Describe the organization's processes for managing climate-related risks.	
8 Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
METRICS AND TARGETS: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
9 Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	See page 14 .
10 Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	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. Please see page 14 for our energy and emissions metrics.
11 Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	See page 14 for information on our targets.

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 ESG 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 ESG 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, 2022. The forward-looking statements contained in this report speak only as of the date of publication of this report, which is March 21, 2023 and the Company does not assume any obligation to update them except as required by law.



Sustainability Report

2022