



2023

Corporate Responsibility Report

RXO

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RXO

Safe Harbor Statement

Forward Looking Statements

The 2023 RXO Sustainability Report includes forward-looking statements that reflect our current views with respect to, among other things, future events and financial performance. These forward-looking statements are intended to provide management's current expectations or plans for the future. They can generally be identified by the use of words such as "may," "will," "expect," "intend," "plan," "anticipate," "believe," "estimate," "predict," "potential," "pursue," "target," or the negative thereof or similar terminology.

We remind readers that forward-looking statements are merely predictions and are subject to risks, uncertainties, and assumptions that are difficult to predict. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. Factors that might cause such a difference include, but are not limited to, economic conditions; changes in laws or regulations; demand for transportation and logistics services; environmental considerations; the impacts of global pandemics; and the actions of competitors. Further information on these and other factors that could affect the company's financial results is included in our filings with the Securities and Exchange Commission (SEC), including, but not limited to, our most recent Annual Report on Form 10-K and subsequent filings.

RXO does not undertake, and specifically disclaims any obligation, to update any forward-looking statements to reflect occurrences, developments, unanticipated events, or circumstances after the date of such statement except as required by law. We invite our stakeholders to consult these documents as they discuss our operations, financial condition, and performance.

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Foreword

To our stakeholders:

Our 2022 spinoff from XPO was a significant milestone for RXO, allowing us to better align our resources with priorities that will generate lasting value for our stakeholders. We are more focused and fit-for-purpose, with a core North American truck brokerage business and complementary services that all leverage cutting-edge technology.

Our core business model is to find more efficient ways for shippers and carriers to move freight while enabling them to lower their carbon footprint through the reduction of empty miles. Our technology, including our RXO Connect™ platform and RXO Drive™ application, effectively connects the freight needs of shippers with truckload capacity that would otherwise go unused, reducing empty miles and enabling our customers to lower their carbon footprint.

Our focus on sustainability not only reduces the environmental impact of the trucking industry, promotes responsible social behavior, and improves business resilience, but also helps us meet customer needs, enables us to attract and retain talent, and spurs innovation and growth.

I'm grateful to our employees, customers, partners, and shareholders for their ongoing support and collaboration. Collectively, we have the opportunity to create a more sustainable and prosperous future for RXO and the customers and communities we serve.



A handwritten signature in black ink, reading "Drew". The signature is stylized and fluid.

Drew Wilkerson, CEO

RXO at a Glance

RXO is a leading provider of asset-light transportation solutions. RXO offers tech-enabled truck brokerage services together with complementary solutions including managed transportation, freight forwarding and last mile delivery . We combine massive capacity and cutting-edge technology to move freight efficiently through supply chains across North America.



Spin-off from XPO

We completed our separation from XPO on November 1, 2022, and became a standalone publicly-traded company. This spinoff allowed us to have greater control over our operations, strategic direction, and capital allocation decisions, and created a more agile and specialized company that can better capitalize on our strengths, pursue growth opportunities, and enhance shareholder value in the long term.



Customer Base

We provide services to a diverse customer base ranging from small businesses to Fortune 100 companies and sector leaders. We serve customers in various industries, including retail and e-commerce, food and beverage, industrial and manufacturing, logistics and transportation, and automotive.



Geographic Reach

Our operations include multimodal networks in North America with domestic ground and air transportation across the U.S. and Canada and freight forwarding services in Mexico. As of December 31, 2023, we had approximately 115,000 carriers in our North American truck brokerage network.



Digital Brokerage Platform

Our self-learning digital brokerage platform, RXO Connect™, plays a key role in optimizing operational efficiency. The platform provides real-time visibility into supply and demand, engages customers and carriers through user-friendly interfaces, and uses dynamic pricing algorithms for value and margin optimization.



Combining Operational Expertise and Technological Advancement

Within the fragmented trucking market, RXO has identified significant opportunities for optimization. The market, consisting mainly of smaller fleets, is poised for efficiency improvements. Our approach to this market challenge is centered around technology, with a focus on reducing empty miles to achieve economic and environmental advantages.

Comprehensive Freight Transportation Services

RXO provides complete transportation solutions for our customers, including:

- ☒ Full Truckload
- ☒ Less-than-Truckload
- ☒ Managed Transportation
- ☒ Dedicated
- ☒ Ground Expedite
- ☒ Air
- ☒ Drayage
- ☒ Warehouse/Transloading
- ☒ Home Delivery
- ☒ Pool Point Delivery
- ☒ Customs Brokerage
- ☒ NVOCC/Ocean Forwarding

Our Sustainability Framework

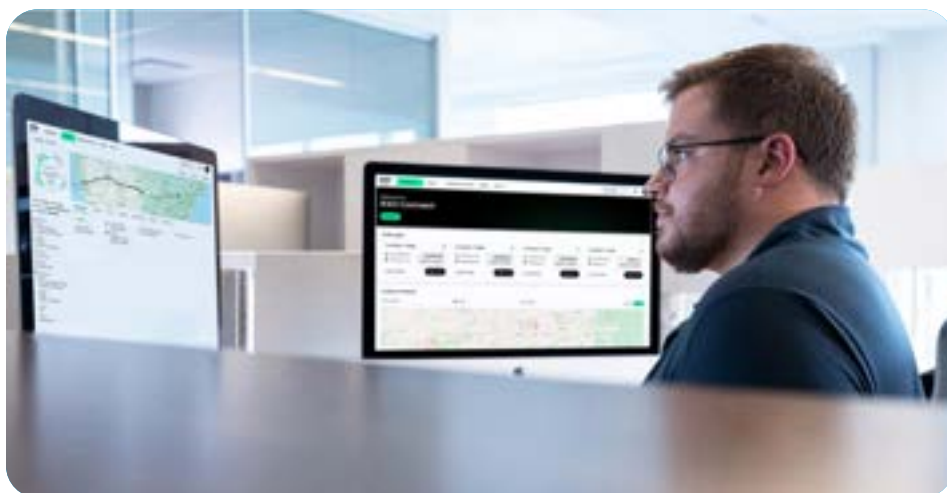
Understanding material sustainability issues is critical for RXO's long-term success. A materiality assessment is the process of identifying and prioritizing the key sustainability-related issues facing our industry and our business. This is done through a comprehensive stakeholder engagement process and deep research.

Determining Materiality

RXO has reviewed and updated the company's materiality assessment, which was first conducted by XPO in 2018. This thorough review included detailed conversations with senior leadership, consultations with in-house experts, interactions with external stakeholders, and a comprehensive evaluation of potential business opportunities and risks.

The key issues identified by our company and stakeholders include:

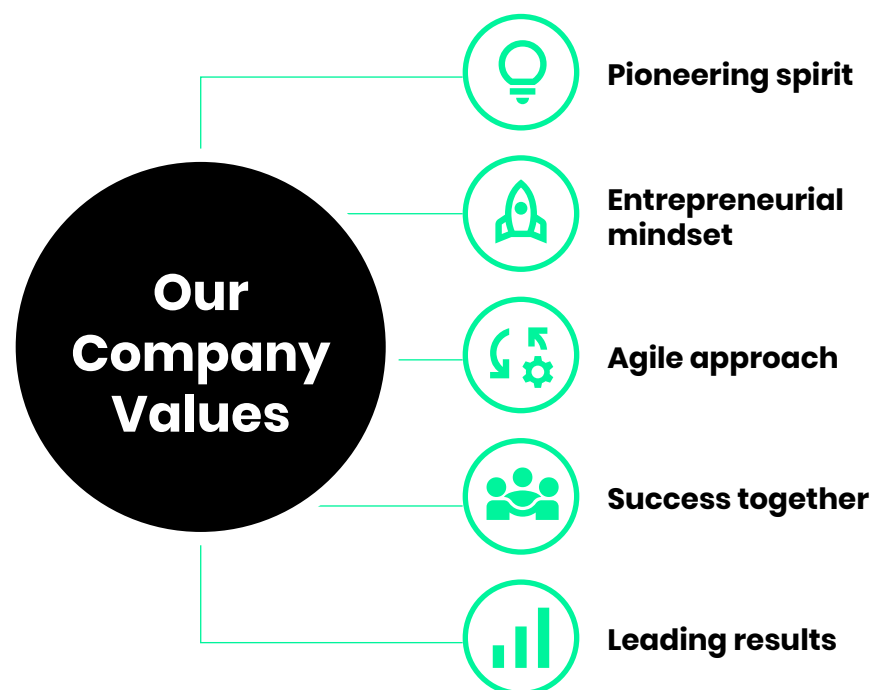
- Health and safety
- Environmental stewardship
- Talent management and employee engagement
- Data security and privacy



Our Approach to Sustainability

With the materiality assessment as our guide, RXO worked to establish the essential infrastructure and processes needed to address the business's sustainability issues.

We are committed to continuing to enhance our focus on strategic growth, sustainability, diversity, digital innovation, and compliance, while being guided by our company values:



Environmental Commitment

Core Programs

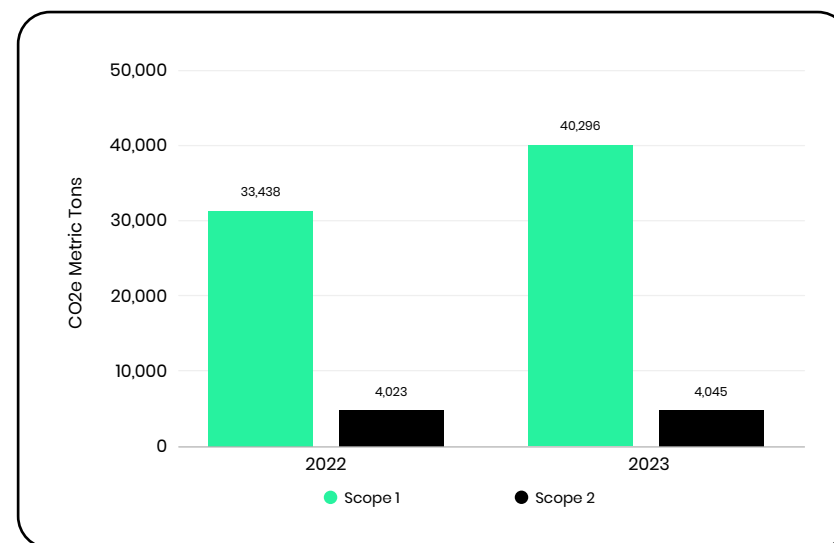
This, RXO's first sustainability report, serves as the baseline of our sustainability metrics. This report includes baseline data from 2022 and 2023. It also details the important sustainability matters we are focused on and the initiatives we have implemented to tackle them.

Greenhouse gas emissions and vehicle efficiency are top priorities within the transportation and logistics industry. We understand the importance of environmental compliance and utilize our expertise in technology, commitment to operational efficiency and our collaborative partnerships with customers to ultimately reduce our impact on the environment.

Sustainable transportation today is not about just one solution, but rather requires implementing a combination of solutions depending on the use case: much like putting together different pieces of a puzzle. For example, the range of electric vehicles (EVs) and the lack of infrastructure in certain regions may be limiting, but renewable natural gas (RNG) can fill the gaps. However, for intracity day runs, an EV van may be feasible. At RXO we offer a variety of programs and technologies, described below, to help our customers address their challenges.



RXO Greenhouse Gas Emissions



GHG emissions include all material Scope 1 and 2 emission sources. Scope 1 includes company-owned/leased vehicles for Dedicated and Choice fleets, natural gas, propane and refrigerants. Scope 2 includes building electricity.

Sustainable Transportation

We are committed to incorporating sustainable practices into our operations and working with customers on sustainable transportation wherever possible. Our Dedicated fleet consists of both RXO-owned and leased vehicles, carefully selected to adhere to the highest standards of efficiency and sustainability.

We have been honored with the SmartWay High Performer Award for our Dedicated business unit, highlighting our commitment to sustainable practices. SmartWay ranking is a relative performance ranking of similar companies on a Range of 1 to 5 for Trucking companies (1 being best)



Dedicated SmartWay Rankings

Grams per Mile

CO2 Rank:

1

NOx Rank:

2

PM Rank:

2

Grams per Ton-Mile

CO2 Rank:

1

NOx Rank:

2

PM Rank:

2

Optimizing Transportation Efficiency and Sustainability

We have initiatives aimed at enhancing the fuel efficiency of trucks, reducing miles traveled, minimizing idle times and engineering solutions to move more multi-stop loads from truck to intermodal.

Maximizing Cube Utilization

Through a thorough analysis of trailer capacity usage and a focus on route consolidation, our cube utilization project has successfully reduced the number of unnecessary miles traveled. Through the utilization of advanced BI tools, we are able to conduct detailed data analysis and enable informed decision-making to drive sustainability initiatives.

Providing Carriers with Smart Solutions for Success

Our asset-light approach plays a crucial role in enabling carrier partners. Our technology empowers carriers to optimize their route efficiency, resulting in a significant reduction of empty miles. RXO's proprietary technology features that reduce empty miles include Get Me Home, Reloads, Round Trips, and Plan Next Move.

In 2023, we introduced the Intelligent Load Looper engine, which empowers carriers to effectively plan multi-leg trips, thereby reducing unnecessary travel and making a positive impact on carbon emissions.

In-Depth Fleet Efficiency Evaluation

We conduct thorough evaluations of our fleet's current fuel efficiency, pinpointing areas for improvement and identifying the least efficient vehicles for early replacement. Vehicle efficiency is a key consideration when acquiring new assets.

Strategic Fleet Renewal

Based on pilot program insights and detailed research and analysis, we have established a strategic process for fleet renewal prioritizing the acquisition of vehicles that offer the best fuel efficiency improvements and align with our sustainability objectives.

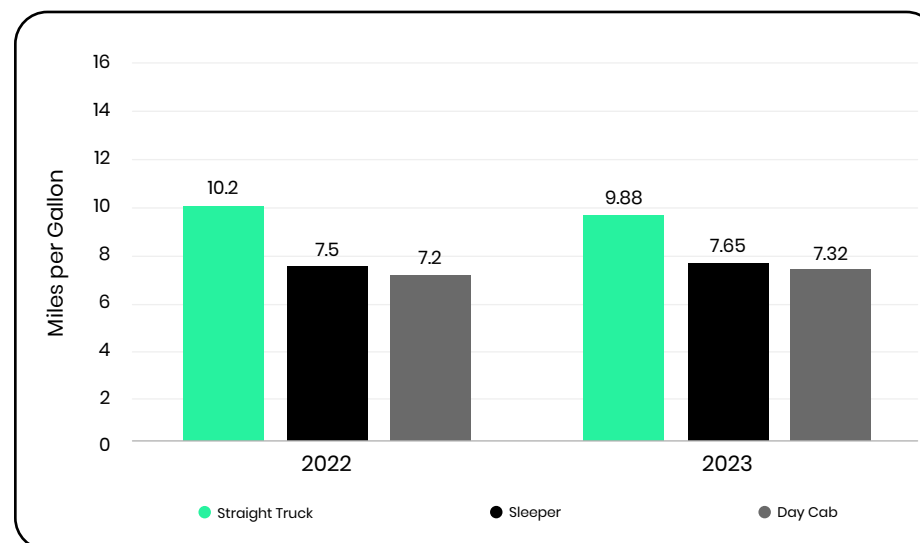
Comprehensive Driver Training Initiatives

We have launched extensive driver training initiatives focused on maximizing fuel efficiency through advanced driving techniques, leveraging telematics and real-time feedback to encourage fuel-saving behaviors.

Sustainable Air Charter

We make concerted efforts to minimize fuel usage and optimize flight routes within our Air Charter unit. Utilizing software such as ForeFlight, we employ sophisticated algorithms to accurately determine projected fuel consumption. Our calculations consider various variables, including headwinds and tailwinds, to optimize our flight paths for maximum efficiency. Not only does this help optimize costs, but it also helps reduce environmental impact by reducing fuel use.

Dedicated Average Fuel Efficiency (miles/gallon)



Fuel efficiency by asset type for our Dedicated unit



Additional Initiatives to Reduce Environmental Impacts

We are working to reduce our impacts by implementing a wide range of environmental initiatives. The following is a list of additional innovative approaches we are embracing at RXO to drive forward our environmental sustainability objectives.



Carrier Assistance

We are committed to assisting our carrier partners in obtaining sustainability grants and encouraging the implementation of environmentally-friendly technologies. We provide resources that help enable carriers identify and pursue these opportunities to incorporate sustainable practices into their operations.



Drop Trailer Solution

Our drop trailer solution is an important initiative in advancing efficiency and reducing emissions. This allows a driver to leave a trailer at a facility until another vehicle picks it up when convenient. By implementing our drop trailer approach, we are able to reduce empty miles, resulting in a decrease in fuel consumption and idling.



Sustainable Assets

We are committed to piloting and integrating electric and low-carbon assets into our logistics operations. We have been conducting practical trials of electric yard trucks and class 8 electric tractors across the company. Our Last Mile division has also integrated electric van fleets into its operations.



RXO Extra™

Our RXO Extra™ program provides exclusive discounts to our partner carriers that encourage them to opt for environmentally-friendly choices such as SmartWay-approved low rolling resistance (LRR) tires and biodiesel fuel. These incentives aim to promote sustainability within our network by advancing fuel efficiency and lower carbon fuel sources.



Ship Carbon Net-Zero

We have taken a unique step towards environmental accountability by offering our customers the opportunity to offset the carbon emissions of their shipments. Through the investment in a variety of global sustainability projects that use removal or avoidance carbon mechanisms, customers have the opportunity to pursue carbon-net-zero delivery of their shipments.



RNG (Renewable Natural Gas) Solution

RXO offers its Dedicated customers the opportunity to ship their freight using trucks that run on renewable natural gas (RNG). RXO partners with a leading RNG producer that uses dairy farms and landfills to generate the RNG. This solution can reduce emissions when compared to traditional, diesel-based truck transportation, and is competitive in price.

Partnering on Sustainability Initiatives

One of the key aspects of our sustainability strategy is our strong partnerships with customers to create tailored solutions that align with their unique sustainability objectives. We are committed to working together and offering long-lasting logistics solutions that support the attainment of these ambitious environmental goals.



EV Straight Trucks for the Industrial Sector

Our collaboration with a global industrial leader focuses on the evaluation and future incorporation of specialized EV straight trucks into our existing fleet.

We are also working with this customer to improve the utilization of cargo space.

In addition, we are currently investigating methods to enhance the charging infrastructure to effectively support the maintenance of EVs during the delivery process. This initiative represents a significant stride in our efforts to evaluate the viability of EVs for freight transportation.



EVs for Last Mile Delivery

We are partnering with customers to help them achieve their sustainability goals. Through this work, we have incorporated EVs into our Last Mile delivery fleets in New York City, Baltimore, Vancouver and Toronto. We have also established charging stations at distribution centers to support the build-out of EV infrastructure.

Our company is dedicated to remaining at the cutting edge of sustainable transportation solutions, decreasing our dependence on conventional fuel sources, and working with customers to help them achieve their sustainability goals.



Sustainability Reporting and Transparency for Customers

Our sustainability efforts place a strong emphasis on maintaining transparency in sustainability reporting and providing sustainability-related data to our customers to assist them in managing their own sustainability efforts. We offer comprehensive reports for customers that outline their environmental impact, including the carbon footprint of their freight transportation program, fuel efficiency and carrier diversity data. Our customers have easy access to these reports within our RXO Connect™ platform, allowing them to make well-informed decisions regarding their supply chains and track their progress towards sustainability goals.

Comprehensive reports provided to our customers communicating sustainability data and information

Below is an example of our customer ESG dashboard, which is available in RXO Connect™.



Risk Management

Our risk management strategy encompasses a thorough framework that incorporates different elements of risk identification, assessment, and mitigation throughout the organization. This method is well-organized, forward-thinking, and seamlessly incorporated into our company's overall business activities. Our strategy involves managing risks across different organizational levels, prioritizing compliance, oversight, and ongoing enhancement to ensure long-term resilience and a strong dedication to safeguarding stakeholders' interests.

More information on our disclosure of risk factors and enterprise risk management can be found in our [10-K](#).



Strategy and Governance

Climate Risk Management is an important part of our Sustainability strategy, and robust governance measures are needed to ensure we effectively mitigate risks and realize opportunities. For more information on these topics, please see the "Environmental Commitment" and "Corporate Governance" sections of our sustainability report.

Metrics

To monitor our performance and progress towards a lower-carbon business model, RXO has begun tracking and reporting on the following climate-related metrics:

1**Scope 1 and 2 GHG emissions****2****Electricity Use****3****Water Consumption****4****Landfilled or Recycled Solid Waste****5****Total Number and Percentage of SmartWay Carriers Used (Brokerage)****6****Fuel Efficiency (Dedicated)**

See the Environmental Commitment section and GRI and SASB indices for all metrics.

Economic Resilience

Customer Success

Social and environmental sustainability go hand in hand with economic sustainability. Our ability to continue to advance positive impacts across our value chain and in society are dependent on our ability to continue to grow and build long-term health and resilience within our business.

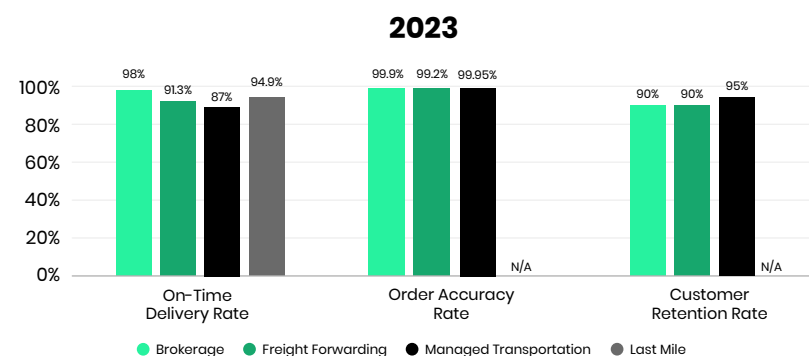
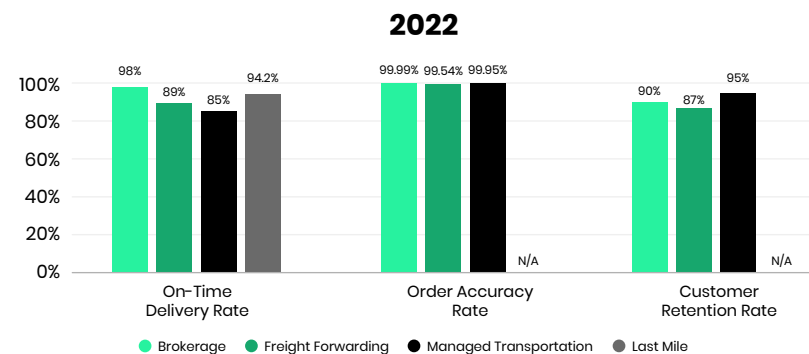
Some of the most important contributors to our success at RXO include a focus on customer success, operational excellence and innovation.

Sustainability has become an important part of many of our customer relationships. Through collaborative efforts with our clients, we aim to enhance route optimization and achieve optimal efficiency while minimizing environmental impact. Our collaborative projects, particularly in the field of EV testing, highlight our commitment to leading the way in developing sustainable solutions within the logistics industry.

Putting the Customer First

We set ourselves apart from the competition with a dedicated commitment to top-notch customer service and a personalized and human touch. With a commitment to exceptional customer service, we stand out in the industry by always being available to assist customers, providing excellent reliability and accessibility for our customer base.

Customer Success



On-Time Delivery Rate

Percentage of deliveries made on time

Order Accuracy Rate

How often orders are delivered correctly without any issues (claims)

Customer Retention Rate

Number/percentage of customers who continued business

Recognizing Outstanding Service and Innovation

We have been honored with multiple prestigious accolades and acknowledgments in 2023. These commendations serve as a testament to our unwavering commitment to delivering exceptional service and pioneering solutions within the logistics industry.

2023 Awards

- **Pros to Know** (Supply and Demand Chain Executive) – Heidi Ratti and Jennifer Kaczmarczyk
- **Top Women to Watch in Transportation** (Women in Trucking Association) – Antonia Popova
- **Transport Topics Top 100 Logistics Companies**
- **40 Under 40** (Charlotte Business Journal) – Drew Wilkerson and Robert Johnson
- **SupplyTech CEO of the Year** – Drew Wilkerson
- **Top Companies for Women to Work for in Transportation** (Women in Trucking)
- **CFO of the Year** (Charlotte Business Journal) – Jamie Harris
- **100 Great Supply Chain Partners 2023** (SupplyChainBrain)
- **Best Truck Transportation Solution** (World Future Awards)
- **Top 100 3PL Provider** (InBound Logistics)
- **Women in Supply Chain** (Supply and Demand Chain Executive) – Christina Hilton, Alyssa Myers and Jennifer Kaczmarczyk
- **FreightTech 100** (FreightWaves)
- **Top 50 U.S. Third-Party Logistics Providers** (Armstrong & Associates')
- **Top 100 Domestic Transportation Management (DTM) 3PL Award** (Armstrong & Associates')
- **SmartWay High Performer Award** (US EPA)
- **Best in HR Award** (Charlotte Business Journal)
- **Top 10 Freight Management Solution Providers** (Focus Outlook)
- **Top Software and Tech Award** (Supply & Demand Chain Executive)
- **Dow Above and Beyond award**
- **GM Carrier of the Year**
- **Dell Technologies Carrier of the Year**
- **Lowe's Brokerage Provider of the Year**
- **Lowe's Market Delivery Carrier of the Year**

Operational Excellence

At RXO, we prioritize operational excellence as a core aspect of our business. It is not just a strategy, but a testament to our dedication to providing exceptional service and being responsible stewards of the environment. Our operational excellence strategy is centered on the monitoring of Key Performance Indicators (KPIs) related to our efficiency and effectiveness, thorough site evaluations, and the ongoing improvement of our processes. Our internal audit department regularly evaluates and improves our operational controls. Our systematic approach ensures that we consistently surpass the expectations of our valued customers and partners.



Maximizing Productivity

We are committed to supporting business growth with a strong focus on increasing productivity. Our continual analysis of productivity and efficiency includes careful examination and improvement of cargo movement processes, while also utilizing the power of AI technology to optimize operational efficiency. Our focus on business expansion requires us to think outside the box and find creative ways to streamline our workflows and maximize efficiency with our workforce.



Digital Transformation and Sustainability

We prioritize the integration of technology to streamline operations and processes for our customers and carriers. We also see our technology as a critical tool for advancing our environmental sustainability efforts by enhancing resource efficiency, contributing to reduced GHG emissions, and fostering a culture of continuous improvement.



RXO Connect™: A Comprehensive Transportation Solution

RXO Connect is a fully automated, cloud-based transportation solution that serves as a central hub for our technology ecosystem and offers specialized interfaces for shippers and carriers. With RXO Connect™, we streamline transaction digitization, ensuring that users have 24/7 access for placing orders, pricing inquiries, and obtaining essential analytics to enhance transportation management.

Shippers can easily obtain quotes, place orders, track freight, and access reports, streamlining their business operations with RXO. Carriers benefit from a comprehensive load board, facilitating the bidding, booking, tracking, and management of loads, as well as reporting and driver oversight. This approach empowers users to make well-informed and streamlined transportation decisions.

Social Impact and Responsibility

We are a culture of safety and inclusivity at RXO – on and off the road. Led by our passion for technology and solutions, we have a pioneering spirit and entrepreneurial mindset that draws on an agile approach to move quickly and adapt easily. We equally pride ourselves on our ability to perform with excellence, celebrate our diverse strengths, operate safely, and build strong relationships.

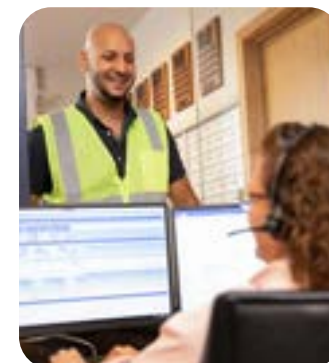
At RXO, we create lasting positive impacts by prioritizing programs to support the health, safety and personal and professional well-being of our employees while fostering a strong focus on community engagement.

We welcome everyone regardless of race, background, identity, or ability. We take pride in our commitment to foster a safe and inclusive workplace that encourages a diversity of backgrounds and perspectives at every level across the organization.

We spotlight cultural heritage months throughout the year and provide networking opportunities through ambassador programs such as Employee Affinity Groups (EAGs). Ensuring a wide range of perspectives and experiences is a crucial internal focus, particularly in leadership roles, in addition to our external partnerships.

RXO Employee Affinity Groups

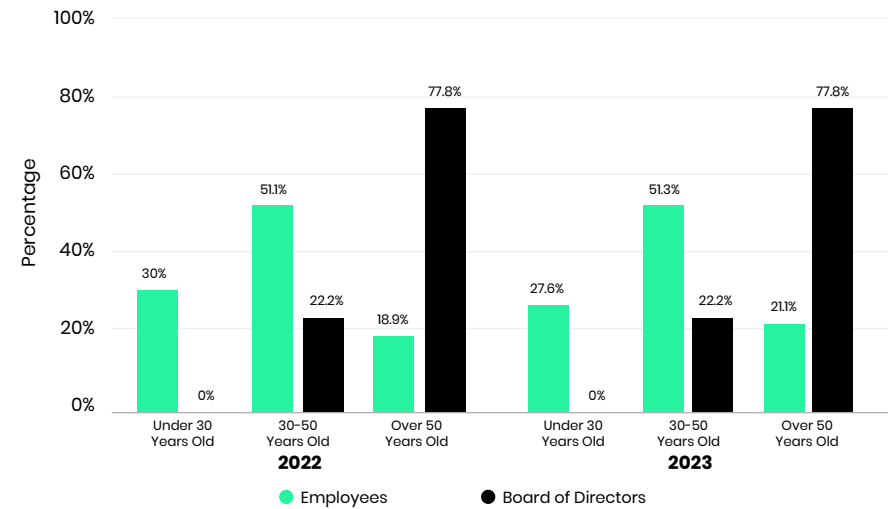
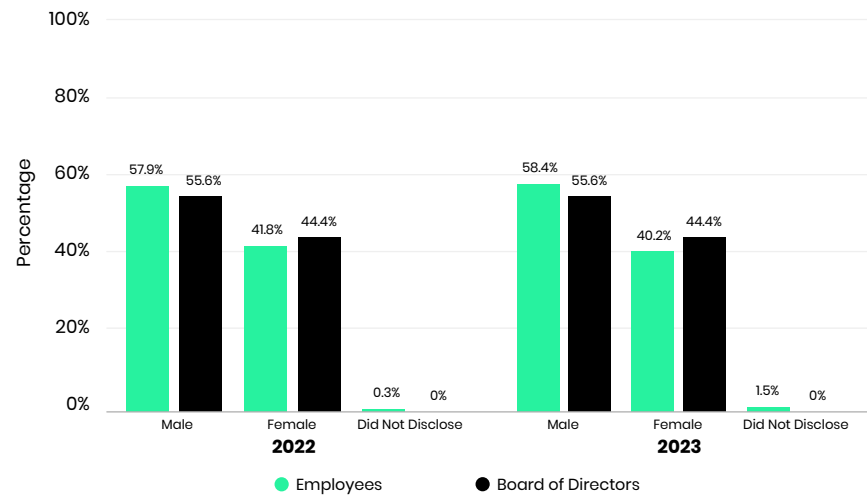
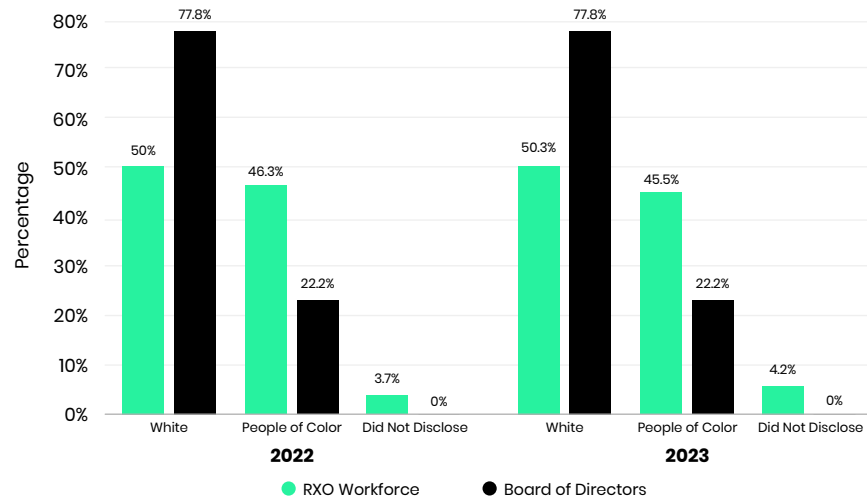
- **Women:** Women's Inclusion Network (WIN)
- **Veteran:** Bringing Resources to Allies & Veteran Employees (BRAVE)
- **Black/African American:** Black Professionals Group (BPG)
- **Asian/Pacific Islander/Indigenous:** Asian Pacific Indigenous Network (APIN)
- **Hispanic/Latino:** Hispanic/Latino Organization for Learning and Achievement (HOLA)
- **Multicultural:** Multicultural Employee Resource Group (MERG)
- **LGBTQ+:** PRIDE Employee Network (PRIDE)
- **Disabilities:** Abled and Disabled Allies Partnering Together (ADAPT)
- **Caregivers:** Parents and Caregivers Together (PACT)
- **Neurodiversity:** Neurodiverse Employees United for Resources and Opportunities (NEURO)



Talent Acquisition

We dedicate resources to actively build a workforce of highly qualified individuals who prioritize servicing our customers and delivering results. We develop robust partnerships with minority serving institutions like HBCUs, HSI's and TCIs, and expand our recruiting efforts to reach diverse audiences. We have a high focus on retention and do quarterly employee engagement surveys.

Demographics



Health and Safety

At RXO, safety is our top priority. We have implemented a comprehensive approach to assure the safety of our operations. Our safety program covers all aspects of safety, including transportation safety and workplace safety. We ensure compliance with regulations such as 49 CFR (Code of Federal Regulations) for vehicle operation and driver compliance, as well as 29 CFR for operational safety at truck terminals and yards.

Our dedication to safety improvement is evident in the implementation of Standard Operating Procedures (SOPs), comprehensive online safety training, and seamless integration of new safety technology for equipment. These initiatives demonstrate our continued dedication to fostering a secure work environment and mitigating the potential for injuries.

Responsible Care®



We are also committed to the safety process around chemical handling which is why we are a certified

Responsible Care® partner to our customers. Responsible Care® is a global initiative in the chemical industry for the safe and sustainable management of chemicals. Certification requires adherence to Responsible Care Guiding Principles, with assessments and audits ensuring compliance.

We ensure the highest standards of safety are woven into the fabric of our day-to-day operations through the following:



Leadership Commitment to Safety:

Our leadership demonstrates a strong commitment to safety, ensuring that this value is embedded at all levels of the organization.



Ongoing Safety Initiatives:

We continuously assess and improve our safety processes. Recent workshops have identified opportunities for enhancing transparency, accountability, and direct engagement in safety practices.



Data-Driven Safety Measures:

Utilizing advanced technology, such as Lytx camera systems, RXO actively monitors and addresses safety concerns. These tools offer real-time insights into driver behavior and vehicle operation, fostering a culture of proactive safety management.



Comprehensive Training Programs:

Training is a crucial element of our safety strategy. We employ a robust training program, supplemented by JJ Keller, to ensure compliance with transportation safety regulations. Additionally, we regularly update our training modules based on field data and emerging safety needs.



Transparent Safety Reporting:

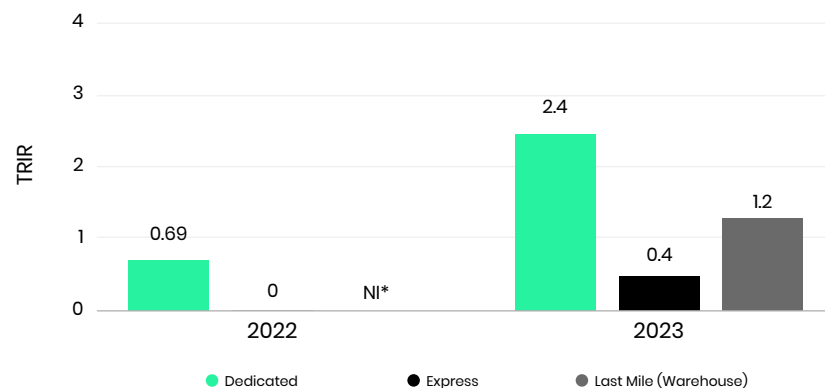
Transparency is key to our safety approach. We develop detailed dashboards that provide real-time data on safety performance, allowing us to promptly address any issues and ensure continuous improvement.



Management System Development:

While we currently do not hold ISO certifications, we are moving towards a formal management system environment to establish a structured and systematic approach to managing our safety and compliance obligations.

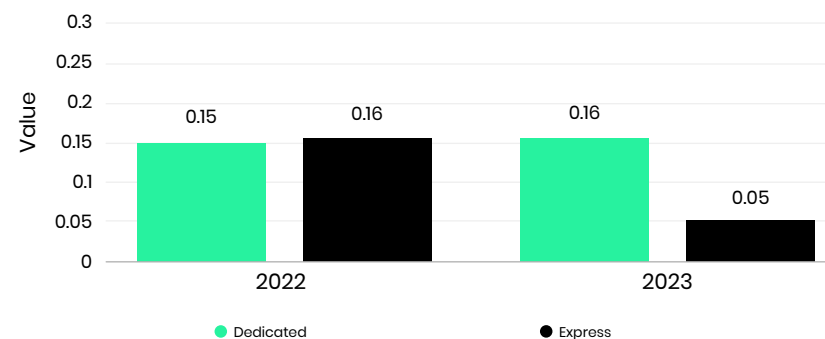
Total Recordable Incident Rate (TRIR)



Total Recordable Incident Rate (TRIR) is the number of recordable incidents per 100 full-time workers during a year.

*No Incidents

DOT Preventable Accidents per Million Miles



Preventable accident on the part of a motor carrier means an accident that involved a commercial motor vehicle that could have been averted but for an act, or failure to act, by the motor carrier or the driver (source: Federal Motor Carrier Safety Administration).

Safety Measurement System BASIC Percentiles

A Behavior Analysis and Safety Improvement Category (BASIC) percentile is what the Federal Motor Carrier Safety Administration (FMCSA) uses to assess safety performance of motor carriers. The 2022 and 2023 percentiles for each BASIC were under the FMCSA thresholds.



Employee Programs

Employee Benefits

We recognize the invaluable contribution of our employees and prioritize their well-being as a cornerstone of our success. We have carefully developed a wide range of benefits that cater to the overall well-being of our workforce, covering their physical, emotional, social, and financial needs.



Physical Well-being

We offer a wide array of benefits that prioritize the physical well-being of our employees. Our offerings provide comprehensive medical plans with prescription drug coverage, guaranteeing that employees have convenient access to essential medical treatments. Our employees have the flexibility to choose between a wide array of plans, enabling them to tailor their healthcare approach to their individual needs. Virtual healthcare services are easily accessible, providing convenient and prompt medical advice.

Our company's pre- and post-natal support program provides assistance to expecting families, while our prescription drug discount programs and case management for chronic and specific medical diagnoses help effectively manage healthcare expenses. Our dental and vision plans offer a wide range of comprehensive care that go beyond basic health needs.



Emotional and Social Well-being

We also place a high priority on the emotional and social well-being for our employees and offer a wide range of comprehensive benefits to support this. Our Employee Assistance Program and Virtual Mental Healthcare services are designed to provide employees with professional support whenever they need it, ensuring they can effectively navigate life's challenges.

It's also critical that we provide support during important life events. That's why we offer a range of specialized leave of absence programs, such as personal leave, paid family bonding leave, and military leave with differential pay. Our bereavement leave policy acknowledges the importance of allowing employees the time and support they need to navigate the difficult process of grieving. These programs are designed to give our employees the flexibility they need to take time off without worrying about their finances.



Financial Well-being

We prioritize the financial security and growth of our employees by offering a comprehensive range of benefits designed to enhance their overall financial well-being. At the heart of these offerings lies our 401(k) plan, which is enhanced by an employer match. This incentivizes employees to save for their future while also receiving extra assistance from the company. Our company offers a range of options for employees to manage their healthcare and work-related expenses.

Our employees have access to a range of disability benefits, including short-term and long-term options in basic and buy-up plans. These plans provide income protection in different life circumstances, ensuring comprehensive coverage for our employees. Life insurance coverage is available to employees, including basic and supplemental options for both the employee, their spouse, and their children.

We also offer a range of benefits to help employees navigate life's important milestones and endeavors. Our offerings include an employee loan program, auto and home insurance, employee discount programs, tuition reimbursement, and adoption assistance. RXO offers financial planning services through both telephonic and in-person channels, providing employees with expert guidance to navigate the complexities of financial management.

Learning and Development

Our leadership development and talent training strategy reflect RXO's dedication to cultivating a skilled and ethically conscious workforce. We have a robust learning and development plan focused on a variety of topics and goals, tailored to accommodate different learning styles and abilities.



Enhancing Leadership Skills through Development and Training

Each quarter, our leaders are equipped with training opportunities, including our LEAD program, Grow at RXO, Accelerate, and Rise, to learn new leadership skills and develop tools needed to grow within the company .

- Through experiences, exposure, and education, the LEAD (Leadership, Excellence, Acceleration, Development) enables RXO leaders to develop their teams and meet challenging business goals.
- Grow at RXO is an opt-in program for individual contributors who would like to prepare to lead people.
- RXO Accelerate is a program for managers or senior managers who aspire to be directors.
- RXO Rise is a program for directors and senior directors who aspire to be members of RXO's executive team.

The “Leading People” series is a crucial element of our leadership development programs. This series offers courses tailored for both current managers and aspiring leaders, with a focus on essential behaviors that are crucial to our company's ethos. The courses offered encompass a wide range of management topics, including onboarding, performance conversations, and employee exits. This course provides leaders with valuable guidance on conducting performance conversations, particularly during annual reviews. It emphasizes the significance of continuous feedback and equips leaders with the skills to have impactful discussions about performance.

Orientation and Functional Training

At RXO, our orientation training covers essential industry knowledge, functional skills, and effective loss prevention techniques. We have developed additional training modules focused on sustainability, showcasing our dedication to employee development and environmental stewardship.

Sustainability Education

We require sustainability training that includes information on climate change and information on how employees and management can take action to advance sustainability in their roles at RXO.

Compliance Training

Compliance-related training is an essential component of our mandatory training modules, covering important subjects such as the Code of Business Ethics and Information Security. We also provide industry-specific compliance training, including modules on theft and risk mitigation in the freight brokerage industry. These trainings provide valuable insights into preventing fraud and conducting thorough vetting of carriers to minimize losses.

Assessment of Leadership Behavior and Performance

In 2023, we have implemented the inclusion of behavioral assessments in performance reviews, signifying a significant milestone. The performance review process not only evaluates accomplishments, but also assesses how these accomplishments align with our core values.



Career Growth and Development Opportunities

RXO provides opportunities for individual career growth and advancement. Among our most popular learning and talent development offerings is the Career Development Workshop, in which participants walk through the process of considering their broad career vision, goals that align to that vision, actions that lead to goal attainment, and their support networks of mentors, leaders, and colleagues that can enable them to own their career development with intention.

Along with these workshops, RXO offers Career Journey sessions. In these, leaders and star performers share their individual paths that led them to their current roles, highlighting successes and challenges along the way. These Career Journeys emphasize the importance of making intentional choices that impact our career.

Intern and Graduate Programs

The internship and graduate programs are designed to quickly welcome and onboard our newest talent and enable them to maximize their brief time with RXO. Participants in the programs solve real business challenges and present their solutions to a panel of RXO leaders. Successful graduates of both programs have gone on to full-time roles throughout the organization.

Community Engagement

Community engagement is an important aspect of our values and operations at RXO. Our commitment is carried out through the strong partnerships we have formed, our employee volunteer programs, and the charitable contributions we have made. We strive to make a real and meaningful difference and are proud to be recognized for our commitment to social responsibility and community engagement.

Community Drives



Kids in Need Foundation

RXO gathered and shipped 37 boxes of school supplies through employee donations to send to the Kids in Need Foundation, an organization supporting students and teachers with back-to-school needs.



Second Harvest Food Bank

In the spirit of the Thanksgiving holiday, our employees came together and collected and donated \$14,450 to Second Harvest Food bank in our headquarters city of Charlotte, NC. The donation provided 101,000 lbs of food for our homeless community.



Coats for Kids

In December, our headquarters launched a coat drive to support Steve's Coats for Kids initiative. Our employees donated 4 boxes of coats to kids within the local community.



Corporate Partners

We have corporate partnerships with Women in Trucking, the National Minority Supplier Development Council (a supplier diversity council giving us the ability to grow business with visible minority-owned suppliers), Dress for Success, Wreaths Across America, and Truckers Against Trafficking. Each year we work to expand our outreach to advance our support for more non-profit organizations.



Charitable Giving

In 2023, we were proud to support donations to several non-profit organizations.



For veterans, we sponsored the United Service Organization (USO) North Carolina Chapter and Veterans Bridge Home, two organizations that support transitioning military members to civilian life.



During Breast Cancer Awareness Month, we provided support for two organizations that have helped our own employees through their breast cancer journeys: Compete for a Cure and Young Survival Coalition. Through this sponsorship, we were able to tell the story of our purpose and commitment to supporting our employees through difficult times.



In September of 2023, we became a corporate sponsor of Bright Blessings, a resource center for homeless families in North Carolina. Our sponsorship provided 1,000 healthcare kits to babies in need.



Volunteer Time Off

In 2023, we expanded our community impact to reach more audiences through offering each RXO employee paid volunteer time to engage in their communities and help organizations in need across the US, Canada, Mexico, and India. Our employees provided 1,437 hours of documented community service in 2023. Our team donated their time by doing activities such as packing boxes of food at their local food bank, helping elementary students during book fairs at under resourced schools, helping at an animal shelter, and laying wreaths at veteran cemeteries in honor of fallen soldiers.

Recognition

We are recognized as a bronze-level Military Friendly Employer by VIQTORY in 2023, which connects veterans with education and career opportunities. Additionally, we were recognized as a Top Company to Work for Women by Women in Trucking, which highlights organizations who ensure there are equitable opportunities for women in the transportation industry. Lastly, our HR team was recognized as the Best in HR of 2023 by Charlotte Business Journal, recognized for the efforts of our Human Resources team and Learning and Development programs post-spin from XPO.



Corporate Governance

Corporate governance stands at the forefront of our mission to advance sustainability and integrity across our business. With a focus on transparency, ethical conduct, and accountability, RXO's governance structure is designed to guide the company towards responsible and sustainable growth.

Board Oversight

Our Board of Directors is responsible for monitoring the company's sustainability initiatives. The [Nominating Governance and Sustainability Committee](#) has a specific responsibility for overseeing the company's sustainability strategies, performance, and external sustainability-related disclosures. The Committee collaborates with management to evaluate material risks and opportunities concerning sustainability issues. Additionally, the Committee coordinates with the Board and other committees on relevant sustainability matters within their purview.

Our [Compensation Committee](#) plays a crucial role in overseeing executive compensation, incentive plans, and equity-based compensation. The Committee is responsible for establishing and reviewing the company's compensation philosophy, ensuring alignment with corporate performance and shareholder value. Additionally, it reviews and approves various compensation elements for Executive Officers, monitors regulatory compliance, and recommends director compensation.

The [Audit Committee](#) assists the Board in overseeing RXO's financial reporting processes, internal controls, compliance with legal requirements, and the performance of external auditors. The Committee consists of at least three independent directors and has specific responsibilities related to appointing, compensating, and overseeing external auditors. The Committee also addresses compliance, whistleblowing procedures, and investigations, and evaluates its own performance annually.

RXO Sustainability Committee

Our Sustainability Committee, which is composed of RXO employees, is instrumental in promoting cross-departmental collaboration and breaking down silos between teams and departments. Representatives from different business units collaborate to exchange insights, brainstorm, synchronize sustainability goals, formulate cross-functional strategies, cultivate a culture of environmental consciousness, and report progress up to our Board. Examples of projects thus far include office recycling initiatives, an empty backhaul pilot with customers' dedicated fleets, and an RNG transportation solution.



Business Ethics

Our [Code of Business Ethics](#) serves as a foundational guide for employees to conduct business with integrity, respect, and compliance with all applicable laws and regulations. The Code outlines key policies and expectations, including anti-corruption measures, fair competition practices, zero tolerance for discrimination and harassment, trade compliance, and more. The Code reflects our commitment to ethical business practices, accountability, and a culture of transparency, ensuring that employees uphold the company's values in all interactions and transactions.



Security and Fraud Prevention Measures

Our physical security and fraud prevention strategies encompass a combination of proactive and reactive approaches. Our focus is on ensuring employee training, implementing robust physical security measures, and utilizing advanced inventory practices to effectively address theft and fraud risks, especially in the last-mile delivery business. In addition, the company is actively monitoring and taking strong measures to prevent any fraudulent activities across all other business units.

We have implemented robust measures to protect against identity theft and fraudulent pickups, which have become more common in the industry. One crucial element of this strategy involves managing carrier contact information. Compliance teams are responsible for validating and managing all carrier contacts, ensuring that communication and transactions are conducted exclusively with verified entities.

Through the implementation of real-time monitoring tools, like RMIS (Registry Monitoring Insurance Services) and Carrier 411, our carrier vetting and monitoring capabilities have been significantly enhanced. Through this integration, carriers that fail to meet compliance standards are automatically deactivated, streamlining our oversight process and bolstering the efficiency and security of our operations.

Policy Development and Implementation

In 2023, we introduced new policies and refined some existing policies. These initiatives drive adherence to regulations and foster a culture of honesty and responsibility, which is crucial for maintaining our continuous success and reputation as a responsible company.



Our [Clawback Policy](#), approved on September 27, 2023, applies to accounting restatements resulting from financial reporting non-compliance. It covers Executive Officers and incentive-based compensation received after October 2, 2023. The policy aims to ensure accountability and integrity in financial reporting by allowing the recovery of excess compensation in certain circumstances.



Our [Political Activity Policy](#) prohibits individual employees from using or committing company resources for political contributions and emphasizes that employees' political activities must be conducted in their personal capacity. All contributions made by the company are subject to review by the Ethics and Compliance Department, with final approval from the Board. Public disclosure of corporate contributions are made semiannually. The policy also addresses lobbying activities, trade association memberships, and oversight by the Nominating, Governance, and Sustainability Committee to ensure compliance with laws and regulations.



Our [Securities Trading Policy](#) establishes guidelines for handling non-public information and trading securities of the Company. The policy prohibits activities such as short sales, buying or selling derivatives, and hedging transactions involving Company securities. It also outlines blackout periods around quarterly financial results announcements. Employees must maintain confidentiality of material nonpublic information and ensure compliance by related parties.

In addition, in 2023, we established a new policy for Gifts, Entertainment, Sponsorships, and Donations, along with a more efficient and transparent approval process. We also implemented a Supplier Code of Conduct to help ensure that our suppliers adhere to the company's ethical standards and compliance requirements.

Partners and Suppliers

The integrity and reliability of our partners and suppliers play a pivotal role to our operations and reputation. We understand that our impact on sustainability is strengthened through the careful oversight of our carrier and supplier relationships. We are committed to incorporating sustainability into carrier management, implementing ethical guidelines for our suppliers, and promoting diversity within our networks.

Enhancing Carrier Compliance

We have a thorough carrier vetting process to help ensure the integrity and security of our operations.

We conduct comprehensive monitoring of carriers' equipment and safety records. We thoroughly verify the equipment that each carrier claims to possess by cross-referencing it with the registered records. This helps ensure that fraudulent declarations and potential double brokering are prevented. In addition, we thoroughly evaluate carriers' safety records to ensure that we only form partnerships with those who consistently meet our high safety standards. We have more stringent rules for carriers when it comes to high risk and high value freight. For our carriers that book digitally, we have strict login procedures and firm requirements to be able to book loads instantly.

Through RXO Extra™, we have a platform to score our carriers to make sure we are protecting our shippers' freight with high performing and reliable carriers. We incentivize carriers to be on time and track consistently through technology.

We also take significant steps to authenticate carriers throughout the pickup and delivery process, including requiring verbal verification of each carrier, carried out using their FMCSA-registered number, and confirming the physical address of our carriers. Our decision to disallow virtual addresses is intended to improve the transparency and reliability of our carrier network. It is of utmost importance to recognize carriers who attempt to conceal their high-risk geographical locations.



Supplier Code of Conduct

Our Supplier Code of Conduct was developed in 2023. This document outlines the ethical standards and principles that both RXO and our suppliers are expected to follow in delivering products and services, including:

- ✓ **Compliance with applicable laws and regulations**
- ✓ **Business ethics and fair competition practices**
- ✓ **Protection of confidential information and data privacy**
- ✓ **Prevention of money laundering and terrorism financing**
- ✓ **Compensation in compliance with minimum standards and equal pay practices**
- ✓ **Respect for freedom of association and collective bargaining rights**
- ✓ **Commitment to health and safety regulations and providing a safe work environment**
- ✓ **Zero tolerance for workplace violence, alcohol, and drug use**
- ✓ **Environmental sustainability practices, including reducing energy consumption and greenhouse gas emissions**

Diverse Carrier Networks and SmartWay Participation



We form partnerships with businesses that are minority-owned, women-owned, veteran-owned, and more, and we work with thousands of active, qualified diverse-owned partner carriers. We are proud to be new members of the National Minority Supplier Development Council.



Cybersecurity

Cybersecurity plays a crucial role in our ongoing commitment to sustainability. The company continuously invests in tools and capabilities as part of its zero-trust approach, controlling user access and aiming to solely provide access based on needs, thus ensuring system safety while maintaining operational efficiency. We set annual goals for cybersecurity that encompass employee training, reducing the time it takes to resolve cyber events, email security, and maintaining a position in the upper quartile of industry standards.

Cybersecurity risk identification and management is part of our comprehensive enterprise risk management framework, which is routinely reported to the Audit Committee of our Board of Directors.

We collaborate with a range of external experts, such as cybersecurity assessors and consultants, to perform cybersecurity programs and threat assessments. Their insights help us strengthen our cybersecurity program and assess the effectiveness of our information security efforts. We partner with third-party service providers to carry out various business operations and aim to collaborate with trustworthy providers with strong cybersecurity programs.



We maintain a comprehensive Information Security program that contains safeguards appropriate to the sensitivity of the information. Such safeguards are designed to:



Ensure the security and confidentiality of client and customer information.



Protect against anticipated threats or hazards to the security of information.



Protect against unauthorized access or use of information that could result in harm to any client or customer.



Security Policies and Standards

Our Global Security Policies are structured to provide compliance with monitoring the International Organization of Standardization (ISO) 27001 standards. ISO 27001 provides a model for establishing, implementing, operating, monitoring, reviewing, maintaining and improving an Information Security Management System. As part of the management of the policies, a senior-management forum is used to review and approve all new policies and changes to existing policies. Security policies are reviewed at least annually.

Training

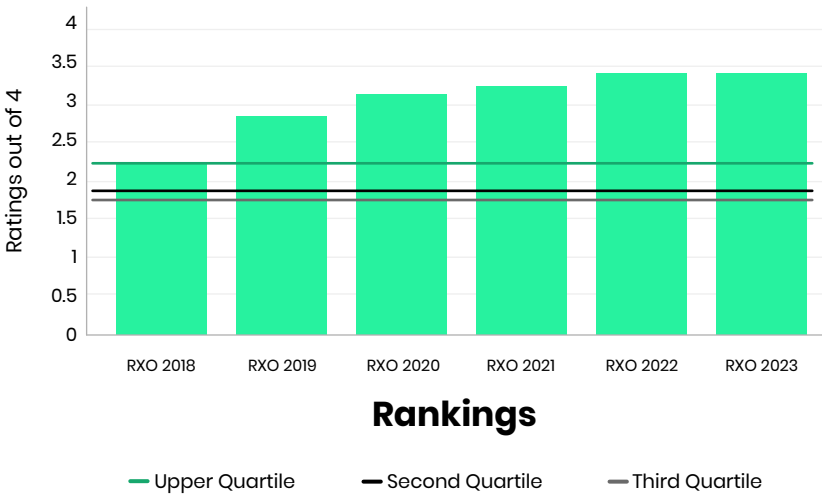
All RXO employees participate in Information Security training when they join RXO, and they recertify their knowledge and understanding by taking a mandatory annual security course.

We perform monthly phishing tests with just-in-time learning and additional training across our employee base. Recent phishing tests show RXO employees' click rate is below the industry average; RXO employees are also five times more likely to report phishing emails than the industry average.

Security Health Performance

We compare favorably to the industry average and are amongst the top two quartiles in our annual independent third-party information security health check/benchmark assessment.

Security Health Performance



Annual independent third-party benchmarking of security health performance.

Appendices

GRI Content Index

GRI STANDARD	DISCLOSURE	2023 Response	2022 Response
GENERAL DISCLOSURES			
GRI 2: General Disclosures 2021	2-1 Organizational details	<p>RXO Inc. is a tech-enabled, asset-light provider of transportation and logistics solutions. We specialize in a wide range of services including full truckload, less-than-truckload, managed transportation, and dedicated services.</p> <p>Headquarters: 11215 North Community House Road Charlotte, North Carolina 28277</p>	<p>RXO Inc. is a tech-enabled, asset-light provider of transportation and logistics solutions. We specialize in a wide range of services including full truckload, less-than-truckload, managed transportation, and dedicated services.</p> <p>Headquarters: 11215 North Community House Road Charlotte, North Carolina 28277</p>
	2-2 Entities included in the organization's sustainability reporting	This ESG report encompasses all entities within RXO Inc.	This ESG report encompasses all entities within RXO Inc.
	2-3 Reporting period, frequency and contact point	January 1, 2023 – December 31, 2023	January 1, 2022 – December 31, 2022
	2-4 Restatements of information	NA – This is RXO's first sustainability report	Did not report in 2022
	2-5 External assurance	The sustainability data in this report has not undergone external assurance. RXO Inc. is considering external assurance for future reports to enhance the credibility of our ESG disclosures.	The sustainability data has not undergone external assurance.
	2-6 Activities, value chain and other business relationships	RXO Inc. engages in transportation and logistics activities across North America. Our value chain includes partnership with more than 114,000 carriers and various business relationships that support our comprehensive line of services.	RXO Inc. engages in transportation and logistics activities across North America. Our value chain includes partnership with over 115,000 carriers and various business relationships that support our comprehensive line of services.
	2-7 Employees	As of December 31, 2023, RXO Inc. employed 8,432 individuals (6,051 regular full-time and part-time employees, 2,381 temporary workers).	As of December 31, 2022, RXO Inc. employed 8,590 individuals (6,248 full-time and part-time employees, 2,342 temporary workers).
	2-8 Workers who are not employees	RXO Inc. works with a network of independent contractors and third-party service providers, ensuring compliance with applicable labor laws and ethical standards in our industry.	RXO Inc. works with a network of independent contractors and third-party service providers, ensuring compliance with applicable labor laws and ethical standards in our industry.
	2-9 Governance structure and composition	Corporate Governance Guidelines	Corporate Governance Guidelines
	2-10 Nomination and selection of the highest governance body	Corporate Governance Guidelines	Corporate Governance Guidelines
	2-11 Chair of the highest governance body	Corporate Governance Guidelines	Corporate Governance Guidelines
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance – Board Oversight of Sustainability	Corporate Governance – Board Oversight of Sustainability
	2-13 Delegation of responsibility for managing impacts	Corporate Governance – Board Oversight of Sustainability	Corporate Governance – Board Oversight of Sustainability
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance – Board Oversight of Sustainability	Corporate Governance – Board Oversight of Sustainability
	2-15 Conflicts of interest	Code of Business Ethics	Code of Business Ethics

GRI STANDARD	DISCLOSURE	2023 Response	2022 Response
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	Code of Business Ethics	Code of Business Ethics
	2-17 Collective knowledge of the highest governance body	10-K	10-K
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Guidelines	Corporate Governance Guidelines
	2-19 Remuneration policies	10-K	10-K
	2-20 Process to determine remuneration	10-K	10-K
	2-21 Annual total compensation ratio	10-K	10-K
	2-22 Statement on sustainable development strategy	Foreword – CEO Letter	Did not report in 2022
	2-23 Policy commitments	Governance Documents	Governance Documents
	2-24 Embedding policy commitments	Governance	Governance
	2-25 Processes to remediate negative impacts	Governance Documents	Governance Documents
	2-26 Mechanisms for seeking advice and raising concerns	Employees and stakeholders can seek advice and raise concerns via the Ethics Hotline, direct communication with the Ethics and Compliance team, or through management.	Employees and stakeholders can seek advice and raise concerns via the Ethics Hotline, direct communication with the Ethics and Compliance team, or through management.
	2-27 Compliance with laws and regulations	Corporate Governance – Enhancing Carrier Compliance	Corporate Governance – Enhancing Carrier Compliance
	2-28 Membership associations	NACM (National Association of Credit Management) Southwest Air Forwarders Association National Home Delivery Association National Minority Supplier Development Council Transportation Intermediaries Association Truckers Against Trafficking Women in Trucking Veterans in Trucking The Expedite Association of North America (TEANA) National Business Aviation Association Air and Expedited Motor Carriers Association National Customs Brokers and Forwarders Association International Compliance Professionals Association Laredo Licensed Customs Broker Association Council of Supply Chain Management Professionals Miami Customs Broker Association	Airforwarders Association National Home Delivery Association Transportation Intermediaries Association Expedite Association of North America National Business Aviation Association Air and Expedited Motor Carriers Association National Customs Brokers and Forwarders Association International Compliance Professionals Association Laredo Licensed Customs Broker Association Council of Supply Chain Management Professionals Miami Customs Broker Association Veterans in Trucking Women in Trucking National Business Aviation Association
	2-29 Approach to stakeholder engagement	Stakeholder engagement is approached through regular communication, surveys, and participation in industry events to gather feedback and insights.	Stakeholder engagement is approached through regular communication, surveys, and participation in industry events to gather feedback and insights.
	2-30 Collective bargaining agreements	10-K	10-K

GRI STANDARD	DISCLOSURE	2023 Response	2022 Response
MATERIAL TOPICS			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our Sustainability Framework - Materiality	Our Sustainability Framework - Materiality
	3-2 List of material topics	Our Sustainability Framework - Materiality	Our Sustainability Framework - Materiality
ECONOMIC PERFORMANCE			
GRI 3: Material Topics 2021	3-3 Management of material topics	10-K	10-K
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	10-K	10-K
	201-3 Defined benefit plan obligations and other retirement plans	10-K	10-K
MARKET PRESENCE			
GRI 3: Material Topics 2021	3-3 Management of material topics	Social Impact and Responsibility	Social Impact and Responsibility
PROCUREMENT PRACTICES			
GRI 3: Material Topics 2021	3-3 Management of material topics	Partners and Supply Chain	Partners and Supply Chain
ANTI-CORRUPTION			
GRI 3: Material Topics 2021	3-3 Management of material topics	Code of Business Ethics	Code of Business Ethics
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	100% of operations - Conducted a general compliance survey of employees across all lines of business and locations - Audited vendor onboarding output from payment applications for compliance with Third Party Assessment and Due Diligence Policy - Audited Travel and Expense system (Concur) for compliance with pre-approval requirements for gifts, entertainment, sponsorships and donations	100% of operations - Conducted a general compliance survey of employees across all lines of business and locations - Audited vendor onboarding output from payment applications for compliance with Third Party Assessment and Due Diligence Policy - Audited Travel and Expense system (Concur) for compliance with pre-approval requirements for gifts, entertainment, sponsorships and donations
	205-2 Communication and training about anti-corruption policies and procedures	Governance Documents	Governance Documents
ENERGY			
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Commitment	Environmental Commitment

GRI STANDARD	DISCLOSURE	2023 Response	2022 Response
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environmental Commitment	Environmental Commitment
	302-2 Energy consumption outside of the organization	Environmental Commitment	Environmental Commitment
	302-3 Energy intensity	Environmental Commitment	Environmental Commitment
	302-4 Reduction of energy consumption	Environmental Commitment	Environmental Commitment
	302-5 Reductions in energy requirements of products and services	Environmental Commitment	Environmental Commitment
WATER AND EFFLUENTS			
GRI 3: Material Topics 2021	3-3 Management of material topics	Water has been identified in the past materiality assessment as a material topic but is the lowest priority within the materiality matrix. As such, RXO has not yet established comprehensive water reduction programs and initiatives.	Water has been identified in the past materiality assessment as a material topic but is the lowest priority within the materiality matrix. As such, RXO has not yet established comprehensive water reduction programs and initiatives.
GRI 303: Water and Effluents 2021	303-5 Water consumption	18,692,636 gallons	23,085,476 gallons
EMISSIONS			
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Commitment	Environmental Commitment
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	40,296 CO2e metric tons	33,438 CO2e metric tons
	305-2 Energy indirect (Scope 2) GHG emissions	3,566 CO2e metric tons (location-based) 4,045 CO2e metric tons (market-based)	4,445 CO2e metric tons (location-based) 4,023 CO2e metric tons (market-based)
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Last Mile NOx: 635.04 mt PM10: 6.86 mt Dedicated NOx: 45.85 mt PM10: 0.0085 mt	Last Mile NOx: 998.98 mt PM10: 10.79 mt Dedicated NOx: 45.88 mt PM10: 0.06 mt
WASTE			
GRI 3: Material Topics 2021	3-3 Management of material topics	For waste that cannot be reused or recycled, RXO ensures responsible disposal methods that comply with local regulations and environmental standards. The company prioritizes working with certified waste management providers to ensure the safe handling of hazardous waste. Waste management has been identified in the past materiality assessment as a material topic but is one of the lowest priorities within the materiality matrix. As such, RXO has not yet established comprehensive waste reduction programs and initiatives.	For waste that cannot be reused or recycled, RXO ensures responsible disposal methods that comply with local regulations and environmental standards. The company prioritizes working with certified waste management providers to ensure the safe handling of hazardous waste. Waste management has been identified in the past materiality assessment as a material topic but is one of the lowest priorities within the materiality matrix. As such, RXO has not yet established comprehensive waste reduction programs and initiatives.

GRI STANDARD	DISCLOSURE	2023 Response	2022 Response
GRI 306: Waste 2022	306-3 Waste generated	1,302.3 tons	1387.3 tons
	306-4 Waste diverted from disposal	411 tons	436.7 tons
	306-5 Waste directed to disposal	891.3 tons	950.6 tons
SUPPLIER ENVIRONMENTAL ASSESSMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Partners and Supply Chain	Partners and Supply Chain
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Brokerage (US and Canada) 100% screened for SmartWay Managed Transportation 100% screened for SmartWay	Brokerage (US and Canada) 100% screened for SmartWay Managed Transportation 100% screened for SmartWay
	308-2 Negative environmental impacts in the supply chain and actions taken	Partners and Supply Chain	Partners and Supply Chain
EMPLOYMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Social Impact and Responsibility	Social Impact and Responsibility
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	United States: https://rxobenefits.com/ - Coverage as of DOH for Health programs Choice within offered programs (2 or more options to better meet the varied needs of our diverse population) - Robust voluntary benefits programs to support employee's work/life needs - Family focused programs beyond what is mandated by Federal/State regulations: Prenatal Paid Leave and Paid Family Bonding Leave (As of 2024: Secondary Caregiver will be removed as all caregivers will be eligible for 6 weeks. And in cases of adoption, the age of the child will be increased to under 18 years old to support families adopting older children) Canada Standard programs offered to employees.	United States: https://rxobenefits.com/ - Coverage as of DOH for Health programs Choice within offered programs (2 or more options to better meet the varied needs of our diverse population) - Robust voluntary benefits programs to support employee's work/life needs - Family focused programs beyond what is mandated by Federal/State regulations: Prenatal Paid Leave and Paid Family Bonding Leave (As of 2024: Secondary Caregiver will be removed as all caregivers will be eligible for 6 weeks. And in cases of adoption, the age of the child will be increased to under 18 years old to support families adopting older children) Canada Standard programs offered to employees
	401-3 Parental leave	Parental Planning and Pregnancy Benefits	Parental Planning and Pregnancy Benefits
OCCUPATIONAL HEALTH AND SAFETY			
GRI 3: Material Topics 2021	3-3 Management of material topics	Health and Safety	Health and Safety

GRI STANDARD	DISCLOSURE	2023 Response	2022 Response
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	None	None
	403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety	Health and Safety
	403-3 Occupational health services	Health and Safety	Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health and Safety	Health and Safety
	403-5 Worker training on occupational health and safety	Health and Safety	Health and Safety
	403-6 Promotion of worker health	Healthy Resources	Healthy Resources
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety	Health and Safety
	403-8 Workers covered by an occupational health and safety management system	No occupational health and safety management system	No occupational health and safety management system
	403-9 Work-related injuries	Total recordable incident rate (TRIR) for direct employees Dedicated: 2.4 Express: 0.4 Last Mile: 1.2 (warehouse and admin only) DOT Preventable accidents per million miles Dedicated: 0.16 Express: 0.005 Safety Measurement System BASIC percentiles The 2022 percentiles for each BASIC were under the FMCSA thresholds.	Total recordable incident rate (TRIR) for direct employees Dedicated: 0.69 Express: 0 Last Mile: 0.8 (warehouse and admin only) DOT Preventable accidents per million miles Dedicated: 0.15 Express: 0.16 Safety Measurement System BASIC percentiles The 2023 percentiles for each BASIC were under the FMCSA thresholds.
TRAINING AND EDUCATION			
GRI 3: Material Topics 2021	3-3 Management of material topics	Learning and Development	Learning and Development
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Learning and Development	Learning and Development

GRI STANDARD	DISCLOSURE	2023 Response	2022 Response
DIVERSITY AND EQUAL OPPORTUNITY			
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity, Equity and Inclusion	Diversity, Equity and Inclusion
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity, Equity and Inclusion	Diversity, Equity and Inclusion
NON-DISCRIMINATION			
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Ethics	Business Ethics
SECURITY PRACTICES			
GRI 3: Material Topics 2021	3-3 Management of material topics	Security and Fraud Prevention Measures	Security and Fraud Prevention Measures
LOCAL COMMUNITIES			
GRI 3: Material Topics 2021	3-3 Management of material topics	Community Engagement	Community Engagement
SUPPLIER SOCIAL ASSESSMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Partners and Supply Chain	Partners and Supply Chain
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Brokerage (US and Canada) 100% screened for diverse ownership Managed Transportation 100% screened for diverse ownership	Brokerage (US and Canada) 100% screened for diverse ownership Managed Transportation 100% screened for diverse ownership
PUBLIC POLICY			
GRI 3: Material Topics 2021	3-3 Management of material topics	Political Activity Policy	No policy in place
CUSTOMER PRIVACY			
GRI 3: Material Topics 2021	3-3 Management of material topics	RXO has an online privacy policy to address consumer and employee/candidate privacy issues. Privacy Policy is located at: https://rxo.com/privacy-policy/	RXO has an online privacy policy to address consumer and employee/candidate privacy issues. Privacy Policy is located at: https://rxo.com/privacy-policy/

SASB Table – Road Transportation Standard

Topic	Accounting Metric	Code	2023 Response	2022 Response
Greenhouse Gas Emissions	Gross global Scope 1 emissions	TR-RO-110a.1	40,037 CO2e metric tons	33,438 CO2e metric tons
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	TR-RO-110a.2	Environmental Commitment	Environmental Commitment
	(1) Total fuel consumed, (2) percentage natural gas and (3) percentage renewable	TR-RO-110a.3	2,910,796 gallons of diesel consumed in RXO owned/operated fleets (Dedicated business unit)	1,389,599 gallons of diesel consumed in RXO owned/operated fleets (Dedicated business unit)
Air Quality	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, and (3) particulate matter (PM10)	TR-RO-120a.1	Last Mile NOx: 635.04 mt PM10: 6.86 mt Dedicated NOx: 45.85 mt PM10: 0.0085 mt	Last Mile NOx: 998.98 mt PM10: 10.79 mt Dedicated NOx: 45.88 mt PM10: 0.06 mt
Driver Working Conditions	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	TR-RO-320a.1	Total recordable incident rate (TRIR) for direct employees Dedicated: 2.4 Express: 4 Last Mile: 1.2 (warehouse and admin only)	Total recordable incident rate (TRIR) for direct employees Dedicated: 0.69 Express: 0 Last Mile: 0.8 (warehouse and admin only)
	Description of approach to managing short-term and long-term driver health risks	TR-RO-320a.3	Health and Safety	Health and Safety
Accident & Safety Management	Number of road accidents and incidents	TR-RO-540a.1	DOT Preventable accidents per million miles Dedicated: 0.16 Express: 0.005	DOT Preventable accidents per million miles Dedicated: 0.15 Express: 0.16
ACTIVITY METRIC	Number of employees, number of truck drivers	TR-RO-000.C	Vehicles (Dedicated business unit) Ultra Low Sulfur Diesel Sleeper – 227 Day Cab – 73 Yard Tractor – 43 Straight Truck – 30 Regular Unleaded Sprinter Van – 3 Pickup Truck – 2 Employees 8,432 (6,051 regular full-time and part-time employees, 2,381 temporary workers)	Vehicles (Dedicated business unit) Ultra Low Sulfur Diesel Sleeper – 214 Day Cab – 99 Yard Tractor – 39 Straight Truck – 29 Regular Unleaded Sprinter Van – 6 Pickup Truck – 4 Employees 8,590 (6,248 full-time and part-time employees, 2,342 temporary workers)

The logo features the letters "RXO" in a bold, black, sans-serif font, centered within a large circle. The background of the circle is a dense, concentric pattern of small gray dots that create a halftone or optical illusion effect, with the dots being more concentrated towards the outer edge and sparser towards the center.

RXO