



GXO

ESG
IMPACT

2023 REPORT

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Optimized for digital viewing

In the interests of minimizing environmental impact and paper wastage, this report has been optimized for digital viewing and incorporates interactive elements for both navigation and supplementary multimedia content. Our clickable function buttons enable you to quickly navigate your way through the report content. Examples are shown below:

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A letter from our Chief Executive Officer

In 2023, our second year as an independent company, we continued to distinguish ourselves as a logistics provider of choice, both for our industry-leading solutions as well as for our commitment to helping our customers around the globe achieve their ESG goals.

For us, ESG is deeply ingrained into our ethos — it is both a commitment and a competitive advantage. Our ESG strategy underpins what we do and how we do it to ensure that the growth of GXO fosters the success of our employees, customers, and suppliers.

As a logistics provider, we are uniquely positioned in the supply chain to make an impact, as our ESG journey is not just our own: thousands of companies rely on us to make their operations more sustainable. To meet our goals and support our customers' ESG objectives, we leverage our technology, scale and expertise to craft solutions that increase resource efficiency, extend product lifecycles and promote a circular economy – while also driving down costs, boosting revenues and increasing productivity.

I am immensely proud of our achievements in 2023 toward creating a more responsible organization, all of which have firmly positioned us among the top companies in our industry. We made significant strides on key goals, even completing some ahead of schedule. And our work has not gone unnoticed. We received a “AA” ESG rating from MSCI for a third consecutive year and were recognized by Newsweek as one of America’s Most Responsible Companies for the second consecutive year.

A 360-degree approach

To effectively advance our ESG strategy, we recognize that our commitments must reflect input from employees across all levels of the company. In 2023, we expanded our ESG Impact Ambassadors program, which ensures we’re taking a bottom-up approach to developing and advancing ESG. Through this program, volunteers across the company participate in information sharing to ensure our ESG strategy reflects input from employees at the site-level, allowing us to set informed goals and develop the strategy needed to achieve them. This program also enhances our ability to help our customers achieve

their ESG-related objectives. We have launched at key locations across our portfolio including in the U.K., U.S., France, and plan to continue rolling out to sites around the globe within the next two years.

Reducing our environmental impact as we grow

GXO is committed to balancing our growth with our environmental stewardship. Our approach is three-pronged: sourcing more renewable energy, improving energy efficiency, and minimizing waste in our own operations and beyond.

In 2023, we made substantial progress on our target to source 50% of our energy consumption from renewable energy sources by 2030, which included a recent installation of over 5,000 square feet of solar panels at our site in Miramas, France. We are continuing to increase our capacity for on-site solar generation and have several projects planned in 2024 across France, Italy and the U.S. We also continued to expand the use of LEDs in the facilities we own or lease and have



nearly achieved our target of using LEDs in 80% of our global operations by 2025.

We also made significant strides to enhance circularity by minimizing waste. Globally, we were able to divert almost 81.9% of the waste generated across our operations from landfills, exceeding our target two years ahead of schedule.

We continue to work with our customers to develop innovative, sustainable solutions that help them achieve their own environmental goals, while also reducing costs and improving the circularity of their products. We have been able to develop bespoke programs to reduce waste for our customers by cleaning, grading, repairing, and refurbishing products. Reverse logistics was our fastest growing business segment of 2023, a testament to our solutions. For example, we processed over 32 million returned units for a leading footwear company, 95% of which were able to be restocked and sold. The remaining items were recycled into raw materials for new uses in other manufacturing applications, avoiding being sent to landfill.

Continued progress on the Road to Zero

“Be safe” remains a core value at GXO. We use a holistic approach to safety that considers not just the physical health, but also the mental well-being of all our team members.

Our Road to Zero program strives to create a culture of safety that is underpinned by employee engagement and compliance to target zero occupational injuries. In 2023, we extended the principles of this program to leverage new technologies that create a safer work environment. I am pleased to share that in the Americas and Asia Pacific, we saw a 29% reduction of our Total Recordable Incident Rate from our 2022 baseline, far exceeding our 15% reduction target set for 2027.

Ensuring we are an employer of choice

To boost our standing as an employer of choice, we continue to prioritize engagement and inclusion within our workforce. We are investing in the expansion of GXO University, our global training and development platform, which offers tailored educational programs at every career level.

In 2023, employees worldwide completed over 1.3 million hours of learning. In 2023, GXO was also named a Top 50 Apprenticeship Employer in the U.K.

Fostering a welcoming community for everyone is a core pillar of the GXO employee experience. Following strong employee support for our Diversity, Inclusion and Belonging initiatives, we are increasing the frequency of our belonging programs and events. In our internal surveys, our employees have shared that they feel that inclusion is a top area in which we excel as a company.

Looking ahead

We made significant progress on our journey in 2023, and I am excited to continue this momentum into 2024. Our strategic priorities include investment in technology and automation, including the continued responsible integration of AI into our operations. We are also working to improve our understanding of our value chain emissions and to continue evolving our ESG program to meet the growing expectations of team members, customers, communities and shareholders.

We are proud of what we have accomplished, and we are committed to building on our progress.

Sincerely,

Malcolm Wilson
Chief Executive Officer



Watch our 2023 retrospective video



A letter from the Chair of our Nominating, Corporate Governance and Sustainability Committee



As we reflect on the year gone by and look towards the future, it remains evident that GXO's continued commitment to ESG principles permeates into nearly all aspects of our operations. GXO's leadership and entire organization embody a culture of integrity and intentionality, rooted in a commitment to do well by doing good.

Members of the Nominating, Corporate Governance and Sustainability Committee, along with our entire Board of Directors, meet regularly with management to monitor progress, ensuring GXO follows industry best practices and remains accountable to all of our stakeholders. Collaboration, strong ethical standards, and accountability remain central to our governance approach, as we recognize these elements are vital for achieving long-term sustainable growth.

This past year, we've intensified our efforts to help drive our customers' ESG goals, ensuring that we meet our customers wherever they are in their sustainability journey. Through innovative partnerships and continuous dialogue, we have furthered our position as a strategic partner to our customers by offering tailored solutions that align with their values and

our own, such as reducing waste and improving the circularity of resources. As an integral part of our customers' supply chains, we understand the importance of maintaining robust governance and providing the necessary controls and data to support our customers' ESG requirements effectively.

Our ESG Impact Ambassador program, Belonging Weeks, and GXO University have also become cornerstone elements of our company culture, fostering community and offering growth opportunities for our employees. These initiatives have not only enhanced employee engagement and provided platforms for leadership and development, but also enabled our ability to perform as one company, one GXO, across the globe.

Recognizing the increasing importance of technology in logistics, we have expanded our governance structures to include new leadership roles dedicated to overseeing this area. This strategic enhancement ensures we develop best-in-class practices in AI, automation, and cybersecurity, enabling us to scale responsibly and effectively.

Looking ahead to 2024 and beyond, our focus will remain on being the partner and employer of choice in the logistics industry. We are committed to leveraging our ESG framework to enhance business performance and create long-term value for all stakeholders. Our ongoing investments in our governance, people and technology will keep us at the forefront of the logistics sector, ready to meet the evolving needs of our customers and the markets we serve.

I am excited about the journey ahead and grateful for the continued support of our shareholders, customers, and dedicated team members. Together, we are setting a standard for responsible and innovative logistics.

Regards,

A handwritten signature in black ink, appearing to read 'Joli Gross'.

Joli Gross
Chair, Nominating, Corporate Governance and Sustainability Committee

Who are we

Why did we choose the name GXO?

Because it reflects what we offer to our **investors, customers and colleagues: Game-Changing Opportunities.**



Company profile

As the world's largest pure-play contract logistics provider, GXO Logistics, Inc. (NYSE: GXO) benefits from the rapid growth of ecommerce, automation and outsourcing. The company strives to provide a diverse, world-class workplace for more than 130,000 team members across more than 970 facilities, totaling approximately 200 million square feet and operating in 27 countries. GXO partners with the world's leading blue-chip companies to solve complex logistics challenges with technologically advanced supply chain and ecommerce solutions, at scale, with speed and efficiency. GXO corporate headquarters is located in Greenwich, Connecticut, USA.

2023 - 2024 highlights



Now part of
GXO

PFS Acquisition

4.3%

reduction in
emissions intensity
since 2022

Over

1.3 million

total learning hours



Named a
"Top 50 U.S.
Company for
Diversity"



Named one of "America's
Most Responsible
Companies" for second
consecutive year



Named one of
"America's Climate
Leaders" by
USA Today

Rollout of
**ESG Impact
Ambassador
Program**



Refreshed
**Road to Zero
Safety Program**



Expansion of
Belonging Weeks



**Institutional
Investor**

2023-24 All-America
Executive Team

- Best CEO
- Best CFO
- Best Company Board
- Best ESG
- Best IR Program
- Best Investor Day

What we do

GXO delivers value through “**The GXO Difference**” — our industry-leading combination of technology, scale and expertise. We design and implement sophisticated solutions to our customers’ challenges, developing and operating some of the most advanced warehouse and logistics services in the world. Clients who work with us get their products into customers’ hands quicker, while also lowering the impact of their logistic operations on people, planet and bottom line through process and cost efficiencies.



GXO: Logistics at full potential

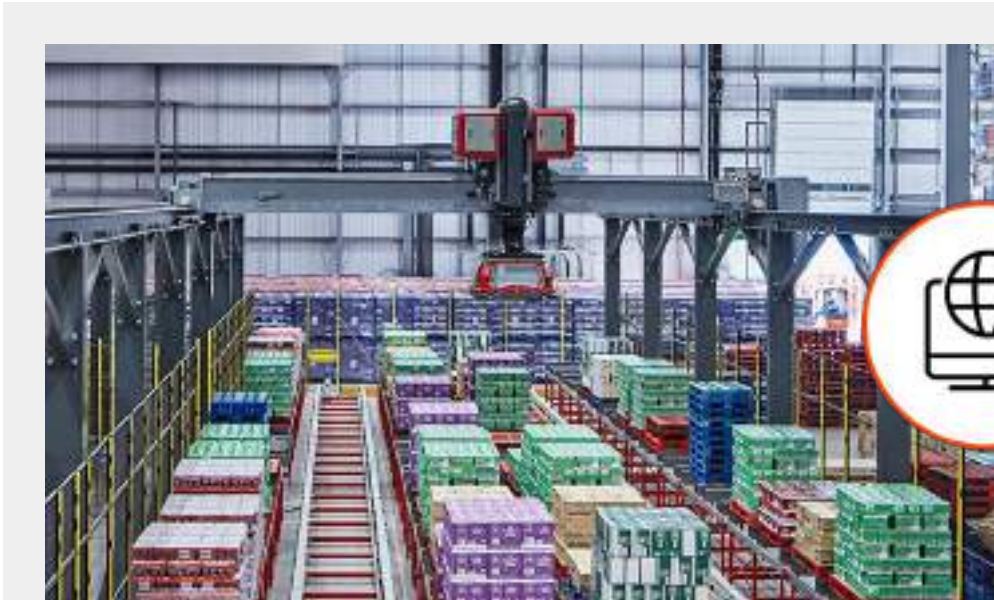
It's simple—GXO helps customers overcome challenges and unlock their supply chains' full potential. We do this through developing, building and operating the most advanced warehouse solutions.

Among our customers are many of the largest and most sophisticated companies in the world. We are fortunate to include 30 of the Fortune 100 on our customer list.

Often, we take on the role of strategic partner, developing and implementing solutions to solve our customers' most complex problems in areas spanning warehousing, inventory and supply chain management and distribution.

By working with us, our customers enjoy increased productivity and safer and more rewarding work environments while meeting their sustainability and operational goals.

In 2023, we acquired PFSweb, Inc., a premier fulfillment provider in high-growth verticals such as cosmetics and luxury goods across North America and Europe. We share a strong focus on operational excellence, continuous improvement, top-notch customer service and talent. Through our acquisition of PFS, we've gained an amazing portfolio of over 100 of the world's most iconic brands.



Learn more about what we do to support businesses in some of the world's most complex and high-growth industries.

Numbers that matter

970+

warehouse locations

130,000 +

team members

27

countries of operation

\$9.8 billion

in revenue in 2023

\$1 billion +

of new business wins

~200 million

square feet of warehouse space



Aerospace and defense



Agribusiness



Automotive



Chemical and energy



Consumer packaged goods



Ecommerce



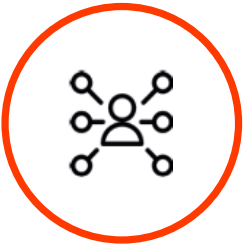
Food and beverage



Healthcare



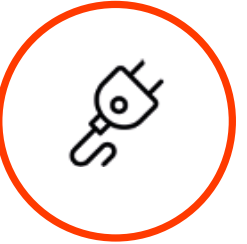
Industrial and construction



Omnichannel retail



Public sector



Technology and consumer electronics

Our continued focus on innovation

Warehouses must adapt to evolving consumer expectations for faster delivery while ensuring efficient inventory management and real-time supply chain visibility. Whether constructing new facilities, upgrading existing ones or aiding customers in managing operations, GXO leverages automation and technology that builds on our unique resources and expertise.

Technology and automation are central to our competitive edge, driving our success in winning and retaining business. By leveraging technology, we enhance customer operations in safety, cost, efficiency, accuracy and sustainability.

Strategic investments in automation and technology propel our business growth. In addition to automation, GXO prioritizes adaptive technologies such as goods-to-person systems, vision tech and collaborative robots, which enhance efficiency while minimizing strain. We optimize inventory flow and enhance fulfillment with the latest hardware and software, including AI and machine learning.

Across our global sites, our automation-driven warehouses support customers' ESG goals, promoting sustainability and workforce well-being. And we're continually piloting new technologies in our warehouses, which serve as innovation hubs for customers and suppliers to explore technological advancements to enhance safety and efficiency.



Learn more about how we are using automation to improve our approach to logistics for customers, team members and even the planet.

Overview

How we do it: The ESG Difference



Our values

At GXO, *what* we do is just one part of our story. The other is *how* we do it — focusing on doing business the right way. This approach gets to the heart of who we are and what we want to achieve. How we do business is the foundation of ESG. From developing environmentally-friendly warehouse solutions to ensuring a safe and inclusive workplace for our team members and ethical conduct throughout our operations, ESG is not something that we do — it is a part of who we are and one of our key competitive advantages.

Our core values support what ESG means for GXO. Specifically, our focus on safety, transparency, belonging and better serving our customers.



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 every team member and constantly finds 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 today.

Deliver results

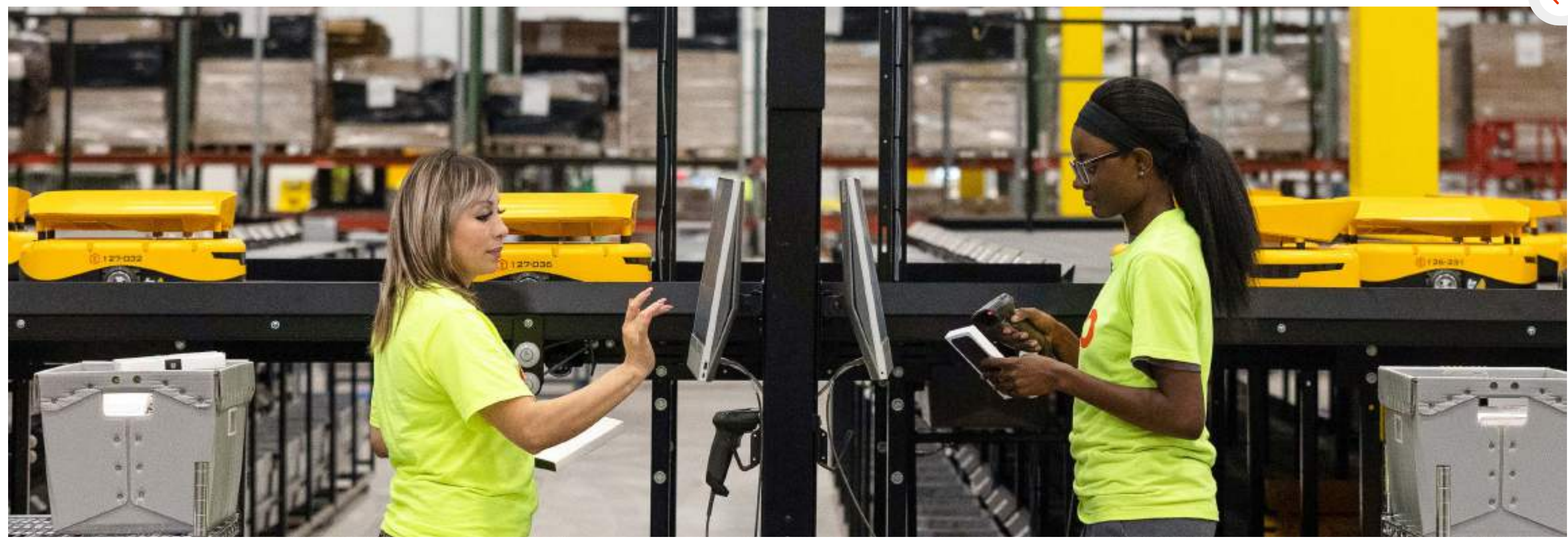
We're laser-focused on delivering the best results. Every day, we find ways to increase efficiency, speed and overall performance. We're passionate about producing outstanding outcomes for all our stakeholders.



Our material ESG issues

For GXO, 2023 marked the second year with our material ESG issues in place. We established our material issues with our impact materiality assessment in 2021. Conducted in partnership with an independent firm, the assessment revealed which ESG topics resonated as high priority and where our customers, employees and investors feel our company can have the greatest impact.

You can review the impact materiality assessment [here](#). As GXO continues to develop its approach to ESG and prepare for external regulations, we expect to conduct a double materiality assessment within the next 24 months.



Our material issues include:



Energy and greenhouse gas (GHG) emissions
Our overall carbon footprint, use of renewable energy, energy efficiency measures and emissions reductions via optimized logistics for our customers.



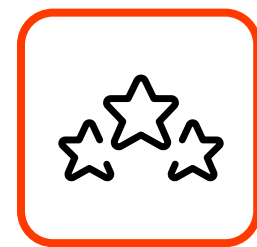
Employee engagement
Our work environment and culture, employee satisfaction and well-being, compensation and benefits as well as proactive and productive communication with team members, respect for workers' rights and compliance with applicable labor regulations.



Health and safety
Our adherence to safety laws and regulations, health and safety governance and systems, employee safety training and driver safety training.



Diversity, inclusion and belonging
Our culture of belonging as well as our continued diversification of board, executive, workforce and suppliers.



Talent management
Our employee recruitment, retention and development as well as learning and career progression.




Information security
Our data privacy and protection and the security of our information systems, along with the data they contain.

In 2023, we began developing our ESG scorecard, designed to capture how we monitor and assess our activities related to our material issues.


Various departments and stakeholders collaborated to develop the scorecard and its goals, including:

- Human Resources
- Risk Management
- Health and Safety
- Cybersecurity
- Diversity, Inclusion and Belonging
- Environmental Sustainability
- Ethics and Compliance
- External stakeholders, such as customers, investors and industry associations


Environmental goals - Reduce our environmental impact




80% global operations using LED lighting by 2025



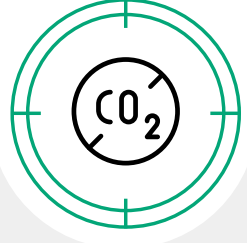
80% global landfill diversion rate by 2025



30% GHG emissions (Scopes 1 & 2) reduction by 2030 vs. 2019 baseline



50% renewable energy globally by 2030



100% carbon neutral (Scopes 1 & 2) by 2040

Social Goals

Build a culture of belonging

Provide a clear and rewarding career path for all employees

Ensure a safe workplace

<p>In our Americas and Asia Pacific operations, reduce Total Recordable Incident Rate (TRIR) by 15% by 2027 vs. 2022 baseline</p>	<p>In our U.K. & European operations, reduce Lost Time Incident Rate (LTIR) by 15% by 2027 vs. 2022 baseline</p>
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Governance Goals

Maintain a best-in-class information security program

Embed an ethics-driven culture

We align our programs and policies with these goals, and we remain committed to building out internal and external quantitative targets and measuring our progress.



Our ESG approach

For GXO, ESG is a commitment and a competitive advantage. Emphasizing ESG ensures that employees excel with us, customers thrive with us and suppliers regard us as a business partner of choice. Our goal is that all team members across the organization understand that doing business the right way guides their actions and decisions.

We directly align with our customers' ESG priorities. Additionally, our logistics solutions focus on generating and sharing economic, environmental and social benefits. We envision ourselves as ESG enablers, helping customers achieve their own aspirations and deliver on their own targets.

In 2023, we began to quantify our full carbon footprint, focusing on how we calculate our Scope 3 emissions. We are also evaluating updating our baseline year for Scopes 1 and 2 from 2019 to 2022 as that year marked our first full calendar year operating independently as GXO and was the year we made the major acquisition of Clipper Logistics. We are working with an external consultant to ensure our approach is consistent with



relevant protocols, such as the GHG Protocol and GLEC Framework (developed by the Global Logistics Emissions Council), as well as with industry best practices. We look forward to sharing the results of this exercise later in 2024. In the meantime, we are continuing our current operational control approach and reporting our Scopes 1 and 2 emissions and Scope 3 Business Travel carbon emissions. The results of these 2023 GHG emissions calculations can be found [here](#).

Demand for ESG data—such as GHG emissions, safety, and workforce representation metrics—among customers, regulators and other third parties is increasing. We are developing global processes for how and when we share data to provide information consistently and in alignment with various governmental and non-governmental protocols and best practices.

In 2024, we will continue our holistic approach to ESG. At the forefront of this approach is the continued expansion of our ESG Impact Ambassadors program. Through the ESG Impact Ambassador program, we will systematize the way team members can become involved in all aspects of ESG. The program complements existing employee engagement initiatives, such as our engagement committees, and belonging ambassadors. It also helps communicate how

ESG is truly the composite of various initiatives that ensure GXO does business the right way. The ESG Impact Ambassadors are also given the tools to propose enhancements to our services, foster a positive work culture and promote an inclusive environment.

To support our goal of synchronizing global operations, we also continue to harmonize:

- Our engagement surveys and programming
- Industry-leading career advancement pathways
- Community partnership programs
- Data inputs for strategic decision-making



ESG Impact Ambassadors: A top-down, bottom-up approach

ESG is not a standalone initiative at GXO. It's deeply ingrained in our organizational ethos and dictates the "how" of what we do. Because ESG touches so many facets of our operations, meeting our ESG goals and supporting our customers' ESG goals requires a collaborative effort from all stakeholders across the business.

That's why in 2022 we launched our ESG Impact Ambassador Program — a priority focus of our ESG strategy.



Through the ESG Impact Ambassador Program in 2023, we created a rapidly growing network of approximately 160 individuals passionate about promoting responsible business practices, championing environmental sustainability and making a positive social impact. Together, our ambassadors gather comprehensive ESG information from GXO sites and help ensure widespread engagement with our various ESG activities. Their efforts serve to amplify our ESG messaging, drive measurable progress at the site level and ultimately share best practices with ambassadors at other sites.

We expanded the program significantly over the past year, including launches in the U.K., U.S. and France. In the next two years, we're aiming to onboard all sites in the other countries we serve. We also plan to integrate the ambassador program across our organization using various communication channels—from site-level interactions to corporate and senior leadership engagements. Involving regional leaders as well as our customers underscores our commitment to our ESG approach and supporting the needs and goals of diverse regions.



By the numbers:

160 ambassadors

~75 sites

across our two major regions:
Americas & Asia Pacific and Europe & U.K.



[Learn more](#) about how GXO is empowering customers to engage in the circular economy.

Environmental
Changing the game
in sustainability
by redefining logistics



Our commitment to sustainability is driven by two key factors: it's the right thing to do and it aligns with the priorities of our stakeholders.

We collaborate with our customers around the globe to support their sustainability ambitions as we continuously seek innovative ways to minimize our own environmental footprint.

Our efforts are illustrated in the highlights below:



Expanded our return logistics capacity for repair and refurbishment



Leveraged AI solutions to minimize environmental impact of transport emissions



Expanded our coverage of energy-efficient LED lighting to 78% globally in our leased and owned operations



Sourced 13.5% of electricity from renewable sources, globally



Diverted from landfill 81.9% of waste associated with operations globally



Reduced Scope 1 & 2 emissions intensity by 4% since 2022

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Reducing our operational footprint

Our efforts align with the United Nations Sustainable Development Goals. To see a detailed list of how our business operations align with the SDG target indicators, please see our UN SDG index.

[View](#) the index



Enabling the circular economy

As the world shifts from a linear to a circular economy, GXO is uniquely suited to support the reduction of waste while balancing efficiency with the lifecycle of products and materials.

We work with our customers to develop innovative, sustainable solutions that help them better serve their customers, achieve their own environmental goals and dramatically decrease costs. Our efforts include finding the most sustainable ways to get products to end consumers and returned products into the hands of the next consumer.

The improved efficiencies in delivering products to consumers, including product returns, can decrease the need for excess manufacturing and reduce overall waste.

Our goal is to decrease negative environmental impacts across our operations and those of our customers. In enabling a circular economy, we see our role as helping to reduce, repair/reuse and recycle.



[Learn more](#) about how GXO is supporting a circular economy through the principles of reduce, repair/reuse and recycle.

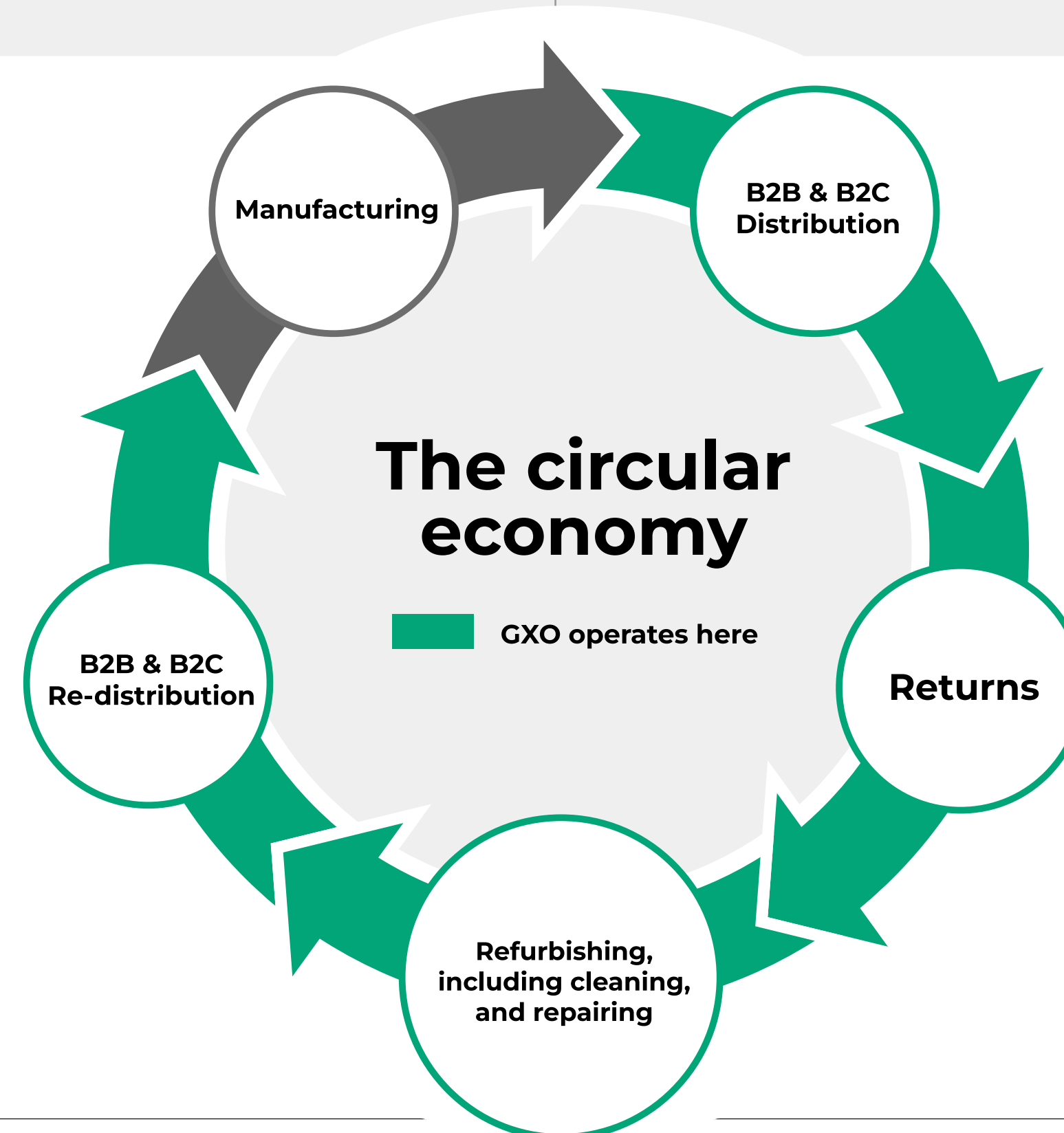
Linear economy

A “take-make-waste” model where resources are extracted, transformed into products, and when those products reach the end of their lifecycle they are discarded without recycling. This approach stresses resource supply and ignores environmental impacts.

vs

Circular economy

The circular economy focuses on maximizing resource value while minimizing waste. It is a sustainable system that prioritizes resource preservation by reducing, reusing, repairing, recycling, and recovering products and materials.



How we do it

- Outbound products treated with utmost care to minimize incorrect or damaged orders
- Resource use reduced through sustainable packaging
- Needs for storing, staging and shipping inventory minimized
- Returns handled with maximum efficiency
- Products refurbished for redistribution
- Waste and returns recycled to minimize environmental impact



[Watch](#) the circular economy in action in GXO

Supporting refurbish and reuse

By refurbishing returned products for a second life, GXO is keeping more material out of landfills, decreasing the need to produce new items, and allowing our customers to generate sales from products that otherwise may have been discarded. We clean, grade, repair and refurbish products and quickly get them back into the market at their highest value, often through resale in primary channels. We are equally focused on working with customers to repair consumer goods—from apparel to home appliances to smaller consumer electronics.

GXO is rapidly expanding our capacity for repair and refurbishing, incorporating the latest data-driven insights and technology. We leverage robust warehouse and returns management systems to ensure the quick assessment and direction of returned items toward repair or refurbishment, tapping into the potential of growing secondary markets.

In 2023, our reverse logistics business, or customer solutions focused on returns, grew faster than any other business segment at GXO. Year over year, reverse logistics continues to represent a greater percentage of our total revenue, and we expect these increases to continue as we support new and existing customers in managing this critical part of their supply chain.

Going forward, we are committed to the repair/reuse model and to helping businesses take advantage of significant revenue opportunities in secondary markets while also promoting sustainability through a circular economy. As consumer shopping preferences continue their shift to digital channels, we will continue to invest in our market-leading repair solutions.



Growing Polarn O. Pyret's secondhand market

Opportunity

Polarn O. Pyret (PO.P), a leading Swedish children's wear brand known for its commitment to sustainability, faced a challenge finding growth in the U.K. market. A significant portion of their customer base, concerned about the high emissions associated with the production and transportation of new clothes, was buying secondhand clothing and later reselling it. PO.P saw an opportunity to enhance customer service and loyalty and address sustainability concerns.

Solution

GXO helped Sweden's "greenest retailer" launch PO.P Second Hand – a scalable, profitable resale business. PO.P customers register their trade-ins online via Tern Eco's software which allows them to send unwanted items to GXO's return distribution center. There, GXO performs a thorough rejuvenation process that includes spot cleaning, eliminating blemishes and sewing to mend imperfections as well as steaming and ozone treatments to ensure pre-loved pieces meet consumer expectations. Items are then graded, photographed, packaged and placed into inventory for resale on PO.P's website alongside its new clothing.

Outcomes

More than 95% of trade-ins are rejuvenated to a state fit for resale through the platform. Since the trial service went live, demand has been 10 times higher than predicted. The initiative not only attracted new customers to the brand, but also facilitated sustainable growth for PO.P by diverting sales from new to secondhand while reinforcing customer loyalty and retention. The project recently won the Best Circularity Initiative 2023 in Drapers Sustainable Fashion Awards.





SPOTLIGHT

Leveraging automation in reverse logistics to benefit multinational telecommunication company



Opportunity

A long-standing GXO reverse logistics customer wanted to increase the efficiency of returns processing.



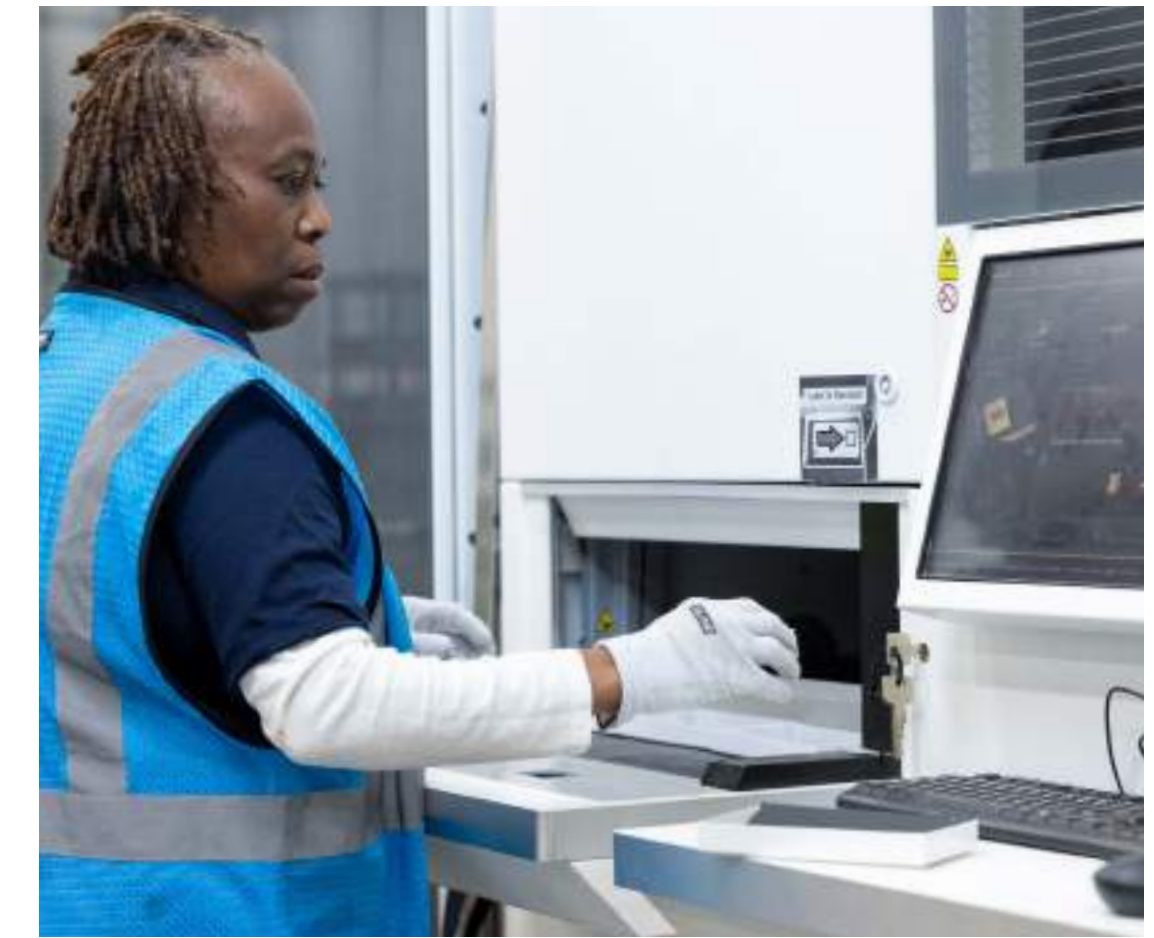
Solution

GXO partnered with the client to develop a “tech ecosystem,” an integrated suite of advanced technologies aimed at streamlining processes. This system includes automated receiving and inspection for quicker inbound processing, intelligent testing and grading for automated quality and classification, and robotic inventory management for efficient item storage and retrieval. The facility also features direct resale capabilities, allowing products to be immediately prepped for resale. This setup reduces errors, cuts costs and speeds up product circulation, enhancing customer satisfaction.



Outcomes

In 2023, this solution processed around 14 million units, of which over 95% received a second life through customer resale channels. For the items deemed unusable, the facility seamlessly integrates with an e-waste vendor for responsible processing. The automation implemented within the “tech ecosystem” also yielded a 35% reduction in variable costs for the customer.



Offering a dedicated space for apparel repairs

Opportunity

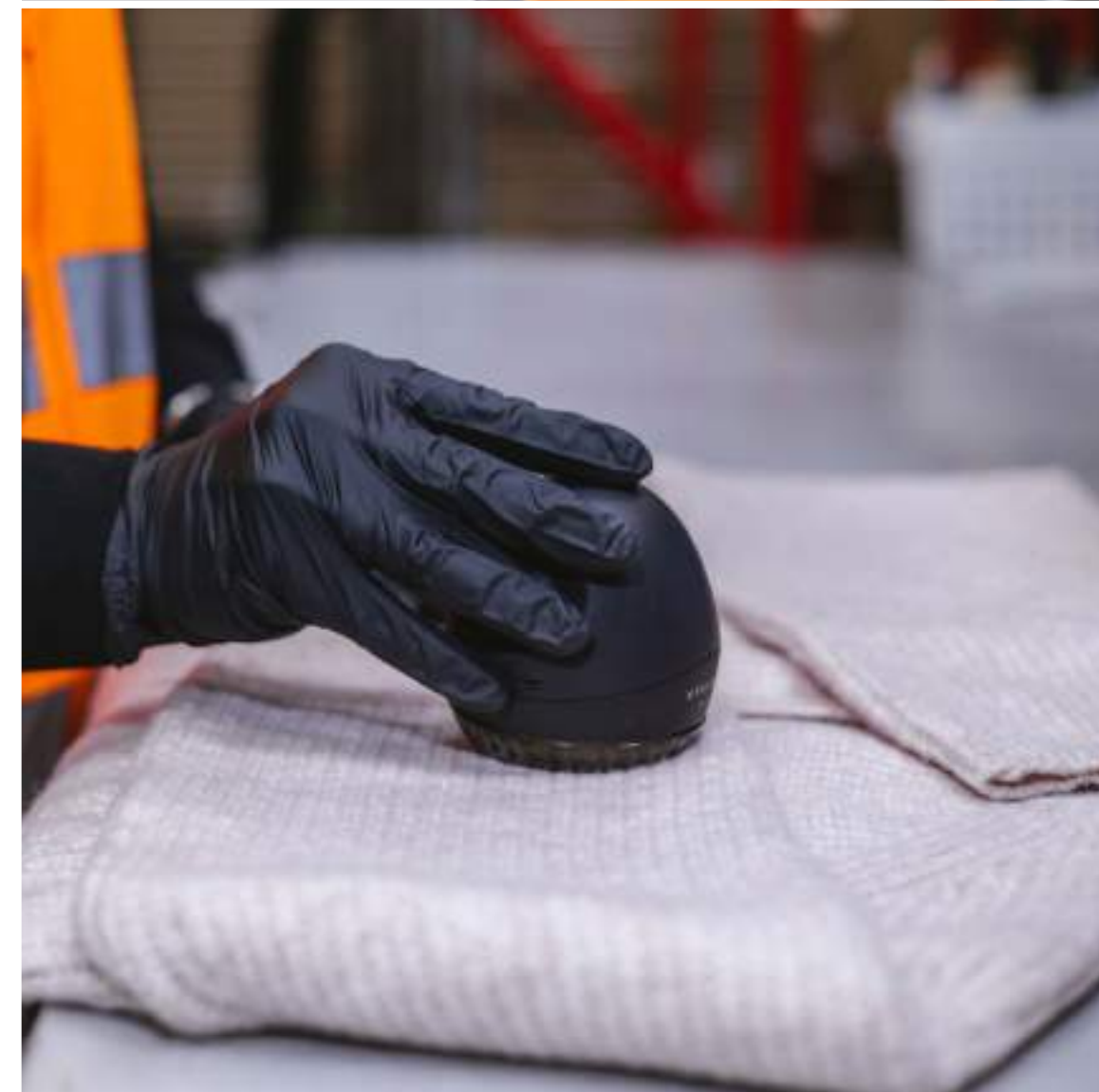
A leading European fashion marketplace was seeking a repair partner to ensure cross-country services for the smooth resale of returned items. Fluctuating demand depended on sales seasons across dozens of markets and required flexible space, workforce and technology as well as immediate availability of highly skilled and specialized employees.

Solution

GXO developed a space in our approximately 970,000-square-foot shared-user campus in Poland to dedicate to returns processing. The repair center is equipped with devices developed on-site specifically to improve the salvage, sewing, ozone odor removal, cobbling and spot-cleaning processes for returned goods.

Outcomes

In 2023, GXO achieved significant milestones in repair and restoration at the site in Poland. The site processed 48 million returned items, of which 96% were returned to stock. Contributing to this rate, GXO team members performed additional rejuvenation and repair work on 7 million items so they could be given a second life as well.



Supporting circularity in athletic shoes and apparel

Opportunity

One of the world's largest suppliers of athletic shoes and apparel was experiencing a spike in returns as its customers increasingly turned to online shopping. Existing reverse logistics was based on a brick-and-mortar shopping model, which proved inefficient.

Solution

GXO deployed a 1 million-square-foot facility with the capability to process high volumes of reverse logistics for the customer, store for consolidation, and provide omni-channel fulfillment for the returned goods. Every returned item received is evaluated and graded, with goods that are in pristine condition quickly re-entered into stock. Items identified for refurbishment are cleaned, graded and routed to the customer's refurbished sales channel. Many items that can't be refurbished are ground back down to their core raw material and reused in other manufacturing applications - like insulation material and rubber playground mats —avoiding being landfilled.

Outcomes

Annually, GXO processes 32 million returned units of footwear and apparel at the site, with 95% able to be returned to stock and sold. While most units are quickly graded and returned to sale in primary channels, in 2023, 600,000 items were identified as eligible for additional light cleaning and refreshing and then processed through the customer's refurbishment channel. Further adding to the circularity of the site, GXO identifies product that cannot be resold, and these units are downcycled for the customer into their raw materials for resale and reuse.



GXO ServiceTech leads the industry in repair, refurbishment and reverse logistics, catering to electronics retailers, manufacturers and insurance providers across the U.K. and Europe. With a team of 800 professionals handling approximately 1.8 million electrical items annually, we offer an end-to-end reverse logistics service solution for a broad spectrum of consumer electronics, including waste electrical and electronic equipment services. In 2023, GXO ServiceTech opened a 390,000-square-foot shared-user warehouse in Germany, which processes up to 8,500 items per month and expects to significantly increase productivity in 2024.

Backed by our extensive network and manufacturer expertise, GXO ServiceTech's fully managed reverse logistics solutions set the standard for excellence in maximizing the value and lifecycle of electronic goods. Our services extend beyond repairs to include upgrades, refurbishment, data cleansing, safe disposals and customer service support through our call centers. We manage warranties, oversee warehousing and logistics operations and handle accreditations and reselling, ensuring a seamless flow from returns management to warranty fulfillment and asset recovery.



In 2023, GXO partnered with Vogue Business to host the first Vogue Business Fashion Futures, bringing together nearly 300 attendees from across the fashion industry in London.

In a series of panels and keynote sessions, the event focused on what a sustainable fashion industry looks like in practice and rallied key decision-makers to embrace circularity. Fashion Futures concluded with a Startup Showcase of nine companies working to bring solutions for circularity to life.



[Watch](#) GXO at the Vogue Business Fashion Futures Event

Reducing our operational footprint

GXO empowers our customers to achieve their environmental objectives while pursuing our own. We are focused on reducing the environmental footprint of our operations across over 970 sites worldwide.

We are proud of the progress we have made toward achieving our **five global environmental targets** and we look forward to continuing to collaborate with all our stakeholders to minimize the environmental impact of GXO and our customers.

In 2023, we continued to concentrate on advancing toward our Scopes 1 and 2 GHG reduction targets, minimizing the generation of waste and increasing the diversion of waste from landfills. We also increased the amount of renewable electricity used by our operations. In 2023, we began an exercise to map our full carbon footprint—including all Scope 3 categories. With the help of an external consultant, we are ensuring that our boundary conditions are aligned with new regulations as well as identifying the most relevant Scope 3 categories for emission abatement.

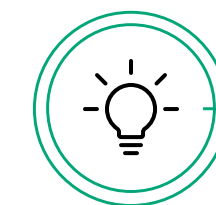
We also maintained our external assurance practices in 2023: our energy consumption, Scopes 1 and 2 emissions and waste diversion for both the U.K. and Europe and Americas and Asia Pacific regions received limited assurance.



We actively partner with our customers as well as our landlords to reduce our environmental footprint. We lease a number of LEED- and BREEAM-certified buildings and in 2023 we partnered with our landlord to launch the first certified Net Zero logistics building in the Netherlands. We also work to secure sustainability credentials for buildings leased by our customers.

By the numbers:

Progress on our environmental targets



80% global operations using LED lighting by 2025



80% global landfill diversion rate by 2025



30% GHG emissions reduction by 2030



50% renewable energy globally by 2030



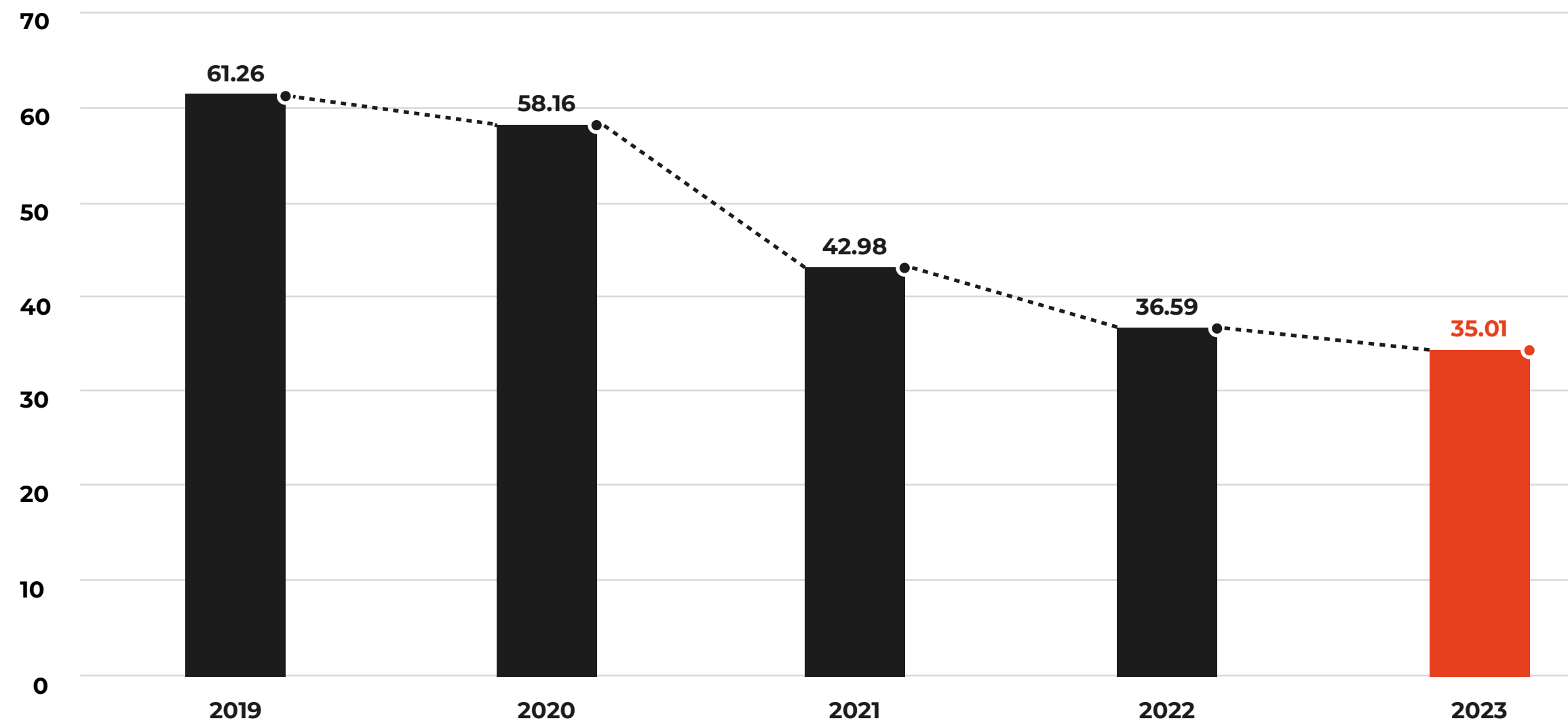
Our path to carbon reduction

Even as our operational footprint expands, we are making consistent strides toward reducing our Scope 1 and 2 GHG emissions through the adoption of: LED lighting, building efficiency solutions, renewable energy sources, efficient and electrified Powered Industrial Trucks (PITs) and more sustainable fleet transportation options.

In 2023, our emissions intensity by revenue decreased 4.3% compared to 2022, continuing its downward trend since 2019. We have decreased our absolute global Scopes 1 and 2 emissions by over 9.1%, or approximately 33,885 metric tons of CO₂e, from our 2019 baseline year.*

Global emissions intensity by revenue

Metric tons Scope 1 & 2 CO₂e per million USD revenue



Conserving energy

Reducing our GHG emissions starts with the flip of every light switch. We aim to illuminate all our warehouses with LEDs, with a target of 80% of global operations using LED lighting by 2025.

We plan to meet this goal by focusing on leasing buildings with LEDs in place and working with our landlords and customers to retrofit warehouses we're already operating in. We are also working to include LED requirements in lease renewals.

As of year-end 2023, 78% of our leased and owned operations were utilizing LED. Significant progress was made in the U.S. through including LED upfitting in lease renewals, and by bringing new, state of the art warehouses online and ensuring they were equipped with LED from the start. The U.K. also made great strides in retrofitting projects and all of our sites in Romania and Spain remain illuminated by LED.

In addition to LEDs, we continue to install energy-saving motion sensors, automatic switches for lighting, machines and equipment, and other energy saving technologies across our sites.

We promote environmental sustainability and energy efficiency top-to-bottom in the buildings we own and lease, using features such as:



- High-efficiency water fixtures to reduce consumption and any related energy use. To reduce freshwater consumption, some sites also collect rainwater.
- Reflective window films to reduce heat generated by solar gain, leading to lower ambient temperature and less reliance on air conditioning.
- High-volume low-speed (HVLS) fans to circulate air more efficiently than air conditioners.
- Voltage reduction systems to return any unused power to the supply source, reducing overall energy consumption for site operations.
- Sensors to enhance the energy efficiency of LED lighting by turning lights off in unoccupied areas or when natural lighting is sufficient.
- Native landscaping to support local vegetation and pollinators and manage water use. Some sites go a step further and tend bees. Other sites incorporate sheep as natural landscapers.
- Reciprocal systems in vehicle wash facilities to filter contaminants from the effluent and reuse the wash water.

Renewables

As we work to reduce the total energy use at our sites, we're also committed to procuring an increased amount of that energy from renewable sources. In 2023, 13.46% of our global electricity was from renewable sources. In Spain, 100% renewable electricity powers our facilities from a combination of on-site solar panels and renewable energy from the grid.

At sites where we manage utility contracts, we are currently researching how best to invest in renewables. We work together with customers to source renewable grid energy, as well as with landlords and other stakeholders to drive on-site generation solutions. Finding ways to install on-site solar panels across our warehouse portfolio is a key pillar of our larger emissions reduction strategy and benefits our landlord partners as well.

SPOTLIGHT

Solar installation in Europe

We recently completed the installation of solar panels at our leased site in Miramas, France. At a size of over 5,000 square feet, the array is expected to produce around 390,000 kWh of electricity per year.

In addition, four of our sites across Italy are leading the way with solar panel installation: in Colleferro (1 MW), Caleppio (0.6 MW), Cariso (1 MW), and Faenza (0.4 MW). We expect these to start generating power in Q2 of 2024.



Looking ahead, we will continue exploring different types of on-site renewables, such as wind and geothermal, and off-site solutions such as virtual power purchase agreements (VPPAs) and renewable electricity certificates or tariffs.

Managing environmental performance

GXO upholds high-performing environmental management systems as a standard across its global facilities. All our operational policies and procedures are designed in accordance with ISO 14001 standards, ensuring a unified strategy that aligns with both local environmental regulations and customer expectations. This commitment to consistency not only minimizes environmental impact but also enhances environmental accountability and compliance across all our locations. Internal and external audits are integral to our process, reinforcing our adherence to these comprehensive standards and maintaining our own high benchmarks for environmental stewardship.

Many of our sites are ISO 14001 certified, and even for non-certified sites, we look to this framework for guidance on how to establish strong environmental management protocols.



Transportation and fleet

Although GXO primarily delivers warehousing solutions, in some locations our services also include managing a fleet of trucks dedicated to distributing our customers' goods from our warehouses to their stores. Our fleet accounts for most of our Scope 1 GHG emissions, making it a category ripe with environmental opportunities.

GXO continually explores innovative solutions, covering everything from vehicle types to how we use and monitor their performance.

Along with incorporating more electric vehicles and increasing the use of biofuels, GXO is evaluating several strategies to reduce diesel and gasoline use, such as:

- Expanding our driver training program to implement more fuel-efficient driving methods, which include an anti-idling enforcement protocol;
- Investing in more aerodynamic fleet vehicles; and
- Using AI to drive more efficient route planning.

SPOTLIGHT

EVE Programme, GXO France

In 2022, GXO France joined the Voluntary Commitments for the Environment – Transportation and Logistics Program (EVE Programme for its initials in French). This public-private initiative helps promote the environmental transition in France, with a focus on logistics transportation. GXO France committed to reducing the carbon footprint of its fleet by 5% by year-end 2024 compared to the baseline year of 2021. To reach this target, we are focusing on 13 different areas, involving both our own fleet and our subcontracted fleet.



SPOTLIGHT

Optimizing routes for Iceland with Datasparq

Collaborating with Datasparq, GXO has optimized transport routes for Iceland and in the U.K. using artificial intelligence solutions that enhance route efficiency, achieve cost savings and minimize environmental impact.



The initiative encompasses four distribution centers across three temperature ranges, serving more than 1,100 stores nationwide and covering over 50 million kilometers annually. The result: increased productivity and improved job satisfaction, as GXO drivers can now dedicate their efforts to activities such as serving customers.

Key benefits:

- Direct financial savings for the customer
- More responsive and adaptable route planning through Dynamic Planning Enhancements
- Reduced distance traveled from one depot by more than 900,000 kilometers per year
- Decrease in carbon emissions of 720 tons to date due to reduced diesel consumption

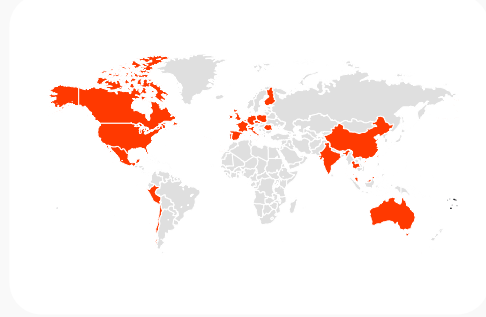
Next steps:

- Plans are underway to extend this solution to the remaining Iceland network and explore its application across other areas of the business
- Additional customers have expressed interest in this solution

Reducing and diverting waste

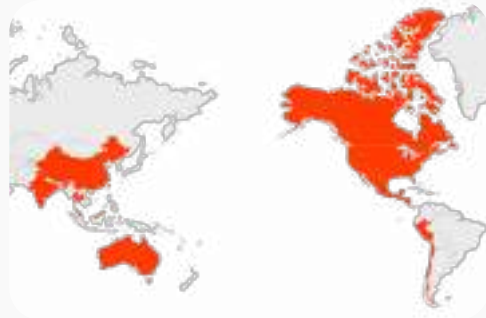
Our waste diversion programs continue to perform well around the world. In 2023, GXO diverted 81.9% of waste generated across global operations, meeting our 2025 target ahead of schedule.

We kept 42.5% of waste out of local landfills in the Americas and Asia Pacific. In the U.K. and Europe, that number reached 93.8%.



81.9%

Globally



42.5%

Americas and Asia Pacific



93.8%

U.K. and Europe

To keep moving in the right direction, we are instituting composting initiatives; reusing packaging materials inside the warehouse; and hosting friendly cross-site competitions to incentivize waste reduction and diversion.

SPOTLIGHT

Supporting closed loop recycling

Since 2019, one of our sites in the U.K. has worked with ASOS, to collect the polythene plastic bags used in their returns process. The material we collect is sent to a local recycling vendor who processes the polythene plastic into pellets, which are then used by another vendor to produce new plastic bags, purchased by ASOS. Over the years, GXO has captured increasingly more of this plastic and in 2023, we were named Recycling Heroes by the recycling vendor for providing over 354 metric tons of scrap polythene plastic. GXO is proud to collaborate with our customers to increase the circularity of plastic packaging to reduce its environmental impact.





SPOTLIGHT

Recycled paper inserts

In response to the pressing global need for waste reduction, specifically plastic waste, GXO embarked on the mission to transition plastic packaging inserts to paper at one of our California facilities. In addition to being more recyclable, the paper inserts also have a lower carbon footprint compared to the plastic insert that was being used.

The project was able to eliminate, on average, seven plastic bubble wraps per order. Processing over 16,000 orders per day, this led to significant reductions in the use of plastic and ultimately plastic waste. Similar initiatives have been taken at other sites.



Pallet collars

To help our customer, Virgin Media O2, in their mission to remove single-use pallet plastic from their logistics operations, GXO designed several solutions. One was to replace single-use shrink wrap with a reusable pallet collar made from 100% recyclable content. This solution resulted in a 12.6-ton reduction in plastic waste and a payback period of just over 2 years.

The cumulative success of removing single-use plastics from the Virgin Media O2 site is notable. GXO enabled the site to reduce single-use plastics consumption by 94% from 50.7 metric tons in 2021 to only 2.9 metric tons in 2023.



We also partner with our customers to reduce waste from being generated in our operations or across their value chain.

Across our operations, we strive to maintain the protection and positive out-of-box experience that appropriate packaging provides while reducing environmental impacts. Several sites utilize automated solutions to create right-sized packaging. Others employ pallet wrapping technology, which can reduce the plastic film needed to secure parcels for shipment by over 50% versus manual wrapping.

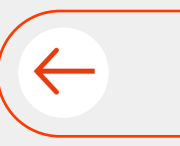
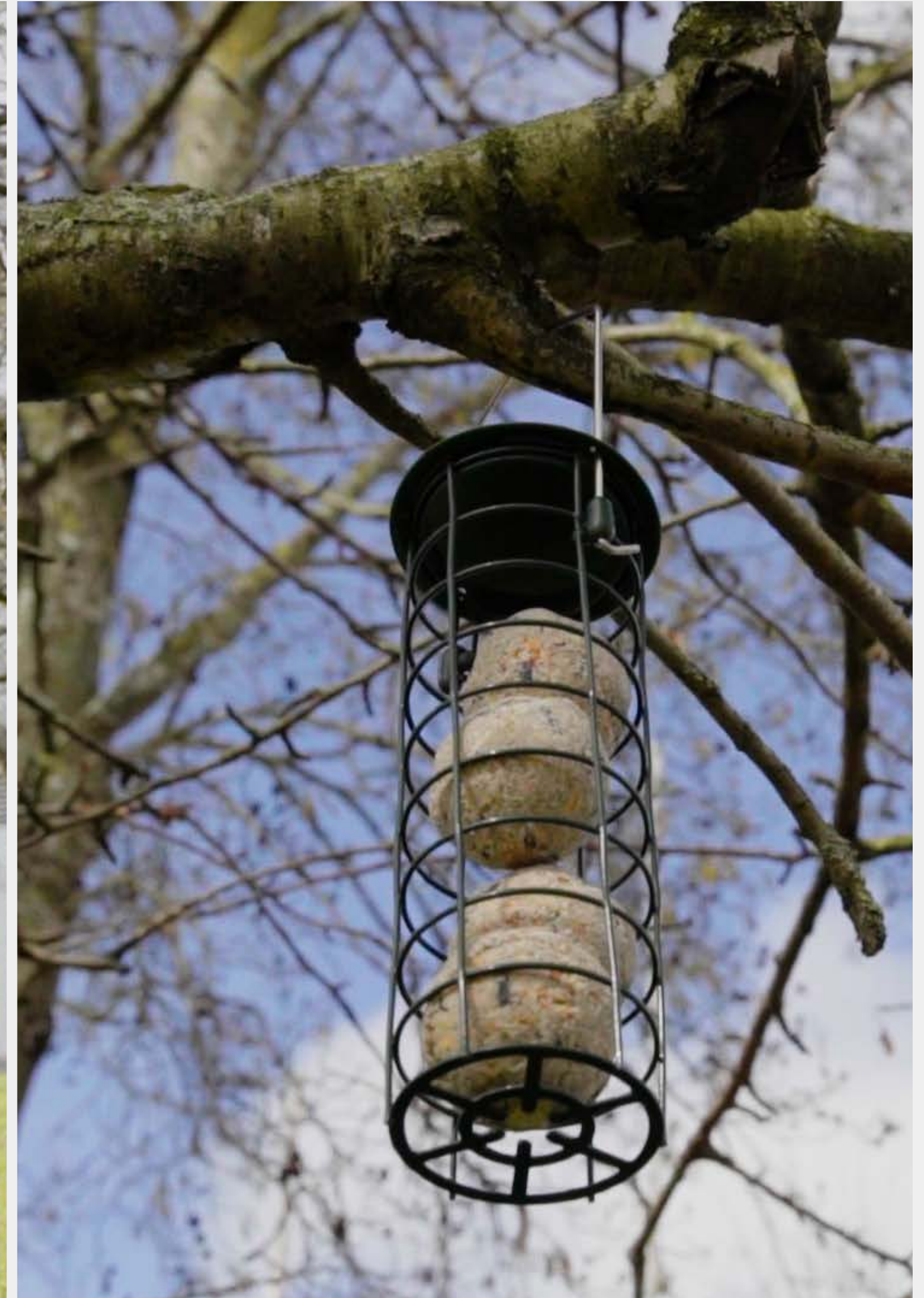
We also work closely with our customers to optimize the types of materials used for packaging. At many of our sites, we're phasing out single-use plastics and replacing them with either recycled cardboard or reusable materials.

Nature and biodiversity

GXO is committed to environmental stewardship, focusing on enhancing biodiversity at our sites across various regions. Our initiatives are not limited by the urban or industrial nature of our locations, as we continuously explore opportunities to support and enrich native habitats around our warehouses.

By engaging volunteers and collaborating with our customers, we have successfully undertaken a range of activities that foster natural ecosystems. These include green walls, pollinator gardens and ovine landscape maintenance. Furthermore, we actively contribute to local communities and ecosystems through tree planting and beach cleaning and the establishment of beehives, birdhouses and insect hotels. Our efforts extend to the thoughtful selection of native landscaping, which diminishes irrigation needs in arid climates, as well as a diligent procedure to identify and remove invasive plant species in the U.K. and Europe.

Through these diverse but interconnected activities, GXO demonstrates a holistic and inclusive approach to promoting biodiversity and environmental sustainability across the locations we operate in.



Social

Changing the game for our people and communities



We are building a workplace that cares for and develops our team members while we seek new ways to strengthen the communities in which we live and work. With more than 130,000 team members in operations in 27 countries around the world, our commitment to being an employer of choice has never been stronger. This commitment informs every aspect of our talent strategy, from our approach to professional development and progression to creating a culture that prioritizes belonging, wellness and safety for all. We remain diligent in our pursuit of improvement and are continuing our investment in partnerships, technology and programs to create a working environment that helps our gamechangers realize their full potential.

Our efforts are illustrated in the highlights below:

<p>Extended our global Belonging Week program</p>			<p>Decreased our Total Recordable Incident Rate in the Americas & Asia Pacific by 29% from 2022</p>
<p>Hosted inaugural GXO Careers Week</p>			<p>Decreased our Lost Time Incident Rate in U.K. & Europe by 11% from 2022</p>
<p>Refreshed our Road to Zero Safety Program</p>			<p>Provided over 1.3 million hours of development and education to employees</p>

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Our social goals impact the United Nations Sustainable Development Goals. To see a detailed list of how our business operations align with the SDG target indicators, please see our UN SDG index.

[View the index](#)

<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>5 GENDER EQUALITY</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p>
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Putting safety first

At GXO, the first of our core values is “Be safe.” To achieve this goal, we go beyond ensuring safety to creating a holistic culture of care that considers mental and physical health. Ours is a supportive workplace, and we are proud that our people can thrive at work and return home as healthy as when they arrived.

In 2023, we focused on enhancing our safety committees and employee engagement and we ensured that our leadership training included health and safety topics. We also demonstrated our commitment to mental well-being through [GXO University](#), where employees have the opportunity to train as Mental Health First Aiders.

“GXO is a people business, and there is nothing more important than protecting our people.

I want every distribution center, every office and every GXO location to be fully engaged in a safety-first mindset. A true safety culture. Not just today. Every day.”

Malcolm Wilson
CEO, GXO



GXO tracks a wide range of Health and Safety metrics and we consistently aim to be best-in-class and to outperform the industry benchmarks as defined by the Occupational Safety and Health Administration (OSHA) in the U.S. It’s important to note that, due to different regulations in each jurisdiction, the definition of what types of injuries are included for each metric differs. For this reason, GXO reports our Health and Safety metrics by region rather than globally. As part of our ESG Scorecard, we track progress toward representative regional targets on our path to Health and Safety excellence.

In 2023, our Americas and Asia Pacific operations recorded

176 sites

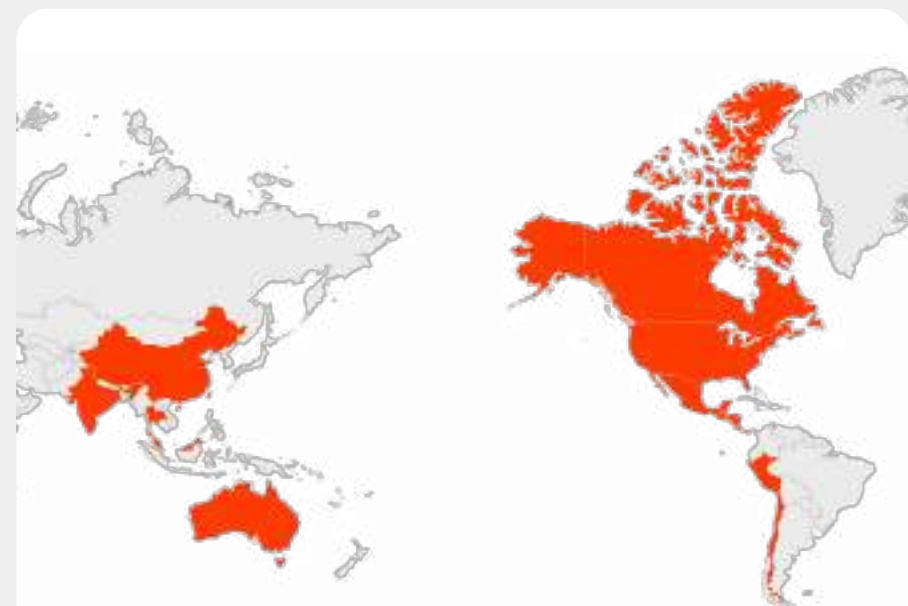
as being **recordable incident-free**.

Also in 2023, our U.K. and Europe operations recorded

103 sites

that were **lost-time incident-free**.

Progress on our health and safety targets



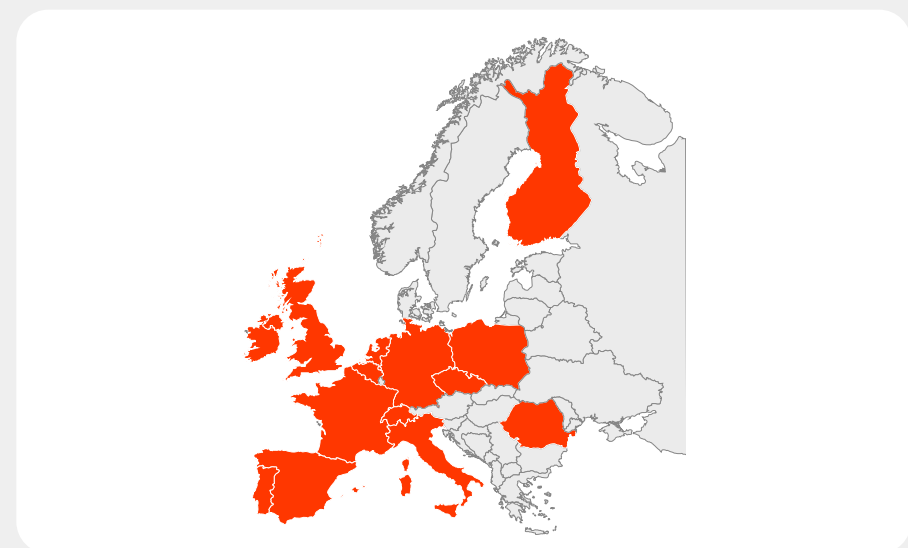
2027 TARGET SURPASSED



In our Americas and Asia Pacific operations, reduce Total Recordable Incident Rate (TRIR) by 15% by 2027 vs. 2022 baseline.

2023

1.16 Total Recordable Incident Rate
29% reduction from 2022



APPROACHING 2027 TARGET



In our U.K. and European operations, reduce Lost Time Incident Rate (LTIR) by 15% by 2027 vs. 2022 baseline.

2023

2.14 Lost Time Incident Rate
11% reduction from 2022



Our principles of continuous improvement carry across all our safe workplace initiatives, from policy creation and adoption to training and auditing and more. While we have dedicated health and safety leaders, we also believe that safety is everyone’s job and requires a tireless team effort. GXO empowers all employees to speak up and report safety violations or unsafe practices.

We continue to invest in our local Emergency Response Teams, which have had tremendous success. All GXO sites have these teams in place to provide first aid, CPR or automated external defibrillator (AED) when safety incidents occur at the local level. Responders are trained in emergency evacuation and shelter-in-place plans as well as standard emergency care.

We base all GXO occupational health and safety (OH&S) policies and procedures on globally accepted standards, and we internally audit our sites. Globally, 93 of our sites are externally accredited to ISO45001, an international standard for OH&S. In 2023, this included ISO45001 accreditation for another 12 sites across Europe. As part of our commitment to continuous improvement, GXO’s Health and Safety leaders are also continuing to collaborate on global and regional policies to ensure that all programs align with company-wide decisions while allowing for appropriate adjustments to reflect the unique attributes of each site.



Road to Zero

A few years ago, we introduced our Road to Zero program in pursuit of zero occupational injuries and illnesses. Because our business changed dramatically during that period, we devoted much time, effort and resources in 2023 to rolling out a refreshed Road to Zero program, which leverages a host of tools and channels to achieve our broader safety goals of ensuring accountability, compliance and unbiased measurement. We did all this to promote a safety culture that ensures the health and safety of all employees.

Our refreshed Road to Zero principles extend throughout all our priorities, including employee training, the adoption of policies and supporting technologies. We are changing the way we think about accident prevention and encouraging team members to pay attention to their own behaviors—all in pursuit of a culture where every team member, no matter their job, feels empowered to ensure their own safety and the safety of others.



How GXO is bringing the Road to Zero to life and ensuring the health and safety of all team members

Inspections and audits

Rigorous safety compliance and auditing procedures at GXO's facilities ensure effective and safe performance.

Employee engagement

Integrating workplace safety into the culture of GXO creates sustainable strategy and safety improvements.

Training and development

Onsite and digital trainings help ensure all employees are informed on the latest safety trends and strategies.



Use of automation and digital technologies

GXO is focused on identifying new technologies to create a safer work environment that also improves incident measurement and reporting.

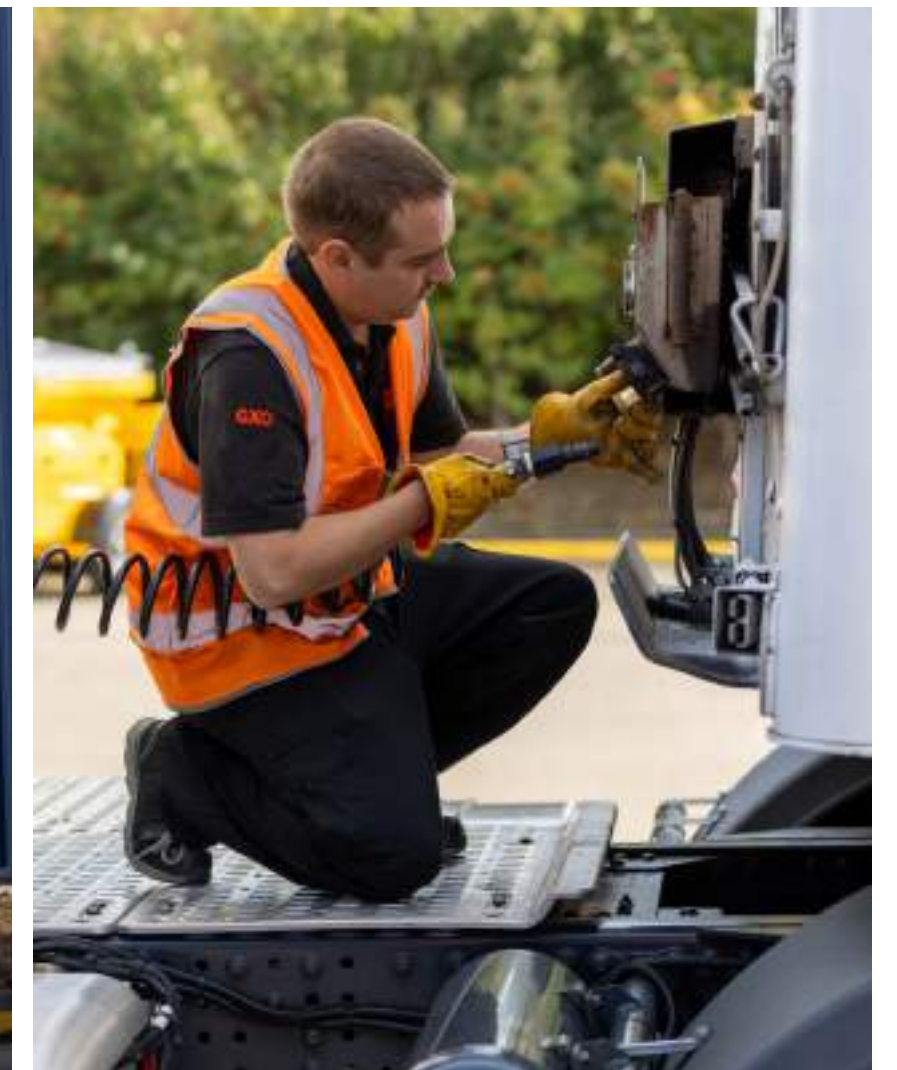
External accreditations

External companies conduct audits for sites that are accredited as ISO9001, ISO14001 or OHSAS45001.

Fleet and transportation

GXO operates a dedicated fleet to transport our customers' goods from our warehouses to their destinations. As we consider fleet safety of utmost importance, we have several programs, including driver trainings, and deploy other technical prevention solutions, such as cameras and telematics, to help ensure our people on the road are also on the Road to Zero for preventing any occupational injuries and illnesses.

In the U.S., the safety of our fleet operation is best-in-class, with a positive rating from the Federal Motor Carrier Safety Administration (FMCSA). GXO maintains a recommendation of pass and an inspection value of 31 out of 100 (where lower is better) in the FMCSA's Inspection Selection System for the Compliance, Safety, and Accountability program.





The power of employee input

Given the number and variety of GXO locations, we apply a bottom-up approach to ensure high safety standards across facilities. Active engagement by all employees is critical, as is their safety training and leadership development. As a key component of our health and safety strategy, we work diligently to make sure our people feel comfortable voicing any concerns and joining the safety conversation.



For example, our site-level safety committees empower employees to speak up at work, and we regularly seek their input through peer observations, safety cards and the inclusion of health and safety topics in daily pre-shift meetings and regular engagement surveys. In addition, we track leading indicators at our sites, such as number of safety committee meetings and peer observations, to recognize their proactive efforts in maintaining a safe environment.

Leveraging the power of employee engagement

We're constantly seeking new and better ways to approach site safety and accident prevention because we want to engage with, and learn from, our most knowledgeable resources — our employees.



Stuffed mascot raises safety awareness

GXO turned a stuffed moose loose at our Abercrombie & Fitch site in Arizona, where it simulated performing hazardous activities or wandering into unsafe areas. Team members who spotted the moose submitted a ballot describing what it was doing that was unsafe. Each week, those who sent in the right responses won a prize.

Participation in “Moose on the Loose” was strong, with nearly half of employees joining in. The moose will return in 2024.



Safety Olympics

Over the course of three weeks, departments at a GXO site in California compete to show off their safety know-how, teamwork and agile thinking.

While only one team emerged as the winner, the true goal of the Safety Olympics is to celebrate the spirit of collaboration, resilience and dedication to safety. The contest is a testament to what we can achieve when we work together, striving for safety and excellence.



Batman vs. Superman

In January 2023, one of our U.K. sites launched the Road to Zero Game, engaging Team Batman vs. Team Superman in an array of monthly challenges that included physical, mental and safety activities. Themes such as fire safety, hazard spotting and mental health were incorporated throughout each game. Teams were tasked with meeting targets, submitting care cards, attending briefings and conducting daily inspections. In addition to promoting daily safety practices, the site introduced 50 engagement activities, such as table tennis and a smoothie bike challenge, resulting in a remarkable drop in safety incidents, including a 100% reduction in cuts by box openers.

Embracing automation and innovation with cobots

With the adoption of collaborative robots, or cobots, GXO continues to embrace innovation. Cobots make sites safer by performing repetitive tasks such as lifting and carrying goods and pallets throughout our facilities. They also lessen the need for power industrial trucks.



Discover more about our adaptive technology in the [“Managing the future of logistics”](#) section.





Building a culture of belonging

From our company's origin, we have established a foundation of values that embody who we are as a business, as a partner and as leaders. Among these core values, **belonging** is vital to how we operate. We innovate and succeed because diverse perspectives feed every level of the organization.

Today, GXO remains dedicated to creating a best-in-class workplace that enables diversity, inclusion and belonging (DI&B) for all: military, genders, generations, LGBTQ+, heritage and ethnicity, and disabilities. These priorities are embedded in our core values—to “Be inclusive” and to “Make an impact.”

To ensure this culture of belonging, GXO diligently tracks and reviews a wide range of internal and external metrics that help us identify what matters most to employees across the organization. And we are driven to pilot initiatives that advance DI&B further.




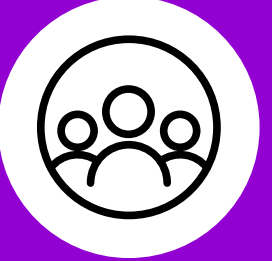
We take great care to ensure every team member feels welcome and supported. While there will always be more to do, GXO aims to lead in belonging by taking actions such as: creating opportunities for underrepresented groups; learning to understand and mitigate microaggressions; and raising awareness of unconscious biases and their impact.

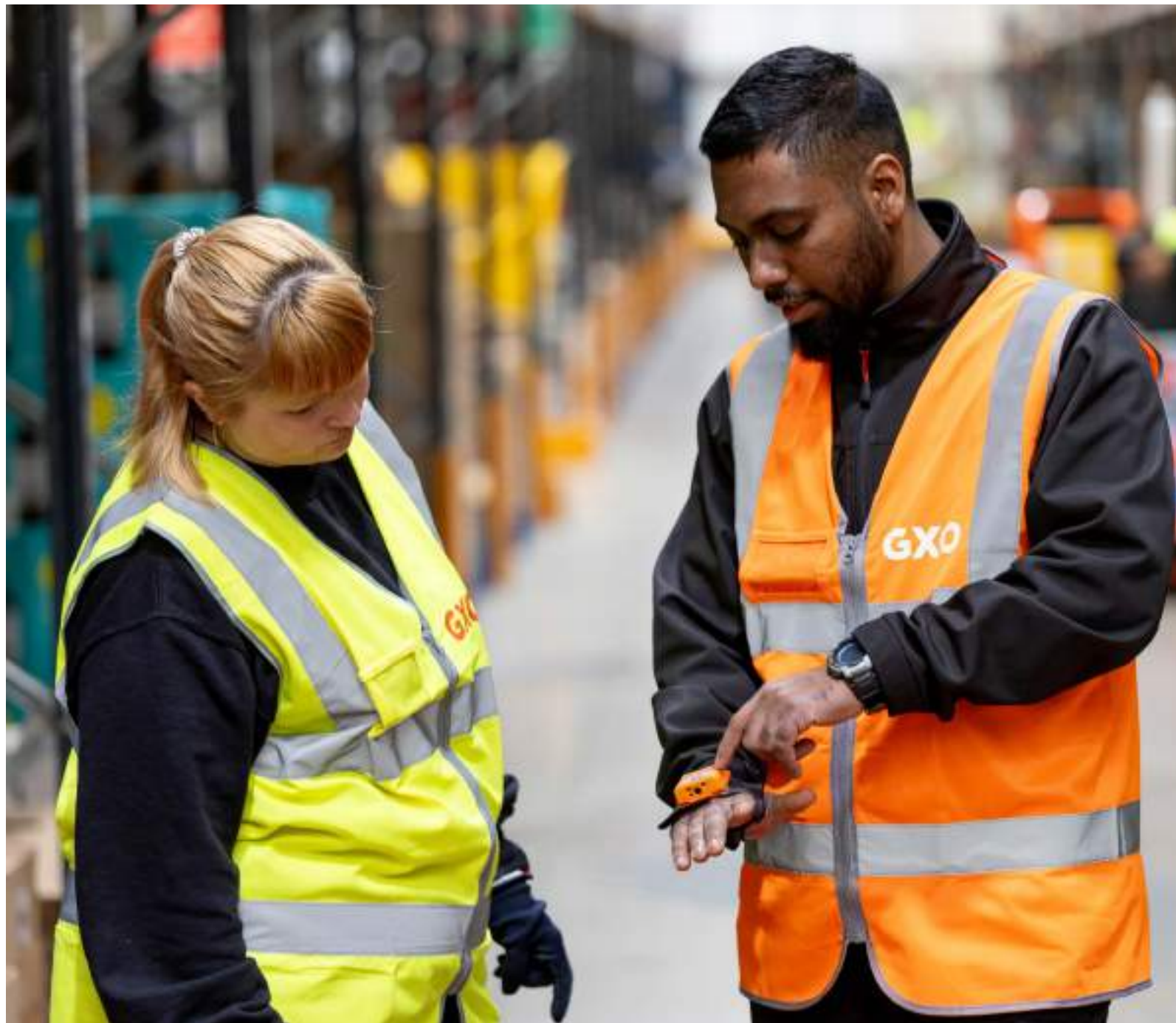


In the Q2 2023 Pulse survey, our global salaried employee population disclosed their highest level of job satisfaction since becoming GXO in 2021. Colleagues shared that inclusion is the top area in which we excel. We understand the importance of this distinct core value. To maintain it, we will remain steadfast in our efforts to advance our culture of belonging. We will also expand those efforts.

The role of Belonging in GXO is to support and nurture our commitment to Belonging globally.

Upholding these pillars are our Inclusive Behaviors:

 Value diversity	 Choose inclusion	 Drive equity	 Build belonging
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SPOTLIGHT

GXO named a 2023 Top 50 U.S. Company for Diversity



In 2023, Diversity First, the Diversity Research Institute’s annual corporate ranking report, placed GXO among the top U.S. companies demonstrating “exceptional scores” in the area of Diversity, Equity, Inclusion and Belonging.

According to Diversity First, the Top 50 Companies for Diversity earned the highest scores from the U.S. Fortune 500 Corporate Governance Report, which evaluates executive and board demographics and assesses ethnic and gender demographics based on U.S. Census Data.

We embed belonging objectives across our business in support of our core value to “Be inclusive.” Through our growing variety of DI&B programs, we strive to create an environment where everyone has a voice and an opportunity to grow—including those historically underrepresented in the workforce.

How GXO defines DI&B

Diversity

recognizes the differences between us and values the unique perspectives that our employees bring.

Inclusion

aims to embrace and involve all people irrespective of race, gender, ability, experiences or need.

Belonging

nurtures an environment where everyone feels secure, supported and accepted.



SPOTLIGHT

GXO signs the Diversity Charter in Spain

During a 2023 event organized by Fundación Diversidad in Madrid, GXO signed the Diversity Charter, affirming our commitment to maintaining an inclusive culture and a diverse workforce in Spain, as well as across our global operations.



Organizations who sign the Diversity Charter, promoted by the European Commission, agree to 10 key principles that reinforce their commitment to diversity, inclusion and equal workplace opportunities.

Currently, more than 8,500 GXO employees live in Spain and Portugal, where we play a crucial role as an employer of choice, not only in the logistics services sector, but also in generating employment and improving quality of life in local communities.

Employees driven by a common purpose

DI&B succeeds at GXO because it aligns with our core values and all our team members support it fully. Regardless of their role in the organization, our people embrace the important mission of belonging.



Bringing this mission to life is our Belonging Network, which is open to employees of all levels from around the world. The Belonging Network provides a safe space for gamechangers to create a meaningful impact on diversity, inclusion and belonging across the company.

The global Belonging Network includes employees and leaders across functions and geographies, all eager to help advance our DI&B mission.

“I feel seen, heard and valued as a site manager at GXO. As an LGBTQ person, I am very proud to work for an organization that supports belonging as GXO does.”

Tina Terrill
Operations, U.S.

“We have an open-door culture where I know I can speak with anyone no matter the position in GXO; I can give my opinion and I know that it is respected and taken into account.”

Carlos Ortiz
Operations, Latin America

“I will contribute by leading by example, doing the right thing as first. I want to pay attention to people and to what they can give to GXO considering their different point of view and voice.”

Maria Elena Scolaro
Legal, Italy

“I intensively promote activities and campaigns to spread the message of belonging, inclusion and diversity within the company and externally and try to push the staff of the company to be more aware of the importance of the We Belong spirit.”

Cristina Villalba
Communications, Spain

“I am always amazed by the diverse perspectives we bring and how we respect and appreciate each other’s ideas. I feel comfortable sharing my thoughts and opinions without any fear of judgment. Belonging is a “journey,” and I’m proud to be part of a team that embraces the continued “journey” of being able to show up authentically.”

Derrick Moodey
Human Resources, U.S.

“My views, opinions, challenges and ideas are always listened to and acted upon. I feel truly valued by both my line manager and also the business. I feel respected and also feel I have the ability to safely speak up if and when required.”

Chris Downes
Talent Acquisition, U.K. & Ireland

“As a female leader at GXO, I am grateful knowing my voice and input matters.”

Darlene Elliot
Operations, Canada



Fostering an inclusive culture

We see belonging as a core value within GXO and we strive to make sure every colleague feels and sees a positive difference. The positive feedback from our team members tells us our efforts to build a belonging and inclusive culture are driving meaningful impact.

Our DI&B initiatives include Take the LEAD (Learning Everything About Diversity) toolkits, designed to build belonging through reciprocal learning.

LEAD toolkits raise teamwide awareness of experiences, diverse heritages and impactful moments in history. The accompanying Heritage Kits provide colleagues with an overview of different cultures and how they celebrate at specific times throughout the year.

Through discussion questions, colleagues can connect and better understand how each group has played a role in their lives and experiences at GXO.

As part of our continuous work to meet the diverse needs of every employee, we launched initiatives in 2023 to foster an open, gender-inclusive environment at GXO.

In our facilities, we are implementing new gender-inclusive restroom signage and have also prepared a “Transitioning at Work “ toolkit to help leaders support their colleagues. This toolkit is being adapted so it is culturally relevant to all countries in which we operate. We remain intentional in our focus on togetherness, taking care of one another and seeing everyone.

SPOTLIGHT

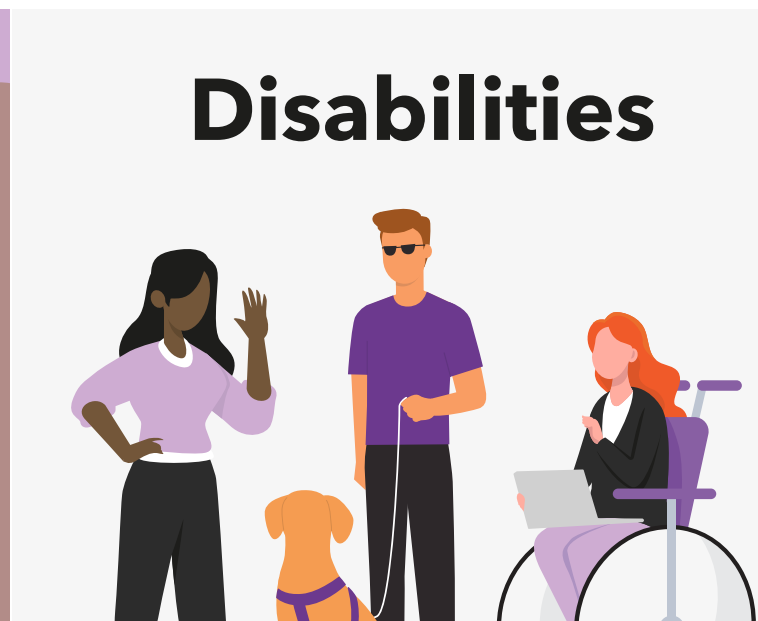
LGBTQ+ focus initiatives



GXO recognized Pride events throughout our global operations, including having a presence for the first time at the Charlotte, North Carolina Pride Parade. [See](#) how our Americas & Asia Pacific regional headquarters and other GXOers turned out for the event.



Gender



Disabilities



Generations



Race & Ethnicity



LGBTQ+



Veterans

SPOTLIGHT

Leaders receive 2023 Women in Supply Chain Awards

Food Logistics and Supply & Demand Chain Executive magazine recognized three GXO leaders in 2023 for their impressive accomplishments, mentorship and leadership in the field. This award honors female supply chain leaders who set a strong example for women in all levels of a company's supply chain network. This marks the second year that GXO women leaders have been recognized.



SPOTLIGHT

← GXO partners with LEAD, AWESOME to support women in Supply Chain

GXO emphasizes the importance of building a culture of belonging that values our gamechangers' diverse voices, talents and experiences. As part of our commitment to building a world-class workforce where every team member can thrive, we have established impactful partnership programs in both Europe and the U.S. focused on women's career advancement.

LEAD

In the U.K. and Europe, we are proud to partner with the LEAD (Leading Executives Advancing Diversity) network, a non-profit with over 14,000 members that aims to attract, retain and advance women in the retail and consumer goods industry. LEAD works with GXO to bolster our inclusive culture by providing access to education, leadership and business development opportunities as well as expands our female leadership pool. The LEAD network offers an invaluable platform for industry leaders to connect, engage in skill-building events and participate in workshops designed to retain and develop female talent within the logistics sector.

AWESOME

In the U.S., we collaborate with AWESOME, a leadership community committed to advancing women's excellence in supply chain operations, management and education. AWESOME brings together senior women leaders from the industry to foster connections, learn, collaborate, recognize achievements and inspire one another. This partnership underscores GXO's dedication to developing best practices that support the career growth of women in our organization, ensuring they have the resources and support needed to excel in their careers.

Together, these programs underscore our unwavering commitment to enhancing diversity and inclusion across our global operations, driving progress and innovation within GXO and the logistics industry at large.

Belonging.

Unity.

Togetherness.

WeAREone.

Family.

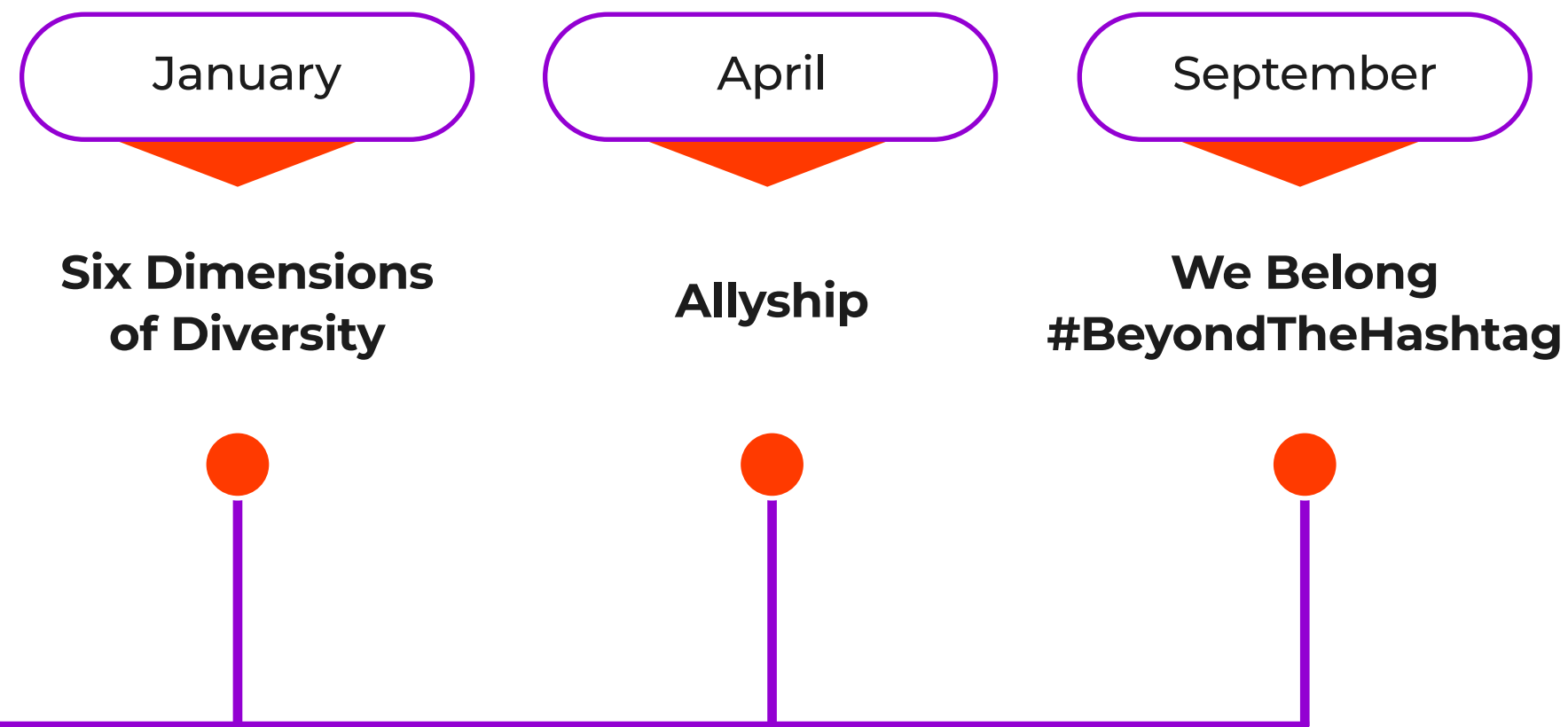
Belonging Weeks

We want to ensure that every colleague can see, hear and feel belonging all year long. To that end, GXO expanded our Belonging Weeks program in 2023 to four weeks of education and celebration.

Our Belonging Week program celebrates all aspects of diversity—we reflect on what we’ve been able to achieve and commit to building on that momentum. Our further goal is to encourage our people to connect at the site level so they can experience that sense of belonging and know they’re supported in bringing their authentic self to work.

During each Belonging Week, employees and leaders engage in activities such as virtual workshops, panel discussions and virtual volunteer opportunities.

2023 Belonging Week themes



SPOTLIGHT

We ALL celebrated our Belonging Weeks TOGETHER



Members of the leadership team met in our London office to sign our #WeBelong pledge.





SPOTLIGHT

Courageous Conversations

Employee engagement and education

To support our year-round education and engagement, GXO’s Business Resource Groups (BRGs) bring together employees to connect and share their experiences. GXO is focused on building BRGs because we believe that beyond mentorship and networking opportunities, these groups will drive positive business outcomes through business development and improved business performance — demonstrating the impact of learning from and developing diverse voices.

We’re continuing to grow and develop our seven BRGs:

- Women
- Veterans
- Generations
- Cultures Connected
- Disabilities
- LGBTQ+
- Working Parents

We also continue to create training around diversity and inclusion that helps employees learn about others and themselves.



For diverse talent working on our frontlines, we support their advancement with upskilling and other resources. You can learn more about what we are doing to help our employees keep learning and growing in the [“Supporting and developing our people”](#) section of this report.



We developed our Courageous Conversations guide for navigating complex or sensitive discussions in the workplace around topics such as diversity, inclusion and job performance. Recognizing the potential for strong emotions in such discussions, the guide emphasizes the need for preparation, awareness and sensitivity.

The guide also points users to GXO University for resources on enhancing communication and managing conversations effectively. It stresses the importance of addressing unconscious biases and excelling in communication in diverse settings to foster an inclusive and efficient work environment. This resource aids employees in engaging in respectful and meaningful conversations and is available in multiple languages including Spanish, Italian and German.

Unjudge Someone

Unjudge Someone is an innovative project designed to foster understanding and reduce prejudices through dialogue. We work with an external party to present to team members a “library,” with individuals acting as “books,” to share their personal stories with “readers” in a conversational format, representing diverse backgrounds often faced with stereotypes and stigma. This innovative approach encourages empathy and challenges societal prejudices, facilitating connections and understanding among people.

We embrace this concept by offering at least one session a year to all GXO employees to participate and gain insights into the myriad of human experiences and perspectives.

“This experience was wonderful, talking with and learning from [The Book] about being an intersex individual in what (to me) feels like a hyper-gendered culture. I greatly appreciated being able to ask questions openly and being vulnerable in that I’m so self-conscious about making others uncomfortable. I appreciated [The Book’s] openness and willingness to share in a safe space.”

— **GXO Gamechanger participant**

Inclusive hiring and talent acquisition practices

Our hiring practices remain crucial to creating a culture of belonging. Our Talent Acquisition team works to maintain this lens across all aspects of recruiting. We consistently look to expand our candidate pool through relationships with institutions serving minorities, LGBTQ+ allies and organizations supporting military veterans and people living with disabilities.

Notable efforts to hire people living with disabilities:



WorkFit in the U.K.:

GXO welcomes candidates with Down syndrome. Each colleague from WorkFit has at least two “buddies” on the GXO team and a designated trainer.



Log'ins in France:

A joint venture between GXO and Ares, this program has helped individuals with disabilities find employment over the last 10 years, including at participating GXO warehouses.



Disability Confident:

In 2023, GXO was awarded with a Level 3: Disability Confident Leader certificate, underscoring our commitment to fostering an inclusive and accessible recruitment process, as well as supporting disabled colleagues in both entering the workforce and thriving within the company.

SPOTLIGHT

A Game-changing Fresh Start

There can be many barriers to employment for individuals who seek it. From finding a job that will hire them, to feeling supported and empowered to thrive in a position once they obtain it. That's why GXO piloted A Game-changing Fresh Start in 2023. This pilot project will provide GXO managers with a turnkey method to hire, place and transform the lives of employees who encounter barriers to employment. The initiative focuses on identifying the resources and support these different populations require — such as individuals with disabilities and those re-entering the workforce — to ensure they will find a rewarding career path at GXO.



SPOTLIGHT

The Arc: Partnering to help employ those with disabilities

Partnering with The Arc in the U.S., GXO hires people with intellectual and developmental disabilities to help them live, work and thrive in their communities. Our efforts with The Arc Northern Chesapeake Region (NCR) allowed us to place talent at one of our sites in Maryland. With The Arc, we focus on the needs of individuals with disabilities beyond employment, such as making sure our new employees are aware of other services that can help them succeed. These efforts were lauded by our partners at The Arc and in the State of Maryland and have led to replicating our approach at other sites across the state and beyond.

“Reflecting on the journey of the past 3 years, The Arc NCR and GXO have forged an empowering partnership dedicated to championing the inclusion of people with differing abilities in the workforce. Witnessing the remarkable achievements and stories of the people we support has been nothing short of inspirational. Through their commitment, GXO has not only fostered success, but also paved the way for others to question and challenge preconceptions. As we celebrate the milestones achieved, shared experiences ignited a spark in other organizations, encouraging them to ask, ‘If GXO can do it, why can’t we?’”

Shawn Kros
Chief Executive Officer,
The Arc NCR

“GXO is to be applauded for their efforts to ensure a diverse workforce including individuals with disabilities. As the workforce demographics change, creating inclusive environments is critical to business success. As Director of Employment and Transition Policy for the Maryland Department of Disabilities, I appreciate the opportunity to support GXO in their efforts to replicate their successful Maryland model of hiring individuals with disabilities in other locations.”

Jade Gingerich
Director of Employment Policy,
Maryland Department of Disabilities



Community contributions

GXO delivers on making a difference both internally and externally. We're building a sense of community across our business while working to improve the communities we serve. Aligned with our heritage months, Belonging Weeks and other celebrations, we also offer virtual and in-person volunteer opportunities.



Read more about our community contributions in "[Creating impact through engagement](#)" of this report.



Supporting and developing our people

At GXO, we understand that our operations and the success of our organization are driven by the talent and engagement of our workforce. Driving both of these factors forward is our continued focus on being an employer of choice. Companies around the world continue to face increasingly competitive hiring and retention environments, and we understand that to remain competitive we must lead the industry in terms of our benefits packages, compensation plans, and learning and development programs while also fostering a culture that ensures opportunities for advancement for all.

People join GXO knowing they can pursue long-term careers that will challenge and reward them. From day one, employees have access to many opportunities to realize their full potential amid a culture of respect and collaboration. GXO University has brought this to life, with programs designed to help advance our workforce at every level of their career. Our Talent and Learning team espouses a continuous improvement mindset, reviewing the efficacy of our programming against indicators such as employee promotability and quality of job placement.

In 2023, we continued our pursuit of providing a clear and rewarding career path for all employees. Through investments in digital technology, the further development of GXO University and new partnerships focused on employee progression, we remain as focused as ever on being an employer of choice.



In 2023, we continued to develop GXO University, which embodies our company-wide commitment to elevating employee performance and enabling career advancement. Employees at all levels find opportunities to sharpen their skills, expand their knowledge and strategically advance their careers through comprehensive learning.

Our goal is to promote from within, providing clear trajectories from hire to retire.

Total learning hours

over
1.3
million



Average learning hours per employee

16 hours



The GXO University program continues to offer five colleges, each dedicated to a different stage of training and advancement. Employees enter a college based on their experience and where they want their careers to go. Courses are available virtually or in a classroom, expanding access to training while addressing employees' individual needs. Recently, AI technology has allowed us to conduct nearly every course in multiple languages, and we plan to add more translations to foster a diverse, global workforce.

SPOTLIGHT

Careers Week

We hosted our first Careers Week July 10–14, 2023, to highlight resources and job opportunities at GXO.

During the week, executive leaders shared the best career advice they had ever received. Participating employees reflected on their own career accomplishments, set short- and long-term goals and planned career directions.

We received such great feedback on Careers Week that we expanded it to a month in 2024. Careers Month took place in February, timed to engage employees to share information in their annual talent reviews.



SPOTLIGHT

GXO partners with Multiverse for data training academy

We partnered with Multiverse in 2023 to launch a Data Academy to drive efficiency across our organization and increase data literacy while creating a clear and rewarding career path for employees.

During the 15-month Multiverse Data Fellowship, participating GXO employees receive best-in-class data analysis training, enabling them to clean, analyze and model data and explain data and its uses to non-specialists. They also learn to use Tableau, an application that extracts actionable insights from data.

So far, 141 employees have enrolled. Those who complete the program will help us identify revenue and cost-savings opportunities for the company and our customers as well as boost data-driven decision-making company-wide. There was so much interest in the program that we expanded the partnership with Multiverse to offer a 13-month Data Literacy apprenticeship to improve spreadsheet skills and increase data capabilities. To date, 97 employees are enrolled in this program.



“We’re excited to work with Multiverse,” said **Mark Simmons**, HR Director, U.K. & Ireland at GXO. “The new Data Academy is another example of how GXO is working every day to make our company an employer of choice, empowering employee growth through opportunities for training and development.”

Launch at GXO

Launch at GXO gets employees off on the right foot, giving them the resources they need to master new roles and processes. It's available to new hires, those adding to their job responsibilities or people joining via acquisition.

In 2023, 88% of new employees with network access completed new hire orientation in GXO University within the first 90 days, a record for the third consecutive year.

Given the success in 2022, we continued our U.K. Driver Academy as part of Launch at GXO and in 2023 reached our first 100 graduates, with an average of 14 participants per month.



Succeed at GXO

With Succeed at GXO, employees find the tools and training they need to thrive in their roles, improve their performance and keep up with training requirements, including our Annual Compliance Education (ACE) program.

GXO certified nearly 200 U.K. employees as Mental Health First Aid trainers through Succeed at GXO, through which we also launched a training for the revised Road to Zero program in Europe.

We incorporated the training software provider Skillsoft into GXO University, expanding our course catalog to 30,000 offerings. In 2023, employees accessed over 114,000 courses, books and assessments and had completed over 71% of those courses by year-end.



Empower at GXO

Empower at GXO is the engine that drives the career production line. Through Empower, we engage with our talent so they can achieve their best performance and full potential. Topics such as career management, succession planning, performance management and engagement are housed in Empower.

Home to our Assessment and Development Center, Empower at GXO college guides managers and their employees through goal setting and performance reviews. Employees can also identify their talent potential, determine positions they'd like to move into and plot their career path using Empower's tools and surveys.

Empower's GXO Pulse survey measures employee engagement and helps ensure our talent management improvement strategy is aligned with employee feedback. In 2023, a majority of our salaried employee population completed this survey, and the results informed our 2024 goals for GXO University related to performance and career management.

Grow at GXO

Grow at GXO helps employees answer "what's next?" The program gives full-time employees the skills they need to move into a higher role.

Grow Tracks, GXO University's on-demand frontline training program, has 15 programs, such as HR Essentials, Supervisor and a suite of MS Office education tracs. Each track has on average 35 hours of self-paced online curriculum. In 2023, Grow Tracks hosted 2,400 participants across 17 countries, and through the program we were able to place over 17% of graduates in new roles at GXO.



Additional programs available through Grow at GXO include the Graduate Academies, the Intern Academy and the Apprenticeship Academy, and GXO was named a Top Apprenticeship Employer by the U.K. Department of Education.

SPOTLIGHT

GXO named Top 50 Apprenticeship Employer in the U.K.



Our Apprenticeship program, launched 10 years ago, allows us to recruit new talent and develop existing team members. More than 1,000 apprentices hone their skills in our U.K. warehouses and offices, learning how to succeed in a wide variety of fields and roles. We set our apprenticeships apart by working with renowned external providers and designing personalized paths for recruits. The program addresses apprentices' needs and ambitions and ensures we're developing the right skills for our U.K. teams.

For example, our partnership with Barnsley College brought in more than one-third of our apprentices. We've worked with the College for the past five years to develop educational apprenticeships in the classroom and workplace. Apprentices gain hands-on experience at a GXO facility, becoming familiar with operations such as stock replenishment, packing and quality checks.

Once they complete warehouse training, apprentices can participate in our bespoke shadowing programming, where they observe GXO team members in various roles, from finance to human resources to training and operations.



Lead at GXO

Five role-based academies within the Lead at GXO college give promising employees the hard and soft skills needed to excel in positions at the supervisor, manager and senior leader levels. In 2023, we piloted the Manager Academy to great success and are planning to expand this program to 40 leaders in 2024 across the U.K. and Americas. We also expanded our Operations and Site Leader Academies from the Americas and the U.K. to Latin America, Belgium, the Netherlands, France, Italy and Poland.

In our signature leadership training series, Leading Through Connections, the engagement-focused leadership training reached over 1,577 participants in 2023, a nearly sixfold increase from its inaugural year in 2022.

SPOTLIGHT

Record-level learning engagement

As we continued to expand the global reach of GXO University's learning management system, we set new records for several key metrics in 2023:

Exceeded our training hours goal by
151%

Surpassed our unique users goal by
193%

Registered over
453,800
unique learning module completions





Listening to employee feedback

Our goal is continuous improvement for our customers—and for our employees. To this end, confidential surveys give employees the chance to rate how well we’re meeting their needs and remaining an employer of choice while improving communication and transparency. In 2023, we conducted several surveys to ensure we reached all employee populations globally and to assess employee engagement across all sites and offices.

Job satisfaction remains a key metric for us, which we use to measure employee engagement. We continue to harmonize our various regional surveys and aspire to conduct our first unified GXO-wide survey in 2025. Until then, we are leveraging similar survey questions so we can identify global trends in areas such as job satisfaction and sentiment regarding career development.

Using survey data, HR and other business leaders develop action plans that address potential issues and ensure our team members remain engaged and ready to deliver for our customers. We take employee feedback seriously and take immediate actions based on that feedback.

In addition to our regular surveys, we encourage feedback—through pulse surveys, site assessments, roundtables and other channels—which allows us to quickly identify and address improvement areas. We firmly believe that heightened levels of engagement and communication give us the best opportunities to improve working conditions and issues central to the employee experience.

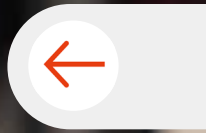


SPOTLIGHT

GXO recognized for ‘Happiest Employees’

Comparably, a leading workplace culture and corporate brand reputation platform, named us one of the top companies for Happiest Employees in 2023.

To find the companies with the Happiest Employees, Comparably uses anonymous employee feedback on a range of factors that contribute to workplace happiness, from fair pay and benefits to a positive environment and pride in the company.



Compensation and benefits

Maintaining our standing as an employer of choice means offering competitive wages and comprehensive benefits packages. Benefits vary by country but include:

- Comprehensive healthcare and disability insurance
- Supplemental insurance
- Employee assistance programs
- Profit sharing
- Retirement plans
- Tuition reimbursement

We customize benefits in the U.K and Europe to meet distinct needs in local markets. By working with key partners and providers to expand coverage for medical and risk benefits and limit premium increases to below inflation levels, we provide our colleagues with high-value, company-paid coverage and benefits.

In the U.S., 100% of full-time employees have access to medical and mental health benefits. Beyond insurance, we offer paid parental leave to all full-time employees as well as to part-time employees who become pregnant.

A focus on total well-being

At GXO, we understand that the success of our organization is in large part driven by the overall wellness of our workforce. This includes their physical and mental health as well as their financial well-being.

In 2023, we continued to focus on our digital wellness capabilities, expanding worldwide virtual access to doctors, counselors and premier online programs for reducing stress, eating healthier and improving fitness. Many of these programs go above and beyond the mandated benefits of health insurance or other state benefit programs.

Improving well-being awareness was another focus area for the program. Sites and offices across the globe recognized Mental Health Awareness Month in May and World Mental Health Day in October through a series of panels, trainings and fireside chats with GXO leadership. Regional webinars, podcasts and GXO University trainings also helped raise awareness of resources available to employees to manage their mental health.

On-site wellness outreach was another focus in the U.S. for 2023. We provided HR leaders with a menu of on-site options to choose from, including dental cleanings, biometric screenings and more. To supplement our medical benefits, starting in 2024 we are providing enrolled employees with access to programs designed to support musculoskeletal health and maintain heart health.

For financial well-being, our emergency savings programs in the U.S. and U.K. encourage GXO employees to establish an emergency savings account and learn how to improve savings habits. We launched these programs in 2023 and look to expand them to more of our employees in the future.

Creating impact through engagement

Employee engagement

At GXO, our team members are the most important part of our operations. Through our Learning & Development, Health & Safety, ESG Impact Ambassador, Diversity, Inclusion & Belonging programs and more, we provide opportunities for team members to stay engaged at work and impact their local communities in areas that align with their passions. Most sites have employee engagement committees staffed with volunteers who are inspired to put on events based on the feedback from team members.

We also focus on celebrating our team members throughout the year with site and regional competitions, awards and more. Some examples of how we engage our team members include:

- Food trucks, barbeques and family picnics
- Raffles
- Dressing up and celebrating holidays such as Halloween
- Weekly newsletters
- Recognition ceremonies and awards for outstanding employees
- Regional webinars highlighting sites and individuals for their work

SPOTLIGHT

U.K. People Awards

To recognize the great work being done by our team members, our U.K. operations host their annual GXO People Awards. The event was created to highlight the amazing work being done by teams and individuals at warehouses and offices across the country. Having individuals and teams nominated by their colleagues is testament to our culture — one that values everyone's contributions and spotlights those who go above and beyond. GXO is made up of a collection of individuals, each with responsibilities that impact the success of the broader organization. Recognizing and celebrating this impact is core to the GXO way of doing business.



Community Impact

Every year, team members across GXO demonstrate their commitment to helping others in the communities where they live and work. We take great pride in our teams' grassroots efforts and empower and support them to make a difference wherever we operate. These community events take many forms and can be in-person or online.

At the end of 2023, we continued to develop our regional initiatives, such as United in Giving, which called on sites across the U.K. and Europe to raise funds, volunteer or otherwise give back during the end-of-year holiday season. Across the region, sites and team members collected hundreds of toys, food items and other gifts to Make an Impact.

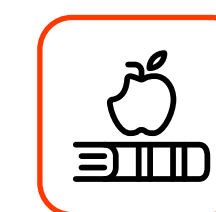
In the Americas and Asia Pacific region, sites similarly banded together to give back. Team members collected and donated toys and gifts for children in their local communities and to families of children with serious illnesses.



Gamechangers' community spirit is not confined to a season. Throughout the year, sites are active in helping address the unique needs of their communities via donation drives, fundraisers and volunteer events. Our team members impress us daily with their commitment to their communities and other local causes.



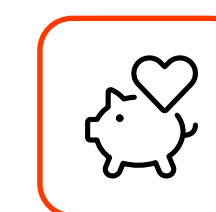
Initiatives in 2023 included:



Supporting our local schools: sites hosted back-to-school supply drives, volunteered to read to students, helped beautify school buildings and more



Hosting food donation drives: sites partnered with local organizations to help ensure shelves were stocked all year long



Raising money for causes and building team spirit: sites participated in fundraiser walks and fun runs for causes ranging from childhood cancer to suicide awareness



Beautifying local parks: throughout the year, team members banded together to pick up litter, plant trees and more to beautify local outdoor recreational areas



Partnering with our customers: to donate their products to local causes or selling these products to raise funds for local nonprofits

SPOTLIGHT

Small but mighty

Don't let the size of our site in Manchester fool you! While the site may have fewer than 50 team members, the outsized impact they are able to make on the community is felt by many more.

Wood Street Mission

Partnering with the Wood Street Mission each holiday season for the past three years colleagues at the site encourage each other to donate toys, coloring books, pens and clothes. The mission provides support to children living in poverty, and the festive gifts help bring joy to these children during an important time of year.

In the first year of the partnership, our site managed to collect over 30 donations, and donations climbed to 54 in 2023!



Easter Eggs for Royal Manchester Children's Hospital

The team has a year-round commitment to making an impact in their community, and when Easter comes around, they work with the Royal Manchester Children's Hospital (RMCH) to bring this holiday to life. The RMCH is the largest and busiest children's hospital in the U.K., and often children and their families can be effectively living there for several months during treatments.

Starting in 2022, the Euroterminal team decided to begin giving back to the children on RMCH and began donating easter eggs as well as coloring books and toys for the children who were too unwell to eat chocolate.

SPOTLIGHT

Driving impact at a local level

For our Gamechangers at GXO sites in southeastern Louisiana, 2023 was a busy year!

From participating in food drives to helping mobile pantry with distribution and running administrative operations for a local health clinic, our Gamechangers at GXO sites across eastern Louisiana gave back to their community throughout the year. Partnering with local organizations that support the passions of our Gamechangers, each month we focused on a new area of giving and impact. Programs like these remind us that no act is too small and that through the collective action of our organization, the impact we can have on our community can be outsized.

Highlights from 2023 include:

Over

135

service hours performed

Nearly

680

gifts and supplies donated



GXO support of Polish Humanitarian Action refugee project

GXO has been working with Polish Humanitarian Action (PHA) since 2022 when it donated funds for war-related aid in Ukraine. The program has evolved into a true partnership, with GXO and PHA now sharing expertise and knowledge on humanitarian logistics with one another through site visits and educational webinars.

Building on this partnership, GXO launched a project to empower employees to support non-governmental organization (NGO) logistics, drawing on their own experience and expertise to improve operations at these organizations.

In partnership with PHA, employees volunteered at Food Bank warehouses in Białystok which organizes aid for refugees. Leveraging their experience in co-packing, they were able to efficiently prepare and deliver aid packages to refugee centers around the city.

These efforts helped ensure meals and other supplies were distributed to those in need during the busy Christmas season. At the same time, the volunteers appreciated the opportunity to work for an organization such as PHA and use their skills to create a positive impact in their local community.



Watch our team in action



Governance

Doing business the right way



Across our global network of over 970 warehouses, our dedication to ESG principles steers our decision-making process. This commitment is embedded in our governance framework, benefiting our team members, shareholders, customers and partners worldwide.

The impact of our efforts is evident in the highlights below:

	Increased executive oversight with first Chief Automation Officer (CAO), Adrian Stoch, and Chief Technology Officer (CTO), Nizar Trigui		Increased deployed automation units by 50%	
Expanded Board expertise with the addition of Matthew Fassler		Delivered a global privacy training program and increased overall cyber training opportunities		Continued investment in collaborative robots (cobots) for increased productivity, accuracy and safety

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Our efforts align with the United Nations Sustainable Development Goals. To see a detailed list of how our business operations align with the SDG target indicators, please see our UN SDG index.

[View the index](#)



Leading responsibly

As an industry leader, we understand we have a responsibility to set the example when it comes to ESG. In all our operations, our values and shared commitment to ESG help to guide the decisions we make, at the organizational level and across our more than 970 warehouses worldwide.

Our Board

Our Board is committed to doing business the right way. To that end, upon inception in 2021, the Board adopted the [Corporate Governance Guidelines](#) to serve as our framework for serving clients and employees with integrity. The guidelines clearly define the Board's roles and responsibilities and those of management, lead independent director and vice chair. Additionally, the guidelines govern our Board's leadership structure, membership criteria and management evaluation process.

Just as we value diversity in our workforce, we also value the diversity of experiences and perspectives among our Board members. The individuals serving on our Board bring a wealth and variety of experience in corporate governance and strategy. We also work with external experts to offer Board members additional training and information on topics ranging from cybersecurity to mergers and acquisitions.

Throughout our business, our executives and Board members strive to create and maintain a culture that puts safety and inclusivity first, focuses on innovation and fulfills our commitments.

SPOTLIGHT

New Board Member: Matthew Fassler

We welcomed Matthew Fassler to our Board in 2023. Fassler is the managing member of strategic consultants State Road Advisors, which has been advising our leadership since January 2023.

Appointing Fassler is part of our mission to continually evaluate and improve our expertise and advisory capabilities across GXO. These capabilities will become all the more critical as we look to expand and build on strategic initiatives such as automation, digitization and the use of AI.



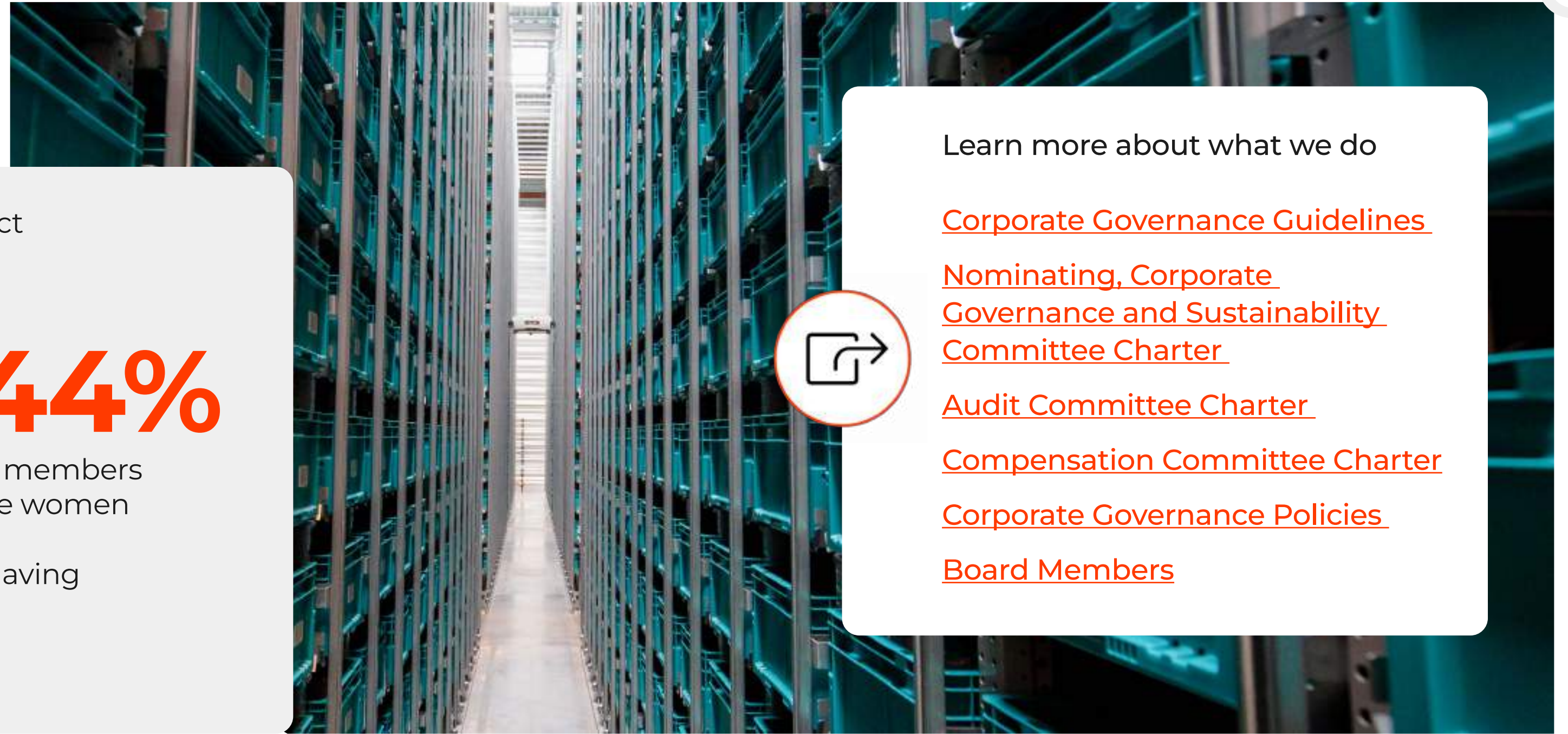
Currently, our Board consists of:

- A lead independent director who supports the Board's oversight responsibilities.
- Industry leaders with varied backgrounds and expertise in specific areas, which enhances the Board's perspective and understanding.
- Committees of independent directors to facilitate oversight of various risks, including ESG-related issues.

Every year, we evaluate each committee to confirm that members meet regulatory standards and our own guidelines for effective governance practices. These include disclosure guidelines for transactions and investments with related parties as well as restrictions or limitations on participation in outside governing bodies, such as other corporate boards.

Through a self-evaluation process, our Board also gauges how they are performing both individually and collectively. In citing areas for improvement, meeting cadence, length of materials and time allotted between meetings to consider decisions were among the issues members noted most.

Board Composition



Our Board's current composition reflects GXO's ongoing efforts to select nominees based on experience, integrity, independence and diversity.

6 of 9

members are independent

100%

of standing committee members are independent

44%

of members are women

In 2023, GXO was recognized by the Women's Forum of New York for having over 40% women on our board.

Read more about our Board in our [2024 Proxy Statement](#).

Learn more about what we do

[Corporate Governance Guidelines](#)

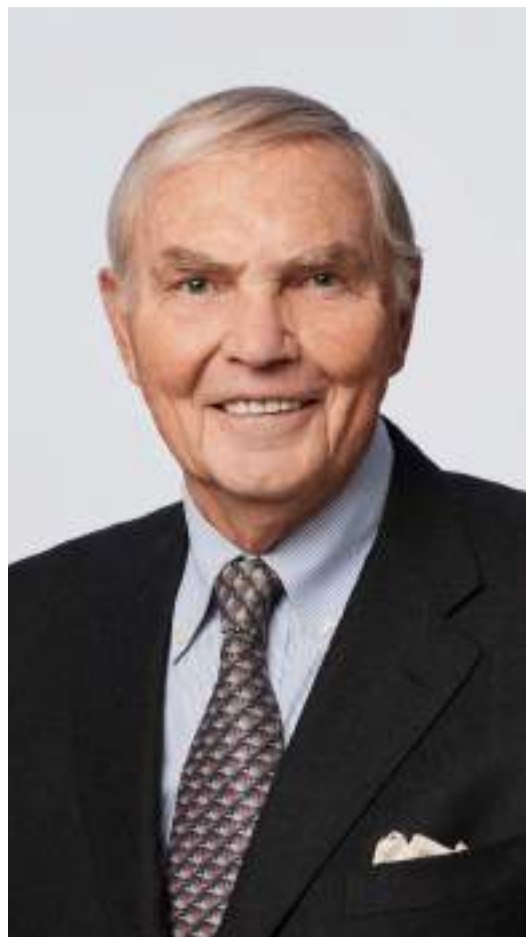
[Nominating, Corporate Governance and Sustainability Committee Charter](#)

[Audit Committee Charter](#)

[Compensation Committee Charter](#)

[Corporate Governance Policies](#)

[Board Members](#)





Board oversight of ESG issues and strategy

The Nominating, Corporate Governance and Sustainability Committee works with GXO's Board to make progress on ESG initiatives and other governance matters. Notably, the committee supports the Board in evaluating ESG-related risks, overseeing performance and external disclosures and assessing stakeholder and shareholder buy-in on ESG matters.

Joli Gross serves as committee chair and offers guidance and insights from her years of experience as an ESG leader. Meagan Fitzsimmons, the Chief Compliance and ESG Officer for GXO, provides regular updates on emerging ESG-related concepts and trends that may affect our business strategy.

The committee meets with management frequently to track ESG progress. In addition to attending regular meetings, GXO's Board of Directors regularly receives briefings on risks and opportunities, so they can effectively devise strategic plans and manage any emerging issues.



Our executive team

GXO's executive team is a well-rounded group of professionals with diverse experience inside and outside the company. Our leadership honors our company values by working hard to develop and maintain a safe and inclusive culture, focusing on innovation and delivering results. They demonstrate that GXO knows there's only one way to conduct business: the right way.

As an example of how we focus on developing leaders from the inside out, several current executive team members have come into their positions through our former companies.

Meet our leadership



[Meet](#) our leadership team

SPOTLIGHT

Capital Markets Day 2023

Last year, we hosted Capital Markets Day as part of our effort to keep stakeholders informed about our strategies moving forward.

We chose to make ESG a core pillar of our planning not only because it's better business, but also because it helps ensure we're positioned to be the right partner for our customers pursuing their own ESG goals.

GXO
INVESTOR
DAY



Risk management

GXO excels in risk management due in large part to the efforts of our Global Risk Committee (GRC), chaired by our Chief Compliance and ESG Officer. The entire executive leadership team and other senior functional leaders from across the organization serve on the committee. In 2023, the GRC met to examine and address global risks. Topics of discussion included cybersecurity, trade compliance and evolving regulatory business risks.

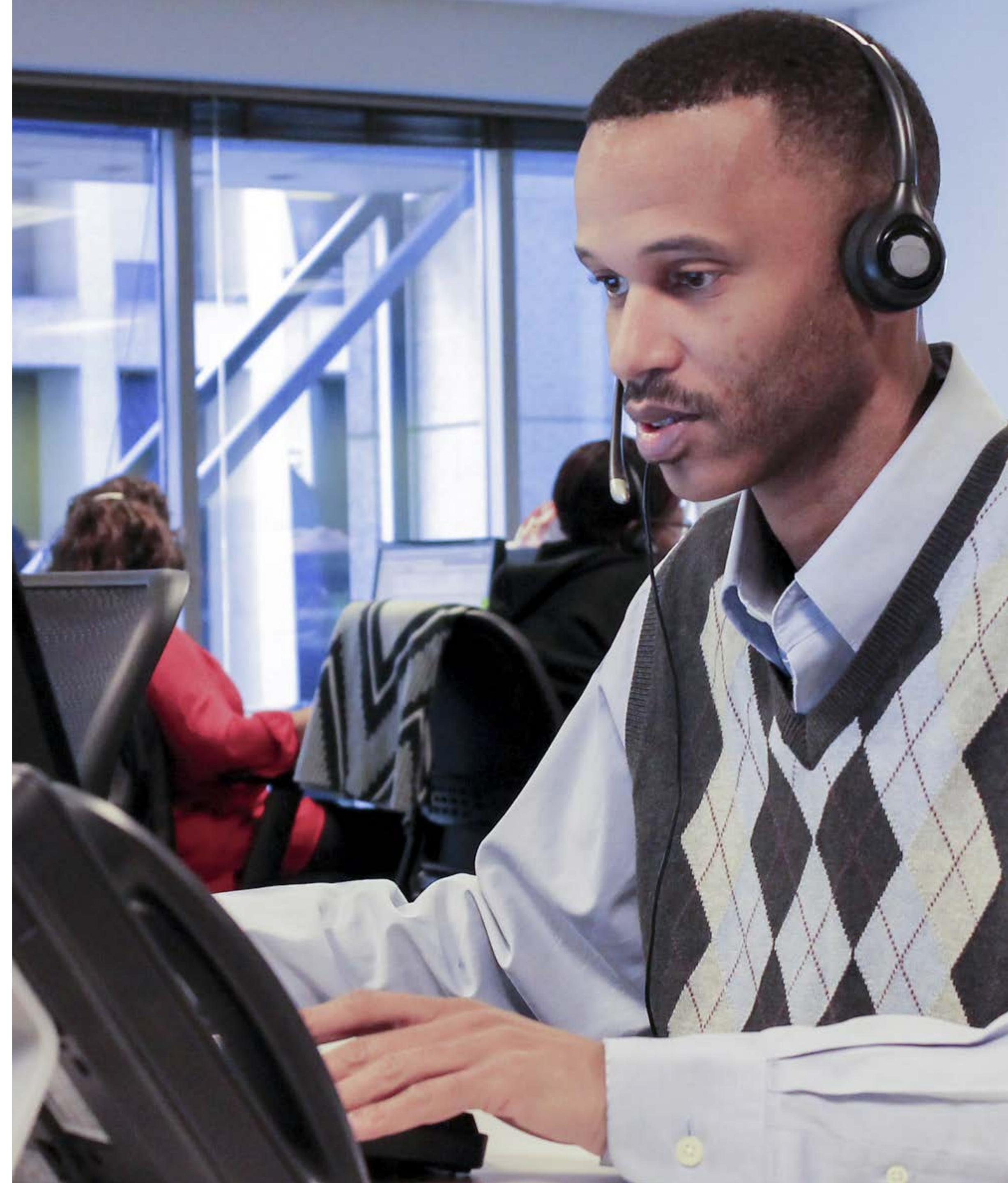


Our leaders and risk managers participate in an Enterprise Risk Management (ERM) process, which allows them to identify business concerns and threats in real time. The ERM platform acts as a consolidated database for collecting, storing and accessing information on the issues that

could impact GXO. Using the tool, our leaders and risk owners can provide qualitative and quantitative feedback on 88 risks across five categories—operational, strategic, financial, information security and legal and compliance.

Parallel to an ERM process, GXO's business continuity planning process identifies potential threats to the facilities we operate. This serves as a tool to help us ensure we're providing leading solutions to our customers so they can identify and mitigate ESG risks among other business and operational risks. Among those concerns is property damage caused by climate change. Risk management works with our site operations and customers to protect against and mitigate the impact of severe weather events such as floods, fires and hurricanes. To mitigate potential business disruptions due to climate change, our central risk team works with facility leaders to develop business resilience plans to protect processes and continuity.

In 2024, we are planning to expand the use of the ERM platform and formalize it as an integral strategy development tool.



Making the right decisions every day

Teamwork provides the foundation for GXO's success. Through a supportive culture and strong relationships, we achieve outstanding results. We're guided by a commitment to fairness, honesty and respect for those within and outside GXO.

When making decisions, we rely on our high ethical standards and values to guide us and we expect all our team members to abide by them. Our standards and values include:

- Acting with integrity in all business dealings
- Treating others with dignity and respect
- Maintaining compliance with all laws and regulations
- Embracing our Code of Business Ethics (COBE)

Our COBE communicates our responsibilities to each other as a company and to our customers, investors and the communities we serve. All employees receive and sign the COBE.

GXO's Ethics and Compliance Team promotes the COBE internally as part

of our goal to "embed an ethics-driven culture." Working with Human Resources, the team makes sure that all employees understand the COBE and receive training on the topics the policy covers to meet any applicable regulatory requirements. Contract workers and temporary team members also are made aware of the COBE and their right to speak up by reporting a concern.

Employees receive COBE training annually or bi-annually, depending on their job type. Recently, we revamped COBE training for non-wired employees. After each refresher training, employees must certify that they understand and will follow the COBE.

Additionally, all employees must participate in GXO's Annual Compliance Education (ACE) program. ACE's main purpose is to protect both employees and GXO from some of the greatest risks facing us today. The program also helps us keep our standards high. And to tackle risks in the most efficient ways, we tailor ACE to each team member's location and specific role.



Employees are assigned an average of five hours of ethics and compliance coursework throughout the year. Topics include:

- Our COBE
- Trade compliance
- Quarterly information security refreshers
- Building a respectful workforce
- Anti-corruption
- Data privacy

We regard incident reporting and the investigation of employee concerns as being critical. When assessing a suspected violation of the COBE, policies or other applicable regulatory requirements, we follow the protocol in our internal compliance framework. The protocol includes a full investigation that results in appropriate action, such as any policy, process or control changes as well as disciplinary action, up to and including termination of employees. Our Audit Committee regularly reviews reports on policy compliance and subsequent actions.



Ethical business practices

By addressing topics such as human rights, anti-corruption and bribery, anti-discrimination and workplace safety, GXO's COBE and supporting policies outline our expectations for ethical business practices.

The Ethics and Compliance Team owns all policies related to ethical business standards. They function under the oversight of the Chief Legal Officer, Chief Compliance and ESG Officer and Board-level committees. The Chief Legal Officer and Chief Compliance and ESG Officer report directly to GXO management and the Board on issues related to these policies.

Every GXO location has notices in multiple languages advising any individuals on site (employees, temporary workers, third-party individuals) on how to report concerns and potential ethics violations. To ensure integrity and alignment with GXO's way of doing business, additional compliance training is available to employees and other parties, according to their roles and locations.



Learn more about how we do what we do

[Ethics at GXO](#)

[Code of Business Ethics](#)

[Corporate Governance Policies](#)

Speak up culture

GXO empowers its team members (employees and contractors alike) along with any third parties to ask questions and raise concerns, without fear of reprisal. Our COBE strictly prohibits retaliation against any individual submitting a legitimate concern. We have clear processes in place to encourage all team members to speak up with a supervisor, Human Resources or Ethics and Compliance.

Anyone can report a concern through our internal and external channels confidentially as well as anonymously where legally permissible. These channels include:



A website administered by a third party and available 24 hours a day



A toll-free, third-party telephone service available 24/7 in every country in which we operate



A special email account monitored by GXO's Ethics and Compliance Team



Reports sent directly to the GXO Ethics and Compliance Team, HR and business leaders



Matters are reported and investigated in-country wherever possible



When issues arise, we address each fairly and equitably following a rigorous framework.

We investigate each concern fully and follow up with an action plan and tracking process for outcomes. Employees are required to cooperate with company investigations.

We've designed our investigative program to prevent or detect and inquire into any potential violations or misconduct. GXO's Ethics and Compliance Team oversees internal investigations, with a global network supporting their efforts.

Our internal investigations process delivers clear and conclusive findings, which we share securely and efficiently with relevant partners and stakeholders to drive proactive and impactful risk management. The Ethics and Compliance Team also has a structured review of case findings, outcomes and next steps.

An independent third-party provider supplies multiple metrics to aid in our investigative process and tracks and manages concerns. Anyone can make a report via the channels listed above confidentially. Reports are given to leadership, the Audit Committee and external auditors when necessary.

Additionally, our governance process and ethics and compliance quality assurance measures complement key functions in HR, Safety, Security and Finance. We regularly review our reporting hotline against current regulatory and legislative requirements.



Human rights and labor

At GXO, we believe in respecting human rights and the dignity of all people through our business practices and everyday engagements. Our work environment must reflect respect and diversity and should be a safe space for all team members and those with whom we interact.

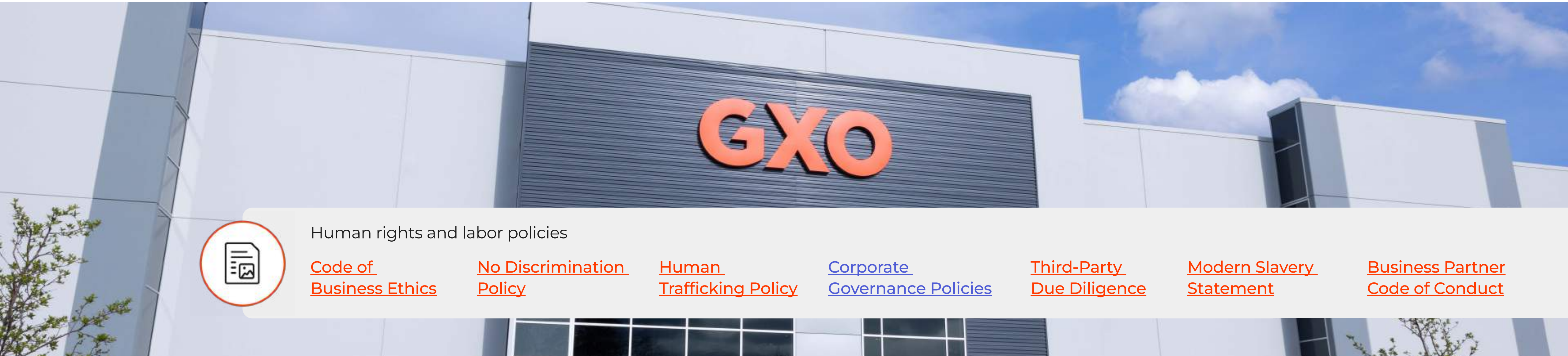
Everywhere we operate, we comply with all laws that govern fair employment and labor practices, which include the freedom of association and collective bargaining. GXO does not tolerate any conduct that contributes to or encourages child labor, human trafficking, forced labor or any other human rights violation. Anyone can confidentially and anonymously report a concern about human rights using our third-party hotline.

We are committed to fighting discrimination and harassment and work continually to maintain a healthy and equitable work environment. Any unlawful treatment of job applicants, interns or employees by a GXO employee, business partner or customer is strictly prohibited, and GXO takes all reports of related infractions seriously. Any employee determined to be guilty of harassment, discrimination or retaliation against coworkers will be subject to disciplinary action up to and including termination.

GXO supports government policies that combat human rights violations and we hold our customers, suppliers and subcontractors to the same standards.

All new third-party contracts, regardless of their geographical origin, include language that states they (and their subcontractors and suppliers) shall comply with all anti-slavery, forced labor and human trafficking laws and regulations, including the UFLPA, U.K. Modern Slavery Act and the French Law No. 2017-399 2017, which covers the corporate duty of vigilance for parent and instructing companies.

We published our U.K. Modern Slavery Statement in August 2023 for the 2022 calendar year. We plan on publishing the statement for the 2023 calendar year in June 2024. We are aware of additional emerging legislative requirements and continue to monitor these developments globally.



Human rights and labor policies

[Code of Business Ethics](#)

[No Discrimination Policy](#)

[Human Trafficking Policy](#)

[Corporate Governance Policies](#)

[Third-Party Due Diligence](#)

[Modern Slavery Statement](#)

[Business Partner Code of Conduct](#)

Supply chain management

GXO seeks opportunities to work with other companies who share our values. We are committed to doing business the right way and have high standards for our suppliers and partners.

Our Ethics and Compliance and Procurement Teams developed our Business Partner Code of Conduct to codify this commitment. The Code of Conduct, launched in November 2022, communicates our operational expectations for our suppliers and subcontractors on issues such as:

- Human rights
- Working conditions
- Health and safety
- The environment
- Trade compliance
- Anticorruption
- Business ethics

We have integrated our Business Partner Code of Conduct and now use it globally in our onboarding and renewal process for suppliers. It is also required of existing suppliers, as appropriate.

To recognize and prevent risks, we use GXO's Third-Party Due Diligence process. Risks include those related to anticorruption, trade compliance, fair competition and ESG-related issues. The process shapes our relationships with any third-party entity or person and extends to vendors, agents, customers, contractors and consultants. GXO's Chief Compliance and ESG Officer manages the Third-Party Due Diligence process, with oversight support from the Audit Committee of the Board and several other management committees such as the Global Risk Committee. The Ethics and Compliance and Internal Audit teams monitor compliance.

Our due diligence process is risk-based and informed by regulatory requirements and internal risk assessments. For example, we mapped specific risks across our supply chain as part of our compliance with the Duty of Vigilance Plan Law in France. This included identifying the main risks in our operations and industry as well as within our suppliers.

Several due diligence initiatives relate to our supply chain. These measures vary by risk factors, such as the country and industry of our partners. GXO pays particular attention to geographic locations where there may be increased potential for corruption and the potential for forced labor.

Before authorizing any work for new third-party partners, we require that due diligence procedures are completed. After a business relationship with GXO begins, we conduct these procedures, depending on the policy guiding the level of associated risk. While the Ethics and Compliance Team oversees the Third-Party Due Diligence Policy as part of the COBE, due diligence is carried out in several different ways across our business and by various teams.

Standard due diligence is required of all parties, including financial and regulatory assessments as well as restricted party screenings. Certain parties must also submit to a more enhanced level of screening. Through risk-mapping exercises, we identify these parties in our Third-Party Due Diligence Policy as entities that may present an increased concern

for risks of corruption, bribery and human rights violations.

During the enhanced due diligence process, the third-party and GXO employees who have a relationship with the third party must complete questionnaires. These questionnaires collect information on topics such as training initiatives, compliance policies, key employees and company ownership.

We use collected data to calculate a risk score for eligibility or if we require more information. The list and categories are kept under review and may change over time.

Team members receive training on managing third-party risks tailored to their roles and responsibilities to support policy implementation, as outlined in our broader risk management framework and processes.



100% of our suppliers are subject to third-party due diligence.



Tax and transparency

GXO acts responsibly and with integrity in all tax matters. We are committed to paying the right amount of tax to the proper entity by the deadlines set forth. We hire qualified tax personnel and engage with tax advisors as necessary. GXO does not tolerate tax evasion or the facilitation of tax evasion by others. GXO maintains open and transparent relationships with all relevant tax authorities.

Our business activities around the world incur a substantial amount and variety of taxes. GXO pays corporate income taxes, customs duties, excise taxes, stamp duties, employment taxes and many other business taxes and duties in all jurisdictions where applicable. In addition, GXO collects and pays employee taxes and indirect taxes, such as value-added taxes (VAT) and fuel and fleet taxes.

GXO seeks to comply with all tax rules and regulations on a worldwide basis. Our tax affairs are aligned with and appropriate for our commercial business activities and substantive transactions, such as acquisitions and divestments.

GXO maintains robust and appropriate internal policies and procedures to support our tax control framework. Given the local/regional nature of tax laws, direct responsibility for tax matters varies by location. Ultimate responsibility for GXO's tax policy globally rests with GXO's Chief Financial Officer and Senior Vice President of Tax.



Learn more about what we do

[U.K. Tax Strategy](#)

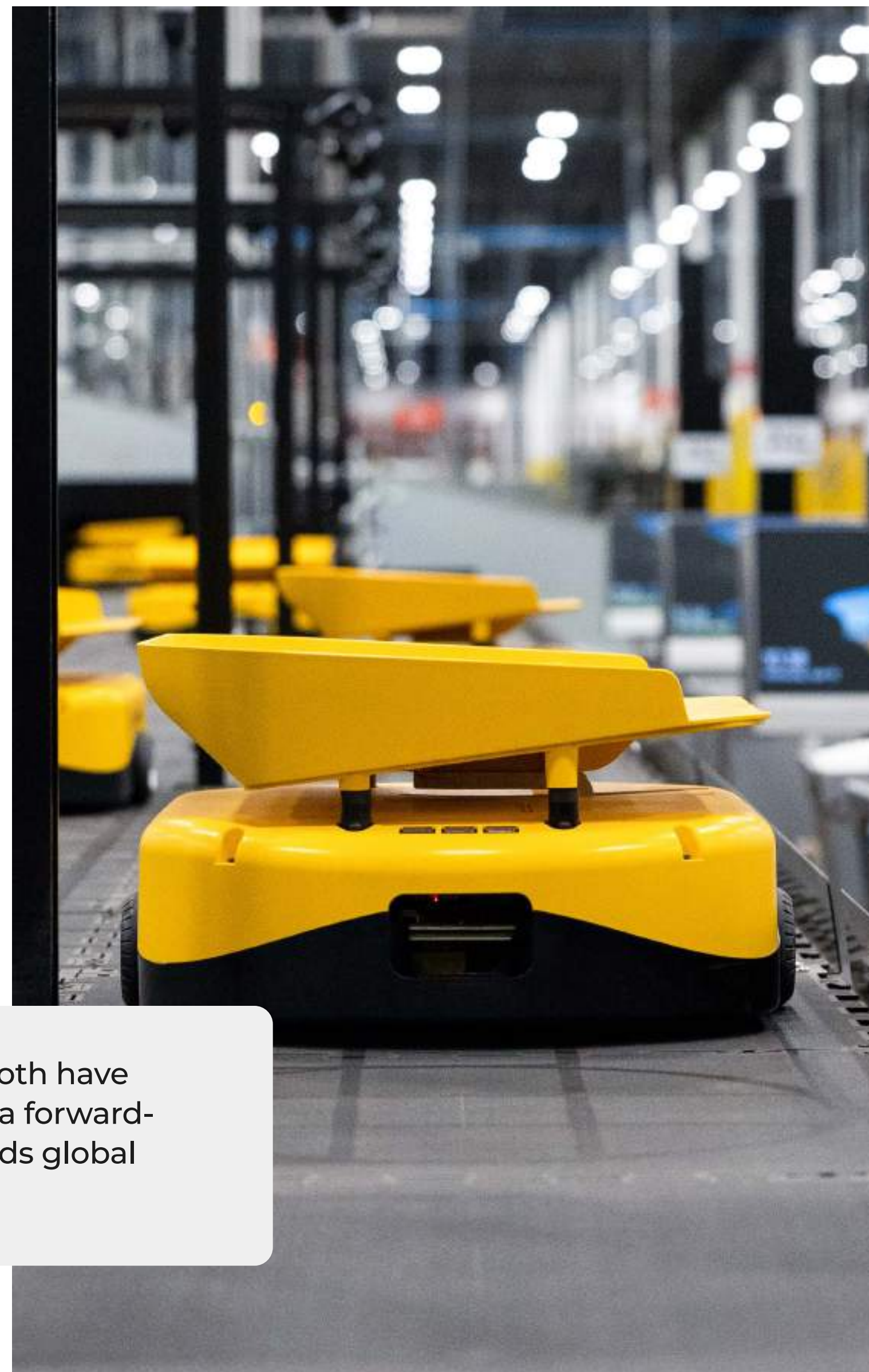
[Polish Tax Strategy](#)

Managing the future of logistics

GXO's approach to automation and technology

Automation and technology, beyond helping GXO maintain our position as a market leader, are also critical components to our identity as an organization. Integral to our company strategy, they help ensure efficiencies today while helping us develop the supply chain of tomorrow, deliver better outcomes for our customers and provide safer work environments for our employees. We take a holistic view of new and existing technology when enhancing our operations and enterprise services, and we leverage robust governance structures to ensure we manage our technology responsibly and sustainably.

GXO's automation and ESG approaches are aligned as both have an unwavering prioritization of the safety of our people, a forward-looking environmental focus and an approach that blends global innovation with a local-led execution approach.



Technology at GXO falls into two categories:

- Enterprise and operational technology, led by our Chief Technology Officer (CTO), and;
- Automation, led by our Chief Automation Officer (CAO).

The technology and automation teams are focused on developing practical applications of artificial intelligence, creating new value through customer-facing technologies, and enhancing operations within the four walls of the warehouse. AI offers GXO meaningful opportunity at both an operational and enterprise level, from detecting exceptions to strengthening forecasting. Over the past year, we have executed dedicated proof-of-concept and pilot programs to better understand the impact of AI on our business and the industry. While the benefits of harnessing AI are significant, so too are the risks of irresponsible use. As always, the safety of our employees, the trust of our customers and the integrity of our data are paramount, and our Information Security team completes extensive due diligence before operationalizing any use of AI at an operational or enterprise level. The use of generative AI is also governed by a global policy, disseminated in 2023.

Throughout 2023 and into 2024, we have remained focused on formalizing the structures and governance for our technology and automation organizations. This year, we will also begin migrating our physical data centers to a cloud-based platform, helping us to reduce the energy required to maintain our digital footprint. As our company grows, we remain committed to maintaining efficient, effective information security and data privacy practices.

GXO expands leadership team in automation and technology

GXO's leadership in technology is a true competitive advantage, accelerating growth for our customers and our business. And as the pace of innovation accelerates, we're staying ahead of the curve by investing in top talent.



In 2023, GXO announced our first Chief Automation Officer (CAO), Adrian Stoch. Stoch's mission is to accelerate the deployment of our industry-leading automation capabilities across GXO's global network.

With the creation of the CAO and CTO positions, we're embracing the growing role that our industry-leading technology and automation play in generating new business opportunities and furthering our distinct advantage.



In early 2024, we also brought Nizar Trigui to GXO in the new role of Chief Technology Officer (CTO). Trigui will help advance GXO's growth by enhancing our digital solutions.



Protecting privacy and information security

Data privacy and information security are critical business priorities for GXO. That’s why we are working to maintain a best-in-class information security program as part of our ESG goals. With our focus on technology and automation, we can provide secure systems and data that are integral to protecting our customers and employees.

Just as our rigorous processes protect confidential and proprietary information, our many privacy and security initiatives protect:

- Our company strategies, operations and business plans
- Employees, customers, suppliers, financial status, trade secrets
- Any other information that should not be made publicly available

We actively monitor legislative changes to keep our contracts compliant and current with legal requirements. We’ve also extended our intra-company data-sharing agreement to new entities.

When developing our Data Protection Policy, GXO’s Privacy Team identifies requirements and sets policies, working with coordinators in each country to undertake regular privacy communications and training for employees. This ensures the policy complies with applicable data protection laws.



Our vendors, suppliers and contractors must comply with privacy regulations, and we regularly monitor their progress.

For data management, GXO monitors and audits our procedures. We log data security incidents at all levels and work with country-level coordinators to understand specific logging access requirements in the region.

As technology and regulatory requirements evolve, we update our knowledge and focus on integrating best practices into our daily business dealings. Our ongoing automation and innovation expansion allows us to adapt and strengthen our information security systems and processes to meet ever-changing demands. GXO’s Chief Information Security Officer (CISO) leads our global information security team.

Reporting to the CTO, the CISO oversees all aspects of GXO’s information security as they underpin our business management, strategies and priorities. The CISO and CTO partner with leaders from our global regions, report regularly to the Board of Directors on information security topics and serve on GXO’s Global Risk Committee, which monitors our global risks. The CISO also meets monthly with the broader Technology leadership team to identify and manage security risks.

The information security team provides training across the organization through various channels to help employees understand and fulfill their responsibilities in keeping our networks and data secure. Opportunities include formal training, awareness campaigns, phishing tests and other initiatives depending on the location, access and roles of the employees.

As cyberattacks become increasingly sophisticated, GXO continues to evolve training methods provided to employees and contractors to deliver the best outcomes. The materials comply with internal information security policies.

To avoid phishing attempts, we've increased the number of training opportunities at GXO, with almost weekly drills and tests.

In 2023, we delivered a global privacy training program to extend the training that we had previously provided in Europe. We established policies and training in new markets in Asia to reflect evolving regulations there.

GXO draws on best practices to build the elements of information security that support our business. In addition to raising awareness and regular formal training, components of our information security program that enhance defense include: regular testing, cybersecurity exercises, tabletop exercises and regular audits and maintenance.

We also:

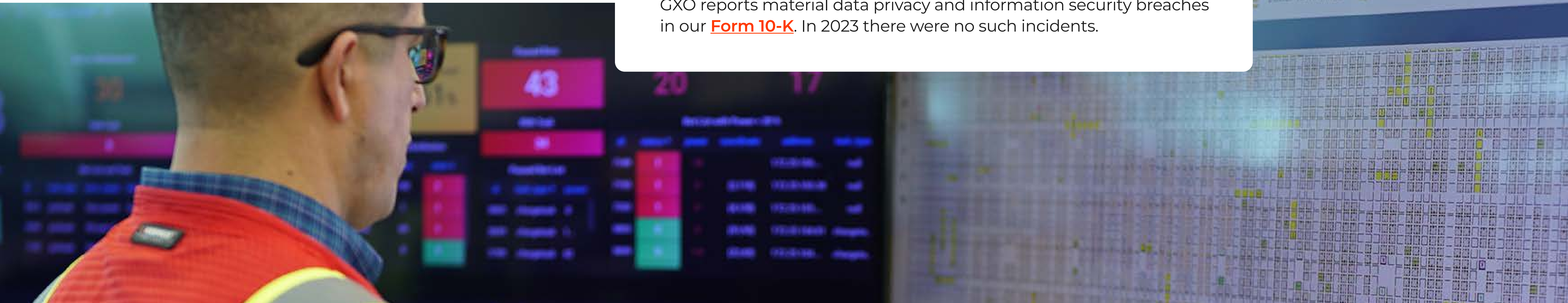
- Incorporate guidance from the EU's General Data Protection Regulation (GDPR) and other applicable laws
- Align with the U.S. National Institute of Standards and Technology's (NIST) cybersecurity framework
- Match our controls and operating processes to ISO27001 framework and maintain our systems in line with this standard
- Continually assess our practices against industry-leading frameworks, including the Internet Security Forum, to help us ensure our systems meet rigid standards and find new opportunities for improvement
- Maintain a built-in escalation path through consultation with leaders and legal partners to strengthen our response in the event of an incident

GXO reports material data privacy and information security breaches in our [Form 10-K](#). In 2023 there were no such incidents.



100%

of employees with network access are required to participate in regular information security training.



Harnessing the power of automation

As the world's largest pure-play contract logistics provider, GXO is leading the industry in automating warehouse operations across markets and verticals. We partner with customers to understand their needs and implement automated solutions that improve productivity, inventory accuracy and the ability to handle a higher degree of complexity in a more empowered, autonomous and safe working environment. Most impactful of all, these benefits are repeatable and scalable, both across our customers' operations and our own footprint of more than 970 facilities across 27 countries.

Our operations-first, tech-agnostic approach sets us apart as the leaders in practical applications of automation and AI. We're accelerating our deployment of tried-and-true automation solutions across our global footprint, while staying on the cutting edge of R&D of operational robotics, automation and AI. To globalize our legacy R&D efforts, we'll leverage our regional teams' well-established relationships and apply what we've learned from trialing

and implementing automation. We're also partnering with high-potential vendors globally and have established a certified supplier program for strategic automation partners, which we'll launch in the second quarter of 2024.

By sharing best practices across teams, oceans, and language barriers, we will increase our automation differentiation enormously over the next few years.



As of the end of 2023, we increased the share of our business processed by automation to

42%

up from **37%** at the end of 2022.

We set a record in units of automation deployed in 2023, increasing total units in operation by

50%

year over year.

In 2024, we will continue to build on this progress while doubling down on our trials of AI, robots and other digital tools to help our customers optimize their operations.

Automation makes our team members' jobs simpler, safer, and more satisfying. For example, cobots assist GXO employees with a range of tasks, including validating inventory and transporting picked orders to the correct packing stations. Cobots can double productivity compared to fully manual operations. We now have over 50 cobot deployments globally, with 12 more already planned for 2024.



Similarly, robotic arms can perform a myriad of activities, including packing, engraving, and building pallets of packaged goods. Glasses, smart gloves, and other wearable tech allows employees to efficiently gather information about storage locations, product identifiers, and inventory levels.

Continuous improvement is core to our identity. And in 2024 and beyond, we'll continue to apply automation to existing warehouse processes expanding opportunities to develop our workforce as we build a stronger understanding of the impact of different types of AI and automation across our footprint.

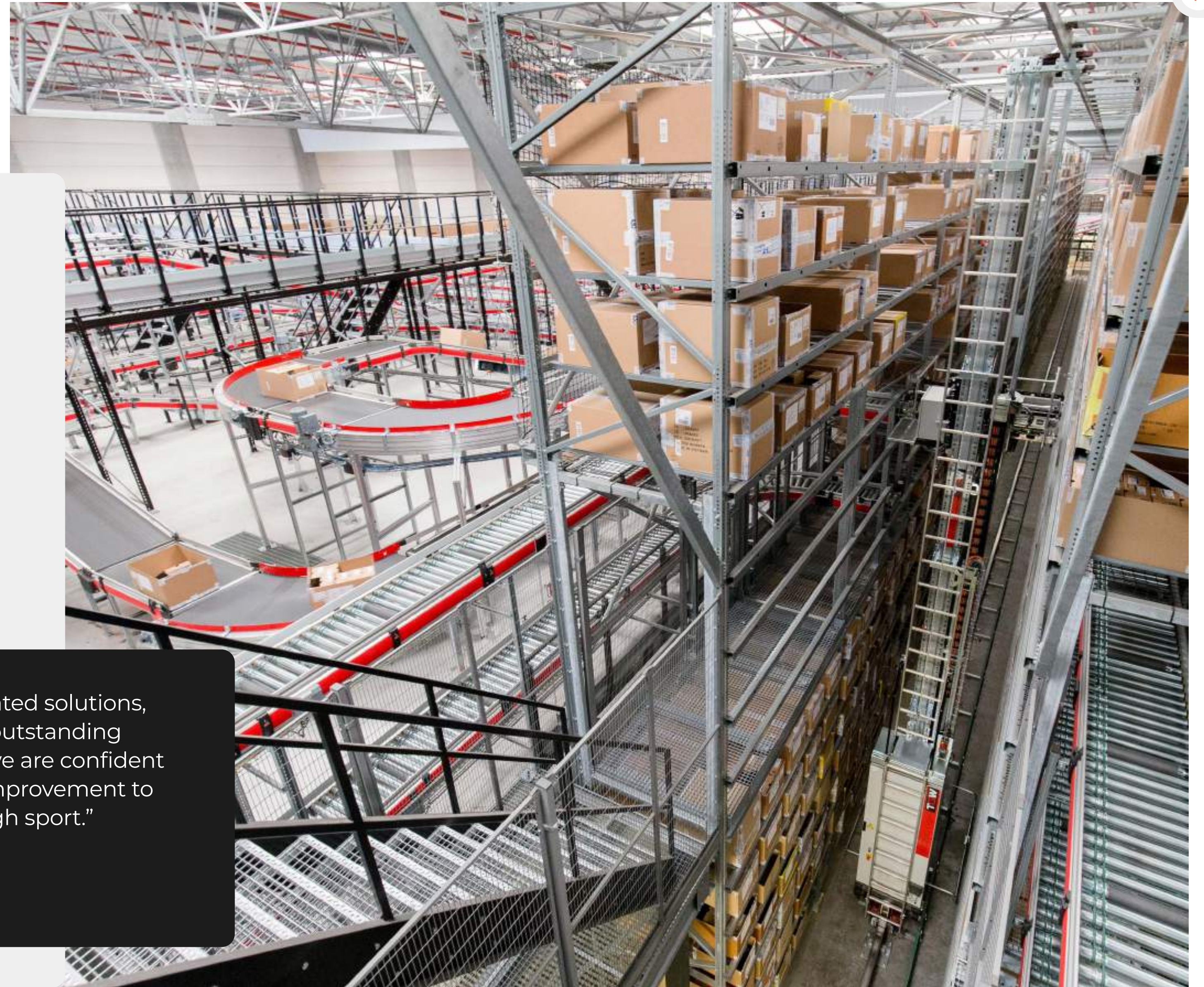
Automation as competitive advantage: GXO and Amer Sports

In 2023, GXO extended its partnership with Amer Sports, a leading sporting goods manufacturer for brands such as Salomon, Wilson, Arc'teryx and Atomic.

GXO manages logistics for Amer Sports at its 52,000-square-meter facility in Saint-Vulbas, France. We've implemented automation and modular adaptive technology to support Amer Sports in responding to changes in consumer behavior, including a shift from retail to ecommerce and the resulting increase in returns. Today, our highly automated operation includes parcel storage and retrieval systems that intelligently sort items on a conveyor system throughout the site and adapt quickly to volume spikes. For returns processing, GXO paid particular attention to improving the ergonomics of workstations.

"We value GXO's significant investment in technology and automated solutions, which improve productivity and efficiency and our ability to offer outstanding service to our customers. We extended our partnership because we are confident in GXO's ongoing commitment to great service and continuous improvement to enable Amer Sports Brands' purpose of elevating the world through sport."

Audrey Macle
DC Manager, Amer Sports



Lowpad Autonomous Mobile Robots

GXO pioneered a project using Lowpad's Autonomous Mobile Robots (AMRs) for a customer's food and beverage warehouse in the Netherlands, marking an industry first.

Working in tandem with the warehouse teams the Lowpad AMRs have enhanced efficiency, accuracy and quality in the outbound process. Integrating these AMRs into GXO's Warehouse Management and Electronic Data Interchange systems has also addressed labor market challenges and reduced costs.

The successful deployment at the Nieuwegein facility, which operates 24/7, has improved safety, productivity and cost-effectiveness, with Lowpad's AMRs being introduced at 16 pick-up points. This move reflects GXO's investment in technology to improve operational outcomes and maintain some of the most advanced warehouse solutions in the world.



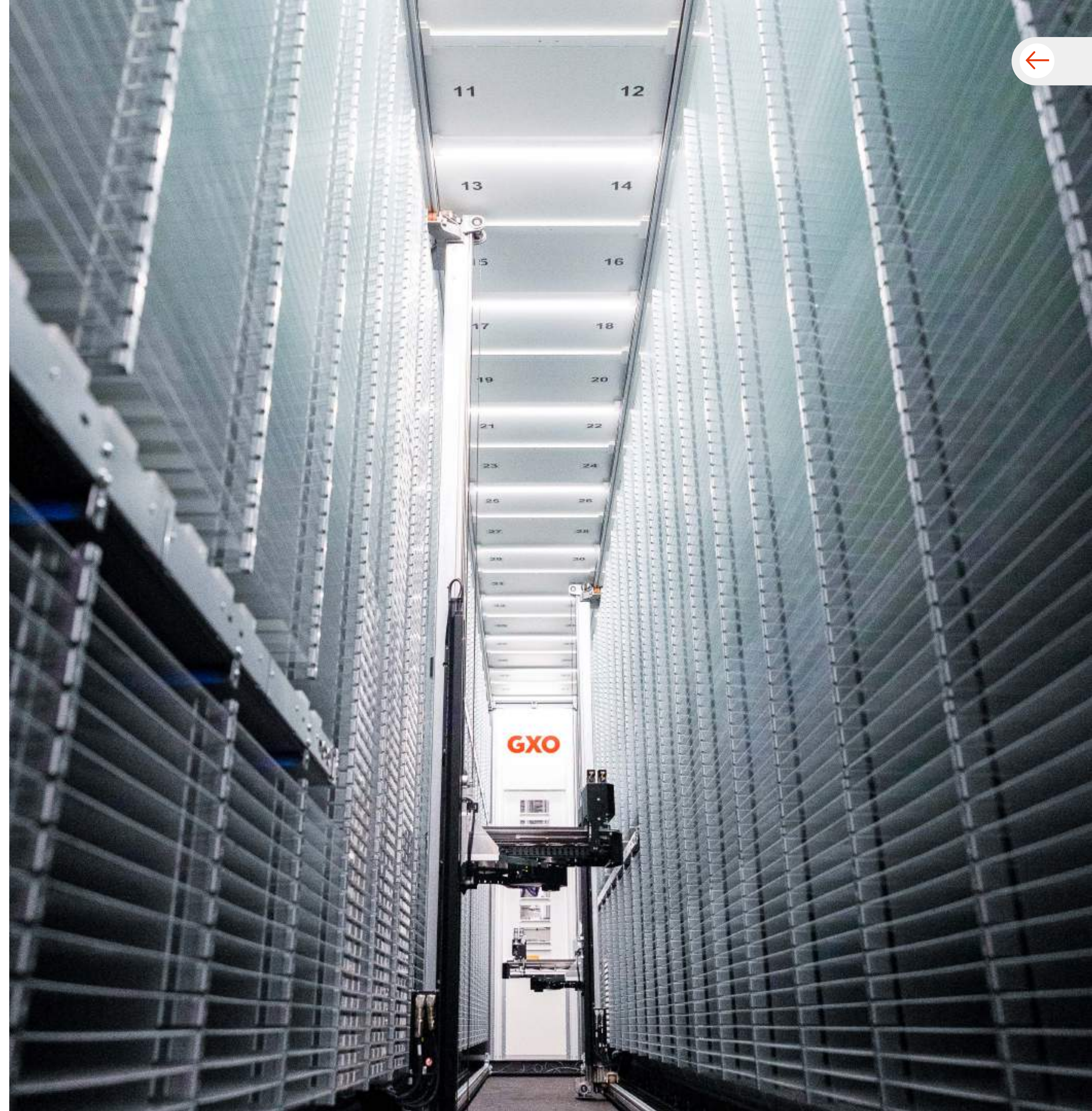
[Watch](#) our Lowpad AMR in action



GXO receives 2023 Top Supply Chain Projects award

Supply & Demand Chain Executive (SDCE) magazine named GXO a Top Supply Chain Projects company for the second consecutive year. The award honors our successful efforts in developing and deploying innovative, state-of-the-art automation for an industry-leading consumer electronics company.

SDCE is known as the executive's user manual for transforming the supply and demand chain. We are proud to be recognized as developing one of the most innovative automation solutions for complex reverse logistics operating in the U.S. By leveraging high-density storage and retrieval technology, we created a first-of-its-kind, fully automated and highly efficient system that can process more than 50,000 electronic devices per day.



Transparency and accountability

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GXO 2023 UN SDG Index

About this report

The GXO 2023 ESG Report details the company's objectives and progress in the areas of environmental sustainability, social initiatives and governance performance. Data about financial performance is not included in the report, but may be found on gxo.com under the "Investors" tab and in GXO's public filings with the U.S. Securities and Exchange Commission.

The information contained in this document reflects the global activities and initiatives undertaken by GXO from January 1, 2023 - December 31, 2023, unless otherwise noted. The company intends to continue issuing updated ESG reports annually.

This report has been prepared in accordance with the Global Reporting Initiative (GRI), using the latest Universal Standards released in October 2021. We also provide disclosures under the Sustainability Accounting Standards Board's (SASB) guidelines for Professional and Commercial Services and an index outlining our impact and alignment with the UN Sustainable Development Goals (UN SDGs). As our reporting becomes increasingly robust, we will seek to expand the detail on our disclosures including aligning with additional standards and frameworks.

For questions about this report, please contact the GXO ESG Team at esg@gxo.com

GRI Content Index



Appendix 1. GRI content index in accordance	
Statement of use	GXO Logistics, Inc. has reported in accordance with the GRI Standards for the period January 1, 2023-December 31, 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI Standard	Disclosure		Location/response/comment	Omission		
				Requirement(s) omitted	Reason	Explanation
General Disclosures						
GRI 2: General Disclosures 2021	2-1	Organizational details	2023 Form 10-K, pp. cover, 1, 4, 17			
	2-2	Entities included in the organization's sustainability reporting	GXO's 2023 ESG Report addresses all of the entities included in its consolidated financial reporting. The GHG accounting and other ESG performance data related to the recently acquired, PFSweb, Inc., has not yet been integrated into GXO's reported performance data. Full integration of PFSweb, Inc. will be reflected in GXO's 2024 ESG Report. 2023 Form 10-K, pp. 46-48			
	2-3	Reporting period, frequency and contact point	Sustainability reporting for GXO is in line with its financial reporting period. This report was published on June 5, 2024. For any questions, please contact esg@gxo.com . About this report, p. 87			
	2-4	Restatements of information	GXO's 2022 workforce performance data has been revised to include legacy-Clipper team members. Workforce performance data, p. 98 2022 Business travel metrics have been updated to reflect corrected figures based on a prior miscalculation. Environmental performance data, p. 96			
	2-5	External assurance	Energy consumption, total waste generated, and Scope 1 and Scope 2 emissions data for U.K. and Europe, as well as Americas and Asia Pacific, was audited on a sample basis by external auditor Grant Thornton using a cross-section of data from contributing countries to limited assurance in line with the ISAE 3000 standard. Additionally, U.K. and Europe also received limited assurance on waste by treatment type and overall diversion rate. GXO's Chief Compliance & ESG Officer reviewed the third-party assurance report. GXO Logistics Environmental Metrics Limited Assurance Report 2023			
	2-6	Activities, value chain and other business relationships	What we do, p. 9 2023 Form 10-K, pp. 1-5			

GRI Standard	Disclosure		Location/response/comment	Omission		
				Requirement(s) omitted	Reason	Explanation
General Disclosures						
GRI 2: General Disclosures 2021	2-7	Employees	Our employee base does not adjust during seasonal fluctuations or reporting periods. Workforce performance data, p. 98 2023 Form 10-K, pp. 4-5			
	2-8	Workers who are not employees	We address seasonal fluctuations in demand through hiring contractors and/or contingent workers to support our warehouse operations. Workforce performance data, p. 98 2023 Form 10-K, p. 9			
	2-9	Governance structure and composition	A letter from the Chair of our Nominating, Corporate Governance and Sustainability Committee, p. 5 Leading responsibly, p. 67 2023 Proxy Statement, pp. 3, 4, 18-20 GXO Website			
	2-10	Nomination and selection of the highest governance body	2023 Proxy Statement, p. 23 Nominating, Corporate Governance and Sustainability Committee Charter Corporate Governance Guideline			
	2-11	Chair of the highest governance body	2023 Proxy Statement, p. 19			
	2-12	Role of the highest governance body in overseeing the management of impacts	A letter from the Chair of our Nominating, Corporate Governance and Sustainability Committee, p. 5 Nominating, Corporate Governance and Sustainability Committee Charter 2023 Proxy Statement, p. 23-25			
	2-13	Delegation of responsibility for managing impacts	A letter from the Chair of our Nominating, Corporate Governance and Sustainability Committee, p. 5 Nominating, Corporate Governance and Sustainability Committee Charter			
	2-14	Role of the highest governance body in sustainability reporting	A letter from the Chair of our Nominating, Corporate Governance and Sustainability Committee, p. 5 Nominating, Corporate Governance and Sustainability Committee Charter			
	2-15	Conflicts of interest	The Board requires conflicts of interest to be disclosed. 2023 Form 10-K, pp. 6-17 2023 Proxy Statement, p. 26-27 Corporate Governance Guidelines Related Party Transaction Policy Insider Trading Policy			
	2-16	Communication of critical concerns	A letter from the Chair of our Nominating, Corporate Governance and Sustainability Committee, p. 5 Leading responsibly, p. 67-71 Making the right decisions everyday, p. 72-77 Code of Business Ethics, p. 24	2-16-b	Information unavailable or incomplete	The number of critical concerns is not currently tracked, but the Board meets with the Leadership Team monthly to provide guidance where needed.

GRI Standard	Disclosure	Location/response/comment	Omission			
			Requirement(s) omitted	Reason	Explanation	
General Disclosures						
GRI 2: General Disclosures 2021	2-17	Collective knowledge of the highest governance body	A letter from the Chair of our Nominating, Corporate Governance and Sustainability Committee, p. 5 Leading responsibly, pp. 67-71 2023 Proxy Statement, p. 18			
	2-18	Evaluation of the performance of the highest governance body	GXO has not had to take an action in response to board evaluations during the identified reporting period of this report. Leading responsibly, pp. 67-71 2023 Proxy Statement, pp. 19, 24 Corporate Governance Guidelines			
	2-19	Remuneration policies	2023 Proxy Statement, pp. 30-33, 36-37 Compensation Committee Charter			
	2-20	Process to determine remuneration	It is our plan to connect a portion of executive compensation to the achievement of certain ESG targets in the future. 2023 Proxy Statement, pp. 30-33, 36-37 May 7, 2024 Form 8-K Compensation Committee Charter			
	2-21	Annual total compensation ratio	2023 Proxy Statement, pp. 40, 45-46			
	2-22	Statement on sustainable development strategy	A Letter from our Chief Executive Officer, pp. 3-4 A letter from the Chair of our Nominating, Corporate Governance and Sustainability Committee, p. 5			
	2-23	Policy commitments	Making the right decisions everyday, p. 72 Business Partner Code of Conduct Code of Business Ethics Human Trafficking Policy Third-Party Due Diligence See additional Ethics Policies See additional Governance Policies			
	2-24	Embedding policy commitments	Leading responsibly, pp. 67-71 Making the right decisions everyday, pp. 72-77			
	2-25	Processes to remediate negative impacts	Enabling the circular economy, pp. 19-25 Reducing our operational footprint, pp. 26-33 Putting safety first, pp. 36-42 Building a culture of belonging, pp. 43-53 Supporting and developing our people, pp. 54-60 Leading responsibly, pp. 67-71 Making the right decisions everyday, pp. 72-77 Business Partner Code of Conduct Code of Business Ethics See additional Governance Policies			

GRI Standard	Disclosure	Location/response/comment	Omission			
			Requirement(s) omitted	Reason	Explanation	
General Disclosures						
GRI 2: General Disclosures 2021	2-26	Mechanisms for seeking advice and raising concerns	Putting safety first, pp. 36-42 Supporting and developing our people, pp. 54-60 Leading responsibly, pp. 67-71 Making the right decisions everyday, pp. 72-77 Business Partner Code of Conduct Code of Business Ethics See additional Governance Policies			
	2-27	Compliance with laws and regulations	Significant instances of non-compliance with laws and regulations would be listed in our 10-K, as required by the SEC. 2023 Form 10-K			
	2-28	Membership associations	Corporate Eco-Forum, BCMPA, BFFF, CILT, UKWA, BWA, Cold Chain Federation, Retail Hive, Stowga, Construction Product Association, France Supply Chain, TLF, Polish Supply Management Leader, LEAD Network, AECOC, Asociacion UNO, CEMS			
	2-29	Approach to stakeholder engagement	Our material ESG issues, p. 13 Supporting and developing our people, pp. 54-60 2023 Proxy Statement, pp. 24-25 GXO Materiality Assessment Overview			
	2-30	Collective bargaining agreements	2023 Form 10-K, p. 4	2-30-b	Confidentiality constraints	Employee agreements are confidential.
Material Topics						
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Our material ESG issues, p. 13 GXO Materiality Assessment Overview			
	3-2	List of material topics	Our material ESG issues, p. 13			
Diversity & Inclusion						
GRI 3: Material Topics 2021	3-3	Management of material topics	Our material ESG issues, p. 13 Building a culture of belonging, pp. 43-53 Making the right decisions everyday, pp. 72-77			
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Workforce performance data, p. 98 2023 Proxy Statement, pp. 12-17 Board of Directors			
	405-2	Ratio of basic salary and remuneration of women to men	Building a culture of belonging, pp. 43-53 Gender Pay Gap Report			

GRI Standard	Disclosure		Location/response/comment	Omission		
				Requirement(s) omitted	Reason	Explanation
Talent Management						
GRI 3: Material Topics 2021	3-3	Management of material topics	Our material ESG issues, p. 13 Supporting and developing our people, pp. 54-60 Workforce performance data, p. 98			
GRI 404: Training and Education	404-1	Average hours of training per year per employee	Supporting and developing our people, pp. 54-60 Workforce performance data, p. 98			
	404-2	Programs for upgrading employee skills and transition assistance programs	Supporting and developing our people, pp. 54-60 Workforce performance data, p. 98			
Information Security						
GRI 3: Material Topics 2021	3-3	Management of material topics	Our material ESG issues, p. 13 Making the right decisions everyday, pp. 72-77			
GRI 418: Customer Privacy 2016	418—1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	GXO reports material data privacy and information security breaches in our annual 10-K report. In 2023, there were none. Making the right decisions everyday, pp. 72-77			
Energy & GHG Emissions						
GRI 3: Material Topics 2021	3-3	Management of material topics	Our material ESG issues, p. 13 Enabling the circular economy, pp. 19-25 Reducing our operational footprint, pp. 26-33			
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Environmental performance data, pp. 96-97			
	302-3	Energy intensity	Environmental performance data, pp. 96-97			
	302-4	Reduction of energy consumption	Our material ESG issues, p. 13 Reducing our operational footprint, pp. 26-33 Environmental performance data, pp. 96-97			

GRI Standard	Disclosure	Location/response/comment	Omission			
			Requirement(s) omitted	Reason	Explanation	
Energy & GHG Emissions						
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Our material ESG issues, p. 13 Reducing our operational footprint, pp. 26-33 Environmental performance data, pp. 96-97	305-1-c	Not applicable	GXO's operations do not emit biogenic CO2 emissions.
	305-2	Energy indirect (Scope 2) GHG emissions	Our material ESG issues, p. 13 Reducing our operational footprint, pp. 26-33 Environmental performance data, pp. 96-97	305-2-b	Information unavailable or incomplete	GXO does not track market-based emissions.
	305-3	Other indirect (Scope 3) GHG emissions	Environmental performance data, pp. 96-97	305-3-c	Not applicable	GXO's operations do not emit biogenic CO2 emissions.
	305-4	GHG emissions intensity	Environmental performance data, pp. 96-97			
Workplace Health & Safety						
GRI 3: Material Topics 2021	3-3	Management of material topics	Our material ESG issues, p. 13 Putting safety first, pp. 36-42 Supporting and developing our people, pp. 54-60 Making the right decisions everyday, pp. 72-77 Managing the future of logistics, pp. 78-85 Workforce performance data, p. 98			
GRI 403: Occupational Health & Safety 2018	403-1	Workers representation in formal joint management-worker health and safety committees	Putting safety first, pp. 36-42			
	403-2	Hazard identification, risk assessment, and incident investigation	Putting safety first, pp. 36-42 Making the right decisions everyday, pp. 72-77			
	403-3	Workers with high incidence or high risk of diseases related to their occupation	Putting safety first, pp. 36-42 Making the right decisions everyday, pp. 72-77			
	403-4	Health and safety topics covered in formal agreements with trade unions	Putting safety first, pp. 36-42 Making the right decisions everyday, pp. 72-77			
	403-5	Worker training on occupational health and safety	Putting safety first, pp. 36-42 Making the right decisions everyday, pp. 72-77			
	403-6	Promotion of worker health	Putting safety first, pp. 36-42 Making the right decisions everyday, pp. 72-77			
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Putting safety first, pp. 36-42 Making the right decisions everyday, pp. 72-77			
	403-9	Work-related injuries	Putting safety first, pp. 36-42 Making the right decisions everyday, pp. 72-77 Workforce performance data, p. 98	403-9-b 403-9-f	Not applicable	GXO does not track or report the global total recordable incident rate or fatality rate for workers who are not employees.

GRI Standard	Disclosure		Location/response/comment	Omission		
				Requirement(s) omitted	Reason	Explanation
Employee Experience						
GRI 3: Material Topics 2021	3-3	Management of material topics	Our material ESG issues, p. 13 Putting safety first, pp. 36-42 Building a culture of belonging, pp. 43-53 Supporting and developing our people, pp. 54-60 Managing the future of logistics, pp. 78-85 Workforce performance data, p. 98			
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Workforce performance data, p. 98			
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	All full-time employees, regardless of their employment location, are offered the full range of GXO employment benefits. Supporting and developing our people, pp. 54-60			
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	GXO aims to notify all impacted team members of operational changes as soon as practical as part of our commitment to comply with all required notice periods set forth in local, state and country-specific laws, including requirements and mandatory (minimum) notice periods in several jurisdictions. We aim to implement operational changes where work councils or employee representatives are present only after engagement with those works councils and employee representatives.			



SASB Reference Table

SASB Code	Accounting Metric	2023 Cross-Reference or Answer
Professional & Commercial Services		
Data security		
SASB - SV-PS-230a.1	Description of approach to identifying and addressing data security risks	Managing the future of logistics, pp. 78-85
SASB - SV-PS-230a.2	Description of policies and practices relating to collection, usage, and retention of customer information	Managing the future of logistics, pp. 78-85
SASB - SV-PS-230a.3	(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), (3) number of customers affected	Except as required by law, GXO does not report this information. For more information on how GXO manages and mitigates against potential cyber security threats, please see Managing the future of logistics, pp. 78-85
Workforce Diversity & Engagement		
SASB - SV-PS-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	Workforce performance data, p. 98 2023 Proxy Statement, Directors & Committees of the Board and Committee Membership, pp. 13-17
SASB - SV-PS-330a.2	(1) Voluntary and (2) involuntary turnover rate for employees	Workforce performance data, p. 98
SASB - SV-PS-330a.3	Employee engagement as a percentage	Supporting and developing our people, pp. 54-60
Professional Integrity		
SASB SV-PS-510a.1	Description of approach to ensuring professional integrity	Making the right decisions everyday, pp. 72-77 Code of Business Ethics Corporate Governance Highlights
SASB SV-PS-510a.2	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	GXO did not sustain any monetary losses in 2023 as a result of legal proceedings associated with professional integrity. More information on legal proceedings are disclosed in Part 1, Item 3 Legal Proceedings of our 2023 Form 10-K .
Activity Metrics		
SASB SV-PS-000.A	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	Workforce performance data, p. 98
SASB SV-PS-000.B	Employee hours worked, percentage billable	This metric is not applicable to GXO's employment practices.

Performance tables



Environmental^{1,2,3}

	2021	2022	2023
Emissions intensity (Scope 1 & 2)⁴			
Emissions by net revenue (metric tons CO ₂ e per million USD in revenue)	42.98	36.59	35.01
Emissions by net revenue (kg CO ₂ e per USD in revenue)	0.043	0.037	0.035
Greenhouse gas emissions^{5,6,7}			
Total Scope 1 & 2 GHG emissions, global (metric tons CO₂e)⁸	341,239	308,220	339,455
Scope 1, global	214,169	198,128	235,775
Americas and Asia Pacific	36,876	34,132	31,124
U.K. and Europe	177,293	163,996	204,651
Scope 2, global	127,070	102,984	103,680
Americas and Asia Pacific	74,419	57,480	60,895
U.K. and Europe	52,651	45,504	42,784
Scope 3, business travel, global (metric tons CO ₂ e) ⁹		4,956	4,456
Americas and Asia Pacific		3,058	2,744
U.K. and Europe		1,898	1,712

	2021	2022	2023
Energy consumption within the organization			
Total electricity, consumption, global (kWh)	467,967,987	429,790,184	404,383,106
Percentage renewable electricity	6.34%	6.89%	13.46%
Americas and Asia Pacific	185,550,594	160,113,529	164,517,582
Percentage renewable electricity	0.00%	1.47%	1.95%
U.K. and Europe	282,417,393	269,676,655	239,865,524
Percentage renewable electricity	10.50%	10.98%	21.35%
Total fuel used by fleet, global (liters)¹⁰	60,513,131	60,198,773	73,593,835
Americas and Asia Pacific	276,016	6,275,959	5,738,955.77
U.K. and Europe	60,237,115	53,922,814	67,854,879
Total gas consumption excluding vehicles and air transport, global (m³)¹¹	18,201,501	15,835,425	17,859,120
Americas and Asia Pacific	11,434,493	10,286,684	9,796,891.03
U.K. and Europe	6,767,008	5,548,741	8,062,229

¹ Data disclosed is for the associated year ended December 31 and does not include legacy PFSWeb data. We will integrate PFSWeb data in 2024.

² 2023 data includes companies acquired in 2022, such as Clipper Logistics. This contributed to an increase in Scope 1 and 2 emissions in U.K. and Europe in 2023 primarily due to the incorporation of legacy Clipper emissions data and expanded fleet operations.

³ Verification and limited assurance for energy consumption, Scopes 1 and 2 emissions, and total waste data was provided by Grant Thornton for 2023 on a sample basis for both U.K. and European and Americas and Asia Pacific data. Additionally, U.K. and Europe also received limited assurance for waste by treatment type and overall diversion rate for 2023.

⁴ 2023 net revenue basis excludes revenue related to acquisition of PFSWeb, which as \$82 million. Emissions intensity ratio is based on GXO's Scope 1 and 2 emissions data.

⁵ GHG emissions were reported for operations where GXO has operational control. Emissions were calculated using GWP rates from the IPCC and country and source-specific emissions factors. Scope 1 and 2 emissions data is assured on a sample basis by Grant Thornton. For more information, see GRI 2-5 in the GRI Content Index.

⁶ GXO has not included legacy PFSWeb Scopes 1 and 2 data in its emissions inventory for 2023. Legacy PFSWeb's Scope 1 and 2 emissions in 2023 were 918 and 3,636 metric tons, respectively.

⁷ Our reported 2022 emissions do not include legacy Clipper emissions for 2022. In 2022, Clipper's scope 1 & 2 emissions totaled 29,065 metric tons CO₂e.

⁸ 2019 is the base year used for GXO's GHG emissions reductions goals. Global Scope 1 and Scope 2 emissions in 2019 were 230,442 metric tons CO₂e and 142,898 metric tons CO₂e, respectively.

⁹ Represents only air and rail travel as reported by our corporate business travel providers and excludes air and rail travel booked directly with other companies. 2022 Scope 3, global business travel for U.K. and Europe has been restated following an updated unit conversion. Prior reporting indicated a figure of 2,805 metric tons CO₂e.

¹⁰ Represents total diesel fuel within GXO's global fleet operations.

¹¹ Represents total natural gas used by GXO's global facilities.



	2021	2022	2023
Waste			
Total waste associated with operations, global (metric tons)	156,796	150,610	177,098
Non-hazardous waste, global	151,205	140,274	173,195
Americas and Asia Pacific	59,141	44,662	40,047
U.K. and Europe	92,064	95,611	133,149
Hazardous waste, global	5,590	10,337	3,902
Americas and Asia Pacific	152	19	10
U.K. and Europe	5,438	10,318	3,892
Total non hazardous waste sent to landfill, global (metric tons)	34,030	29,908	31,316
Americas and Asia Pacific	20,063	23,580	23,036
U.K. and Europe	13,967	6,328	8,279
Total non hazardous waste diverted from landfill, global (metric tons)	117,177	110,365	141,916
Americas and Asia Pacific	39,080	21,082	17,010
U.K. and Europe	78,097	89,283	124,905
Non-hazardous waste landfill diversion rate, global (%)	77.50%	78.68%	81.94%
Americas and Asia Pacific	66.08%	47.20%	42.48%
U.K. and Europe	84.83%	93.38%	93.78%

	2021	2022	2023
Facilities¹			
Total number of operating facilities	913	979	974
Customer-owned or leased (and operated by GXO)	323	372	359
Americas and Asia Pacific		120	130
U.K. and Europe		241	229
GXO-owned or leased	590	607	615
Americas and Asia Pacific		254	249
U.K. and Europe		292	366
LED coverage of GXO owned/leased, global (%)²	47%	61%	78%
Americas and Asia Pacific	45%	47%	80%
U.K. and Europe	50%	75%	76%

¹Number of facilities as of December 31, 2023.

²LED coverage is based on area of GXO-owned or leased facilities and does not include legacy PFS sites, which will be integrated in 2024 data.

Social^{1,2,3,4,5} - Workforce

	2021	2022	2023
Workforce			
Total employees	74,903	89,248	85,554
Permanent ⁶	71,590	85,789	82,841
Temporary ⁷	3,313	3,459	2,713
Full-time	67,716	80,524	76,333
Part time	7,187	8,724	9,221
Contractors⁸	42,803	45,919	39,912
Legacy PFSWeb Team Members⁹			5,163
Employees by region			
Americas and Asia Pacific	23,797	25,107	23,469
U.K. and Europe	51,106	64,141	62,085
New employee hires by age¹⁰			
<30		14,043	10,501
30-50		15,430	12,714
>50		4,901	4,060
Total employee turnover rate¹⁰		32.3%	30.2%

¹ Data disclosed is for the associated year ended December 31.

² Headcount is used except for contractors in U.K. and Europe, where an FTE calculation is used.

³ Headcount data does not include legacy-PFS employees.

⁴ 2022 figures revised to include legacy-Clipper team members.

⁵ Data does not include contractors or contingent workers unless otherwise stated.

⁶ Permanent refers to full-time and part-time employees at-will or with a contract for an indeterminate period.

⁷ Data is for fixed-term employees in U.K. and Europe only.

⁸ Data represents contractors and contingent workers.

⁹ Total includes employees, temporary agency workers, and contractors.

¹⁰ Figure not available in 2021 due to mid-year spin-off of GXO from XPO.

¹¹ Percentage of regular US employees that self-identify as being of a race and/or ethnicity other than white.

¹² Women in supervisor and above roles across global operations. GXO employees only. New metric calculated in 2023.

	2021	2022	2023
Workforce diversity			
Employees by gender			
Women			
Total number of workforce	25,850	32,091	30,390
Percent of workforce	35%	36%	36%
Men			
Total number of workforce	48,967	57,040	55,074
Percent of workforce	65%	64%	64%
Not disclosed			
Total number of workforce	86	117	90
Percent of workforce	0.1%	0.1%	0.1%
Employees by age			
<30	16,038	18,018	16,428
30-50	38,498	44,964	44,601
>50	20,367	23,891	24,411
Percent of employees from racially/ethnically diverse backgrounds (US Only)¹¹	66%	66%	66%
Gender diversity in leadership¹²			
Total women in leadership roles			2,282
Percent of leadership roles occupied by women			27%

Social¹ - Talent and Learning

	2021	2022	2023
Employee development			
Total learning hours²	1,049,385	1,215,773	1,371,266
By gender			
Women	395,517	365,589	396,333
Men	653,705	849,741	974,448
Not specified	163	444	485
Average learning hours per employee	14.0	15.4	16
Average training and development spend per employee (\$)	\$325	\$392	\$426

¹ Data disclosed is for the associated year ended December 31.

² Learning hours excludes contractor training.

Social¹ - Health and Safety

	2021	2022	2023
Employee health and safety²			
Employee total recordable incident rate (TRIR)			
Americas and Asia Pacific	1.50	1.62	1.16
Lost time incident rate (LTIR)			
Americas and Asia Pacific ³	1.31	1.39	0.93
U.K. and Europe ⁴	2.55	2.40	2.14
Employee fatality rate			
Americas and Asia Pacific	0	1	1
U.K. and Europe	0	0	1
Fleet safety			
Crash rate (per thousand miles)			
Americas and Asia Pacific	N/A	N/A	N/A
U.K. and Europe ⁵	2.6	3.1	4.7
Number of road accidents and incidents			
Americas and Asia Pacific ⁶	22	68	65
U.K. and Europe ⁵	804	1,112	1,589

¹ Data disclosed is for the associated year ended December 31.

² Rates are calculated based on 200,000 hours worked.

³ Americas and Asia Pacific 2022 TRIR is restated after internal audit of process yielded additional recordable incidents.

⁴ Rates take into account statutory requirements in various U.K. and European countries for time off after an incident.


⁵ GXO began using a new internal methodology in 2023 for calculating Vehicle Incident Reporting. The new methodology is based on an updated incident reporting threshold and will result in lower figures moving forward. In 2023, under the new methodology, crash rate (per thousand miles) in U.K. and Europe was 0.2, and the number of road accidents and incidents was 72. GXO will be using the new methodology to report fleet safety in 2024 and subsequent years.

⁶ All accidents for Department of Transportation drivers in the U.S. and equivalent in countries outside of the U.S. and Americas and Asia Pacific region, 2021 is partial year data due to new formation of GXO.



GXO 2023 UN SDG Index

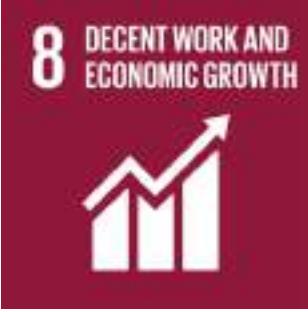



GXO is committed to the United Nations Sustainable Development Goals (SDGs), a global call to action to end poverty, improve health and education, reduce inequalities, spur economic growth and tackle climate change. In this index, we summarize some of the ways GXO contributes to specific SDGs and their targets and provide links to read more about our efforts.


UN SDG Goal	Target	Target description	GXO Activity, Initiative, or Goal	Reference
 <p>SDG 3: Good Health and Well-Being</p> <p>Ensure healthy lives and promote well-being for all at all ages</p>	3.4	By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being	<p>At GXO, we understand that the success of our organization is in large part driven by the overall wellness of our workforce. This includes their physical and mental health as well as their financial well-being. Improving well-being awareness was a focus area for the program. Sites and offices across the globe recognized Mental Health Awareness Month in May and World Mental Health Day in October through a series of panels, trainings and fireside chats with GXO leadership. Regional webinars, podcasts and GXO University trainings also helped raise awareness of resources available to employees to manage their mental health.</p> <p>On-site wellness outreach was another focus in the U.S. for 2023. We provided HR leaders with a menu of on-site options to choose from, including dental cleanings, biometric screenings and more. To supplement our medical benefits, starting in 2024 we are providing enrolled employees with access to programs designed to support musculoskeletal health and maintain heart health. Other benefits also include employee assistance programs.</p>	Supporting and developing our people, pp. 54-60
	3.6	By 2020, halve the number of global deaths and injuries from road traffic accidents	<p>In 2023, we refreshed our Road to Zero program, which leverages a host of tools and channels to achieve our broader safety goals of ensuring accountability, compliance and unbiased measurement. We did all this to promote a safety culture that ensures the health and safety of all employees.</p> <p>Our refreshed Road to Zero principles extend throughout all our priorities, including employee training, the adoption of policies and supporting technologies. We are changing the way we think about accident prevention and encouraging team members to pay attention to their own behaviors—all in pursuit of a culture where every team member, no matter their job, feels empowered to ensure their own safety and the safety of others.</p> <p>Given the success in 2022, we continued our U.K. Driver Academy as part of Launch at GXO and in 2023 reached our first 100 graduates, with an average of 14 participants per month.</p>	Putting safety first, pp. 36-42
	3.8	Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all	<p>Our benefits vary by country but include:</p> <ul style="list-style-type: none"> • Comprehensive healthcare and disability insurance • Supplemental insurance • Employee assistance programs • Profit sharing • Retirement plans <p>In the U.S., 100% of full-time employees have access to medical and mental health benefits.</p> <p>In 2023, we continued to focus on our digital wellness capabilities, expanding worldwide virtual access to doctors, counselors and premier online programs for reducing stress, eating healthier and improving fitness. Many of these programs go above and beyond the mandated benefits of health insurance or other state benefit programs.</p> <p>For financial well-being, our emergency savings programs in the U.S. and U.K. encourage GXO employees to establish an emergency savings account and learn how to improve savings habits.</p>	Supporting and developing our people, pp. 54-60




UN SDG Goal	Target	Target description	GXO Activity, Initiative, or Goal	Reference
 <p>SDG 5: Gender Equality</p> <p>Achieve gender equality and empower all women and girls</p>	5.1	End all forms of discrimination against all women and girls everywhere	<p>By addressing topics such as human rights, anti-corruption and bribery, anti-discrimination and workplace safety, GXO's Code of Business Ethics (COBE) and supporting policies outline our expectations for ethical business practices.</p> <p>We are committed to fighting discrimination and harassment and work continually to maintain a healthy and equitable work environment. Any unlawful treatment of job applicants, interns or employees by a GXO employee, business partner or customer is strictly prohibited, and GXO takes all reports of related infractions seriously. Any employee determined to be guilty of harassment, discrimination or retaliation against coworkers will be subject to disciplinary action up to and including termination.</p>	<p>Making the right decisions everyday, pp. 72-77</p> <p>Code of Business Ethics</p> <p>No Discrimination Policy</p>
	5.5	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	<p>As part of our commitment to building a world-class workforce where every team member can thrive, we have established impactful partnership programs in both Europe (LEAD) and the U.S. (AWESOME) focused on women's career advancement.</p> <p>We're continuing to grow and develop our seven BRGs, including the Women's Business Resource Group.</p> <p>Just as we value diversity in our workforce, we also value the diversity of experiences and perspectives among our Board members, with 44% of Board members being women.</p> <p>Food Logistics and Supply & Demand Chain Executive magazine recognized three GXO leaders in 2023 for their impressive accomplishments, mentorship and leadership in the field. This award honors female supply chain leaders who set a strong example for women in all levels of a company's supply chain network. This marks the second year that GXO women leaders have been recognized.</p>	<p>Building a culture of belonging, pp. 43-53</p> <p>Leading responsibly, pp. 67-71</p>
 <p>SDG 7: Affordable and Clean Energy</p> <p>Ensure access to affordable, reliable, sustainable and modern energy for all</p>	7.2	By 2030, increase substantially the share of renewable energy in the global energy mix	<p>In 2023, 13.46% of GXO's global electricity consumption came from renewable sources. In Spain, our facilities are powered by 100% renewable electricity from both on-site solar and the grid. We're exploring renewable investment options for other managed sites and collaborating with stakeholders to expand on-site generation, including the use of solar panels. We've installed solar panels in Miramas, France, covering 5,000 square feet and producing 390,000 kWh annually. Additionally, four Italian sites are set to begin solar power generation in Q2 2024.</p>	<p>Reducing our operational footprint, pp. 26-33</p>
	7.3	By 2030, double the global rate of improvement in energy efficiency	<p>Even as our operational footprint expands, we are making consistent strides toward reducing our Scope 1 and 2 GHG emissions through the adoption of LED lighting and other energy efficiency solutions in our buildings, increased usage of renewable energy and more sustainable fleet transportation options. In 2023, our emissions intensity by revenue decreased 4.3% compared to 2022, continuing its downward trend since 2019.</p> <p>This year, we will also begin migrating our physical data centers to a cloud-based platform, helping us to reduce the energy required to maintain our digital footprint.</p>	<p>Reducing our operational footprint, pp. 26-33</p> <p>Managing the future of logistics, pp. 78-85</p>

UN SDG Goal	Target	Target description	GXO Activity, Initiative, or Goal	Reference
 <p>SDG 8: Decent Work and Economic Growth</p> <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors	<p>Automation makes our team members' jobs simpler, safer, and more satisfying. In 2024 and beyond, we look forward to expanding opportunities to develop our workforce as we gain a better understanding of the impact of different types of AI and automation across our operational footprint.</p> <p>Cobots assist GXO employees with a range of tasks, including validating inventory and transporting picked orders to the correct packing stations. Cobots can double productivity compared to fully manual operations. We now have over 50 cobot deployments globally, with 12 more already planned for 2024.</p> <p>Similarly, robotic arms can perform a myriad of activities, including packing, engraving, and building pallets of packaged goods. Smart glasses, smart gloves, and other wearable tech allow employees to efficiently gather information about storage locations, product identifiers, and inventory levels.</p>	Managing the future of logistics, pp. 78-85
	8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	<p>Comparably, a leading workplace culture and corporate brand reputation platform, named us one of the top companies for Happiest Employees in 2023. Comparably uses anonymous employee feedback on a range of factors that contribute to workplace happiness, from fair pay and benefits to a positive environment and pride in the company.</p> <p>Maintaining our standing as an employer of choice means offering competitive wages and comprehensive benefits packages.</p> <p>We consistently look to expand our candidate pool through relationships with institutions serving minorities, LGBTQ+ allies and organizations supporting military veterans and people living with disabilities. Notable programs to hire people living with disabilities include WorkFit in the U.K. and Log'ins in France. In 2023, we were awarded with a Level 3: Disability Confident Leader certificate by Disability Confident, underscoring our commitment to fostering an inclusive and accessible recruitment process and supporting disabled colleagues.</p> <p>GXO piloted A Game-changing Fresh Start in 2023, providing GXO managers with a turnkey method to hire, place and transform the lives of employees who encounter barriers to employment. The initiative focuses on identifying the resources and support these different populations require — such as individuals with disabilities and those re-entering the workforce — to ensure they will find a rewarding career path at GXO.</p>	Building a culture of belonging, pp. 43-53 Supporting and developing our people, pp. 54-60
	8.7	Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms	<p>At GXO, we believe in respecting human rights and the dignity of all people through our business practices and everyday engagements. Everywhere we operate, we comply with all laws that govern fair employment and labor practices, which include the freedom of association and collective bargaining. GXO does not tolerate any conduct that contributes to or encourages child labor, human trafficking, forced labor or any other human rights violation.</p> <p>GXO supports government policies that combat human rights violations and we hold our customers, suppliers and subcontractors to the same standards. All new third-party contracts, regardless of their geographical origin, include language that states they (and their subcontractors and suppliers) shall comply with all anti-slavery, forced labor and human trafficking laws and regulations, including the UFLPA, U.K. Modern Slavery Act and the French Law No. 2017-399 2017, which covers the corporate duty of vigilance for parent and instructing companies.</p> <p>We published our U.K. Modern Slavery Statement in August 2023 for the 2022 calendar year. We plan on publishing the statement for the 2023 calendar year in June 2024. We are aware of additional emerging legislative requirements and continue to monitor these developments globally.</p>	Making the right decisions everyday, pp. 72-77 Modern Slavery Statement Human Trafficking Policy
	8.8	Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	<p>Everywhere we operate, we comply with all laws that govern fair employment and labor practices, which include the freedom of association and collective bargaining. GXO does not tolerate any conduct that contributes to or encourages child labor, human trafficking, forced labor or any other human rights violation.</p> <p>GXO tracks a wide range of Health and Safety metrics and we consistently aim to be best-in-class and to outperform the industry benchmarks as defined by the Occupational Safety and Health Administration (OSHA) in the U.S.</p> <p>At GXO, the first of our core values is “Be safe.” To achieve this goal, we go beyond ensuring safety to creating a holistic culture of care that considers mental and physical health. Ours is a supportive workplace, and we are proud that our people can thrive at work and return home as healthy as when they arrived. In 2023, we focused on enhancing our safety committees and employee engagement and we ensured that our leadership training included health and safety topics.</p> <p>GXO tracks a wide range of Health and Safety metrics and we consistently aim to be best-in-class and to outperform the industry benchmarks as defined by the Occupational Safety and Health Administration (OSHA) in the U.S.</p> <p>We base all GXO occupational health and safety (OH&S) policies and procedures on globally accepted standards, and we internally audit our sites.</p>	Putting safety first, pp. 36-42 Making the right decisions everyday, pp. 72-77 Modern Slavery Statement Human Trafficking Policy

UN SDG Goal	Target	Target description	GXO Activity, Initiative, or Goal	Reference
 <p>SDG 9: Industry, Innovation and Infrastructure</p> <p>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p>	9.4	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	<p>GXO is rapidly expanding our capacity for repair and refurbishing, incorporating the latest data-driven insights and technology. We leverage robust warehouse and returns management systems to ensure the quick assessment and direction of returned items toward repair or refurbishment, tapping into the potential of growing secondary markets.</p> <p>We aim to illuminate all our warehouses with LEDs, with a target of 80% of global operations using LED lighting by 2025. As of year-end 2023, 78% of our leased and owned sites were utilizing LED.</p> <p>GXO continually explores innovative solutions, covering everything from vehicle types to how we use and monitor their performance. Along with incorporating more electric vehicles and increasing the use of biofuels, GXO is evaluating several strategies to reduce diesel and gasoline use, such as:</p> <ul style="list-style-type: none"> • Expanding our driver training program to implement more fuel-efficient driving methods, which include an anti-idling enforcement protocol • Investing in more aerodynamic fleet vehicles • Using AI to develop more efficient route planning <p>To keep moving in the right direction, we are instituting composting initiatives, reusing packaging materials inside the warehouse and hosting friendly cross-site competitions to incentivize waste reduction and diversion. We also partner with our customers to reduce waste from being generated in our operations or across their value chain.</p>	<p>Enabling the circular economy, pp. 19-25</p> <p>Reducing our operational footprint, pp. 26-33</p>
	9.5	Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending	<p>We work with our customers to develop innovative, sustainable solutions that help them better serve their customers, achieve their own environmental goals and dramatically decrease costs. Our efforts include finding the most sustainable ways to get products to end consumers and returned products into the hands of the next consumer. The improved efficiencies in delivering products to consumers, including product returns, can decrease the need for excess manufacturing and reduce overall waste.</p> <p>GXO is rapidly expanding our capacity for repair and refurbishing, incorporating the latest data-driven insights and technology. We leverage robust warehouse and returns management systems to ensure the quick assessment and direction of returned items toward repair or refurbishment, tapping into the potential of growing secondary markets.</p> <p>We're accelerating our deployment of proven automation solutions across our global footprint, while staying on the cutting edge of R&D of operational robotics, automation and AI. To globalize our legacy R&D efforts, we'll leverage our regional teams' well-established relationships and apply what we've learned from trialing and implementing automation across our global network of warehouses. By sharing best practices across teams, oceans, and language barriers, we expect we will increase our automation differentiation enormously over the coming years.</p>	<p>Enabling the circular economy, pp. 19-25</p> <p>Managing the future of logistics, pp. 78-85</p>

UN SDG Goal	Target	Target description	GXO Activity, Initiative, or Goal	Reference
 <p>SDG 12: Responsible Consumption and Production</p> <p>Ensure sustainable consumption and production patterns</p>	12.2	By 2030, achieve the sustainable management and efficient use of natural resources	Across our operations, we strive to maintain the protection and positive out-of-box experience that appropriate packaging provides while reducing environmental impacts. Several sites utilize automated solutions to create right-sized packaging. Others employ pallet wrapping technology, which can reduce the plastic film needed to secure parcels for shipment by over 50% versus manual wrapping . We also work closely with our customers to optimize the types of materials used for packaging. At many of our sites, we're phasing out single-use plastics and replacing them with either recycled cardboard or reusable materials.	Reducing our operational footprint, pp. 26-33
	12.4	By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	Our waste diversion programs continue to perform well around the world. In 2023, GXO diverted 81.9% of waste from landfills generated across global operations.	Reducing our operational footprint, pp. 26-33
	12.5	By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	Across our operations, we strive to maintain the protection and positive out-of-box experience that appropriate packaging provides while reducing environmental impacts. Several sites utilize automated solutions to create right-sized packaging. Others employ pallet wrapping technology, which can reduce the plastic film needed to secure parcels for shipment by over 50% versus manual wrapping . We also work closely with our customers to optimize the types of materials used for packaging. At many of our sites, we're phasing out single-use plastics and replacing them with either recycled cardboard or reusable materials.	Reducing our operational footprint, pp. 26-33
	12.6	Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	<p>GXO is committed to helping our customers achieve their ESG goals. Along with involving our customers in our ESG Impact Ambassadors program, GXO reports on its greenhouse gas emissions and waste generation annually. We have also made progress toward achieving our own five global environmental targets.</p> <p>See our chapter on Environmental: Changing the game in sustainability by redefining logistics for more information on how we are implementing and reporting on sustainable practices.</p>	<p>Our ESG approach, pp. 15-16</p> <p>Environmental: Changing the game in sustainability by redefining logisitcs, pp. 17-33</p> <p>Environmental performance tables, pp. 96-97</p>
	12.8	By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	By engaging volunteers and collaborating with our customers, we have successfully undertaken a range of activities that foster natural ecosystems. These include green walls, pollinator gardens and ovine landscape maintenance. Furthermore, we actively contribute to local communities and ecosystems through tree planting, beach cleaning and the establishment of beehives, birdhouses and insect hotels. Our efforts extend to the thoughtful selection of native landscaping, which diminishes irrigation needs in arid climates, as well as a diligent procedure to identify and remove invasive plant species in the U.K. and Europe.	Reducing our operational footprint, pp. 26-33

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 <p>SDG 13: Climate Action</p> <p>Take urgent action to combat climate change and its impacts</p>	13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	GXO empowers our customers to achieve their environmental objectives while pursuing our own. We are focused on reducing the environmental footprint of our operations across over 970 sites worldwide. We remain committed to our current targets of a 30% reduction in Scopes 1 and 2 by 2030 and carbon neutrality (no net carbon emissions across Scopes 1 and 2) by 2040.	Reducing our operational footprint, pp. 26-33
	13.2	Integrate climate change measures into national policies, strategies and planning	We report on our global greenhouse gas emissions and have committed to five environmental targets to measure our progress in managing and reducing our impact on climate change.	Our material ESG issues, p. 13 Reducing our operational footprint, pp. 26-33 Environmental performance tables, pp. 96-97
	13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Through the ESG Impact Ambassador Program in 2023, we created a network of approximately 160 individuals passionate about promoting responsible business practices, championing environmental sustainability and making a positive social impact. Together, our ambassadors gather comprehensive ESG information from GXO sites and help ensure widespread engagement with our various ESG activities. Their efforts serve to amplify our ESG messaging, drive measurable progress at the site level and ultimately share best practices with ambassadors at other sites.	Our ESG approach, pp. 15-16

Disclaimer

Forward-Looking Statements

This report includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including our targets of (i) 80% global operations using LED lighting by 2025, (ii) 80% global landfill diversion rate by 2025, (iii) 50% renewable energy globally by 2030, (iv) reducing greenhouse gas emissions (Scopes 1 & 2) by 30% by 2030 vs. 2019 baseline, (v) 100% carbon neutral (Scopes 1 & 2) by 2040, (vi) reducing Total Recordable Incident Rate by 15% vs. 2022 baseline in Americas and Asia Pacific operations, (vii) reducing Lost Time Incident Rate by 15% vs. 2022 baseline in U.K. and European operations. In some cases, forward-looking statements can be identified by the use of forward-looking terms such as “anticipate,” “estimate,” “believe,” “continue,” “could,” “intend,” “may,” “plan,” “potential,” “predict,” “should,” “will,” “expect,” “objective,” “projection,” “forecast,” “goal,” “guidance,” “outlook,” “effort,” “target,” “trajectory” or the negative of these terms or other comparable terms. However, the absence of these words does not mean that the statements are not forward-looking. These forward-looking statements are based on certain assumptions and analyses made by the company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors the company believes are appropriate in the circumstances. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause or contribute to a material difference include, but are not limited, the risks discussed in our filings with the Securities and Exchange Commission. All forward-looking statements set forth in this report are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to or effects on us or our business or operations. Forward-looking statements set forth in this report speak only as of the date hereof, and we do not undertake any obligation to update forward-looking statements to reflect subsequent events or circumstances, changes in expectations or the occurrence of unanticipated events, except to the extent required by law.

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