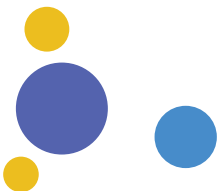


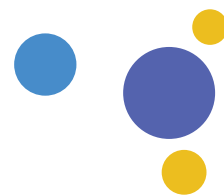


THE VALUES THAT DRIVE US FURTHER

2023 | CORPORATE SOCIAL
RESPONSIBILITY
REPORT

morgan





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The Pillars of Morgan Culture

The four pillars of Morgan's culture express our commitment and guide our decisions and actions. We believe in:

Investing In Relationships: For corporate social responsibility (CSR), this means advocating for inclusion and opportunity for our employees and our supply chain partners and vendors.

Finding A Better Way: We make the world better and more sustainable when we invent ways to do more with fewer resources. When we succeed, more people have access to the goods and services that empower their lives.

Defining Our Own Destiny: At Morgan, we look for the right thing to do and then find a way to do it.

Excellence Every Day: All the other qualities of our culture also can be summed up in these three words. From the efforts of our founders on Morgan's very first day to those of our team members around the world today, we demand the best of ourselves. We also demand it from our colleagues, suppliers, customers and communities.

Our Corporate Social Responsibility Vision

We're driving towards a better future.

Across Morgan and all over the world, we are deepening our commitments to be a force for a more prosperous, sustainable and inclusive world. We realize that every source of change and empowerment starts with a supply chain. When we strengthen those systems, we build pathways to individual and societal progress.

Since its founding, Morgan has built its business through transformation. Where others accept the status quo or settle for incremental change, we see opportunities for reinvention. There is so much ahead for us to do: improving stewardship of resources; championing diversity in our workforce, our partners and our community; and designing the systems that widen access to products and services. But with every milestone along our journey, Morgan will keep driving ahead.

From The CEO: A Commitment That Endures



At Morgan, we think carefully about our commitments and actions. When we make them, it's because they align with our core values and benefit our customers, our employees and our business.

That's the simple truth behind Morgan's corporate social responsibility (CSR) pledge, a promise that we first made two decades ago. We focus on improving supply chain efficiency, creating better margins for our customers and being better stewards of our planet's resources.

Morgan's business is transforming supply chains. A big part of that is redesigning transportation networks: We consolidate shipments, shift modes from air to ground or ocean and increase visibility with real-time control towers. It turns out that all these strategies reduce carbon use along with saving money and getting goods to customers on time and reliably.

That approach has helped us attract and retain some of the world's most admired manufacturers as clients, including two Gartner "Top Supply Chain" enterprises and three Forbes "Global 2000" top 50 technology companies.

These clients appreciate that we seek out suppliers and employees with different backgrounds and viewpoints. That diversity improves our ability to

be innovative and agile and leads to resilient solutions for our customers.

Of course, there are also the intangible satisfactions. We have mentored other minority businesses and watched as Morgan team members from historically excluded backgrounds thrive in their careers.

Each year, we reprint Morgan's vision for corporate social responsibility and the pillars of Morgan culture. You can read those below. They are the enduring expression of my values and those I expect from every member of our global organization.

While we are proud of what we have achieved, we know there will always be more work ahead. We will always be driving towards a better future.

David W. Morgan
Founder & CEO
DW Morgan Company



A Morgan Profile: Custom Tailored Efficiency And Responsibility

“Morgan’s suite of supply chain control tower services leverage technology and expertise, so that all supply chain constituents can coordinate actions efficiently and without waste.”

Morgan transforms supply chain efficiency by creating custom supply chain networks for its manufacturing clients, some of the world’s largest and most complex supply chains. In 2024, that included two of Gartner’s Top 10-rated manufacturing supply chains and three Forbes “Global 2000” top 50 technology companies.

When we succeed, our customers experience lower costs, improved product availability, enhanced customer satisfaction and better coordination between supply chain partners.

While these outcomes drive business value, our competency at creating custom infrastructure and solutions also leads to social gains. Some of the notable CSR values of Morgan custom supply chain networks are:

- **Increased utilization and productivity.** According to data from the World Economic Forum, an estimated 43% of trucking capacity is wasted by vehicles driving with less-than-full loads—even sometimes completely empty. Better data and analytics enable us to identify routes where it’s possible to create regular, dedicated truckloads for our customers. That results in fewer carbon emissions per kilo of freight moved.

- **Improved supply chain orchestration.** When suppliers’ actions aren’t coordinated in complex supply chains, the result is lots of waste: goods left waiting during transit, “safety stock” buffers sitting idle on warehouse shelves, extra shipments, component materials left unused, inventory unsold. Morgan networks get the right goods to the right places at just the right time—with dramatically less waste in materials, transportation and effort. The company’s custom tailored control tower service brings technology and human expertise together to ensure maximum efficiency for clients’ global transportation.

- **Less carbon-intensive modes of transit.** Many expedited shipments result from lack of coordination between suppliers and poor alignment

between groups inside the enterprise. Better data and custom approaches enable Morgan to shift cargo to dramatically less carbon-intensive transportation modes. Moving goods by truck instead of train can reduce carbon emission by three to six times, and ocean transit can be 10 to 50 less CO2 emission compared to air according to research by the UK’s Department for Environment, Food and Rural Affairs.





▪ **Smarter decisions through innovative financial models.** Morgan provides a variety of inventory management solutions. The company pioneered the use of third-party inventory ownership, which can help to create short-term buffers of goods. When financial pressure and payment terms aren't an issue, Morgan clients are able to optimize transportation and inventory levels. They're also able to minimize environmental impact. More recently, Morgan partnered with Taulia, the supply chain fintech leader, to broaden its portfolio of inventory finance solutions.

▪ **Use of technology to gather better insights and take more efficient actions.** Morgan's proprietary ChronosCloud® technology enables all partners in a supply chain to share and coordinate end-to-end information. Our custom-tailored control tower solutions leverage that technology, together with expert human management, to drive visibility, efficiency and continuous improvement.

Morgan Certifications

Attaining third-party certifications for quality, security, sustainability and commitment to diversity are an important part of how Morgan pursues excellence every day.

Here are highlights of our current affiliations and accreditations.

International Air Transport Association (IATA)
Member

U.S. Customs and Border Protection Customs-Trade Partnership Against Terrorism (C-TPAT)
Member

U.S. Environmental Protection Agency SmartWay
Certified Transport Partner

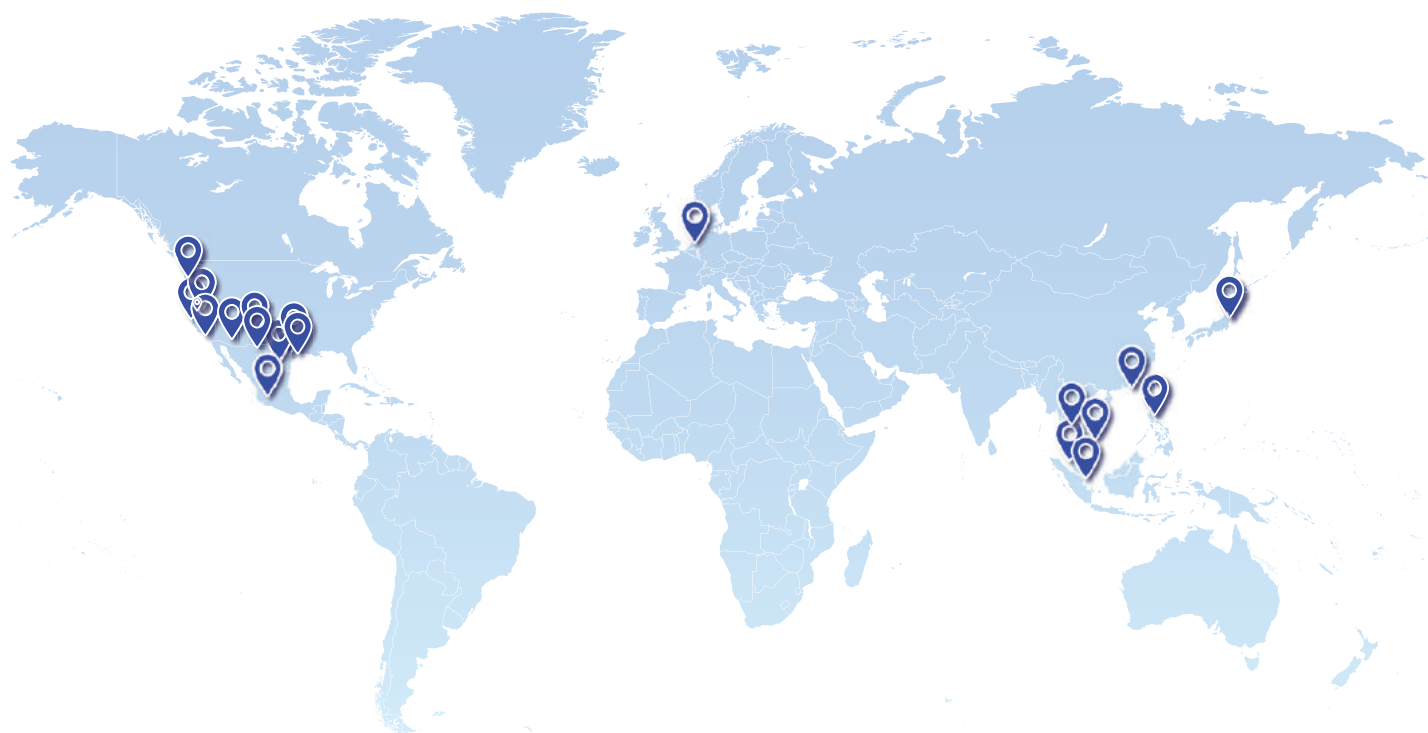
Transporte Limpio
(Mexico's clean transportation program)
Member

International Organization for Standards
Certified operations under ISO 9001: 2015 standard

Transported Assets Protection Association (TAPA)
Certified member

National Minority Supplier Diversity Council (NMSDC) Certified CorporatePlus™ member

Women's Business Enterprise National Council (WeBENC)
Corporate member



Americas

Portland, Ore. USA
San Jose, Calif. USA*
Sacramento, Calif. USA
Los Angeles, Calif. USA
Phoenix, Ariz. USA
Albuquerque, New Mex. USA
El Paso, Tex. USA
Austin, Tex. USA
Houston, Tex. USA
Dallas, Tex. USA*
Nuevo Laredo, Tamaulipas, MEX
Guadalajara, Jalisco, MEX

Asia Pacific

Tokyo, JAPAN*
Hong Kong, CHINA
Manila, PHILIPPINES†
Laem Chabang, THAILAND
Penang, MALAYSIA
Singapore, SINGAPORE*

Europe

Amsterdam, NETHERLANDS

Corporate Offices

Carson City, Nev. USA

Global Capabilities

Morgan also leverages the more than 5,000 locations of the World Cargo Alliance to establish its own additional operations when requirements dictate.



* Inventory On Demand Distribution Location
† APAC Regional Headquarters



Culture That Drives Our Actions

Opposite page: Morgan team member Jose Chavoya collects material for an e-waste drive.

“The four pillars of Morgan culture guide our every decision and action as they align our company with CSR values.”

A Lasting Commitment to Social Responsibility

Morgan recognizes its responsibility to make a positive contribution to the industry it serves and the communities where it operates. The company is committed to integrating social, human, environmental and economic initiatives into its everyday activities.

As part of this process, management has defined the company's sustainability vision, values, and objectives. Defining these critical components of sustainability not only provides guidance as the company moves forward, but it also makes public Morgan's views on what the organization values.

D.W. Morgan has partnered with CRG Sustainable Solutions, a sustainability consulting firm, to develop and implement a sustainability strategy. In 2014, Morgan and CRG conducted a comprehensive sustainability audit, which was updated in a subsequent re-audit in 2020. The objective of the audit was to recognize areas of sustainability strength, while also identifying opportunity areas where new initiatives could improve sustainability performance. Once this activity was completed, we worked together to create an aggressive strategy and a path forward. Much of this work and the resulting strategy can be found in this document.

Morgan's Sustainability Vision

Morgan is committed to driving efficiency throughout our customers' supply chain networks. We promise to leverage next-generation technologies with our decades of knowledge and experience to store, move, and deliver products people need. Most importantly, we will operate in a socially responsible way while reducing environmental impact and enabling our partners to do the same.

Sustainability Culture

Renowned business consultant, Peter Drucker, once remarked that “culture eats strategy for breakfast.” While Morgan agrees that culture is paramount for success, we would argue that

culture is actually a strategy. While various services and elements of our business have changed over three decades, the values that founded our company still form the heart of our offering. And, even though today's Corporate Social Responsibility (CSR) metrics didn't cross our minds as a startup, the values that define ESG align with our goal to create sustainable value for our company, our employees, our customers, and the communities in which we work.

In 2019, Morgan formalized its statement of culture into four “pillars.” These guide our every decision and action as they align our company with CSR values.





Investing In Relationships

Morgan commits to its customers for the long haul. Our longest-term client spans nearly the entire life of our company, and other major clients have relied on Morgan for more than two decades. That's not a coincidence. We take the time to know our customers, making sure that we understand their businesses and challenges.

Investing in relationships also applies to how we treat our suppliers and our employees. Morgan has a long-term commitment to workforce and supplier diversity. The company has been certified as a Minority Business Enterprise by the National Minority Supplier Diversity Council (NMSDC) for about 20 years. Morgan earned the additional Corporate Plus status in 2006, recognizing its ability to execute global-scale assignments for large enterprise customers.

Morgan has located operations in opportunity zones and sought to employ a wide range of diverse employees: 74% of Morgan's U.S. workforce is ethnically diverse and 35% of our female team holds management positions.

In 2023, "investing in relationships" has meant working to deepen our ties to diversity organizations, sponsoring events for NMSDC and the Women's Business Enterprise National Council (WBENC).

In prior years, Morgan sponsored staff and management attending minority entrepreneur programs at Dartmouth's Tuck School of Business, UCLA's Management Development Program for Entrepreneurs, Northwestern University's Graduate School of Management, USC and Stanford University's graduate business school. Overall, we believe we have made a tangible contribution to the success of others, and we look forward to continuing these efforts in the future. As recognition of the above initiatives, Morgan CEO and Founder David Morgan has been recognized with NMSDC's Lifetime Achievement Award.



Defining Our Own Destiny

In 2022, technology innovations helped us develop new solutions to increase efficiency for our clients. We introduced the "Custom Tailored Control Tower," for supply chain visibility and management.

Existing control towers focus on using software to identify exceptions and monitor shipments. By contrast, we combine our expertise with both software and savvy. So, customers can fill in their existing visibility gaps with our ChronosCloud® platform. That data is complemented by Morgan's Manila-based team of supply engineers who can manage issues around the clock as they emerge. Our experts also analyze the entire supply chain to spot opportunities for improvement.

Morgan began reporting carbon metrics in 2011 and has utilized a third-party audit of its results since 2014. In that time, we have reduced reported carbon dioxide emissions by over 2,100 metric tons annually and implemented strategies to reduce packaging waste by more than 245,000 pounds. These efforts led to Cisco Systems honoring Morgan with its "Excellence in Sustainability" supplier award. Morgan has also been named five times as a winner of Supply & Demand Chain Executive's "Green Supply Chain" award. Our company is a certified participant in the US Environmental Protection Agency's SmartWay program and Mexico's Transporte Limpio. We also participate in the Carbon Disclosure Project.

Morgan's commitment to reduce waste extends to its aggressive IT asset management. Instead of just disposing of equipment at the end of its usefulness, Morgan has developed programs to donate obsolete equipment, make it available to employees and recycle it when possible.



Excellence Every Day

For some companies, that's just a slogan. At Morgan, going beyond expectations is how we establish deep trust with our clients. It's the way we build long-term partnerships. We may gain a customer based on the idea of transforming operations into something better. Yet, it's maintaining those operations at world-class levels that keeps the client coming back for more.

Even when things are running well, that "excellence every day" mentality is what helps us move from "good" to "great." We constantly evaluate our business, our customers and ourselves and adapt to changing conditions and opportunities.

For CSR, this means that our efforts aren't an initiative, they're an ongoing program with the goal of continuous improvement—for our clients, the environment, our communities, and ourselves.

As inflation has increased pressure on many companies' staff health and wellness budgets, Morgan has worked to maintain and improve these benefits. A complete accounting of enhancements to Morgan's wage, compensation and employee recognition benefits can be found in the "Nurturing People at Morgan" section, which begins on page 15 of this report.

Morgan culture of sustainability continues to be recognized by *Supply & Demand Chain Executive*. The magazine has honored Morgan six times as one of its "Green Supply Chains."



Finding A Better Way

Designing better, more responsible solutions is hard work. It's easier to accept limitations for lack of resources or just because a customer said "no."

The path we choose has led Morgan to take on some of the toughest challenges in the world's most essential supply chains. Morgan will always be the company that finds a way. We trust our vision and take responsibility for figuring out how to make that vision happen.

Morgan has created new programs for training and leadership development so that our culture is passed to the company's next generation of leaders. Our culture is built for the broadest definition of success—continuous, socially responsible progress for all stakeholders over the long haul.



Culture In Action 2023



Self Development

Mohammad Amirul Radzi's (Penang, Malaysia) goal was weight loss throughout the quarter, and he lost a total of 11 pounds.



Self Development

Michelle's (Penang, Malaysia) goal was to learn healthier cooking recipes at home. Michelle cooked new recipes while logging each recipe's ingredients and the outcome of the new meal. Over the course of the quarter her technique improved, and her meals looked and tasted delicious.



Caring for End Of Life Goods

Morgan hosted an e-Waste drive throughout the third quarter of 2023. Each Morgan location collected old electronics that were sent to a proper recycling center for reuse, recovery and disposal.



Caring for End Of Life Goods

Approximately 200 items were collected and properly disposed of including TVs, CPUs, Printers, Smartphones, Tablets, Laptops, Scanners, Network Switches & much more. The total weight of collected items was 259 Kilograms.

Morgan continues to invest in our relationships with the communities where we work and live. In 2023, initiatives included a self development initiative in the first quarter of the year; employee-driven acts of kindness for the planet on Earth Day; an e-waste recycling drive; and a “giving back” program, which brought the Morgan team into relationships with worthy organizations around the world.



Being Kind To Our Planet

Suriati Cevallos (Carson City, Nev.) and her daughter, Sydney, volunteered to pick up waste in a local public park.



Being Kind To Our Planet

In Guadalajara, Mex., Edgar Velazquez planted mint, arugula, oregano and basil with his two daughters.



Volunteering Together

The Portland team spent time with animals this season by helping Intel deliver donated goods to a local Donkey Sanctuary and they also volunteered time walking dogs in need. Their \$500 donation was given to the Seat on the Bus program that rescues animals from Kill shelters.



Volunteering Together

Morgan’s Bangkok team donated food, grocery items and time at a local organization called The Center for The Elderly.



Nurturing People At Morgan

Opposite page: Morgan team members in Penang, Malaysia celebrate staff birthdays.

“Morgan reflects the achievements of its people. We ensure that our team knows what it means to provide excellence every day, and we equip them for that pursuit.”

Morgan believes that individual differences, backgrounds, and experiences make us stronger when we work together. We ensure that diversity, equity, and inclusion are practiced within the organization by:

- Providing equal employment opportunities in all business decisions.
- Prohibiting discrimination based on age, ancestry, color, family or medical care leave, gender identity or expression, genetic information, marital status, medical condition, national origin, physical or mental disability, political affiliation, protected veteran status, race, religion, sex (including pregnancy), sexual orientation, or any other characteristic protected by applicable laws, regulations, and ordinances.
- Consistently examining our unconscious biases and taking steps to create an inclusive culture that makes everyone in the organization feel welcome.

The National Minority Supplier Development Council (NMSDC) has certified Morgan as a minority-owned business enterprise and awarded it the “Corporate Plus™” designation. This identifies our company as able to take on enterprise-scale assignments on a global basis.

Morgan also allies itself with women-owned businesses as a corporate member of the Women’s Business Enterprise National Council (WBENC).

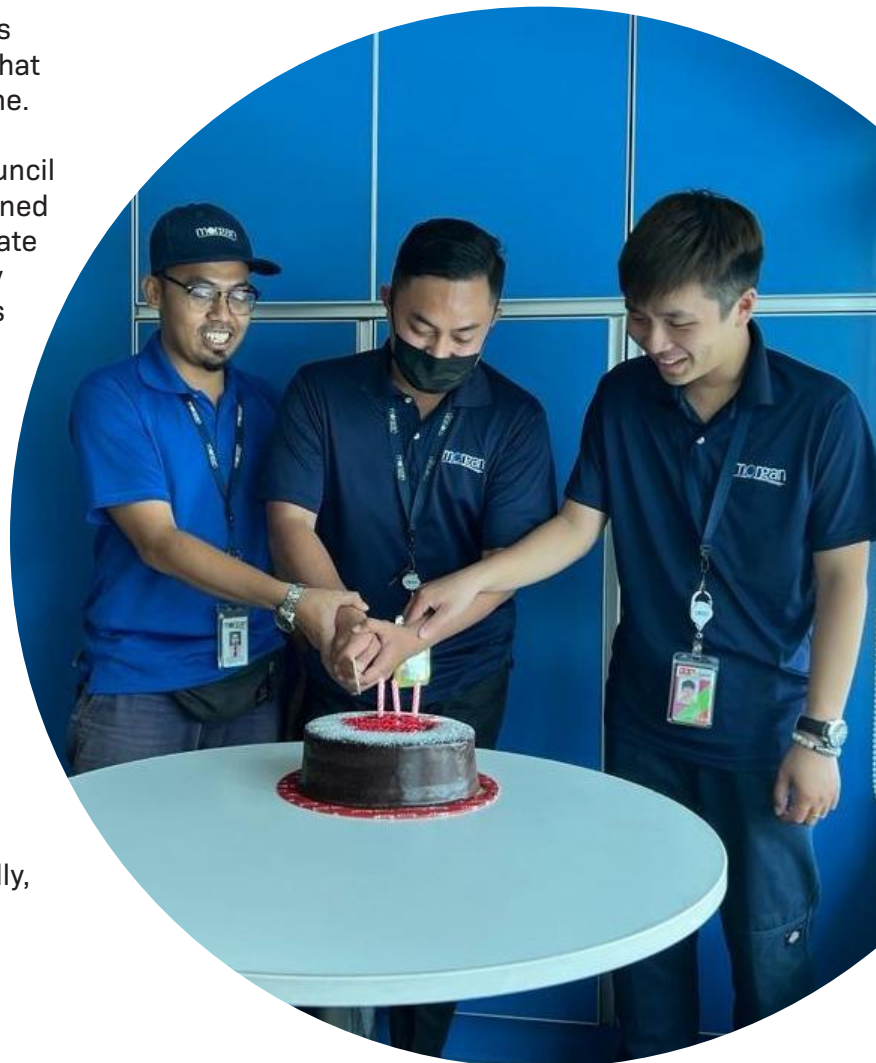
Highlighted Metrics

- Female workers make up 26% of our global workforce. 35% of female workers are in management roles.
- 74% of Morgan’s U.S. workforce is considered to be of minority status.
- Morgan retains 88% of its U.S. workers annually, and it retains 79% on a global basis.

A Culture of Feedback

Morgan champions employee welfare through regular employee communications, surveys, and feedback. An annual global survey provides insight into overall satisfaction by location and job level. It is also an opportunity for the company to understand current concerns and issues. We use survey scores to measure year-over-year effectiveness. Employee feedback helps us gain insights that we can use to design initiatives for process improvement, employee engagement, job satisfaction and organizational development.

Morgan trains management members to bring forward any employee-related concern that requires higher-level resolution. Our goal is that all concerns are resolved locally, immediately, and appropriately.



Engagement

- There has been a greater focus on in-person and individual engagement since the last survey
- All locations held staff appreciation events
- Our local management and senior leadership team increased communication with staff
- We ensured that all staff are receiving and reviewing the company newsletters
- Local managers have been cross-training and documenting key processes in support of resiliency planning and staff training

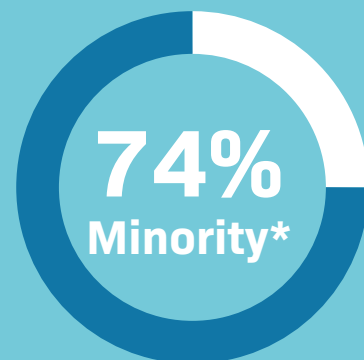
**35% of Female Staff
Hold Manager or
Higher Title**



**79% Global Retention
88% U.S. Retention**

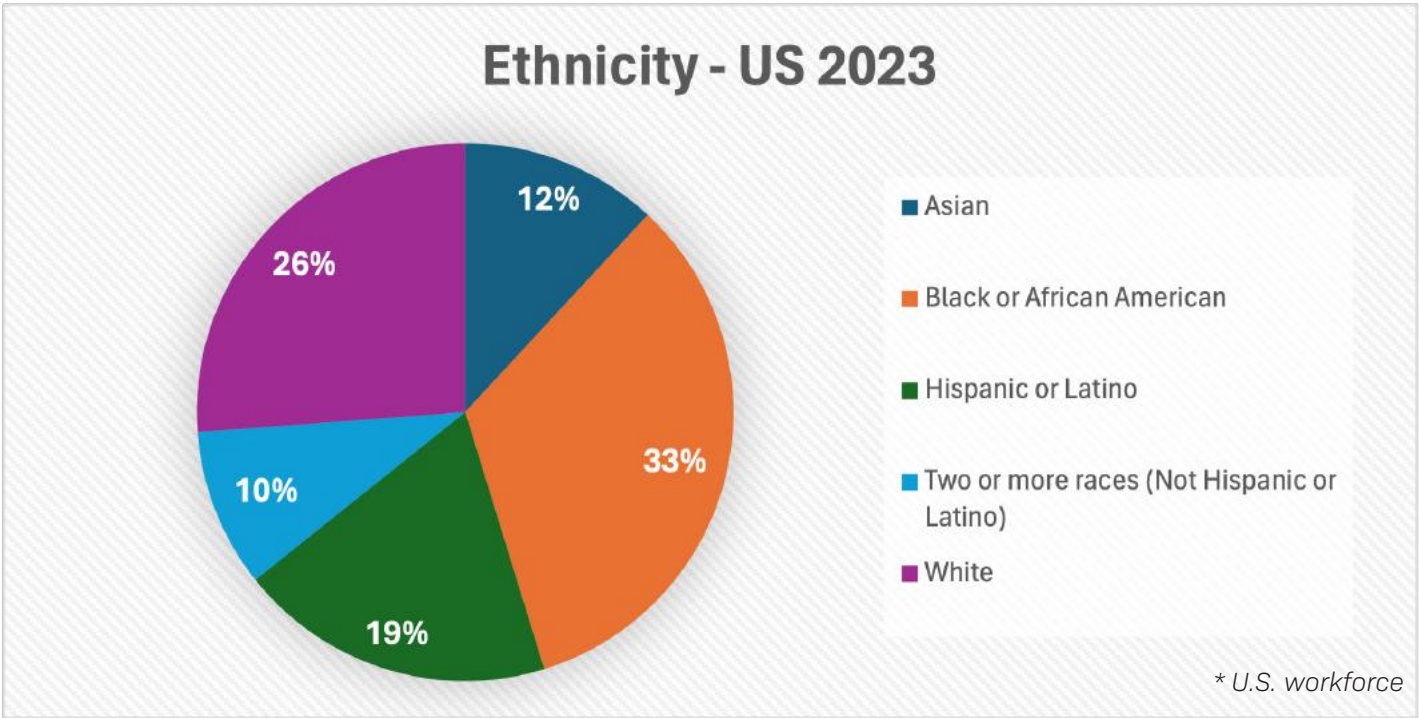
- Morgan is maintaining competitive parity by monitoring compensation and benefits in each local market where we do business
- We have improved benefit options (Penang, Malaysia dependent coverage and vision; Guadalajara, Mex. paid time off and life insurance; Manila, Philippines HMO plans and standard allowances; work-from-home employee utility and mobile phone reimbursement; U.S. worker holidays with two added “floater” days off)
- Manila staff received added advance PTO conversion benefits, in lieu of a payroll loan, for hardship situations

- Guadalajara staff now get a monthly meal allowance in lieu of weekly lunches
- In the U.S., Morgan launched a safe Driver incentive program to improve driver safety and retention
- Last, we began sending birthday cards with \$15 gift cards to all U.S. staff in 2023. This simple program has generated a very positive response.

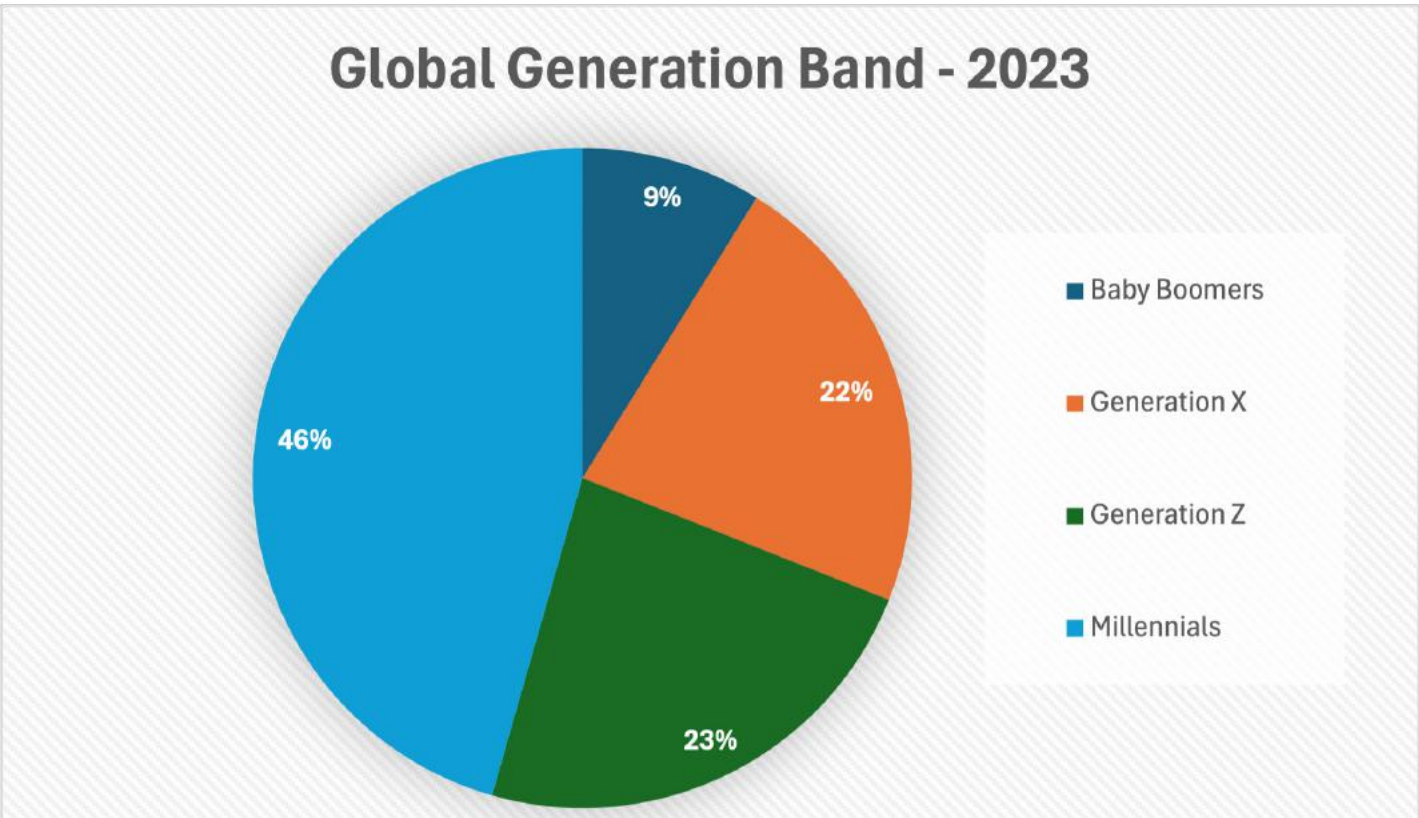


* U.S. workforce

Who We Are: Ethnicity



Who We Are: Generations



Culture And Leadership

- 90% of participants either agree (29%) or strongly agree (61%) that our stated “Excellence Every Day” pillar value is a top priority at Morgan.

- There is strong confidence (87%) in leadership’s vision, strategy, and ability to “define our own destiny,” which is another of our four pillar values.

- A majority of staff members report feeling comfortable sharing ideas with senior leaders and understanding Morgan’s process for support and questions.

Communications

Communication ratings are positive overall

88% of survey respondents reported that they are receiving internal communications regularly.

Staff value communications such as: company news/updates, employee spotlights/achievements, getting to know others in the company, job opportunities, general announcements (holidays, birthdays, etc.), industry updates, company activities (team activity, social responsibility challenges, Slack chats), health and safety information and learning about Morgan employees and teams in other countries.

Compensation and Benefits

In our survey, we measured each area of compensation and benefits independently to monitor satisfaction with individual program components. Overall, staff feel that they are compensated fairly for their role in their market area. HR will continue to monitor market and economic trends to remain competitive in all markets.

Survey participants shared the types of additional recognition that they most value. These include service milestone recognition, food vouchers, gift cards, recognition in company communications, direct recognition from the management team, time off, team dinners, and events.

Career Development and Training

As a global organization, Morgan is committed to providing employees with the skills and knowledge they need to perform to consistent quality standards in all locations and job functions. In addition to the standard regulatory and compliance training, such as health, safety and quality standards, the company has implemented standard training for new hires, appointed safety team members, and implemented other operations-based requirements.

While it’s critical that we train employees to excel every day in their current roles, we also believe in supporting future career growth. We encourage staff to attend the industry-based conferences and seminars that ensure they are up to date with skills specific to their area of expertise.

In our latest employee survey, 88% of participants feel satisfied and challenged in their role and 80% feel they have adequate training.

Job-specific skills, such as leadership training, job-specific upskilling or certifications and industry-specific or operations certifications are the most requested areas of career development.

Harassment Prevention Training: We use Cal-Chamber of Commerce standards for management- and employee-level harassment training, which also covers workplace bullying. Though this curriculum is mandatory only in California, we apply it across the U.S. as a best practice.

Professional roles: (HR, finance, security, etc.) may require job specific training for certifications or recurrent training requirements.

IT: Our tech employees completed over 200 hours of training in 2022.

Security: As an essential link in sensitive supply chains, Morgan complies with all required Transportation Safety Administration (TSA) and regulatory agency training / registration. We are also registered as a compliance manager for the Department of Transportation Federal Motor Carrier Safety Administration (DOT / FMCSA).

Finance: Our finance team completes recurrent training for CPA, audit procedures, company filings and registrations.

Human Resources: Our staff maintains the Senior Professional in Human Resources (SPHR) certification through HRCI, which requires 60 hours of continuing education every three years. Of this, 15 hours must be in business management or strategic HR and minimum of one hour in ethics.

Employee Recognition

Morgan reflects its people’s achievements. We ensure that employees know what it means to pursue excellence every day through the Championship quality metrics program, our employee-recognition events and the success stories we share in Morgan’s company-wide, monthly newsletter.



Team Bangkok, Thailand



Team Houston, Texas



Members of Team Penang, Malaysia



Members of Team Phoenix, Arizona at an employee engagement event



Members of Team San Francisco, California at an employee engagement event



Members of Team Guadalajara, Mexico at an anniversary celebration



Morgan Safety Initiatives

“Safe work environments protect our staff, partners and customers. They allow us to focus on doing our work at the highest-quality level.”

Safety Policies

Morgan maintains many formal policies to ensure consistently safe operations. Below are some of the company’s key documents for safety.

Morgan’s **Health and Safety** policy outlines our shared responsibility to maintain safe and healthy workplaces. All work-related safety issues must be reported to local management as soon as they are discovered. Faulty equipment must be tagged out for non-use until repaired or replaced.

Local management conducts monthly **OSHA compliance** inspections, which include general facilities, furniture, equipment safety, fire hazards, emergency equipment, first aid supplies, automated external defibrillators (AEDs), exit routes, cleanliness and storage and staging areas. Any items marked as unacceptable must be addressed within 30 days.

Morgan also has a documented internal process for **work related injury or illness**. All work-related injuries must be reported to human resources (HR) staff regardless of perceived severity. The HR staff manage subsequent documentation, care plans, interactive processes, and return-to-work plans. They also process and manage any workers’ compensation claims.

All medical information is kept confidential: Only return to work or required work modifications are reported to the local manager. In 2023, Morgan had one recordable injury claim resulting in days away from work. After review and medical evaluation, we determined that the incident occurred due to pre-existing injury and recurrence. This contributes to a low experience modification rating and the lowest possible insurance premiums.

Our **Driver Expectation** policy explains the minimum performance standards for commercial drivers. It applies to all Morgan drivers as well as partner or outsourced drivers working on behalf

of Morgan. This document includes Department of Transportation (DOT) regulations, security measures, safety rules and prohibited conduct (for example, using a hand-held communications device while driving, leaving a loaded trailer unattended, transporting unauthorized passengers, leaving the scene of an accident). Repeated violations of this policy typically result in loss of driving privileges.

The **Accident / Incident Reporting** policy outlines roles and responsibilities in the event of a work-related vehicle accident or incident resulting in damage to third-party property. Drivers have a responsibility to report occurrences immediately to their supervisor. They must follow all procedures at the accident site, collect information and field reports, and cooperate with post-accident procedures such as equipment





inspection, post-accident drug and alcohol testing and internal documentation of the event.

Each file is then submitted to a review committee. The accident committee reviews the details of each case to determine fault, liability, and whether the event was preventable or non-preventable. Corrective and disciplinary actions are determined based on details of the case. These may include coaching, training, written warnings or other measures. The case is then processed for insurance claim and equipment repairs are initiated. Morgan had no DOT-recordable accidents in 2023. Of the reported claims for 2023, 86% were caused by outsourced drivers and classified as preventable with minor property damage.

Morgan participates in a voluntary “how’s my driving” **motorist observation reporting** (MOR) program through SafetyFirst. Each trailer is equipped with a decal that includes an ID and phone number for reporting unsafe driving. This program helps to identify driver habits or safety issues before they become an accident. It reinforces our commitment to safety, both internally and to the public, and reduces our insurance premiums. When a MOR is received, it is sent to the local manager of the decal vehicle for review. The local manager discusses the report with the driver and takes steps to validate the report (i.e., use dash cam footage, GPS tracking to verify speed, location, driving conditions, etc.). Many times, the report results in coaching of the driver and recordkeeping. Patterns of unsafe driving can prompt more detailed discussions or disciplinary actions.

HR staff maintain all personnel files, training records, payroll records, DOT files, and employment-related documents. All information is held confidentially and shared only on a need-to-know basis or as required by law. Local managers have access to non-confidential records in electronic form, such as training or policy acknowledgements, performance reviews, licenses and certifications. Staff meeting and policy

acknowledgement forms are saved to Dropbox folders managed by the HR department. We utilize ADP’s HRIS system for recordkeeping and reporting of many items, including licenses, certifications, recurrent training, job specific training courses, company equipment, MORs, accident reports and disciplinary/corrective actions.

Health And Safety

Safe work environments protect our staff, partners, and customers. They also allow employees to focus on doing their work at the highest quality levels. To achieve this, Morgan regularly reviews and updates its health and safety policies, including responses to the recent COVID-19 pandemic, to incorporate the most current practices.

We assign a local Emergency Response Team at each location so that emergencies can be addressed quickly and appropriately. The Emergency Response Team receives specific training, including an emergency response procedures, crisis and emergency communication, advanced first aid and CPR skills, and more. As part of our commitment, all employees are required to undergo a Health and Safety training during their new-hire orientation. Relevant policies are reiterated during monthly and quarterly local operations meetings. These include:

- Morgan’s documented health and safety policy
- Workers compensation injury trends
- Global COVID policies and protocols, including personal protective equipment, sanitation, supplies and work accommodations. Morgan has experienced zero work-related transmissions globally to date.
- Annual emergency response and safety team training for CPR, AED and first aid
- Electronic Logging Devices (ELD) policies
- Truck cab cameras

Training

Morgan’s HR team provides monthly staff meeting content to be shared with operations staff. Items

that apply to office or remote staff are shared individually via email or web meeting. Each monthly meeting covers a topic specific to drivers, such as safety, security or quality. We also include policy updates or general updates and information based on operational or business needs in this format.

All U.S. employees receive training to prevent harassment and bullying, as required by state regulation. We have voluntarily expanded this curriculum to all our U.S. staff as a best practice. International managers may also receive this training, if appropriate.

Each location has a dedicated local safety team that is trained in first aid, CPR and AED use. Certification for these skills must be renewed every two years and must meet OSHA requirements for workplace health and safety. All safety equipment and supplies are inspected monthly and replaced as needed.

Morgan has internal, certified fork lift trainers who ensure that all operators of this equipment are trained and certified appropriately.

Technology

Morgan uses Samsara's electronic logging devices (ELDs) for its driver logbook entries. Drivers update their records daily, with compliance reviewed by local management.

Samsara dash cams also provide data and video (both interior and exterior) for truck operations. The system proactively alerts local leadership to all harsh driving events, such as hard braking, failure to come to a complete stop, excessive speeds, unsafe following distances and distracted driving. In event of an accident, we are able to review the conditions through the Samsara platform. In addition, it tracks positive driving behavior and provides a report card for each driver. Last, the system records fleet maintenance needs and proactively alerts local leadership if any mechanical or maintenance issues need attention. The system also sends telemetrics to mechanics that alert them of potential future mechanical issues.

Compliance

Driver Qualifications: Before they are hired, drivers are screened for license verification, driving record, DOT physical, verification of work and driving experience, criminal background, road tests, and valid FMCSA drug and alcohol clearinghouse records.

In addition, Morgan conducts a semiannual review of driving records, which exceeds DOT annual review requirements.

HR personnel review all driver qualification records annually to ensure that all required documents are on file. HR tracks and collects commercial driver's license renewals, DOT physical (medical card) renewals and Federal Motor Carrier Safety Administration drug and alcohol clearinghouse records.

Morgan maintains a DOT-compliant drug and alcohol testing program. This requires random annual drug testing of 50% of all drivers and alcohol testing of at least 10% of all drivers. Morgan is currently testing 65% of its average driver headcount for these purposes. All staff responsible for supervision of drivers must complete "reasonable suspicion" training within 90 days of assuming that position.

HR maintains driver qualification files for each driver. Drivers are required to report all roadside inspections immediately, as well as citations received in company vehicles and personal driving-related violations within 30 days of conviction.

Prior to COVID's onset, each driver underwent a ride-along observation to ensure safety, security, quality, and compliance. This included validation of company knowledge, process, procedures such as uniform and tech requirements, vehicle operations and inspections and safe driving practices.

Safe Driver Program

In mid-2022 we began developing a Safe Driver program to promote and encourage safe driving practices. The program was designed specifically for our U.S.-based commercial drivers and went into effect on January 1, 2023. Using Samsara technology, we now track and measure seven risk factors: crashes, harsh driving incidents, distracted driving, following distance, traffic sign and signal compliance, speeding and specific policy violations (such as obstructing cameras, not wearing seat belts, using a hand-held communications device while driving).

Drivers achieving a safety score of 95 or higher are eligible to participate in the company's quarterly Safe Driver raffle. In 2023, Morgan's U.S. drivers scored an average of 90.48 on Samsara's 100-point safe driving scale.





Sustainability Performance And Objectives

“It is Morgan’s objective to improve our efficiency metrics continuously from year to year.”

Good planning is essential for the transportation and logistics industry. Morgan has made a concentrated effort to increase the efficiency and eliminate wasteful practices in our operations. It is our objective to improve our efficiency metrics from year-to-year. Below are a few accomplishments we have made since establishing our baseline in 2013:

- Reduction of empty miles through better planning and attention to routes reduced emissions by 310 MT of CO₂e when compared to the 2012 baseline with continued improvement in 2023.
- Lower fuel consumption due to reduced idling time and increased use of aerodynamics reduced emissions by 50 MT of CO₂e annually.
- Improved loading, routing, vehicle policies, and vehicle performance has combined to reduce our environmental impact from 3,619.19 MT CO₂e in 2013 to 2,048.35 MT CO₂e in 2023.
- Avoidance of paper printing items that can be electronically retained helped us to save 6.16 MT CO₂e in 2023.

Morgan aligns our science-based carbon reduction goals with a 1.5 degrees C target per best practices recommended by the Intergovernmental Panel on Climate Change.

In order to do our part to keep human-influenced climate change at a level lower than 1.5 degrees C greater than pre-Industrial age, Morgan established the following absolute reduction goals: reduce total Scope 1, 2, and 3 emissions by 50% of the 2016 baseline year by 2030. We are currently making positive progress toward meeting this goal, moving from 3,528.24 MT CO₂e in 2016 to 2,313.88 MT CO₂e in 2023. We will be pursuing additional measures to help further reduce our footprint in 2024 including reviewing our idling procedures, adding additional fuel-efficient vehicles to the fleet, and working closely with our supply chain partners to identify synergies.





Freight Wings Improve Fleet Fuel Efficiency

Morgan has a strategic mix of trailers in the fleet tailored to specific delivery needs. We outfit our long-haul trailers with aerodynamic panels to reduce drag and improve efficiency. We are seeing reductions of 480 gallons of diesel fuel consumed annually per trailer. This translates into a savings of about 4.9 MT CO₂e each.



VersaDecks Add To Trailer Capacity

Over the past few years, Morgan outfitted nine trailers with improved flooring systems. These systems allow Morgan to carry double the volume on over 400 routes each month that previously met space restrictions before meeting trailer weight restrictions. Adding the additional deck, Morgan better protects shipments, maximizes utilization of trailer space, and reduces emissions through reduced freight legs. On average, the VersaDeck is helping to reduce GHG emissions by over 200 MT CO₂e annually.



Next Generation Cabs Run Leaner, Cleaner

Morgan acquired new tractors within the last five years, which deliver improved reliability and fuel efficiency. These new additions to the fleet are each expected to return a savings in excess of 10 MT CO₂e per 50,000 miles driven. In addition, we replaced four straight trucks in 2024. These new vehicles are expected to produce 13% lower emissions compared to the models they replaced.



PalletWrapz® Save Plastic Waste

PalletWrapz® replace the plastic shrink-wrap used to provide stability to loaded pallets. The product is designed to be used more than 2,500 times. In addition to improving efficiency through decreased wrap and removal time, PalletWrapz significantly reduce the environmental impact of shrouding pallets during transportation. Assuming a 2,500-use lifetime, each PalletWrapz has an equivalent effect of 0.004 kg CO₂e per pallet vs. single-use shrink wrap's 0.532 kg CO₂e impact per pallet. The net savings per pallet is 0.528 kg CO₂e. This is an example of an initiative Morgan pioneered for a supply chain partner. While Morgan's direct emissions are not reduced with PalletWrapz, our Scope 3 emissions, the footprint upstream and downstream for our partners, was reduced by 22.5 MT CO₂e in 2023.



Electric Trucks Drive The Future For Freight

In an effort to remain at the forefront of sustainable practices, Morgan is conducting internal studies into the benefits and opportunities of including electric vehicles in its fleet. We will be closely following real-world trials of electric transport vehicles to ensure they provide the performance promised, including reducing the environmental impact of consuming fossil fuels.

Digital Processes Identify and Remove Waste

Morgan continues to invest in technologies that create paperless and digital processes throughout the supply chain. FlexShip, our shipping process system, has already eliminated many paper and offline forms from shipment creation, customs, tracking and other recordkeeping. Recently, the company has taken the next steps towards becoming a shared, digital document repository for transportation partners.





Governance And Compliance

“Morgan promises to perform work of the highest standards and to be accountable to all our global stakeholders—customers, vendors and employees.”

Our strong foundation and unique culture drive our continuous compliance with local laws and regulations across all Morgan locations. We expect all companies, partners and individuals connected with Morgan to conduct business in the same way as we do. Overall management of Morgan’s governance, risk and compliance is the responsibility of the Chief Financial Officer (CFO).

Business Ethics and Code of Conduct

Company Code of Conduct: Morgan’s business ethics and code-of-conduct policy outlines our global commitment to professional and ethical business conduct. We review and update this key document annually and publish it for the entire organization so that employees understand the company’s ethical imperatives.

All management-level staff receive training in this area within six months of hire or promotion and every two years thereafter. Employees at all levels are encouraged to report concerns regarding business conduct to Human Resources staff and/or any member of management.

Customer and Vendor Conduct: Morgan ensures that the customers and suppliers (“Partners”) with whom we work globally adhere to all applicable laws and regulations and act ethically. This includes all entities and persons that provide products or services to the company pursuant to contractual obligations.

Partners are expected to establish their own compliance programs and are required to acknowledge that the standards in Morgan’s code are met upon the commencement or renewal of a contractual relationship with Morgan.

Compliance is of paramount importance and applies to such areas as human rights, labor standards, health and safety, environmental practices, fair business conduct and protection of business information and property.

Any violations of the requirements may put at risk the Partner’s business relationship with Morgan, up to and including termination.

Financial and Regulatory Compliance

We comply with requirements that our financial reports faithfully represent the results of our business. This is coupled with adherence to local laws and regulations for all our global locations.

Accounting: Our financial books are prepared based on global relevant standards and principles namely: Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS).





Audits: We undergo an annual external financial audit in accordance with Generally Accepted Auditing Standards (GAAS).

Tax: We ensure that our taxes are filed and paid in a timely manner. A team of external consultants, in close collaboration with our finance group, ensures that this is achieved.

Internal controls: Globally, we verify that operations are conducted in an approved manner. Recording, custody of assets and authorization are segregated. We have rules, procedures and activities to minimize risks and achieve consistency in producing reliable financial reports and statements.

Contracts and Legal: Morgan's team of legal advisors and experts collaborate with executives and leaders so that contracts are compliant with local laws and regulations while also safeguarding the interests of the organization.

Insurance: Proper insurance arrangements help us protect the organization in case of unforeseen events. We partner with reputable insurance companies and conduct annual reviews to assess coverages, identify new coverage risks and to adjust policies to ensure business continuity.

Risk Management

Morgan provides a high-level risk management strategy in all levels of the organization, including risks inherent in the industry. Our drivers and field operations staff receive training on common vulnerabilities and prevention best practices regarding theft, hijacking, and human trafficking.

Risk management strategies include awareness training, operational processes and procedures, and security monitoring of all our vehicles and facilities. Further, employees are empowered and encouraged to report immediately any suspicious activities observed at any point.

- Most Morgan drivers are local or regional so there is reduced risk of hijacking or observation of trafficking. Still, we work to bring awareness and encourage reporting if suspicious activity is observed.

- We currently provide annual awareness training on truck hijacking as a topic in monthly staff meetings.

- As part of our overall quality and compliance commitment, Morgan completes an annual, simulated emergency response exercise. This involves members of the global management team, as well as selected operations employees. In 2020, the emergency scenario tested responses for safety and continuity of operations after a hypothetical devastating earthquake in Morgan's Northern California operations region. A third-party auditing company oversaw the two-day event and compiled a report addressing strengths and suggested areas of improvement.

IT Risk Management

Morgan has implemented risk management policies and procedures for various IT security areas:

People

- Cybersecurity alerts are sent to all employees via email to spread cybersecurity awareness within the company. This is done quarterly or any time there are relevant news or topics deemed necessary to communicate.

- To reduce cybersecurity risks from a device endpoint perspective, we utilize Jamf software as our Mobile Device Management (MDM) platform. This allows us to easily and remotely implement policies to employees' company-provided devices, such as laptops and phones. With Jamf, we can control what apps are installed or useable on a device or even wipe its contents in case of theft or loss. Additionally, we leverage Jamf to roll out anti-virus applications to the devices as well.

- Last quarter, Morgan completed implementing Multi-factor Authentication (MFA) for all relevant company email accounts, which further lessens risks in unauthorized access to our employee's emails.
- At Morgan facilities, we now require guests to use internet via a segregated Guest Access Network, which is not connected to any employee work, activities or data storage. This limits the possibility of guests accessing Morgan confidential data or introducing viruses or malware to our networks.

Process

- We maintain an IT Policies and Procedures document which includes security policies in safeguarding company data and devices. This is reviewed annually and distributed via our company intranet. We are in the process of updating the document.
- Morgan has been SSAE18 SOC 2 Type II certified since 2017. This standard validates the processes we have in place in safeguarding our customers' data, especially in Cloud servers.

System

- Morgan houses its data and applications on Amazon Web Services (AWS), an industry leader in cloud services worldwide. AWS provides a wide-ranging list of security, identity, and compliance services for applications. We currently leverage AWS' identity and access management (IAM) service so that only authorized users are allowed access to our systems, as well as CloudWatch and Alarms to monitor system activities.
- To reduce risks of system downtime, Morgan uses multi-availability zones for our production systems. We also perform regular and automated back-ups of our databases.
- We conduct a biannual Third Party Vulnerability Assessment and Penetration Testing (VAPT) of all our systems to proactively identify and remediate any security gaps.

Financial Risk Management

Morgan recognizes that certain financial risks are incidental to normal business operations. It is the general objective of the company to avoid intolerable risk and to minimize, as far as practicable, the financial risks, losses and exposures associated with business activities.

Specific financial risks identified are as follows:

Foreign exchange/currency risk: This arises from the activities of non-U.S. Morgan locations. Risk includes foreign exchange fluctuations of international currency payments made to vendors, operating expense items including a minor presence in a hyper-inflationary environment.

Managing foreign exchange risk requires understanding of the amount of risk and its related impact of changes in currency exchange rates. The foreign exchange risk and its impact is minimal, since non-U.S.-dollar transactions represent a small portion of Morgan's total spend.

Management has determined that hedging activities would be impractical to pursue in current conditions.

Interest rate risk: This emanates from Morgan's existing Line of Credit (LOC) and equipment financing, subject to London Inter-bank Offered Rate (LIBOR) for interest.

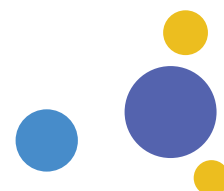
Managing interest rate risk requires an understanding of the amount at risk and the impact of changes in interest rates. Exposures are determined by Morgan through its forecasting process, collaboration, and awareness of changes in the regulatory environment and market conditions of partner financial institutions.

Credit risk: This stems from cash and cash equivalents, deposits with banks, accounts receivable and accounts payable. Cash and cash equivalents are always maintained at reputable financial institutions with strong credit ratings.

Concentrations of credit risk on trade receivables and accounts payable are considered remote due to the assessed credit quality of Morgan's customer and vendor base.

Quality

ISO 9001:2015: Our International Organization for Standardization (ISO) 9001:2015 Certification for operations was issued on December 5, 2011 and has been continuously maintained since that date.





Quality Policy: Morgan helps its clients solve their most critical supply-chain challenges. We specialize in services where the highest levels of management, care, reliability and inventory visibility are paramount. In keeping with this mandate, we demand of ourselves the highest quality processes, systems and partnerships. We are committed to comply with requirements and to continually improve our services and quality through regular review and refinement to our business procedures and end-to-end process management.

Strategic Objectives: It is our aim to provide:

- Real-time visibility of goods at all times while in Morgan's custody whether in-transit or in a Morgan facility
- On-time, damage-free delivery
- Extraordinary and responsive customer service
- Continuous measurement of and improvements to, the overall value we provide to our customers and to our shareholders
- Business continuity processes that are in alignment with the Quality Management System

ChampionShip Program: In 2006 DW Morgan introduced its first quality performance program, called "The Perfect Shipment." The purpose of this initiative was to...

- provide a clear roadmap of how each person and their role contributes to the overall success of Morgan and transform our organization to be more teamwork focused
- identify creative ways to overcome obstacles
- and standardize execution of a perfect shipment

all while providing greater value and customer service to our clients.

As Morgan underwent initial ISO 9001 certification, the program was updated to include new elements and re-introduced as the ChampionShip quality performance program.

Key changes included:

- developing a web tool for real-time visibility
- leveraging our corrective action system
- and tightening time requirements associated with some performance metrics.

As currently implemented, ChampionShip tracks performance on a per-quarter basis. Morgan employees are divided into four key groups: Field operations, corporate operations, finance and technology. Each group is assigned key measures, with target performance levels for each. Based on achievement, each group contributes a percentage to an overall ChampionShip score.

Morgan encourages high achievement and continuous improvement through progress reports, which go out every two weeks. Employees have two incentive bonus opportunities based on meeting targets.

ChampionShip has driven significant quality gains throughout Morgan. In the program's initial quarter of measurement (Quarter 3, 2011), the company scored 40% for its overall ChampionShip performance. Today, we consistently reach total company performance of 99%.

About This Report

Morgan is proud to share our goals and vision with you in this document. We make very deliberate decisions about investing time and effort to develop our community involvement initiatives, refine our environmental sustainability opportunities and ensure adherence to governance requirements.

This work documents our progress during the 2023 calendar year. We plan to update our Corporate Social Responsibility Report annually.

Greenhouse gas (GHG) emissions calculations are performed in accordance with the GHG Protocol, the US Environmental Protection Agency, the UK Department for Environment, Food and Rural Affairs and the Intergovernmental Panel on Climate Change's guidelines for National Greenhouse Gas inventories.

Additionally, this report has been prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards: Core option and in consideration of the Sustainability Accounting Standards Board Sustainability Disclosure Topics and Accounting Metrics for the Transportation Sector: Air Freight and Logistics, as well as Road Transportation.





GRI Performance Tables

STANDARD DISCLOSURES - PART I: Profile Disclosures			
1. Strategy and Analysis			
Profile Disclosure	Description	Reported	Cross-reference/Direct answer
1.1	Statement from the most senior decision-maker of the organization.	Fully	Message from CEO: See page 3.
2. Organizational Profile			
Profile Disclosure	Description	Reported	Cross-reference/Direct answer
2.1	Name of the organization.	Fully	D.W. Morgan Company (Morgan)
2.2	Primary brands, products, and/or services.	Fully	Customized transportation networks, Control Towers, and inventory management solutions
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	Company structure is organized into 3 main entities: D.W. Morgan, LLC, which comprises North America transportation operations. Morgan Global Logistics, Singapore, PTE, LTD which comprises international transportation operations.
2.4	Location of organization's headquarters.	Fully	Carson City, Nevada
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	US, Mexico, Thailand, Philippines, and Malaysia are relevant to the sustainability issues covered in this report.
2.6	Nature of ownership and legal form.	Fully	Privately held
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	GEOGRAPHIC BREAKDOWN: The Americas Asia Pacific Europe VERTICALS: Telecommunications Biotechnology /Healthcare High Technology OEMs
2.8	Scale of the reporting organization.	Fully	150+ including dedicated independent contractors.
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	None
2.10	Awards received in the reporting period.	Fully	None within the reporting period
3. Report Parameters			
Profile Disclosure	Description	Reported	Cross-reference/Direct answer
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	2023



3.2	Date of most recent previous report (if any).	Fully	2022
3.3	Reporting cycle (annual, biennial, etc.)	Fully	Annual moving forward
3.4	Contact point for questions regarding the report or its contents.	Fully	CSR@dwmorgan.com
3.5	Process for defining report content.	Fully	The Morgan executive sponsor established a CSR committee under the guidance of the Director of Quality, Compliance and Continuity. Each responsible party was tasked with gathering relative information to complete the GRI standard. The CSR committee was responsible for collaboratively preparing the CSR report for publication.
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	This boundary of this report is for operations under the control of D.W. Morgan, Inc. This boundary pertains to operations under the direct control of either corporate entity.
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	The scope of the report is inclusive of all Morgan global operations. The topic boundary includes operations internal to Morgan only; no impacts outside of Morgan's operations are addressed in this report. All key performance indicators occur within the timeframe of this report and have no cumulative longer-term impacts. Subsequent reports will capture the next period of impacts. The data represented in this report is accurate and comprehensive to the best of our ability and knowledge.
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Fully	None
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such restatement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Not	None
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Not	None
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	G3 CONTENT INDEX – GRI APPLICATION LEVEL C

4. Governance, Commitments, and Engagement			
Profile Disclosure	Description	Reported	Cross-reference/Direct answer
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Fully	Morgan is a closely held, private company. The company shareholders are founders David and Palmyra Morgan. The two shareholders act as the company's sole governing board. David Morgan also serves as Chief Executive Officer. Strategy and overall management of the company is set by the shareholders and the company's executive management team.
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	David Morgan serves as one of the company's two shareholders and is also Chief Executive Officer. This stems from the closely held, private ownership of the company.
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Fully	Of the two company shareholders, one serves in an executive role; the other serves exclusively in a governance capacity.
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	Stakeholders have direct ability to provide direction to the executive team via (1) periodic stakeholder / management meetings and (2) via the office of CEO, which is held by one of the two stakeholders.
4.14	List of stakeholder groups engaged by the organization.	Fully	<ul style="list-style-type: none"> • Communities; • Civil Society; • Customers; • Shareholders and providers of capital; • Suppliers; and • Employees, other workers, and their trade unions.
4.15	Basis for identification and selection of stakeholders with whom to engage.	Not	We engage with stakeholders which are in line with our cultural values and business objectives, which are governed by ownership and the executive team.





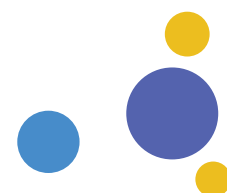
STANDARD DISCLOSURES PART III: Performance Indicators			
Economic			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Economic performance			
EC3	Coverage of the organization's defined benefit plan obligations.	Partially	The structure of retirement plans is based on the defined benefit plan. Eligible employees are automatically enrolled at 3% after 6 months of employment. Participation is voluntary and contributions may be changed on the 1 st of any month. The Company provides safe harbor match up to 4%.
Market presence			
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Fully	Morgan has a vendor management program. The approved suppliers are selected considering service, cost, capability, and scalability while considering local and global requirements. Morgan endeavors to engage with qualified diversity suppliers, wherever possible.
Environmental			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Materials			
EN1	Materials used by weight or volume.	Not	Materials are not applicable to Morgan's business
EN2	Percentage of materials used that are recycled input materials.	Not	Materials are not applicable to Morgan's business
Energy			
EN3	Direct energy consumption by primary energy source.	Fully	All facilities are owned and operated by a third party. Added reporting capability to identify energy consumption in 2022. Direct energy impact for 2023 is 69.48 MT CO2e.
EN4	Indirect energy consumption by primary source.	Fully	All facilities are owned and operated by a third party without the ability to determine the indirect energy consumption percentage attributed exclusively to Morgan.
EN5	Energy saved due to conservation and efficiency improvements.	Fully	Morgan reduced direct energy consumption by 47% vs. 2022. While there were conscious efforts to reduce usage throughout the facilities, milder weather throughout the year was also a factor.
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Partially	No direct efforts in these areas
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	No efforts in these areas

Water			
EN8	Total water withdrawal by source.	Not	Water is provided as part of the overall lease in Morgan facilities. At this time, water withdrawal is not tracked. However, employees are aware of water consumption and limit usage.
EN9	Water sources significantly affected by withdrawal of water.	Fully	Morgan consumes minimal water in daily operations. There are no impacts to local water sources as a result of Morgan operations.
EN10	Percentage and total volume of water recycled and reused.	Not	Water is provided as part of the overall lease in Morgan facilities. Not tracked, though developing measures to establish a baseline.
Biodiversity			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Not	Not relevant to Morgan's business.
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Not	Not relevant to Morgan's business
EN13	Habitats protected or restored.	Not	Not relevant to Morgan's business
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Not	Not relevant to Morgan's business
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Not	Not relevant to Morgan's business
Emissions, effluents and waste			
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	Scope 1 emissions: 2,048.35 MT CO2e
EN17	Other relevant indirect greenhouse gas emissions by weight.	Not	Not evaluated
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	1) Reduction of empty miles through better planning and attention to routes; reduced 12.73 MT CO2e, 2) Improved load planning and utilization of capacities; reduced 50 MT CO2e, 3) Reductions in fuel consumption due to reduced idling and increased use of aerodynamics and new idling procedures / policies; reduced 50 MT CO2e, 4) Improved diesel fuel consumption due to freight wings saved 4.9 MT CO2e per trailer, 5) Installing Ancra Vers-A-Deck stacking systems reduced emissions 200 MT CO2e annually, 6) Fuel-efficient tractors save 10 MT CO2e per 50,000 miles driven, 7) Pallet Wrapz are reducing 33.51 MT CO2e from eliminating plastic wrap 8) Replacement of straight trucks is reducing the emissions of the affected lanes by 13% per truck



EN19	Emissions of ozone depleting substances by weight.	Not	Not calculated
EN20	NOx, SOx, and other significant air emissions by type and weight.	Not	Not calculated
EN21	Total water discharge by quality and destination.	Fully	Water is not discharged as a part of Morgan operations
EN22	Total weight of waste by type and disposal method.	Not	Weight is tracked by volume. Improved recycling efforts resulted in a 7% increase in diversion from landfills in 2023 vs. 2022. Additionally, we improved reporting accuracy by 14.28% across our facilities through training and increased engagement from our team.
EN23	Total number and volume of significant spills.	Not	This is not relevant to Morgan's business.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not	This is not relevant to Morgan's business.
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Not	This is not relevant to Morgan's business.
Products and services			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Partially	Efforts are made to reduce the emissions from services provided (see above). Additionally, initiatives such as PalletWrapz are identifying reusable replacements for traditionally consumable items. Use of PalletWrapz eliminated 174,490 pounds of plastic wrap from entering the waste stream between 2019 and 2021.
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Partially	Use of PalletWrapz eliminated 174,490 pounds of plastic wrap from entering the waste stream between 2019 and 2021. Usage reduced an additional 35 MT CO2e in 2022.
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	Fully	D.W. Morgan has not been fined for non-compliance with environmental laws and regulations.
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations and transporting members of the workforce.	Fully	Given that Morgan operates in the supply chain industry, the impacts of personnel or MRO are relatively minimal compared to main operations. Employee commuting accounted for 168.23 MT CO2e while employee travel totaled 27.82 MT CO2e, a decrease of over 68% from the 2018 baseline.

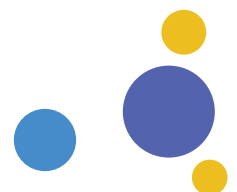
Social: Labor Practices and Decent Work			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Employment			
LA2	Total number and rate of employee turnover by age group, gender, and region.	Partially	Reference Morgan People, beginning on page 15.
LA3	Benefits provided to fulltime employees that are not provided to temporary or part-time employees, by major operations.	Fully	Life Insurance, medical, dental, vision, short-term disability, 401K plan, all federal / state leaves applicable to employees
Labor/management relations			
LA4	Percentage of employees covered by collective bargaining agreements.	Not	N/A
Occupational health and safety			
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Fully	Accidents, injuries, work related illness are tracked by region.
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Not	All DW Morgan staff are trained and receive a copy of the Injury, Illness, Prevention Program (IIPP) which is also posted on the company intranet. The Company also provides regular communications related to wellness and prevention.
Training and education			
LA10	Average hours of training per year per employee-by-employee category.	Fully	12 hours - All Morgan personnel have to attend mandatory annual training. Further, all new hires complete a new hire orientation.
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Fully	Morgan provides employee training or assistance programs to upgrade skills, internal training courses, funding to support external training and education and/or any provision of sabbatical periods with guaranteed return to employment.
LA12	Percentage of employees receiving regular performance and career development reviews.	Fully	100%
Diversity and equal opportunity			
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Not	We currently track headcount per category including gender, age group, minority, and diversity indicators. We are not required to submit EEO reporting in the US.





Social: Human Rights			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Investment and procurement practices			
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Not	All new hires undergo new hire orientation and training specific to their job functions. Morgan personnel attend training based on job duties: Example: An employee whose job requires operating a forklift is trained and certified every two years.
Non-discrimination			
HR4	Total number of incidents of discrimination and actions taken.	Fully	No reports of discrimination.
Freedom of association and collective bargaining			
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Not	N/A
Child labor			
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Fully	No risk for this. No employees under age 18.
Forced and compulsory labor			
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	Fully	No risk for this
Security practices			
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Fully	100%
Indigenous rights			
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	No incidents

Social: Product Responsibility			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Product and service labeling			
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Partially	Morgan developed a Customer Perception Survey, which is designed to receive direct feedback from the customer and to understand and learn their impressions about the company and its service offerings. In more detail, this allows the company to identify the factors that enhance customer relationships and customer loyalty. This also shows customers that Morgan values the relationship and values their feedback, whether it's positive or constructive. As a result of the survey, Morgan can focus on strengths and weaknesses, analyze how it meets each client's needs, identifies opportunities for improvement, and measures its own performance more effectively.





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