Safety Recognition Program
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# SAFETY RECOGNITION PROGRAM OVERVIEW

<table>
<thead>
<tr>
<th>Award</th>
<th>Description</th>
<th>Eligibility</th>
<th>Rewards Earned</th>
</tr>
</thead>
</table>
| **Distinguished Recognition Awards** | Awards for driving 1, 2 or 3 million consecutive miles without a preventable vehicular accident. | Full-time, regular Driver Sales Representatives. | - **1 Million Miles**  
  • 1 Million Mile Plaque  
  • Jacket & Embroidered Uniforms  
  • 40,000 reward points (after tax)  
  • Personalized Business Cards  

- **2 Million Miles**  
  • 2 Million Mile Ring and Plaque  
  • Jacket & Embroidered Uniforms  
  • 60,000 reward points (after tax)  
  • Personalized Business Cards  

- **3 Million Miles**  
  • Dedicated, decaled tractor  
  • 3 Million Mile Ring & Crystal Truck Plaque  
  • Jacket & Embroidered Uniforms  
  • 100,000 reward points (after tax)  
  • Personalized Business Cards  

| **Special Recognition Awards** | Awards for working a number of cumulative years without a preventable accident or injury. | Eligibility based on job position. See the full manual for details. | 5 years  
  • XPO Logistics Wrist Watch  

10 years  
  • 10 year Safety Ring  

15 years  
  • Upgrade to 10 year ring  
  • 30,000 Reward Points (after tax)  

20 Years  
  • Additional upgrade to 10 year ring  
  • 40,000 Reward Points (after tax)  

25 Years  
  • 25 year plaque  
  • 60,000 Reward Points (after tax)  

30 Years  
  • 30 year plaque &  
  • 70,000 Reward Points (after tax)  

| **Individual Recognition Awards** | Award for a 30-day calendar period worked without a preventable accident or injury. | Eligibility based on job position. See the full manual for details. | Point amounts are based on job title and range from 74 to 224 points per month (after tax)  

| **Team Celebrations** | Celebration for working a number of days without any preventable accidents or injuries, including fork-lift accidents. | Every regular, associate, supplemental and part time Service Center and Shop employee. | Team Celebrations include rewards ranging from cookie trays to steak cookouts, and get progressively larger with each consecutive achievement.  

| **Clean Roadside Inspection Awards** | Award for having passed a Roadside Inspection with no violations or warnings. | Employees subject to Roadside Inspections. | Regular RSI: 6,000 pts (after tax)  
  Hazmat RSI: 14,000 pts (after tax)  

*RSI Point amounts are doubled during June Roadcheck

**Reward Points:** Points can be redeemed on the XPO Rewards site via Employee Portal > Rewards. Employees can view their point award history by clicking on their name in the upper right corner.  

**Effective Date:** May 1, 2016
DISTINGUISHED RECOGNITION AWARDS (DRA)

ELIGIBILITY
Full-time, regular Driver Sales Representatives for XPO LTL are eligible to earn Distinguished Recognition Awards. Supplemental employees are not eligible, and employees who are separated from the company for more than 30 days forfeit all accumulated safe driving miles.

HOW TO EARN DISTINGUISHED RECOGNITION AWARDS
Employees may earn a Distinguished Recognition Award by driving one, two or three million consecutive equivalent miles without a preventable vehicular accident. Any preventable vehicular accident resets an employee’s miles to zero. Preventable injuries and forklift accidents do not affect this award.

“Equivalent miles” are calculated on the basis of 40 miles per hour. For example, 40 miles in the linehaul operation is equal to one hour in the P&D operation, and one hour in the P&D operation is equal to 40 miles in the linehaul operation.

AWARDS EARNED

1 Million Miles
- 1 Million Mile Plaque
- Distinguished Driver Jacket
- Embroidered Uniforms
- 40,000 reward points (after tax)
- Personalized Business Cards

2 Million Miles
- 2 Million Mile Ring
- 2 Million Mile Plaque
- Distinguished Driver Jacket
- Embroidered Uniforms
- 60,000 reward points (after tax)
- Personalized Business Cards

3 Million Miles
- Dedicated, decaled tractor for the rest of the employee’s career with XPO LTL
- 3 Million Mile Ring
- Crystal Truck Plaque
- Distinguished Driver Jacket
- Embroidered Uniforms
- 100,000 reward points (after tax)
- Personalized Business Cards
SPECIAL RECOGNITION AWARDS

ELIGIBILITY
Full-time, regular employees in eligible positions with XPO LTL may receive Special Recognition Awards. Supplemental employees are not eligible, and employees who are separated from the company for more than 30 days forfeit all accumulated safety time. Eligible positions include:

- Driver Sales Rep
- Dockworker
- Mechanic
- Mechanic Lead
- Trailer Mechanic
- Apprentice Mechanic
- Mechanic Apprentice
- Hostler
- Parts Spclst
- Parts Spclst Assoc

*These employee groups were added to eligibility for this award on 5/1/2016. Safe working time earned before this date counts toward an employee’s next milestone, but awards will only be ordered for milestones achieved after this date.

HOW TO EARN SPECIAL RECOGNITION AWARDS
Employees may earn a Special Recognition Award by working a number of cumulative years without a preventable accident or injury. Currently, any preventable accident or injury delays an employee from accruing safety time for one year following the incident, but does not reset their time to zero.

Note: The Special Recognition Award rules have been changed throughout the years and at certain times a preventable accident or injury resulted in a reset of safety time. A detailed list of rule changes and dates may be found on Safety SharePoint > Safety Awards.

AWARDS EARNED
- 5 Years: XPO Logistics Wrist Watch
- 10 Years: 10 year Safety Ring
- 15 Years: Upgrade to 10 year ring (2 diamonds) & 30,000 Reward Points (after tax)
- 20 Years: Additional upgrade to 10 year ring (one center diamond) & 40,000 Reward Points (after tax)
- 25 Years: 25 year plaque & 60,000 Reward Points (after tax)
- 30 Years: 30 year plaque & 70,000 Reward Points (after tax)
INDIVIDUAL RECOGNITION AWARDS

ELIGIBILITY
Full-time, regular employees in eligible positions with XPO LTL may receive Individual Recognition Awards. Supplemental employees are not eligible. Eligible positions include:

- Account Exec
- Customer Service Rep-Field (T)
- Dockworker (T)
- Driver Service Rep
- Freight Class Spclst Lead
- Mechanic
- Mechanic Lead
- Mgr Freight Ops
- Mgr Service Center
- Mgr Shop
- Personnel Sup
- Sr Mgr Regional Sales
- Sup Freight Ops
- Sup Shop
- Trailer Mechanic

HOW TO EARN INDIVIDUAL RECOGNITION AWARDS
All eligible employees earn Individual Recognition Awards in the form of reward points for every consecutive 30-day calendar period worked without a preventable accident or injury. Any preventable accident or injury delays an employee from accruing safety reward points for one year following the event.

AWARDS EARNED
The award amount is based on an individual’s job title, detailed below.

<table>
<thead>
<tr>
<th>Job Title</th>
<th>Award Amount (after tax)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Driver Service Rep</td>
<td>224</td>
</tr>
<tr>
<td>Dockworker</td>
<td></td>
</tr>
<tr>
<td>Freight Class Spclst Lead</td>
<td></td>
</tr>
<tr>
<td>Mechanic</td>
<td></td>
</tr>
<tr>
<td>Mechanic Lead</td>
<td></td>
</tr>
<tr>
<td>Mgr Shop</td>
<td></td>
</tr>
<tr>
<td>Sup Shop</td>
<td></td>
</tr>
<tr>
<td>Trailer Mechanic</td>
<td></td>
</tr>
<tr>
<td>Account Exec</td>
<td>74</td>
</tr>
<tr>
<td>Customer Service Rep-Field</td>
<td></td>
</tr>
<tr>
<td>Mgr Freight Ops</td>
<td></td>
</tr>
<tr>
<td>Mgr Service Center</td>
<td></td>
</tr>
<tr>
<td>Personnel Sup</td>
<td></td>
</tr>
<tr>
<td>Sr Mgr Regional Sales</td>
<td></td>
</tr>
<tr>
<td>Sup Freight Ops</td>
<td></td>
</tr>
</tbody>
</table>

150 reward points (after tax)
TEAM SAFETY CELEBRATIONS

ELIGIBILITY
Every regular, associate, supplemental and part time XPO LTL Service Center and Shop employee is eligible to earn team safety celebrations.

HOW TO EARN A TEAM CELEBRATION
Team celebrations are earned by working a number of calendar days or “safety streak” in which the entire team is preventable accident and injury-free (including fork-lift accidents). A Service Center with a shop facility, zone and satellite locations are considered a single location.

When a period is reached, all active eligible employees within the location on the date of achievement earn a team celebration. The service center manager is responsible for tracking safety streaks and ordering a team recognition package for the celebration, and the Service Center is financially responsible for the team celebration.

AWARD PERIODS / SAFETY STREAKS
The number of days a Service Center must go without any preventables to achieve a team celebration is based on the class size of the Service Center, detailed below.

<table>
<thead>
<tr>
<th>Class</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 1</td>
<td>15 calendar days</td>
</tr>
<tr>
<td>Class 2</td>
<td>30 calendar days</td>
</tr>
<tr>
<td>Class 3</td>
<td>45 calendar days</td>
</tr>
<tr>
<td>Class 4</td>
<td>60 calendar days</td>
</tr>
<tr>
<td>Class 5</td>
<td>75 calendar days</td>
</tr>
<tr>
<td>Class 6</td>
<td>90 calendar days</td>
</tr>
</tbody>
</table>

AWARDS EARNED
Team Celebrations include rewards ranging from cookie trays to steak cookouts, and get progressively larger with each consecutive achievement.

A celebration kit including a letter from Tom Clark, large candy box, plastic utensils and XPO Logistics plates and napkins will be ordered for each Team Celebration, along with an additional decal to place on their banner for each achievement.

Recommended food for team celebrations is detailed below.
| 1st win | • Fruit or vegetable tray  
• Cake, cookies, donuts  
• Popcorn machine  
• Slushy machine  
• Ice cream or frozen yogurt |
| 2nd consecutive win | • Hot dog roast  
• Burgers  
• Pizza  
• Breakfast  
• Fruit basket |
| 3rd consecutive win | • Chicken  
• Bratwurst  
• BBQ |
| 4th consecutive win | • Steak cookout |
| 5th consecutive win and beyond | • Continue having a team celebration with past cookout of choice using previous food options |
CLEAN ROADSIDE INSPECTION AWARDS

ELIGIBILITY
All XPO LTL employees with a CDL who operate Commercial Motor Vehicles under Department of Transportation (DOT) operating authority.

HOW TO EARN A CLEAN ROADSIDE INSPECTION AWARD
Points will be awarded for all clean roadside inspections in a Commercial Motor Vehicle. Inspections, however, cannot be as a result of another violation (i.e. traffic violations).

Drivers must turn in all inspections to their manager or supervisor immediately. The manager or supervisor must then email or fax a copy of the inspection to the Safety Department at mfgrsi2@xpo.com or 866-820-0554.

AWARDS EARNED

<table>
<thead>
<tr>
<th>Clean RSI (regular)</th>
<th>6,000 reward points (after tax) OR 12,000 reward points (after tax) during June Roadcheck</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean Hazmat RSI (Clean inspection of a placarded hazmat load)</td>
<td>14,000 reward points (after tax) OR 28,000 reward points (after tax) during June Roadcheck</td>
</tr>
</tbody>
</table>

QUARTERLY RECOGNITION DAY
The purpose of Quarterly Recognition Day is to draw attention to the importance of employee safety and recognize those who are putting safety first in their work every day.

All Special Recognition Awards should be given out at this time, and employees who have earned Distinguished Recognition Awards, Clean Roadside Inspections and those who have went the last quarter without a coachable DriveCam event should be recognized.

A FCB will be sent out in the month following the end-of-quarter to let Service Center Managers know which week to hold Quarterly Recognition Day and give direction as to where to find the list of employees to be recognized.
FREQUENTLY ASKED QUESTIONS

General Questions

Who can I contact with questions regarding the Safety Incentive Program?

- For general questions, contact Laura Kensinger at laura.kensinger@xpo.com or 734-757-1660.
- For questions regarding clean roadside inspections, e-mail mfgrsi2@xpo.com.

Why are reward points being taxed?

The government requires the company to withhold taxes on the value of all awarded points. This manual provides the correct after-tax point amount for all awards. Any taxes withheld as part of the points program will be included on an employee’s W2.

How can I view my point balance?

To check point balance, visit the XPO Rewards page or Employee Portal→ Rewards → “My account.”

How can I view my reward point history?

To view your award history, visit the XPO Rewards page or Employee Portal→ Rewards → Click on your name in the upper right corner.

Do I have to register or sign up for these programs?

No, you don’t have to sign up for incentive programs. All eligible employees will have an opportunity to earn reward points in the appropriate programs and will be automatically enrolled.

Do my reward points expire or can they be taken away?

Reward points will not be removed unless an error was made when the reward points were initially given. If you separate from the company, you will be given an outside log-on and password and must spend the reward points within 60 days of notification (via hard-copy letter in the U.S. mail).

How soon will reward points be credited to my account?

Reward points will be submitted to our vendor on a monthly basis.

If I leave XPO LTL and come back, do my safety awards pick up where they left off?

No, any employee who is separated from the company for 30 days or more will start over with all safety awards.

Special Recognition Awards

Dock Workers and Mechanics were added to the Special Recognition Award Category on May 1, 2016. Will they receive awards for milestones achieved before that date?

No. Dock Workers and Mechanics will receive credit for their prior safe working time but will only receive awards achieved for milestones moving forward.

If an employee changes job roles, do they keep their safe working time for Special Recognition Awards?

An employee will keep safe working time as long as they are changing from one eligible job to another. If an employee changes jobs to an ineligible position, all safety time will be forfeited.

*For example, if a Dock Worker changes jobs to become a Driver he will keep his safety time because both positions are eligible for the award.*
Distinguished Recognition Awards

Can a driver receive the same Distinguished Recognition Award more than once?
Yes, distinguished recognition awards may be achieved more than once. Employees will receive the specified awards for each achievement.

Team Awards

Why were reward points removed from the Team Award?
In developing this program, feedback from the field indicated recognition should be a focus instead of reward points. Team awards will be celebrated when achieved.

Why are Service Centers receiving a Team Recognition package?
When Service Centers win a team award, each Service Center celebration will be standardized across regions and have one point of contact for supplies. The Team Recognition package was developed to increase productivity by having the majority of a team celebration needs taken care of for the Service Center.

Who pays for the team celebration?
The Service Center is in charge of the team celebration, including costs. The Team Recognition package will cost $36.50 for the banner (only purchased for first win) plus $2.40 per person for each win. Service Centers are also responsible for supplying food for celebrations.
Example: Garland, TX (LGT) wins their first safety award. The SC has 86 employees.
- Total cost for first win is $36.50 + $206.40 = $242.90 plus cost of food
- Total cost for each additional win = $206.40 plus cost of food

How long will it take for the Team Recognition package to arrive?
Once the Team Recognition package is ordered it will be shipped the next business day from the vendor.

Can I combine team celebrations if we win consecutively?
No, celebrations are meant to highlight each achievement to recognize employees for their continued safety efforts.

Clean Roadside Inspections

What qualifies as an inspection?
An inspection is conducted by a DOT authorized inspector. These are often times law enforcement officers, but not all law enforcement officers are DOT inspectors. DOT inspectors complete Driver/Vehicle Examination Reports. The results ultimately create our company’s CSA scores.

Will an inspection with just a warning be counted as a clean inspection?
No. CSA counts all violations/warnings noted on an inspection. If any violation/warning appears on the inspection report, this is not a clean inspection.

Why am I being held responsible for violations out of my control?
All violations affect the Company and/or DSR inspection history. For this reason, only clean inspections without ANY violations/warnings will only be eligible for this award.