



# 2024 Investor Day



December 12



C.H. ROBINSON

# Welcome and Opening Remarks



**Chuck Ives**

Senior Director of Investor Relations



# ↑ Safe Harbor Statement

Except for the historical information contained herein, the matters set forth in this presentation are forward-looking statements that represent our expectations, beliefs, intentions or strategies concerning future events. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our historical experience or our present expectations, including, but not limited to factors such as changes in economic conditions, including uncertain consumer demand; changes in market demand and pressures on the pricing for our services; fuel price increases or decreases, or fuel shortages; competition and growth rates within the global logistics industry that could adversely impact our profitability; freight levels and increasing costs and availability of truck capacity or alternative means of transporting freight; risks associated with seasonal changes or significant disruptions in the transportation industry; risks associated with identifying and completing suitable acquisitions; our dependence on and changes in relationships with existing contracted truck, rail, ocean, and air carriers; risks associated with the loss of significant customers; risks associated with reliance on technology to operate our business; cyber-security related risks; our ability to staff and retain employees; risks associated with operations outside of the U.S.; our ability to successfully integrate the operations of acquired companies with our historic operations; climate change related risks; risks associated with our indebtedness; risks associated with interest rates; risks associated with litigation, including contingent auto liability and insurance coverage; risks associated with the potential impact of changes in government regulations including environmental-related regulations; risks associated with the changes to income tax regulations; risks associated with the produce industry, including food safety and contamination issues; the impact of changes in political and governmental conditions; changes to our capital structure; changes due to catastrophic events; risks associated with the usage of artificial intelligence technologies; and other risks and uncertainties detailed in our Annual and Quarterly Reports. Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update such statement to reflect events or circumstances arising after such date.

# ↑ Today's Agenda

**9:00 am** **Welcome and Opening Remarks**  
Chuck Ives | Senior Director of Investor Relations

**Executing our Strategy to Deliver  
Premium Shareholder Value**

Dave Bozeman | President and  
Chief Executive Officer

**Differentiating through Talent and Culture**

Angie Freeman | Chief Human Resources and  
ESG Officer

**Leading the Logistics Industry into the  
Era of Digital Enablement**

Arun Rajan | Chief Strategy & Innovation Officer

**10:00 am** **Break**

**10:15 am** **Driving Sustainable Growth and  
Efficiency in North American Surface  
Transportation**

Michael Castagnetto | President of North  
American Surface Transportation (NAST)

**Driving the Future of  
Global Forwarding**

Mike Short | President of Global Freight  
Forwarding (GF)

**Building on a Resilient Financial  
Foundation**

Damon Lee | Chief Financial Officer

**Closing Remarks**

Dave Bozeman | President and  
Chief Executive Officer

**11:15 am** **Q&A Session**



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# Executing our Strategy to Deliver Premium Shareholder Value



**Dave Bozeman**  
President &  
Chief Executive Officer



# ↑ Key Messages

1

Ongoing industry leadership and strong, defensible competitive moat

2

Strategic execution already yielding results, with additional runway for market share growth and margin expansion

3

Clear path to enhanced operational efficiency by leveraging the Robinson Operating Model

4

Significant free cash flow, driving investment optionality throughout the cycle

5

Asset-light operating model, generating strong investment returns



# ↑ Building on a Strong Foundation



**FIRST  
MOVER  
ADVANTAGE**

**STRONG  
BALANCE  
SHEET  
THROUGH  
CYCLE**

**LARGEST  
CUSTOMER  
BASE AND  
DATA-SET**

**MOTIVATED  
EMPLOYEE  
BASE**

# ↑ C.H. Robinson at a Glance (NASDAQ: CHRW)

**1905**

Founded

**Eden Prairie,  
MN**  
Headquarters

**~\$13B**

Market  
Cap<sup>1</sup>

**150**

Countries across  
6 Continents

**~\$18B**

2023  
Revenue

**~14,000**

Global  
Employees

**World's Most  
Powerful Supply  
Chain Company**

**\$22B**

Freight Under Management

**35M**

Shipments Managed / Year

**500K+**

Customers & Contract Carriers



Move the Most  
Truckload Freight  
of Any Company  
in North America



**\$3B+** North  
America LTL  
Brokerage



**Nearly \$1B** drop trailer  
business (12% of  
NAST Truckload  
volume)



Leading Forwarder  
of Ocean Freight  
Globally



Global Managed TMS  
Provider Powering the  
Most Complex Supply  
Chains in the World

**Global Leader in Expanding Freight & Logistics Market**



# ↑ Learning from Our Past to Deliver a Better Future

## Era of Traditional Brokerage

### Pre-2017

- Built scale as a market leader, serving customers of all sizes
- High-touch approach to logistics management
- Developed strong customer relationships

## Era of Digital Disruption

### 2017-2022

- Experienced significant industry disruption and competition from new “digital” entrants
- Developed digital capabilities; shifted to “tech-first” approach
- Focused on largest customers to protect market share

### RESULT WAS...

- Lower market share
- Loss of SMB<sup>1</sup> customers
- Erosion of NAST operating margin

## Building a Future-ready C.H. Robinson

### 2023+

- **Leveraging digital capabilities** and generative AI as *enablers* of relationship-driven brokerage
- **Firming up customer relationships**, particularly with SMB customers
- **Re-capturing lost market share** with a focus on key growth segments / verticals
- **Driving additional synergies** and cross-selling across our portfolio
- **Strengthening operational rigor** and developing greater organizational agility



Adapting to Meet Evolving Market Needs and Lead the Industry into Era of Digital Enablement

# ↑ Key Priorities for the New C.H. Robinson

## CLEAR FOCUS ON TWO NORTH STARS

1

GROWING MARKET SHARE

2

EXPANDING OPERATING MARGINS

### Commitment to strategic execution:

- Executing at a higher and more consistent level
- Implementing a new Lean operating model
- Cascading problem-solving tools through organization

### Shifting to a more action-oriented culture:

- From “admiring” problems to **solving problems**
- From slow innovation to **fast innovation**
- From people-heavy resourcing, then tech-first approach, to **using technology as an enabler of our strategy**

New Strategy and Stronger Execution Enables the Next Era of Profitable Growth

# ↑ Strategic Execution is Driving Results



**180bps** YoY improvement in Q3 2024 NAST Adjusted Gross Profit Margin



**On track for >30%** improvement in NAST & GF productivity over a 2-year period



**500bps** YoY improvement in Q3 2024 YTD Adj. Operating Margin<sup>1</sup>

## Key Accomplishments

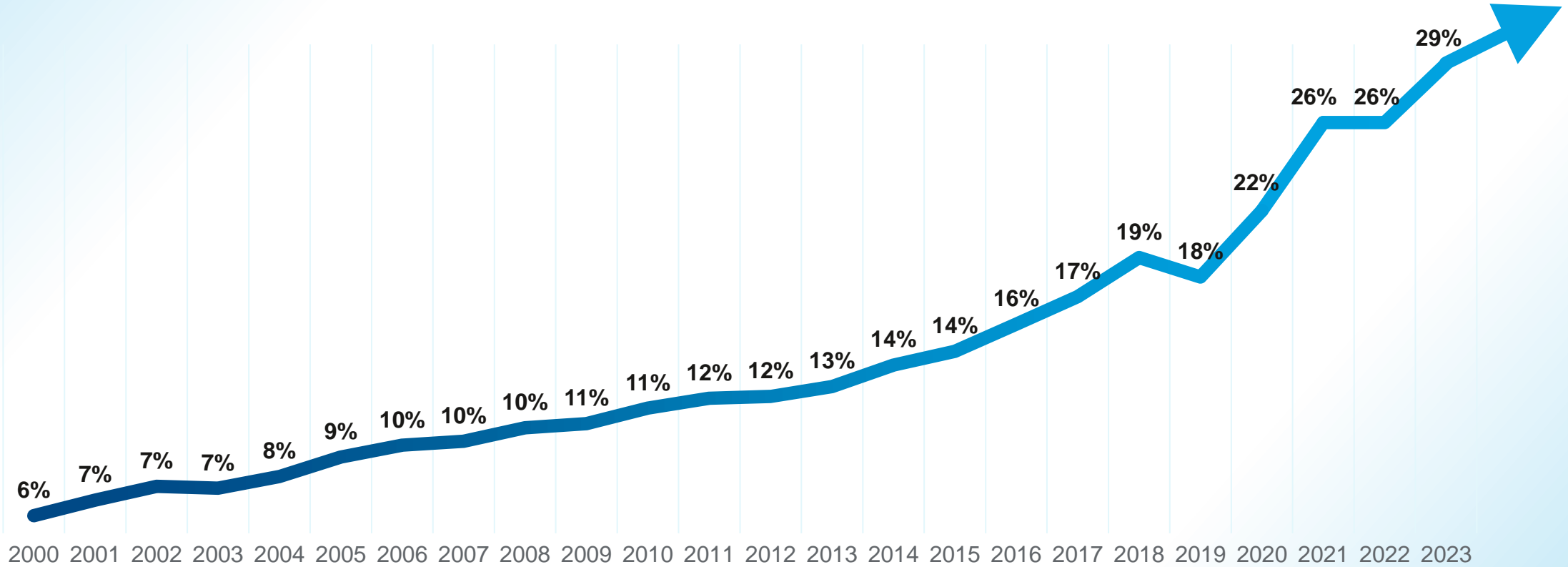
- Delivery of exceptional service for our customers and carriers, with record high net promoter scores
- Increased yields and gross margin resulting from dynamic costing and pricing innovations
- Improved productivity and operating leverage
- All fostered by the operating discipline that the new Robinson Operating Model demands



**Gaining Operational Traction and Creating Momentum for Sustained Performance**

# ↑ Brokerage is Steadily Capturing More of the Total Freight Market

## Brokerage Penetration of U.S. Freight Market<sup>1</sup>



Shift from Asset-Based Trucking to Brokers has Been Ongoing and is Continuing

# ↑ Connecting and Serving the Two-sided Marketplace

**90K+** Active customers across the globe

**TOP 500**  
Customers

**51%**  
of adjusted gross profit

**99%**  
retention in 2023

**86%**  
10+ years with C.H. Robinson

**450K+** Contract carriers on our platform



**100+**  
LTL Carriers



**All Class 1**  
N.A. Carriers



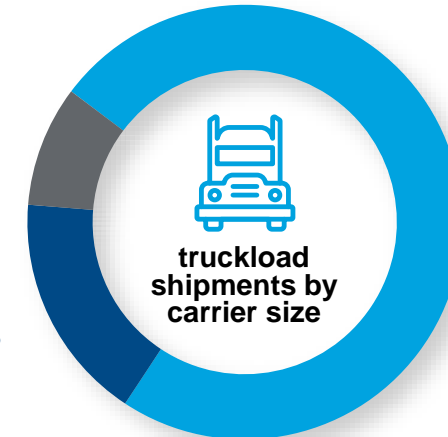
**Top 5 NVOCC**  
Global Ocean



**20 Partners**  
move 75% vol

**9%**  
large carriers  
> 400 trucks

**17%**  
medium carriers  
100-400 trucks



**74%**  
small carriers  
< 100 trucks

Continuing to Win with the Scale of Our Network

# ↑ Best-in-class, Global Suite of Services

Scale and expertise across a full portfolio of services

## 4 Core Modes



1 • TL



LTL • 2










3 • Ocean



Air • 4

## Standalone Services

 Speed	 Scope	 Distance	 Equipment	 (Un)load	 Temp.	 Warehousing
Standard	Domestic	Long-Haul	Dry-Van	Live	Ambient	Fixed
Expedited	International	Short-Haul	Specialized	Drop	Temp-Control	Consolidation

## Value-Added Services

Managed Solutions      E2E Visibility  
 Supplier Management      Expertise and Credentials  
 Order Management      Port Services

## Enablers | Delivery Model



Org & People



Technology / Tools



Processes

# ↑ C.H. Robinson Success is Fueled by Our Customer Promise

## Customer Promise

- We deliver customer success through exceptional service and high value — like no one else

### Unmatched Expertise

Work with the experts who go further, no matter what, and know more than anyone else about logistics for your industry, business, and customers.



### Unrivaled Scale

We get you anywhere you need to go — even when others can't — with the full power of our connections, relationships, and global reach.



### Tailored Solutions

Unlock solutions designed for your business through our integrated suite of services and advanced tech capabilities.

# → Serving Customers that Are the Global Economy





# ↑ Our Sustainable Competitive Advantages | How We Win

**1**  
**Capitalize on comprehensive knowledge of customer needs for each vertical and segment**

**3**  
**Leverage size and scale to meet the needs of our most complex global customers**

**5**  
**Utilize robust suite of digital tools to enable a seamless customer experience**

**2**  
**Enhance deep focus and expertise within our core modes**

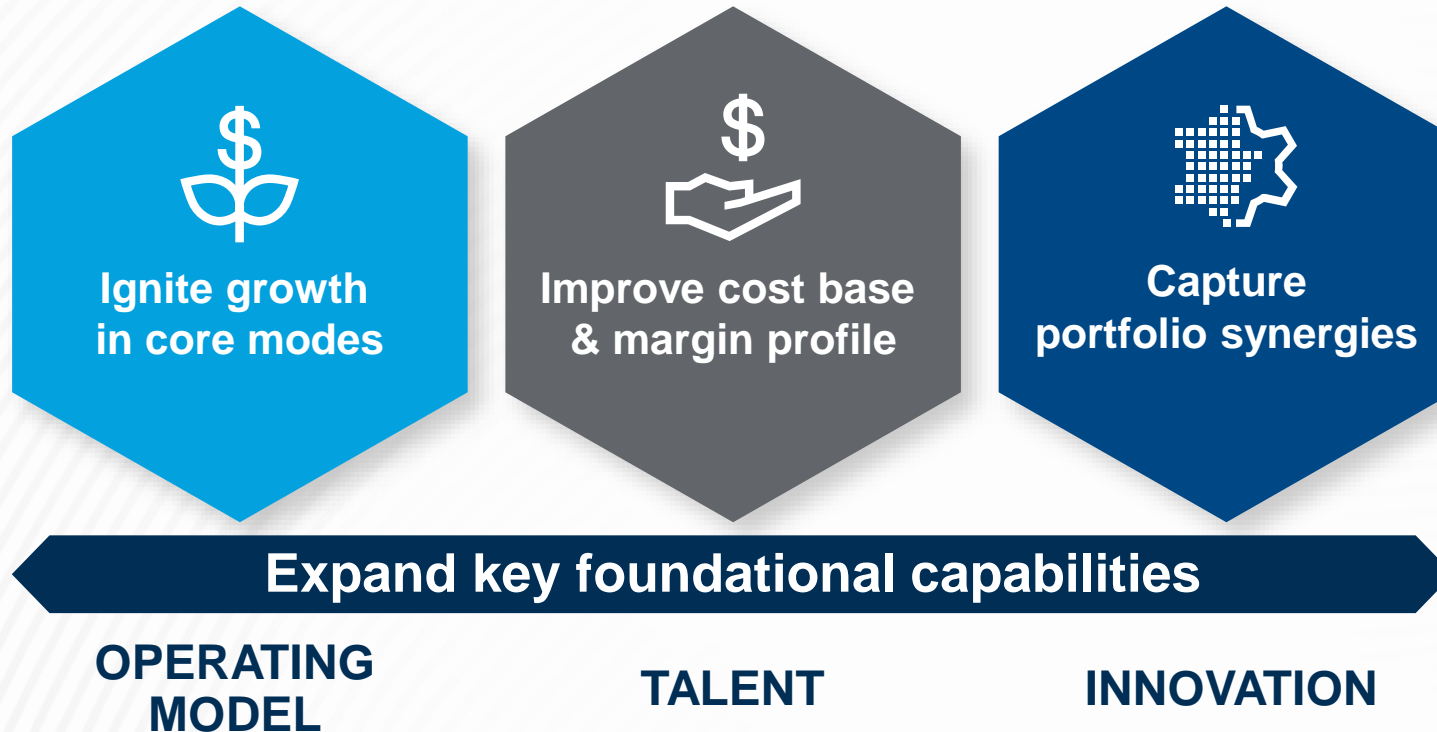
**4**  
**Drive relationship-focused approach grounded in a partnership model**

**6**  
**Demonstrate proven track record of supporting customers' changing sustainability objectives**

# ↑ Executing Our Strategy to Deliver Premium Shareholder Value

Focused on growing market share and expanding operating margins

## Strategic Pillars



# ↑ Clear Strategic Priorities

## Ignite Growth in Core Modes

- Drive outsized growth with SMBs
- Target growth verticals (e.g., Retail, Automotive, Healthcare, and Energy)
- Expand TAM through targeted capabilities (e.g., Drop Trailer, Consolidation / Warehousing, and Global Forwarding lane expansion)

## Improve Cost Base & Margin Profile

- Increase productivity and scalability
- Optimize organizational structure and personnel costs
- Build on NAST cost-of-hire advantage
- Drive enhanced yield and gross margin

## Capture Portfolio Synergies

- Leverage enterprise scale and capabilities
- Enhance go-to-market strategy by cross-selling solutions, optimizing managed services
- Build distinct market position with comprehensive solutions for global customers
- Feed the 4 core modes



Driving Clarity and Focus to Deliver Higher Highs and Higher Lows through the Cycle

# ↑ Expand Key Foundational Capabilities



**OPERATING  
MODEL**

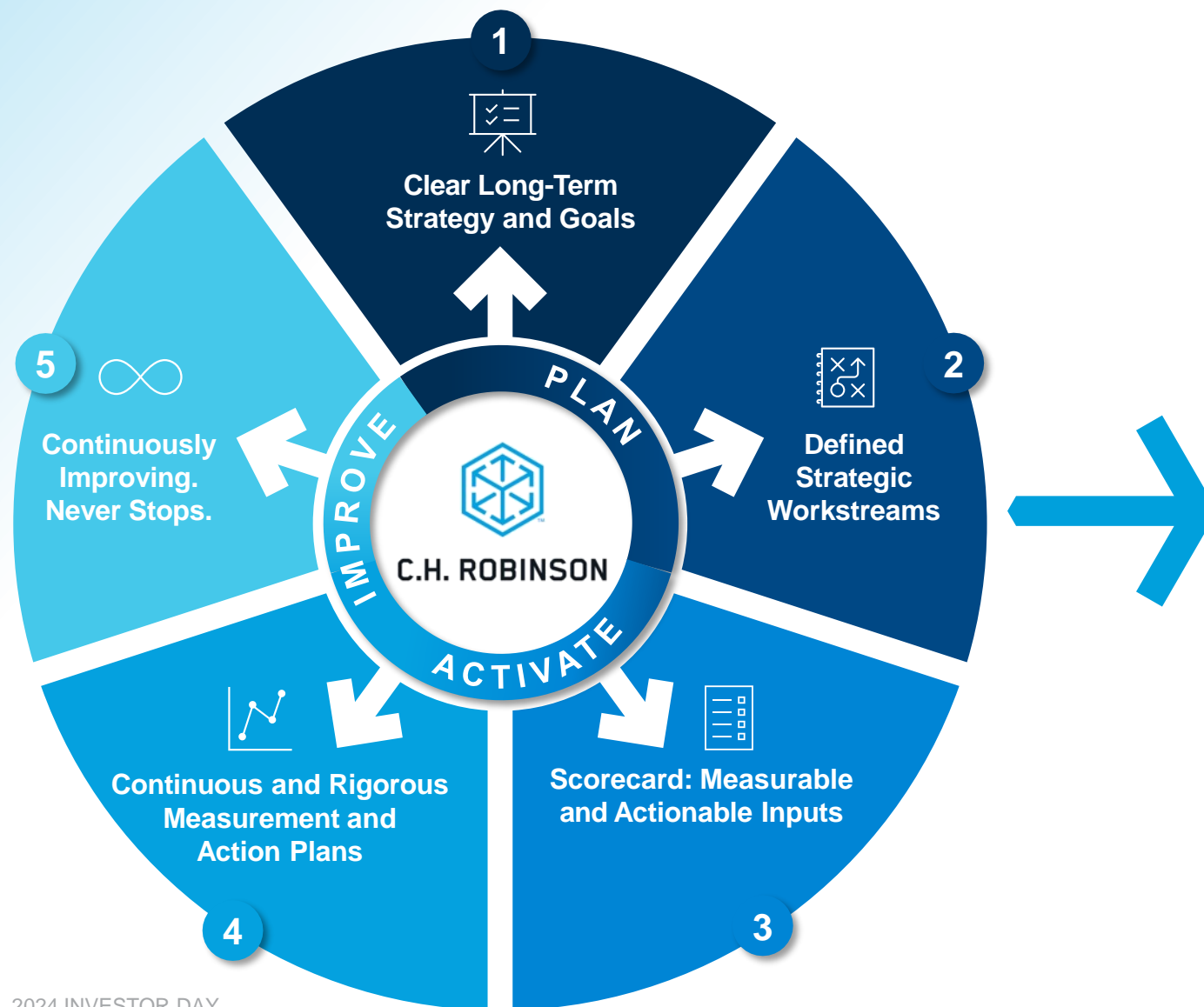


**TALENT  
STRATEGY**



**INNOVATION**

# ↑ Implementing and Executing New Operating Model to Drive Profitable Growth and Increase Operating Income



## Doing Things Differently

- Operational discipline
- Execution – regular cadence of operating reviews
- Opportunities for improvement – “embracing and attacking the red”
- Faster problem solving and countermeasures
- Transparency and accountability to key input metrics

# Leading Differently through Authentic and Credible Team ↑ with Proven Track Record

## TODAY'S PRESENTERS



**Dave Bozeman**  
President and  
Chief Executive Officer  
Joined: 2023



**Damon Lee**  
Chief Financial  
Officer  
2024



**Arun Rajan**  
Chief Strategy and  
Innovation Officer  
2021



**Angie Freeman**  
Chief Human Resources  
and ESG Officer  
1998



**Michael Castagnetto**  
President of  
NAST  
2005



**Mike Short**  
President of Global  
Freight Forwarding  
2012

## ADDITIONAL EXECUTIVE LEADERSHIP



**Ben Campbell**  
Chief Legal Officer  
and Secretary  
2004



**Duncan Burns**  
Chief Communications  
Officer  
2020



**Jim Reutlinger**  
VP, Enterprise Strategy  
Program Management  
2024



**Michael Neill**  
Chief Technology  
Officer  
2002



**Jose Rossignoli**  
President of Robinson  
Fresh  
2012



**Jordan Kass**  
President of Managed  
Solutions  
2000

**300+ Years** of Combined Industry Experience  
Across Multiple Leading Companies:



# ↑ Accountable and Engaged Board of Directors



**Jodee A. Kozlak**

Chair of the Board, C.H. Robinson Worldwide, Inc. and Former EVP and CHRO, Target Corporation



**James J. (Jim) Barber, Jr.**

Retired COO, United Parcel Service, Inc.



**Dave Bozeman**

President & CEO, C.H. Robinson Worldwide, Inc.



**Kermit Crawford**

Retired President and COO, Rite Aid Corporation



**Timothy C. Gokey**

CEO, Broadridge Financial Solutions



**Mark A. Goodburn**

Retired Chairman and Global Head of Advisory, KPMG International



**Mary J. Steele Guilfoile**

Former EVP, JP Morgan Chase



**Henry J. Maier**

Retired President and CEO of FedEx Ground



**Michael H. McGarry**

Retired Executive Chairman and CEO, PPG Industries



**Paige K. Robbins**

SVP and President, Grainger Business Unit



**Paula C. Tolliver**

Retired Corporate VP and Chief Information Officer, Intel Corporation



**Henry W. (Jay) Winship**

Founder, President and Managing Member of Pacific Point Capital LLC

## Board Skills

- CEO / Executive Mgmt. Experience
- Public Company Board
- Sales & Marketing
- Accounting / Finance
- Logistics / Supply Chain / Transportation
- Strategic Initiatives / M&A
- Technology / Digital / Cybersecurity
- Business / International Operations
- Talent Strategy & Human Capital Management
- Optimization & Innovation

## Board Attributes

**~62**  
Avg. Age

**3.6 years**  
Avg. Tenure

**~92%**  
Independent Directors

**50%**  
Gender / Racial / Ethnic Diversity

# ↑ Why Invest in C.H. Robinson



Ongoing industry leadership and strong, defensible competitive moat



Strategic execution already yielding results, with additional runway for market share growth and margin expansion



Clear path to enhanced operational efficiency by leveraging the Robinson Operating Model



Significant free cash flow, driving investment optionality throughout the cycle



Asset-light operating model, generating strong investment returns





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# Differentiating through Talent and Culture



**Angie Freeman**  
Chief Human Resources  
and ESG Officer



# ↑ Key Messages

1

Building on our industry-leading capability of finding and developing great talent

2

Empowering our people with strong, skilled leaders ready to drive the company into the future and enhance shareholder value

3

Maximizing the power of our people by leveraging innovative technology, a people-first culture of excellence, continuous improvement mindset, and our Robinson Operating Model

4

Aligning our incentives with business strategy to drive long-term, profitable growth

# ↑ Our Service is Well Recognized

*“Your greatest asset is your people. Ahmed A. is the biggest reason we continue to do business with C.H. Robinson. He is communicative and works quickly to resolve issues.”*

NAST Carrier

*“This has been a 5-star experience, and we are extremely happy we have partnered with C.H. Robinson as our strategic partner. We have never worked with such a thorough implementation or account management team – from Solution Design, LTL and TL, to Flatbed and Small Parcel.”*

NAST & Global Forwarding Customer

*“I have been working with Adam S. for several years now. He is my company's #1 freight specialist. He provides great rates, is excellent at what he does and consistently goes the extra mile for every shipment. We really enjoy working with him.”*

Freightquote & Global Forwarding Customer



**Industry Leader and Strategic Partner of Choice**

# ↑ Leading the Industry with a Strong and Performance-driven Team

## Global Workforce Shift to Relationships and Revenue Generation

**~14K** Employees vs. ~18K  
2 years ago

**37** Countries

**~5.4  
YRS** Median Tenure

**80** Languages Spoken

**49%** Gender Diversity

**30%** Ethnic Diversity

**+4%** Increased percentage of  
employees in customer  
and carrier facing roles  
vs. 2 years ago

**12.6%** Voluntary Turnover vs.  
15% Industry Average



Reflecting the Needs of Our Customers and the Demands of a Future-ready Business

# ↑ Our People and Culture Are a Competitive Advantage

## Strong Talent Brand



We attract top talent because:

- Leading supply chain expertise
- Advanced technology
- Career opportunities
- Track record of supporting our people and their communities
- Winning culture

## Identifying the Best



We find people that are driven to succeed:

- Embody our EDGE values of integrity, excellence, and growth
- Competitive and team orientated
- Adaptable, innovative problem solvers
- Relationship builders

## Growth and Development



Unmatched opportunities to learn and grow career for both early career and experienced talent

## Philosophy and adoption of AI



- We encourage candidates to leverage AI
- Recruiters leverage AI, resulting in 1-day reduction in time to fill a position, leading to 33% increase in hires per recruiter per year
- Using AI to help realign talent by automating certain tasks and boosting productivity
- Employees can free up time for critical thinking, problem solving and relationship building

Research Shows the #1 Reason Customers Work with Us is Our People and Their Expertise

# ↑ Developing Decisive Leaders Who Are Fit, Fast, and Focused

Retaining the best of the best

Leverage our scale, global footprint, and diverse relationships to grow highly capable and knowledgeable leaders

Ability to recognize strong talent early and leverage defined leadership success profile to identify what great looks like at Robinson

Utilize data-driven approach to build leadership excellence

Build deep supply chain expertise across the organization



**77%**  
of people  
leaders have  
been with  
Robinson  
for  
**5+ years**

**52%**  
of people  
leaders have  
been with  
Robinson  
for  
**10+ years**

Utilize Unmatched Scale and High-performance Culture to Develop Leaders Like No Other

# ↑ The Robinson Operating Model: A Winning Formula Foundational to Our Culture



## Prioritizing People + Tech

- Blend logistics science and Robinson's tech expertise with a focus on service and customer dedication
- Highlight our people's unique capabilities and commitment in the marketplace

## Continuous Improvement + Speed

- Foster continual improvement for customer satisfaction and growth
- Leverage operating model to empower employees to continually identify ways to enhance processes and outcomes

## Performance Based Culture Grounded in our Purpose

- EDGE values
- Exceptional service
- Tackle challenges together and go the extra mile
- Support the team and always do the right thing
- Get better every day

## Strong Corporate Citizens

- Culture reflects dedication to making a positive impact on the organizations our people care about most
- C.H. Robinson Foundation grantmaking supports our communities, industry and the environment

# ↑ Aligning Incentives to Drive Sustainable Growth

Continue to expand operating margin and grow market share



## Top-Down Alignment

- Strategic overhaul of incentive program to drive growth
- Top leaders on plans to drive long term enterprise growth
  - CEO: 89% performance based, 72% equity<sup>1</sup>
  - NEOs: 81% performance based, 63% equity<sup>1</sup>
  - Top 70 leaders: 54% performance based, 33% equity<sup>1</sup>



## Philosophy

- Designed a compensation philosophy that aligns employee pay with performance
- Competitive compensation rewards top talent and exceptional performance



## Unified Performance Metrics

- Balance of margin and volume goals, promoting a cohesive approach
- Aligned employees on performance metrics to unify towards shared goals
- Updated employees on compensation details and performance expectations



## Ownership Mentality

- Through our equity and stock purchase programs we have a large base of employee-owners
- In our equity program, we grant equity to 10% of our population, compared to Fidelity benchmark of approx. 5%
- Our Employee Stock Purchase plan has a 20% participation rate

From the Desk to Leadership, Our People Have Clear Goals and Aligned Incentives to Drive Success



# ↑ Our People & Culture Are Recognized for Excellence

## AWARDS & RECOGNITION



Strong Progress Made with Significant Runway Ahead

## ↑ Key Takeaways

- **1** Building on our industry-leading capability of finding and developing great talent
- **2** Empowering our people with strong, skilled leaders ready to drive the company into the future and enhance shareholder value
- **3** Maximizing the power of our people by leveraging innovative technology, a people-first culture of excellence, continuous improvement mindset, and our Robinson Operating Model
- **4** Aligning our incentives with business strategy to drive long-term, profitable growth

**Together, we keep the world moving forward. Every shipment. Every challenge. Every day.**



# ↑ Experiencing Well-known Pattern of Technology Disruption



FOUNDED  
**1999**

INDUSTRY  
**e-Commerce**

Industry disruption favored  
**New Entrants**



FOUNDED  
**1996**

INDUSTRY  
**Travel**

Industry disruption favored  
**New Entrants**



**C.H. ROBINSON**

FOUNDED  
**1905**

INDUSTRY  
**Logistics**

Industry disruption favors  
**Incumbents**



**Logistics Complexity Favors Incumbents with Scale and Expertise to Disrupt from Within**

# ↑ Key Messages

1

Transforming the customer and carrier experience to grow market share

2

Delivering business model scalability

3

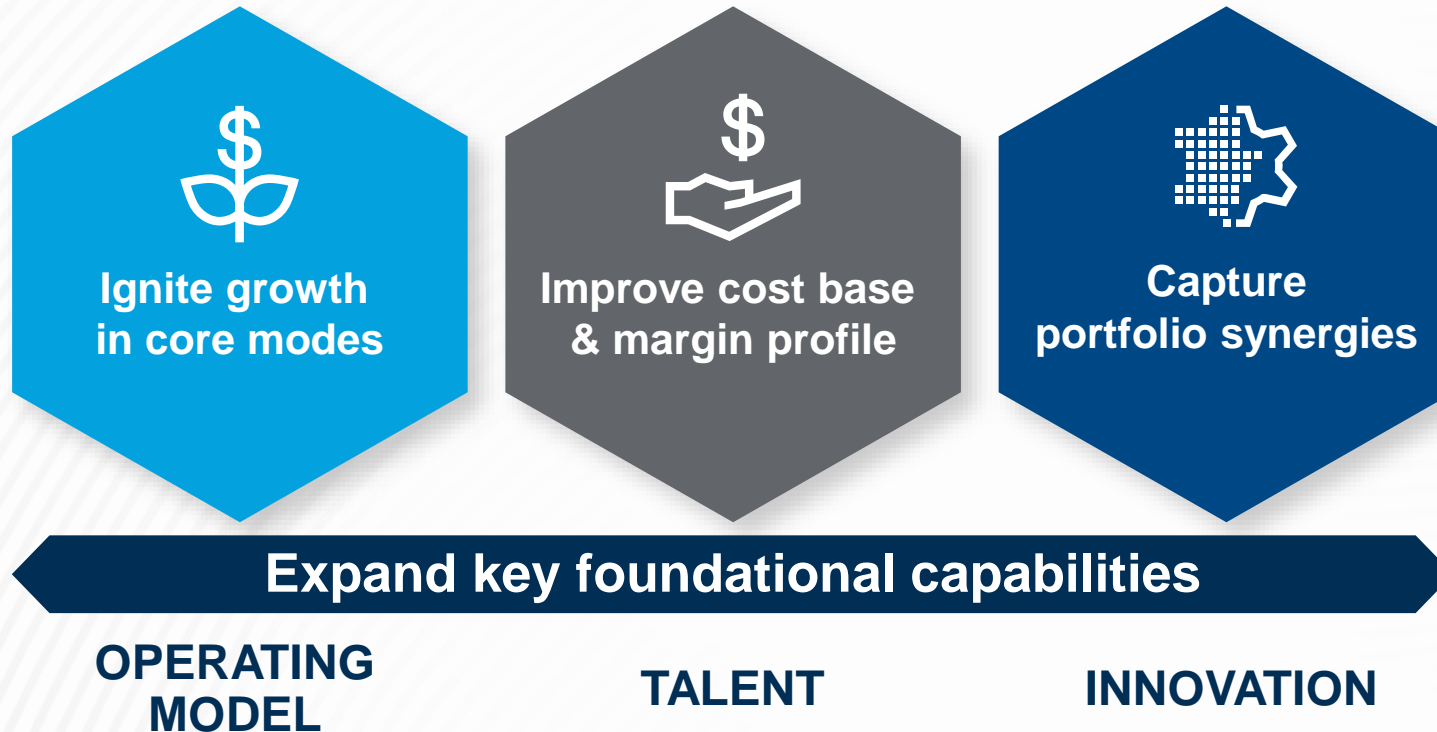
Driving gross margin and operating margin expansion

Disrupting from Within to Lead the Logistics Industry into the Era of Digital Enablement

# ↑ Executing Our Strategy to Deliver Premium Shareholder Value

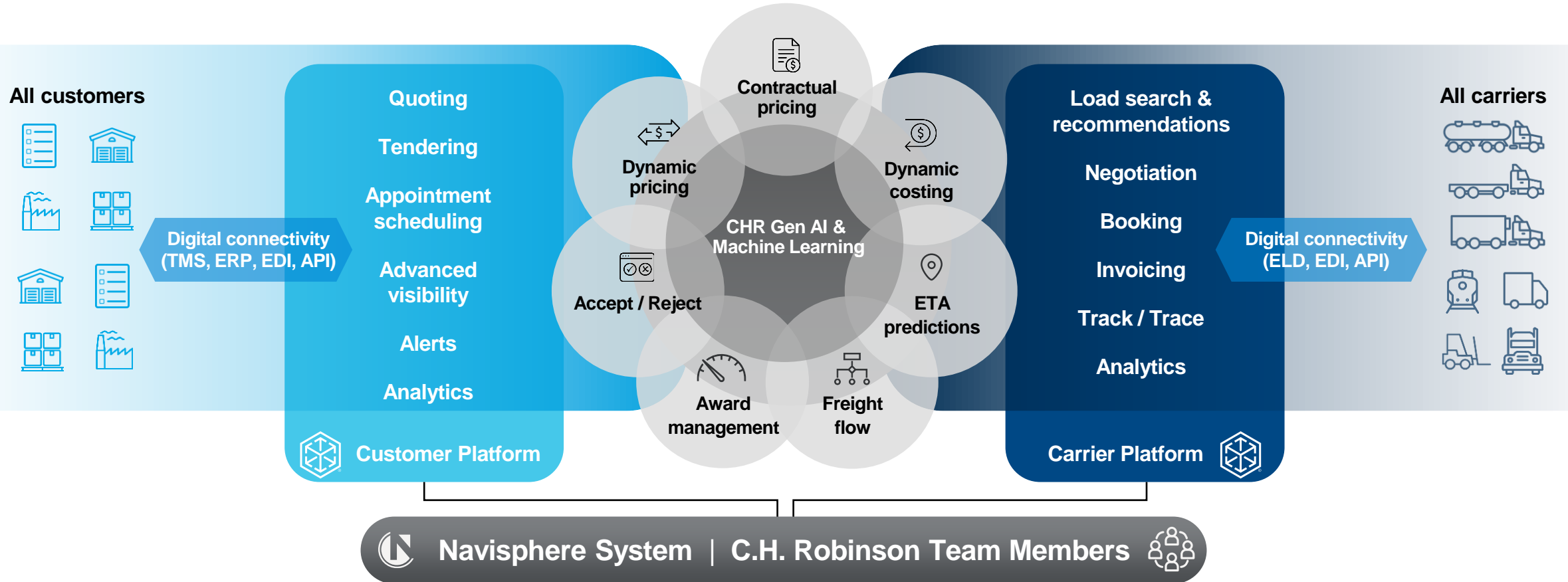
Focused on growing market share and expanding operating margins

## Strategic Pillars



# ↑ Leading the Industry into the Era of Digital Enablement

Elevating the customer and carrier experience



Setting the Bar with the C.H. Robinson Digital Platform

# ↑ Leveraging Proven Platform Patterns

Learning from success in digital marketplaces to lead the way

## 1 Industry-leading Digital and AI Capabilities

Leveraging unmatched scale and information advantage to fuel the most powerful AI/ML capabilities in the industry

## 2 Dynamic Pricing and Costing Technologies

Sophisticated dynamic pricing / costing technology and revenue management to optimize gross margins

## 3 Frictionless Quote-to-cash Order Execution

Lowering our cost to serve to enable operating leverage and margin expansion by automating every step in the quote-to-cash lifecycle

## 4 People and Technology Synergy

Combining unmatched domain expertise with cutting-edge technology

**Delivering a Superior Customer Experience, Scalability, and Margin Expansion**





# ↑ Capitalizing on Dynamic Costing & Pricing

## Key Aspects

- Leveraging data resulting from our tremendous transactional scale to power AI/ML
- Dynamically adjusting to real time supply and demand signals from our digital channels to optimize yield
- Massively scalable dynamic time pricing and costing capability
- Maintaining expert “Humans in the Loop” to continuously improve the algorithms and fill in blind spots
- Optimizing profitability via real-time yield management



**700K**   
Customer quotes per day

 **> 1M**  
Digital negotiations per month  
with carriers

**> 100K**   
Costing changes per day

Innovating to Deliver an Elevated Experience While Expanding Gross Margins

# ↑ Innovating Across the Quote-to-Cash Lifecycle

Improve Cost Base & Margin Profile



**> 10K**  
Gen AI  
Transactions/Day

**> 85%**  
Automated  
Orders

**> 300K**  
Automated Accept  
/Reject per month

**~50%**  
Digital  
Capacity Booking

**> 50%**  
Automated  
Appointments

**1B**  
Automated Tracking  
Updates

Driving **>30% SPPPD<sup>1</sup>** Improvement in 2024 (vs 2022)

Innovating for an Elevated Experience while Creating Operating Leverage

1. Shipments per person per day

# ↑ Generative AI Order Processing

## Prior Order Entry Pain Points

- Manual data entry
- Toggling between screens
- Copying and pasting data between fields and applications
- Significant human touch time required / potential for human error

### Benefits of AI-Driven Order Processing

**2K**

Email order requests per day

**<1 Minutes**

Human touch time (down from 8-15 minutes)

**~250-500**

Hours Saved Each Day

## ADDITIONAL BENEFITS

- Enhanced customer satisfaction and faster turnaround times
- Scalability: enables creation of multiple orders at once
- Ability to turn email shipment requests into orders
- Streamlines emails regarding appointments for pickup and delivery
- Freeing our people up to perform more value-added work for customers and carriers

Driving Operating Margin Expansion

# ↑ Areas of Expanded Focus

- 1 Implement long-term, multi-horizon strategy**
  - Drive short- and long-term strategic priorities
  - Informed by secular trends
- 2 Ignite growth in high-potential markets**
  - Key verticals powered by high priority horizontal capabilities
  - To access greater Total Addressable Market (TAM)
- 3 Maximize One Robinson go-to-market strategy**
  - Starting with Managed Solutions as a horizontal capability
  - To power increased capability to solve complex supply chain problems for customers
- 4 Accelerate profitability through innovation**
  - Double down on digital capabilities that amplify our expertise
  - Gen AI solutions that transform customer experiences



Leading the Logistics Industry into the Future

## ↑ Key Takeaways

→ **1** Transforming the customer and carrier experience to grow market share

→ **2** Delivering business model scalability

→ **3** Driving gross margin and operating margin expansion

**Disrupting from Within to Lead the Logistics Industry into the Era of Digital Enablement**



# 2024 Investor Day



**Break**



C.H. ROBINSON

# Driving Sustainable Growth and Efficiency in North American Surface Transportation



**Michael Castagnetto**  
President of North American  
Surface Transportation (NAST)



# ↑ Key Messages

1

Capitalizing on our industry leadership position through strong relationships and deep expertise enabled by technology

2

Leveraging unrivaled scale, data, and information advantage to deliver best-in-class tailored solutions for our customers

3

Driving growth in core transportation modes, expanding addressable market and market share through core capability development, and focusing on high-growth verticals and innovative service solutions

4

Digitizing operations and carrier experience to increase productivity, optimize cost structures, and enhance margins



# ↑ North American Surface Transportation (NAST) at a Glance

Market leader competitively advantaged via scale, with a commitment to

**40%**

operating margin target

**50K**

Shipments per Day

**68K**

Active Customers

**340K+**

Contract Carriers on Our Platform

Leading talent and tech capabilities enhancing scalability and information advantages:



Real Time, Dynamic Pricing Tools



Enhanced Digital Products for Customers and Carriers



**\$3B+** North America LTL Brokerage



**Nearly \$1B** drop trailer business (12% of Truckload volume)

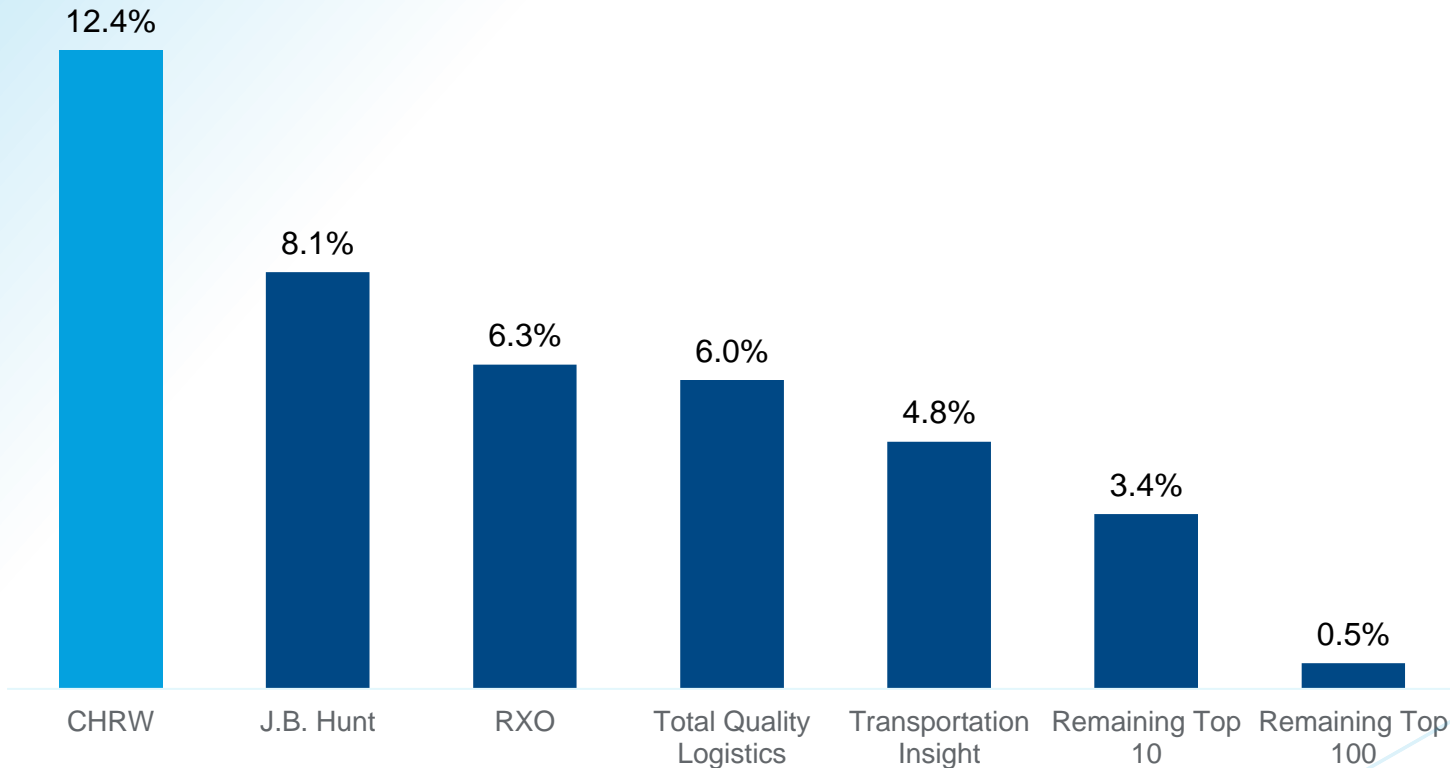


Most Connected and Efficient Marketplace

Driving Operational Excellence and Strategic Vision to Become Fit, Fast, and Focused

# ↑ Leading Position in Fragmented Brokerage Market

Average Market Share of Top 100 Domestic 3PLs<sup>1</sup>

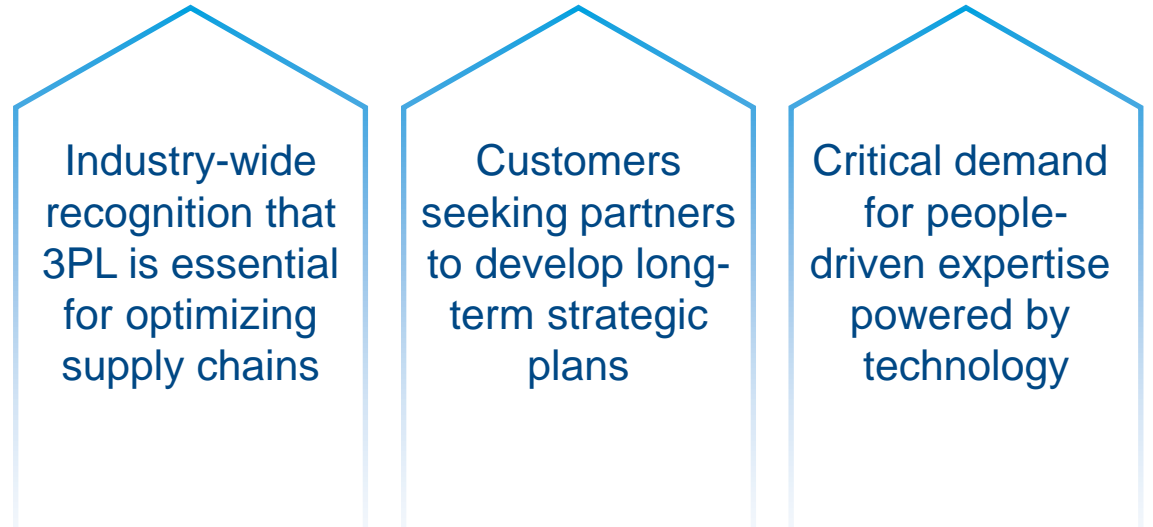


- **Leading market position** despite recent loss of SMB market share
- **Size and scale** to compete effectively across market cycles
- **Ability to serve customers of all sizes** with a full portfolio of solutions

# ↑ Large and Growing Addressable Market

For-Hire Trucking: ~\$400B		
MARKET	Brokerage	Non-Brokerage
MARKET SIZE <sup>1</sup>	~\$117B	~\$283B
OUR FOCUS	<ul style="list-style-type: none"> <li>• Reinforcing leadership position</li> <li>• Reclaiming SMB market share</li> <li>• Accelerating growth via vertical-centric solutions</li> </ul>	<ul style="list-style-type: none"> <li>• Growing managed solutions</li> <li>• Expanding asset-enabled solutions</li> <li>• Elevating customer and employee experience</li> </ul>

## Key Market Growth Drivers

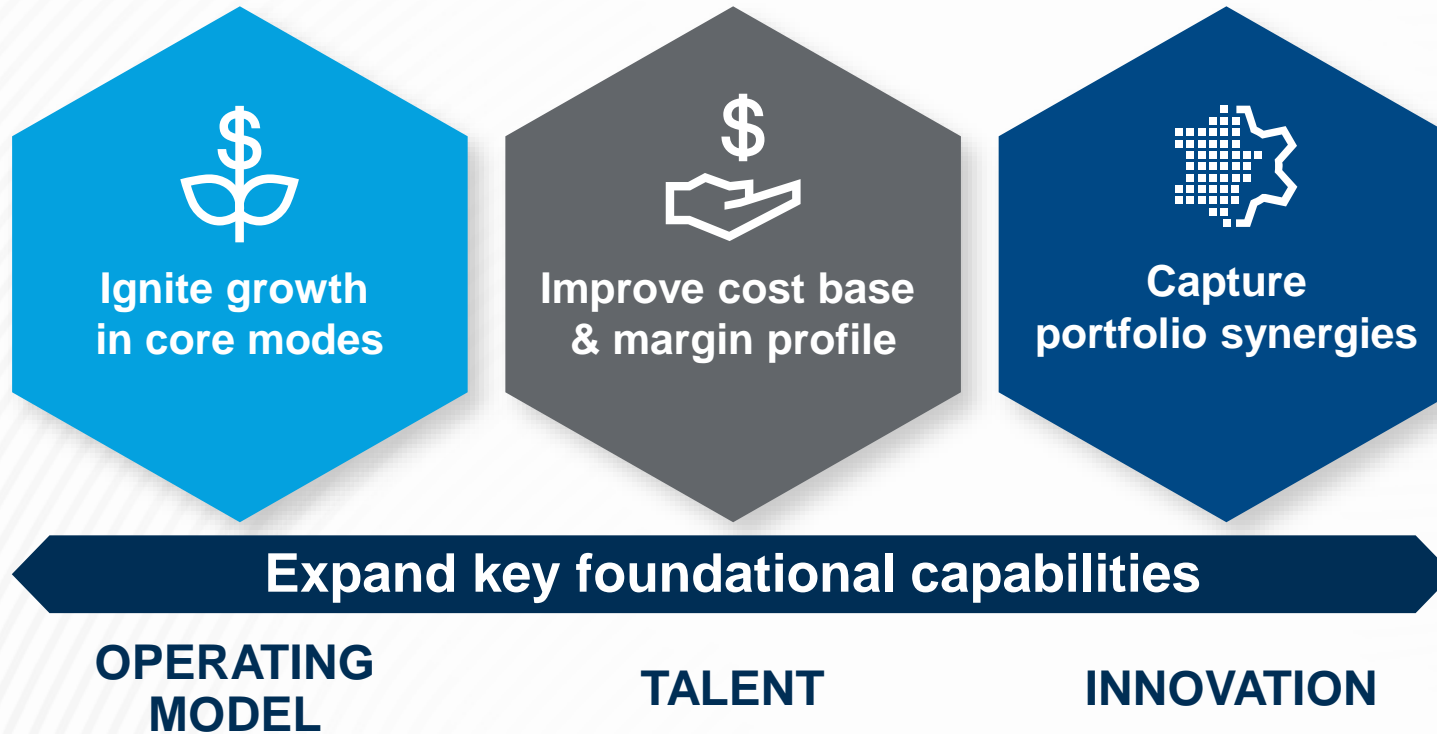


**We bring flexibility of solutions with scale**

# ↑ Executing Our Strategy to Deliver Premium Shareholder Value

Focused on growing market share and expanding operating margins

## Strategic Pillars



# ↑ Recapturing Small and Medium Customers to Take Back Share

Ignite Growth  
in Core Modes



## INTENTIONAL FOCUS ON SMALL AND MEDIUM CUSTOMERS

- Investing in sales, leadership, and technology
- Leveraging existing playbooks informed by decades of expertise
- Hiring at traditional brokerage role



## Mid-single Digit

year-over-year volume growth YTD,  
in the midst of a freight recession

Driving Profitable Growth by Recapturing Our Position with Traditional Customer Base



# ↑ Focusing on Markets Highly Aligned to Our Value Prop

Ignite Growth  
in Core Modes



## Key Industry Characteristics For Our Vertical Growth Strategy

- Highly complex multi-modal supply chains
- Cross-border
- Just-in-time or inventory-intensive supply chains
- Need for consolidation services
- Ability to leverage One Robinson expertise

## Example Verticals That Fit Our Value Prop



Automotive

- **Why We Play Here:** Long history but early innings of market penetration, strong alignment with international solutions, need for just-in-time inventory solutions
- **Competitive Edge:** Extensive network, technology integration, industry expertise, global reach, customized solutions, and sustainability initiatives



Retail

- **Why We Play Here:** Deep integration across multiple key focus areas with history of growth and success
- **Competitive Edge:** Scale and scope, talent, industry knowledge, and breadth of solutions within retail delivers full breadth of solutions with ability to flex supply and capability



# ↑ Igniting Growth through TAM Expansion

## Enhance Targeted Capabilities

- **Drop Trailer Expansion-Asset light position** with exponential impact beyond direct assets (12% of NAST Truckload volume)
- **Consolidation and Warehousing solutions** to provide inventory positioning and flexibility to customers

## Focus on High-Growth Adjacencies

- Industry leading intra Mexico, intra Canada and **Cross-border solutions** that capitalizes on near shoring and impacts key customer verticals

## Expand into Additional Solutions

- **4PL Managed Solutions** bringing to bear the full scale of One Robinson across data, information, solution design, engineering, and supply chain execution

Leveraging Our Expertise and Capabilities to Expand in High Growth Adjacencies



# ↑ Drive Productivity and Scalability

Achieving 30%+ productivity improvement over two years

1

## Capitalize on enterprise size and scale

- Industry leading cost-to-serve to drive volume growth on our terms
- Pursue cross-sell opportunities through One Robinson approach
- Solutions to meet all customers across all segments and industries

2

## Leverage tech to enhance productivity

- Improve order flow and workflow through AI and system improvements
- Leverage automation to reduce task-oriented work while upskilling our talent to focus on customer-centric work

3

## Drive efficiencies through Lean principles

- Execute Robinson Operating Model throughout the business
- Drive adoption of continuous improvement mindset

4

## Optimize pricing and margin profile

- Reduce cost-of-hire via digital brokerage
- Drive enhanced yield via revenue management
- Shift product mix to higher margin solutions over time

Enabling Industry-Leading 40% Mid-Cycle Operating Margin

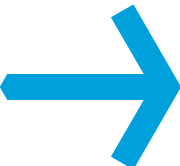




# ↑ Unlocking Value through Portfolio Synergies

## Leveraging One Robinson Go-to-Market Strategy

- **Robinson Fresh:** Unparalleled temperature and inventory expertise
- **Global Forwarding:** Comprehensive global solutions across Air, Ocean, LTL, and Truckload
- **Managed Solutions:** Strengthening customer relationships through seamless access to integrated solutions



**Harnessing synergies across our portfolio to provide differentiated value**

## ↑ Key Takeaways

- **1** Capitalizing on our industry leadership position through strong relationships and deep expertise enabled by technology
- **2** Leveraging unrivaled scale, data, and information advantage to deliver best-in-class tailored solutions for our customers
- **3** Driving growth in core transportation modes, expanding addressable market and market share through core capability development, and focusing on high-growth verticals and innovative service solutions
- **4** Digitizing operations and carrier experience to increase productivity, optimize cost structures, and enhance margins



C.H. ROBINSON

# Driving the Future of Global Forwarding



**Mike Short**

President of Global Freight  
Forwarding (GF)



# ↑ Key Messages

1

Delivering sustained market share growth in an expanding market

2

Building on our unique scale, deep customer intimacy, differentiated service, and technology enablement through continuous improvement

3

Utilizing automation and continuous improvement to increase productivity, scalability, and operating leverage

4

Leveraging One Robinson to capture opportunities across key verticals and trade lanes that drive profitable growth

# ↑ Global Forwarding (GF) at a Glance

Connecting disparate components of international supply chains, with a commitment to

**30%**

operating margin target

**6K**

Shipments per Day

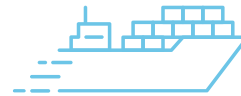
**25K**

Active Customers

**149**

Steps in Our Order-to-Cash Lifecycle

**Strong customer and carrier collaboration enabled by scale and breadth of One Robinson:**



Leading ocean forwarder in Transpacific, Transatlantic, Oceania, and Indian Subcontinent



Top 5 NVOCC within global ocean carrier portfolio

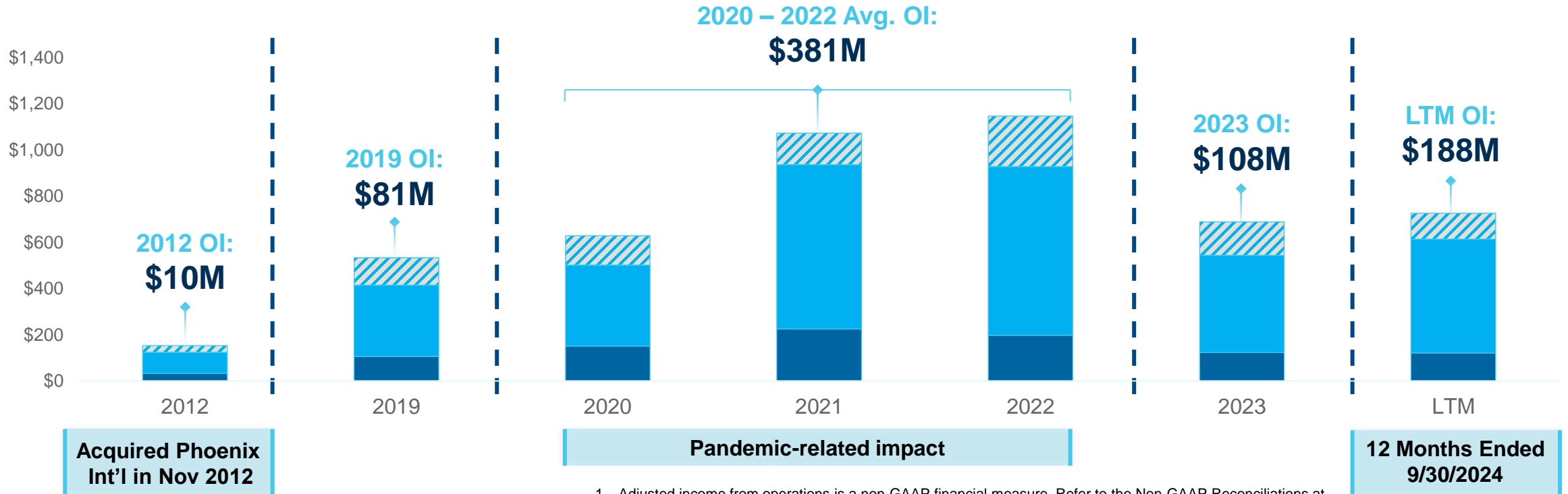


Fast, reliable air freight services at all major hubs globally

**Making Global Freight Move Around the World with Ease**

# ↑ Driving Profitable Growth Across Market Cycles

## Modal AGP and Adjusted Income from Operations<sup>1</sup>



1. Adjusted income from operations is a non-GAAP financial measure. Refer to the Non-GAAP Reconciliations at the end of this presentation for further discussion and a GAAP to Non-GAAP reconciliation for 2022 to 2024.

## Key Focus Areas to Expand Our Market Share

Vertical-centric solutions

Near- and re-shoring

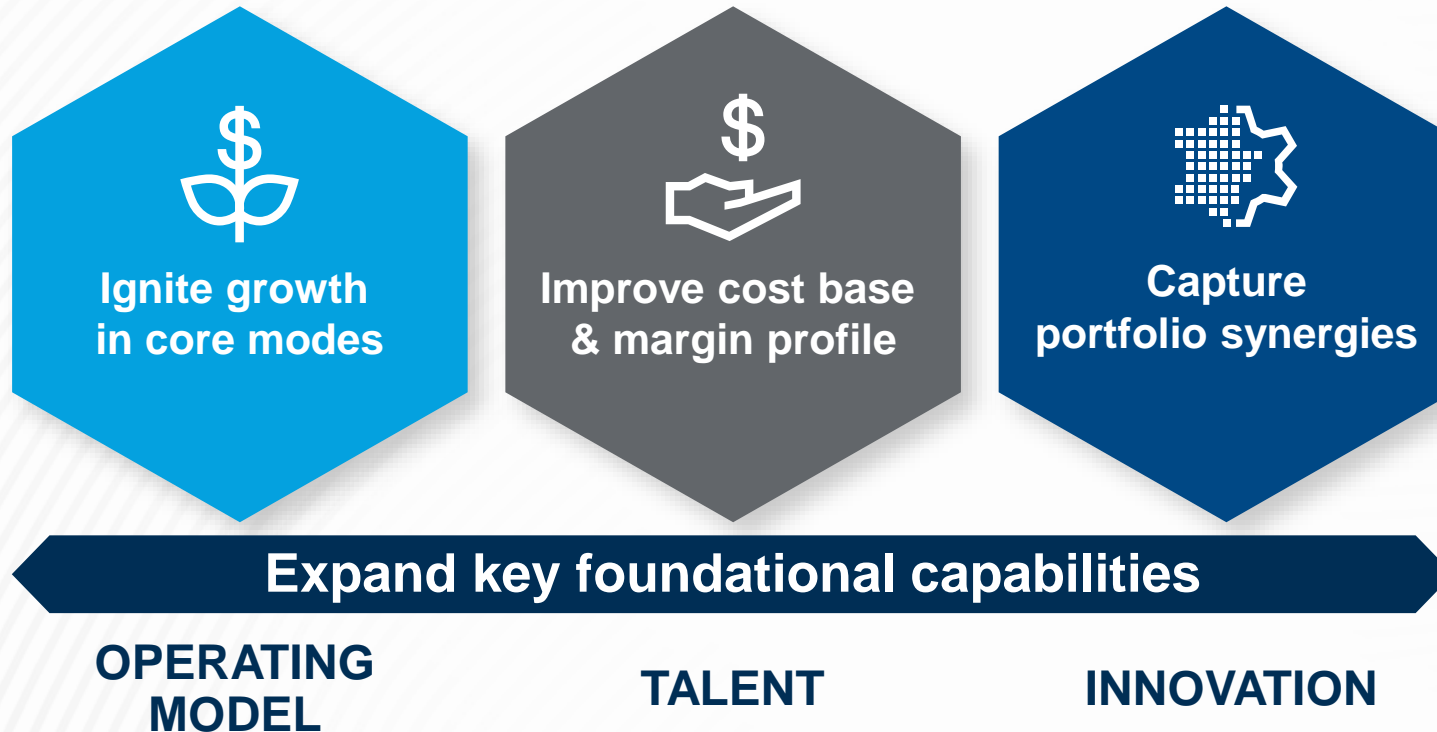
Customer expertise / service

Targeted lane expansion

# ↑ Executing Our Strategy to Deliver Premium Shareholder Value

Focused on growing market share and expanding operating margins

## Strategic Pillars



# Competitive Advantages Enabling ↑ Our Right to Win

Ignite Growth  
in Core Modes



1

## Unique scale in the U.S. freight forwarding market

- Empowering growth by capitalizing on expanding market

2

## Differentiated service driven by our people

- Positioning GF to create tailored solutions that precisely align with customer needs

3

## Optimized mix of proprietary and third-party technology

- Eliminating the need for outsourcing, enabling better data integrity and more impactful solutions for customers

4

## Compliance expertise across supply chain governing bodies

- Driving stickier customer relationships





# ↑ Targeted Lane Expansion

## Flexibility to Capture Growth as Market Dynamics Shift



- Aligning our services with carriers' preferences, whether they need us to work with them locally, globally, or regionally
- Delivering compliance expertise to seamlessly guide customers as they enter new regions
- Customizing services to meet customers' unique needs, powered by our commitment to commercial excellence



## Well-Positioned to Capture Significant Share in Rapidly Expanding Trade Lanes

Focus on lanes involving Southeast Asia, India, and Transatlantic

### Background

- Bridges Asia's manufacturing hubs with other key consumer markets and industrial centers
- Serves as a backbone for supply chains, driven by heavy dependence on Asian-manufactured goods

### Well-positioned to win:

- Leverages existing sales networks, minimizing investment while maximizing global reach

**Proven Playbook to Drive Repeatable Process through Shifting Market Dynamics**

# ↑ Drive Productivity and Scalability

Improve Cost Base  
& Margin Profile



1

## Drive higher productivity and scalability through digitization

- Leveraging automation and continuous improvement

2

## Lower cost to serve

- Transforming operational management rigors through center-led guidance and persistent network adoption
- Driving operating leverage
- Labor arbitrage for high frequency tasks

3

## Enhance yield via revenue management

- Building pricing and operational platforms that better support commercial and product goals
- Maximizing profitability

4

## Focus on products that require expertise, scale, and internal structure

- Expanding Ocean and Air gateways, which are high barrier to entry, difficult to replicate, and highly valued
- Vertical expertise and solutions



# ↑ Build on Distinctive Market Position

## One-Robinson Go-to-Market Strategy

- Enhance cross-selling strategy and execution between GF and NAST
- Drive volume to four core modes
- 20% of GF's new AGP comes from relationships that were initiated by NAST
- Opportunity to integrate NAST's domestic solutions with GF's global customer base, enhancing relationships
- Connecting NAST customers to GF vertical expertise, modal, and trade lane solutions to enable wallet share growth across the enterprise



**Harnessing “One Robinson” to strengthen NAST relationships and highlight our unique GF capabilities, meeting customers’ unique needs in key global trade lanes and verticals**

# ↑ Expand Key Foundational Capabilities | Enable Strategic Pillars

**Execute Operating Model**  
to drive quality, growth,  
productivity, and expense  
management

**Enhance customer  
experience** by improving  
operational quality,  
uniformity, and controls

**Capitalize on technology  
advancements** to reduce  
task-oriented work and  
upskill talent

**KEY  
OPPORTUNITIES**



**Scale within  
Europe**

**Scale within  
Air Freight**

**Leverage  
technology**  
to simplify  
customer  
interactions

**Becoming a Market Leader in Global Supply Chain Business Intelligence and Prediction**

# ↑ Key Takeaways

- **1** Delivering sustained market share growth in an expanding market
- **2** Building on our unique scale, deep customer intimacy, differentiated service, and technology enablement through continuous improvement
- **3** Utilizing automation and continuous improvement to increase productivity, scalability, and operating leverage
- **4** Leveraging One Robinson to capture opportunities across key verticals and trade lanes that drive profitable growth



C.H. ROBINSON

# Building on a Resilient Financial Foundation



**Damon Lee**  
Chief Financial Officer



# ↑ Key Messages

1

Confidently pursuing a new era of growth and profitability, empowered by a clear and fully aligned strategy

2

Embracing our operating model to drive margin expansion and compound shareholder returns

3

Capitalizing on strong balance sheet enabled by ongoing free cash flow generation

4

Leveraging consistent and disciplined capital allocation framework to drive ongoing value creation

# ↑ Historical Financial Performance

Building on the past and embracing the future

~\$2.9B | 14.8%

5-Year Average

**Adj. Gross Profit  
and Margin<sup>1</sup>**

~\$875M

5-Year Average

**Adjusted Income from  
Operations<sup>1</sup>**

~\$681M

5-Year Average

**Free Cash Flow<sup>1</sup>**

**Solid financial results  
through a period of  
unprecedented challenges:**

- Global pandemic
- Supply chain disruptions
- Significant fluctuations in carrier capacity
- “Digital” new entrants
- Shifting customer needs
- Increasing complexity

## OPPORTUNITIES

Evergreen Productivity

Market Outgrowth

Manage Costs

Higher Highs and  
Higher Lows

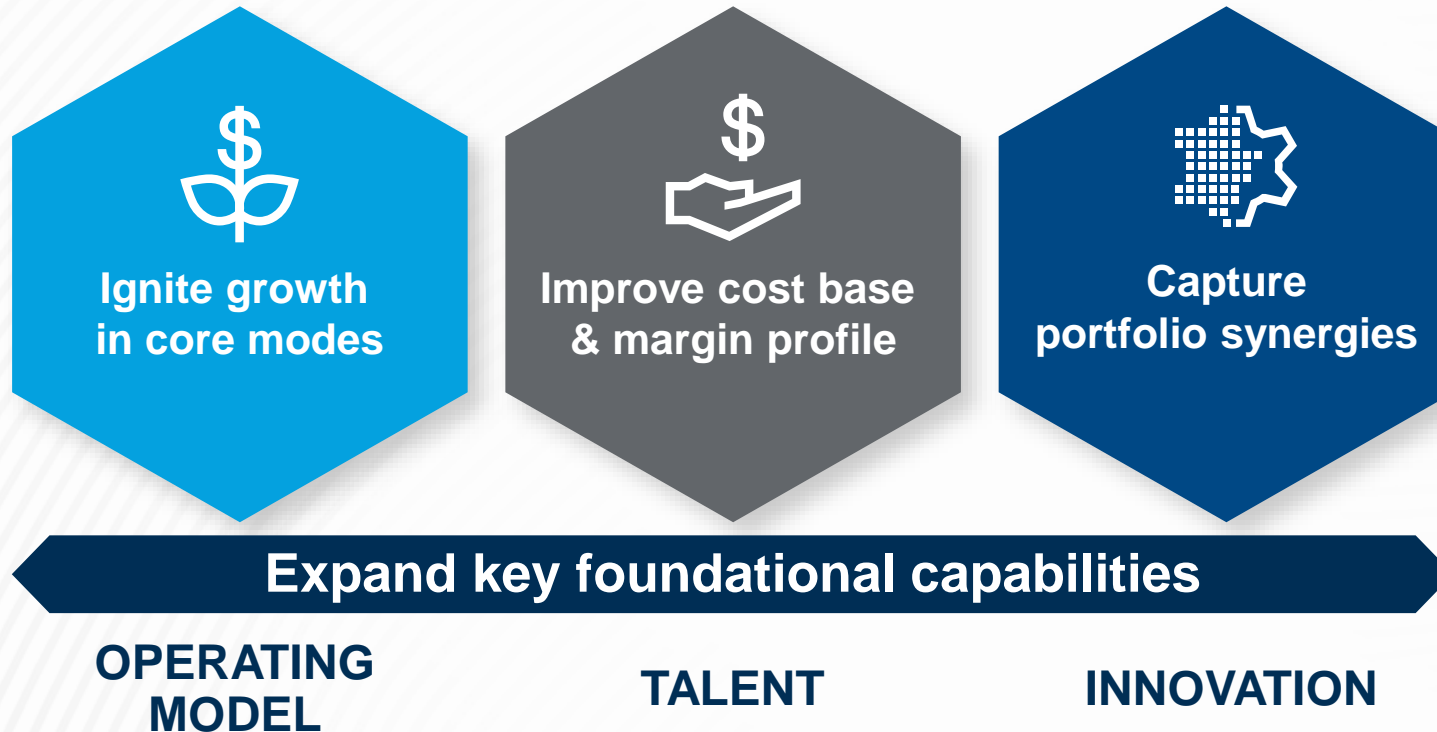
**Demonstrating Industry Leadership through Strong Financial Performance**



# ↑ Executing Our Strategy to Deliver Premium Shareholder Value

Focused on growing market share and expanding operating margins

## Strategic Pillars





# ↑ Strong Growth Drivers Across the Business

## North American Surface Transportation (NAST)

- Share recapture with SMB customers
- Above market growth in target verticals
- Growth with global customers through One Robinson approach
- Improved customer and carrier experience through leading tech capabilities
- Potential to capitalize on disruption in highly fragmented market

## Global Forwarding (GF)

- Continued diversification within and across trade lanes
- Proactive expansion within targeted verticals
- Ability to support customers through geopolitical supply chain disruptions
- Enhanced go-to-market approach (commercial excellence, single point of contact, segmented sales and account management teams)

**Strong Revenue is Garnered from Customers with Both NAST and GF Services**

# ↑ Capitalizing on Investments Aligned to Our Strategy to Expand Margins

Improve Cost Base  
& Margin Profile



## Gross Margin

- Utilizing data for more accurate and personalized quoting
- Improving cost of hire
- Dynamically adjusting to spot market changes
- Maximizing profitability via real-time yield management
- Pricing competitively while remaining responsive to market changes

## Operating Margin

- Enhancing customer satisfaction with faster turnaround times
- Enabling creation of multiple orders at once through scalability
- Turning email shipment requests into orders
- Streamlining emails regarding appointments for pickup and delivery

Leveraging Operating Model to Enhance Industry Leading Technology with Improving ROI

# ↑ Disciplined Execution of Strategy Driving Strong Outcomes

Improve Cost Base & Margin Profile



## OUTCOMES



**On track for >30%**  
improvement in NAST & GF productivity over a 2-year period



**180bps**  
YoY improvement in Q3 2024 NAST Adjusted Gross Profit Margin



**500bps**  
YoY improvement in Q3 2024 YTD Adj. Operating Margin<sup>1</sup>

**Continuing to Execute to Become Increasingly Fit, Fast, and Focused**

# ↑ Strong Free Cash Flow Supports Healthy Balance Sheet

## Free Cash Flow<sup>1</sup>

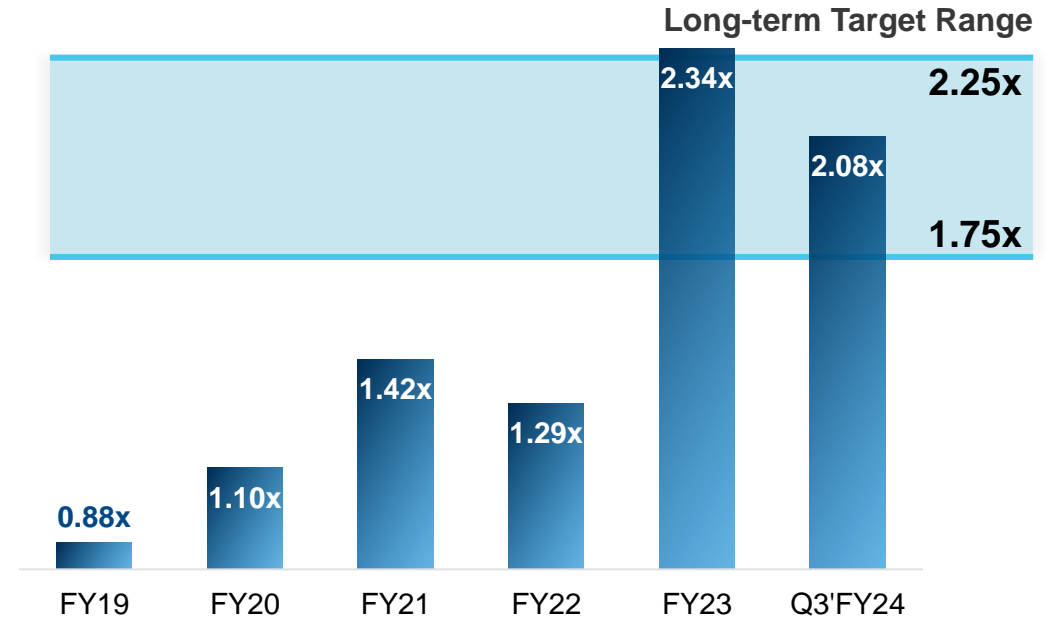
**~\$681M**  
5-Year Average

**\$182M**  
2024 YTD<sup>2</sup>

### Key Drivers

- Strong through-cycle EBITDA generation
- Managing through market volatility and supply chain disruption
- Countercyclical cash flow dynamics
- Asset-light business with limited capital investment requirements

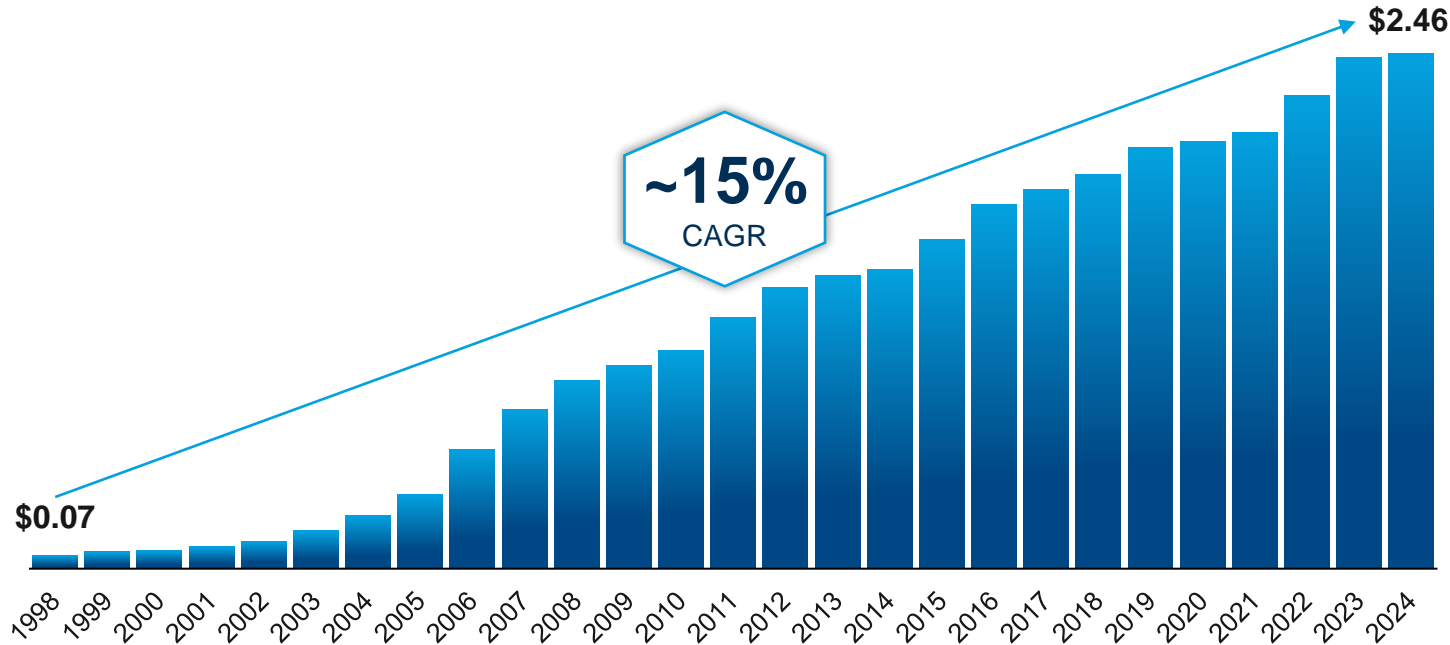
## Net Debt to EBITDA



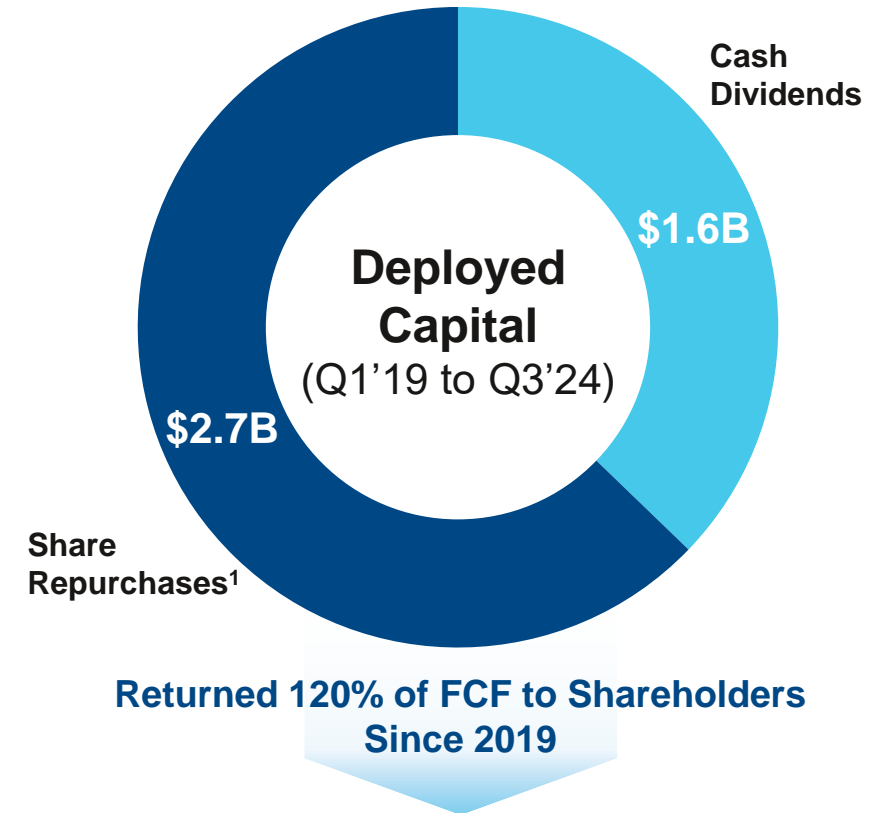
**Solid Financial Foundation to Support Investments in Growth**

# ↑ Strong History of Returning Capital to Shareholders

Dividends Per Share



Cumulative Capital Returned



25+ Years of Annually Increasing Dividends on a Per Share Basis

# ↑ Disciplined Approach to Future Capital Deployment

## Sustain & Drive Growth

- Prioritize high-return, organic investments
- Opportunistically use M&A to accelerate strategy

## Optimize Balance Sheet

- Sustain investment grade credit ratings
- Maintain \$600M - \$750M of liquid assets (cash & borrowing availability)
- Stagger debt maturities to reduce refinancing risk

## Return Capital

- Grow dividends in alignment with long-term EBITDA
- Opportunistically repurchase shares



Deploying Capital Strategically to Enable Growth Shareholder Value Creation

# ↑ Delivering Strong Financial Performance through the Cycle

**TAKING PROACTIVE ACTION  
TO DELIVER HIGHER HIGHS  
AND HIGHER LOWS  
THROUGH THE CYCLE**



## Key Actions

- Dynamic costing and pricing
- Diversification across core modes and end markets
- Increased exposure to higher-growth verticals and adjacencies
- Deeper customer relationships leading to greater price elasticity

**Ability to Meet Customer Needs During Periods of Market Volatility**



# ↑ Our FY 2026 Financial Target



**\$350M-\$450M**

Incremental Operating Income  
vs. 2023

## Mid-Cycle

**40%**

NAST Operating  
Margin

**30%**

GF Operating  
Margin

**Mid-30s**

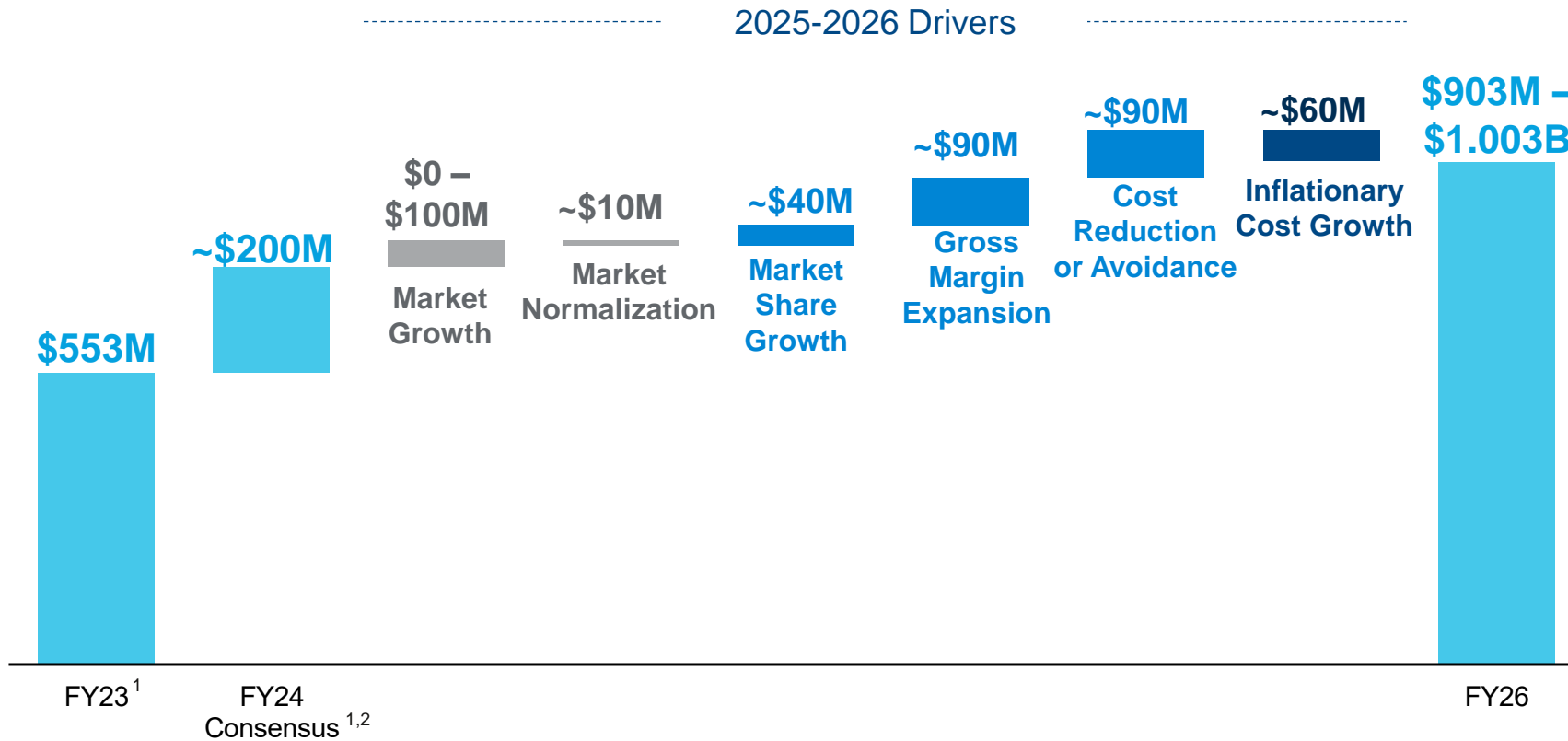
Enterprise Operating  
Margin

## Key Assumptions

- Outsized volume growth in NAST and GF
- Ongoing gross margin expansion driven by technology enhancements
- Consistent focus on driving productivity and operating leverage

# ↑ Operating Income Bridge

## Income from Operations



## Market Assumptions

- Market volume growth of 0-5% annually in 2025-2026
- Market normalization
  - NAST AGP/shipment increases to 2019 average
  - GF AGP/shipment declines to 2H 2023 average

## Key Drivers

- Outsized volume growth
- Optimize AGP yields
- Cost controls
- Evergreen productivity gains

Relentless Focus on Execution Enables Profitable Growth

## ↑ Key Takeaways

- **1** Confidently pursuing a new era of growth and profitability, empowered by a clear and fully aligned strategy
- **2** Embracing our operating model to drive margin expansion and compound shareholder returns
- **3** Capitalizing on strong balance sheet enabled by ongoing free cash flow generation
- **4** Leveraging consistent and disciplined capital allocation framework to drive ongoing value creation

# Closing Remarks: Positioned for Profitable Growth



**Dave Bozeman**  
President &  
Chief Executive Officer



# ↑ Why Invest in C.H. Robinson



Ongoing industry leadership and strong, defensible competitive moat



Strategic execution already yielding results, with additional runway for market share growth and margin expansion



Clear path to enhanced operational efficiency by leveraging the Robinson Operating Model



Significant free cash flow, driving investment optionality throughout the cycle



Asset-light operating model, generating strong investment returns



# 2024 Investor Day



Q&A



# 2024 Investor Day



**Thank you**



# 2024 Investor Day



**APPENDIX**



# ↑ Glossary of Terms

**3PL:** Third-party logistics

**4PL:** Fourth-party logistics

**AGP:** Adjusted gross profit

**AI:** Artificial intelligence

**EDGE:** Evolve constantly, Deliver excellence, Grow together, Embrace integrity

**GF:** Global Forwarding

**GHG:** Greenhouse gas

**LTL:** Less-than-truckload

**ML:** Machine learning

**NAST:** North America Surface Transportation

**NEO:** Named executive officer

**NGO:** Non-governmental organization

**NVOCC:** Non-Vessel Operating Common Carrier

**SMB:** Small and medium-sized businesses

**SPPPD:** Shipments per person per day

**TL:** Truckload

**TMS:** Transportation management system



# 2024 Investor Day



**SPEAKER  
BIOS**

# ↑ Speaker Bios



## **Dave Bozeman** | President & Chief Executive Officer

David (Dave) Bozeman is President and Chief Executive Officer and a member of the Board of Directors of C.H. Robinson. Dave is an accomplished executive, bringing over 30 years of experience at industry-leading companies and iconic brands across supply chains, middle-mile transportation, manufacturing, digital and customer service to C.H. Robinson.

Dave previously served as Vice President, Ford Customer Service Division, and Vice President, Enthusiast Vehicles, for Ford Blue of Ford Motor Company. Prior to joining Ford, Dave served as Vice President, Amazon Transportation Services of Amazon.com, Inc. from 2017 to 2022. Before that, Dave held roles of increasing seniority at Caterpillar, Inc. from 2008 to 2016, ultimately serving as Senior Vice President Enterprise Systems. Earlier in his career, Dave spent 16 years at Harley-Davidson, Inc. from 1992 to 2008. Dave served as a member of the Board of Directors of Weyerhaeuser from 2015 to 2017.

Dave received an MS in Engineering Management from the Milwaukee School of Engineering and a BS in Manufacturing Design from Bradley University.

Dave is a member of the Board of Directors of The Brookings Institution, as well as a member of the Board of Directors of The Conservation Fund, a U.S. nonprofit organization with a dual charter to pursue environmental preservation and economic development. Dave is also a member of The Executive Leadership Council (ELC), an independent non-profit organization opening opportunities for the development of Black executives to positively impact business and our communities.

## ↑ Speaker Bios



### Angie Freeman | Chief Human Resources and ESG Officer

As Chief Human Resources & ESG Officer at C.H. Robinson, Angie Freeman is a member of the executive team and leads the company's global talent and sustainability strategies, including recruiting, compensation, learning and leadership development, culture and talent brand, environmental impact, charitable giving, and diversity and inclusion. Angie leads teams around the world, including North America, Europe, Asia, Australia, and South America. In addition, Angie has served as the President of the C.H. Robinson Foundation, which along with the company has contributed approximately \$30 million to charitable organizations.

Angie has had a unique career with experiences leading a wide variety of areas, including Marketing and Public Relations, Corporate Communications, Investor Relations, and Government Affairs.

During her career, Angie has also provided board leadership to several organizations. She currently serves on the Board of Directors for The Shyft Group (NASDAQ: SHYF), a manufacturer of commercial specialty vehicles. In addition, she serves on the Board of the University of North Dakota Alumni Association & Foundation, the Nistler College of Business and Public Administration Advisory Board, and the Gartner Global CHRO Board. Previous board experiences include serving as Chairman of LeadersUp, a national non-profit founded by Starbucks that supports increased employment opportunity for at-risk youth, and Community Health Charities of Minnesota. In addition, Angie has played an active role in numerous transportation and logistics industry organizations, including serving on committees within the National Industrial Transportation League, and the U.S. Chamber of Commerce Transportation & Infrastructure Committee. She is also a frequent public speaker on talent strategy and leadership topics.

Angie is a graduate of the University of North Dakota, with a Bachelor of Arts in Political Science and a Bachelor of Science in Secondary Education, Summa Cum Laude, Phi Beta Kappa. She also holds a Master of Science degree in Comparative Politics, with Distinction, from the London School of Economics.

## ↑ Speaker Bios



### Arun Rajan | Chief Strategy and Innovation Officer

Arun Rajan serves as the Chief Strategy and Innovation Officer (CSIO) at C.H. Robinson. In this role, Arun oversees Robinson's enterprise strategy and innovation process, from creation to implementation, and measures the company's performance against strategic goals. He also leads research, analysis and competitive intelligence to inform major company decisions related to the portfolio, mergers and acquisitions and organizational transformation.

In his prior position as Chief Operating Officer, Arun focused on accelerating digital transformation and delivering financial outcomes. He led the Product, Technology, Data Science and Analytics organizations with a mission to align business strategy, technological innovation, and execution to surpass the expectations of customers, carriers and shareholders by empowering employees with purpose-built technology.

Arun joined C.H. Robinson in September 2021 as Chief Product Officer. Prior to joining Robinson, he held technology and operating leadership roles at innovative, digital-first companies that have transformed entire industries. Arun was the Chief Technology Officer of Whole Foods Market, part of Amazon, where he led the creation and execution of the technology strategy for a large-scale transformation from a legacy technology landscape and ways of working to modern engineering practices and a technology landscape that heavily leveraged AWS/Amazon technology.

Arun also held leadership positions at customer-obsessed Zappos, through its acquisition by Amazon, serving as Chief Operating Officer from 2014 to 2019 and Chief Technology Officer from 2009 to 2013. As Zappos Chief Operating Officer, Arun was accountable for the financial performance of Zappos and was responsible for creating and operationalizing business strategy across all major functions including merchandising, marketing, technology and fulfillment with a focus on sustainable and profitable long-term growth. During his time as Zappos CTO, Arun led the creation and execution of Zappos' technology and data strategy in the context of rapid business growth and scalability. Arun has been building and operating Internet based solutions since the mid-'90s. His earlier career included roles as the CTO of One Kings Lane in San Francisco, Co-founder and CTO of New York City's Intent Media, CTO of Travelocity Europe and LastMinute.com in London, and Co-Founder and CTO of ITRadar.com in Minneapolis.

## ↑ Speaker Bios



### **Michael Castagnetto** | President of North American Surface Transportation

Michael Castagnetto was named president of North American Surface Transportation (“NAST”) in January 2024. Prior executive positions with the company include Vice President, Customer Success in NAST from January 2023 – January 2024 and President of Robinson Fresh from December 2019 – January 2023. Michael began his career with C.H. Robinson in 2005 and has held various leadership roles including sourcing manager at Food Source, general manager of the tropical and dry vegetable categories, director of global supply and vice president of global sourcing. He holds a bachelor’s degree from Saint Mary’s College of California.

## ↑ Speaker Bios



### **Mike Short** | President of Global Freight Forwarding

Michael J. Short was named President of Global Freight Forwarding in May 2015. He joined C.H. Robinson through the acquisition of Phoenix International in 2012 and is an 18-year veteran of the global forwarding industry. Prior to being named President, Mike served as Vice President, Global Forwarding – North America. Prior to joining C.H. Robinson, he held a number of roles at Phoenix International, including Regional Manager, Sales Manager, and General Manager of the St. Louis office. He graduated from the University of Missouri in 1993 with a Bachelor of Science in Business.

## ↑ Speaker Bios



### **Damon Lee** | Chief Financial Officer

Damon Lee is the Chief Financial Officer for C.H. Robinson. Damon is an accomplished finance leader with over 25 years of progressive experience with S&P 200 companies. Damon has deep experience with Lean, continuous improvement and comprehensive strategy creation and execution. Damon has also built high performing teams, fostered collaboration, and developed personal connections that have enabled him to accelerate change.

Before joining C.H. Robinson in July 2024, Damon served as the Vice President and CFO, Commercial Engines and Services, GE Aerospace. Prior to GE Aerospace, Damon served as Vice President of Finance, Electrical Distribution Systems (EDS) for Aptiv, a global technology company, where he provided financial leadership and controllership for a \$6.5 billion operating division with 60 manufacturing facilities. Prior to Aptiv, Damon served as Vice President of Finance for Wyman Gordon, a division of Precision Castparts Corporation, a Berkshire Hathaway Company, where he had financial oversight and controllership of 30 manufacturing facilities for a \$2.5 billion aerospace and industrial operating division.

Damon received his MBA and BS in Finance from Murray State University. Outside of work, Damon enjoys spending time with his family and watching University of Kentucky basketball.





# 2024 Investor Day



**Non-GAAP  
Reconciliations**

# ↑ Non-GAAP Reconciliations

Our adjusted operating margin is a non-GAAP financial measure calculated as operating income divided by adjusted gross profit. Our adjusted operating margin - excluding restructuring and loss on divestiture is a similar non-GAAP financial measure to adjusted operating margin, but also excludes the impact of restructuring and loss on divestiture. We believe adjusted operating margin and adjusted operating margin - excluding restructuring and loss on divestiture are useful measures of our profitability in comparison to our adjusted gross profit, which we consider a primary performance metric as discussed above. The comparisons of operating margin to adjusted operating margin and adjusted operating margin - excluding restructuring and loss on divestiture are presented below:

<i>\$ in thousands</i>	<b>Nine Months Ended September 30,</b>	
	<b>2024</b>	<b>2023</b>
Total Revenues	\$ 13,540,300	\$ 13,374,556
Income from operations	485,342	407,178
<b>Operating margin</b>	<b>3.6%</b>	<b>3.0%</b>
Adjusted gross profit	\$ 2,080,391	\$ 1,985,985
Income from operations	485,342	407,178
<b>Adjusted operating margin</b>	<b>23.3%</b>	<b>20.5%</b>
Adjusted gross profit	\$ 2,080,391	\$ 1,985,985
Adjusted income from operations <sup>(1)</sup>	574,941	449,495
<b>Adjusted operating margin - excluding restructuring and loss on divestiture</b>	<b>27.6%</b>	<b>22.6%</b>

- In the Nine Months Ended September 30, 2024 we incurred restructuring expenses of \$20.3 million related to workforce reductions and \$69.3 million of other charges, which includes a \$57.0 million loss on the planned divestiture of our Europe Surface Transportation business, an impairment of internally developed software, and charges related to reducing our facilities footprint. In the Nine Months Ended September 30, 2023, we incurred restructuring expenses of \$19.7 million related to workforce reductions and \$22.6 million of other charges, primarily related to the divestiture of our operations in Argentina.

# ↑ Non-GAAP Reconciliations

Our adjusted income (loss) from operations is a non-GAAP financial measure. This non-GAAP measure is calculated excluding the impact of restructuring and losses from divestitures. We believe that these measures provide useful information to investors and include them within our internal reporting to our chief operating decision maker. Accordingly, the discussion of our results of operations includes discussion on the changes in our adjusted income (loss) from operations. The reconciliation of this non-GAAP measure is presented below (in thousands):

	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2023	Three Months Ended December 31, 2023	Nine Months Ended September 30, 2024	Twelve Months Ended September 30, 2024
	<b>Global Forwarding</b>				
Income (loss) from operations	\$ 449,364	\$ 85,830	\$ 22,576	\$ 160,649	\$ 183,225
Severance and other personnel expenses	3,831	3,817	(925)	5,855	4,930
Other selling, general, and administrative expenses	3,174	18,158	(3,084)	2,448	(636)
Total adjustments to income (loss) from operations <sup>(1)(2)(3)(4)</sup>	7,005	21,975	(4,009)	8,303	4,294
<b>Adjusted income from operations</b>	<b>\$ 456,369</b>	<b>\$ 107,805</b>	<b>\$ 18,567</b>	<b>\$ 168,952</b>	<b>\$ 187,519</b>

1. The Twelve Months Ended December 31, 2022 includes \$7.0 million of restructuring charges related to workforce reductions and reprioritizing our technology investments.
2. The Twelve Months Ended December 31, 2023 includes \$22.0 million of restructuring charges mainly related to divesting our operations in Argentina.
3. The Three Months Ended December 31, 2023 includes \$4.0 million of favorable restructuring adjustments due to amounts settling for an amount different than originally estimated related to divesting our operations in Argentina.
2. The Nine Months Ended September 30, 2024 includes \$8.3 million of restructuring charges mainly related to workforce reductions.

# ↑ Non-GAAP Reconciliations

Our adjusted gross profit and adjusted gross profit margin are non-GAAP financial measures. Adjusted gross profit is calculated as gross profit excluding amortization of internally developed software utilized to directly serve our customers and contracted carriers. Adjusted gross profit margin is calculated as adjusted gross profit divided by total revenues. We believe adjusted gross profit and adjusted gross profit margin are useful measures of our ability to source, add value, and sell services and products that are provided by third parties, and we consider adjusted gross profit to be a primary performance measurement. The reconciliation of gross profit to adjusted gross profit and gross profit margin to adjusted gross profit margin are presented below:

	Twelve Months Ended December 31,						
<i>\$ in thousands</i>	2019	2020	2021	2022	2023	5-Year Average	
Revenues:							
Transportation	\$14,322,295	\$15,147,562	\$22,046,574	\$23,516,384	\$16,372,660	\$18,281,095	
Sourcing	987,213	1,059,544	1,055,564	1,180,241	1,223,783	1,101,269	
Total Revenues	\$15,309,508	\$16,207,106	\$23,102,138	\$24,696,625	\$17,596,443	\$19,382,364	
Costs and expenses:							
Purchased transportation and related services	11,839,433	12,834,608	18,994,574	20,035,715	13,886,024	15,518,071	
Purchased produced sourced for resale	883,765	960,241	955,475	1,067,733	1,105,811	994,605	
Direct internally developed software amortization	11,492	16,634	20,208	25,487	33,620	21,488	
Total direct costs	\$12,734,690	\$13,811,483	\$19,970,257	\$21,128,935	\$15,025,455	\$16,534,164	
<b>Gross profit &amp; Gross profit margin</b>	<b>\$ 2,574,818</b>	<b>\$ 2,395,623</b>	<b>\$ 3,131,881</b>	<b>\$ 3,567,690</b>	<b>\$ 2,570,988</b>	<b>\$ 2,848,200</b>	<b>14.7%</b>
Plus: Direct internally developed software amortization	11,492	16,634	20,208	25,487	33,620	21,488	
<b>Adjusted gross profit / Adjusted gross profit margin</b>	<b>\$ 2,586,310</b>	<b>\$ 2,412,257</b>	<b>\$ 3,152,089</b>	<b>\$ 3,593,177</b>	<b>\$ 2,604,608</b>	<b>\$ 2,869,688</b>	<b>14.8%</b>

# ↑ Non-GAAP Reconciliations

Free cash flow is a non-GAAP financial measure. Free cash flow is calculated as net cash provided by operating activities less capital expenditures. We believe free cash flow is a useful measure of our ability to manage our operations and capital. The reconciliation of cash provided by operating activities to free cash flow is presented below:

<i>\$ in thousands</i>	Twelve Months Ended December 31,					5-Year Average	Nine Months Ended September 30,
	2019	2020	2021	2022	2023		2024
Net cash provided by operating activities	\$ 835,419	\$ 499,191	\$ 94,955	\$ 1,650,171	\$ 731,946	\$ 762,336	\$ 241,154
Capital expenditures:							
Purchases of property and equipment	36,290	23,133	34,197	61,915	29,989	37,105	19,977
Purchases and development of software	34,175	30,876	36,725	66,582	54,122	44,496	39,122
Total capital expenditures	\$ 70,465	\$ 54,009	\$ 70,922	\$ 128,497	\$ 84,111	\$ 81,601	\$ 59,099
<b>Free cash flow</b>	<b>\$ 764,954</b>	<b>\$ 445,182</b>	<b>\$ 24,033</b>	<b>\$ 1,521,674</b>	<b>\$ 647,835</b>	<b>\$ 680,735</b>	<b>\$ 182,055</b>