



# Employee Stock Purchase Plan

Share in the success you help to create



# Employee Stock Purchase Plan

The XPO Logistics, Inc. Employee Stock Purchase Plan (ESPP) gives you an opportunity to share in XPO's success – the success you help to create.

The ESPP is an easy and cost-effective way to buy XPO shares. During the Enrollment Period, you can elect to have deductions taken directly from your paycheck and use that money to purchase XPO shares at a 5% discount on specified dates in the plan.

As a shareholder, you'll benefit directly from XPO's success through any increase in the value of your shares. However, you should be aware that share prices can go down as well as up and the value of your shares could decrease.

It's important to understand how the ESPP works before deciding whether you want to enroll. This brochure explains how the plan works and what you need to do during the September 1–11, 2020 Enrollment Period, should you decide to enroll.

## Who's eligible?

Generally, you're eligible to participate in this ESPP Offering Period if:

- You're an employee of XPO Logistics, Inc. or one of its participating subsidiaries that has been designated as eligible to participate, and
- You're an employee as of August 1, 2020, and
- You aren't covered by a collective bargaining agreement that excludes participation in the plan.

**1****ENROLLMENT PERIOD**

September 1–11, 2020

- You choose how much to contribute
- Participation continues automatically

**2****OFFERING PERIOD**

October 1, 2020–March 31, 2021

- Paycheck deductions occur
- Contributions accumulate over six months
- You can make changes or withdraw on or before March 17

**3****PURCHASE DATE**

March 31, 2021

- Your shares will be purchased on the last trading day of March

**4****HOLDING PERIOD**

April 1–June 30, 2021

- You hold your shares for three months

**5****SHARES ARE SALABLE**

July 1, 2021 or later

- You can sell your shares anytime from July 1 onward or continue to hold them

## How the Employee Stock Purchase Plan works

Decide whether you want to enroll in the plan. Then:

1. Decide how much (1%–10%) of your eligible compensation (see **Terms to Know**) you wish to contribute and complete the enrollment process during the Enrollment Period (September 1–11, 2020). See **How do I enroll?**

Once you begin participating, your contribution rate will automatically carry forward into subsequent Offering Periods unless you take action.

See **Can I stop or change my contributions?**

2. XPO makes deductions from your paycheck (while you're an active employee or on an approved leave of absence) during the Offering Period (October 1, 2020–March 31, 2021) on a post-tax basis.
3. If you're an active employee or on an approved leave of absence at the end of the Offering Period, you'll receive your XPO shares. The number of shares will be calculated as shown below and will be whole shares (no fractions).



4. Next, you'll need to hold your shares for three months (the Holding Period).
5. After the Holding Period is over, you can keep or sell your shares. See **Are there any restrictions on my ability to sell shares after they're purchased?**

# What are the risks of participating in the ESPP?

By participating in the ESPP, you'll be purchasing shares of a single stock (XPO Logistics, Inc., listed as XPO on the New York Stock Exchange), which is not a diversified investment. The value of your stock can increase or decrease over time. Past share price performance does not guarantee future results. Be sure to read the prospectus carefully and consider your risk tolerance and investment objectives before enrolling or continuing participation. Consider seeking professional advice before investing; this brochure is not investment advice. See **Where can I go for more information?**

## How do I enroll?

There are two steps to participate in the ESPP: enrollment and initial account setup.

### 1. ENROLLMENT

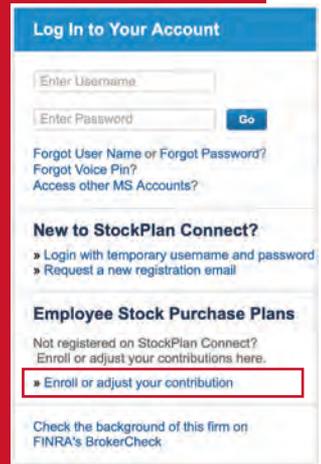
During the Autumn 2020 Enrollment Period (September 1–11):

- Go to **www.stockplanconnect.com**
- Click **Enroll or adjust your contribution**
- Enter **XPO** in the box labeled **Company Stock Symbol**, then click **Next**
- Enter your **Social Security Number** (no dashes), then click **Next**
- Enter your **date of birth** (MM/DD/YYYY), then click **Next**

After completing the validation process, you'll be able to begin, change or stop your contributions on the enrollment page. **Please note:** If the XPO Insider Trading Policy applies to you, you may only enroll during a quarterly trading window.

### 2. INITIAL ACCOUNT SETUP

Before your first Purchase Date, you'll need to set up an account with Morgan Stanley. See **How do I set up my account?**



The screenshot shows the 'Log In to Your Account' page. It features a blue header with the title. Below the header are two input fields: 'Enter Username' and 'Enter Password', with a blue 'Go' button to the right of the password field. Underneath these fields are links for 'Forgot User Name or Forgot Password?', 'Forgot Voice Pin?', and 'Access other MS Accounts?'. A section titled 'New to StockPlan Connect?' contains two links: '» Login with temporary username and password' and '» Request a new registration email'. Below that is a section titled 'Employee Stock Purchase Plans' with a link '» Enroll or adjust your contribution' highlighted by a red box. At the bottom, there is a link 'Check the background of this firm on FINRA's BrokerCheck'.

## Can I stop or change my contributions?

On [www.stockplanconnect.com](http://www.stockplanconnect.com) from October 1, 2020–March 17, 2021, you can:

- **Increase or decrease your contribution rate.**
- **Stop your contributions.** Your accumulated contributions will be used to purchase shares at the end of the Offering Period.
- **Withdraw from the ESPP.** Your accumulated contributions will be refunded to you (through payroll) and no shares will be purchased.

It may take several pay cycles before a change is reflected in your paycheck.

**Please note:** If the XPO Insider Trading Policy applies to you, the actions listed above are prohibited unless they occur during a quarterly trading window.

## Am I limited in the number of shares I can purchase?

Yes. You may purchase up to 1,000 shares in an Offering Period. And, for any one calendar year, you may not purchase more than \$25,000 of XPO common stock, based on the fair market value of the stock at the beginning of the Offering Period.



## How do I set up my account?

When you enroll in the ESPP for the first time, Morgan Stanley will contact you just before your first Purchase Date to set up your account. (You only need to set up your account one time.) Once your account is set up, you can log in to view your purchased shares.

## What if I'm already enrolled in the ESPP?

**Your current contribution election will automatically carry over to the next Offering Period (October 1, 2020–March 31, 2021), unless you withdraw from the ESPP or change your election.**

**If you don't want to purchase shares**, you must withdraw from the ESPP on or before the withdrawal deadline shown in the table below. Your accumulated contributions will be refunded to you and no shares will be purchased.

ENROLLMENT PERIOD	WITHDRAWAL DEADLINE	PURCHASE DATE
Spring 2020	September 16, 2020	September 30, 2020
Autumn 2020	March 17, 2021	March 31, 2021

## Are there any restrictions on my ability to sell shares after they're purchased?

You may not sell shares during the three-month Holding Period following the last day of the Offering Period. For example, if you purchase shares during the upcoming Offering Period (October 1, 2020–March 31, 2021), you cannot sell them until July 1, 2021.

After the three-month period ends, you can continue to hold the shares for as long as you want, or you can sell those shares at any time, unless you're prohibited from transacting in company stock due to insider trading restrictions.

Shares may not be transferred to a broker other than the broker designated by XPO (currently Morgan Stanley).

You should talk with a tax advisor before you sell your shares so you fully understand any tax consequences the sale will have for you.

## Where can I go for more information?

You'll find the official plan document and the prospectus (including important tax considerations) on myXPO (<https://myxpo.xpo.com>), in the **Employee Stock Purchase Plan** section under the **Money** dropdown menu. You may contact XPO Logistics People Services at **844.976.6947** to obtain a printed copy of the plan document and/or prospectus without charge.

# Terms to Know



## Broker

Broker means a stock brokerage or other entity designated by the company to establish accounts for stock purchased under the plan by participants. Morgan Stanley is currently the broker for the XPO ESPP.



## Eligible Compensation

Eligible compensation includes pre-tax salary, wages, bonuses, commissions, overtime pay and shift premiums, short-term disability payments, paid time off and holiday pay.



## Enrollment Period

During an Enrollment Period, you may elect to participate in the ESPP and determine your level of contributions for the coming Offering Period.

**This Enrollment Period is September 1–11, 2020.**



## Offering Period

An Offering Period is the period of time during which XPO accumulates employee payroll contributions for the ESPP.

**This Offering Period is October 1, 2020–March 31, 2021.**



## Purchase Date

The Purchase Date is the last trading day of the Offering Period.

**This Purchase Date is March 31, 2021.**



## Purchase Price

The Purchase Price is 95% of the closing share price of XPO common stock on the last trading day of the Offering Period.



400 Perimeter Center Terrace  
Suite 350  
Atlanta, GA 30346

FIRST CLASS MAIL  
PRESORTED  
U.S. POSTAGE  
**PAID**  
FORT WORTH, TX  
PERMIT NO. 1513



Eligibility for and participation in the ESPP are subject to the terms of the plan document and its prospectus. In the event of a conflict between this brochure, the ESPP prospectus and the ESPP plan document, the terms of the ESPP plan document will govern. You may contact XPO Logistics People Services at **844.976.6947** to obtain a printed copy of the plan document and/or prospectus without charge. The company has the right to add to, modify or cancel its benefits at any time, with or without advance notice, except as required by law.

© 2020 XPO Logistics, Inc. All rights reserved.

0791.0116 ESPP US September 2020