DESCARTES™

Impact Report

APRIL 27, 2026

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About This Report

This Impact report (the **"Report"**) covers the period ending April 27, 2026, drawing on data and information available to us at that date unless otherwise indicated. **"Descartes"**, **"our"**, **"we"** and **"us"** refers to The Descartes Systems Group Inc. (NASDAQ: DSGX; TSX: DSG) and its affiliated subsidiaries worldwide.

Each year, we use this Report to give our stakeholders, shareholders, customers, suppliers, employees, and the communities we are part of, an update and an account of where we stand on issues we believe have an important impact to the responsible operation of our business (**"Impact Initiatives"**).

The Corporate Governance Committee of our Board of Directors carries primary oversight responsibility for our Impact Initiatives, with support as needed from the Audit Committee. Both committees consist entirely of independent directors. Our Environmental, Health, Safety and Sustainability Statement continues to guide the expectations we set for our people, our customers, and our business partners. A copy of that Statement is included in this Report.

We continue to evolve the way we approach our reporting of our Impact Initiatives. Whether it is through refinements in data collection methods, applying consistent impact practices across our global operations or improving our communications of how our work connects to the things that are important to our stakeholders, we understand that this remains an ongoing process.

Looking forward, we are confident that Descartes' core values of customer integrity, a workplace where everyone belongs, and strong governance align well with our Impact Initiatives.

Readers seeking additional context on our governance, financial performance, and business operations are encouraged to review our Annual Information Form and Management Information Circular, available at www.sedarplus.com and www.descartes.com.



What We Focus On And Why

Our approach to reporting on our Impact Initiatives continues to be shaped by the *Sustainability Accounting Standards Board (SASB)* and its *Software & Information Technology Services* standard, which we use as a guiding framework. The topics it identifies align well with how we operate our business, and we supplement them where we see matters that SASB does not fully capture, with artificial intelligence governance being a clear current example.

The areas we focus on in this Report are:

- Reducing the Environmental Impact of Our Operations
- Protecting Data Privacy and Upholding Freedom of Expression
- Strengthening Data Security
- Building and Supporting a Global, Skilled, and High-Performing Workforce
- Addressing Risks Associated with Technological Disruptions
- Responsible Use and Governance of Artificial Intelligence

We continue to monitor the sustainability reporting landscape closely. The International Sustainability Standards Board (ISSB) and the Canadian Sustainability Standards Board (CSSB) are developing frameworks that may shape our future reporting obligations. In the United States and elsewhere, regulatory expectations around sustainability disclosures continue to evolve. In contrast, Europe has moved swiftly to implement comprehensive and mandatory sustainability reporting standards, such as the Corporate Sustainability Reporting Directive (CSRD), which require detailed environmental, social, and governance disclosures. We are closely monitoring these global developments and evaluating their potential impact on our reporting practices, including how they may intersect with our financial disclosures and operational processes.



A Message from Our CEO



The past year was not an easy one for global trade. Tariff changes arrived faster than most businesses could adapt. Sanctions lists expanded in step with geopolitical events. Trade relationships that had been stable for years were disrupted, and supply chain teams were asked to absorb uncertainty at a pace and scale that tested even the most prepared organizations.

That context shapes this Report. Our work on the issues covered here, including how we operate our infrastructure, treat our people, protect the data entrusted to us, and govern the technologies we develop and deploy, does not happen in isolation from the business environment. It is informed by it.

On the environmental side, we continued the multi-year work of consolidating our technology infrastructure into fewer, more energy-efficient facilities, and we made further progress in reducing our global office footprint. These are not dramatic gestures but reflect our view that the most credible environmental commitments are the ones built into how you run your business day to day, not the ones announced separately from it.

On our workforce, this was a year of change. We grew through acquisition, integrated new teams and capabilities, and continued to invest in the development and wellbeing of our people. We continued our flexible and hybrid work

model, and worked to ensure that the values that define our culture remained visible and real across a larger and more distributed organization.

On data privacy and security, we sustained the certifications and program investments that our customers and regulators expect of a company in our position. Trust is slow to build and quick to lose, and the rigor we apply in this area reflects the seriousness with which we treat that responsibility.

On artificial intelligence, we took meaningful first steps in building a governance foundation that responsible AI use requires. We established a cross-functional oversight committee, began mapping how AI is used across our operations, started developing policy, and launched initial training for our technical teams. We believe that we have a clear structure and a commitment to reporting progress as our program develops.

We are constantly examining the internal data and processes needed to meet stakeholder expectations, and we will continue to be candid about what we measure well and where we are still building capability.

What I can say with confidence is that the values and practices reflected in this Report are genuinely ours and I am grateful to the team that makes that possible.

Edward J. Ryan
Chief Executive Officer
Descartes Systems Group

Who We Are

Not Your Typical Software Company

Descartes is frequently categorized alongside enterprise software businesses but that comparison understates what makes us genuinely different. We are an inter-enterprise network service provider. Our customers' most pressing supply chain and logistics challenges are not internal problems, they are challenges that require connection to hundreds or thousands of external parties: carriers, customs agencies, banks, governments, warehouses, shippers, and freight intermediaries. That external complexity is our domain, and the infrastructure we have built to serve it, the Global Logistics Network™ (**"GLN"**), is what sets Descartes apart.

The Global Logistics Network

The GLN is the commercial and operational core of our business. It connects a global community of logistics participants, enabling the exchange of the data and documents that move goods around the world. For many of our customers, the GLN functions as the system of record for their supply chain and logistics operations, the authoritative source for customs filings, security documents, tariff data, sanctioned-party screening results, and carrier transaction records. That role gives Descartes a level of operational embeddedness that makes us difficult to replace and highly relevant regardless of how technology evolves around us.

The GLN processes billions of transactions annually. It has operated for more than 30 years. The reliability, breadth, and specialization of the network reflect an accumulation of investment, relationships, and domain knowledge that has real and durable value.

Reach and Scale

Descartes serves more than 30,000 customers across more than 144 countries. Our solutions are delivered on a primarily cloud-based, software-as-a-service basis. We are headquartered in Waterloo, Ontario, Canada, and publicly traded on both the Nasdaq (DSGX) and the Toronto Stock Exchange (DSG).

In fiscal year 2026, we delivered record revenues and income from operations, and expanded our capabilities through several acquisitions. Each of these additions was integrated into the GLN, extending the services available to our community.

What We Do

Our modular, cloud-based applications address the full range of logistics and supply chain functions: route optimization, shipment planning and execution, transportation management, global trade data and research, customs and security filings, tariff classification, denied party screening, and freight invoicing and audit, among others. We continue to invest in analytics, artificial intelligence, machine learning, and IoT capabilities, not as a point of differentiation in the abstract, but as practical tools for making these services more accurate, faster, and more valuable to customers.

Environmental Impact of Our Solutions

Our logistics and supply chain applications are designed with efficiency at their core, with the goal of optimizing routes, eliminating unnecessary paper, reducing idle time, and minimizing redundant freight movements. These design principles create measurable environmental benefits for our customers. The 2026 edition of our Guide, available on our website, documents the methodologies and assumptions we use to estimate these contributions. We encourage stakeholders to review that Guide for additional information on how those figures are derived.

In 2025, we helped our customers save:

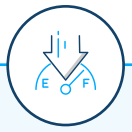
>3.9 Million
Tons of CO2



>3.4 Billion
Sheets of Paper



>1.2 Billion
Liters of Fuel



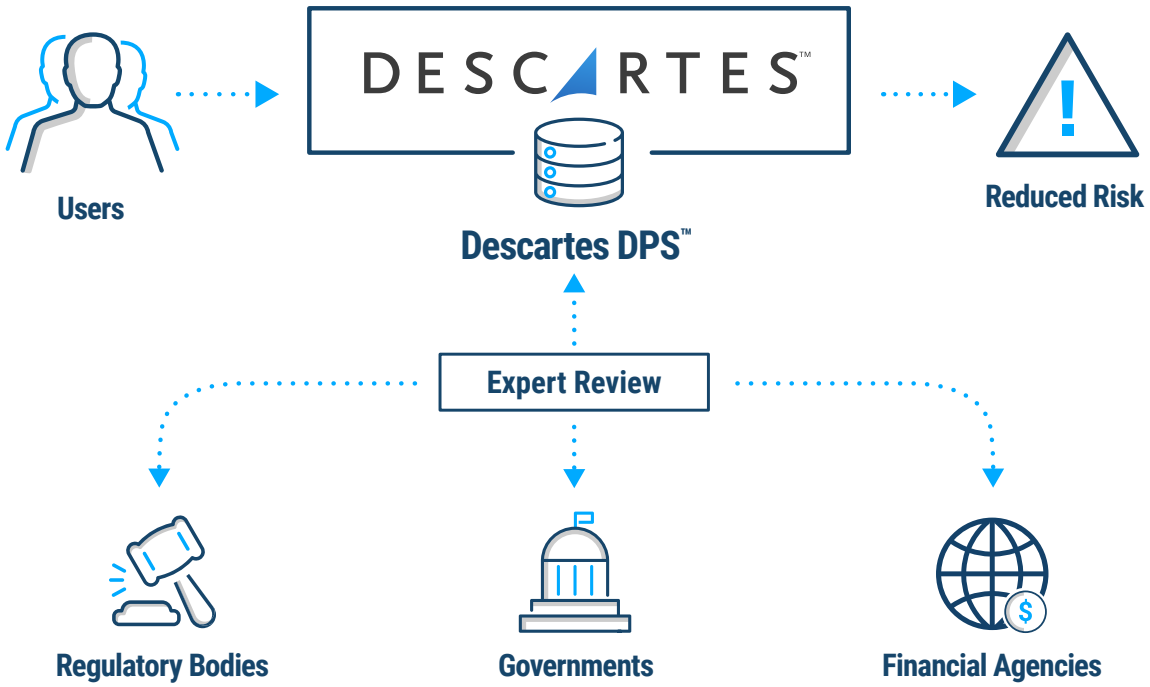
Infographic calculations were made using the paper calculator from Environmental Paper Network, the U.S. Energy Information Administration (EIA) Independent Statistics and Analysis, fuel economy data from The U.S. Department of Energy, and idling emissions data from Dieselnet and Frost & Sullivan

Helping Customers Navigate Compliance

The compliance environment for international trade has never been more demanding. In 2025, tariff volatility, expanding sanctions lists, and evolving cross-border regulations tested the preparedness of supply chain teams globally. Our solutions exist precisely to help customers manage these obligations, confidently and continuously. When regulations change, customers rely on Descartes to update content, systems, and guidance without delay. The consequence of getting compliance wrong, financial penalties, reputational harm, operational disruption, is significant enough that customers consistently tell us they value a trusted, specialist partner over attempting to manage this internally.

The demands placed on Descartes during this period extended beyond compliance alone. Customers experiencing disruption to their freight networks, carrier relationships, and cross-border trade lanes also relied on the GLN for the real-time visibility, trade intelligence, and operational continuity that allowed them to respond quickly. The breadth of services available through the GLN — spanning customs and trade compliance, freight visibility, carrier connectivity, and route optimization — means that when conditions change rapidly, our customers have a single, trusted network to turn to rather than managing multiple point solutions under pressure.

In 2025, we released Descartes Visual Compliance™ AI Assist, which applies artificial intelligence to help compliance teams work through denied party screening results more efficiently. The tool is designed to reduce the manual effort of reviewing and clearing false positives. As with any AI-assisted capability, results will vary by use case and context, and we continue to refine and support it as adoption grows.



Our Internal Sustainability Framework

Descartes' approach to sustainability in our own operations is grounded in our Environmental, Health, Safety, and Sustainability Statement, a document that sets expectations for our employees, our customers, and our business partners, and is available at: https://www.descartes.com/who-we-are/social-responsibility-sustainability.

In practice, this means operating in compliance with applicable environmental, health, safety, and social legislation in every jurisdiction where we do business; creating the conditions for our people to take personal responsibility for how their work intersects with sustainability; and selecting suppliers and partners who strive to meet the same ethical and environmental standards we hold ourselves to.

We do not treat sustainability as a program that sits alongside our business, rather we treat it as a lens through which we make operational decisions. That includes decisions about infrastructure, about how we structure work, and about how we grow.



Our People

The Descartes Workforce

Our business continues to run on expertise. In fiscal 2026, the supply chain and logistics landscape remained highly complex, increasingly digital, and shaped by ongoing geopolitical, regulatory, and market disruptions. Customers rely on us not only to keep pace with these changes, but to anticipate and navigate them on their behalf.

Meeting this need requires more than technical capability; it demands deep domain expertise, adaptability, and a strong sense of purpose. We are focused on attracting and retaining professionals who understand the industries we serve and are motivated to solve increasingly sophisticated logistics challenges. In a competitive global talent environment, investing in and supporting our people remains a critical priority for sustaining innovation and delivering long-term customer value.

At the end of fiscal 2026, Descartes employed more than 2,400 people across 28 countries, with presence in North America, Europe, the Asia Pacific Region, and South America.

Our Values in Practice

The T-E-A-M framework, Transparency, Excellence and Expertise, Accountability, and Metrics-Driven Results, has guided Descartes' culture for many years. These are not aspirational statements; they describe how we expect our business to operate. Transparency means honest, direct communication with customers, partners, and colleagues. Excellence means high standards for the quality of what we produce and how we conduct ourselves. Accountability means that we own our commitments and our outcomes. Metrics-driven results means that we measure what matters, both for our own improvement and for the benefit we deliver to customers.

We assess every prospective team member against these values alongside their professional credentials. Cultural fit, understood as genuine alignment with how we work, is as important to us as technical capability.



How We Support Our People

Descartes offers compensation packages that are intended to be competitive within each of the markets where we operate. For eligible employees, this includes market-referenced base salaries, performance-based bonuses, merit increases, company-supported retirement savings, comprehensive health and wellness coverage, and incentives for excellence and innovation, employee referrals and continuing education.

We actively solicit feedback from our workforce on the things that affect their day-to-day experience: hybrid work arrangements, communication tools, connection opportunities in our mostly remote work environment, benefits design, and mental health and wellbeing resources. We have expanded access to confidential mental health services, maintain employee assistance programs across our global operations and assess offerings relative to market annually or as dynamics shift to ensure our employees can show up at their best.

Beyond compensation, we think carefully about the nature of the work we ask of our people. As AI becomes more capable and more embedded in our operations, we see a genuine opportunity to reduce the time our teams spend on repetitive, low-value tasks, and redirect that capacity toward the judgment, creativity, and domain expertise that are hardest to automate and most valuable to customers. We are actively designing for that shift.

Internally, our teams have shown real initiative in exploring how AI can strengthen our business. Innovation activities in 2025 surfaced ideas spanning customer onboarding, network monitoring, compliance tooling, and operational support, many of which are informing our investment priorities. We consider this kind of bottom-up engagement a reflection of a healthy culture, and we intend to cultivate it.

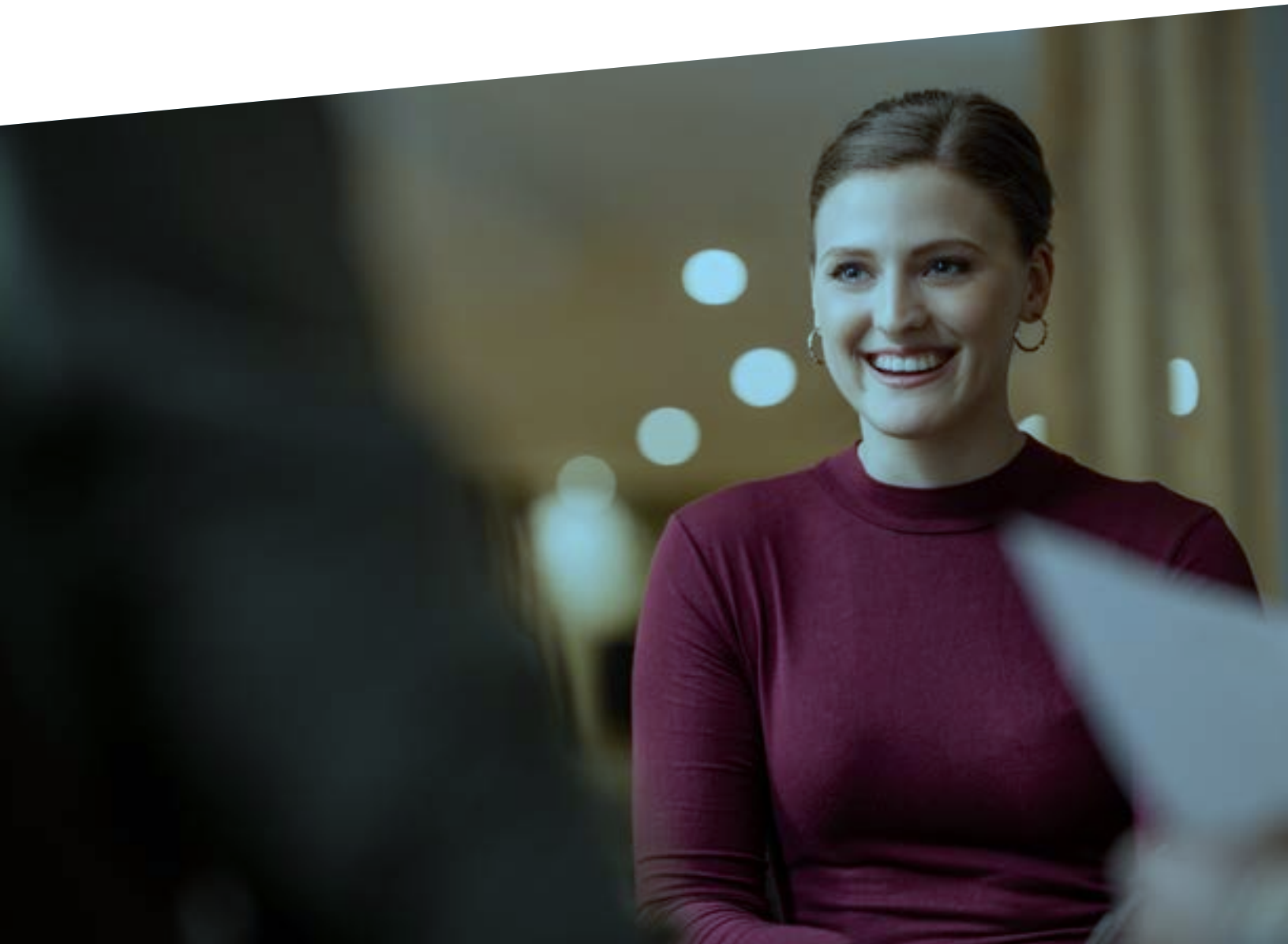


Bringing New People In

Our approach to recruitment is designed to cast a broad net. We use a range of channels and partnerships to access global talent pools, and our selection process, which involves multiple team leaders and prospective peers, is designed to assess the whole candidate: their skills, their values, and how they are likely to work with others. We invest in employer branding through testimonials, video content, and profiles of our global workforce to help prospective employees understand what Descartes is like.

Our leadership development programs include training on recruiting across geographies and managing internationally distributed teams, skills that are increasingly important as our business grows.

We provide flexible and hybrid work arrangements where the role permits and business requirements allow, consistent with applicable law. Our experience is that this model expands the talent we can access and reflects the practical reality of how skilled professionals want to work.



Respect for The Individual

Evolving Our Workforce through Inclusion and Belonging

Descartes is a global employer and a global business. The communities we operate in are diverse, the legal frameworks we operate under vary significantly, and the people who make up our team bring a wide range of backgrounds and life experiences. Treating people well, consistently, across all those contexts, is not something we approach as a compliance obligation. It is foundational to the culture we want and the business we want to be.

Our Human Rights Statement and our Workplace Violence and Harassment Policy and Program articulate clearly what our people can expect from Descartes and from each other. These are not aspirational, they describe the standards to which every member of our team is held, in every location.

As digital workplaces evolve and as AI tools become more prevalent in daily work, new questions arise about privacy, dignity, and the responsibilities of employers toward their people. We are attending to these questions actively, updating our practices, clarifying our policies, and ensuring that our values apply in digital environments as fully as they do in physical ones.

Our approach is grounded in internationally recognized principles, including the United Nations Universal Declaration of Human Rights, applied consistently with local law. We enforce zero tolerance for harassment, bullying, and violence. We prohibit forced and child labour. We ensure that recruitment and employment practices are free from discrimination. And we commit to maintaining working conditions that are safe, healthy, and respectful.



The Descartes Systems Group Inc. - Human Rights Statement

*The Descartes Systems Group Inc. and its various affiliates (collectively, the **"Company"**) is committed to providing a global work environment that is free from harassment or discrimination based on the grounds enumerated in federal, national, state, provincial or other Human Rights legislation. More fundamentally, in addition to compliance with applicable laws and regulations, the Company is steadfast in conducting its business in a manner that is consistent with internationally recognized norms, tenets and principles such as the United Nations Universal Declaration of Human Rights.*

These core values are specifically reflected in the manner by which the Company conducts itself in its dealings with its prospective and current employees, its customers and its other stakeholders as further outlined in the following practices, policies and initiatives:

- *Providing a safe space for employees that is free of harassment, bullying and violence as expressed in the Company's Workplace Violence and Harassment Policy and Program;*
- *Promoting ethical conduct and behaviour by our employees and suppliers through adherence to the Company's Code of Business Conduct and Ethics;*
- *Protecting the privacy of our employees, customers and suppliers and others in accordance with the Company's various privacy policies and programs including but not limited to the General Privacy Policy, Commercial Relationship Privacy Policy and Recruitment Privacy Policy;*
- *Forgoing the use of forced or child labour in compliance with applicable laws and international norms;*
- *Ensuring that employees and prospective employees are treated fairly and equally in the recruitment and hiring process;*
- *Fostering a diverse and inclusive work environment and providing opportunities for underrepresented employee groups and communities to participate and thrive;*
- *Recognizing the right of our employees to join associations of their own choosing or to refrain from joining, and the right to collective bargaining; and*
- *Maintaining safe, healthy and respectful working conditions in accordance with the Company's Environmental, Health, Safety and Sustainability Statement*

Ethical Business Conduct

Descartes operates in markets where trust is the currency. Our customers share sensitive commercial, regulatory, and financial data with us. Governments and customs authorities rely on the accuracy of filings we process on behalf of customers. The integrity with which we handle those responsibilities is non-negotiable, and it is reinforced through policies that govern how every member of our team and every partner we work with is expected to conduct themselves.

Our **Code of Business Conduct** sets out what ethical behavior looks like in practice for our people, covering conflicts of interest, compliance with applicable laws, honest dealing, and the reporting of concerns through our whistleblower channel. We have a global compliance function led by our designated Compliance Officer who is responsible for overseeing adherence to legal and regulatory requirements across our jurisdictions.

Our **Business Partner Code of Conduct** extends these expectations to the suppliers and partners we work with. Fair labor practices, legal compliance, workplace safety, and anti-corruption standards are conditions of doing business with Descartes.

Our **Global Anti-Corruption Policy** takes a zero-tolerance position on bribery in any form, including political contributions and dealings with public officials.

Our **Modern Slavery and Human Trafficking Statement**, reflects the work of our legal, Human Resources, procurement, and product management teams to identify and address the risk of forced labor and human trafficking in our operations and supply chains. The statement is available at www.descartes.com/legal/compliance/modern-slavery-human-trafficking-statement.

Our **Policy on Conflict Minerals** addresses responsible sourcing in the hardware components associated with our asset-tracking solutions, limiting our exposure to materials linked to armed conflict or human rights abuses.

These policies are reviewed periodically against evolving legal requirements and stakeholder expectations. Additional detail is available through Descartes' Legal Compliance page.



Environmental Sustainability

Our environmental footprint as a primarily cloud-based software and network services business is relatively modest compared with asset-intensive industries. The more significant environmental contribution Descartes makes is through what our solutions enable – helping customers reduce fuel consumption, cut paper usage, and optimize the physical movement of goods. That topic is covered in the *Environmental Impact Guide*. This section addresses how we manage our own operations.

Infrastructure Consolidation

Our most meaningful internal environmental lever is the ongoing consolidation of our technology infrastructure. We continue to migrate workloads from older, less efficient physical environments to public cloud platforms and modern colocation data centres. Our two largest data centres are supplied with 100% renewable energy. Consolidation activities, often accelerated by acquisition integration work, reduce both the number of facilities we operate and the energy required to run equivalent workloads.

Office Footprint

In 2025, even with the addition of several acquired businesses, we continued our multi-year trend of net office footprint reduction. Fewer physical offices mean lower energy consumption for heating, cooling, and lighting. Our hybrid work model, which allows most of our workforce to work remotely at least part of the time, is the primary driver of this reduction. We believe this model is right for our business and our people, and it has environmental benefits as a byproduct.

Travel and Commuting

Our reliance on remote collaboration tools has reduced both business travel and daily employee commuting relative to pre-pandemic norms and we believe this helps to lower emissions and lessen our environmental impact.

Day-to-Day Practices

Our Reduce/Reuse/Recycle approach shapes operational decisions across our offices: electronic document workflows and digital signing in place of paper; remote collaboration tools as the default for meetings that do not require travel; local recycling programs where available; and notice-and-access distribution of shareholder materials to eliminate unnecessary print and postal waste.

Data Privacy

The data that flows through Descartes' network is among the most commercially sensitive in global trade. Shipment records, customs filings, financial settlement data, and screening results all carry significant confidentiality expectations. Our customers' trust that we handle this data responsibly is, in a meaningful sense, a precondition for the GLN's existence.

Our privacy program is built around a set of core principles: collecting only what is necessary; using data only for its stated purpose; retaining it only as long as required; and maintaining confidentiality, accuracy, and integrity throughout.

We review and update our privacy policies annually and publish them at www.descartes.com/privacy-center:

- **General Privacy Policy:** Our overarching framework for personal data protection across Descartes' operations.
- **Commercial Relationship Privacy Policy:** How we handle data shared by customers and partners while doing business.
- **Recruitment Privacy Policy:** Our commitments to candidates regarding the personal data they share with us.
- **Privacy Choices:** The rights individuals have over their data and how to exercise those rights.
- **Cookie Usage Policy:** our approach to tracking technologies on our web properties.

As AI capabilities become more embedded in our operations and our products, data privacy considerations intersect with AI governance in important ways. We are addressing this intersection deliberately within both our privacy program and our AI governance framework.



Information Security

Information Security Advancements

Running the world's largest logistics network means operating a system that is targeted by sophisticated actors on a continuous basis. The security of our platform, and of the data it carries, is a core operational responsibility, not a secondary concern.

Our security program is structured around the ISO 27001 and NIST Cybersecurity Frameworks (CSF) standards.\, which together cover governance, identity and access management, threat detection and response, and third-party risk. We hold ISO 27001 and SOC-2 Type II certifications, and our general IT controls are subject to independent audit annually.

In 2025, our key investments in security included:

- Governance and risk compliance improvements, including strengthened oversight of third-party and supply chain security;
- Identity and access management enhancements to reduce the attack surface across our distributed infrastructure;
- Threat detection and incident response capability upgrades, with 24x365 monitoring and tested recovery procedures; and
- Expanded validation of cloud provider compliance against our internal standards.

Our two primary data centres maintained their ISO 27001 and SOC2 certifications in 2025, and we updated disaster recovery plans and recovery objectives for critical solutions.

Security culture is an active investment, not a passive one. We run ongoing training programs, targeted awareness campaigns, and simulated attack exercises. We collaborate with law enforcement, regulators, and industry working groups on threat intelligence. And we are integrating AI-assisted tools into our security operations, for threat identification, infrastructure monitoring, and anomaly detection, as part of a broader investment in making our defenses more capable and responsive.



Artificial Intelligence Governance

Why This Matters Now

Artificial intelligence is becoming more present in how Descartes operates and in the solutions we provide to customers. We believe that the same rigor we apply to data privacy and cybersecurity must be applied to how AI is developed, deployed, and used, across our own operations and within the products our customers rely on. In 2025, we progressed our governance requirements relating to AI.

The AI Governance Committee

We established a cross-functional management committee (**"AI Committee"**) with responsibility for AI governance across Descartes. The Committee brings together senior leadership from our technology and product teams alongside members of our legal team, a composition intentionally designed to integrate operational, technical, and compliance perspectives.

The model is drawn from the structure we use for our Privacy and Cybersecurity Committee, which has operated on a regular cadence with a similar cross-functional makeup and has proven effective at working through complex issues that cut across the business. We are applying that same discipline to the AI Committee.

What the Committee Is Working On

- **Mapping Current AI Use:** Before establishing policy, we need an accurate picture of how AI is already being used across our business. The AI Committee has been conducting structured conversations with R&D, product management, commercial operations, and other functions to understand current practice, identify gaps, and surface any areas requiring clearer guidance or oversight.
- **Developing Policy:** Work is underway on policies that address both the operational use of AI tools by our teams and the technical standards for AI capabilities embedded in our products. The goal is consistency and clarity across business units and geographies.
- **Aligning with External Standards:** Our governance framework is being developed with reference to the NIST AI Risk Management Framework and other recognized benchmarks. We are monitoring the development of ISO 42001, an emerging international standard for AI management systems, as well as the EU AI Act and comparable regulatory initiatives in other jurisdictions, and we will incorporate relevant elements as they mature.
- **Training Our People:** We have begun delivering responsible AI use education, starting with our R&D team. This initial phase is focused on developing and validating the right content and format before broader deployment. We recognize that stakeholders have a legitimate interest in understanding how our AI training program develops, and we intend to provide more information on this in future Reports as the program progresses.

AI in Our Products

The clearest current example of AI applied in our customer solutions is Descartes Visual Compliance™ AI Assist, which uses AI techniques to help trade compliance teams work through denied party screening results more efficiently. The tool is designed to reduce the manual effort of reviewing and clearing false positives. As with any AI-assisted capability, results will vary by use case and context, and we continue to refine and support it as adoption grows.

We have also expanded AI capabilities in two other areas of the GLN. Descartes MacroPoint™ OpsForce is a suite of AI agents designed to automate freight visibility workflows for shippers, brokers, carriers, and logistics service providers, handling driver engagement, exception management, and documentation tasks that would otherwise require manual follow-up from our customers' staff. The Descartes Fleet Data Intelligence™ platform combines AI and machine learning to help fleet operators analyze execution data and surface trends or inefficiencies without requiring specialized analytics expertise. As with all AI-assisted capabilities, results will vary depending on the nature of a customer's operations and deployment context, and we continue to refine both products as adoption grows.

Looking Ahead

AI governance is an ongoing responsibility, not a project with a defined end point. The technology is changing quickly, regulatory frameworks are still taking shape, and the practical implications for our business and our customers will continue to evolve. The AI Committee meets regularly, reviews progress, and adapts policy as circumstances develop. We expect to report on our progress in each future Report.



Corporate Governance and Risk Management

Descartes' governance framework is designed to provide independent, informed oversight of the decisions and risks that matter most to our business and our stakeholders.

Our Board currently comprises nine directors, eight of whom are considered independent under applicable securities and stock exchange requirements. The Board is led by an independent Chair, and independent directors meet regularly in executive sessions without management present. Primary oversight of our Impact Initiatives rests with the Corporate Governance Committee, with support as needed from the Audit Committee, both of which are entirely independent.

Managing Risk

Our enterprise risk management approach is structured around the principles of ISO 31000:2018. The Audit Committee has overall responsibility for risk oversight, with specialized risks, including cybersecurity, data privacy, and artificial intelligence, reviewed by the appropriate committees based on their subject matter expertise. This structure ensures that risk is addressed at the right level of the organization with the right context.



Leadership and Succession

Management is stable, experienced, and focused on building long-term value. Our Board maintains active oversight of succession planning, and our executive compensation model is designed to reward sustained, responsible performance rather than short-term outcomes.

Governance Policies

The policies that frame how Descartes conducts itself include:

- **Code of Business Conduct and Ethics:** Setting out ethical expectations for all personnel, overseen by a designated global Compliance Officer.
- **Business Partner Code of Conduct:** Extending our ethical standards to suppliers and partners.
- **Global Anti-Corruption Policy:** Zero tolerance for bribery in any form.
- **Disclosure Policy:** Ensuring transparent, timely, and accurate communication with the market and our stakeholders.
- **Whistleblower Policy:** protecting employees who report concerns in good faith.
- **Workplace Violence and Harassment Policy and Program:** Making explicit what our people can expect in terms of a safe and respectful workplace.
- **Modern Slavery Statement:** Our commitment to identifying and eliminating modern slavery and human trafficking risks in our operations and supply chain.

Further detail on certain of these policies is available through our Legal & Compliance page at www.descartes.com. Our Annual Information Form and Management Information Circular, available at www.sedarplus.com, contain additional governance disclosure.



About Descartes Systems Group

Descartes powers more responsive, efficient, secure and sustainable international and domestic supply chains by uniting logistics-intensive businesses on its Global Logistics Network (GLN). Shippers, carriers, and logistics service providers connect and collaborate on the GLN leveraging technology, data and AI to manage last mile deliveries, domestic and international shipments, transportation rating and payment, global trade research, customs compliance and a variety of regulatory processes.

Learn more at www.descartes.com and connect with us on LinkedIn and X.

Disclaimer and Forward-looking Statements

The information and opinions contained in this Report are provided as of the date of this Report and are subject to change without notice. Descartes does not undertake to update or revise any such statements. Furthermore, this Report represents current policies of Descartes and is not intended to create legal rights or obligations. This Report may contain, or incorporate by reference, public information not separately reviewed, approved, or endorsed by Descartes, and no representation, warranty, or undertaking is made by Descartes as to the accuracy, reasonableness, or completeness of such information. Inclusion of information in this Report may be based on a variety of standards, frameworks, and considerations and is not an indication that the subject or information is material to Descartes' business, strategy, outlook, operating results, or financial condition or material as it relates to Descartes' impact on other parties or Impact Initiatives.

This Report also includes forward-looking statements for purposes of applicable securities laws. All statements other than statements of historical or current facts, including statements regarding our plans, initiatives, projections, goals, commitments, expectations, or prospects, are forward-looking. These forward-looking statements are inherently uncertain and difficult to predict. We use words such as aim, anticipate, believe, commit, drive, estimate, ensure, expect, goal, intend, may, mission, plan, project, seek, strategy, strive, target, will, or similar expressions to identify forward-looking statements. Forward-looking statements reflect management's current expectations and inherently involve risks and uncertainties. Actual results and outcomes could differ materially for a variety of reasons, including, among others, assumptions relating to our Impact Initiatives not being realized, scientific or technological developments, evolving sustainability strategies, evolving government regulations, our expansion into new products, services, technologies, and geographic regions, or other changes in circumstances, as well as the factors set forth under the heading "Certain Factors That May Affect Future Results" in our most recent Annual Report to Shareholders. The standards of measurement and performance contained in this Report are developing and based on assumptions, and no assurance can be given that any plan, initiative, projection, goal, commitment, expectation, or prospect set forth in this Report can or will be achieved.