

Logistics at full potential

Company Profile

September 2021

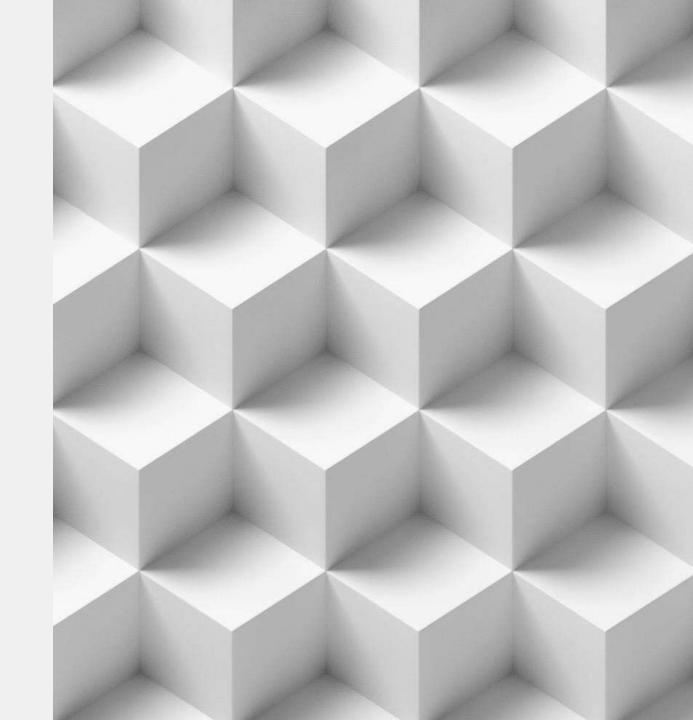


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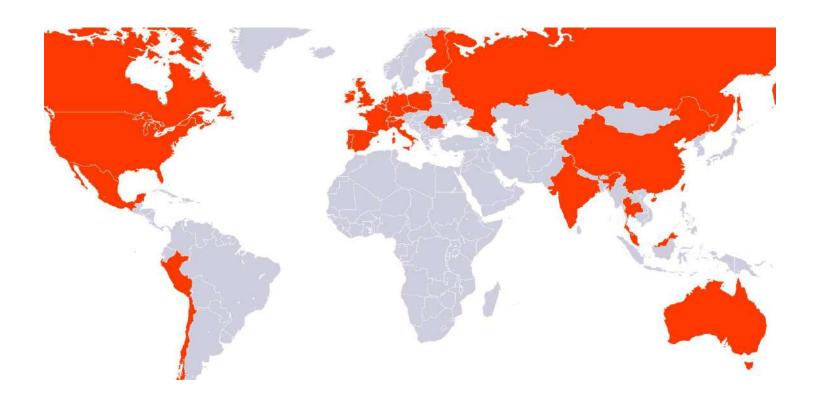
Why GXO

Changing the game in logistics.

GXO is a world leader in providing cutting-edge logistics solutions for multinational companies and blue-chip market leaders.

Our ultimate vision: create game-changing opportunities for the world's best companies.

GXO – Logistics at full potential



pure-play contract logistics provider. We're engineering the next generation of logistics, shaping the future of our industry and pioneering cutting-edge solutions to unlock growth for the multinational companies we serve. That's logistics at full potential.

\$6.6 bn

revenue

869

Warehouse locations

208m sq. ft.

of warehouse space

~94 k

team members

27

countries



What we value

Positive impact for our people, partners and planet.

We account for **environmental** and **social impact** in everything we do, whether that's building career paths that help diverse teams thrive or designing operations. That **reduce energy consumption** and **increase environmental sustainability**. ESG criteria are core to our operations.





A culture of full potential

At GXO, our values aren't just words on paper – we live them every day.

Our values

Be safe

We put safety first. It's our responsibility to take care of each other. Together, we create safe, supportive workplaces where people can thrive and return home from work as healthy as they arrived.

Be inclusive

We value individuals' diverse voices, talents, identities, backgrounds and experiences to drive innovation and success. We build a culture of belonging that respects all team members and constantly find ways to meet their diverse needs.

Make an impact

We strive to make a positive impact for our people, partners and planet.
We do it by listening, doing business responsibly and ethically, and going above and beyond to deliver environmental, social and economic value.

Change the game

We never stop finding bold, original solutions to tough challenges. We continually raise the bar, powering game-changing solutions with advanced technology. We help our customers evolve to meet the needs of tomorrow, as well as of today.

Deliver results

We're laser-focused on delivering the best results. Every day, we find ways to increase efficiency, speed and overall performance. We're passionate about producing outstanding outcomes for all of our stakeholders.





Inclusion

A culture of full potential

Diversity, equity and inclusion

Beyond our commitments to diversity, equity and inclusion, we've implemented a range of initiatives that help us bring those beliefs to life.

Steering committee and Inclusion series

Leaders from across GXO support our mission to "promote diversity, inclusion and respect across our organization, serving as role models and leaders while being a collective catalyst for understanding and valuing the uniqueness of all GXO employees."

The series includes ongoing employee education and awareness-raising around the unique challenges of different demographic groups.



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Inclusion – Our programs





Log'ins

We are partners in a joint venture with Ares, an organization that supports social inclusion in France. The Log'ins program trains differently-abled participants in logistics jobs, as well as in skills that help participants succeed in a traditional workplace environment.

WorkFit

We work closely with WorkFit in the United Kingdom to connect our teams with individuals with Down syndrome. Each colleague has at least two "buddies" within the team and is assigned a designated trainer. The trainer remains with the colleague as long as needed and works as part of the buddy team.



Vocational Improvement

GXO partners with the nonprofit Vocational Improvement Program (VIP) in the U.S. to expand our hiring of employees with disabilities for meaningful careers. We're currently establishing additional partnerships that will further strengthen this recruitment channel for GXO. Our company has been recognized with the STAR Award by the California Disability Services Association for our support of people with developmental disabilities.



Impact through career advancement

We are committed to offering rewarding jobs and providing training to differently-abled people. Our commitment to disability inclusion includes partnerships and joint ventures for recruitment, inclusive workplace policies, mentors and workplace support and equal benefits.





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SustainabilityReducing environmental impact

We promote sustainability in our operations and corporate infrastructure for two reasons. First, it's good business and the right thing to do. And second, it's important to many of our stakeholders that we participate in the **transition to a low-carbon economy** — which means that we take that transition even more seriously. We do it by collaborating with customers to create **action plans that reduce emissions** related to their supply chains **through technology-enabled route optimization, load consolidation and process automation**.

- ISO14001 certification for environmental management
- Fuel emissions from forklift monitored at warehouses
- Reusable tools
- Used goods recycling as a byproduct of reverse logistics operations
- Energy efficiency evaluations
- Optimal packaging



Visit <u>our website</u> to read about our efforts and track our progress.



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Committed to achieving bold environmental targets

30%

Greenhouse gas emission reduction by 2030 vs. 2019

100%

Carbon neutral by 2040

50%

Renewable global electricity by 2030

80%

Global operations using LED lighting by 2025

80%

Global landfill conversion rate by 2025

GXO is focused on attaining its own ESG targets and helping customers attain their targets.

Note: All ESG targets are subject to approval by the board of directors





Our commitment - What we deliver



Smart, efficient results

We get the job done, staying laser-focused on reliable, efficient, speedy performance.



Cutting-edge technology

We push the industry forward, breaking ground in game-changing technologies and approaches.



Agility at scale

We combine global, cross-vertical expertise with an entrepreneurial culture in order to pivot and think creatively.



Proactive added value

Every employee looks ahead, constantly finding new ways to improve performance, add new value, and build partnerships that last.



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Recognized for Excellence

AWARDS AND RECOGNITION

- The largest pure-play contract logistics provider worldwide
- Gartner 3PL Magic Quadrant for 5th consecutive year
- Green 75 Supply Chain Partner, 2020, by Inbound Logistics for 5th straight year
- Silver CSR Sustainability Rating in North America and in Europe, 2020, by Ecovadis
- #3 of Top 100 Logistics Providers in the Netherlands, 2020, by Logistiek
- Maytag Dependability Award for reverse logistics, 2020, by Whirlpool
- Kings of Supply Chain Innovation Award in France, 2020, by Supply Chain magazine

Brand



Watch: Logistics at full potential

We engineer faster, smarter, leaner supply chains. Unlock logistics at full potential.





What we do

We design, manage and optimize supply chains.

We help customers get the most out of their supply chains by improving the flow of goods; from ecommerce fulfilment and flexible distribution to warehouse automation and reverse logistics.



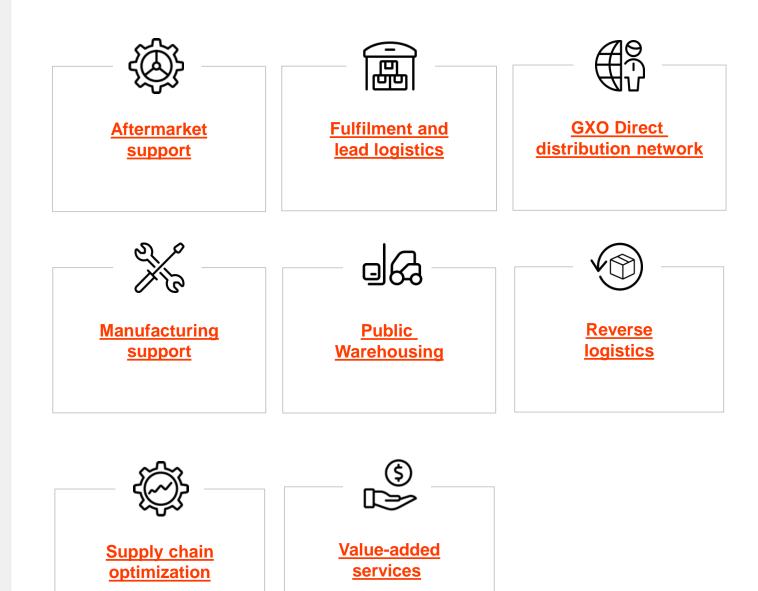


Unlock the potential of your supply chain

Every supply chain is unique and full of untapped potential

The supply chain management solutions that we create for you are tailored to your business' challenges and complexities. We leverage a broad range of capabilities to tackle every logistics need from warehousing to distribution.

Ultimately, our goal is simple: to **help you adapt and grow** with a smarter supply chain.





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Aftermarket support

End-to-end visibility of efficient parts distribution and high service levels

We design, build and manage aftermarket supply chains that improve service levels, enhance product uptime and profitability and increase end-customer loyalty.

Benefits of our global distribution network for our customers:

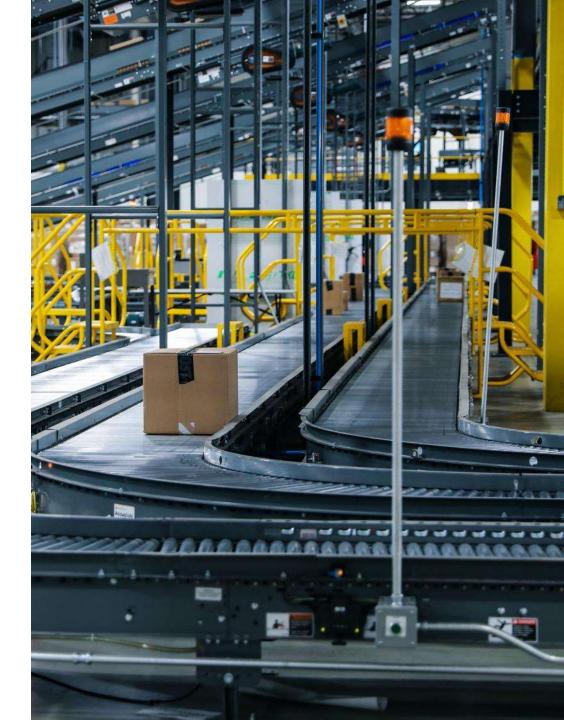
- On-time delivery
- Productivity
- Accountability
- · Highly reliable, end-to-end solution with our web-based visibility

Our capabilities include:

- Demand planning
- Stock management
- Reverse logistics
- Time-sensitive deliveries
- Jobsite deliveries
- Courier Services
- · Configuration and testing
- Real-time tracking of defective parts through the return-and-repair cycle







Fulfilment and lead logistics

A seamless and scalable approach that builds your brand equity

GXO provides flexible, scalable and responsive fulfilment logistics and lead logistics that deliver world-class B2B and B2C results.

Our approach is to integrate all processes within the distribution center.

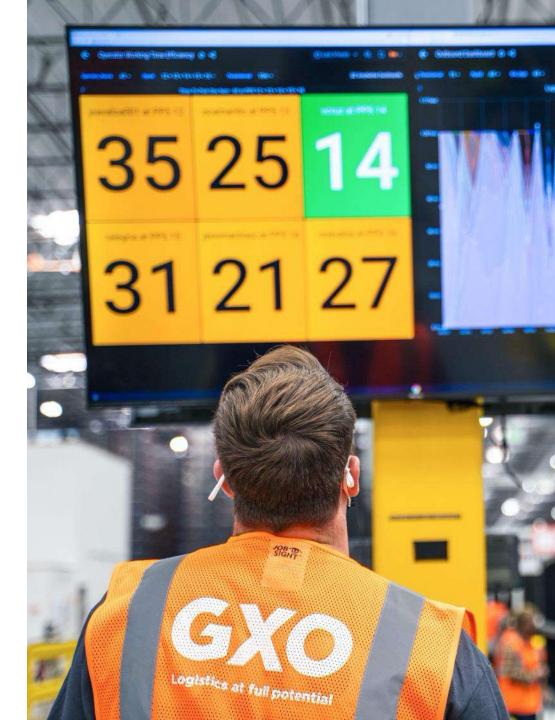
We automate processes in order to optimize:

- Labor
- Cycle times
- Costs associated with pick-and-pack operations

GXO takes a long-term view of **customer relationships**, acting as a **strategic partner** invested in the mutual success of our customers and our company.

Compare Learn more: case study





GXO Direct distribution network

An agile, cost-effective distribution solution

Our network offers North American shippers a flexible, variable-cost distribution solution with critical mass. Our strategically placed stockholding sites facilitate distribution into major markets and are linked by our technology, making the distribution network ideal for retailers, ecommerce companies and manufacturers.

Benefits include:

- Access to national logistics scale, expertise and technology when and where it's needed, without adding high-fixed-cost distribution centers
- Shorter lead times from consumer order to delivery and reduced response times for retail stocking and store replenishment
- Cutting-edge technology already in place for ease of doing business at both ends of distribution, including predictive analytics to help plan inventory flows
- Brand-building in end markets supported by superior service and consistent results
- First "Fulfilment as a Service" (FaaS) model of its kind in the industry





Manufacturing support

Precision inventory and vendor management for better plant productivity

GXO helps manufacturers and other industrial companies manage complex inbound flows involving hundreds of suppliers and thousands of SKUs, improving uptime and just-in-time inventory management with expert manufacturing logistics support.

Value-added manufacturing logistics support capabilities:

- Advanced kitting capabilities
- Controlled receipt, detrashing and staging of inflows
- Current Good Manufacturing Practices (CGMP)
- Inventory ownership transfer timed to arrival at production lines
- Packaging design and other contract service options
- Point-of-use delivery
- Reusable container management
- Subassembly and configuration services
- VMI program design and management







Public warehousing

Flexible storage and management of general and specialized goods in the US

We can integrate our warehouse management platform with customer's business systems for real-time visibility. We can provide specialized storage at select sites:

Chemicals - Southwest, Gulf Region, Northeast, Midwest

- Agricultural products, seed storage and cooler space
- Corrosive, oxidizer and flammable goods storage
- Hazmat-certified sites
- Non-hazardous goods storage
- Racked and bulk capacity
- Refrigerated space

Food-grade products - Southwest, Northeast, Midwest

- AIB-audited facilities
- Ambient storage
- Cooler and freezer space
- FDA-audited facilities
- Racked and bulk capacity
- Rail access
- Temperature-controlled storage







Reverse Logistics

Maximizing value and protecting your brand for any return through any channel

We can manage, for any channel, seasonality or product category, the entire returns process, including:

- Inbound receipt
- Inspection
- Refurbishment
- Repackaging
- Return-to-retail or disposal
- Refund management
- Warranty claims

We can offer with our digital capabilities:

- Constant digital visibility
- Future volumes forecasting



Learn more: <u>case study</u>





Supply chain optimization

Real-time visibility and demand forecasting to manage resources

GXO's supply chain applications are designed to manage complex warehouse logistics.

Our focus is on integrating:

- Robotics
- Autonomous vehicles
- Automated sortation systems
- Drones
- Augmented reality
- Smart analytics with machine learning
- The Internet of Things (IoT)

Every function is available through a single portal.

Our systems are cloud-based and can be accessed on any device, providing ease of access to:

- Operational data
- Analytics







Value-added services

Customized services that help you adapt and grow your business

GXO has extensive experience helping customers navigate from traditional retail to omnichannel distribution. By partnering with us, **retailers can focus their resources on the opportunities of ecommerce**.

We're specialized in:

- Inventory management, fulfilment and returns
- Digital experience that engages consumers through mobile apps
- Subscription services and other loyalty builder

Our services include:

- Product personalization
- Giftwrapping, messaging and custom out-of-box experience
- Co-packing, kitting and bundling
- Engineered packaging
- Ticketing and labeling
- Carrier selection and management



Learn more: <u>case study</u>





Industries we serve

From ecommerce and aerospace to food and beverage.

Our decades of experience across countries, industries and end-markets help companies — from high-growth market entrants to global leaders — operate more efficiently.

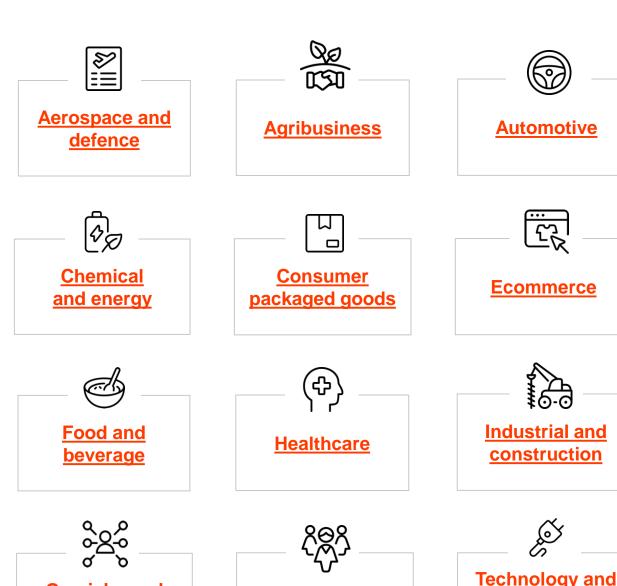




Strategic partner with deep industry expertise

GXO has experience supporting businesses in some of the world's most complex and high-growth industries.

GXO brings major advantages of technology, scale and expertise, as well as something unique — customized logistics solutions that transform challenges into competitive strengths — to every customer relationship. We understand the supply chain requirements of each industry that we serve, including regulations, special handling, surge management and other demands.



Public sector

Omnichannel

retail



consumer

electronics

Aerospace and defense

High-performing, mission-critical aerospace, government and defense logistics solutions

We are the industry's **leading innovator of global aerospace logistics**. We'll customize aerospace logistics solutions to your requirements and manage distribution to maximize uptime.

Our solutions give you:

- Outsourced support for the maintenance of aircraft fleets in service
- Outsourced support for the launch of new aircraft
- Lean manufacturing processes
- Exceptional performance

Value-added capabilities:

- Business intelligence and shop floor integration
- Contract manufacturing
- Delivery management, including aircraft on ground (AOG) support
- Digital tracking of units during storage and fulfilment
- Inbound inventory receipt, detrashing, inspection and testing
- Kitting, specialized packaging, point-of-use delivery and bin management
- Network optimization, including global spares management
- Reverse logistics, with refurbishment and repair of returns
- Specialized inventory segregation and secure storage
- Vendor-managed inventory programs







Agribusiness

Agricultural logistics solutions tailored to your production requirements and business operations

The agricultural logistics infrastructure that we customize for your supply chain will be tailored to your production plants, delivery networks and other operations.

Value-added capabilities:

- Bag-to-bulk and bulk-to-bag
- Bulk storage
- Continuous moves
- Direct-to-farm delivery
- Freight audit and payment
- Public and dedicated warehousing options
- Quality assurance and control
- Reliable carrier capacity
- Testing of raw materials
- FDA, EPA, BRC, AIB, USDA, GMP certifications

Specializations:

- Agribusiness: chemicals, materials and machinery
- Tobacco







Automotive

Streamlined network operations from manufacturing support to dealer distribution

Our innovative solutions cover digitally managed service parts distribution, streamlined inbound flows and support for assembly line and just-in-time production.

Key automotive logistics capabilities:

- Accelerated supplier onboarding
- Kitting, light assembly, point-of-use delivery
- Powerful digital tools for supply chain analysis
- Precise inventory management
- Reverse logistics
- Supplier e-portal with network-wide visibility
- Vendor-owned and vendor-managed inventory services

Specializations:

- Aftersales support
- Components and parts
- · Contract manufacturing
- Logistics for finished vehicles and for tires
- OEM distribution







Chemical and energy

Quality-controlled, environmentally sound storage and distribution solutions

We have experience with both basic and specialty products, including petroleum, plastics and resins, seed, raw materials, man-made fibers, acids and gases, additives, adhesives and coatings. Our engineers will customize solutions to your needs, with a focus on continuous improvement.

Capabilities:

- Banding
- Barcoding
- Bulk-to-bag and bag-to-bulk
- Display building
- Packaging: multi-packs, shrink-wrapping and others
- Quality assurance and raw materials testing
- Site safety and waste management programs
- Thermoforming
- EPA, USDA, FDA, BRC, AIB, GMP, COMAH and SEVESO compliant

Specializations:

- Bulk and packaged chemicals
- Energy sector logistics
- Fuel services







Consumer packaged goods

CPG supply chain efficiency from receipt to distribution, with end-to-end tracking

We provide and deliver for CPG customers in all sectors:

- Customized services
- End-to-end logistics
- Agile solutions with major competitive advantages

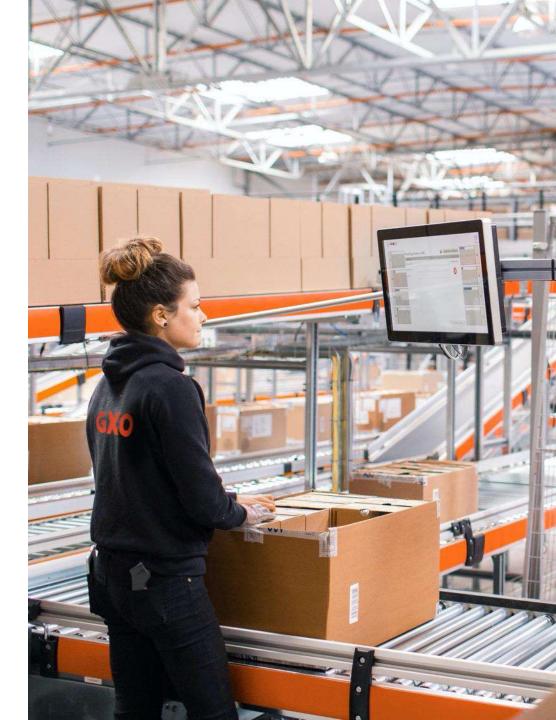
Our high-volume warehouses deliver **consistent**, **reliable results** for global retailers and market leaders, providing:

- Labor management
- Demand forecasting
- Automated processes
- Value-added services



Learn more: <u>case study</u>





Ecommerce

Your strategic partner for smarter and more efficient ecommerce

GXO's ecommerce logistics are a staple of blue-chip supply chains around the globe.

In each case, we can deliver:

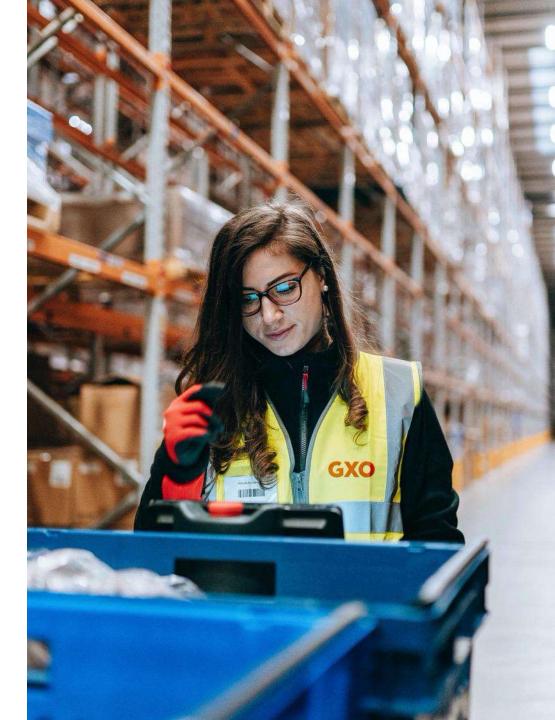
- Greater efficiency
- More speed
- Better visibility
- Data-driven decision-making

Ultimately, these companies want what their customers want, and our **agile technology** responds quickly to their expectations with:

- Reliable fulfilment
- 360-degree reverse logistics
- Superior outcomes at scale
- Proactively support growth with ecommerce logistics







Food and beverage

Fully compliant warehousing and handling of frozen, refrigerated and dry goods

We have decades of experience in complying with **critical regulatory mandates** when managing food and beverage products in our temperature-controlled and ambient warehouses.

Our technology gives us:

- Cutting-edge visibility and meticulous control
- Ability to track products through each stage of the process

Specializations:

- Frozen, Refrigerated and Dry Goods
- Beers, Wines and Spirits
- Non-Alcoholic Beverages
- Food Manufacturing
- Retail, Food Services and HORECA







Healthcare

Digitally-managed distribution of time-critical medical parts and devices

We respond to the needs of healthcare supply chains with critical fulfilment and inventory, management healthcare logistics for hospital supplies, medical devices and pharmaceuticals.

Key Service Components:

- 99% on-time delivery record for critical spare parts
- In-place parts network, that adjusts based on needs
- In-place technology for order management, with continuous visibility
- Inventory planning assistance
- Specialist team and site for co-packing and co-manufacturing pharmaceuticals
- Temperature-controlled environments: storage to end-customer delivery
- FDA CFR Title 21, GMP, SEVESO, COMAH and locally compliant

Value-added Services:

- Import/export operations, including customs clearance
- Pharmaceutical guarantine management
- Reverse logistics; product testing, inspection, refurbishment or destruction
- · Quality control of inbound product flows
- Strict handling of narcotic products







Industrial and construction

Flexible management of parts and raw materials for more uptime at less cost

Our team collaborates with you to support your production and inventory strategies — delivering sustainable efficiencies that strengthen your competitive advantage.

Key Capabilities:

- · Accelerated supplier onboarding
- Customized KPIs, Kaizen workshops and Lean methodologies
- Demand planning
- · Kitting, light assembly, point-of-use delivery
- · Powerful digital tools for supply chain analysis
- Precise inventory management
- Raw materials and reverse logistics management
- Supplier e-portal with network-wide visibility
- Vendor-owned and vendor-managed inventory services

Subsectors:

- Construction and building materials
- · Forestry and mining
- · Industrial equipment and machinery
- · Paper, packaging and publishing
- · Industrial manufacturing







Omnichannel retail

Fast and reliable logistics for brick-and-mortar, ecommerce and direct-to-consumer

We work with mass-market retailers, pure-play e-tailers, luxury brands, specialty stores and direct-to-consumer manufacturers to deliver a superior consumer experience.

As a leading global provider of outsourced omnichannel logistics, our primary goals are:

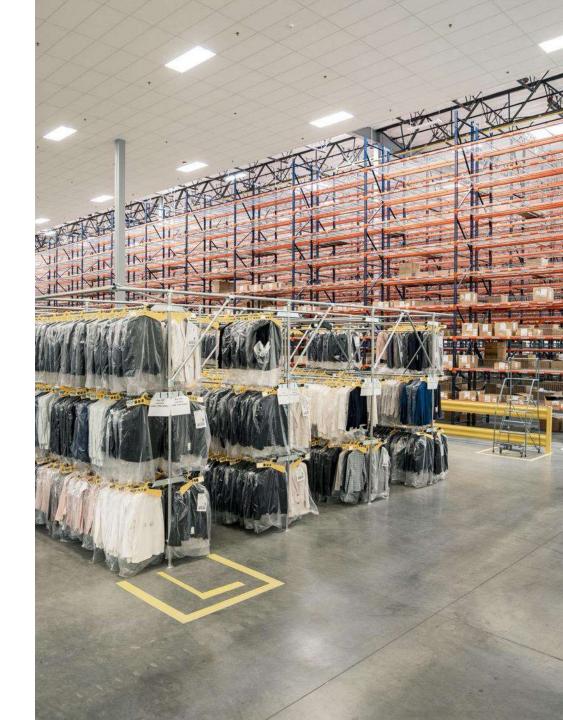
- Building loyalty for our customers' brands
- Collaborating on demand forecasting
- Flexing our warehouse capacity, labor resources and technology

Specializations:

- Airport Retail
- Department Stores
- Electronics and Small Appliances
- Fashion and Accessories
- Furniture and DIY
- Grocery
- Health and Beauty
- Specialty and General Pure-Plays
- Sports and Recreation







Public sector

Highly reliable and responsive operations for daily and emergency needs

We provide agile, end-to-end public sector logistics for agencies at the national, regional and local levels. Our teams have experience working with transportation agencies, border control agencies, healthcare providers and officials at every level.

Public sector logistics value-added services:

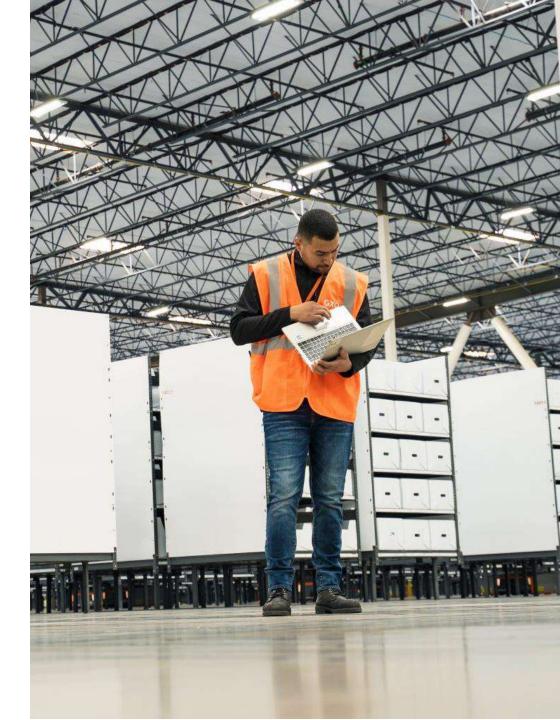
- Centralized warehouse operations for optimal responsiveness
- Disaster planning and relief operations
- Equipment, vehicle and goods management and storage

Public sector logistics specializations:

- Defense
- Emergency management
- Highways and other transportation infrastructure
- Border force

Q Learn more: <u>case study</u>





Technology and consumer electronics

Best-in-class fulfilment and reverse logistics that leverage advanced automation

We're one of the world's leading providers of logistics for business and consumer technology and electronics, including:

- Distribution
- Reverse logistics
- Repair

Each day, we process hundreds of thousands of telecom devices, home electronics and other products, fulfilling direct-to-consumer and retail orders with replicable accuracy.

We can easily manage with logistics the special requirements of these products such as:

- High-security work areas
- Electrostatic discharge
- Final configuration and testing





Technology we build

We engineer the supply chains of tomorrow, today.

We see endless opportunities to advance logistics technology through innovation.

Our focus is on data-driven processes, intelligent automation and machine learning — technologies that deliver smarter, more agile supply chains and help our customers realize their goals.





Technology we build









- First-mover advantage with advanced automation strongly differentiates GXO as a logistics partner of choice
- Automation increases speed and accuracy by tying in multiple technologies to perform several steps of a process

- Robotics work cooperatively with humans or as standalone solutions
- Collaborative robots and autonomous goods-to-person systems overcome space and labor constraints, can move between projects and sites

Measurable results

productivity improvement with employees supported by goods-to-person systems

2x

productivity improvement with employees who work alongside cobots



When it comes to cutting-edge technology-led solutions, we see endless opportunity to advance logistics technology through innovation.

Logistics is ripe for transformation through the technology that we provide.

Automation gives our operations the **ability to flex** with demand and deploy our resources where they have the most benefit.

Real-time visibility enhances stock-keeping and lowers cost.

Collaborative robots support workers during picking and packing operations. Ecommerce, in particular, requires an optimal combination of human and technological resources to address rapid growth, seasonal peaks and shifts in online behavior.

This commitment to game-changing innovation is a defining characteristic of GXO's logistics technology. **We're engineering supply chains that transform logistics today and anticipate the future**.



Advanced automation



Intelligent robotics



Automated sortation



Vision technology



<u>Digital</u> <u>warehouses</u>



Innovation centers



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Advanced automation

Our experts work with customers to develop customized solutions that employ:

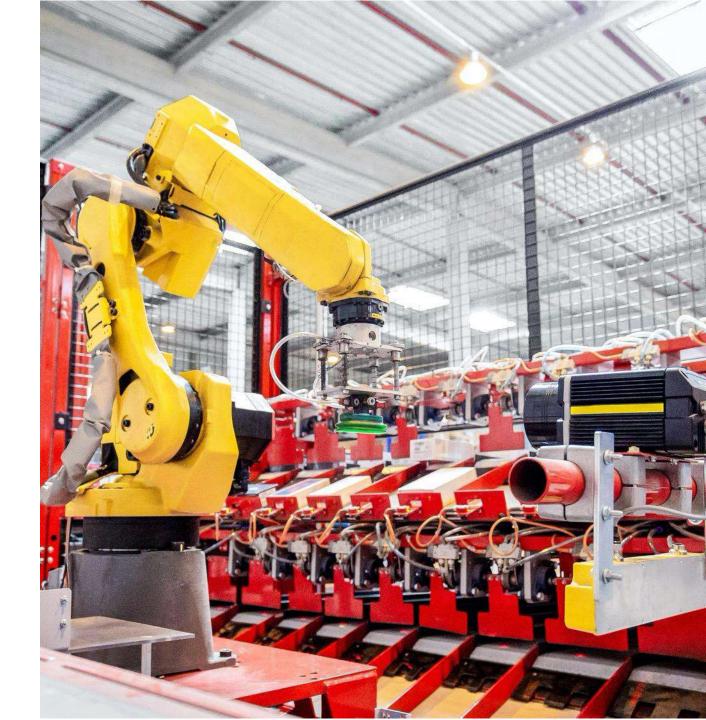
- Combination of goods-to-person systems
- Collaborative robots
- Vertical lift modules
- Advanced sortation systems
- Other logistics automation

Our capabilities include:

- Intelligent technology
- Accelerated throughput
- Agile peak management
- Lower workforce turnover
- Shorter training times
- Fewer physical demands on workers







Automated sortation

Boost reliability and reduce cycle times

GXO's extensive expertise with automated conveyor and sortation systems is a strong advantage for retailers, ecommerce companies and other customers with multiple markets.

Automated conveyor and sortation systems, including linear and recirculating conveyor systems, replicates processes with dependable **speed and accuracy** across different geographies. Our operators use **intelligent analytics** to manage human and technological resources at optimal levels, meeting expectations for short lead times, accurate order fulfilment, personalization and easy returns.

All of these capabilities work together to **deliver critical predictability** in supply chain operations for our customers and for their customers, even during peaks in demand.

Q Learn more: <u>case study</u>





Digital warehouses and innovation centers

Explore new technologies in a state-of-the-art logistics environment

GXO has developed high-profile digital warehouses — "warehouses of the future" — around the globe that also serve as think tanks and **innovation incubators** for our technology organization. Designed as collaborative environments where we work closely with customers, these digital warehouses have far-reaching impacts on the future of logistics.

In addition to the direct benefit to supply chain operations, our digital warehouses help our customers move forward on corporate responsibility goals, such as environmental sustainability.

Q Learn more: <u>case study</u>

Nestle - Warehouse of the future





Intelligent robotics

Sophisticated robotics enhance safety and the workplace environment

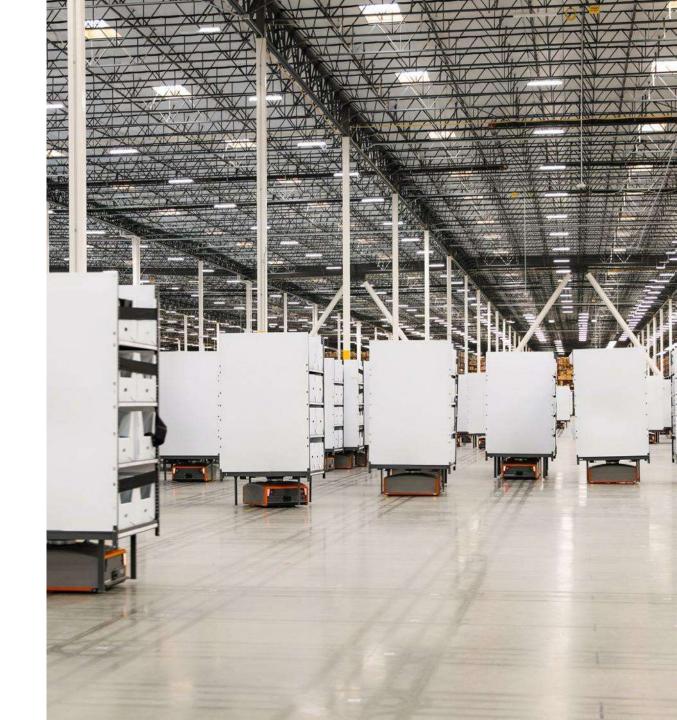
Cobots

Mobile, collaborative robots support our workers in high-volume, ecommerce warehouses, **making the inventory picking process faster and more accurate**.

Our employees work side by side with cobots that guide the employees to the correct storage areas, validate the inventory and transport it to designated packing stations — realizing an average **2x productivity improvement** over workers alone. GXO uses robotics in logistics to improve performance for our customers.

(Q)





Intelligent robotics

Goods-to-person systems

Autonomous goods-to-person systems add value for our customers in several ways. Inventory pickers can be repositioned at packing stations, and the robots bring units, in bulk, to each station. We also configure an option where the robot climbs the shelves to retrieve fewer units in a smaller bin. Robotic goods-to-person systems can deliver **4-5x productivity improvements** and, importantly, **enhance worker safety**.

Robotic arms

Our industrial robotic arms are an efficient way to customize ecommerce fulfilment, because they perform repetitive movements with great precision. We use robotic arms to do everything from engraving products and programming electronic devices to building pallets of packaged goods in preparation for distribution. Each robotic arm is configured by our team to suit the task, the product and the workload.





Vision technology

Experience precision in a fast-paced logistics environment

GXO uses touchless machine-vision technologies to **increase productivity and safety** during data-gathering in our warehouses. This is a fast-evolving area of innovation in logistics environments, and we partner with leading manufacturers to trial applications in our operations.

Our implementations and pilots range from **wearable machine-vision technologies** — including eyewear and gloves — **to code scanners and other fixed-mount devices.**





