

XPO

**2025
Sustainability
Report**



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About XPO

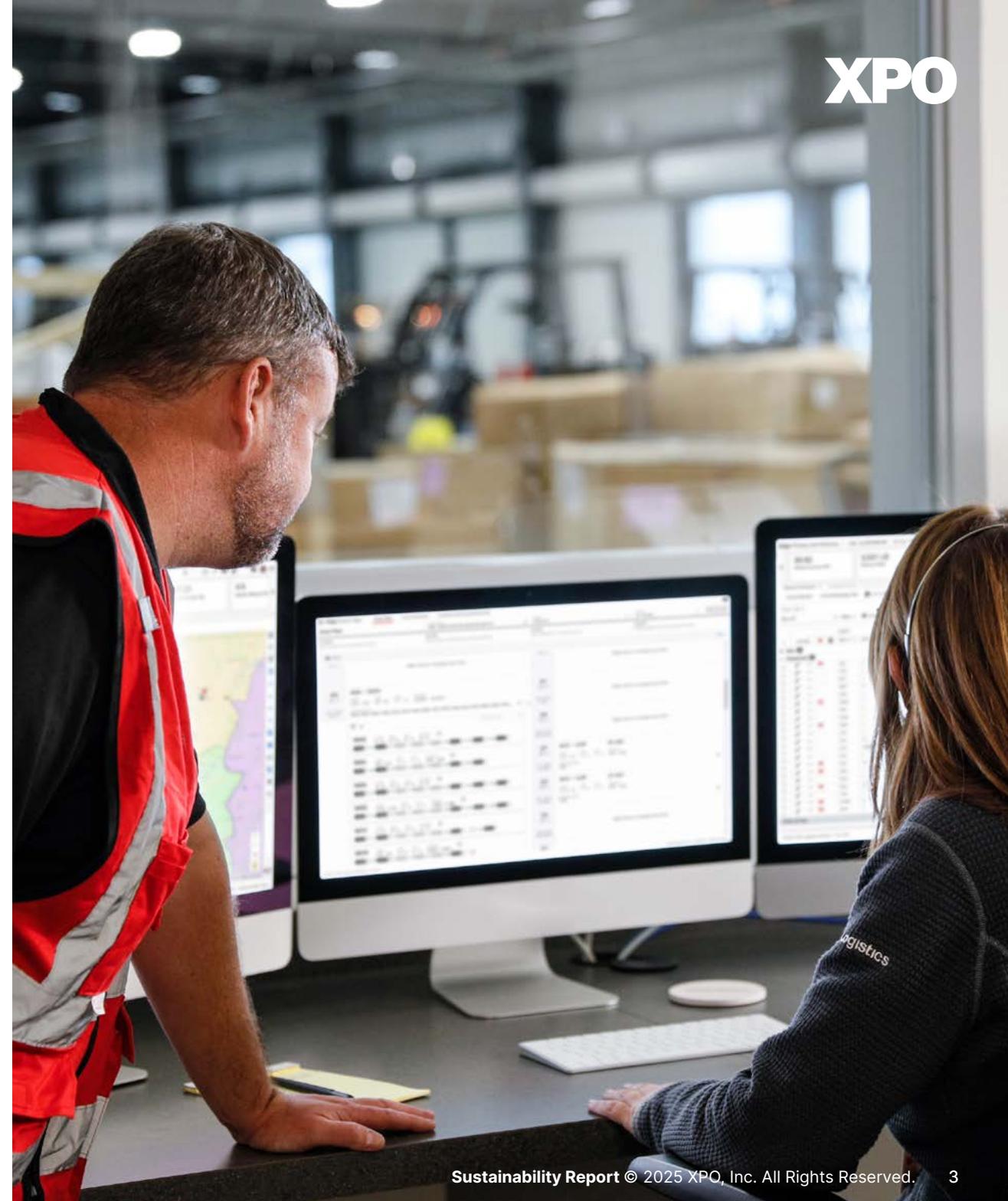
Service Excellence

XPO, Inc. (NYSE: XPO) is a leading provider of freight transportation services operating in two segments; North American Less-Than-Truckload (“LTL”), the largest component of our business, and European Transportation.

We use our proprietary technology to move goods efficiently through our customers’ supply chains in North America and Europe. As of December 31, 2024, we had approximately 38,000 employees serving approximately 55,000 customers through 614 locations in 17 countries.

Our innovation strategy is focused on providing highly efficient supply chain services that use automation and data science to create value for our shareholders.

For many of our customers, the transportation needs of their business account for a significant portion of their value chain emissions. Our technology can coordinate the movement of customer goods in ways that are more efficient. Our key priorities include optimizing truck and trailer capacity, streamlining local and linehaul freight flows, and investing in a modern, fuel-efficient fleet.



Our Approach to Sustainability

Our approach to sustainability reflects our efforts to improve our performance continually on matters that serve the interests of our stakeholders — our shareholders, customers, employees, and the communities in which we work and live.

Our sustainability initiatives align with the execution of our business strategy, which includes delivering superior customer service, the expansion and improvement of our network and increasing employee satisfaction. We exited 2024 with record levels for service, customer satisfaction and employee satisfaction.

Our commitment to excellence extends beyond our core operations and encompasses our corporate responsibility initiatives as well.





Highlights of Our Sustainability Strategy

Our sustainability strategy is built on the pillars of environmental commitment, social responsibility and ethical governance. Our sustainability initiatives are backed by a strong governance structure that encourages accountability and fosters ongoing progress on sustainability issues. Our Board of Directors, primarily via its Nominating, Corporate Governance and Sustainability Committee, is responsible for overseeing our sustainability strategies.

Our teams actively work to implement our sustainability programs and initiatives, ensuring that our strong dedication to environmental, social and governance factors is evident in our business decisions and actions.

We furthered our commitment to sustainability by submitting responses to EcoVadis for fiscal year 2024 and completing the CDP questionnaire to provide insight into our climate actions and emissions data.

Ongoing Initiatives to Reduce Our Environmental Impact



Calibrating our vehicles for improved fuel efficiency

- We equip our trucks with aero packages that reduce drag and improve mpg, resulting in lower fossil fuel consumption.
- We are nearly finished converting our fleet from manuals to more fuel-efficient automated manuals.
- We utilize SmartWay-approved tires that improve fuel efficiency.
- We set engine parameters to optimize fuel efficiency and performance.
- We equip our fleet with idle shutdown timers set at three minutes to reduce idle and emissions.
- We govern speeds at 65 mph to maximize fuel efficiency.
- We are adding side skirts to our trailers that lower drag and offer potential fuel efficiency benefits.

Deploying cleaner fuels and alternative vehicles where practical

- We are using biodiesel fuel in many areas, resulting in emissions reductions.
- We are exclusively using renewable diesel in the state of California.
- We have taken delivery of nine all-electric trucks to deploy in California. These trucks have begun picking up and delivering customer freight.

Reducing waste through recycling and reuse

- We tear down trailers that have reached their end of life at our in-house manufacturing facility in Arkansas and recycle 86% of the materials in these trailers.
- We recap tires to reduce waste and our non-recyclable footprint.
- We consistently recycle waste oil in our shops.

Improving the efficiency of routing, loading and freight handling

- We utilize proprietary software to reduce fuel consumption by maximizing route density and minimizing miles run.
- We are seeing improvements in load average, resulting in fewer driven miles to move the same tonnage, through the deployment of AI-powered technology in our linehaul operations.
- We have a diversified fleet of straight trucks as well as medium-duty and heavy-duty day cabs to avoid using larger trucks than necessary for smaller loads.

We are consistently recognized as an industry leader.



Recent recognition

One of America's Most Innovative Companies by Fortune Magazine (2025)

One of America's Most Reliable Companies by Newsweek (2025)

Military Friendly Employer - Gold Ranking by Viqtory (2025)

VETS Indexes 4-Star Employer (2025)

A Top Company for Women to Work in Transportation by the Women in Trucking Association (2024)

EcoVadis Gold Medal for XPO Logistics Europe (2024)

Our Values

Overachieve for Customers

We strive to provide a superior customer experience, with an emphasis on attributes that our customers value most, such as on-time, damage-free service. We are committed to continuously improving network efficiency and labor productivity and optimizing freight flows at all levels of demand. In 2024, our organization of truck drivers, operations teams and sales professionals worked together to move approximately 18 billion pounds of freight for our customers.

Be Safe

We constantly work to improve the safety and wellbeing of our people. That means investing in and implementing the latest protocols and staying up to date on the latest technologies and equipment so we can continue to do what we do best.

Be Accountable

We take pride in doing things the right way, which means speaking up when we see opportunities to improve and owning mistakes. By prioritizing accountability, integrity and a job well done, we make sure team members can count on each other, and our customers know they can count on us to do right by them.

Always Improve

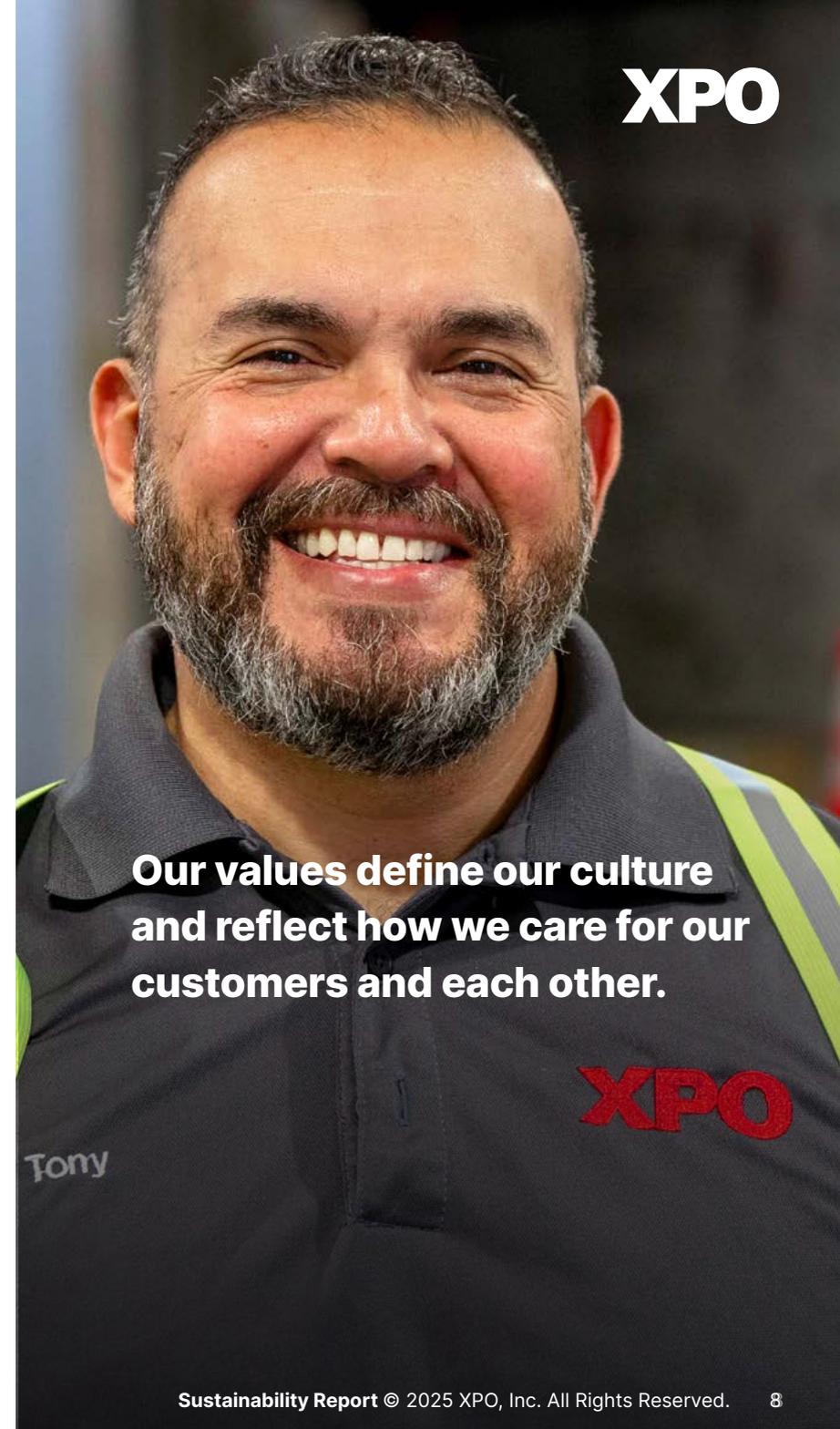
We're forward-thinking and always investing in our people, technology and network to deliver better results every day. Innovation runs deep in our veins, as we find new ways to improve our performance for customers, employees and shareholders.

Respect Each Other

We work hard to ensure our people feel respected and empowered. We build a collaborative culture that emphasizes respect, honesty and making sure every teammate has a voice.

Be World-Class in Every Way

We are focused on being #1 in LTL. We're competitive and driven to win, which means we don't settle for anything less than the best for ourselves, our customers, our shareholders and the communities we serve.



Our values define our culture and reflect how we care for our customers and each other.

OUR VALUES

Overachieve for Customers

Service Excellence

We are committed to building a premium service organization by aligning employee incentives and accountability with tangible quality-of-service results for customers. In the fourth quarter of 2024, we delivered a damage claims ratio of 0.2%, representing a major improvement from 1.2% in the fourth quarter of 2021, and we improved our 2024 on-time performance from 2023.

Our ongoing investments in employee training programs, state-of-the-art equipment and technological enhancements support our team in continuously improving service quality and productivity.



OUR VALUES

Overachieve for Customers

Fleet Improvements

Our ongoing fleet initiatives companywide include modernizing our tractors and trailers; deploying cleaner fuels where practical, such as natural gas, renewable diesel, biodiesel, biogas, hydrotreated vegetable oil and electricity and exploring the commercial viability of alternative fuel vehicles.

We continue to invest in tractors with 15-liter engines, automatic transmissions and SmartWay-approved low-resistance tires that improve reliability and fuel economy, while lowering emissions and extending engine life.

In 2024, we added over 2,300 tractors in North America, reducing the average tractor age to approximately 4.1 years, compared with 5.9 years at year-end 2022. Since the launch of our growth plan in late 2021, we have added more than 15,500 trailers and 4,700 tractors to our fleet.

We continue to calibrate our vehicles to improve fuel efficiency by implementing improvements such as equipping our trucks with aero packages that reduce drag and improve miles per gallon.



Electric vehicles show promise in commercial transport applications as an alternative to diesel, particularly in urban areas. Our fleet experts are working with manufacturers of larger electric trucks, and we have completed pilot programs to advance our understanding of the commercial viability of these vehicles.

In the U.S., we purchased nine all-electric eM2 trucks for use in our operations in California. In Europe we have more than 75 all-electric trucks currently deployed and have committed to order more than 275 additional all-electric trucks in 2025 supported by the existing and ongoing installation of more than 350 electric charging stations at our facilities.

OUR VALUES

Overachieve for Customers

Service Center Improvements

Our expertise in the circular economy helps us to continually improve the efficiency of our facilities.

We have ongoing initiatives underway to install LED lighting in our buildings, right-size packaging and incorporate other environmentally friendly practices in our operations.

We also reduce waste by recycling or reusing materials where feasible, including recycling 86% of the materials in trailers at the end of their life.



In December 2023, we completed the acquisition of 28 service centers, in line with our commitment to expand capacity in key freight markets and operate the network more efficiently.

OUR VALUES

Be Safe

Road to Zero

We developed our Road to Zero program to decrease occupational injuries and illnesses through education, mentoring, communication and on-the-job training that instills awareness and reduces risk.

These same priorities are emphasized when we train new commercial driver candidates at our in-house LTL driver training schools nationwide, where our veteran XPO driver-instructors reinforce our safety culture.

As part of Road to Zero, we track accident-free miles and recognize drivers who have achieved million-mile safety milestones.

As of December 31, 2024, more than 2,500 of our LTL drivers have achieved a safety designation of at least one million accident-free miles, with 246 of these drivers meeting this threshold in 2024.

Since the inception of Road to Zero in 2022, we have had four drivers reach four million accident-free miles during their career, which is the highest driver safety record in our history.

Driver Training

Our commercial truck driver training schools are an essential channel for recruiting new drivers, as well as providing new

careers for employees currently in other roles, such as dockworkers.

Trainees attend our driver school tuition-free, receive pay while training and have an opportunity for full-time employment after earning a CDL-A license. We also offer employees tuition reimbursement of up to \$5,000 for any approved non-XPO driver training school. In 2024, we graduated over 650 students from our LTL driver training locations.

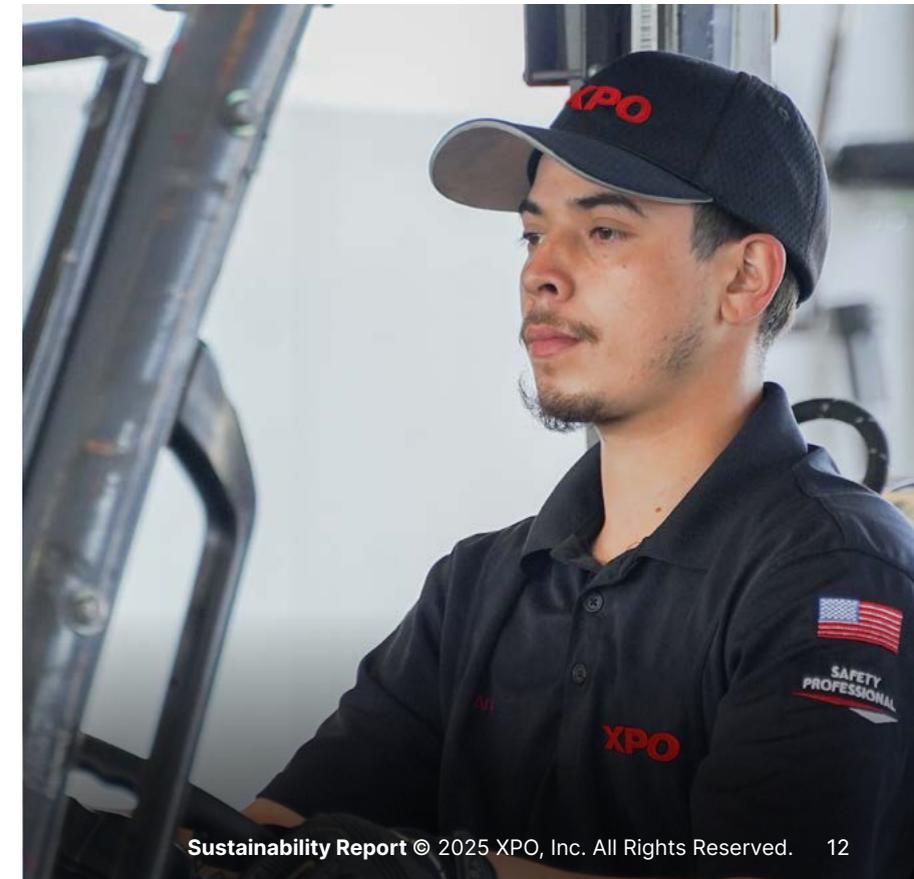
Maintenance Training

Well-maintained tractors and trailers are an essential component of both safety and customer service in LTL transportation. Our in-house maintenance training school enhances technical skills for new hires and provides continuous learning for our field maintenance personnel to stay abreast of maintenance developments and warranty recovery requirements.

Physical and Mental Health

We are diligent about evaluating new programs as they become available to support the physical and mental health of our employees.

In our open enrollment period for 2025 benefit plans, we introduced new options for virtual physical therapy and “physicals on the go,” and enhanced our employee assistance programs specifically for mental health.



OUR VALUES

Be Accountable

Board Governance

We are committed to sound corporate governance, and to fostering and upholding ethical conduct. Our culture and values, policies, training programs and day-to-day practices are centered on promoting the honest and ethical conduct of directors and employees, deterring and detecting wrongdoing, promoting compliance with applicable governmental laws, rules and regulations, and providing clear channels for reporting concerns. Our ethical values have been key to driving our continuing success and earning the trust of our customers, employees, shareholders and other stakeholders.

Our strong corporate governance structure, including a diverse Board of Directors with independent committees, serves to reinforce our commitment to operating with integrity. This impacts all aspects of our sustainability efforts, including our ability to build safe workplaces, serve our customers, foster the success of our employees, reduce environmental impacts and act as a good corporate citizen. It also allows our Board to strike the right balance between decisive leadership and rigorous independent oversight of management.

To encourage open discussion without management influence, our Corporate Governance Guidelines require non-management directors to meet regularly without the presence of management. These guidelines also provide for board members to have access to senior XPO officers and outside advisors.

Ethics

Our Code of Business Ethics (COBE) provides a comprehensive framework for defining and upholding the expected standards of behavior within XPO. The COBE is designed to deter wrongdoing, promote the honest and ethical conduct of all employees, promote compliance with applicable governmental laws, rules and regulations and provide clear channels for reporting concerns. Our COBE serves as the foundation of our corporate values and was most recently updated in April 2024.

Ethics Hotline

We encourage the reporting of any situation that appears to involve a break of our ethical or legal obligations or other wrongdoing. To report such matters, please communicate in writing to the headquarters address above, or use this confidential email: ethics@xpo.com.

Compliance with Insider Trading Laws

Our employees cannot trade in XPO securities while in possession of material non-public information.

Political Activity Policy

Our Political Activity Policy provides that any proposed political contribution by XPO must be approved by the Nominating, Corporate Governance and Sustainability Committee of the Board of Directors. The Policy also provides that we will publicly disclose any political contributions made on our website.

Cybersecurity

We employ technical measures to protect against cybersecurity attacks that align with functions identified in the National Institute of Standards and Technology Cybersecurity Framework.

The information security leadership team meets regularly to ensure our processes to identify, assess, and manage cybersecurity threats, including those posed by third-party service providers who provide services to our business, are effective and current.

Our information security team also reviews relevant legislative and regulatory developments and conducts regular and tailored information security training for our global workforce, in various formats.

We also maintain an information security risk insurance policy. We conduct internal exercises to prepare our leadership and cross-functional teams to respond in the event of a cybersecurity incident and to help us test and consider revisions to our incident response procedures.



OUR VALUES

Always Improve

Employee Profile

As of December 31, 2024, XPO operated in 17 countries, employing approximately 23,100 people in North America, 14,500 in Europe, and 400 in Asia, supplemented by approximately 3,000 temporary workers.

By geography, approximately 61% of our global employees are based in North America, 38% in Europe and 1% in Asia. By job description, approximately 64% of our employees work as drivers and dockworkers, 24% as operations and facility workers, and the remainder in support roles and other positions.

In North America, 50% of our professional management positions are held by women. In 2024, 52% of our newly hired U.S. employees self-identified as ethnically or racially diverse and approximately 43% of our total U.S. employee population was ethnically or racially diverse. This includes 20% of U.S. employees who self-identified as Black or African American, which is seven percentage points higher than the U.S. population, based on the most recent census data. In our total workforce, the absolute number of females in managerial positions grew by 28% cumulatively from 2021 to 2024; the absolute number of ethnically or racially diverse employees in managerial positions grew by 26% cumulatively in the same period.

Ethnically or racially diverse employees earned 35% of managerial promotions in 2024, up from 34% in 2023, and held 20% of executive leadership positions (vice president and above), 28% of professional management roles and 31% of operational management roles.

Competitive Wages and Jobs Creation

In addition to our annual merit and hourly pay increases that broadly cover our employee population in North America, approximately 1,000 eligible LTL employees at over 35 locations received additional wage increases throughout 2024. Further, across our North American and European operations, our ongoing investments in growth expanded our total permanent workforce by 0.2% year-over-year with 95 net new permanent employees.

Benefits

We offer an extensive suite of benefits to support the health and well-being of our employees and their families, often reflecting responsiveness to employee feedback. In the U.S., examples include:

- **Pregnancy Care Policy:** Guarantees up to 80 hours of paid prenatal leave and certain automatic accommodations, plus consideration of more significant accommodations while preserving existing wage rates.



- **Family Bonding Policy:** Provides up to an additional six weeks of 100% paid time off for the primary caregiver of a newborn or newly adopted child, and two weeks of 100% paid time off for a secondary caregiver.
- **Tuition Reimbursement:** Provides for up to \$5,250 of annual reimbursement for continuing education, academic discounts in more than 80 fields of online study and tuition-free commercial driver training.
- **Additional Benefits:** Includes virtual preventive health care, pelvic health management, physical therapy services and diabetes management services at no cost to employees, as well as supplemental insurance, short-term loans and a personalized Total Rewards Statement.

In Europe, our benefit programs vary by country and are tailored to the needs of local markets. Examples include comprehensive health and risk insurances, employee assistance programs covering mental, physical and financial well-being, commercial driver training, vocational coaching and training, and a fully flexible benefits program in the U.K.

OUR VALUES

Always Improve

XPO Accelerate

Launched in September 2022, XPO Accelerate provides high-potential leaders in service center, sales and support staff roles with the critical skills necessary to take on more senior leadership roles. This program helps retain and promote promising leadership talent by building relevant strategic skills.

Field Management Training

We maintain a strong “ready now” pipeline of future leaders for our operations through a comprehensive, 14-week, blended learning approach. Our Field Management Training program graduated 68 supervisors in 2024, of which more than 40% were ethnically, racially, or gender diverse.

Frontline Leadership Training

Our Freight Leadership Certification and Freight Operations Onboarding webinars support newly hired frontline leaders as they transition into their roles. The programs equip employees with fundamental skills to succeed in freight operations, including online learning and weekly instructor-led webinars.

XPO University

Our learning and development platform, XPO University, delivers approximately 21,000 online and in-person learning and assessment programs to our employees in North America and Europe in areas such as onboarding, management training, technology, compliance and safety and professional skills development. In 2024, 420,000 training hours were completed by our employees worldwide.

DRIVE Leadership Program

Strong leadership is the driving force behind our success. To continue our investment in our people and culture, we’ve introduced XPO DRIVE, our new leadership model that will define how we lead and develop leadership talent. Developed with input from leaders across XPO, DRIVE provides a clear easy to remember framework to guide managers at every level of the organization and improve our leadership model.





OUR VALUES

Respect Each Other

Community Outreach

We continue to support organizations that reflect the interests of our employees and the communities where we operate. In 2024, our company served as the official transportation partner for the Susan G. Komen 3-Day walks to end breast cancer and sponsored Pat's Run to support the Pat Tillman Foundation. We supported homeless shelters by donating more than 64,000 pairs of socks and \$115,000 worth of school supplies to local kids across our network. On the safety front, our employees take pride in XPO being the official transport partner for the Tour de France competition for 44 years.

Veteran/Military Recruiting Initiative

Military personnel and veterans enrich our organization with experience, leadership and resilience. We actively recruit on military bases throughout our footprint and through our partnerships such as U.S. Army Partnership for Your Success (PaYS).

Trafficking Prevention

In 2025 we extended our support for TAT (Truckers Against Trafficking), a leading nonprofit focused on educating and empowering members of the transportation industry to combat human trafficking. For the fifth consecutive year, we are serving

as a platinum partner of TAT. Nearly 6,000 of our employees across the United States have received training to recognize and report suspected human trafficking to help protect those who are vulnerable.

Zero Tolerance for Discrimination, Harassment and Retaliation

We do not tolerate harassment or discrimination on the basis of any protected category or class.

We strictly prohibit retaliation against employees who raise concerns, report potential violations of laws or policies, or participate in legal or compliance investigations.

Celebrating Our Differences

We take pride in having an inclusive workplace that encourages a diversity of skills and perspectives. From heritage months to open dialogues via our Table Talk open meetings, we honor each individual's unique contributions.

Employee Engagement

Our executive leadership regularly solicits feedback from employees to gauge our progress, assess satisfaction and encourage constructive suggestions. Each quarter, we ask our "wired" employees to submit their input through an anonymous online satisfaction survey. In the U.S., we also conduct an annual satisfaction survey of our "non-wired" frontline employees, and hold regular roundtables and town halls. Based on employee feedback, we develop action plans at the business unit and facility levels to implement targeted improvements.

OUR VALUES

Be World-Class in Every Way

Technology Innovation

Proprietary technology is central to how we innovate and deliver value for our stakeholders. It is embedded in every facet of our business, enabling us to provide world-class LTL service with greater safety, efficiency and speed.

Our operations are powered by a fully cloud-based technology stack, distinguishing us as one of the few transportation companies that have moved beyond traditional mainframe systems. This modernization has unlocked the ability to integrate AI solutions that are improving service quality, reducing costs and lowering emissions. In our linehaul operations, our AI-driven models have reduced diversions and extraneous miles driven. Within our pickup and delivery options, our AI initiatives to optimize route assignments are reducing stops per hour, and ultimately, driving meaningfully higher trailer utilization.

We also leverage proprietary technology to empower our frontline leaders with insights and data to operate more efficiently. XPO Smart®, our suite of labor planning tools and analytics, incorporates dynamic data science and machine learning to support our managers' workflow decision-making. The software self-adjusts site by site to drive productivity across our LTL service centers, improving our operations in a safe, disciplined and cost-effective manner.



Performance Tables



Performance Tables

Global Workforce Metrics



2024

Workforce

Total employees	38,000
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Diversity

% women

Total workforce	14%
Total workforce - excluding drivers, dockworkers and technicians	37%
Professional management roles (North America only)	50%

% ethnically or racially diverse

Executive leadership positions (VP or above)	20%
Professional management roles	28%
Operational management roles	31%
New hires (US only)	52%
Total population (US only)	43%

Board of Directors

Total directors	8
# of women directors	3
# of ethnically or racially diverse directors	2

Performance Tables



				2024		
				Europe	NA LTL	Total
Scope	Emission Source Category			MT CO ₂ e	MT CO ₂ e	MT CO ₂ e
Scope 1	Direct emissions arising from owned or controlled stationary sources that use fossil fuels and/or emit fugitive emissions	Stationary combustion	Fuels	7,710	6,202	13,912
			Biofuels	20		20
		Fugitive emissions	Refrigerants	1,103		1,103
	Direct emissions from owned or controlled mobile sources	Mobile emissions	Co. Personal vehicles	1,776		1,776
			Delivery Fleet vehicles	333,925	971,036 ¹	1,304,961
			Delivery Fleet vehicles Biofuels	4,039		4,039
Total Scope 1			348,575	977,238	1,325,813	
Scope 2	Location-based emissions from the generation of purchased electricity, heat, steam or cooling	Electricity premises		760	23,646	24,406
		Electricity for EVs delivery fleet vehicles subcategory (subset of above)		224	9	233
		Electricity for EV personal company cars		92		92
		Total Scope 2			853	23,646
Scope 3 ²	Category 1: Purchased goods and services	Water supply		27		27
		Materials use purchased		6,917		6,917
	Category 2: Capital goods	Commercial vehicles purchased		38,187		38,187
		ICT (information & communication technologies)		4,040		4,040
	Category 3: Fuel- and energy-related activities	Upstream emissions fuels and electricity		252,510		252,510
		Transmission and distribution losses		2,190		2,190
	Category 4: Upstream transportation and distribution	All subcontractor carriers		598,229		598,229
		Multimodal carriers (subset of above)		16,900		16,900
	Category 5: Waste generated in operations	Wastewater		24		24
		Waste		2,177		2,177
	Category 6: Business travel	Business travel (transportation, food, accommodation)		1,737	3,061	4,798
	Category 7: Employee commuting	Employee commuting		9,933	80	10,013
		Home office/ teleworking		39		39
Total Scope 3			916,010	3,142	919,152	
Total Emissions			1,265,437	1,004,026	2,269,463	

Performance Tables

Fleet	Average Age (yrs)	Fuel Type
Tractors	4.1	100% diesel
Straight Trucks	3.2	97% diesel / 3% electric

Fuel Type	NA LTL (Gallons)	%
Diesel	85,229,213	85.2%
2% Biodiesel	5,092,128	5.1%
5% Biodiesel	2,916,544	2.9%
14% Biodiesel	3,428,910	3.4%
20% Biodiesel	378,362	0.4%
Renewable Diesel	2,963,839	3.0%
Grand Total	100,008,996	

¹ For the North American LTL segment, this figure includes an aggregate of metric tons of CO2e from our LTL segment trucks equipped with Samsara (approx. 99% of our North American LTL segment P&D linehaul trucks and tractors). Emissions from forklifts, terminal tractors, outsourced linehaul, and rental for our North American LTL segment have not been evaluated.

² For the North American LTL segment, emissions related to leased company vehicles and their use for business travel and employee commuting are reported in Category 6 of Scope 3 emissions. Emissions from other Scope 3 categories have not been evaluated for North America.

³ For the North American LTL segment, facilities fuels consumption is reported in the context of fuels used for facilities heating and cooling. Transportation fuel consumption is not reported in this table.

European data reflects 2024 Performance Tables disclosed in the 2024 European Sustainability Report.

	2024		
	Europe	NA LTL ³	Total
Electricity Consumption (kWh)			
Electricity consumption	26,354,070	61,465,614	87,819,684
Renewable solar electricity	253,610		253,610
Facilities Fuels Consumption			
Natural gas (m ³)	1,192,934	3,103,389	4,296,323
Butane, propane (kg)	1,374,306	39,680	1,413,986
Heating oil (liters)	140,355	23,204	163,559
Kerosene (kg)		458	454
Diesel (liters)	408,608		408,608
HVO 100 (liters)	4,350		4,350
Biomass (tons)	217		217
Diesel B30 (metric tons)	4,500		4,500
Waste (metric tons)			
Total waste generated	8,345	33,639	41,984
Total waste sent to landfill	4,177	27,177	31,354
Total materials recycled	4,353	6,464	10,817
Total hazardous waste	1,742		1,742
Water (cubic meters)			
Water supply	195,890	396,869	592,759
Water rain collection	200		200
Water consumed in water-scarce areas of Europe	21,380		21,380

Further Information

Your feedback and engagement are vital to our continuous improvement in sustainability performance. We invite you to explore our reports, review our metrics and join us in our journey.

Contact Us:

Contact us with your feedback, questions or suggestions here www.xpo.com/contact-us.

Additional Resources:

Additional Resources can be found on our sustainability webpage here www.xpo.com/about-us/sustainability.



XPO

Your freight first