



## C.H. ROBINSON

14701 Charlson Road  
Eden Prairie, Minnesota 55347

### NOTICE OF ANNUAL MEETING OF SHAREHOLDERS May 7, 2020

#### TO OUR SHAREHOLDERS:

C.H. Robinson Worldwide, Inc.'s 2020 Annual Meeting of Shareholders will be held on Thursday, May 7, 2020, at 1:00 p.m. Central Time. You may attend the meeting and vote your shares electronically as part of our virtual only meeting of shareholders by visiting [www.virtualshareholdermeeting.com/CHRW2020](http://www.virtualshareholdermeeting.com/CHRW2020). To enter the Annual Meeting, you will need the 16-digit control number that is printed in the box marked by the arrow on your Notice of Internet Availability of Proxy Materials or Proxy Card. We recommend that you log in at least fifteen minutes before the meeting to ensure that you are logged in when the meeting starts. The purposes of the meeting are:

1. To elect nine directors to serve for a term of one year;
2. To approve, on an advisory basis, the compensation of our named executive officers;
3. To ratify the selection of Deloitte & Touche LLP as the company's independent registered public accounting firm for the fiscal year ending December 31, 2020; and
4. To conduct any other business that properly comes before the meeting and any adjournment or postponement of the meeting.

Our Board of Directors has selected Wednesday, March 11, 2020, as our record date. Shareholders who own shares of our Common Stock on the record date are entitled to be notified of, and to vote at, our Annual Meeting.

**We use the internet to distribute proxy materials to our shareholders. We believe it is an efficient and cost-effective way to provide the material and it reduces the environmental impact of our Annual Meeting. The Notice of Internet Availability of Proxy Materials for the Shareholder Meeting, the Proxy Statement, and the Annual Report are available at [www.proxyvote.com](http://www.proxyvote.com).**

**By Friday, March 27, 2020, we will have completed the mailing of the Notice of Internet Availability of Proxy Materials to our shareholders. The notice has instructions on how to access our 2020 Proxy Statement and Annual Report, attend our virtual meeting, and vote online. Shareholders who have requested hard copies will receive the Proxy Statement and Annual Report by mail.**

**Your vote is important. Please vote as soon as possible by voting via the internet or by telephone. If you receive a paper copy of the proxy card by mail, please sign and return the enclosed proxy card.**

By Order of the Board of Directors:

Ben G. Campbell  
Chief Legal Officer and Secretary

**March 24, 2020**

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C.H. ROBINSON WORLDWIDE, INC.  
14701 Charlson Road  
Eden Prairie, Minnesota 55347

# PROXY STATEMENT FOR THE 2020 ANNUAL MEETING OF SHAREHOLDERS May 7, 2020

This Proxy Statement is soliciting your proxy for use at the C.H. Robinson Worldwide, Inc. 2020 Annual Meeting of Shareholders. A proxy enables your shares of Common Stock to be represented and voted at the Annual Meeting. Our Annual Meeting will be completely virtual and held at 1:00 p.m. Central Time on Thursday, May 7, 2020. You may attend the virtual meeting and vote your shares electronically by visiting [www.virtualshareholdermeeting.com/CHRW2020](http://www.virtualshareholdermeeting.com/CHRW2020). The proxy can also be used at any adjournment or postponement of the Annual Meeting.

This proxy is requested by the Board of Directors of C.H. Robinson Worldwide, Inc. ("the company," "we," "us," "C.H. Robinson") for the following purposes:

1. To elect nine directors to serve for a term of one year;
2. To approve, on an advisory basis, the compensation of our named executive officers;
3. To ratify the selection of Deloitte & Touche LLP as the company's independent registered public accounting firm for the fiscal year ending December 31, 2020; and
4. To conduct any other business that properly comes before the meeting and any adjournment or postponement of the meeting.

**We provide our shareholders with the opportunity to access the 2020 Annual Meeting proxy materials via the internet. A Notice of Internet Availability of Proxy Materials is being mailed to all our shareholders, except those who have previously provided instructions to receive paper copies of our proxy materials. The notice contains instructions on how to access and review our proxy materials on the internet and how to vote your shares. The notice will also tell you how to request our proxy materials in printed form or by email, at no charge, if that is your preference. The notice contains your 16-digit control number that you will need to vote your shares and attend our virtual only meeting. Please keep the notice for your reference until after our Annual Meeting.**

**We will have completed mailing the Notice of Internet Availability of Proxy Materials to our shareholders by Friday, March 27, 2020.**

## General Information

### Who is entitled to vote?

Holders of record of C.H. Robinson Worldwide, Inc. Common Stock, par value \$0.10 per share, at the close of business on March 11, 2020, are entitled to vote at our Annual Meeting. March 11, 2020, is referred to as the record date. As of the record date, 131,339,702 shares of Common Stock were outstanding. Each share is entitled to one vote. There is no cumulative voting.

Shares are counted as present at the Annual Meeting if either the shareholder is present and votes during the Annual Meeting, or has properly submitted a proxy by mail, by telephone, or by internet. To achieve a quorum and conduct business at the Annual Meeting, a majority of our issued and outstanding Common Stock as of March 11, 2020, must be present and entitled to vote. If a quorum is not represented at the Annual Meeting, the shareholders and proxies entitled to vote will have the power to adjourn the Annual Meeting until a quorum is represented.

## How can I vote?

If you submit your vote before the Annual Meeting using any of the following methods, your shares of Common Stock will be voted as you have instructed:

- **By Internet:** You can vote your shares at [www.proxyvote.com](http://www.proxyvote.com). You may access this website 24 hours a day, and voting is available through 11:59 p.m. Eastern Time on Wednesday, May 6, 2020. You will need your 16-digit control number that was included in the notice that was mailed to you. The voting website has easy-to-follow instructions and allows you to confirm that the system has properly recorded your votes. If your shares are held beneficially, please follow the internet voting instructions in the notice you received from your bank, broker, trustee, or other record holder.
- **By Telephone:** You can vote your shares by telephone. To vote your shares by telephone, please go to [www.proxyvote.com](http://www.proxyvote.com) and log in using your 16-digit control number provided on your notice. At that site, you will be provided with a telephone number for voting. Alternatively, if you request paper copies of the proxy materials, your proxy card or voting instruction form will have a toll-free telephone number that you may use to vote your shares. Telephone voting is available through 11:59 p.m. Eastern Time on Wednesday, May 6, 2020. When you vote by telephone, you will be required to enter your 16-digit control number, so please have it available when you call. As with internet voting, you will be able to confirm that the system has properly recorded your votes.
- **By Mail:** If you choose to receive paper copies of the proxy materials by mail and you are a holder of record, you can vote by marking, dating, and signing your proxy card and returning it by mail in the postage-paid envelope provided to you. If you choose to receive paper copies of the proxy materials by mail, and you hold your shares beneficially, you can vote by completing and mailing the voting instruction form provided by your bank, broker, trustee, or holder of record.

Your vote is important, and we encourage you to vote promptly. Internet and telephone voting are available through 11:59 p.m. Eastern Time on Wednesday, May 6, 2020, for all shares entitled to vote. The company will be hosting the Annual Meeting virtually this year, which we believe allows C.H. Robinson to be more inclusive and reach a greater number of our shareholders. To attend the virtual meeting please visit [www.virtualshareholdermeeting.com/CHRW2020](http://www.virtualshareholdermeeting.com/CHRW2020) and be sure to have the 16-digit control number provided to you on your Notice of Internet Availability of Proxy Materials or Proxy Card. If you are a beneficial shareholder (you hold your shares through a nominee, such as a broker), your nominee can advise you whether you will be able to submit voting instructions by telephone or via the internet. Submitting your proxy will not affect your right to vote electronically, if you decide to login with your 16-digit control number and attend the virtual only Annual Meeting. Shareholders logging into the Annual Meeting with their 16-digit control number will receive the same rights and opportunities to participate in the Annual Meeting as they would if the meeting was an in-person meeting. This includes having the ability to ask questions throughout the Annual Meeting and having those questions answered during the question and answer period at the end of the Annual Meeting, to the extent such questions are related to the business being conducted at the Annual Meeting. Shareholders logging in with their 16-digit control number will be able to ask questions at any time during the Annual Meeting. Relevant questions related to business being conducted at the Annual Meeting will be answered following the adjournment of during the Annual Meeting, and the company will prioritize questions that relate to the proposals considered at the Annual Meeting. If a shareholder asks general questions about C.H. Robinson, the company will respond to the shareholder following the adjournment of the Annual Meeting. Shareholders can learn more information about how to access the Annual Meeting by visiting [www.virtualshareholdermeeting.com/CHRW2020](http://www.virtualshareholdermeeting.com/CHRW2020).

## What happens if I return my proxy without voting instructions?

If you do not return voting instructions with your proxy, your proxy will be voted:

- FOR the election of the director nominees named in this Proxy Statement;
- FOR approval of the compensation of our named executive officers; and
- FOR the ratification of Deloitte & Touche LLP, the member firm of Deloitte Touche Tohmatsu Limited, and their respective affiliates (collectively, "Deloitte & Touche") as our independent registered public accounting firm for the fiscal year ending December 31, 2020.

Generally, a shareholder who does not vote themselves or by proxy on a nominee or a proposal is not considered present for determining whether the nominee is elected, or whether the proposal has been approved. Brokers cannot vote shares on their customers' behalf on "non-routine" proposals without receiving voting instructions from a customer but may vote shares on "routine" proposals without such instructions. The only routine proposal among the three listed above is the proposal to ratify the selection of Deloitte & Touche. If a broker does not receive voting instructions from its customer with respect to the other non-routine proposals and is precluded from voting on those proposals, then a "broker non-vote" occurs. If a broker returns a proxy indicating a lack of authority to vote on non-routine proposals, the shares represented by the proxy will be deemed present at the meeting for purposes of determining a quorum, but not present for purposes of calculating the vote on the non-routine proposals.

#### **What is the effect of an abstention or broker non-vote on each proposal?**

Regarding the proposals involving the election of directors (proposal one) and the ratification of Deloitte & Touche (proposal three):

- If you abstain from voting on a director nominee or proposal three, your shares will be considered present at the Annual Meeting for purposes of determining a quorum and calculating the shares present and entitled to vote on the director nominee or proposal three and, accordingly, will have the same effect as a vote against the director nominee or proposal three.
- If you do not vote (or a broker non-vote occurs) on a director nominee or proposal three, your shares will not be deemed present for the purposes of calculating the vote on that nominee or proposal and will generally have no impact on determining whether the director nominee is elected, or proposal three is approved.

Regarding the advisory proposal on the compensation of our named executive officers (proposal two):

- If you abstain or do not vote (or a broker non-vote occurs) on proposal two, the abstention or failure to vote will not have any impact on the outcome of proposal two.

#### **What is the required vote on each matter?**

Pursuant to our Bylaws, each of the proposals in this Proxy Statement (other than the advisory vote on the compensation of our named executive officers) requires the affirmative vote of the holders of a majority of the outstanding shares of Common Stock present in person or by proxy at the Annual Meeting and entitled to vote, provided that a quorum is present at the Annual Meeting. Regarding the advisory vote on the compensation of our named executive officers, we will consider shareholders to have approved this proposal if the votes cast FOR the proposal exceed the votes cast AGAINST the proposal.

#### **How do I revoke my proxy?**

You may revoke your proxy and change your vote at any time before the voting closes at the Annual Meeting. You may do this by submitting a properly executed proxy with a later date, or by delivering a written revocation to the corporate secretary's attention at the company's address listed above, or during the Annual Meeting.

#### **Shareholder Proposals and Other Matters**

C.H. Robinson did not receive written notice of any shareholder proposal and, as of the date of this Proxy Statement, the Board of Directors knows of no business that will be presented for consideration at the Annual Meeting other than the matters described in this Proxy Statement. If any other matters are properly brought before the Annual Meeting, the persons named in the proxy card will have discretionary authority to vote on such matters and will vote according to their best judgment.

# PROPOSAL ONE: ELECTION OF DIRECTORS

There are nine nominees for election to the C.H. Robinson Board of Directors for a one-year term, all of whom are current directors. The Board of Directors has set the number of directors constituting the Board of Directors at nine effective as of the conclusion of the Annual Meeting.

Scott P. Anderson, Robert C. Biesterfeld Jr., Wayne M. Fortun, Timothy C. Gokey, Mary J. Steele Guilfoile, Jodee A. Kozlak, Brian P. Short, James B. Stake, Paula C. Tolliver, and John P. Wiehoff are directors whose terms expire at the 2020 Annual Meeting. On the recommendation of our Governance Committee, the Board of Directors has nominated Mses. Guilfoile, Kozlak, and Tolliver and Messrs. Anderson, Biesterfeld, Fortun, Gokey, Short, and Stake for election to the Board of Directors at the Annual Meeting for terms of one year each. Each has indicated a willingness to serve. Mr. Wiehoff has decided not to seek re-election as a director and will be retiring from the Board of Directors effective upon the conclusion of the Annual Meeting.

Robert C. Biesterfeld Jr. and Ben G. Campbell will vote the proxies received by them for the election of Mses. Guilfoile, Kozlak, and Tolliver and Messrs. Anderson, Biesterfeld, Fortun, Gokey, Short, and Stake unless otherwise directed. If any nominee becomes unavailable for election at the Annual Meeting, Mr. Biesterfeld and Mr. Campbell may vote for a substitute nominee at their discretion as recommended by the Board of Directors.

The Board of Directors has determined that all the directors, except for Mr. Biesterfeld and Mr. Wiehoff, are independent under the current standards for “independence” established by the Nasdaq Stock Market, on which C.H. Robinson’s stock is listed under the symbol “CHRW”. In connection with its evaluation of director independence, the Board of Directors considered the following transactions, all of which were entered into in the ordinary course of business:

- For Mr. Anderson, goods and services provided in the ordinary course of business by the company to Patterson Companies, Inc., where Mr. Anderson was employed during a portion of 2019, and which were immaterial to either companies’ revenues or operations in the last three fiscal years.
- For Mr. Gokey, services provided in the ordinary course of business on behalf of the company by Broadridge Financial Solutions where Mr. Gokey is employed, and which were immaterial to either companies’ revenues or operations in the last three fiscal years.
- For Mr. Short, services provided in the ordinary course of business by Admiral Merchants Motor Freight, Inc. (“AMMF”), an entity in which, together with a number of his family members, Mr. Short holds a controlling interest. In 2019, AMMF provided services to C.H. Robinson as a contracted motor carrier. In addition, we receive health plan administration services from UnitedHealth Group Incorporated, of which Marianne D. Short, a sister of Mr. Short, was the chief legal officer during 2019. The amounts paid to UnitedHealth Group for such services and products were immaterial to either companies’ revenue or operations in the last three fiscal years.

The Board considered these relationships and their significance in determining that these directors are independent. Information concerning the nominees is below.

# PROPOSAL ONE: ELECTION OF DIRECTORS

## *Director Nominee Biographies and Qualifications*

### **Scott P. Anderson (Director Nominee)**

Scott P. Anderson, 53 years old, has been a director of the company since 2012. Mr. Anderson was a Senior Advisor to Patterson Companies, Inc. (Nasdaq: PDCO) from June 2017 to June 2019 when he retired. He served as president and chief executive officer of Patterson Companies from 2010 to 2017. In April 2013, he was elected to the additional responsibility of chairman of the board. Prior to June 2006, when he became president of Patterson Dental Supply, Inc., Mr. Anderson held senior management positions in the dental unit, including vice president, sales, and vice president, marketing. Mr. Anderson became a director of Patterson in June 2010. Mr. Anderson is a past chairman of the Dental Trade Alliance. Mr. Anderson is a trustee of Gustavus Adolphus College, where he serves as chairman of the board. He serves on the board of directors of the Ordway Theater. Mr. Anderson earned his MBA from Northwestern University, Kellogg School of Management and his bachelor's degree from Gustavus Adolphus College.

Mr. Anderson has significant public company senior management and executive experience through his service in several senior leadership positions at Patterson Companies. He also has public company board experience, having served as a member of Patterson's board of directors from 2010 to 2017. Mr. Anderson also brings substantial sales and marketing expertise to the company, having served as Patterson's vice president, sales, and vice president, marketing. Mr. Anderson meets the definition of an "Audit Committee Financial Expert" as established by the Securities and Exchange Commission.

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### **Robert C. Biesterfeld Jr. (Director Nominee)**

Robert C. Biesterfeld Jr., 44 years old, has been the president and the chief executive officer of C.H. Robinson since May 2019. Prior to becoming chief executive officer in May 2019, he held the positions of chief operating officer from March 2018 to May 2019, president of North American Surface Transportation from January 2016 to December 2018, vice president of Truckload from January 2014 to December 2015, and vice president of Temperature Controlled Transportation and Sourcing Services from January 2013 to December 2013. He began his career with Robinson Fresh in 1999. Currently, Mr. Biesterfeld serves on the Board of Directors for the Transportation Intermediaries Association (TIA), and as a trustee of the Winona State University Foundation. He graduated from Winona State University with a Bachelor of Arts.

Mr. Biesterfeld has over 20 years of experience with C.H. Robinson, including roles in North American Surface Transportation and Robinson Fresh and executive experience as chief operating officer and various other executive positions within the company. He has an extensive and thorough understanding of C.H. Robinson's operations and the transportation industry in general.

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### **Wayne M. Fortun (Director Nominee)**

Wayne M. Fortun, 71 years old, has been a director of C.H. Robinson since 2001. Mr. Fortun joined Hutchinson Technology Inc., a global technology manufacturer, in 1975 and until 1983, he held various positions in engineering, marketing, and operations. In 1983, he was elected president and chief operating officer of Hutchinson, and in May 1996, he was appointed its chief executive officer. In October 2012, he was appointed chairman of the board and retired as chief executive officer. In October 2016, he retired as chairman of the board.

Through Mr. Fortun's long tenure with Hutchinson, including as chief executive officer and member of the board, he possesses significant leadership and strategic planning skills. Because of Hutchinson's worldwide footprint, Mr. Fortun has broad international business experience relevant to the company's operations. He also has public company board experience through his membership on the boards of Hutchinson and G&K Services, Inc.

# PROPOSAL ONE: ELECTION OF DIRECTORS

## **Timothy C. Gokey** (Director Nominee)

Timothy C. Gokey, 58 years old, joined C.H. Robinson as a director in 2017. Mr. Gokey currently serves as chief executive officer and a member of the board of directors at Broadridge Financial Solutions (NYSE: BR), a corporate services company. He joined Broadridge in 2010 as chief corporate development officer. Mr. Gokey was promoted to corporate senior vice president and chief operating officer in 2012. He was appointed to president of Broadridge in September 2017. Prior to Broadridge, Mr. Gokey served as president, Retail Tax for H&R Block (NYSE: HRB) from 2004 to 2009 and also as a partner at McKinsey & Company. Mr. Gokey earned a Doctorate in Finance and an undergraduate degree in Philosophy, Politics, and Economics from the University of Oxford, where he studied as a Rhodes Scholar. He is a graduate of Princeton University, where he earned a BA in Public Affairs and Management Engineering.

Through his service as president and chief operating officer of Broadridge Financial Solutions, Mr. Gokey has developed exceptional leadership and execution skills and has broad public company knowledge and expertise. He is also deeply involved in Broadridge's international operations and technology organization. In his prior roles with Broadridge, as well as H&R Block and McKinsey & Company, Mr. Gokey has demonstrated expertise in the areas of mergers and acquisitions, sales and marketing, and other growth-related activities. Mr. Gokey meets the definition of an "Audit Committee Financial Expert" as established by the Securities and Exchange Commission.

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## **Mary J. Steele Guilfoile** (Director Nominee)

Mary J. Steele Guilfoile, 66 years old, joined C.H. Robinson as a director in 2012. Ms. Guilfoile is chairman of MG Advisors, Inc., a privately owned financial services merger and acquisition advisory and consulting services firm. Prior to joining MG Advisors in 2002, Ms. Guilfoile spent twelve years with JP Morgan Chase (NYSE: JPM) and its predecessor companies, Chase Manhattan Corporation and Chemical Banking Corporation, as executive vice president, corporate treasurer, and chief administrative officer for its investment bank, and various merger integration, executive management and strategic planning positions. Ms. Guilfoile currently serves on the boards of The Interpublic Group of Companies (NYSE: IPG), where she is chairman of the Audit Committee, Hudson Ltd. (Nasdaq: HUD), where she is chairman of the Audit Committee, and Pitney Bowes Inc. (NYSE: PBI). Ms. Guilfoile earned her Master of Business Administration from Columbia University Graduate School of Business, and her bachelor's degree from Boston College.

Ms. Guilfoile has significant experience and expertise in the areas of corporate mergers and acquisitions, business integration, and financing through her association with the investment banks of several large financial institutions. She also has public board experience through her membership on the boards of Interpublic, Hudson, and Pitney Bowes.



# PROPOSAL ONE: ELECTION OF DIRECTORS

## **Jodee A. Kozlak** **(Director Nominee)**

Jodee A. Kozlak, 57 years old, joined C.H. Robinson as a director in 2013. Ms. Kozlak is the founder and CEO of Kozlak Capital Partners, LLC, a private consulting firm. Prior to this role, Ms. Kozlak served as the global senior vice president of human resources of Alibaba Group (NYSE: BABA) from February 2016 to November 2017. Prior to joining Alibaba Group, Ms. Kozlak was the executive vice president and chief human resources officer of Target Corporation (NYSE: TGT) from March 2007 until February 2016. Prior to joining Target in 2001, Kozlak was a partner in the litigation practice of Greene Espel, PLLP, a Minnesota law firm. She also previously served as a senior associate at Oppenheimer Wolff & Donnelly and a senior auditor at Arthur Andersen & Co, both in Minneapolis. Ms. Kozlak serves as a board member of privately held Aspen Dental and MGIC Investment Corp. (NYSE: MTG). She joined the University of St. Thomas Board of Trustees in 2018, is a past fellow of the Distinguished Careers Institute (DCI) at Stanford University and serves as a member of the Stanford Advisory Board on Longevity from 2018 to 2019. She received a B.A. degree in Accounting from the College of St. Thomas and earned her Juris Doctor degree from the University of Minnesota.

Through her human resources executive leadership at Target and Alibaba Group, Ms. Kozlak has developed significant knowledge and expertise in human capital strategy, global operations, and digital transformation. Her experience has also given her a deep understanding of executive compensation within a public company.

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## **Brian P. Short** **(Director Nominee)**

Brian P. Short, 70 years old, has been a director of the company since 2002. He is chief executive officer of Leamington Co., a holding company with interests in transportation, community banking, agricultural production, and real estate. Leamington operates AMMF, St. Paul Flight Center, Inc., First Farmers & Merchants Banks, and Benson Parking Services, Inc. Mr. Short also serves as a legal mediator and previously served as a United States Magistrate. His community service has included service on the Board of Directors of Catholic Charities, St. Joseph's Home for Children, Saint Thomas Academy, Allina Hospitals and Clinics, William Mitchell College of Law, and the St. Francis Mission Foundation. He also serves on the Board of Directors of the Archdiocese of St. Paul and Minneapolis, the Advisory Council to the Law School of the University of Notre Dame and the Board of Governors of the Law School of the University of St. Thomas. Mr. Short has an undergraduate degree in economics from the University of Notre Dame and is also a graduate of its law school.

Mr. Short has significant executive experience and, in particular, has experience in the trucking industry through his leadership position at AMMF, a trucking and transportation services company. In addition, with Mr. Short's legal background and experience, he provides valuable insight into the company's enterprise risk management areas. Mr. Short meets the definition of an "Audit Committee Financial Expert" as established by the Securities and Exchange Commission.



# PROPOSAL ONE: ELECTION OF DIRECTORS

## James B. Stake (Director Nominee)

James B. Stake, 67 years old, joined C.H. Robinson as a director in 2009. Mr. Stake retired from 3M Company (NYSE: MMM) in 2008, serving most recently as executive vice president of 3M's Enterprise Services, a shared services organization. He served in a variety of leadership positions at 3M, leading global health care, industrial, and commercial businesses ranging in size from \$100 million to over \$3 billion. During his career he served over 12 years of foreign assignments in Europe and South America. In addition to his career at 3M, Mr. Stake serves as a board member and chairs the compensation committee for Otter Tail Corporation (Nasdaq: OTTR), is chairman of the board for privately held Ativa Medical Corp., and has taught as an adjunct professor at the University of Minnesota's Carlson School of Management. Mr. Stake holds a Bachelor of Science in Chemical Engineering from Purdue University and a Master of Business Administration from the Wharton School at the University of Pennsylvania.

Throughout his career at 3M Company, Mr. Stake gained extensive public company senior management experience at a large company that operates worldwide. In particular, Mr. Stake's foreign leadership positions and his position with Enterprise Services, provide valuable perspective for C.H. Robinson's international operations and its information technology systems. Mr. Stake also has prior public company board experience with Otter Tail. Mr. Stake meets the definition of an "Audit Committee Financial Expert" as established by the Securities and Exchange Commission.

## Paula C. Tolliver (Director Nominee)

Paula C. Tolliver, 55 years old, joined C.H. Robinson as a director in 2018. Ms. Tolliver previously served as corporate vice president and chief information officer at Intel Corporation (Nasdaq: INTC), a technology company, from August 2016 to September 2019. Prior to joining Intel in 2016, Ms. Tolliver served as corporate vice president of Business Services and chief information officer at The Dow Chemical Company (a wholly owned subsidiary of Dow, Inc. (NYSE: DOW)) from 2012 to 2016. Ms. Tolliver also led a services business for Dow Chemical, in addition to holding a variety of other roles in her 20 plus years with the company. She earned a bachelor's degree in Business Information Systems and Computer Science from Ohio University.

Ms. Tolliver has significant experience and expertise in the areas of information technology and innovation. She also has demonstrated the ability to successfully lead a service business. Ms. Tolliver meets the definition of an "Audit Committee Financial Expert" as established by the Securities and Exchange Commission.

## BOARD VOTING RECOMMENDATION

*The Board of Directors recommends a vote FOR the election of Scott P. Anderson, Robert C. Biesterfeld Jr., Wayne M. Fortun, Timothy C. Gokey, Mary J. Steele Guilfoile, Jodee A. Kozlak, Brian P. Short, James B. Stake, and Paula C. Tolliver as directors of C.H. Robinson Worldwide, Inc.*



# PROPOSAL ONE: ELECTION OF DIRECTORS

## BOARD OF DIRECTORS GOVERNANCE MATTERS

The Board of Directors (or the “Board”) has a policy that all directors and nominees nominated for election at the Annual Meeting are expected to attend the Annual Meeting. In 2019, all of the director nominees attended the Annual Meeting.

During 2019, the Board of Directors held four meetings. Each director holding office during the year attended at least 75 percent of the aggregate of the meetings of the Board of Directors (held during the period for which he or she had been a director) and the meetings of the committees of the Board on which he or she served (held during the period for which he or she served on a committee).

Our Board of Directors has three committees: the Audit Committee, the Compensation Committee, and the Governance Committee. Currently, members and chairs of these committees are:

Independent Directors	Audit	Compensation	Governance
Scott P. Anderson	x		<b>Chair</b>
Wayne M. Fortun		<b>Chair</b>	x
Timothy C. Gokey	x	x	
Mary J. Steele Guilfoile		x	x
Jodee A. Kozlak		x	x
Brian P. Short	x		x
James B. Stake	<b>Chair</b>	x	
Paula C. Tolliver	x	x	

### Board Leadership Structure

Our Board of Directors has been led by John P. Wiehoff. Mr. Wiehoff served as the company's president from 1999 to May 2019 and as its chief executive officer from 2002 to May 2019. Mr. Wiehoff joined the Board of Directors in 2001 and was appointed chairman of the Board in 2007. In May 2019, Mr. Wiehoff was named Executive Chairman, an executive officer position with the company. On February 12, 2020, the company disclosed that Mr. Wiehoff has announced his intention to retire from the company and the Board of Directors upon the conclusion of his term at the 2020 Annual Meeting.

In 2019, the Board amended our Corporate Governance Guidelines to provide that the Board will appoint a lead independent director any time that the chairman of the board is not independent, and it described the duties of the lead independent director. The Board appointed Scott P. Anderson to serve as lead independent director beginning in May 2019. Mr. Anderson serves as the Chair of the Governance Committee.

Our Corporate Governance Guidelines provide that the chairman, in consultation with other Board members, sets the agenda for regular meetings of the Board, and the chair of each committee is responsible for the agendas for the meetings of the applicable committee. Directors and committee members are encouraged to suggest agenda items and may raise other matters at meetings.

We believe that our leadership structure supports the Board's risk oversight function. Strong independent directors with significant tenure on the Board chair the committees most directly involved in the risk oversight function, there is open communication between management and the Board, and all directors are involved in the risk oversight function.

### Risk Oversight

The Board is actively involved in the oversight of risks that could affect the company. This oversight is conducted primarily through the Audit Committee. The Audit Committee Charter establishes that one of the responsibilities of the Audit Committee is to review the risk management of the company on an annual basis. In addition, our management and internal audit department conduct an annual enterprise risk assessment of the company, which includes interviews of various key personnel within the company and members of the Audit Committee. The results of the annual risk assessment are presented to the Audit Committee. The Audit Committee provides periodic risk assessment updates to the Board and solicits input from the Board regarding the company's risk management practices. In addition, the Compensation Committee periodically reviews the company's compensation programs to ensure that they do not encourage excessive risk-taking. Additional review or reports on enterprise risks are conducted as needed by the Board or the committees.

# PROPOSAL ONE: ELECTION OF DIRECTORS

## The Audit Committee

All of our Audit Committee members are “independent” under applicable Nasdaq listing standards and Securities and Exchange Commission rules and regulations. Our Board of Directors has determined that all five members of the Audit Committee, Messrs. Anderson, Gokey, Short, and Stake, and Ms. Tolliver, meet the definition of an “Audit Committee Financial Expert” as established by the Securities and Exchange Commission. The Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities relating to the quality and integrity of the financial reports of the company. The Audit Committee has the sole authority to appoint, review, and discharge our independent auditors, and has established procedures for the receipt, retention, and response to complaints regarding accounting, internal controls, or audit matters. In addition, among other responsibilities in the Audit Committee Charter, the Audit Committee is responsible for:

- (1) Reviewing the scope, timing and costs of the audit with the company's independent registered public accounting firm and reviewing the results of the annual audit;
- (2) Assessing the independence of the outside auditors on an annual basis, including receipt and review of a written report from the independent auditors regarding their independence consistent with applicable rules of the Public Company Accounting Oversight Board;
- (3) Reviewing and approving in advance the services provided by the independent auditors;
- (4) Overseeing the internal audit function;
- (5) Reviewing the company's significant accounting policies, financial results, and earnings releases and the adequacy of our internal controls and procedures;
- (6) Reviewing the risk management status of the company; and
- (7) Reviewing and approving related-party transactions.

The Audit Committee held eight meetings during 2019. The Audit Committee has engaged Deloitte & Touche LLP as the independent auditor for fiscal year 2020 and is recommending that the company's shareholders ratify this appointment at the Annual Meeting. The report of the Audit Committee is found on page 45 of this Proxy Statement.

## The Compensation Committee

All of our Compensation Committee members are “independent” under applicable Nasdaq listing standards and Internal Revenue Service and Securities and Exchange Commission rules and regulations. The Compensation Committee has oversight responsibilities relating to executive compensation, employee compensation and benefits programs and plans, and leadership development. In addition, among other responsibilities in the Compensation Committee Charter, the Compensation Committee is responsible for:

- (1) Reviewing the performance of the chief executive officer;
- (2) Determining all elements of the compensation and benefits for the chief executive officer and other executive officers of the company;
- (3) Reviewing and approving the company's compensation program, including equity-based plans, for management employees generally;
- (4) Overseeing the company's process of conducting advisory shareholder votes on executive compensation; and
- (5) Reviewing executive officers' employment agreements; separation and severance agreements; change in control agreements; and other compensatory contracts, arrangements, and benefits.

The Compensation Committee held five meetings during 2019. See 2019 Compensation Discussion and Analysis beginning on page 14 including Section VI, Compensation Process, beginning on page 23, for a discussion of the role played by our chief executive officer in compensation decisions. The Compensation Committee report on executive compensation is found on page 40 of this Proxy Statement.



# PROPOSAL ONE: ELECTION OF DIRECTORS

## The Governance Committee

All members of our Governance Committee are “independent” under applicable Nasdaq listing standards. The Governance Committee serves in an advisory capacity to the Board of Directors on matters of organization and the conduct of Board activities. Among other responsibilities in the Governance Committee Charter, the Governance Committee is responsible for:

- (1) Periodically reviewing and making recommendations to the Board as to the size and composition of the Board and criteria for director nominees;
- (2) Identifying and recommending candidates for service on the Board;
- (3) Reviewing and revising the company’s Corporate Governance Guidelines, including recommending any necessary changes to the Corporate Governance Guidelines to the Board;
- (4) Leading the Board in an annual review of the performance of the Board and the Board committees;
- (5) Making recommendations to the Board regarding Board committee assignments;
- (6) Making recommendations to the Board on whether each director is independent under all applicable requirements;
- (7) Making recommendations to the Board with respect to the compensation of non-employee directors;
- (8) Periodically reviewing with the company’s chief legal officer developments that may have a material impact on the company’s corporate governance programs, including related compliance policies; and
- (9) Periodically reviewing the company’s policies, practices, and disclosures with respect to significant issues of corporate responsibility including the alignment of such efforts with the company’s overall strategy.

The Governance Committee considers Board of Director nominees recommended by shareholders. The process for receiving and evaluating these nominations from shareholders is described below under the caption “Nominations.”

The Governance Committee held four meetings during 2019.

The charters for each of the Committees of the Board of Directors, our Corporate Governance Guidelines, and our company’s Code of Ethics, which are all a part of our Corporate Compliance Program, are posted under the Governance section of the Investors page of our website at [www.chrobinson.com](http://www.chrobinson.com).

## Shareholder Communications with Board

C.H. Robinson shareholders and other interested parties may send written communications to the Board of Directors or to any individual director by mailing it to C.H. Robinson Worldwide, Inc., Board of Directors, c/o C.H. Robinson Corporate Secretary, 14701 Charlson Road, Suite 1200, Eden Prairie, MN 55347. These communications will be compiled by the corporate secretary and periodically submitted to the Board or individual director.

## Nominations

The Governance Committee considers director nominee recommendations from a wide variety of sources, including members of the Board of Directors, business contacts, community leaders, and members of management. The Governance Committee will also consider shareholder recommendations for director nominees using the same selection criteria and qualifications as nominees identified by other sources, as described below. The Governance Committee may also engage search firms to assist in the director recruitment process.

The Governance Committee determines the selection criteria and qualifications of director nominees based upon the needs of the company. The Board of Directors believes that the directors should possess the highest personal and professional ethics and integrity and be committed to representing the long-term interests of the company’s shareholders. Preferred qualifications also include current or recent experience as a chief executive officer or expertise in a particular business discipline. Directors should be able to provide insights and practical wisdom based on their experience and expertise. While the company does not have a policy regarding the consideration of diversity in identifying director nominees, the company’s Corporate Governance Guidelines provide, and the Governance Committee believes, that creating a board with a diversity of talent, experience, accomplishments, and perspectives is in the best interests of the company and our shareholders. The company is committed to considering candidates for the Board, regardless of gender,

# PROPOSAL ONE: ELECTION OF DIRECTORS

ethnicity, and national origin. Any search firm retained to assist the Governance Committee in seeking director candidates will be instructed to consider these commitments.

Shareholders who would like to directly nominate a director candidate must give written notice to the company's corporate secretary, either by personal delivery or by United States mail, at the following address: 14701 Charlson Road, Eden Prairie, MN 55347. The shareholder's notice must be received by the corporate secretary no later than (a) 90 days before the anniversary date of the previous year's Annual Meeting or (b) the close of business on the tenth day following the date on which notice of a special meeting of shareholders for election of directors is first given to shareholders. Accordingly, nominations for the 2021 Annual Meeting must be received by February 6, 2021 unless the alternative deadline is triggered. For each proposed nominee, the shareholder's notice must comply with and include all information that is required to be disclosed under our Bylaws, any applicable Securities and Exchange Commission rules and regulations, and any applicable laws. The written notice must also include a written consent of the proposed nominee, agreeing to stand for election if nominated by the Governance Committee, and to serve as a director if appointed by the Board of Directors. The shareholder's notice must also include:

- (1) The name and address of the shareholder making the nomination;
- (2) The number of C.H. Robinson shares entitled to vote at the meeting held by the shareholder;
- (3) A representation that the shareholder is a holder of record of C.H. Robinson Common Stock entitled to vote at the meeting and intends to appear in person or by proxy at the meeting to nominate the person named in the notice; and
- (4) A description of all arrangements or understandings between the shareholder and each nominee.

We also provide shareholders with a "proxy access" right that entitles shareholders meeting certain eligibility requirements to include nominees for director in our proxy statement. The proxy access right entitles a shareholder, or group of up to 20 shareholders, owning at least 3% of our outstanding shares of Common Stock continuously for at least three years to nominate and include in our proxy statement director nominees constituting up to the greater of two individuals or 20% of the Board of Directors. The shareholder's notice must be delivered to the company's corporate secretary as set forth above and must be received by the corporate secretary no earlier than 150 days, and no later than 120 days, before the anniversary date of the mailing of the previous year's proxy statement, unless an alternative deadline under our Bylaws is triggered. Accordingly, nominations for inclusion in our proxy statement for the 2021 Annual Meeting must be received no earlier than October 25, 2020 and no later than November 24, 2021, unless an alternative deadline is triggered. In addition, the shareholder's notice must comply with the information requirements described above for other direct nominations of director candidates, as well as the additional notice and information requirements described in our Bylaws.

The Governance Committee initially evaluates a prospective nominee based on his or her resume and other background information that has been provided to the committee. A member of the committee will contact for further review those candidates whom the committee believes are qualified, who may fulfill a specific need of the Board of Directors, and who would otherwise best contribute to the Board of Directors. Based on the information the Governance Committee learns during this process, it determines which nominee(s) to recommend to the Board of Directors to submit for election. The Governance Committee uses the same process for evaluating all nominees, regardless of the source of the nomination. No candidates for director nominations were submitted to the Governance Committee by any shareholder for the 2020 Annual Meeting. Any shareholder interested in presenting a nomination for consideration by the Governance Committee prior to the 2021 Annual Meeting should do so as early as possible, to provide adequate time to consider the nominee and comply with our Bylaws.

## Compensation of Directors

In 2019, each independent director of C.H. Robinson was paid an annual retainer of \$90,000 and no meeting fees. The Audit Committee chair received an additional annual retainer of \$30,000, and the chairs of the Governance and Compensation Committees each received an additional annual retainer of \$20,000. Other members of the Audit Committee received an additional annual retainer of \$12,500, and other members of the Governance and Compensation Committees received additional annual retainers of \$7,500. The lead independent director received an additional annual retainer of \$25,000. Retainers are paid in quarterly installments, at the end of each calendar quarter. Before the retainers are earned, the directors may elect to receive all or a portion of their retainers in cash, stock, or restricted stock units that are immediately vested and are payable to the directors after their service on the Board of Directors has ended.

# PROPOSAL ONE: ELECTION OF DIRECTORS

Directors are required to own a minimum of five times their annual Board retainer in company stock no later than five years after joining the Board of Directors. We base the stock ownership requirements on all shares of company stock deemed owned by a director, which includes vested stock options, vested and unvested restricted stock units, and stock beneficially owned by the director, including owned in a trust, by a spouse, or by dependent children for our directors. All directors are in compliance with the company stock ownership requirements.

In 2019, the Board of Directors granted each director a fully vested restricted stock unit award valued at \$150,000, deliverable after leaving the Board of Directors. Restricted stock unit awards are granted in quarterly installments, at the end of each calendar quarter. C.H. Robinson also reimburses non-employee directors for reasonable expenses incurred in attending Board of Directors meetings and for expenses incurred in obtaining continuing education related to service on our Board of Directors. Directors who are also employees of C.H. Robinson are not separately compensated for serving as a member of the Board of Directors.

**2019 Director Compensation Table**

Name	Fees Earned or Paid in Cash	Stock Awards <sup>(1)</sup>	Total	Aggregate Number of Shares Outstanding as of December 31, 2019 <sup>(2)</sup>
Scott P. Anderson	\$ 138,562 <sup>(3)</sup>	\$ 150,000	\$ 288,562	18,528
Wayne M. Fortun	117,500	150,000	267,500	39,945
Timothy C. Gokey	110,000 <sup>(4)</sup>	150,000	260,000	6,493
Mary J. Steele Guilfoile	105,000	150,000	255,000	13,342
Jodee A. Kozlak	105,000	150,000	255,000	14,269
Brian P. Short	110,000 <sup>(4)</sup>	150,000	260,000	60,276
James B. Stake	127,500 <sup>(5)</sup>	150,000	277,500	21,465
Paula C. Tolliver	110,000 <sup>(4)</sup>	150,000	260,000	3,781

(1) The dollar value reflected in this column was awarded as fully vested restricted stock units of the company. Shares equal to the number of restricted stock units will be distributed to the director after his or her board membership terminates.

(2) Includes fully vested restricted stock units and directly owned shares.

(3) The Board appointed Mr. Anderson as lead independent director following the Annual Meeting on May 9, 2019.

(4) The director has elected to receive the dollar value of these fees in restricted stock units of the company. Shares equal to the number of restricted stock units will be distributed after termination of board membership.

(5) The director has elected to receive one half of the dollar value of these fees in restricted stock units of the company and the balance of his fees paid in cash for 2019. Shares equal to the number of restricted stock units will be distributed after termination of board membership.

## Compensation Committee Interlocks and Insider Participation

The members of the Compensation Committee are Wayne M. Fortun, Timothy C. Gokey, Mary J. Steele Guilfoile, Jodee A. Kozlak, James B. Stake, and Paula C. Tolliver. The Compensation Committee members have no interlocking relationships requiring disclosure and are deemed independent under the rules of the Securities and Exchange Commission.

# 2019 EXECUTIVE COMPENSATION

**2019 Compensation Discussion and Analysis** The following Compensation Discussion & Analysis ("CD&A") describes the background, objectives, and structure of our executive compensation programs. This CD&A is intended to be read in conjunction with the tables beginning on pages 25 and 32, which provide further historical compensation information for the following Named Executive Officers ("NEOs"):

- Robert C. Biesterfeld Jr., President and Chief Executive Officer<sup>(1)</sup>
- John P. Wiehoff, Executive Chairman, Former President and Chief Executive Officer<sup>(2)</sup>
- Andrew C. Clarke, Former Chief Financial Officer<sup>(3)</sup>
- Scott S. Hagen, Controller, Former Interim Chief Financial Officer<sup>(4)</sup>
- Michael P. Zechmeister, Chief Financial Officer<sup>(5)</sup>
- Christopher J. O'Brien, Chief Commercial Officer
- Mac S. Pinkerton, President of North American Surface Transportation ("NAST")
- Michael J. Short, President of Global Freight Forwarding

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(1) Mr. Biesterfeld began 2019 as the company's chief operating officer and was appointed chief executive officer on May 9, 2019.

(2) Mr. Wiehoff resigned as president and chief executive officer on May 9, 2019 and became executive chairman on the same date.

(3) Mr. Clarke resigned as chief financial officer on March 31, 2019.

(4) Mr. Hagen served as interim chief financial officer from April 1, 2019 to August 29, 2019.

(5) Mr. Zechmeister was hired as chief financial officer on August 30, 2019.

## I. Executive Summary

### Compensation Philosophy and Structure

We believe our compensation philosophy and design are well aligned with the interests of our shareholders, as well as our performance culture, growth strategy, and desire to attract and retain high-quality executives.

We:

- Pay for performance;
- Reward profitable long-term growth; and
- Align the interests of management with our shareholders.

The company reviews general industry survey data provided by an independent compensation consultant to assess market competitiveness of the components of NEO compensation, including appropriate mix of cash and equity. The company also relies on broader survey data to assess market competitiveness of executive compensation components.



# 2019 EXECUTIVE COMPENSATION

Our compensation components are as follows:

Element	Performance Period	Objective	Performance Measured/ Rewarded
<b>Base Salary (Fixed)</b>	Annual	Attracts, retains, and rewards top talent and reflects a NEOs responsibilities, performance, leadership potential, succession planning, and relevant market data.	Provides NEOs with fixed compensation that acts as a vehicle to attract and retain. Rewards executives for key performance and contributions. Generally reflects the 25th - 50th percentile for our defined market for talent.
<b>Annual Cash Incentive (Variable)</b>	Annual	Motivates and rewards our executives for the achievement of certain strategic goals for the company.	<p>In 2019, the annual cash incentive was based on the following:</p> <ul style="list-style-type: none"> <li>• CEO - Target opportunity was 120 percent of base salary and was based on enterprise adjusted pre-tax income ("APTI"). APTI is defined as pre-tax income, adjusted to exclude executive bonuses and unusual or extraordinary items.<sup>(1)</sup></li> <li>• Operating Executive Officers - Target opportunity varied from 40 percent to 70 percent of base salary and was based on the APTI of the business division and/or region of responsibility for the executive.</li> <li>• Administrative Officers - Target opportunity varied from 60 percent to 85 percent of base salary and was based on enterprise APTI.</li> <li>• For all executive officers the maximum annual incentive that may be paid is two times the planned annual incentive at target.</li> <li>• Threshold and maximum performance goals for NEOs were set at 70 percent and 120 percent of the relevant APTI targets, respectively.</li> </ul>
<b>Performance Based Restricted Stock (Variable)</b>	Long-Term	Aligns the interests of management and shareholders.	<ul style="list-style-type: none"> <li>• Accounts for 50% of NEOs' equity grant value.</li> <li>• Performance shares vest over five years based on company performance.</li> <li>• Performance vesting is constructed in a manner as to vest 0 to 100 percent of the award based on year-over-year percentage increase (or decrease) in diluted earnings per share, plus ten percentage points.</li> <li>• The performance shares have a two year delayed delivery following the five year vesting period.</li> </ul>
<b>Stock Options (Variable)</b>	Long-Term	Supports the achievement of strong share price growth.	<ul style="list-style-type: none"> <li>• Accounts for 50% of NEOs' equity grant value.</li> <li>• Options vest ratably over five years.</li> </ul>

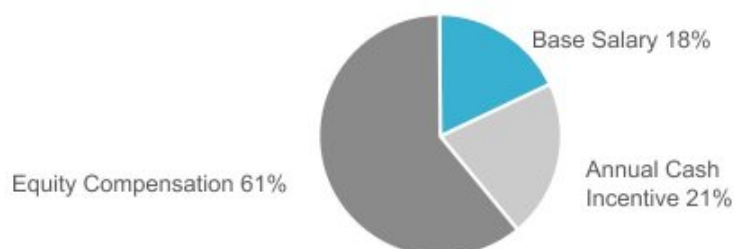
(1) No unusual or extraordinary items impacted the determination of the company's APTI in 2019.

Other Compensation considerations are as follows:

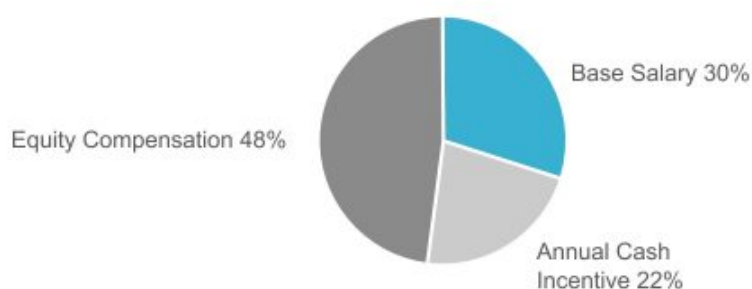
- **Mix of fixed and variable compensation:** The mix of pay between fixed and variable compensation, and the portion of variable compensation linked to performance vesting and the value of company common stock, are consistent with our philosophy of strong linkage between pay and performance. It also puts a substantial percentage of our executives' compensation at risk. As reflected in the gray components on the following charts, 82 percent of Mr. Biesterfeld's 2019 target total compensation was variable or "at-risk," and 70 percent of the 2019 target compensation for our other NEOs was variable or "at-risk."

# 2019 EXECUTIVE COMPENSATION

CEO 2019 Target Compensation



NEO 2019 Target Compensation



• **Stock ownership guidelines:** To ensure alignment with our shareholders, the Compensation Committee has established stock ownership guidelines for our executive officers. The Compensation Committee believes that linking a significant portion of the executive officer's personal holdings to the company's success aligns our executive interests with that of our shareholders. Therefore, executive officers are expected to own a significant amount of C.H. Robinson stock. The Compensation Committee has established stock ownership guidelines for our executive officers based on all shares of company stock deemed owned by an executive officer, which includes vested stock options, stock held in the company 401(k) plan, vested and unvested performance shares and restricted stock units. It also includes stock beneficially owned by the officer, including owned in a trust, by a spouse, or by dependent children. Equity ownership guidelines for executive officers are as follows:

- CEO: Six times base salary
- Other NEOs: Three times base salary
- Other direct reports to the CEO and COO: Three times base salary

It is expected that new or recently promoted members of the executive team will achieve the appropriate level of ownership within five years of their appointment. All NEOs are in compliance with the company stock ownership requirements.

# 2019 EXECUTIVE COMPENSATION

## 2019 C.H. Robinson Performance Highlights and Incentive Payouts

The following summarizes C.H. Robinson's performance and select 2019 year-over-year operating comparisons to 2018:

- Total revenues decreased 7.9 percent to \$15.3 billion, driven by lower pricing and volumes across most transportation service lines and decreased sourcing revenue pricing and case volumes.
- Net revenues<sup>(1)</sup> decreased 4.4 percent to \$2.6 billion, primarily driven by margin decline in truckload services.
- Personnel expenses decreased 3.4 percent to \$1.3 billion, driven primarily by declines in performance-based compensation, partially offset by a 2.3 percent increase in average headcount.
- Selling, general, and administrative ("SG&A") expenses increased 10.7 percent to \$497.8 million, due primarily to increases in purchased services, particularly commercial off-the-shelf software, and occupancy, partially offset by a reduction in bad debt expense.
- Income from operations totaled \$790.0 million, down 13.4 percent due to declining net revenues and increased SG&A expense.
- Operating margin of 30.5 percent decreased 320 basis points.
- Diluted earnings per share (EPS) decreased 11.4 percent to \$4.19.
- Cash flow from operations increased 5.4 percent to \$835.4 million.

(1) Net revenues is a non-GAAP measure. Additional information about net revenues, including a reconciliation to total revenues, is available in our annual report on Form 10-K for the year ended December 31, 2019.

In 2019, the North America truckload market faced significant cyclical changes attributable to weakening demand and excess capacity, which resulted in pricing and volume declines during the second half of 2019. In addition, the global forwarding market was negatively impacted for much of 2019 by excess capacity and reduced demand due to tariff activity and macroeconomic uncertainty especially in trade lanes between China and the United States. These market pressures resulted in a decrease of diluted earnings per share from \$4.73 in 2018 to \$4.19 in 2019 and translated into below-target incentive payouts under our annual cash incentive plan for our NEOs, and decreased vesting in our performance-based equity awards.

Our enterprise APTI, which is the measure we used to determine annual non-equity incentive payments for six of our NEOs in 2019, finished at -16 percent in 2019.

NAST APTI finished -12 percent in 2019, driven by lower net revenue per shipment and lower volumes in truckload services. NAST truckload net revenues decreased 7.3% while NAST truckload volumes decreased 2.0%. As a result of the softening freight environment over the course of 2019, our volumes shifted from spot-market pricing towards contractual business. In the second half of 2019, the continued shift to contractual business began to lead to margin compression as spot-market driven carrier pricing declines began to decelerate as compared to our contractual pricing declines with our customers. NAST APTI was one of the performance measures for one of our 2019 NEOs.

Global Forwarding APTI finished at -11 percent in 2019, driven by reduced pricing in our ocean and air service lines and a decline in air freight volumes. Global Forwarding ocean and air service line net revenues decreased 1.4% and 8.1%, respectively, while air freight volumes decreased 7.0%. These declines were driven by the tariff and macroeconomic uncertainty discussed above in addition to strong 2018 comparisons which included shipments to build inventory ahead of tariffs enacted in early 2019. Global Forwarding APTI was the annual incentive compensation performance measure for one of our 2019 NEOs.

## Say-On-Pay

The Compensation Committee also considers the results of the shareholders' advisory vote on the compensation of NEOs. At our 2019 and 2018 Annual Meetings, our say-on-pay proposals received "for" votes that represented approximately 90 percent and 88 percent, respectively, of the shares voted on the proposals. The Compensation Committee considered the results of these say-on-pay votes and other shareholder feedback when evaluating our compensation practices and policies in 2019, and when setting the compensation of our NEOs for 2019. The Compensation Committee believes that our say-on-pay proposal results demonstrate shareholders' support of our compensation practices.

# 2019 EXECUTIVE COMPENSATION

In 2019, we conducted several outreach calls to shareholders and provided information as requested, including, but not limited to the company's governance and compensation programs and philosophy.

## II. Compensation Philosophy

Performance based compensation and alignment of individual, company, and shareholder goals are integral components of C.H. Robinson's culture and management approach. Performance based compensation makes up a significant portion of our employees' total compensation package. In addition, approximately 15 percent of our total employees, hold equity they received through our current equity incentive plan.

C.H. Robinson, with guidance and oversight from our Compensation Committee, has adopted an executive officer compensation philosophy that is intended to be consistent with our overall compensation approach and to achieve the following goals:

- (1) Provide a level of total compensation necessary to attract, retain, and motivate high quality executives;
- (2) Pay incentive compensation aligned with company earnings performance;
- (3) Emphasize both team and company performance;
- (4) Balance incentive compensation to achieve both annual and long-term profitability and growth; and
- (5) Encourage executives to make long-term career commitments to C.H. Robinson and our shareholders.

Compensation decisions regarding individual executive officers are based on several factors, including individual performance, level of responsibility, unique skills of the executive, tenure, and demands and complexity of the position.

## III. Key Compensation Practices

Our compensation framework and pay-for-performance practices provide appropriate incentives to our executive officers to achieve our financial goals and align our executives with our shareholders' interests.

What We Do	What We Don't Do
Executive compensation and incentive payouts are subject to the approval of our independent Compensation Committee	No guaranteed bonuses
Pay opportunity is generally targeted to be within the 25th-50th percentile of general market data of similarly-sized companies	No supplemental pension or executive retirement plan (SERP) benefits
A significant portion of pay is at risk and performance based	No repricing of underwater options or stock appreciation rights without shareholder approval
Annual incentive compensation performance metrics are directly tied to the driver of shareholder value (APTI)	No hedging or pledging of company shares
Appropriate caps on incentive plan payouts; two times target opportunity	No discounted option or SAR grants
Performance based restricted stock and stock option grants to create alignment with shareholders	No executive only severance plan
Executives are subject to robust stock ownership guidelines and a minimum of a two-year post-vest holding requirement on all performance shares	No automatic vesting and delivery of equity upon a change in control
Equity compensation subject to forfeiture and claw-back if executive violates company employment agreements	No executive only perquisite benefits
Our Compensation Committee is comprised entirely of independent directors	
Our Compensation Committee engages an independent consultant	
Our Compensation Committee regularly meets in executive session without management present	

# 2019 EXECUTIVE COMPENSATION

## IV. Elements of Executive Compensation

### Base Salary

Annual base salary is designed to compensate our executive officers as part of a total compensation package necessary to attract, retain, and motivate high quality executives. Our 2019 base salaries generally reflect the 25th to 50th percentile of our defined market for talent. The larger salary increase in 2019 for Mr. Biesterfeld reflects his promotion to chief executive officer.

Base salaries are reviewed annually and are adjusted to reflect a NEO's responsibilities, performance, leadership potential, succession planning, and relevant market data.

NEO	Title	2018 Base Salary	2019 Base Salary	% Change
Robert C. Biesterfeld Jr.	President and Chief Executive Officer	\$ 700,000	\$ 975,000	39 %
John P. Wiehoff	Former President and Chief Executive Officer	1,167,000	1,200,000	3 %
Andrew C. Clarke	Former Chief Financial Officer	550,000	550,000	0 %
Scott S. Hagen <sup>(1)</sup>	Former Interim Chief Financial Officer	N/A	230,000	N/A
Michael P. Zechmeister <sup>(2)</sup>	Chief Financial Officer	N/A	700,000	N/A
Christopher J. O'Brien	Chief Commercial Officer	500,000	500,000	0 %
Mac S. Pinkerton <sup>(3)</sup>	President of NAST	N/A	475,000	N/A
Michael J. Short	President of Global Forwarding Freight	500,000	525,000	5 %

(1) Mr. Hagen served as interim chief financial officer from April 1, 2019 to August 29, 2019. He received additional base salary of \$20,000 per month while serving as interim chief financial officer, which was in excess of the base salary reported above.

(2) Mr. Zechmeister was hired as chief financial officer on August 30, 2019.

(3) Mr. Pinkerton was appointed president of NAST on January 1, 2019.

### Non-Equity Incentive Plan Compensation ("annual cash incentive compensation")

The primary objectives of our annual cash incentive compensation are to motivate our people to grow our company profits and align pay with annual company performance.

The Compensation Committee approves an individualized incentive compensation plan for each NEO in the first quarter of the calendar year. NEO annual incentive compensation amounts are set as a percentage of their base salary, to reflect the executive's responsibilities, performance, and contribution to overall company goals. The financial measure used to determine incentive compensation is APTI.

Each year, the Compensation Committee establishes target APTI growth for the enterprise and the divisions at levels that are consistent with the company's long-term expected results. Given the transactional nature of a significant portion of our business and our fluctuating net revenue margins due to market conditions, historically the company has found it difficult to forecast short-term performance. As such, we believe it is important to align targets more closely with our long-term growth goals, with some consideration given to shorter-term market trends and divisional business plans. Our annual targets should not vary significantly year to year, except under unusual circumstances.

The threshold, target, and maximum levels of APTI growth are set each year with the following objectives:

- The relative difficulty of achieving each level is consistent from year to year;
- The target level is challenging but achievable and reflects planned company performance. The performance ranges within which threshold and maximum incentive payouts can be earned are generally consistent with the range of financial results within which performance is expected to occur; and
- A threshold payment is made to reward partial achievement of the target, and a maximum payment rewards attainment of an aggressive, but potentially achievable, level of performance.

# 2019 EXECUTIVE COMPENSATION

For performance between threshold and target or target and maximum, the achievement percentage is determined by linear interpolation. The performance range for the annual incentive compensation for NEOs ranges from 70 percent of target at threshold and 120 percent of target at maximum. The NEO annual incentive compensation plan is capped at two times the target opportunity.

In 2019, the Compensation Committee established these APTI targets based on the expectation that our stated long-term growth objective is to grow earnings per share by at least 10 percent annually. The Compensation Committee certified the following actual performance levels and percentage of target payout for each of the NEOs.

Incentive compensation plans are reviewed annually.

2019 NEO Annual Incentive Compensation Metrics	Target	Actual
Enterprise APTI growth <sup>(1)</sup>	7%	-16%
North America Surface Transportation APTI growth <sup>(2)</sup>	7%	-12%
Global Forwarding APTI growth <sup>(3)</sup>	10%	-11%

(1) In 2019, Messrs. Biesterfeld, Clarke, O'Brien, Wiehoff, and Zechmeister were aligned to Enterprise APTI. Neither Mr. Clarke nor Mr. Wiehoff received any annual incentive compensation for 2019. Mr. Hagen received additional compensation in the form of base salary for serving as interim chief financial officer in 2019. He was not part of the annual cash incentive compensation plan.

(2) In 2019, Mr. Pinkerton was aligned to NAST APTI.

(3) In 2019, Mr. Short was aligned to Global Forwarding APTI.

## Equity Compensation

We use equity compensation as our primary tool for aligning our executives with long-term shareholder interests, rewarding them for the achievement of overall company performance, and retaining them at C.H. Robinson. Equity compensation represents approximately 61 percent of our CEO's total target compensation and just under 50 percent of target compensation for other NEOs. Equity compensation for our executive officers is performance based and highly variable based on growth in company earnings and stock price appreciation. We believe equity compensation is an integral component of meeting our compensation goals as outlined in our compensation philosophy. Our shareholder-approved equity incentive plan is designed to give us flexibility to achieve these objectives. It allows us to grant performance based restricted shares and stock units and time based stock options, restricted shares, and stock units, and other types of equity compensation. Executive officers, other employees, and directors may receive equity compensation.

Equity awards made to our NEOs are generally granted in the form of performance based restricted shares and time based stock options, weighted equally by fair value. Both the performance based restricted shares and time based stock option awards vest over five calendar years. Given the large percentage of their total compensation that is equity, the performance vesting formula that is based on growth in company profitability, and the long-term nature of the vesting and delivery, we believe these awards are an effective tool for creating long-term ownership, aligning our executives' interests with those of our shareholders, and linking executive officer compensation to our long-term company growth strategy. While the five-year vesting for both performance based restricted shares and time based stock options is a longer period than most companies use, this was done purposefully, to reinforce the long-term retentive intent of these awards.

## Performance Based Restricted Shares

For our performance based restricted share awards, vesting may occur each year for up to five calendar years, based on company performance over that period of time. Any performance based restricted shares that are unvested at the end of the five years are forfeited back to the company. Performance vesting is constructed in a manner as to vest 0 to 100 percent of the award based on the change in diluted earnings per share from the prior year's achievement, over the five-year vesting period of the award. However, in no case may an award vest more than 100 percent. Additionally, an award may vest zero when there is not year-over-year diluted earnings per share growth, as was experienced by participants in 2019.

The annual vesting percentage for performance based restricted share awards is equal to the year-over-year percentage increase (or decrease) in diluted earnings per share, plus ten percentage points.

# 2019 EXECUTIVE COMPENSATION

For all performance based restricted share awards made to NEOs in 2014 through 2019, we have a post-vest holding period whereby the standard delivery of all vested shares occurs on the earlier of two years after termination of employment or two years following the end of the five-year vesting period. We believe the delivery two years after vesting or termination strengthens our employment agreements and aligns with shareholders' interests.

Dividend equivalents are paid to participants in cash on all performance based restricted shares, vested or unvested. Dividend equivalents provide an important link between the executives' stake in the company and its long-term health. It also better aligns them with our shareholders, who receive approximately 40 percent to 50 percent of company earnings in the form of dividends.

The fair value of each performance based restricted share award is established on the date of grant. For grants of performance based restricted shares and stock units, the fair value is established based on the market price of our common stock on the date of the grant, discounted for post-vesting holding restrictions.

Performance based restricted share annual vesting percentage information is set forth in the following table:

Performance Vesting Year	2014 Award	2015 Award	2016 Award	2017 Award	2018 Award	2019 Award <sup>(1)</sup>
2015	25%	—	—	—	—	—
2016	12%	12%	—	—	—	—
2017	9%	9%	9%	—	—	—
2018	43%	43%	43%	43%	—	—
2019	0%	0%	0%	0%	0%	—
Total Cumulative Vesting	89%	64%	52%	43%	0%	0%
Vesting Years Remaining	0	1	2	3	4	5

(1) Due to changes in the timing of the annual equity grant cycle, the annual performance based restricted share grants that were historically granted in December 2019 were granted in February 2020. Please see the Equity Compensation disclosure on page 20 for additional information related to the annual equity grant cycle change.

## Stock Options

C.H. Robinson awarded performance based stock options to executives, including all NEOs, through 2014. These awards contain performance based vesting terms and conditions identical to the performance based restricted share grants made to our executives. As noted below, beginning in 2015, stock options granted were time based, vesting ratably over five years beginning in 2016, 2017, 2018, and 2019, respectively. For grants of time based stock options, the fair value is established using the Black-Scholes option pricing model. Incentive stock option annual vesting percentage information is set forth in the following table:

Vesting Year	2014 Award	2015 Award	2016 Award	2017 Award	2018 Award	2019 Award <sup>(1)</sup>
2015	25%	—	—	—	—	—
2016	12%	20%	—	—	—	—
2017	9%	20%	20%	—	—	—
2018	43%	20%	20%	20%	—	—
2019	0%	20%	20%	20%	20%	—
Total Cumulative Vesting	89%	80%	60%	40%	20%	0%
Vesting Years Remaining	0	1	2	3	4	5

(1) Due to changes in the timing of the annual equity grant cycle, the annual time based stock option grants that were historically granted in December 2019 were granted in February 2020. Please see the Equity Compensation disclosure on page 20 for additional information related to the annual equity grant cycle change.



# 2019 EXECUTIVE COMPENSATION

## V. Additional Compensation Policies and Practices

### Equity Plan Acceleration and Post-Employment Vesting

We do not have a separate severance pay plan for NEOs.

Our equity award agreements with our NEOs include provisions that allow Board discretion to accelerate vesting, in full, if a change in control occurs<sup>(1)</sup>, or if employment ends due to death or disability. Stock options granted to our NEOs will fully vest and become exercisable immediately in connection with the same events. This treatment for performance based restricted share awards and time based stock option awards has been adopted primarily because it is seen to effectively create incentives for our executive team to obtain the highest value possible should we be acquired in the future, because it is expected to provide a powerful retention device during the uncertain times preceding a change in control transaction, and because it provides employees the same opportunity as shareholders to participate in the change in control event.

Post-employment vesting of both performance based restricted share and time based stock option grants (for reasons other than death, disability, and change in control) is tied to non-compete agreements and provides protections to the company and our relationships with our employees, customers, and service providers. For both types of equity grants, the following post-employment vesting is available, based on age and tenure with the company following a minimum of five years of service:

Sum of Age and Tenure at Termination of Employment	Post-Employment Additional Vesting
Less than 50	2 Years
At least 50 but less than 60	3 Years
At least 60 but less than 70	4 Years
70 and greater	5 Years

### Employment Agreements

C.H. Robinson uses employment agreements to protect against former employees soliciting our employees, customers, and service providers. All employees sign agreements acknowledging their understanding of company policies and committing to certain confidentiality obligations. Certain employees, including all NEOs, sign an employment agreement that includes more restrictive non-competition and non-solicitation covenants. Typically, these agreements do not commit to post-termination compensation. Other than Mr. Zechmeister, the company does not have severance plan commitments to any NEOs except for the continued vesting provision listed above in the Equity Plan Acceleration and Post Employment Vesting section. Mr. Clarke did not receive a severance payment upon his resignation as chief financial officer on March 31, 2019.

In connection with hiring Mr. Zechmeister, the company and Mr. Zechmeister entered into a letter agreement pursuant to which the company agreed to pay Mr. Zechmeister a \$200,000 cash sign-on bonus, which amount was based on the expected payout under the annual cash incentive from his prior employer that Mr. Zechmeister forfeited. The company also agreed to reimburse Mr. Zechmeister's relocation expenses, and to provide him a tax gross-up payment related to such reimbursement, which is to be repaid by Mr. Zechmeister if he resigns within one year from his start date. If Mr. Zechmeister's employment is involuntarily terminated other than for documented performance or misconduct issues, or if his role and associated compensation is substantially changed without his consent, and he enters into a separation agreement with the company, he will be entitled to severance equal to his annual base salary, one-half of which will be paid within 30 days after execution of the separation agreement and one-half of which will be paid 26 weeks after his termination date.

(1) If a change in control of our company occurs, the Compensation Committee may take such actions with respect to outstanding equity awards as it deems appropriate under the circumstances, which may include (i) providing for the continuation, assumption, or replacement of outstanding awards by the surviving or successor entity; (ii) providing that outstanding awards will terminate upon or immediately prior to the consummation of such change in control; (iii) providing that outstanding awards will vest and become exercisable or payable, in whole or in part, prior to or upon consummation of such change in control, or upon termination of a NEO's employment; or (iv) providing for the cancellation of any outstanding award in exchange for a payment equal to the intrinsic value of the award at the time of the change in control. The Compensation Committee may specify the action to be taken in an award agreement or take the action prior to or coincident with the change in control and is not required to treat all awards or all NEOs similarly.

# 2019 EXECUTIVE COMPENSATION

## Officer-Only Benefits

C.H. Robinson places a high value on all roles throughout our company and on consistency of culture and management approach. We do not provide our executives and managers with any unique perquisites or compensation plans.

The Supplemental All Other Compensation table found on page 33 contains information about the benefits and perquisites for each of the NEOs, including the aggregate incremental cost of the perquisites.

## Other Broad-Based Employee Benefits

Our NEOs are eligible to participate in all the same benefit programs as other C.H. Robinson employees. These include:

### *Employee 401(k) Retirement Plan*

We believe that saving for retirement is important for our employees. C.H. Robinson maintains a 401(k) retirement plan that meets the requirements of an ERISA qualified plan and the Internal Revenue Code. Our U.S. employees are eligible to contribute up to 75 percent of their cash compensation to the 401(k) plan, subject to Internal Revenue Service limitations. To support our compensation objectives, in 2019, the company matched 100 percent of the first 6 percent of eligible compensation that employees contributed to the plan during the year.

### *Employee Stock Purchase Plan*

Because we believe in aligning employee interests with our shareholders and our long-term company performance, C.H. Robinson maintains an employee stock purchase plan (ESPP) that meets the requirements of the Internal Revenue Code.

### *Employee Health and Welfare Benefits*

To support our goal to provide competitive compensation and benefits, the company sponsors several health and welfare benefit plans for our employees: health, dental, vision, flexible medical and dependent care spending, short-term disability and long-term disability, life insurance, and holiday and other paid time off.

## VI. Compensation Process

### The Compensation Committee

The Compensation Committee is responsible for assisting the Board of Directors in:

- (1) Reviewing the performance of the chief executive officer;
- (2) Determining all elements of the compensation and benefits for the chief executive officer and other executive officers of the company;
- (3) Reviewing and approving the company's compensation program, including equity-based plans, for management employees generally;
- (4) Overseeing the company's process of conducting advisory shareholder votes on executive compensation; and
- (5) Reviewing the executive officers' employment agreements, separation and severance agreements, change in control agreements, and other compensatory contracts, arrangements, and benefits.

The Compensation Committee Report on executive compensation is found on page 40 of this Proxy Statement.

### Cash Compensation

At every February Compensation Committee meeting, our chief executive officer presents to the Compensation Committee his recommendations on base salary compensation for the company's executive leaders, including each of the NEOs. The chief executive officer does not make a recommendation on his own compensation. The Compensation Committee determines the chief executive officer's compensation, as well as approves the compensation for the other NEOs.

Additionally, at this same meeting, after the financial results of the previous year have been finalized, our chief executive officer presents to the Compensation Committee his recommendation on annual cash incentive compensation plans for

# 2019 EXECUTIVE COMPENSATION

the company's executive leaders, including each of the NEOs. During this meeting, the Compensation Committee certifies the APTI results and corresponding incentive compensation for the executive officers for the prior year and approves recommended annual cash incentive targets for the current year.

The Compensation Committee considers many factors when setting compensation plans and awards, including company performance, NEOs' responsibilities, officer performance, position tenure, experience, and survey information from independent experts. For the past six years, the Compensation Committee engaged Aon Hewitt to present executive compensation market data and practices information to the Compensation Committee in preparation for determining and approving executive compensation. Typically, the Compensation Committee reviews general industry benchmark data every one to two years as provided by Aon Hewitt. The Compensation Committee does periodically plan to seek independent consultative input and consideration of the company's executive compensation as it continues to assess the company's executive officer compensation practices.

## Equity Compensation

In past years, our NEOs were awarded performance based restricted shares and time based stock options in December. We have transitioned our annual equity grant cycle to align with our cash compensation cycle, which occurs in the first quarter of the calendar year. Therefore, in 2019 our NEOs did not receive an annual equity grant as equity compensation decisions and grants were moved to February 2020. This change only affected the timing of when the equity grants were made and not the period of performance related to such grants. As described in the Summary Compensation Table and its footnotes on page 32, Messrs. Biesterfeld, Hagen, Zechmeister, O'Brien, Pinkerton, and Short received equity grants in February 2020 as part of the regular grant cycle. Mr. Biesterfeld and Mr. Pinkerton received promotional equity grants, not annual equity grants, in 2019 due to their promotions to chief executive officer and president of NAST, respectively. Mr. Zechmeister received an equity grant upon his hire to chief financial officer in 2019.



# 2019 EXECUTIVE COMPENSATION

## VII. Named Executive Officer Compensation

### Realized Annual Compensation

C.H. Robinson views total realized annual compensation as total cash (base salary and annual cash incentive compensation) plus equity vested during that calendar year. As described in the Equity Compensation section beginning on page 20, the equity compensation of our executive officers is performance based and has significant variability based on company earnings growth. Because performance equity may not vest, we think it is most appropriate to measure total compensation in this way. In the Total 2019 Realized Annual Compensation table for each NEO below, the values in the "Equity Earned" column reflect the actual percentage vested during the calendar year multiplied by the grant date fair value for the performance based restricted shares and the time based stock options vesting during each year.

### Performance Evaluation and Compensation

The NEOs are all paid the same compensation elements. The determination of the NEOs' 2019 base salary, annual cash incentive compensation, and equity compensation (both performance based restricted shares and time based stock options) followed the practices explained above for executive compensation. Each member of this group is evaluated, and his compensation is based on several different factors, including, but not limited to, the following:

- (1) Title, role, scope of responsibility, and relative experience;
- (2) Tenure in their position;
- (3) Subjective evaluation of individual performance;
- (4) Financial performance of the company as a whole;
- (5) Financial performance of the portion of the business the NEO leads, where applicable; and
- (6) Comparison to market survey information.

The Compensation Committee annually conducts an evaluation of the chief executive officer's performance. Based on this evaluation, the Compensation Committee determines base salary, annual cash incentive compensation, and equity compensation of the chief executive officer.

### Robert C. Biesterfeld Jr., President and Chief Executive Officer

Mr. Biesterfeld began 2019 as the company's chief operating officer, earning a base salary of \$625,000. On March 1, 2019, as part of our annual compensation review cycle, he received an annual increase to \$700,000. On May 9, 2019, Mr. Biesterfeld was promoted to president and chief executive officer of the company, earning a base salary of \$975,000. He earned annual cash incentive compensation for 2019 of \$428,895 paid on February 28, 2020. Mr. Biesterfeld's annual cash incentive compensation plan awarded compensation for the company's achievement of APTI in certain ranges. In May 2019 and in conjunction with Mr. Biesterfeld's promotion to president and chief executive officer, Mr. Biesterfeld received 27,230 performance based restricted shares and 106,370 time based stock options. Both of these equity awards began vesting in 2019.

### Robert C. Biesterfeld Jr. 2019 Annual Cash Incentive Compensation Plan

Annual Base Salary <sup>(1)</sup>	Target Incentive as % of Base Salary <sup>(1)</sup>	Maximum Incentive as % of Base Salary <sup>(1)</sup>	Target Enterprise APTI Growth %	Actual Enterprise APTI Growth %
\$700,000	100 %	200 %	7 %	-16 %
\$975,000	120 %	240 %	7 %	-16 %

(1) Mr. Biesterfeld's 2019 annual cash incentive target was prorated for his time served as chief operating officer from January 1, 2019 to May 8 2019, and for his time served as chief executive officer from May 9, 2019 to December 31, 2019.

# 2019 EXECUTIVE COMPENSATION

Total 2019 Realized Annual Compensation: The table below illustrates Mr. Biesterfeld's total realized compensation in 2019 of \$2,127,586, a decrease of 20 percent from 2018. Our business results in 2019 led to a decline in APTI, resulting in low annual cash incentive compensation as well as no performance vesting for our performance based restricted shares.

	Base Salary Paid	Cash Incentive Compensation	Total Cash	% of Target Incentive Achieved <sup>(1)</sup>	Equity Earned <sup>(2)</sup>	Total Realized Compensation
2019	\$ 870,833	\$ 428,895	\$ 1,299,728	42 %	\$ 827,858	\$ 2,127,586
2018	600,000	849,620	1,449,620	136 %	1,217,312	2,666,932
2017	475,000	245,848	720,848	65 %	281,602	1,002,450

(1) See the disclosures made under the heading Non-Equity Incentive Plan Compensation, beginning on page 19, pertaining to the impact of company APTI in the calculation of the NEO's percentage of target incentive payout achieved.

(2) See the disclosures made under the headings Performance Based Restricted Shares, page 20, and Stock Options, page 21, pertaining to the actual vesting percentages earned.

## John P. Wiehoff, Executive Chairman, Former President, and Former Chief Executive Officer

Mr. Wiehoff started 2019 at a base salary of \$1,167,000 and on March 1, 2019, as part of our annual compensation review cycle, moved to a base salary of \$1,200,000. As part of his transition to the role of executive chairman, Mr. Wiehoff's compensation included only a base salary of \$500,000.

Total 2019 Realized Annual Compensation: The table below illustrates Mr. Wiehoff's total realized compensation in 2019 of \$2,466,048, a decrease of 76 percent from 2018. As of May 9, 2019, when Mr. Wiehoff transitioned to his role of executive chairman, his base salary was adjusted to \$500,000. In addition to Mr. Wiehoff's transition to executive chairman, our business results in 2019 led to a decline in APTI resulting in no performance vesting for our performance based restricted shares.

	Base Salary Paid	Cash Incentive Compensation	Total Cash	% of Target Incentive Achieved <sup>(1)</sup>	Equity Earned <sup>(2)</sup>	Total Realized Compensation
2019	\$ 757,000	\$ —	\$ 757,000	N/A	\$ 1,709,048	\$ 2,466,048
2018	1,167,000	2,427,366	3,594,366	166 %	6,491,123	10,085,489
2017	1,167,000	871,475	2,038,475	60 %	1,752,027	3,790,502

(1) See the disclosures made under the heading Non-Equity Incentive Plan Compensation, beginning on page 19, pertaining to the impact of company APTI in the calculation of the NEO's percentage of target incentive payout achieved.

(2) See the disclosures made under the headings Performance Based Restricted Shares, page 20, and Stock Options, page 21, pertaining to the actual vesting percentages earned.

# 2019 EXECUTIVE COMPENSATION

## Andrew C. Clarke, Former Chief Financial Officer

Mr. Clarke resigned as chief financial officer on March 31, 2019. The base salary for Mr. Clarke was \$550,000 in 2019. In 2019, Mr. Clarke did not earn annual incentive compensation due to his departure from the company.

Total 2019 Realized Annual Compensation: The table below illustrates Mr. Clarke's total realized compensation in 2019 of \$462,882, a decrease of 80 percent from 2018. Our business results in 2019 led to a decline in APTI, resulting in no performance vesting for our performance based restricted shares. Mr. Clarke did not receive an annual cash incentive payment due to his departure from the company.

	Base Salary Paid	Cash Incentive Compensation	Total Cash	% of Target Incentive Achieved <sup>(1)</sup>	Equity Earned <sup>(2)</sup>	Total Realized Compensation
2019	\$ 137,500	\$ —	\$ 137,500	N/A	\$ 325,382	\$ 462,882
2018	550,000	640,642	1,190,642	166 %	1,123,790	2,314,432
2017	550,000	230,004	780,004	60 %	292,080	1,072,084

(1) See the disclosures made under the heading Non-Equity Incentive Plan Compensation, beginning on page 19, pertaining to the impact of company APTI in the calculation of the NEO's percentage of target incentive payout achieved.

(2) See the disclosures made under the headings Performance Based Restricted Shares, page 20, and Stock Options, page 21, pertaining to the actual vesting percentages earned.

## Scott S. Hagen, Controller, Former Interim Chief Financial Officer

Mr. Hagen began 2019 as the company's corporate controller, earning a salary of \$230,000. On April 1, 2019, Mr. Hagen was appointed as the interim chief financial officer of the company. He served as interim chief financial officer until August 29, 2019. During the period that he served as interim chief financial officer, his base salary was increased by \$20,000 per month. He earned annual bonus compensation of \$89,143, for 2019 paid on February 28, 2020. Mr. Hagen's annual cash incentive compensation plan awarded compensation of \$44,293 for the company's achievement of APTI in certain ranges as well as a discretionary bonus of \$44,850.

Total 2019 Realized Annual Compensation: The table below illustrates Mr. Hagen's total realized compensation in 2019 of \$473,446.

	Base Salary Paid	Cash Incentive Compensation	Total Cash	% of Target Incentive Achieved <sup>(1)</sup>	Equity Earned <sup>(2)</sup>	Total Realized Compensation
2019	\$ 330,000	\$ 89,143	\$ 419,143	N/A	\$ 54,303	\$ 473,446

(1) See the disclosures made under the heading Non-Equity Incentive Plan Compensation, beginning on page 19, pertaining to the impact of company APTI in the calculation of the NEO's percentage of target incentive payout achieved.

(2) See the disclosures made under the headings Performance Based Restricted Shares, page 20, and Stock Options, page 21, pertaining to the actual vesting percentages earned.

# 2019 EXECUTIVE COMPENSATION

## Michael P. Zechmeister, Chief Financial Officer

Mr. Zechmeister was hired as chief financial officer on August 30, 2019. The base salary for Mr. Zechmeister was \$700,000 in 2019. Mr. Zechmeister's annual cash incentive compensation plan awarded compensation for the company's achievement of APTI in certain ranges. Based on his time in position, he earned pro-rated annual cash incentive compensation of \$283,945 for 2019 paid on February 28, 2020. Mr. Zechmeister was awarded 10,360 performance based restricted shares and 41,960 time based stock options upon his hire in 2019. Each of these equity grants began vesting in 2019. In addition, Mr. Zechmeister received 12,190 restricted stock units upon his hire that vest ratably over three calendar years beginning in 2020.

## Michael P. Zechmeister 2019 Annual Cash Incentive Compensation Plan

Annual Base Salary	Target Incentive as % of Base Salary	Maximum Incentive as % of Base Salary	Target Enterprise APTI Growth %	Actual Enterprise APTI Growth %
\$700,000	85 %	170 %	7 %	-16 %

Total 2019 Realized Annual Compensation: The table below illustrates Mr. Zechmeister's total realized compensation in 2019 of \$665,196. Mr. Zechmeister's annual cash incentive was pro-rated based on his time as chief financial officer.

	Base Salary Paid	Cash Incentive Compensation <sup>(1)</sup>	Total Cash	% of Target Incentive Achieved <sup>(2)</sup>	Equity Earned <sup>(3)</sup>	Total Realized Compensation
2019	\$ 235,985	\$ 283,945	\$ 519,930	42 %	\$ 145,266	\$ 665,196

(1) Includes \$200,000 sign-on bonus.

(2) See the disclosures made under the heading Non-Equity Incentive Plan Compensation, beginning on page 19, pertaining to the impact of company APTI in the calculation of the NEO's percentage of target incentive payout achieved.

(3) See the disclosures made under the headings Performance Based Restricted Shares, page 20, and Stock Options, page 21, pertaining to the actual vesting percentages earned.



# 2019 EXECUTIVE COMPENSATION

## Christopher J. O'Brien, Chief Commercial Officer

Mr. O'Brien's base salary was \$500,000 in 2019. He earned annual cash incentive compensation of \$126,975 for 2019, which was paid on February 28, 2020. Mr. O'Brien's annual cash incentive compensation plan awarded compensation for the company's achievement of APTI in certain ranges.

## Christopher J. O'Brien 2019 Annual Cash Incentive Compensation Plan

Annual Base Salary	Target Incentive as % of Base Salary	Maximum Incentive as % of Base Salary	Target Enterprise APTI Growth %	Actual Enterprise APTI Growth %
\$500,000	60 %	120 %	7 %	-16 %

Total 2019 Realized Annual Compensation: The table below illustrates Mr. O'Brien's total realized compensation in 2019 of \$943,414, a decrease of 59 percent from 2018. Our business results in 2019 led to a decline in APTI, resulting in low annual cash incentive compensation as well as no performance vesting for our performance based restricted shares.

	Base Salary Paid	Cash Incentive Compensation	Total Cash	% of Target Incentive Achieved <sup>(1)</sup>	Equity Earned <sup>(2)</sup>	Total Realized Compensation
2019	\$ 500,000	\$ 126,975	\$ 626,975	42 %	\$ 316,439	\$ 943,414
2018	500,000	499,201	999,201	166 %	1,283,716	2,282,917
2017	500,000	179,224	679,224	60 %	351,189	1,030,413

- (1) See the disclosures made under the heading Non-Equity Incentive Plan Compensation, beginning on page 19, pertaining to the impact of company APTI in the calculation of the NEO's percentage of target incentive payout achieved.
- (2) See the disclosures made under the headings Performance Based Restricted Shares, page 20, and Stock Options, page 21, pertaining to the actual vesting percentages earned.

# 2019 EXECUTIVE COMPENSATION

## Mac S. Pinkerton, President of North America Surface Transportation

Mr. Pinkerton's base salary in 2019 was \$475,000. He earned \$212,943 annual cash incentive compensation for 2019. Mr. Pinkerton's annual cash incentive compensation plan awarded compensation for NAST's achievement of APTI in certain ranges. In 2019, Mr. Pinkerton received 750 performance based restricted shares and 2,710 time based stock options as part of his promotion to president, NAST. Both of these equity awards began vesting in 2019.

## Mac S. Pinkerton 2019 Annual Cash Incentive Compensation Plan

Annual Base Salary	Target Incentive as % of Base Salary	Maximum Incentive as % of Base Salary	Target NAST APTI Growth %	Actual NAST APTI Growth %
\$475,000	80 %	160 %	7 %	-12 %

Total 2019 Realized Annual Compensation: The table below illustrates Mr. Pinkerton's total realized compensation in 2019 of \$865,234.

	Base Salary Paid	Cash Incentive Compensation	Total Cash	% of Target Incentive Achieved <sup>(1)</sup>	Equity Earned <sup>(2)</sup>	Total Realized Compensation
2019	\$ 475,000	\$ 212,943	\$ 687,943	56 %	\$ 177,291	\$ 865,234

- (1) See the disclosures made under the heading Non-Equity Incentive Plan Compensation, beginning on page 19, pertaining to the impact of company APTI in the calculation of the NEO's percentage of target incentive payout achieved.
- (2) See the disclosures made under the headings Performance Based Restricted Shares, page 20, and Stock Options, page 21, pertaining to the actual vesting percentages earned.

# 2019 EXECUTIVE COMPENSATION

## Michael J. Short, President of Global Freight Forwarding

Mr. Short started 2019 at a base salary of \$500,000 and on March 1, 2019, as part of our annual compensation review cycle, moved to a base salary of \$525,000. He earned \$192,398 annual cash incentive compensation for 2019. Mr. Short's annual cash incentive compensation plan awarded compensation for Global Forwarding's achievement of APTI in certain ranges.

## Michael J. Short 2019 Annual Cash Incentive Compensation Plan

Annual Base Salary	Target Incentive as % of Base Salary	Maximum Incentive as % of Base Salary	Target Global Forwarding APTI Growth %	Actual Global Forwarding APTI Growth %
\$525,000	70 %	140 %	10 %	-11 %

Total 2019 Realized Annual Compensation: The table below illustrates Mr. Short's total realized compensation in 2019 of \$1,112,575, a 39 percent decrease from 2018. Our business results in 2019 led to a decline in APTI, resulting in low annual cash incentive compensation as well as no performance vesting for our performance based restricted shares.

	Base Salary Paid	Cash Incentive Compensation	Total Cash	% of Target Incentive Achieved <sup>(1)</sup>	Equity Earned <sup>(2)</sup>	Total Realized Compensation
2019	\$ 520,833	\$ 192,398	\$ 713,231	52 %	\$ 399,344	\$ 1,112,575
2018	500,000	316,464	816,464	90 %	1,003,326	1,819,790
2017	500,000	393,549	893,549	112 %	349,610	1,243,159

- (1) See the disclosures made under the heading Non-Equity Incentive Plan Compensation, beginning on page 19, pertaining to the impact of company APTI in the calculation of the NEO's percentage of target incentive payout achieved.
- (2) See the disclosures made under the headings Performance Based Restricted Shares, page 20, and Stock Options, page 21, pertaining to the actual vesting percentages earned.

## Section 162(m) Disclosure

Section 162(m) of the Internal Revenue Code precludes us from taking a federal income tax deduction for compensation paid in excess of \$1 million to our "covered employee" (which as of 2018 includes the chief executive officer, chief financial officer, and our three other most highly compensated executive officers). Prior to 2018, this deduction limitation did not apply to qualified "performance-based" compensation and a company's chief financial officer was not considered to be a "covered officer". Consequently, compensation paid in 2018 and later years to our NEOs in excess of \$1 million will not be deductible unless it qualifies for transitional relief applicable to certain binding, written performance-based compensation arrangements that were in place as of November 2, 2017.

Despite these new limits on the deductibility of performance-based compensation, the Compensation Committee continues to believe that a significant portion of our executives' compensation should be tied to the company's performance and that shareholder interests are best served if its discretion and flexibility in structuring and awarding compensation is not restricted even though some compensation awards may have resulted in the past, and are expected to result in the future, in non-deductible compensation expense to us. Therefore, it is not anticipated that the changes to Section 162(m) will significantly impact the design of our compensation program going forward.

# 2019 EXECUTIVE COMPENSATION

**Summary Compensation Table**

Name of Executive Officer and Principal Position	Year	Salary	Bonus	Stock Awards <sup>(1)</sup>	Option Awards <sup>(2)</sup>	Non-Equity Incentive Plan Compensation <sup>(3)</sup>	All Other Compensation <sup>(4)</sup>	Total
Robert C. Biesterfeld Jr. President and Chief Executive Officer	2019	\$ 870,833 <sup>(5)</sup>	\$ —	\$ 1,879,415 <sup>(5)</sup>	\$ 1,869,985 <sup>(5)</sup>	\$ 428,895 <sup>(5)</sup>	\$ 16,800	\$ 5,065,928
	2018	600,000 <sup>(6)</sup>	—	1,110,877 <sup>(6)</sup>	1,081,727 <sup>(6)</sup>	849,620 <sup>(6)</sup>	11,000	3,653,224
	2017	475,000	—	451,075	451,693	245,848	10,800	1,634,416
John P. Wiehoff Former President and Chief Executive Officer	2019	757,000 <sup>(7)</sup>	—	— <sup>(7)</sup>	— <sup>(7)</sup>	— <sup>(7)</sup>	16,800	773,800
	2018	1,167,000	—	2,515,458	2,428,542	2,427,366	20,490	8,558,856
	2017	1,167,000	—	2,383,725	2,383,349	871,475	28,638	6,834,187
Andrew C. Clarke Former Chief Financial Officer	2019	137,500 <sup>(8)</sup>	—	— <sup>(8)</sup>	— <sup>(8)</sup>	— <sup>(8)</sup>	16,800	154,300
	2018	550,000	—	447,805	439,333	640,642	11,000	2,088,780
	2017	550,000	—	451,075	451,693	230,004	10,800	1,693,572
Scott S. Hagen Former Interim Chief Financial Officer	2019	330,000 <sup>(9)</sup>	44,850 <sup>(10)</sup>	— <sup>(11)</sup>	— <sup>(11)</sup>	44,293 <sup>(10)</sup>	16,800	435,943
Michael P. Zechmeister Chief Financial Officer	2019	235,985 <sup>(12)</sup>	200,000 <sup>(13)</sup>	1,681,567 <sup>(12)(14)</sup>	726,328 <sup>(12)</sup>	83,945 <sup>(12)</sup>	57,637	2,985,462
Christopher J. O'Brien Chief Commercial Officer	2019	500,000	—	— <sup>(11)</sup>	— <sup>(11)</sup>	126,975	16,800	643,775
	2018	500,000	—	447,805	439,333	499,201	11,000	1,897,339
	2017	500,000	—	425,851	426,630	179,224	10,800	1,542,505
Mac S. Pinkerton President of North America Surface Transportation	2019	475,000	—	50,250 <sup>(15)</sup>	50,027 <sup>(15)</sup>	212,943	16,800	805,020
Michael J. Short President of Global Freight Forwarding	2019	520,833	—	— <sup>(11)</sup>	— <sup>(11)</sup>	192,398	16,800	730,031
	2018	500,000	—	423,217	414,914	316,464	11,000	1,665,595
	2017	500,000	—	400,626	401,426	393,549	10,800	1,706,401

- (1) The 2017, 2018, and 2019 performance based restricted share grants are available to vest over a five-year period based on the financial performance of the company. The actual vesting percentage for each year is determined by the following formula: year-over-year growth rate in diluted earnings per share, plus ten percentage points. Any shares unvested after five years are forfeited back to the company. The actual vesting percentage was 9 percent in 2017, 43 percent in 2018, and 0 percent in 2019. Assumptions used in the calculation of the amounts reported in this table are included in Note 6 to the financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2019.
- (2) The 2017, 2018, and 2019 stock option grants vest pro-rata over the five calendar years beginning in the year of grant. Assumptions used in the calculation of the amounts reported in this table are included in Note 6 to the financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2019.
- (3) The dollar amount in this column represents the amount the NEO earned during the respective year under their non-equity annual incentive plan; these amounts correspond to and are referred to as "annual cash incentive compensation" in the Performance Evaluation and Compensation subsection of Section VII beginning on page 25.
- (4) All other compensation for our NEOs is summarized in the Supplemental All Other Compensation table.
- (5) These figures include compensation adjustments as a result of Mr. Biesterfeld's appointment to president and chief executive officer effective May 9, 2019.
- (6) These figures include compensation adjustments as a result of Mr. Biesterfeld's appointment to chief operating officer effective March 1, 2018.
- (7) As a result of Mr. Wiehoff's resignation as chief executive officer and transition to the role of executive chairman effective May 9, 2019, his compensation included only a base salary and he was no longer eligible for equity or non-equity incentive compensation.
- (8) As a result of Mr. Clarke's resignation as chief financial officer effective March 31, 2019, his compensation included only a base salary.
- (9) This figure includes base salary adjustments as a result of Mr. Hagen's appointment to interim chief financial officer between April 1, 2019 and August 29, 2019.
- (10) Mr. Hagen's annual cash incentive compensation plan, which was put in place while he served in the role of company controller, awarded compensation for both the company's achievement of APTI in certain ranges as well as a discretionary bonus. No additional annual cash incentive compensation was paid to Mr. Hagen as a result of him being named interim chief financial officer in 2019.
- (11) Due to changes in the timing of the annual equity grant cycle, the annual performance based restricted share and time based stock option grants that were historically granted in December 2019 were moved to February 2020.
- (12) This figure includes prorated compensation as a result of Mr. Zechmeister's hire as chief financial officer on August 30, 2019.
- (13) This figure includes a cash sign-on bonus paid to Mr. Zechmeister.
- (14) This figure includes 12,190 restricted stock units with a grant value of \$1,000,190, which vest pro-rata over three years.
- (15) These figures include performance based restricted share and time based stock option grants made to Mr. Pinkerton as a result of his appointment to president of NAST effective January 1, 2019.

# 2019 EXECUTIVE COMPENSATION

**Supplemental All Other Compensation Table**

Name of Executive Officer	Year	Perks and Personal Benefits	Tax Reimbursements	Registrant Contributions to Defined Contributions <sup>(1)</sup>	Insurance Premiums	Other	Total
Robert C. Biesterfeld Jr	2019	\$ —	\$ —	\$ 16,800	\$ —	\$ —	\$ 16,800
John P. Wiehoff	2019	—	—	16,800	—	—	16,800
Andrew C. Clarke	2019	—	—	16,800	—	—	16,800
Scott S. Hagen	2019	—	—	16,800	—	—	16,800
Michael P. Zechmeister	2019	40,000 <sup>(2)</sup>	17,637	0	—	—	57,637
Christopher J. O'Brien	2019	—	—	16,800	—	—	16,800
Mac S. Pinkerton	2019	—	—	16,800	—	—	16,800
Michael J. Short	2019	—	—	16,800	—	—	16,800

(1) Represents matching contributions under the company's qualified 401(k) plan.

(2) Represents the value of relocation expenses reimbursed by the company.

**Dividend Equivalents Paid on Unvested Shares**

Name of Executive Officer	Year	Dividend Equivalents <sup>(1)</sup>
Robert C. Biesterfeld Jr	2019	\$ 87,638 <sup>(2)</sup>
	2018	52,634 <sup>(2)</sup>
	2017	35,346 <sup>(2)</sup>
John P. Wiehoff	2019	174,265 <sup>(2)</sup>
	2018	243,782 <sup>(2)</sup>
	2017	229,525 <sup>(2)</sup>
Andrew C. Clarke	2019	33,280 <sup>(2)</sup>
	2018	45,794 <sup>(2)</sup>
	2017	36,624 <sup>(2)</sup>
Scott S. Hagen	2019	5,485 <sup>(2)</sup>
Michael P. Zechmeister	2019	22,776 <sup>(3)</sup>
Christopher J. O'Brien	2019	32,237 <sup>(2)</sup>
	2018	47,043 <sup>(2)</sup>
	2017	46,162 <sup>(2)</sup>
Mac S. Pinkerton	2019	18,841 <sup>(2)</sup>
Michael J. Short	2019	34,564 <sup>(4)</sup>
	2018	46,701 <sup>(4)</sup>
	2017	41,428 <sup>(4)</sup>

(1) Dividends paid on these shares were paid directly to the NEO through the company's payroll system.

(2) Represents performance based restricted shares.

(3) Represents both performance based restricted shares and time based restricted stock units.

(4) Represents both performance based restricted shares and time based restricted shares.

# 2019 EXECUTIVE COMPENSATION

## Grants of Plan-Based Awards in 2019

Name of Executive Officer	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards <sup>(1)</sup>			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards <sup>(2)</sup>
		Threshold	Target	Maximum	Threshold	Target	Maximum			
Robert C. Biesterfeld Jr.	5/9/2019	\$ —	\$ —	\$ —	—	—	9,080 <sup>(3)</sup>	—	\$ —	\$ 626,702
	5/9/2019	—	—	—	—	—	—	35,460 <sup>(4)</sup>	82.68	623,387
	5/9/2019	—	—	—	—	—	18,150 <sup>(3)</sup>	—	—	1,252,713
	5/9/2019	—	—	—	—	—	—	70,910 <sup>(4)</sup>	82.68	1,246,598
		0	1,170,000	2,340,000	—	—	—	—	—	—
John P. Wiehoff		—	—	—	—	—	—	—	—	—
Andrew C. Clarke		—	—	—	—	—	—	—	—	—
Scott S. Hagen		—	—	—	—	—	—	—	—	—
Michael P. Zechmeister	9/3/2019	—	—	—	—	—	10,360 <sup>(3)</sup>	—	—	681,377
	9/3/2019	—	—	—	—	—	—	41,960 <sup>(4)</sup>	82.05	726,328
	9/3/2019	—	—	—	—	—	12,190 <sup>(5)</sup>	—	—	1,000,190
		0	595,000	1,190,000	—	—	—	—	—	—
Christopher J. O'Brien		0	300,000	600,000	—	—	—	—	—	—
Mac S. Pinkerton	1/3/2019	—	—	—	—	—	750 <sup>(3)</sup>	—	—	50,250
	1/3/2019	—	—	—	—	—	—	2,710 <sup>(4)</sup>	79.92	50,027
		0	380,000	760,000	—	—	—	—	—	—
Michael J. Short		0	367,500	735,000	—	—	—	—	—	—

- (1) Under the terms of the award and as further explained in the Non-Equity Incentive Plan Compensation subsection of Section IV Elements of Executive Compensation, beginning on page 19, the amount earned by each NEO will be based upon on either the company's or the appropriate business division's APTI for 2019 and was paid to the executive in early 2020.
- (2) The amounts in this column represent the grant date fair value for the respective awards. The performance based restricted shares, vested and unvested, earn dividends at the same rate as Common Stock. Because these dividends are considered compensation under the Internal Revenue Code, the dividends are paid to each NEO through the company's payroll system.
- (3) Represents the number of performance based restricted shares granted during the reported year to the NEO. These performance based restricted shares are available to vest over five calendar years beginning in 2019. The actual vesting percentage for each year is the year-over-year growth rate in diluted earnings per share, plus ten percentage points. Because the shares vest based on a formula of growth rates, the awards do not have a specific payout based on a target or a threshold. The standard delivery of all vested shares occurs the earlier of two years after termination of employment or two years following the end of the five-year vesting period.
- (4) Represents the number of time based stock options granted during the reported year to the NEO. These stock options vest ratably over five calendar years beginning in 2019. Once vested, the participant may exercise the options for a period of ten years from the grant date. Any options unvested after five years are forfeited back to the company.
- (5) Represents the number of restricted stock units granted during the reported year to the NEO. These time based restricted stock units are available to vest over three calendar years beginning in 2020. The participant will take delivery of the vested restricted stock units annually on the anniversary of the grant date.

# 2019 EXECUTIVE COMPENSATION

## Outstanding Equity Awards at Fiscal Year-End 2019

Name of Executive Officer	Option Awards					Stock Awards			
	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options Exercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options Unexercisable	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested	Equity Incentive Plan Awards: Number of Shares or Units of Stock That Have Not Vested <sup>(1)</sup>	Equity Incentive Plan Awards: Market Value of Shares or Units of Stock That Have Not Vested <sup>(1)</sup>	
Robert C. Biesterfeld Jr.	11,644 <sup>(2)</sup>	0 <sup>(2)</sup>	\$ 58.25	12/4/2023			50,079	\$ 3,916,178	
	9,748 <sup>(2)</sup>	0 <sup>(2)</sup>	74.57	12/3/2024					
	24,120 <sup>(3)</sup>	6,030 <sup>(3)</sup>	63.58	12/2/2025					
	16,866 <sup>(3)</sup>	11,244 <sup>(3)</sup>	76.72	12/7/2026					
	12,688 <sup>(3)</sup>	19,032 <sup>(3)</sup>	87.15	12/6/2027					
	8,256 <sup>(4)</sup>	12,384 <sup>(4)</sup>	89.70	3/1/2028					
	7,594 <sup>(3)</sup>	30,376 <sup>(3)</sup>	88.87	12/5/2028					
	21,274 <sup>(4)</sup>	85,096 <sup>(4)</sup>	82.68	5/9/2029					
John P. Wiehoff	41,830 <sup>(2)</sup>	0 <sup>(2)</sup>	68.81	12/7/2021			83,584	6,536,269	
	47,257 <sup>(2)</sup>	0 <sup>(2)</sup>	61.91	12/5/2022					
	126,800 <sup>(2)</sup>	0 <sup>(2)</sup>	58.25	12/4/2023					
	106,462 <sup>(2)</sup>	0 <sup>(2)</sup>	74.57	12/3/2024					
	120,576 <sup>(3)</sup>	30,144 <sup>(3)</sup>	63.58	12/2/2025					
	86,916 <sup>(3)</sup>	57,944 <sup>(3)</sup>	76.72	12/7/2026					
	66,948 <sup>(3)</sup>	100,422 <sup>(3)</sup>	87.15	12/6/2027					
	23,670 <sup>(3)</sup>	94,680 <sup>(3)</sup>	88.87	12/5/2028					
Andrew C. Clarke	27,393 <sup>(2)</sup>	0 <sup>(2)</sup>	62.11	6/2/2025			15,756	1,232,119	
	24,120 <sup>(3)</sup>	6,030 <sup>(3)</sup>	63.58	12/2/2025					
	16,866 <sup>(5)</sup>	5,622 <sup>(5)</sup>	76.72	12/7/2026					
	12,688 <sup>(5)</sup>	6,344 <sup>(5)</sup>	87.15	12/6/2027					
	4,282 <sup>(5)</sup>	4,282 <sup>(5)</sup>	88.87	12/5/2028					
Scott S. Hagen	2,830 <sup>(2)</sup>	0 <sup>(2)</sup>	68.81	12/7/2021			2,601	203,398	
	2,254 <sup>(2)</sup>	0 <sup>(2)</sup>	61.91	12/5/2022					
	5,822 <sup>(2)</sup>	0 <sup>(2)</sup>	58.25	12/4/2023					
	4,265 <sup>(2)</sup>	0 <sup>(2)</sup>	74.57	12/3/2024					
	4,369 <sup>(3)</sup>	1,093 <sup>(3)</sup>	63.58	12/2/2025					
	2,716 <sup>(3)</sup>	1,811 <sup>(3)</sup>	76.72	12/7/2026					
	2,092 <sup>(3)</sup>	3,139 <sup>(3)</sup>	87.15	12/6/2027					
	690 <sup>(3)</sup>	2,762 <sup>(3)</sup>	88.87	12/5/2028					
Michael P. Zechmeister	8,392 <sup>(4)</sup>	33,568 <sup>(4)</sup>	82.05	9/3/2029	12,190 <sup>(6)</sup>	953,258	10,360	810,152	
Christopher J. O'Brien	10,460 <sup>(2)</sup>	0 <sup>(2)</sup>	68.81	12/7/2021			15,370	1,201,934	
	10,237 <sup>(2)</sup>	0 <sup>(2)</sup>	61.91	12/5/2022					
	27,480 <sup>(2)</sup>	0 <sup>(2)</sup>	58.25	12/4/2023					
	22,819 <sup>(2)</sup>	0 <sup>(2)</sup>	74.57	12/3/2024					
	24,120 <sup>(3)</sup>	6,030 <sup>(3)</sup>	63.58	12/2/2025					
	15,930 <sup>(3)</sup>	10,620 <sup>(3)</sup>	76.72	12/7/2026					
	11,984 <sup>(3)</sup>	17,976 <sup>(3)</sup>	87.15	12/6/2027					
4,282 <sup>(3)</sup>	17,128 <sup>(3)</sup>	88.87	12/5/2028						
Mac S. Pinkerton	8,368 <sup>(2)</sup>	0 <sup>(2)</sup>	68.81	12/7/2021			9,024	705,677	
	6,853 <sup>(2)</sup>	0 <sup>(2)</sup>	61.91	12/5/2022					
	17,965 <sup>(2)</sup>	0 <sup>(2)</sup>	58.25	12/4/2023					
	11,576 <sup>(2)</sup>	0 <sup>(2)</sup>	74.57	12/3/2024					
	12,484 <sup>(3)</sup>	3,122 <sup>(3)</sup>	63.58	12/2/2025					
	7,761 <sup>(3)</sup>	5,173 <sup>(3)</sup>	76.72	12/7/2026					
	5,977 <sup>(3)</sup>	8,967 <sup>(3)</sup>	87.15	12/6/2027					
	2,564 <sup>(3)</sup>	10,257 <sup>(3)</sup>	88.87	12/5/2028					
542 <sup>(4)</sup>	2,168 <sup>(4)</sup>	79.92	1/3/2029	1,861 <sup>(7)</sup>	145,530	14,650	1,145,630		
3,532 <sup>(2)</sup>	0 <sup>(2)</sup>	74.57	12/4/2023						
18,090 <sup>(2)</sup>	6,030 <sup>(2)</sup>	63.58	12/3/2024						
14,994 <sup>(3)</sup>	9,996 <sup>(3)</sup>	76.72	12/2/2025						
11,276 <sup>(3)</sup>	16,914 <sup>(3)</sup>	87.15	12/7/2026						
4,044 <sup>(3)</sup>	16,176 <sup>(3)</sup>	88.87	12/6/2027						





# 2019 EXECUTIVE COMPENSATION

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- (1) The 2011-2018 performance based restricted share grants are available to vest over a five year period based on the financial performance of the company. The actual vesting percentage for the 2011 and 2012 award is determined by the following formula: year-over-year growth rates in income from operations and diluted net income per share are averaged, and then five percentage points are added to that number. The vesting formula for the 2013-2018 awards are based on the year-over-year percentage growth in diluted earnings per share, plus ten percentage points. Any performance based restricted shares unvested after five years are forfeited back to the company. The standard delivery of all vested shares occurs the earlier of two years after termination of employment or two years following the end of the five-year vesting period.
- (2) The 2011-2014 performance based stock option grants are available to vest over a five year period based on the financial performance of the company. The actual vesting percentage for the 2011 and 2012 award is determined by the following formula: year-over-year growth rates in income from operations and diluted net income per share are averaged, and then five percentage points are added to that number. The vesting formula for the 2013-2014 awards are based on the year-over-year percentage growth in diluted earnings per share, plus ten percentage points. Any performance based stock options unvested after five years are forfeited back to the company. Once the options are vested, they are exercisable for a period of ten years from the date of grant under the option award agreement.
- (3) Represents the number of time based stock options granted during the reported year to the NEO. These stock options are available to vest ratably over five calendar years beginning in the year of grant. Once vested, the participant may exercise the options for ten years from the grant date.
- (4) Represents the number of time based stock options granted during the reported year to the NEO. These stock options are available to vest ratably over five calendar years beginning in the calendar year after the year of grant. Once vested, the participant may exercise the options for ten years from the grant date.
- (5) Represents the number of time based stock options granted during the reported year to the NEO. These stock options are available to vest ratably over five calendar years beginning in the calendar year after the year of grant. Once vested, the participant may exercise the options for ten years from the grant date. Due to Mr. Clarke's resignation on March 31, 2019 and his tenure being less than five years of service with the Company, Mr. Clarke forfeited one fifth of his December 7, 2016 award, expiring on December 7, 2026; two fifths of his December 6, 2017 award, expiring on December 6, 2027; and three fifths of his December 5, 2018 award, expiring on December 5, 2028.
- (6) Upon Michael P. Zechmeister's hire as chief financial officer in August 2019, C.H. Robinson awarded him a special one-time based restricted stock unit award. This one-time award vests ratably on the anniversary of the grant date over three years, contingent on Mr. Zechmeister's continued service and was intended to serve as a replacement of equity awards Mr. Zechmeister forfeited from his previous employer. If Mr. Zechmeister separates from service other than due to death, disability, or change in control prior to September 3, 2022, the unvested restricted stock units will be forfeited back to the company. One-third of the vested restricted stock units will be delivered annually to Mr. Zechmeister on September 3 in the years 2020-2022. The fair value is established on the market price of our common stock on the date of grant.
- (7) Upon Michael J. Short's promotion to president of Global Freight Forwarding in May 2015, C.H. Robinson awarded him a special one-time based restricted shares award. This one-time award vests ratably on the anniversary on the grant date over five years, contingent on Mr. Short's continued service and was intended to serve as a retention tool for Mr. Short. If Mr. Short separates from service other than due to death, disability, or change in control prior to May 31, 2020, the unvested shares will be forfeited back to the company. One-half of the vested shares will be delivered to Mr. Short on May 31, 2020 and the remaining half on May 31, 2021. The fair value is established on the market price of our Common Stock on the date of the grant, discounted for post-vesting holding restrictions.



# 2019 EXECUTIVE COMPENSATION

## Option Exercises and Stock Vested During 2019

Name of Executive Officer		No. of Shares Acquired on Exercise or Vesting	Value Realized Upon Exercise or Vesting	Grant Date Fair Value Previously Reported in Summary Compensation Table
Robert C. Biesterfeld Jr.	Options	0	\$ 0	\$ 0
	Stock	0	0	0
John P. Wiehoff	Options	0	0	0
	Stock	0	0	0
Andrew C. Clarke	Options	0	0	0
	Stock	0	0	0
Scott S. Hagen	Options	0	0	0
	Stock	0	0	0
Michael P. Zechmeister	Options	0	0	0
	Stock	0	0	0
Christopher J. O'Brien	Options	0	0	0
	Stock	0	0	0
Mac S. Pinkerton	Options	0	0	0
	Stock	0	0	0
Michael J. Short	Options	2,412	64,632	28,533
	Stock	1,861 <sup>(1)</sup>	148,191	96,772

(1) These shares vested pursuant to a time based shares award.

# 2019 EXECUTIVE COMPENSATION

## Nonqualified Deferred Compensation<sup>(1)</sup>

Name of Executive Officer	Executive Contributions in 2019	Registrant Contributions in 2019 <sup>(2)</sup>	Aggregate Earnings in 2019	Aggregate Withdrawals/ Distributions	Aggregate Balance at December 31, 2019 <sup>(3)</sup>
Robert C. Biesterfeld Jr.	\$ 0	\$ 2,251,376	\$ (471,154)	\$ (79,011)	\$ 5,594,663
John P. Wiehoff	0	0	(3,454,126)	\$ (1,064,697)	58,702,411
Andrew C. Clarke	0	0	(202,675)	\$ 0	2,690,862
Scott S. Hagen	0	0	(43,686)	\$ (72,766)	609,413
Michael P. Zechmeister	0	1,850,228	(86,818)	\$ 0	1,763,410
Christopher J. O'Brien	0	0	(642,151)	\$ (266,261)	5,430,208
Mac S. Pinkerton	0	59,940	(162,456)	\$ (212,922)	2,284,457
Michael J. Short	0	0	(228,309)	\$ 0	3,031,188

(1) All awards referred to in this table are in the form of performance based restricted shares, except Mr. Short's 2015 time based restricted share award and Mr. Zechmeister's 2019 time based restricted stock units award.

(2) All values in this column represent the closing market price of the company stock on the grant date of the restricted share award.

(3) All values in this column are based on the closing market price of the company stock as of December 31, 2019.

# 2019 EXECUTIVE COMPENSATION

## Potential Payments Upon Termination or Change in Control

The company does not have a separate severance pay plan for NEOs. As part of Mr. Zechmeister's employment agreement, he would have received a payment of \$700,000 if his employment was terminated other than for documented performance or misconduct issues, or if his role and associated compensation was substantially changed without his consent, on December 31, 2019. See the disclosure made under the heading Employment Agreements, page 22 for further information related to Mr. Zechmeister's employment agreement, including the terms and timing for the potential severance payment described above.

The following table lists the potential value of accelerated vesting of unvested performance based restricted share awards and time based stock options upon termination of employment in the case of change in control, death, or disability of our NEOs. For this purpose, change in control is defined as (i) the ownership by a person or entity of more than 50 percent of the Common Stock of the company, (ii) the completion of a merger or consolidation or sale of all or substantially all of the company's assets where the company's directors and shareholders prior to the transaction do not comprise at least 60 percent of the board of the surviving entity and 60 percent of its shareholder base, respectively, or (iii) a majority of the Board of Directors are no longer "continuing directors". The amounts listed are calculated based on the assumption that the NEOs' employment was terminated or that a change in control occurred on December 31, 2019, the last day of our reporting year. C.H. Robinson does not gross up payments to executive officers due to a change in control.

Name of Executive Officer	Benefits and Payments Upon Termination	Change in Control, Death, or Disability
Robert C. Biesterfeld Jr.	Vesting of nonvested stock options	\$ 104,800
	Vesting of nonvested restricted shares	3,916,178
John P. Wiehoff	Vesting of nonvested stock options	526,462
	Vesting of nonvested restricted shares	6,536,269
Andrew C. Clarke <sup>(1)</sup>	Vesting of nonvested stock options	96,479
	Vesting of nonvested restricted shares	1,232,119
Scott S. Hagen	Vesting of nonvested stock options	18,665
	Vesting of nonvested restricted shares	203,398
Michael P. Zechmeister	Vesting of nonvested stock options	0
	Vesting of nonvested restricted shares	1,763,410
Christopher J. O'Brien	Vesting of nonvested stock options	103,876
	Vesting of nonvested restricted shares	1,201,934
Mac S. Pinkerton	Vesting of nonvested stock options	53,302
	Vesting of nonvested restricted shares	705,677
Michael J. Short	Vesting of nonvested stock options	102,953
	Vesting of nonvested restricted shares	1,291,160

- (1) Upon Mr. Clarke's termination on March 31, 2019 and per the terms of the award agreements, Mr. Clarke executed a two-year non-competition provision in favor of the Company, which entitles him to two calendar years of additional vesting of his unvested stock options and two years of additional vesting on his unvested performance shares, but not to exceed the five year vesting period for any award.

# 2019 EXECUTIVE COMPENSATION

## COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis section with C.H. Robinson management and concurs that it accurately represents the compensation philosophy of the company. Based on its review and discussion with management, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis section be included in this Proxy Statement. The Compensation Committee charter is posted on the Investor Relations page of the C.H. Robinson Worldwide website at [www.chrobinson.com](http://www.chrobinson.com).

Wayne M. Fortun, Chair  
Timothy C. Gokey  
Mary J. Steele Guilfoile  
Jodee A. Kozlak  
James B. Stake  
Paula C. Tolliver

The Members of the Compensation Committee  
of the Board of Directors

# 2019 EXECUTIVE COMPENSATION

## CEO Pay Ratio

As required by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and Item 402(u) of Regulation S-K, we are providing the following information about the relationship of the annual total compensation of our employees and the annual total compensation of Robert C. Biesterfeld Jr., our chief executive officer (the “CEO”).

For 2019, our last completed fiscal year:

- the annual total compensation of our median employee was \$59,086; and
- the annual total compensation of our CEO, as reported in the Summary Compensation Table included on page 32 of this proxy statement, was \$5,065,928.

Based on this information, for 2019, we reasonably estimate that the ratio of our CEO’s annual total compensation to the annual total compensation of our median employee was 86:1. Our pay ratio estimate has been calculated in a manner consistent with Item 402(u) of Regulation S-K.

While conducting our 2019 pay ratio analysis, the company determined that we could use the same median employee that we identified last year in our 2018 pay ratio analysis. We do not believe there has been any change in either our employee population or our employee compensation arrangements or practices that we believe would significantly impact our 2019 pay ratio disclosure. Similarly, there has been no change in our original median employee’s circumstances that we reasonably believe would result in a significant change in our 2019 pay ratio disclosure. We completed our 2019 pay ratio analysis as of February 18, 2020.

## RELATED PARTY TRANSACTIONS

Our Audit Committee, pursuant to the company’s written policy and procedures regarding transactions with related parties, is responsible for reviewing, approving, and/or ratifying any transaction involving the company with related persons. As defined in the policy, (i) a “related person” includes all directors and executive officers of the company, any nominee for director, and any immediate family members of any of the foregoing persons, as well as shareholders who beneficially own greater than five percent of the company’s Common Stock and their immediate family members; and (ii) a “transaction” includes but is not limited to any financial transaction, arrangement, or relationship. A transaction does not include any compensation arrangement with an executive officer or director of the company that has been approved or authorized by the Compensation Committee. In determining whether to approve or ratify a related party transaction, the Audit Committee will consider, among other things, the business purpose and terms of the transaction, the process used to evaluate the transaction, and the significance of the interests and amounts involved in the transaction.

One of our directors, Brian P. Short, is the president, chief executive officer and, with a number of his family members, holds a controlling interest in AMMF, a privately held trucking and transportation services company. In 2019, C.H. Robinson engaged AMMF in the ordinary course of business as a contracted motor carrier to haul approximately 777 truckloads. The company paid approximately \$1,756,000 to AMMF for these services, which represented just more than one percent of AMMF’s revenues for 2019. Management reported to the Audit Committee that the prices paid for the transportation services provided by AMMF were negotiated by 12 separate offices and were consistent with similar loads carried by other third-party vendors using comparable equipment. The transaction with Mr. Short was approved by the Audit Committee in accordance with the policy described above.

The Board of Directors and the Governance Committee also considered C.H. Robinson’s transactions with AMMF in its assessment of Mr. Short’s independence.



# SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table contains information regarding beneficial ownership of C.H. Robinson's Common Stock as of March 2, 2020, by (i) each person who is known by the company to own beneficially more than five percent of the Common Stock, (ii) each director or nominee, and each NEO of the company named in the Summary Compensation Table and (iii) all current company directors and executive officers as a group. Unless otherwise noted, the shareholders listed in the table have sole voting and investment powers with respect to the shares of Common Stock owned by them. Percentage ownership of our management is based on 134,856,401 shares of our Common Stock issued and outstanding on March 2, 2020. Percentage ownership of our largest shareholders is based on the percentages set forth in the Schedule 13G/As referenced below.

	Number of Shares Beneficially Owned <sup>(1)</sup>	Percentage of Outstanding Shares	Number of Performance Shares Granted <sup>(2)</sup>
The Vanguard Group <sup>(3)</sup> 100 Vanguard Blvd. Malvern, PA 19355	17,940,395	13.26%	
BlackRock Inc. <sup>(4)</sup> 55 East 52nd Street New York, NY 10055	12,232,179	9.00%	
State Street Corporation <sup>(5)</sup> State Street Financial Center One Lincoln Street Boston, MA 02111	8,713,343	6.44%	
First Eagle Investment Management, LLC <sup>(6)</sup> 1345 Avenue of the Americas New York, NY 10105	8,547,051	6.32%	
Robert C. Biesterfeld Jr. <sup>(7)</sup>	137,542	0.10%	106,154
John P. Wiehoff <sup>(8)</sup>	1,399,519	1.04%	747,555
Andrew C. Clarke <sup>(9)</sup>	103,661	0.08%	33,609
Scott S. Hagen <sup>(10)</sup>	31,559	0.02%	7,665
Michael P. Zechmeister <sup>(11)</sup>	20,582	0.02%	22,132
Christopher O'Brien <sup>(12)</sup>	189,983	0.14%	76,435
Mac S. Pinkerton <sup>(13)</sup>	99,374	0.07%	36,305
Michael J. Short <sup>(14)</sup>	76,097	0.06%	36,476
Scott P. Anderson	18,528	0.01%	
Wayne M. Fortun	39,945	0.03%	
Timothy C. Gokey	6,493	0.00%	
Mary J. Steele Guilfoile	13,342	0.01%	
Jodee A. Kozlak	14,269	0.01%	
Brian P. Short	60,276	0.04%	
James B. Stake	21,465	0.02%	
Paula C. Tolliver	3,781	0.00%	
All current executive officers and directors as a group (20 people)	2,459,964	1.82%	1,223,437

(1) Beneficial ownership is determined in accordance with rules of the Securities and Exchange Commission and generally includes voting power and/or investment power with respect to securities. Shares of Common Stock subject to options currently exercisable within 60 days of March 2, 2020, are deemed outstanding for computing the percentage beneficially owned by the person holding such options but are not deemed outstanding for computing the percentage beneficially owned by any other person.

(2) The figures in this column represent the performance based restricted shares and units granted to the NEOs and the other executive officers of the company.

- (3) Disclosure is made in reliance upon a statement on Schedule 13G filed with the Securities and Exchange Commission on February 11, 2020. The Vanguard Group, Inc., filing as an investment adviser in accordance with Rule 240.13d-1(b)(ii)(E), has sole voting power over 208,341 shares, shared voting power over 54,966 shares, sole dispositive power over 17,691,098 shares, and shared dispositive power over 249,297.
- (4) Disclosure is made in reliance upon a statement on Schedule 13G filed with the Securities and Exchange Commission on February 4, 2020. BlackRock, Inc., filing as a parent holding company or control person in accordance with Rule 240.13d-1(b)(1)(ii)(G), has sole voting power over 10,601,173 shares and sole dispositive power over 12,232,179 shares. BlackRock, Inc. reported that various persons have the right to receive or the power to direct to receive the proceeds for the sale of Common Stock, but that no single person's interests in the Common Stock is more than five percent of the total outstanding Common Stock.
- (5) Disclosure is made in reliance upon a statement on Schedule 13G filed with the Securities and Exchange Commission on February 14, 2020, by State Street Corporation, filing as a parent holding company or control person in accordance with Rule 240.13d-1(b)(1)(ii)(G), has shared voting power over 7,709,428 shares and shared dispositive power over 8,712,314 shares.
- (6) Disclosure is made in reliance upon a statement on Schedule 13G filed with the Securities and Exchange Commission on February 10, 2020, by First Eagle Investment Management, LLC, filing as an investment adviser in accordance with Rule 240.13d-1(b)(ii)(E), has sole voting power over 8,017,269 shares and sole dispositive power over 8,547,051 shares.
- (7) Includes 112,190 shares underlying performance-based and time based stock options exercisable within 60 days.
- (8) Includes 26,000 shares owned by Mr. Wiehoff's spouse and includes 620,459 shares underlying performance-based and time based stock options exercisable within 60 days.
- (9) Includes 85,349 shares underlying performance-based and time based stock options exercisable within 60 days.
- (10) Includes 25,038 shares underlying performance-based and time based stock options exercisable within 60 days.
- (11) Includes 8,392 shares underlying time based stock options exercisable within 60 days.
- (12) Includes 1,309 shares owned by Mr. O'Brien's spouse and includes 127,312 shares underlying performance-based and time based stock options exercisable within 60 days.
- (13) Includes 74,090 shares underlying performance-based and time based stock options exercisable within 60 days.
- (14) Includes 51,936 shares underlying performance-based and time based stock options exercisable within 60 days.

## DELINQUENT SECTION 16(a) REPORTS

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires the company's executive officers and directors and persons who beneficially own more than ten percent of the company's Common Stock to file initial reports of ownership and reports of changes in ownership with the Securities and Exchange Commission. Such executive officers, directors, and greater than ten percent beneficial owners are required by the regulations of the Securities and Exchange Commission to furnish the company with copies of all Section 16(a) reports they file.

Based solely on a review of the copies of such reports furnished to the company and written representations from the executive officers and directors, we believe that all Section 16(a) filing requirements applicable to our executive officers and directors and greater than 10 percent beneficial owners were complied with within 2019.



# AUDIT COMMITTEE REPORT

The Audit Committee operates under a written charter adopted by the Board of Directors. A copy of the charter can be found on the Investor Relations page of the C.H. Robinson website at [www.chrobinson.com](http://www.chrobinson.com). The Audit Committee of the company's Board of Directors is comprised of the following independent directors: Scott P. Anderson, Timothy C. Gokey, Brian P. Short, James B. Stake, and Paula C. Tolliver. The Board of Directors has reviewed the status of each of the members of its Audit Committee and has confirmed that each meets the independence requirements of the current Nasdaq listing standards that apply to Audit Committee members, and that Messrs. Anderson, Gokey, Short, and Stake, and Ms. Tolliver each qualifies as an "Audit Committee Financial Expert," as defined by the Securities and Exchange Commission.

Management is responsible for the company's internal controls and the financial reporting process. C.H. Robinson's independent registered public accounting firm is responsible for performing an independent audit of our financial statements in accordance with generally accepted auditing standards and to issue a report thereon. The Audit Committee's responsibility is to hire, monitor, and oversee the independent auditors.

In this context, the Audit Committee has met and held discussions with management and Deloitte & Touche LLP, the company's independent accountant for the fiscal year ending December 31, 2019. Management represented to the Audit Committee that the company's consolidated financial statements were prepared in accordance with generally accepted accounting principles, and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent accountant. The Audit Committee discussed with the independent accountant matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board and the Securities and Exchange Commission.

Our independent accountant also provided to the Audit Committee the written disclosures and the letter required by the applicable requirements of the Public Company Accounting Oversight Board regarding our independent accountant communications with the Audit Committee concerning independence, and the Audit Committee discussed with the independent accountant the independent accountant's independence. The Audit Committee also considered whether the provision of any non-audit services was compatible with maintaining the independence of Deloitte & Touche LLP as the company's independent auditor.

Based upon the Audit Committee's discussions with management and the independent accountant, the Audit Committee's review of the representation of management, and the report of the independent accountant to the Audit Committee, the Audit Committee recommended that the Board of Directors include the audited consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2019, filed with the Securities and Exchange Commission.

James B. Stake, Chair  
Scott P. Anderson  
Timothy C. Gokey  
Brian P. Short  
Paula C. Tolliver

The Members of the Audit Committee  
of the Board of Directors

# PROPOSAL TWO: ADVISORY VOTE ON THE COMPENSATION OF NAMED EXECUTIVE OFFICERS (“SAY-ON-PAY”)

C.H. Robinson is providing its shareholders the opportunity to cast a non-binding advisory vote on the compensation of its NEOs, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables, and narrative discussion in this Proxy Statement. This advisory vote is provided as required by section 14A of the Securities Exchange Act of 1934, as amended. C.H. Robinson, with guidance and oversight from our Compensation Committee, has adopted an executive compensation philosophy that is intended to be consistent with our overall compensation approach and to achieve the following goals:

- 1) provide a level of total compensation necessary to attract, retain, and motivate high quality executives;
- 2) pay incentive compensation aligned with company earnings at various levels;
- 3) emphasize both team and company performance;
- 4) balance incentive compensation to achieve both short-term and long-term profitability and growth; and
- 5) encourage executives to make long-term career commitments to C.H. Robinson and our shareholders.

We believe that our executive compensation program is aligned with the long-term interests of our shareholders. In considering this proposal, we encourage you to review the 2020 Compensation Discussion and Analysis section of this Proxy Statement and related compensation tables and narrative discussion beginning on page 14. It provides detailed information on our executive compensation, including our compensation philosophy and objectives and the 2020 compensation of our NEOs.

**C.H. Robinson has requested shareholder approval of the compensation of our NEOs on an annual basis. Our compensation disclosures, including our Compensation Discussion and Analysis, compensation tables, and discussion in this Proxy Statement, are done in accordance with the Securities and Exchange Commission’s compensation disclosure rules.**

As an advisory vote, this Proposal Two is non-binding. However, the Board of Directors and the Compensation Committee value the opinions of our shareholders and will consider the results of the vote when making future compensation decisions for our NEOs.

## BOARD VOTING RECOMMENDATION

*The Board of Directors recommends a vote FOR the approval of the compensation of our NEOs.*



# PROPOSAL THREE: RATIFICATION OF THE SELECTION OF INDEPENDENT AUDITORS

The Audit Committee has selected Deloitte & Touche LLP as the independent registered public accountant firm for C.H. Robinson for the fiscal year ending December 31, 2020. Representatives of Deloitte & Touche LLP will be present at our Annual Meeting, will have an opportunity to make a statement if they desire to do so, and will be available to answer shareholder questions. If the appointment of Deloitte & Touche LLP is not ratified by the shareholders, the Audit Committee is not obligated to appoint other accountants, but the Audit Committee will give consideration to such unfavorable vote.

## Independent Auditors' Fees

The following table summarizes the total fees for audit services provided by the independent auditor for the audit of our annual consolidated financial statements for the years ended December 31, 2019, and December 31, 2018. The table also includes fees billed for audit related, tax, and other services provided by the independent auditor during the same periods.

Fees	2019	2018
Audit Fees <sup>(1)</sup>	\$ 2,228,175	\$ 1,884,581
Audit-Related Fees <sup>(2)</sup>	233,452	342,290
Tax Fees <sup>(3)</sup>	458,511	907,416
Other Fees <sup>(4)</sup>	22,606	0
Total	\$ 2,942,744	\$ 3,134,287

- (1) Fees for audit services billed or expected to be billed relating to 2019 and 2018 consisted of:
- Audit of the company's annual financial statements and internal controls over financial reporting.
  - Reviews of the company's quarterly financial statements.
  - Statutory and regulatory audits, consents, and other services related to Securities and Exchange Commission matters.
- (2) Fees for audit-related services billed or expected to be billed consisted of:
- Employee benefit plan audit and due diligence procedures related to closed and prospective acquisitions.
- (3) Fees for tax services billed for tax compliance and tax planning and advice:
- Fees for tax compliance services totaled \$196,560 and \$338,341 in 2019 and 2018, respectively. Tax compliance services are services provided based upon facts already in existence or transactions that have already occurred to document, compute, and obtain government approval for amounts to be included in tax filings.
  - Fees for tax planning and advice services totaled \$261,951 and \$569,075 in 2019 and 2018, respectively. Tax planning and advice services are services provided for proposed transactions or other general tax planning matters.
- (4) Fees for other services:
- Fees for human resource information system due diligence consulting services totaled \$22,606 and \$0 in 2019 and 2018, respectively.

In considering the nature of the services provided by the independent auditor, the Audit Committee determined that such services are compatible with the provision of independent audit services. The Audit Committee discussed these services with the independent auditor and our management to determine that they are permitted under the rules and regulations concerning auditor independence promulgated by the Securities and Exchange Commission to implement the Sarbanes-Oxley Act of 2002, as well as the American Institute of Certified Public Accountants. All services provided by the independent auditor during 2019 and 2018 were preapproved, following the policies and procedures of the Audit Committee.

## Preapproval Policy

All the professional services were approved or preapproved in accordance with policies of the Audit Committee and the company. These policies describe the permitted audit, audit-related, tax, and other services (collectively, the "Disclosure Categories") that the independent auditor may perform. The policy requires that before work begins, a description of the services (the "Service List") expected to be performed by the independent auditor, in each of the Disclosure Categories, be presented to the Audit Committee for approval.

Any requests for audit, audit-related, tax, and other services not included on the Service List must be submitted to the Audit Committee for specific pre-approval and cannot begin until approval has been granted. Normally, pre-approval is provided at regularly scheduled meetings. However, the authority to grant specific pre-approval between meetings, as necessary, has been delegated to the chairman of the Audit Committee. The chairman must update the Audit Committee at the next regularly scheduled meeting of any services that were granted specific pre-approval.

# PROPOSAL THREE: RATIFICATION OF THE SELECTION OF INDEPENDENT AUDITORS

In addition, although not required by the rules and regulations of the Securities and Exchange Commission, the Audit Committee generally requests a range of fees associated with each proposed service on the Service List and any services that were not originally included on the Service List. Providing a range of fees for a service incorporates appropriate oversight and control of the independent auditor relationship, while permitting the company to receive immediate assistance from the independent auditor when time is of the essence.

The Audit Committee reviews the status of services and fees incurred year-to-date against the original Service List and the forecast of remaining services and fees.

The policy contains a *de minimis* provision that enables retroactive approval for permissible non-audit services under certain circumstances. The provision allows for the pre-approval requirement to be waived if all the following criteria are met:

1. The service is not an audit, review, or other attest service;
2. The total amount of all such services provided under this provision does not exceed the lesser of \$20,000 or five percent of total fees paid to the independent auditor in a given fiscal year;
3. The services were not recognized at the time of the engagement to be non-audit services;
4. The services are promptly brought to the attention of the Audit Committee and approved by the Audit Committee or its designee; and
5. The service and fee are specifically disclosed in the Proxy Statement as meeting the *de minimis* requirements of Regulation S-X of the Securities Exchange Act of 1934, as amended.

## BOARD VOTING RECOMMENDATION

*The Board of Directors recommends a vote FOR ratification of the selection of Deloitte & Touche LLP as the company's independent auditor.*



# SOLICITATION OF PROXIES

C.H. Robinson is paying the costs of solicitation, including the cost of preparing and mailing the Notice of Internet Availability of Proxy Materials and this Proxy Statement. Proxies are being solicited primarily via the internet, but the solicitation may be followed by solicitation in person, by mail, by telephone, by facsimile, or by regular employees of C.H. Robinson without additional compensation. C.H. Robinson will reimburse brokers, banks, and other custodians and nominees for their reasonable out-of-pocket expenses incurred in sending proxy materials to the company's shareholders.

## PROPOSALS FOR THE 2021 ANNUAL MEETING

Consistent with our Bylaws and federal securities laws, any shareholder proposal to be presented at the 2021 Annual Meeting of Shareholders must be received at C.H. Robinson's executive offices, 14701 Charlson Road, Eden Prairie, Minnesota 55347, not less than 90 days before the first anniversary of the prior year's meeting. Assuming that our 2020 Annual Meeting is held on schedule, we must receive notice pertaining to the 2021 Annual Meeting no later than February 6, 2021. Proposals should be sent to the attention of the corporate secretary and must include certain information about the shareholder and the business they want to be conducted. These requirements are provided in greater detail in our company Bylaws. C.H. Robinson will exercise its discretionary authority with respect to any matter not properly presented by February 6, 2021. Furthermore, with respect to any proposal that a shareholder desires to be included in the company's 2021 proxy materials, such notice must be received at the above address no later than Tuesday, November 24, 2020. Please see "Proposal One: Election of Directors - Nominations" for information regarding the shareholder nomination process.

The Securities and Exchange Commission has adopted rules that permit companies and intermediaries such as brokers to satisfy delivery requirements for proxy statements and annual reports with respect to two or more shareholders sharing the same address by delivering a single proxy statement or annual report, as applicable, addressed to those shareholders. This process, which is commonly referred to as "householding", potentially provides extra convenience for shareholders and cost savings for companies. We household our proxy materials and annual reports for shareholders, delivering a single proxy statement and annual report to multiple shareholders sharing an address unless contrary instructions have been received from the affected shareholders.

If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement or Annual Report, or if you are receiving multiple copies of either document and wish to receive only one, please contact us in writing or by telephone at C.H. Robinson Worldwide, Inc., Attention: Chief Legal Officer and Corporate Secretary, by telephone at (952) 937-7829, or by writing to him at 14701 Charlson Road, Eden Prairie, MN 55347. We will deliver promptly upon written or oral request a separate copy of our Annual Report and/or Proxy Statement to a shareholder at a shared address to which a single copy of either document was delivered.

## GENERAL

Our Annual Report and Form 10-K for the fiscal year ended December 31, 2019, are available on the internet at [www.proxyvote.com](http://www.proxyvote.com). The Annual Report is not part of the soliciting materials. Please vote using the internet or by telephone or, if you elect to receive paper copies of the proxy materials, by mail. Please sign, date, and return your proxy or voting instruction form in the prepaid envelope you received. We encourage you to attend the May 7, 2020, Annual Meeting. You may attend the meeting and vote your shares electronically as part of our virtual meeting of shareholders by visiting [www.virtualshareholdermeeting.com/CHRW2020](http://www.virtualshareholdermeeting.com/CHRW2020). The meeting will be completely virtual. You will need the control number that is printed in the box marked by the arrow on your Notice Regarding the Availability of Proxy Materials or proxy card to enter the Annual Meeting. We recommend that you log in at least fifteen minutes before the meeting to ensure that you are logged in when the meeting starts.

The information in this Proxy Statement under the captions "Compensation Discussion and Analysis", the "Compensation Committee Report", and "Audit Committee Report" is not incorporated by reference into any filing by the company under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent that in any such filing the company expressly so incorporates such information by reference. Additionally, the "Compensation Committee Report", and "Audit Committee Report" are not "soliciting material" or to be "filed" with the Securities and Exchange Commission.

By Order of the Board of Directors:



Ben G. Campbell  
Chief Legal Officer and Secretary

March 24, 2020