

MAY 2019

# Company Profile

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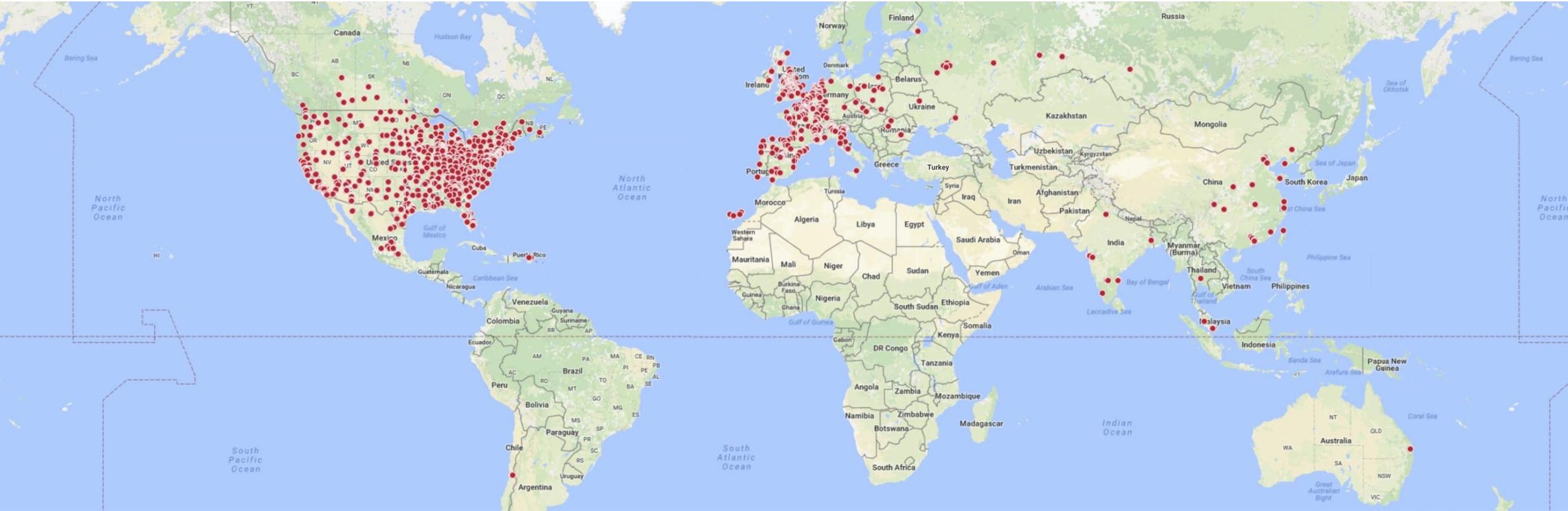
# Why XPO

**Our highly integrated network delivers customized supply chain solutions to the most successful companies in the world.**

- Less-than-truckload
- Full-Truckload
- Intermodal and Drayage
- Expedite
- Global Forwarding
- Last Mile
- Managed Transportation
- Supply Chain Logistics



# Why XPO



Companies choose XPO because **we have the global scale** to manage and transport their goods anywhere in the world.

**100,000**  
employees

**1,540**  
locations

**32**  
countries

**50,000**  
customers

# Why XPO

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Customers rely on XPO because of **our experience.**

**With leadership positions across the supply chain, we've proven that rich data and industry expertise give our customers a competitive advantage.**

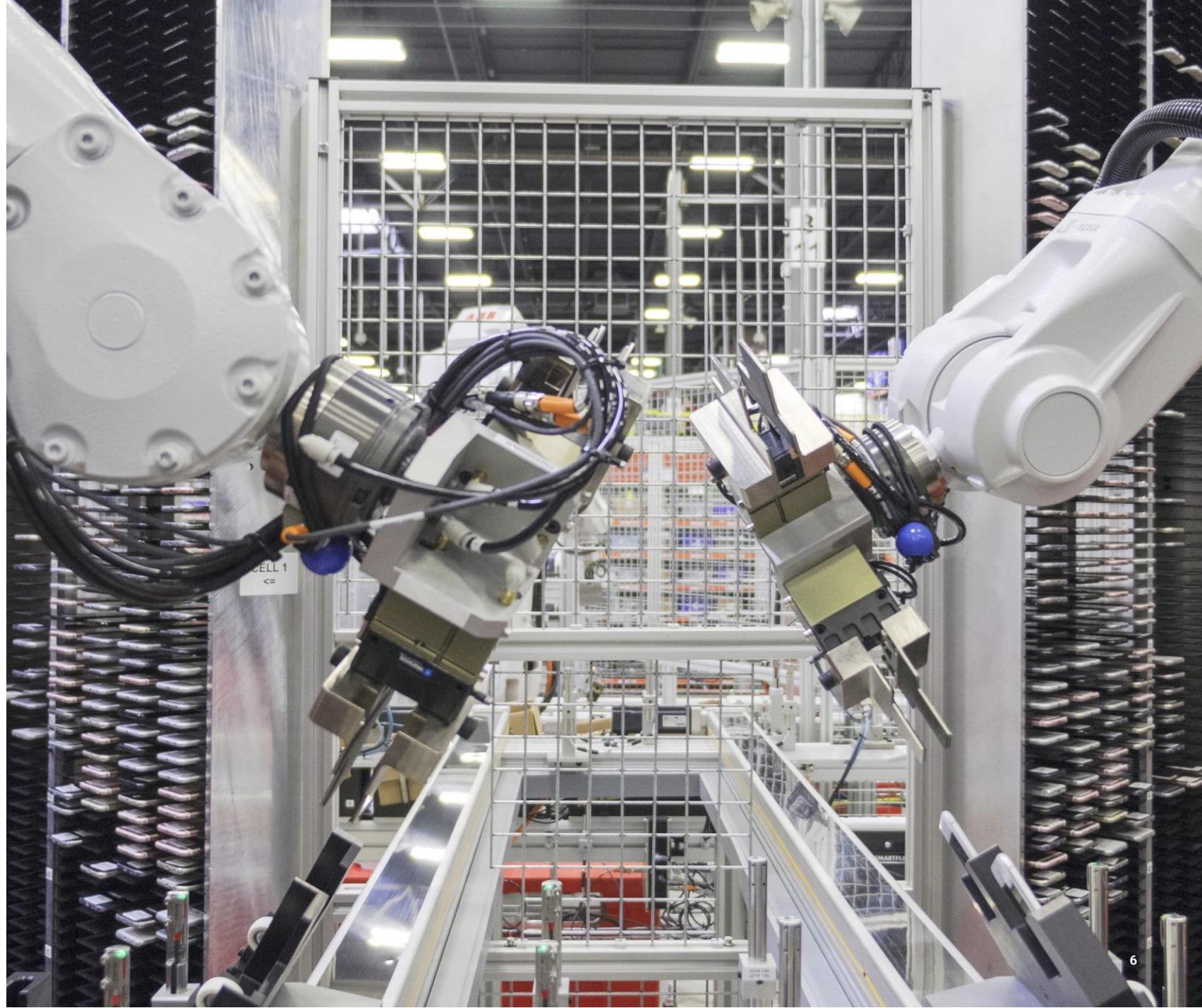
- **Largest last mile** logistics provider of heavy goods in North America
- **Largest manager of expedited** shipments in North America
- **Second largest contract logistics** provider worldwide based on facility space, with the largest outsourced e-fulfillment platform in Europe
- **Top three LTL provider in North America** transportation in North America, and a leading LTL provider in Western Europe
- **Second largest freight broker** worldwide, with a leading road fleet in Europe
- **Third largest provider of intermodal** services in North America with a national drayage network

## Why XPO

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We invest more than **\$550 million** a year in technology

**Our customers continue to grow with us because of our technology.** It fuels our network by creating efficiency and visibility, and optimizes our operations through automation and customization.



# Why XPO



**We are safe, respectful, entrepreneurial, innovative and inclusive.**  
We are XPO. Together, let's move the world forward. [Click to watch.](#)

## Why XPO

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We are unified by a single, unwavering principle:

**Our tagline** is intentionally inclusive and articulates the positive impact we have on the world.

**XPO**Logistics

Let's Move the World Forward.

# Less-Than-Truckload

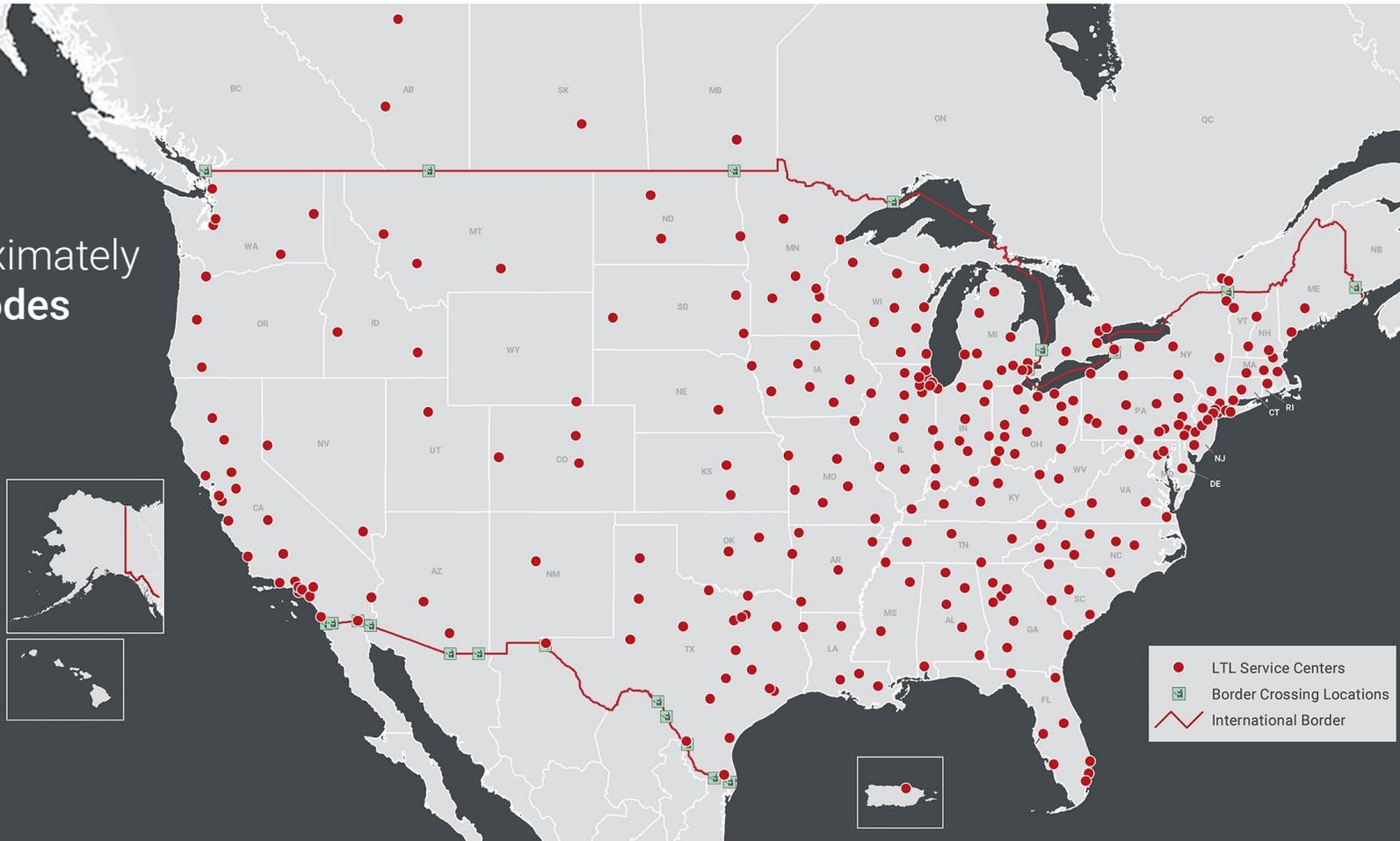
Laser focused on on-time, damage-free performance



# Scale

OVER 400 LTL LOCATIONS IN NORTH AMERICA

Service to approximately  
99% of US zip codes



# Experience

## National capacity of drivers, tractors and trailers for reliable pallet pick-up and delivery, and line-haul.

- **One of the most modern fleets** in the industry delivering approximately 20 billion pounds of freight a year
- **Business intelligence reporting** and custom analytics drive continuous improvement
- **A leader in Western Europe** in LTL (palletized) service
- **Over 30 years of experience**



### MAJOR CAPACITY

- Approximately 8,000 tractors and 25,000 trailers in North America
- Safe, modern line-haul fleet



### DAMAGE PREVENTION

- Proprietary, heavy-duty decking system
- Safety-alert technology installed in fleet



### RELIABLE

- 13,000 uniformed, professional drivers
- IT-enabled dock operations
- Customer Care team dedicated to your business

# Technology

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**LTL.xpo.com is a personal suite of shipping management tools and resources.**

- **Pre-populates** information and templates for frequently used items
- **Quotes rates** on demand based on your pricing agreement
- **Tracks intuitively** with predictive search capabilities
- **Reports** on the up-to-the-minute status of shipments and manifests



A woman with long dark hair, wearing a pink lace top and a watch, is sitting at a desk in an office. She is looking at a laptop screen and has her hands on the keyboard. The office environment includes other desks, monitors, and a mouse. The lighting is soft and professional.

# Full Truckload

Massive capacity managed with cutting-edge technology

# Scale

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Our robust capacity mix ensures **optimal equipment and price.**

- **Brokerage network of over 38,000 carriers** with more than a million trucks in North America
- **Dry vans, dropdecks** and refrigerated equipment; specialized and permitted flatbeds
- **Constant access to big data** on lanes, pricing, carrier ratings and market conditions
- **Fierce commitment** to execution and follow-through
- **Single point of accountability**



# Experience

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- Finished goods of all types
- Raw materials and parts
- Temperature-controlled
- High value and high security
- Heavy haul and oversized
- Single-source multinational

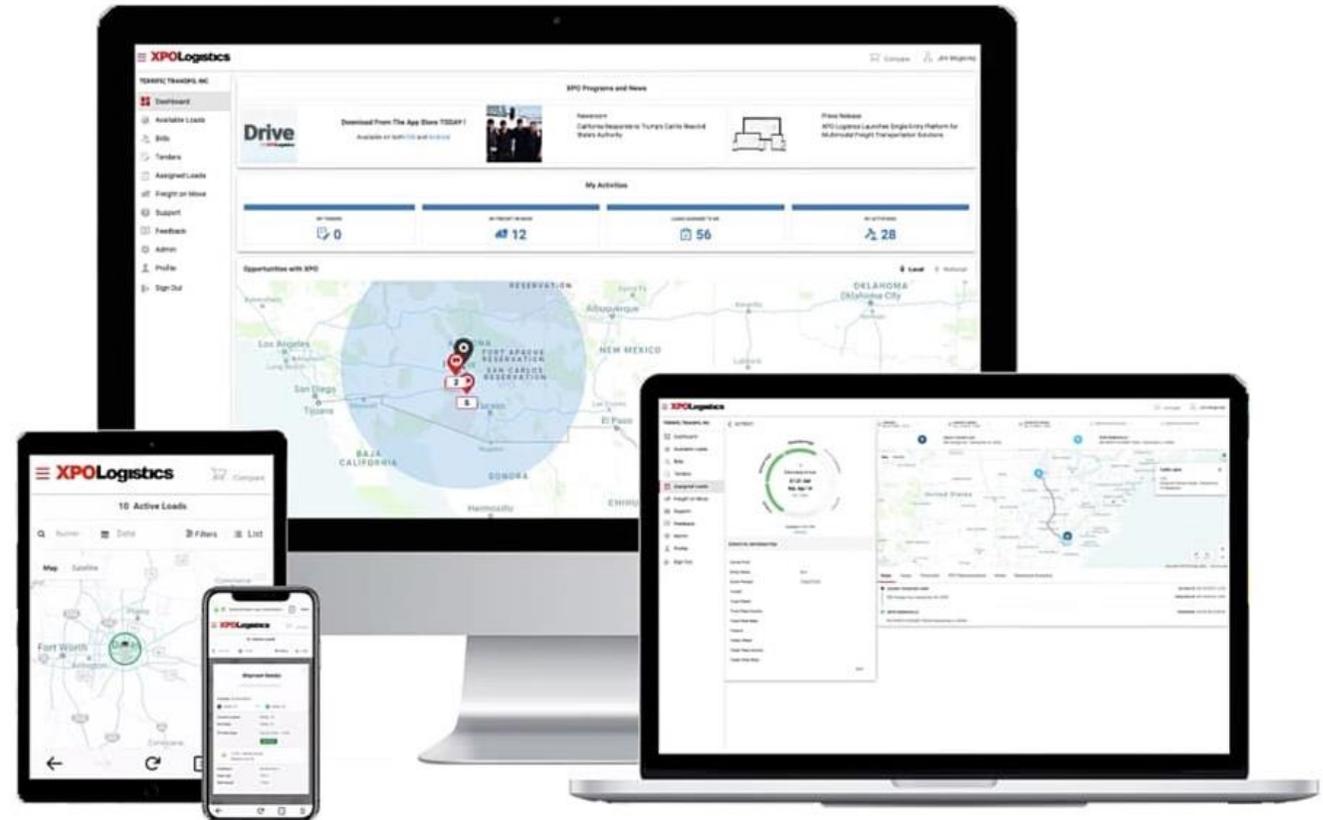


# Technology

**XPO Connect is our interactive digital freight marketplace that transforms visibility into multimodal business intelligence.**

Our proprietary algorithms are turning masses of data into relevant information in split seconds, so that our customers can purchase transportation as efficiently as possible.

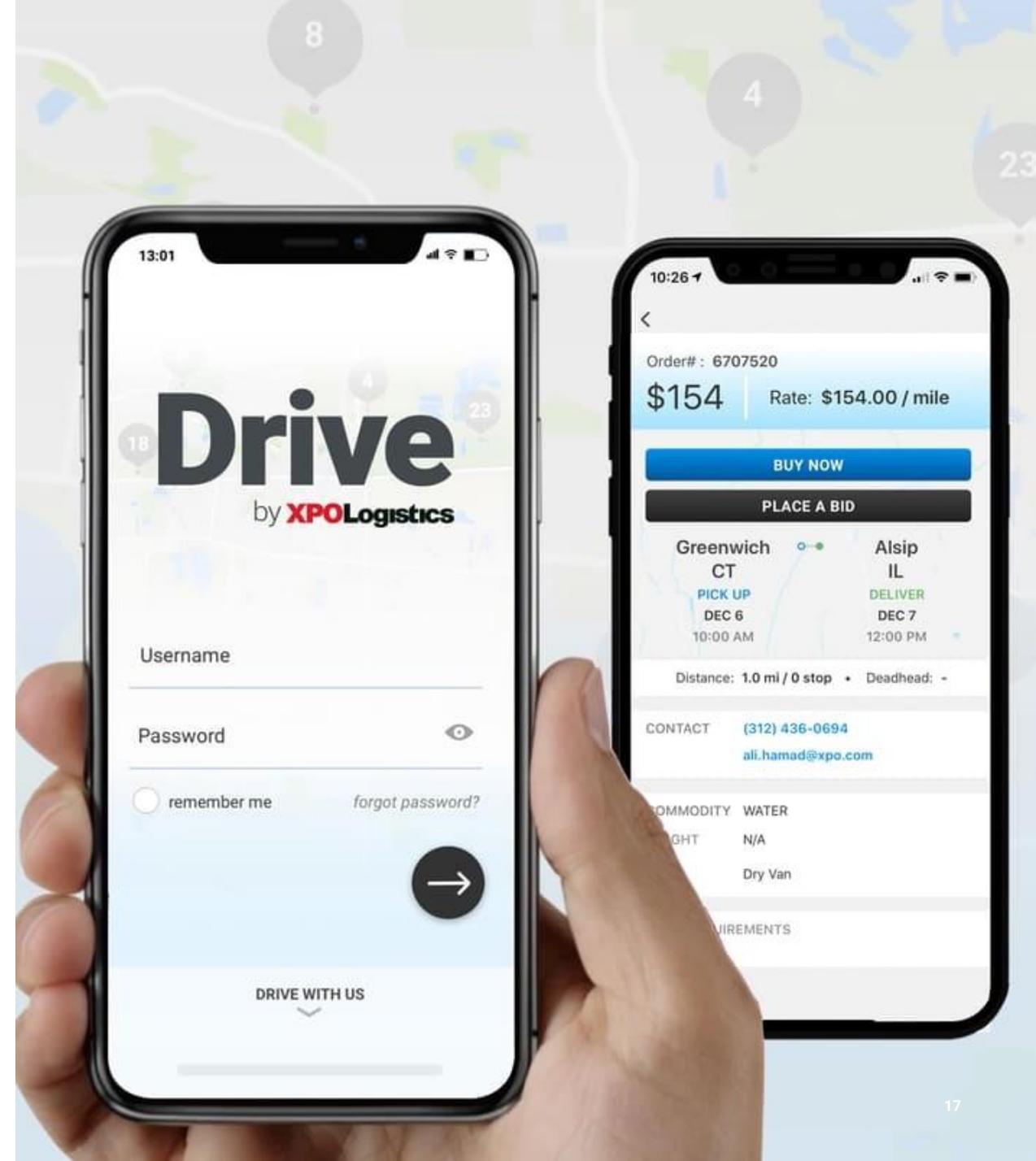
Shippers get insights into spot market rates, weather conditions, traffic and other factors that can help them make informed decisions.



# Technology

**Drive XPO is our mobile app that automates key functions for trucking carriers and interacts with our brokerage system.**

- **Integrates carrier operations** with a combination of procurement and productivity tools for drivers through a single interface
- **Bred from Freight Optimizer** and powered with XPO Connect's connectivity and multimodal architecture
- **Displays load postings in real time** with details such as origin, destination, freight type, dates, special handling and shipper information
- **Reduces empty miles** for drivers, giving shippers access to more capacity



# Intermodal and Drayage

Large, owned container capacity and national  
drayage network for seamless solutions

# Scale

A **top three** intermodal provider in North America.

- **Approximately 9,500 53-ft. boxes and 5,000 chassis** exclusively controlled by XPO, and access to small box capacity
- **Leading US drayage capacity of 2,400** contracted independent owner-operators
- **HazMat or tank certifications** held by majority of contractors
- **Access to over 25,000** additional drayage trucks
- **Network of over 40 terminals** serving every major US rail ramp and port
- **Large Mexico-based chassis fleet** and ramp personnel
- **Cross-docking and transloading** for efficiency and control



# Experience

We analyze our customers' shipping patterns and identify savings opportunities.

- National rail ramp drayage network
- TWIC-compliant port drayage
- Ocean drayage management services
- Certified HazMat handling of freight
- Safety-conscious contract carriers
- A focus on visibility, follow-through and communication
- Over 30 years of experience in Mexico



# Technology

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**Proprietary Rail Optimizer intermodal management system is driving on-time performance.**

- **Tracks door-to-door movements** of long haul freight with GPS on containers
- **Manages 53-ft. owned containers**, small box and drayage capacities
- **Communicates constantly** with railroads to proactively identify any delays
- **Fosters driver communication** during drayage legs
- **Keeps shippers informed** through EDI integration and an online, self-service portal



# Expedite

Time-critical deadlines met by  
ground, air and automated TMS

**XPO**Logistics

# Scale

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**#1** manager of expedited shipments in North America.

## GROUND TRANSPORTATION

- **Extensive North American** network of independent owner-operators with capacities from 1 to 44,000 lbs.
- **Optimal equipment:** cargo vans, sprinters, straight trucks, tractor-trailers, lift gate, temperature-controlled
- **Special handling** includes blankets, straps and pads, thermal mapping, debris removal and more

## AIR CHARTER

- **Proprietary online bid system** collects competitive bids in a transparent manner
- **Immediate access** to quick-launch carriers, project cargo carriers and AN-124 operators
- **Air and ground combinations** for door-to-door service
- **Air freight** services available



# Experience

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## OVER 30 YEARS OF EXPERIENCE

- **Rapid, reliable response** minimizes supply chain and production disruptions
- **Experienced owner-operators** understand the urgent nature of expedite
- **Disciplined processes** for high-value, high-security goods
- **Ability to pivot quickly** between modes as part of XPO's integrated service range

## CROSS-BORDER NETWORK

- **Expedited movements** in and out of Mexico and Canada
- **Urgent service** to eight Mexican airports and on to 18 cities
- **Intra-Mexico capabilities** and experienced on-the-ground team
- **Bilingual** cross-border specialists



# Technology

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**XPO's expedite capabilities include the largest web-based TMS for urgent load tendering in North America.**

- **Over 700 qualified carriers** can potentially bid on your load
- **Over 95% of shipments** are sourced in 24 minutes or less
- **Loads are self-posted** via automated or manual order entry
- **Requirements are broadcast to carriers** within minutes of receipt
- **Loads are assigned electronically** based on competitive carrier bids
- **Automated GPS as well as cellular track and trace**, proof of delivery, invoicing and reporting



# Global Forwarding

Shipments of any size, shape or weight, anywhere in the world



# Scale and Experience

**Our global footprint comes with local expertise in more than 15 countries.**

- **The experience to guide freight** through regulatory processes at thousands of destinations in Asia, Europe and the United Kingdom
- **Subsidiary registered** as a Non-Vessel Operating Common Carrier (NVOCC)
- **Licensed customs brokers** in place to facilitate customs filings, ISF filings, bonds, duties and taxes



# Technology

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**Our technology has eyes on the world,** giving you shipper information, weight, tonnage, consignee, number of SKUs, transit time and real-time location status.



# Last Mile

Consumer-facing service for superior brand protection



# Scale

**#1** last mile logistics provider for heavy goods in North America

- **85 market delivery centers** with service across the US
- **Over 500,000 installations** and assemblies a year
- **Professional deliveries** to homes, businesses and new construction sites
- **Pickup and delivery service** in over 500 markets in North America
- **European service** available in select countries



## Experience

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**Industry-leading track record** of consumer satisfaction with retail and e-commerce deliveries.

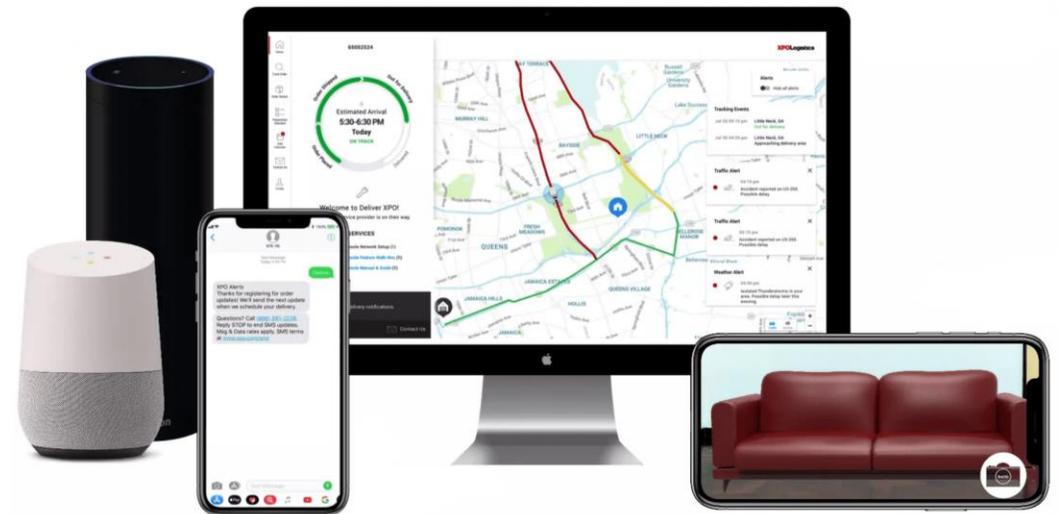
- **Cutting-edge mobile technology** ensures process consistency with contractor network
- **Code compliances** rigorously maintained and documented
- **Online order entries**, street-level geocoding and UPC label creation
- **Pre-delivery inspection**, with expert touch-up and repair as needed
- **Shipment optimization**, route-building and delivery scheduling
- **Installer network** includes licensed master plumbers



# Technology

**Our proprietary, customer-centric technology** is developed exclusively for last mile logistics for heavy goods.

- **Ship XPO** is a web-based suite of technology tools for consumers
- **Automated notifications** alert consumers to appointments and deliveries
- **GPS tracking** provides live ETA updates and electronic PODs
- **Voice integration technology** allows consumers to manage their orders by using smart speakers with Amazon's Alexa and Google Assistant
- **Augmented reality** creates a virtual image of how an item will look in a room, dramatically decreasing the likelihood of returns and damages



A group of people, mostly men, are seated at long computer workstations in a control room or office. They are wearing red polo shirts. The room is filled with computer monitors and keyboards. The background shows a large window with a view of the outdoors. The overall atmosphere is professional and focused.

# Managed Transportation

Customized, cost-effective multimodal solutions

## Scale and Experience

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**Customers trust us with approximately \$2.7 billion of freight under management.** Leverage our technology, expertise and buying power to manage your freight.

### SCALE

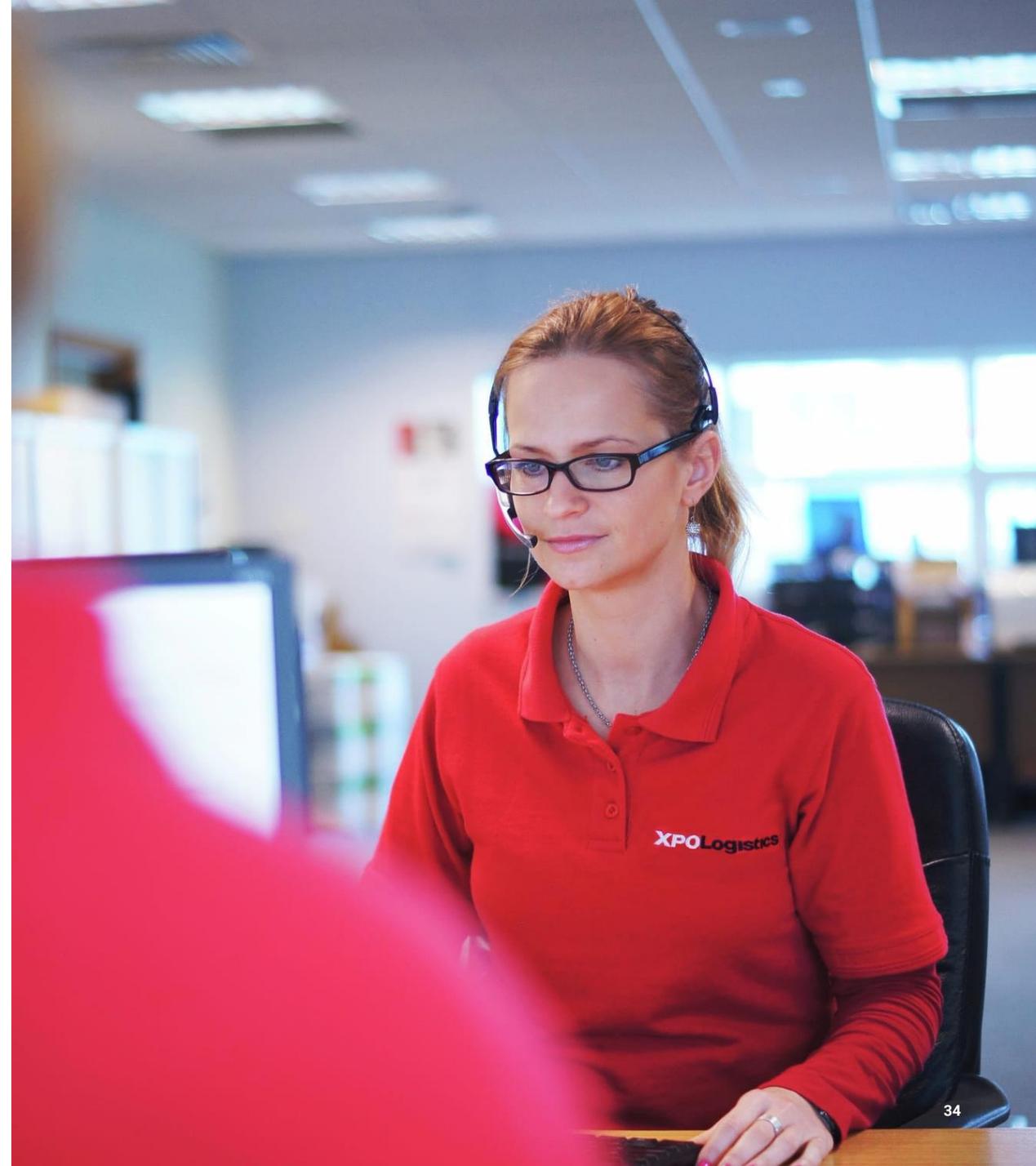
Access to market intelligence and buying power regionally, nationally and globally

### OPTIMIZATION

Proprietary technology integrates with thousands of carriers

### RELIABILITY

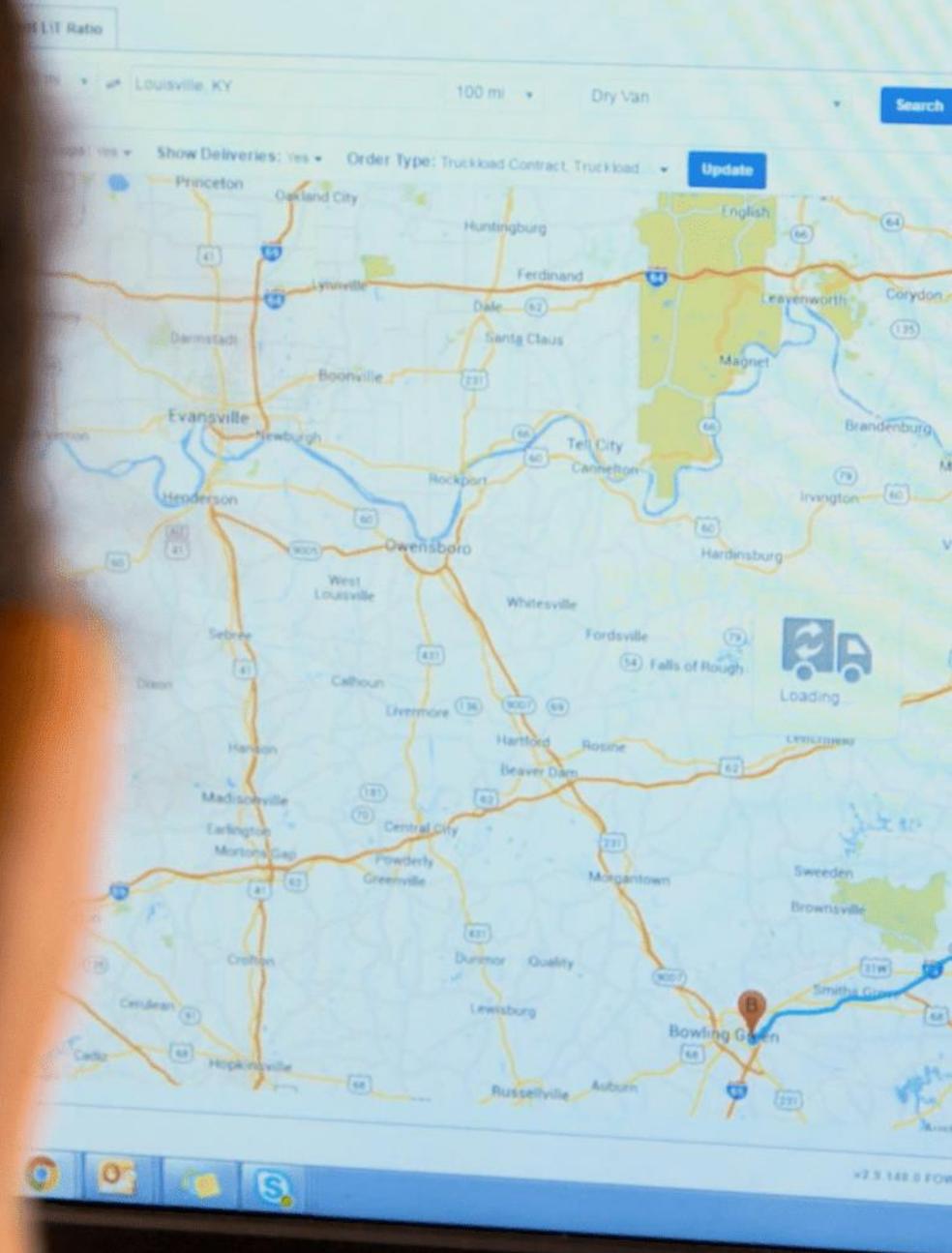
24/7 mission-critical control tower and expertise



# Technology

**Fully customizable services** that enhance flexibility and provide you with constant visibility and control.

- **TMS** data sharing
- **Customized dashboards** hone in on key information
- **Secure online** portals
- **KPI performance** scorecards
- **Door-to-door** online visibility
- **Freight spend** analysis
- **Shipping pattern** analysis
- **Robust reporting**, scheduled and on-demand
- **ISO9001, ISO14001** and Lean-certified

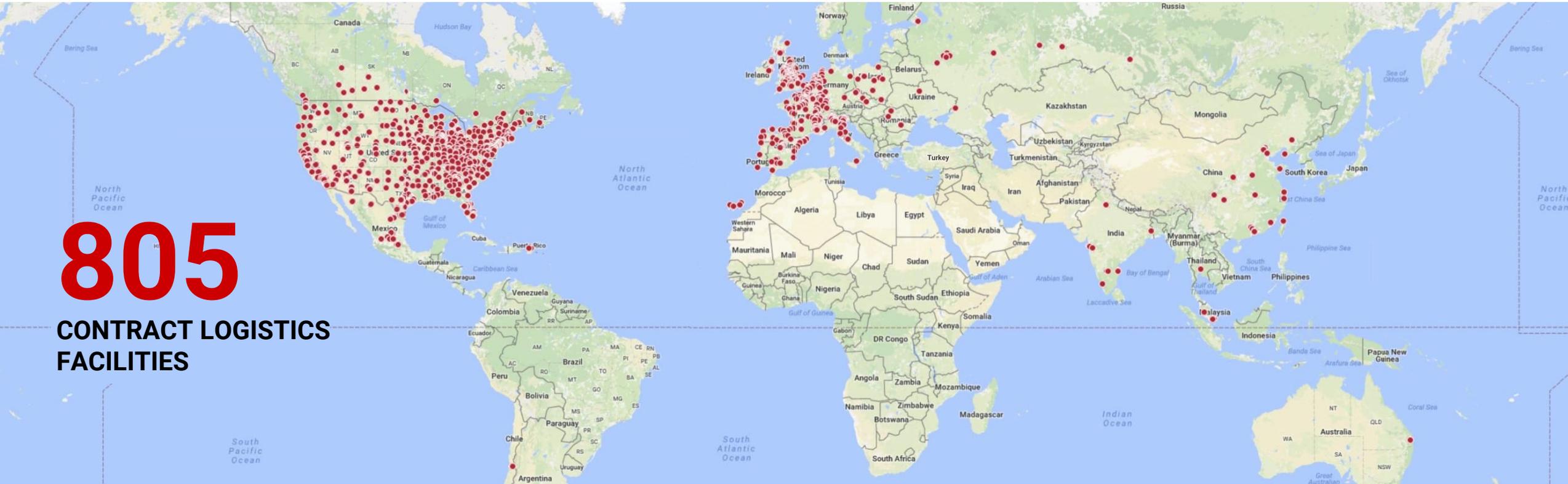


# Contract Logistics

Customized solutions designed to give customers a competitive advantage



# Scale



# 805

CONTRACT LOGISTICS FACILITIES

- **\$85 billion in goods** distributed across a broad range of industries
- **194 million square feet** of logistics facility space globally; **94 million** in North America
- **Skilled workforce** of approximately 56,000 globally; 23,000 in North America
- **Global footprint** ensures consistent service for our multinational customers
- **Use of automation**, robotics and other technical advances
- **Flexible solutions** for seasonal volumes
- **Ability to add sites** quickly in any market

# Experience

**We collaborate with industry-leading companies to create customized solutions that deliver results.**

- Deep vertical expertise by industry
- Operational excellence
- Long-term relationships

## AEROSPACE AND GOVERNMENT

- Highly engineered, critical supply chain solutions

## AGRIBUSINESS

- Innovative storage, handling and distribution

## AUTOMOTIVE

- Global best practices, cutting-edge technology

## CHEMICAL

- Safe, secure processes, environmentally sound

## CONSUMER PACKAGED GOODS

- Turnkey solutions, integrated packaging

## TECHNOLOGY

- Precise fulfillment, easy returns and repairs

## CONSUMER PACKAGED GOODS

- Turnkey solutions, integrated packaging

## FOOD AND BEVERAGE

- High-value-add services, all temperature ranges

## HEALTHCARE

- Time-critical agility, consistently responsive

## INDUSTRIAL

- Reverse logistics management, flexible network distribution

## OMNICHANNEL AND E-COMMERCE

- Retail and e-commerce solutions, brand protection

# Technology

**Our proprietary, next generation software suite brings wireless connectivity to the logistics process. This virtual command center features:**

- **Rapid deployment** using standard processes and controls
- **Mobile compatibility** keeps cutting-edge capabilities at hand
- **A cloud-based environment** to enable wireless warehouses
- **Role-based security**
- **A multilingual, global-ready solution**



# Technology

**Future-proof contract logistics, managed with a single, integrated solution for analytics, automation and intelligent machines.**

- **Real-time visibility** of transactions, order status, and inventory
- **Single integration** of all supply chain solutions, including warehousing and transportation
- **Dynamic functionality**, adaptable to robotics and automated solutions
- **Predictive analytics**
- **Data extraction** and download
- **User-configurable dashboards** and reporting
- **Distributed order management** to support multi-site and multi-channel environments



## Scale and Technology

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XPO Direct network is expanding to **100 North American facilities**.

**XPO Direct is a shared network of strategically placed stockholding sites, cross-docks and last mile hubs.**

- **Flexible, variable-cost** model solves seasonal peaks
- **Manages B2C and B2B** fulfillment without the capital investment
- **Positions goods** within one-day or two-day delivery of 90% of the US population
- **Shortens time** for retail store replenishments
- **Predictive algorithms** forecast optimal stock positioning
- **Supported as needed** with last mile, contract logistics, and brokered, owned and contracted transportation capacity



# Appendices



# Business Profile

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## TRANSPORTATION

65% OF REVENUE

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**Move all types of freight using optimal mode or combination of modes**

- Full truckload via brokered, contracted and owned truck capacity
- Less-than-truckload
- Last mile delivery, assembly and installation of heavy goods via contracted capacity
- Intermodal rail

## LOGISTICS

35% OF REVENUE

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**Solve complex supply chain requirements for all types of goods**

- High-value-add warehousing, fulfillment, distribution and inventory management
- Innovative solutions using advanced automation, proprietary analytics and other XPO technology
- E-Commerce and omnichannel specialization
- Returns management (reverse logistics)

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**Ability to outperform the market in any macro environment**

XPO is a **top 10** global provider of supply chain services.

**We use our highly integrated network of people, technology and assets to help customers manage their goods most efficiently throughout their supply chains.**

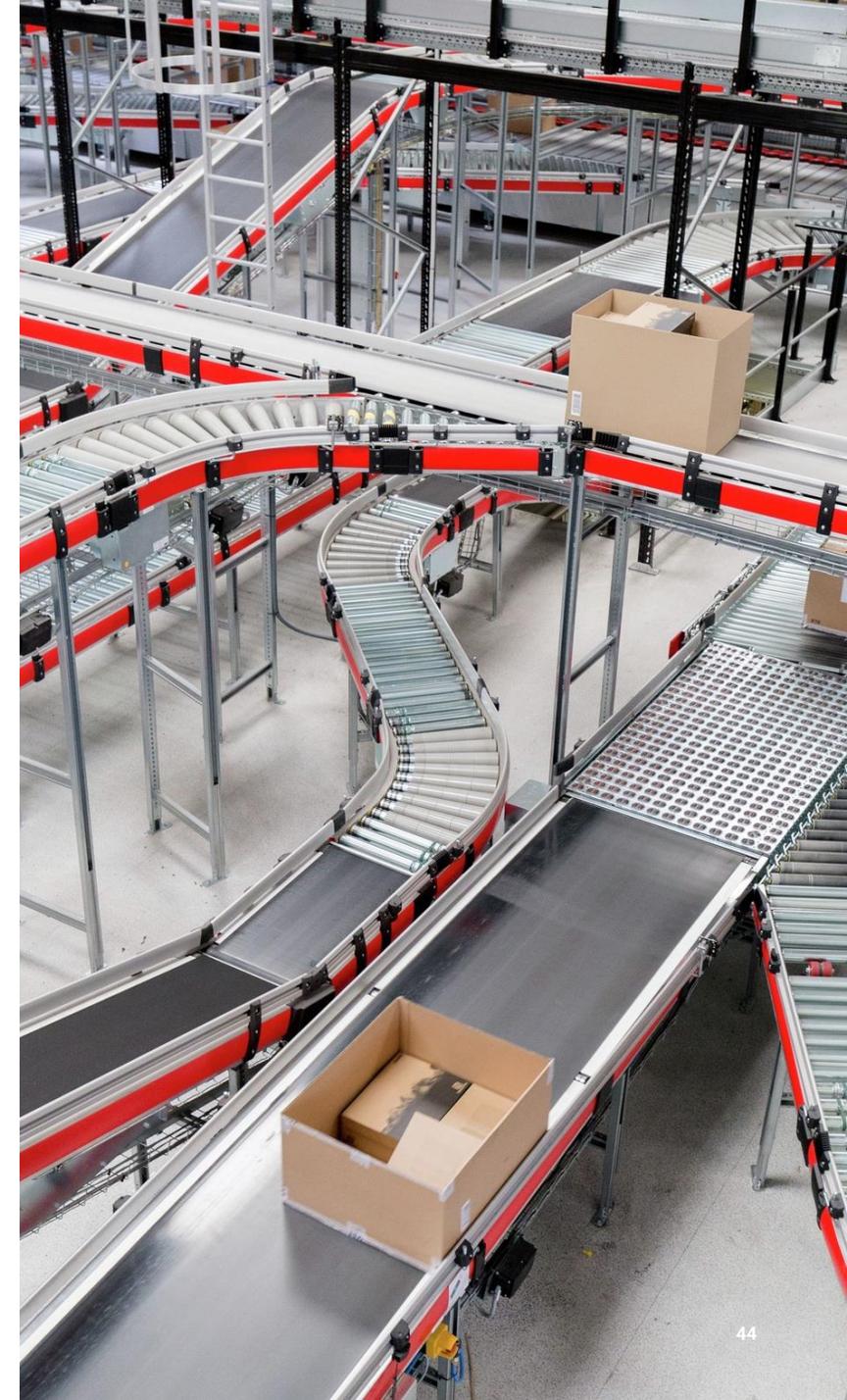
# Business Profile

## FULL-YEAR 2018 HIGHLIGHTS

- **\$17.28 billion** of gross revenue
- **\$390 million** of net income attributable to common shareholders
- **\$1.1 billion** of cash flow from operations

## RECOGNIZED FOR EXCELLENCE

- Named to Fortune 50 list of companies best positioned for **breakout growth**
- Named a Fortune **World's Most Admired Company** for the first time in 2018 and again in 2019, and ranked **#1** in transportation and logistics
- **Named a leader in the Gartner Magic Quadrant** for Third Party Logistics Provider Worldwide
- Transplace named us **2018 National LTL Carrier of the Year**
- CMI/Glassdoor ranked us a **Top 20 Employer in the UK**
- Named to the **Freight.Tech 25** by FreightWaves.
- **Ranked in the Forbes Global 2000** for second year in a row in 2018
- Named a Boeing **Superior Supplier in 2018**
- Transport Topics named XPO **#1 logistics company** third year in a row (2017, 2018, 2019)
- **A Best Company to Work For** in Spain by Forbes



# Culture

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**Safe**  
**Respectful**  
**Entrepreneurial**  
**Innovative**  
**Inclusive**

Our values drive our people. Our people drive our business.

As a global leader in our industry, we have a responsibility to set an example that is beyond reproach. Our XPO values are the heart of our culture.

# Culture

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XPO is **committed to safe practices** throughout our global operations.

**The disciplines, certifications and insurances we have in place are the framework of our comprehensive safety infrastructure.**

- **A culture that engages our employees** in proactive safety awareness as a way of doing business
- **Proprietary management software** and rigorous disciplines for health and safety functions and regulatory compliance
- **Automated monitoring** of carrier safety ratings, insurance qualifications and operating authorities in real-time
- **Corporate and local safety professionals** stationed in all of our operating regions to encourage a zero-incident mindset
- **Company programs that reduce cargo damage**, improve cargo security and enhance worker safety
- **Customizable theft mitigation programs** and root cause of damage analyses
- **Professional training** for customer dock workers, drivers and our owner-operators

# Sustainability

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Our approach to sustainability – and all areas of our business – is one of **purpose-driven progress rooted in innovation.**

**Visit [sustainability.xpo.com](https://sustainability.xpo.com) to read about our efforts and track our progress.**

- **86%** of materials used when XPO constructs a new 28-ft, double-walled trailer is recycled
- **25%** of XPO's global workforce is women, which is higher than the industry average
- **78%** of waste was recycled by XPO operations in Europe in 2018
- **1.7 million** training hours devoted to learning and development in 2018 for XPO employees in Europe and North America
- **\$90 million** was invested in 2018 to purchase nearly 800 tractors, all of which meet GHG regulations
- **79%** of material handling devices, such as forklifts, used at XPO supply chain sites are battery-powered
- **36,000** employees were hired by XPO in 2018, all of whom received XPO's Code of Business Ethics and Ethics Policies

**XPO**Logistics

Let's Move the World Forward.