

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2024
or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to
Commission File Number: 001-40470

GXO

GXO Logistics, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

Two American Lane
Greenwich, Connecticut
(Address of principal executive offices)

86-2098312
(I.R.S. Employer Identification No.)

06831
(Zip Code)

(203) 489-1287
Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.01 per share	GXO	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 2, 2024, there were 119,466,455 shares of the registrant's common stock, par value \$0.01 per share, outstanding.

GXO Logistics, Inc.
Form 10-Q
For the Quarterly Period Ended June 30, 2024
Table of Contents

	Page
<u>Part I—Financial Information</u>	
<u>Item 1. Financial Statements (Unaudited)</u>	<u>2</u>
<u>Condensed Consolidated Statements of Operations</u>	<u>2</u>
<u>Condensed Consolidated Statements of Comprehensive Income (Loss)</u>	<u>3</u>
<u>Condensed Consolidated Balance Sheets</u>	<u>4</u>
<u>Condensed Consolidated Statements of Cash Flows</u>	<u>5</u>
<u>Condensed Consolidated Statements of Changes in Equity</u>	<u>6</u>
<u>Notes to Condensed Consolidated Financial Statements</u>	<u>8</u>
<u>Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>23</u>
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	<u>29</u>
<u>Item 4. Controls and Procedures</u>	<u>30</u>
<u>Part II—Other Information</u>	
<u>Item 1. Legal Proceedings</u>	<u>31</u>
<u>Item 1A. Risk Factors</u>	<u>31</u>
<u>Item 6. Exhibits</u>	<u>32</u>
<u>Signatures</u>	<u>33</u>

PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

GXO Logistics, Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

(Dollars in millions, shares in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenue	\$ 2,846	\$ 2,394	\$ 5,302	\$ 4,717
Direct operating expense	2,389	1,957	4,445	3,863
Selling, general and administrative expense	270	245	519	503
Depreciation and amortization expense	99	84	191	167
Transaction and integration costs	15	6	34	19
Restructuring costs and other	1	3	17	24
Litigation expense	(3)	—	60	—
Operating income	75	99	36	141
Other income, net	1	1	7	1
Interest expense, net	(23)	(14)	(36)	(27)
Income before income taxes	53	86	7	115
Income tax expense	(14)	(20)	(4)	(23)
Net income	39	66	3	92
Net income attributable to Noncontrolling Interests (“NCI”)	(1)	(1)	(2)	(2)
Net income attributable to GXO	\$ 38	\$ 65	\$ 1	\$ 90
Earnings per share				
Basic	\$ 0.32	\$ 0.55	\$ 0.01	\$ 0.76
Diluted	\$ 0.32	\$ 0.54	\$ 0.01	\$ 0.75
Weighted-average common shares outstanding				
Basic	119,427	118,927	119,350	118,854
Diluted	119,683	119,415	119,680	119,323

See accompanying Notes to Condensed Consolidated Financial Statements.

GXO Logistics, Inc.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income	\$ 39	\$ 66	\$ 3	\$ 92
Other comprehensive income (loss), net of tax				
Foreign currency translation adjustments	(14)	17	(28)	30
Cash flow hedges	—	4	1	1
Pension plans	—	1	2	1
Other comprehensive income (loss), net of tax	(14)	22	(25)	32
Comprehensive income (loss), net of tax	25	88	(22)	124
Less: Comprehensive income attributable to NCI	1	2	1	3
Comprehensive income (loss) attributable to GXO	\$ 24	\$ 86	\$ (23)	\$ 121

See accompanying Notes to Condensed Consolidated Financial Statements.

GXO Logistics, Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

<i>(Dollars in millions, shares in thousands, except per share amounts)</i>	June 30, 2024	December 31, 2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 469	\$ 468
Accounts receivable, net of allowance of \$15 and \$11	1,909	1,753
Other current assets	419	347
Total current assets	2,797	2,568
Long-term assets		
Property and equipment, net of accumulated depreciation of \$1,637 and \$1,545	1,093	953
Operating lease assets	2,344	2,201
Goodwill	3,664	2,891
Intangible assets, net of accumulated amortization of \$563 and \$528	942	567
Other long-term assets	520	327
Total long-term assets	8,563	6,939
Total assets	\$ 11,360	\$ 9,507
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	\$ 690	\$ 709
Accrued expenses	1,286	966
Current debt	219	27
Current operating lease liabilities	672	597
Other current liabilities	402	327
Total current liabilities	3,269	2,626
Long-term liabilities		
Long-term debt	2,551	1,620
Long-term operating lease liabilities	1,981	1,842
Other long-term liabilities	626	473
Total long-term liabilities	5,158	3,935
Commitments and Contingencies (Note 13)		
Stockholders' Equity		
Common Stock, \$0.01 par value per share; 300,000 shares authorized, 119,437 and 119,057 issued and outstanding	1	1
Preferred Stock, \$0.01 par value per share; 10,000 shares authorized, none issued and outstanding	—	—
Additional Paid-In Capital ("APIC")	2,610	2,598
Retained earnings	553	552
Accumulated Other Comprehensive Income (Loss) ("AOCIL")	(263)	(239)
Total stockholders' equity before NCI	2,901	2,912
NCI	32	34
Total equity	2,933	2,946
Total liabilities and equity	\$ 11,360	\$ 9,507

See accompanying Notes to Condensed Consolidated Financial Statements.

GXO Logistics, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

<i>(In millions)</i>	Six Months Ended June 30,	
	2024	2023
Cash flows from operating activities:		
Net income	\$ 3	\$ 92
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization expense	191	167
Stock-based compensation expense	19	18
Deferred tax benefit	(16)	(17)
Other	10	10
Changes in operating assets and liabilities		
Accounts receivable	56	(29)
Other assets	(8)	18
Accounts payable	(82)	(107)
Accrued expenses and other liabilities	(8)	(52)
Net cash provided by operating activities	165	100
Cash flows from investing activities:		
Capital expenditures	(161)	(150)
Proceeds from sale of property and equipment	10	10
Acquisition of businesses, net of cash acquired	(863)	—
Net cash used in investing activities	(1,014)	(140)
Cash flows from financing activities:		
Proceeds from debt, net	1,085	—
Repayments of debt, net	(196)	(138)
Repayments of finance lease obligations	(19)	(16)
Taxes paid related to net share settlement of equity awards	(7)	(6)
Other	(6)	5
Net cash provided by (used in) financing activities	857	(155)
Effect of exchange rates on cash and cash equivalents	(7)	5
Net increase (decrease) in cash, restricted cash and cash equivalents	1	(190)
Cash, restricted cash and cash equivalents, beginning of period	470	495
Cash, restricted cash and cash equivalents, end of period	\$ 471	\$ 305
Reconciliation of cash, restricted cash and cash equivalents		
Cash and cash equivalents	\$ 469	\$ 305
Restricted Cash (included in Other long-term assets)	2	—
Total cash, restricted cash and cash equivalents	\$ 471	\$ 305

See accompanying Notes to Condensed Consolidated Financial Statements.

GXO Logistics, Inc.
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

	Common Stock		APIC	Retained Earnings	AOCIL	Equity Before NCI	NCI	Total Equity
	Shares	Amount						
<i>(Shares in thousands, dollars in millions)</i>								
Balance as of March 31, 2024	119,368	\$ 1	\$ 2,602	\$ 515	\$ (249)	\$ 2,869	\$ 34	\$ 2,903
Net income	—	—	—	38	—	38	1	39
Other comprehensive loss	—	—	—	—	(14)	(14)	—	(14)
Stock-based compensation	—	—	11	—	—	11	—	11
Vesting of stock compensation awards	115	—	—	—	—	—	—	—
Tax withholding on vesting of stock-based compensation awards	(46)	—	(3)	—	—	(3)	—	(3)
Other	—	—	—	—	—	—	(3)	(3)
Balance as of June 30, 2024	119,437	\$ 1	\$ 2,610	\$ 553	\$ (263)	\$ 2,901	\$ 32	\$ 2,933

	Common Stock		APIC	Retained Earnings	AOCIL	Equity Before NCI	NCI	Total Equity
	Shares	Amount						
<i>(Shares in thousands, dollars in millions)</i>								
Balance as of December 31, 2023	119,057	\$ 1	\$ 2,598	\$ 552	\$ (239)	\$ 2,912	\$ 34	\$ 2,946
Net income	—	—	—	1	—	1	2	3
Other comprehensive loss	—	—	—	—	(24)	(24)	(1)	(25)
Stock-based compensation	—	—	19	—	—	19	—	19
Vesting of stock compensation awards	509	—	—	—	—	—	—	—
Tax withholding on vesting of stock-based compensation awards	(129)	—	(7)	—	—	(7)	—	(7)
Other	—	—	—	—	—	—	(3)	(3)
Balance as of June 30, 2024	119,437	\$ 1	\$ 2,610	\$ 553	\$ (263)	\$ 2,901	\$ 32	\$ 2,933

See accompanying Notes to Condensed Consolidated Financial Statements.

GXO Logistics, Inc.
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

	Common Stock		APIC	Retained Earnings	AOCIL	Equity Before NCI	NCI	Total Equity
	Shares	Amount						
<i>(Shares in thousands, dollars in millions)</i>								
Balance as of March 31, 2023	118,889	\$ 1	\$ 2,580	\$ 348	\$ (244)	\$ 2,685	\$ 34	\$ 2,719
Net income	—	—	—	65	—	65	1	66
Other comprehensive income	—	—	—	—	21	21	1	22
Stock-based compensation	—	—	9	—	—	9	—	9
Vesting of stock compensation awards	71	—	—	—	—	—	—	—
Tax withholding on vesting of stock compensation awards	(28)	—	(2)	—	—	(2)	—	(2)
Other	—	—	—	—	—	—	(3)	(3)
Balance as of June 30, 2023	118,932	\$ 1	\$ 2,587	\$ 413	\$ (223)	\$ 2,778	\$ 33	\$ 2,811

	Common Stock		APIC	Retained Earnings	AOCIL	Equity Before NCI	NCI	Total Equity
	Shares	Amount						
<i>(Shares in thousands, dollars in millions)</i>								
Balance as of December 31, 2022	118,728	\$ 1	\$ 2,575	\$ 323	\$ (254)	\$ 2,645	\$ 33	\$ 2,678
Net income	—	—	—	90	—	90	2	92
Other comprehensive income	—	—	—	—	31	31	1	32
Stock-based compensation	—	—	18	—	—	18	—	18
Vesting of stock compensation awards	336	—	—	—	—	—	—	—
Tax withholding on vesting of stock compensation awards	(132)	—	(6)	—	—	(6)	—	(6)
Other	—	—	—	—	—	—	(3)	(3)
Balance as of June 30, 2023	118,932	\$ 1	\$ 2,587	\$ 413	\$ (223)	\$ 2,778	\$ 33	\$ 2,811

See accompanying Notes to Condensed Consolidated Financial Statements.

GXO Logistics, Inc.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Basis of Presentation and Significant Accounting Policies

Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements of GXO Logistics, Inc. (“GXO” or the “Company”) have been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”) for interim financial information and pursuant to the rules of the U.S. Securities and Exchange Commission (the “SEC”). Accordingly, they do not include all of the information and notes required by GAAP for complete financial statements. In the opinion of management, all adjustments, consisting of normal recurring accruals, considered necessary for a fair presentation have been included.

Operating results for the interim periods are not necessarily indicative of the results that may be expected for the year ending December 31, 2024. The Company’s Condensed Consolidated Financial Statements include the accounts of GXO and its majority-owned subsidiaries and variable interest entities of which the Company is the primary beneficiary. The Company has eliminated intercompany accounts and transactions.

The accompanying Condensed Consolidated Financial Statements and Notes thereto should be read in conjunction with the Annual Report on Form 10-K for the year ended December 31, 2023. Certain amounts reported for prior periods have been reclassified to conform to the current period’s presentation.

The Company presents its operations as one reportable segment.

Accounting Pronouncements Issued But Not Yet Adopted

In March 2024, the SEC adopted final rules designed to enhance public company disclosures related to the risks and impacts of climate-related matters. The new rules include disclosures relating to climate-related risks and risk management, as well as the board and management’s governance of such risks. In addition, the rules include requirements to disclose the financial effects of severe weather events and other natural conditions in the audited financial statements. Larger registrants will also be required to disclose information about greenhouse gas emissions, which will be subject to a phased-in assurance requirement. The disclosures are required for annual periods ending December 31, 2025. In April 2024, the SEC issued an order staying the implementation of the new climate-related disclosure rules pending completion of judicial review of consolidated changes to the rules by the U.S. Court of Appeals for the Eighth Circuit. The Company continues to monitor developments and evaluate the potential impact of these rules on its Consolidated Financial Statements.

In December 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standard Update (“ASU”) 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which provides for expanded disclosures primarily related to income taxes paid and the rate reconciliation. The amendments are effective for annual periods beginning after December 15, 2024 and early adoption is permitted. The guidance can be applied prospectively or retrospectively. The Company is currently evaluating the impact of this ASU on its Consolidated Financial Statements.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which requires disclosure of incremental segment information on an annual and interim basis. This ASU is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, and requires retrospective application to all prior periods presented in the financial statements. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its Consolidated Financial Statements.

2. Revenue Recognition

Revenue disaggregated by geographical area was as follows:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
United Kingdom	\$ 1,289	\$ 893	\$ 2,202	\$ 1,737
United States	731	692	1,478	1,406
Netherlands	220	198	438	394
France	201	217	401	419
Spain	145	136	274	263
Italy	97	94	190	182
Other	163	164	319	316
Total	\$ 2,846	\$ 2,394	\$ 5,302	\$ 4,717

The Company's revenue can also be disaggregated by various verticals, reflecting the customer's principal industry. Revenue disaggregated by industry was as follows:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Omnichannel retail	\$ 1,316	\$ 1,026	\$ 2,338	\$ 1,990
Technology and consumer electronics	363	355	745	721
Food and beverage	326	335	642	642
Industrial and manufacturing	331	270	597	540
Consumer packaged goods	290	232	585	458
Other	220	176	395	366
Total	\$ 2,846	\$ 2,394	\$ 5,302	\$ 4,717

Contract Assets and Liabilities

The contract asset and contract liability balances from contracts with customers were as follows:

<i>(In millions)</i>	June 30, 2024	December 31, 2023
Contract assets included in:		
Other current assets	\$ 21	\$ 21
Other long-term assets	186	160
Total contract assets	\$ 207	\$ 181
Contract liabilities included in:		
Other current liabilities	\$ 308	\$ 210
Other long-term liabilities	112	115
Total contract liabilities	\$ 420	\$ 325

Revenue recognized included the following:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Amounts included in the beginning of year contract liability balance	\$ 48	\$ 16	\$ 153	\$ 98

Remaining Performance Obligations

The remaining performance obligations relate to firm customer contracts for which services have not been performed and future revenue recognition is expected. As permitted in determining the remaining performance obligation, the Company omits obligations that have original expected durations of one year or less or contain variable consideration.

As of June 30, 2024, the fixed consideration component of the Company's remaining performance obligation was approximately \$4.1 billion, and the Company expects to recognize approximately 76% of that amount over the next three years and the remainder thereafter. The Company estimates remaining performance obligations at a point in time, and actual amounts may differ from these estimates due to changes in foreign currency exchange rates and contract revisions or terminations.

3. Leases

The Company has operating leases for real estate, warehouse equipment, trucks, trailers, containers and material handling equipment. In addition, the Company has finance leases for warehouse equipment.

The following amounts were recorded in the Condensed Consolidated Balance Sheets related to leases:

<i>(In millions)</i>	June 30, 2024	December 31, 2023
Operating leases:		
Operating lease assets	\$ 2,344	\$ 2,201
Current operating lease liabilities	\$ 672	\$ 597
Long-term operating lease liabilities	1,981	1,842
Total operating lease liabilities	\$ 2,653	\$ 2,439
Finance leases:		
Property and equipment, net	\$ 207	\$ 107
Current debt	\$ 34	\$ 26
Long-term debt	181	90
Total finance lease liabilities	\$ 215	\$ 116

The components of lease expense recorded in the Condensed Consolidated Statements of Operations were as follows:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Operating leases:				
Operating lease cost	\$ 193	\$ 183	\$ 377	\$ 398
Short-term lease cost	51	63	100	92
Variable lease cost	46	29	86	57
Total operating lease cost ⁽¹⁾	\$ 290	\$ 275	\$ 563	\$ 547
Finance leases:				
Amortization of leased assets	\$ 7	\$ 6	\$ 14	\$ 13
Interest expense on lease liabilities	1	1	2	2
Total finance lease cost	\$ 8	\$ 7	\$ 16	\$ 15
Total operating and finance lease cost	\$ 298	\$ 282	\$ 579	\$ 562

(1) Operating lease cost is primarily included in Direct operating expense in the Condensed Consolidated Statements of Operations.

Supplemental cash flow information was as follows:

<i>(In millions)</i>	Six Months Ended June 30,	
	2024	2023
Leased assets obtained in exchange for new lease obligations:		
Operating leases, including \$244 from an acquisition in 2024	\$ 560	\$ 239
Finance leases, including \$36 from an acquisition in 2024	120	8

4. Acquisitions

Wincanton Acquisition

On February 29, 2024, the Company and the board of directors of Wincanton plc, a logistics company based in Chippenham, United Kingdom (“Wincanton”), reached an agreement on the terms of a cash offer by the Company for the acquisition of the entire issued ordinary share capital of Wincanton (the “Wincanton Acquisition”). Under the terms of the agreement, Wincanton shareholders received 605 pence (\$7.64 as of the acquisition date) in cash for each Wincanton share held.

On April 10, 2024, the Wincanton shareholders approved the Wincanton Acquisition and on April 29, 2024, the Company completed the Wincanton Acquisition for total consideration of approximately £762 million (\$958 million). The Competition and Markets Authority (the “CMA”) in the U.K. is currently reviewing the Wincanton Acquisition. The Company estimates that the CMA’s review of the acquisition will be completed during the second half of 2024.

Wincanton is a logistics provider specializing in both warehousing and transportation solutions in the U.K. and Ireland. Wincanton services industries in grocery, retail and manufacturing, consumer goods, ecommerce, healthcare, defense, industrial, and energy.

The Company incurred transaction and financing costs related to the Wincanton Acquisition of \$11 million and \$26 million for the three and six months ended June 30, 2024, respectively, which are included in Transaction and integration costs in the Condensed Consolidated Statements of Operations.

In connection with the Wincanton Acquisition, (i) the Company entered into a bridge term loan credit agreement (the “Bridge Term Loan”), (ii) the Company entered into a three-year term loan credit agreement (“Three-Year Term

Loan due 2027”), and (iii) in April 2024, the Company issued \$1.1 billion aggregate principal amount of senior notes (the “Unsecured Notes”). For additional information regarding the financing agreements entered in connection with the Wincanton Acquisition, see Note 6. Debt and Financing Arrangements.

Wincanton’s results of operations are included in the Condensed Consolidated Statements of Operations from the date of acquisition. The Company recorded \$333 million and \$3 million of revenue and income before income taxes for both the three and six months ended June 30, 2024, respectively.

The following table summarizes the fair values of assets acquired and liabilities assumed at the acquisition date:

(In millions)

ASSETS	
Current assets	
Cash and cash equivalents	\$ 91
Accounts receivable	259
Other current assets	76
Total current assets	426
Long-term assets	
Property and equipment	75
Operating lease assets	175
Intangible assets	437
Other long-term assets	149
Total long-term assets	836
Total assets	\$ 1,262
LIABILITIES	
Current liabilities	
Accounts payable	\$ 68
Accrued expenses	322
Current debt	7
Current operating lease liabilities	80
Other current liabilities	98
Total current liabilities	575
Long-term liabilities	
Long-term debt	167
Long-term operating lease liabilities	166
Other long-term liabilities	194
Total long-term liabilities	527
Total liabilities	\$ 1,102
Net assets purchased	\$ 160
Purchase price ⁽¹⁾	\$ 958
Goodwill recorded ⁽²⁾	\$ 798

(1) The Company recorded a realized foreign currency gain of \$5 million which represents the change in foreign currency rates from the acquisition date through the settlement date. The gain is included as a component of “Transaction and Integration expense” on the Condensed Consolidated Statements of Operations.

(2) Goodwill represents the excess of the purchase price over the fair value of identifiable assets acquired and liabilities assumed at the acquisition date. Goodwill acquired was recorded in the U.K. and Ireland reporting unit and was primarily attributed to anticipated synergies. The Company does not expect the goodwill recognized in connection with the Wincanton Acquisition to be deductible for income tax purposes.

The fair values of the assets acquired and liabilities assumed are considered preliminary and subject to adjustment as additional information is obtained and reviewed. The final allocation of the purchase price may differ from the preliminary allocation based on completion of the valuation. The Company expects to finalize the purchase price allocation within the measurement period, which will not exceed one year from the acquisition date.

The following unaudited pro forma information presents the Company's results of operations as if the acquisition of Wincanton occurred on January 1, 2023. The pro forma results reflect the impact of incremental interest expense to finance the acquisition and amortization expense on acquired intangible assets. Adjustments have also been made to remove transaction related costs. The unaudited pro forma information is not necessarily indicative of what the results of operations of the combined company would have been had the acquisition been completed as of January 1, 2023.

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenue	\$ 2,983	\$ 2,825	\$ 5,876	\$ 5,568
Income (loss) before income taxes ⁽¹⁾	38	74	(81)	78

(1) Included in the Income (loss) before income taxes on a pro forma basis for the six months ended June 30, 2024 were long-lived asset impairment charges of \$90 million recorded by Wincanton.

PFSweb Acquisition

On September 13, 2023, the Company entered into an Agreement and Plan of Merger to acquire PFSweb, Inc., a Delaware corporation headquartered in Irving, Texas ("PFS"), and on October 23, 2023, the Company completed its acquisition of PFS (the "PFS Acquisition"). The Company acquired the shares of PFS at a price per share of \$7.50 in cash, totaling approximately \$149 million, net of cash acquired. PFS is a global provider of omnichannel commerce solutions, including a broad range of technology, infrastructure and professional services, in the United States, Canada and Europe. PFS's service offerings include order fulfillment, fulfillment-as-a-service, order management and customer care.

The Company recorded the preliminary fair value of assets acquired and liabilities assumed on the date of acquisition, including intangible assets comprising customer relationships, trademarks, trade names and developed technology of \$55 million with a weighted-average amortization period of 13 years. Goodwill acquired in connection with the acquisition was \$84 million, recorded in the Americas and Asia-Pacific reporting unit, and was attributed to anticipated synergies. The Company does not expect the goodwill recognized in connection with the PFS Acquisition to be deductible for U.S. income tax purposes. The Company expects to finalize the purchase price allocation within the measurement period, which will not exceed one year from the acquisition date.

5. Goodwill

The following table presents the changes in Goodwill for the six months ended June 30, 2024:

<i>(In millions)</i>	
Balance as of December 31, 2023	\$ 2,891
Acquisition ⁽¹⁾	806
Impact of foreign exchange translation ⁽²⁾	(33)
Balance as of June 30, 2024	\$ 3,664

(1) Includes \$798 million and \$8 million for the preliminary purchase price allocation for the Wincanton Acquisition and adjustments to the purchase price allocation for the PFS Acquisition, respectively.

(2) Changes to goodwill amounts resulting from foreign currency translation after the acquisition date are presented as the impact of foreign exchange translation.

As of June 30, 2024 and December 31, 2023, there were no accumulated goodwill impairment losses.

6. Debt and Financing Arrangements

The following table summarizes the carrying value of the Company's debt:

<i>(In millions)</i>	Rate ⁽¹⁾	June 30, 2024	December 31, 2023
Unsecured notes due 2026 ⁽²⁾	1.65 %	\$ 398	\$ 398
Unsecured notes due 2029 ⁽³⁾	6.25 %	592	—
Unsecured notes due 2031 ⁽⁴⁾	2.65 %	397	397
Unsecured notes due 2034 ⁽⁵⁾	6.50 %	490	—
Three-Year Term Loan due 2025 ⁽⁶⁾	6.57 %	185	235
Five-Year Term Loan due 2027 ⁽⁷⁾⁽⁸⁾	6.69 %	399	499
Finance leases and other debt	Various	309	118
Total debt		2,770	1,647
Less: Current debt		219	27
Total Long-term debt		\$ 2,551	\$ 1,620

(1) Interest rate as of June 30, 2024.

(2) Net of unamortized debt issuance costs of \$2 million as of June 30, 2024 and December 31, 2023.

(3) Net of unamortized debt issuance costs of \$8 million as of June 30, 2024.

(4) Net of unamortized debt issuance costs of \$3 million as of June 30, 2024 and December 31, 2023.

(5) Net of unamortized debt issuance costs of \$10 million as of June 30, 2024.

(6) On June 27, 2024, the Company repaid \$50 million of the Three-Year Term Loan due 2025.

(7) Net of unamortized debt issuance costs of \$1 million as of June 30, 2024 and December 31, 2023.

(8) On May 6, 2024, the Company repaid \$100 million of the Five-Year Term Loan due 2027.

Unsecured Notes

On April 25, 2024, the Company entered into an underwriting agreement to issue and sell \$1.1 billion of Unsecured Notes, consisting of \$600 million in aggregate principal amount of its 6.25% senior notes due 2029 (the "2029 Notes") and \$500 million in aggregate principal amount of its 6.50% senior notes due 2034 (the "2034 Notes") in a registered public offering to fund the Wincanton Acquisition. The closing of the sale of the Unsecured Notes occurred on May 6, 2024.

The 2029 Notes bear interest at a rate of 6.25% per annum payable semiannually on May 6 and November 6 of each year, beginning on November 6, 2024, and maturing on May 6, 2029. The 2034 Notes bear interest at a rate of 6.50% per annum payable semiannually on May 6 and November 6 of each year, beginning on November 6, 2024, and maturing on May 6, 2034.

Three-Year Term Loan due 2027

On March 29, 2024, the Company entered into a three-year term loan credit agreement with the lenders and other parties from time to time party thereto and Bank of America N.A., as an administrative agent, that provided a three-year multicurrency £250 million unsecured term facility to fund the Wincanton Acquisition. Concurrently with the closing of the Unsecured Notes, the Company terminated the commitments under the Three-Year Term Loan due 2027. No amounts were drawn under the Three-Year Term Loan due 2027.

Bridge Term Loan

On February 29, 2024, the Company entered into a 364-day bridge term loan credit agreement that provided a £763 million unsecured Bridge Term Loan facility to fund the Wincanton Acquisition.

Concurrently with the closing of the Unsecured Notes, the Company terminated the commitments under the Bridge Term Loan. No amounts were drawn under the Bridge Term Loan.

Revolving Credit Facilities

On March 29, 2024, the Company terminated its previous revolving credit agreement expiring in 2026 and entered into a new revolving credit agreement with Bank of America N.A., as administrative agent and an issuing lender (the "Revolving Credit Agreement"). The Revolving Credit Agreement is a five-year unsecured, multicurrency revolving facility expiring in 2029. The aggregate commitment of all lenders under the Revolving Credit Agreement will be equal to \$800 million, of which \$100 million is available for the issuance of letters of credit.

Loans under the Revolving Credit Agreement will bear interest at a fluctuating rate per annum equal to (a) with respect to borrowings in U.S. Dollars, at the Company's option the alternate base rate or term Secured Overnight Financing Rate ("SOFR"), (b) with respect to borrowings in Canadian Dollars, term Canadian Overnight Repo Rate Average ("CORRA"), (c) with respect to borrowings in Pounds Sterling, daily simple Sterling Overnight Index Average Rate ("SONIA") and (d) with respect to borrowings in Euros, Euro Interbank Offered Rate ("EURIBOR"), in each case, plus an applicable margin calculated based on the Company's credit ratings. No amounts were outstanding under the previous or new revolving credit agreements as of June 30, 2024 or December 31, 2023.

In connection with the Wincanton Acquisition, the Company assumed a revolving credit facility agreement (the "Wincanton Revolving Credit Agreement") under which it may borrow up to approximately £175 million (\$221 million as of June 30, 2024) in aggregate at any time, expiring in March 2027. Loans under the Wincanton Revolving Credit Agreement will bear interest at daily simple SONIA plus a fixed margin. As of June 30, 2024, the Company had £74 million (\$94 million) of borrowings outstanding under this agreement.

Amounts drawn and repaid in 90 days or less under the revolving credit facilities are presented net in the Condensed Consolidated Statements of Cash Flows.

Factoring Programs

The Company sells certain of its trade receivables on a non-recourse basis to third-party financial institutions under various factoring agreements.

Information related to the trade receivables sold was as follows:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Receivables sold in period	\$ 364	\$ 269	\$ 655	\$ 532
Cash consideration	360	268	649	529
Net cash provided by operating cash flows	15	—	18	—

Covenants and Compliance

The covenants for the Company's debt securities, which are customary for financings of this type, limit the Company's ability to incur indebtedness and grant liens, among other restrictions. In addition, the facilities require the Company to maintain a consolidated leverage ratio below a specified maximum.

As of June 30, 2024, the Company complied with the covenants contained in its debt and financing arrangements.

7. Fair Value Measurements and Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The levels of inputs used to measure fair value are:

- Level 1—Quoted prices for identical instruments in active markets;

- Level 2—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable in active markets; and
- Level 3—Valuations based on inputs that are unobservable, generally utilizing pricing models or other valuation techniques that reflect management’s judgment and estimates.

Assets and Liabilities

The Company bases its fair value estimates on market assumptions and available information. The carrying values of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and current maturities of long-term debt approximated their fair values as of June 30, 2024 and December 31, 2023, due to their short-term nature.

Debt

The fair value of debt was as follows:

<i>(In millions)</i>	Level	June 30, 2024		December 31, 2023	
		Fair Value	Carrying Value	Fair Value	Carrying Value
Unsecured notes due 2026	2	\$ 369	\$ 398	\$ 362	\$ 398
Unsecured notes due 2029	2	611	592	—	—
Unsecured notes due 2031	2	323	397	326	397
Unsecured notes due 2034	2	507	490	—	—
Three-Year Term Loan due 2025	2	183	185	231	235
Five-Year Term Loan due 2027	2	396	399	493	499

Financial Instruments

The Company directly manages its exposure to risks arising from business operations and economic factors, including fluctuations in interest rates and foreign currencies. The Company uses derivative instruments to manage the volatility related to these exposures.

The notional amount and fair value of derivative instruments were as follows:

<i>(In millions)</i>	June 30, 2024		December 31, 2023		Balance Sheet Location
	Notional Amount	Fair Value	Notional Amount	Fair Value	
Derivatives designated as net investment hedges:					
Cross-currency swap agreements ⁽¹⁾	\$ 1,037	\$ 18	\$ 487	\$ 3	Other long-term assets
Cross-currency swap agreements	165	2	165	7	Other current liabilities
Cross-currency swap agreements ⁽¹⁾	633	22	883	49	Other long-term liabilities
Derivatives designated as cash flow hedge:					
Interest rate swaps	\$ —	\$ —	\$ 125	\$ 2	Other current assets
Interest rate swaps ⁽²⁾	250	6	125	3	Other long-term assets
Derivatives not designated as hedges:					
Foreign currency option contracts	\$ 337	\$ 8	\$ 397	\$ 8	Other current assets
Foreign currency option contracts	106	3	—	—	Other current liabilities
Foreign currency forward contracts	107	1	1	—	Other current assets

(1) In April 2024, the Company amended four cross-currency swaps with an aggregate notional value of \$315 million that will mature in 2027 and 2028, and entered into three cross-currency swaps with an aggregate notional value of \$300 million that will mature in 2029.

(2) In January 2024, the Company entered into an interest rate swap schedule to mature in 2025, with a notional amount of \$125 million.

As of June 30, 2024 and December 31, 2023, the derivatives were classified as Level 2 within the fair value hierarchy. The derivatives are valued using inputs other than quoted prices such as foreign exchange rates and yield curves.

The effect of hedges on AOCIL and in the Condensed Consolidated Statements of Operations was as follows:

<i>(In millions)</i>	Three Months Ended June 30, 2024			Six Months Ended June 30, 2024		
	Amount of Gain (Loss) Recognized in Other Comprehensive Income on Derivative	Gain (Loss) Reclassified from AOCIL into Net Income ⁽¹⁾	Gain (Loss) Recognized in Net Income on Derivative (Excluded from effectiveness testing) ⁽¹⁾	Amount of Gain (Loss) Recognized in Other Comprehensive Income on Derivative	Gain (Loss) Reclassified from AOCIL into Net Income ⁽¹⁾	Gain (Loss) Recognized in Net Income on Derivative (Excluded from effectiveness testing) ⁽¹⁾
Derivatives designated as net investment hedges						
Cross-currency swap agreements	\$ 15	\$ 4	\$ —	\$ 47	\$ 2	\$ 1
Derivatives designated as cash flow hedges						
Interest rate swaps	\$ (1)	\$ —	\$ —	\$ 1	\$ —	\$ —

(1) Amounts reclassified to Net income are reported within Interest expense, net in the Condensed Consolidated Statements of Operations.

<i>(In millions)</i>	Three Months Ended June 30, 2023			Six Months Ended June 30, 2023		
	Amount of Gain (Loss) Recognized in Other Comprehensive Income on Derivative	Gain (Loss) Reclassified from AOCIL into Net Income ⁽¹⁾	Gain (Loss) Recognized in Net Income on Derivative (Excluded from effectiveness testing) ⁽¹⁾	Amount of Gain (Loss) Recognized in Other Comprehensive Income on Derivative	Gain (Loss) Reclassified from AOCIL into Net Income ⁽¹⁾	Gain (Loss) Recognized in Net Income on Derivative (Excluded from effectiveness testing) ⁽¹⁾
Derivatives designated as net investment hedges						
Cross-currency swap agreements	\$ (18)	\$ 3	\$ —	\$ (34)	\$ —	\$ 1
Derivatives designated as cash flow hedges						
Interest rate swaps	\$ 4	\$ —	\$ —	\$ 1	\$ —	\$ —

(1) Amounts reclassified to Net income are reported within Interest expense, net in the Condensed Consolidated Statements of Operations.

Derivatives Not Designated as Hedges

Gains and losses recognized in Other income, net in the Condensed Consolidated Statements of Operations for foreign currency options and forward contracts were as follows:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Realized loss	\$ (1)	\$ (4)	\$ (2)	\$ (6)
Unrealized gain	1	3	4	4
Foreign currency gain (loss)	\$ —	\$ (1)	\$ 2	\$ (2)

8. Earnings per Share

The computations of basic and diluted earnings per share were as follows:

<i>(Dollars in millions, shares in thousands, except per share amounts)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income attributable to common shares	\$ 38	\$ 65	\$ 1	\$ 90
Basic weighted-average common shares	119,427	118,927	119,350	118,854
Diluted weighted-average common shares ⁽¹⁾	119,683	119,415	119,680	119,323
Basic earnings per share	\$ 0.32	\$ 0.55	\$ 0.01	\$ 0.76
Diluted earnings per share	\$ 0.32	\$ 0.54	\$ 0.01	\$ 0.75
Antidilutive shares excluded from diluted weighted-average common shares	1,087	1,604	1,074	1,711

9. Stockholders' Equity

The following tables summarize the changes in AOCIL by component:

<i>(In millions)</i>	Foreign Currency Adjustment					
	Foreign Currency Translation Adjustments	Net Investment Hedges	Cash Flow Hedges	Defined Benefit Plans	Less: AOCIL attributable to NCI	AOCIL attributable to GXO
As of March 31, 2024	\$ (124)	\$ (20)	\$ 6	\$ (111)	\$ —	\$ (249)
Other comprehensive income (loss) before reclassifications	(22)	14	—	(1)	—	(9)
Amounts reclassified to net income (loss)	—	(4)	—	1	—	(3)
Tax amounts	1	(3)	—	—	—	(2)
Other comprehensive income (loss), net of tax	(21)	7	—	—	—	(14)
As of June 30, 2024	\$ (145)	\$ (13)	\$ 6	\$ (111)	\$ —	\$ (263)

<i>(In millions)</i>	Foreign Currency Adjustment					
	Foreign Currency Translation Adjustments	Net Investment Hedges	Cash Flow Hedges	Defined Benefit Plans	Less: AOCIL attributable to NCI	AOCIL attributable to GXO
As of December 31, 2023	\$ (83)	\$ (47)	\$ 5	\$ (113)	\$ (1)	\$ (239)
Other comprehensive income (loss) before reclassifications	(63)	47	1	—	1	(14)
Amounts reclassified to net income (loss)	—	(3)	—	2	—	(1)
Tax amounts	1	(10)	—	—	—	(9)
Other comprehensive income (loss), net of tax	(62)	34	1	2	1	(24)
As of June 30, 2024	\$ (145)	\$ (13)	\$ 6	\$ (111)	\$ —	\$ (263)

<i>(In millions)</i>	Foreign Currency Adjustment					
	Foreign Currency Translation Adjustments	Net Investment Hedges	Cash Flow Hedges	Defined Benefit Plans	Less: AOCIL attributable to NCI	AOCIL attributable to GXO
As of March 31, 2023	\$ (132)	\$ (4)	\$ 4	\$ (112)	\$ —	\$ (244)
Other comprehensive income (loss) before reclassifications	32	(18)	5	—	(1)	18
Amounts reclassified to net income (loss)	—	(3)	—	1	—	(2)
Tax amounts	1	5	(1)	—	—	5
Other comprehensive income (loss), net of tax	33	(16)	4	1	(1)	21
As of June 30, 2023	\$ (99)	\$ (20)	\$ 8	\$ (111)	\$ (1)	\$ (223)

<i>(In millions)</i>	Foreign Currency Adjustment					
	Foreign Currency Translation Adjustments	Net Investment Hedges	Cash Flow Hedges	Defined Benefit Plans	Less: AOCIL attributable to NCI	AOCIL attributable to GXO
As of December 31, 2022	\$ (156)	\$ 7	\$ 7	\$ (112)	\$ —	\$ (254)
Other comprehensive income (loss) before reclassifications	56	(34)	1	—	(1)	22
Amounts reclassified to net income (loss)	—	(1)	—	1	—	—
Tax amounts	1	8	—	—	—	9
Other comprehensive income (loss), net of tax	57	(27)	1	1	(1)	31
As of June 30, 2023	\$ (99)	\$ (20)	\$ 8	\$ (111)	\$ (1)	\$ (223)

10. Employee Benefit Plans

Defined Benefit Plans

The Company sponsors a defined benefit pension scheme in the U.K. (the “GXO U.K. Retirement Plan”). In connection with the Wincanton Acquisition, the Company assumed multiple pension schemes covering certain employees in the U.K. and Ireland (the “Wincanton Retirement Plan”). The Company recognized £109 million (\$137 million) of assets on the acquisition date, reflecting the funded status of the Wincanton Retirement Plan which is recorded in Other long-term assets.

The GXO U.K. Retirement Plan and the Wincanton Retirement Plan (collectively the “U.K. Retirement Plans”) do not allow for new plan participants or additional benefit accruals.

The Company deems other international retirement plans to be immaterial to its Condensed Consolidated Financial Statements and are excluded from this disclosure.

Components of the net periodic benefit income recognized under the U.K. Retirement Plans were as follows:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Interest cost	\$ (17)	\$ (9)	\$ (26)	\$ (19)
Expected return on plan assets	23	12	36	24
Amortization of net loss	(1)	(1)	(2)	(1)
Net periodic pension income ⁽¹⁾	\$ 5	\$ 2	\$ 8	\$ 4

(1) Net periodic pension income is recorded in Other income, net in the Condensed Consolidated Statements of Operations.

Defined Contribution Plans

The Company has defined contribution retirement plans for its U.S. employees and employees of certain foreign subsidiaries. Defined contribution costs were as follows:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Defined contribution costs ⁽¹⁾	\$ 21	\$ 15	\$ 38	\$ 32

(1) Defined contribution costs were primarily recorded in Direct operating expense in the Condensed Consolidated Statements of Operations.

11. Restructuring Costs and Other

Restructuring costs primarily related to severance, including projects to optimize the Company's finance, human resources and information technology functions, and closing certain corporate and administrative offices, which were not associated with customer attrition.

The following table summarizes changes in the restructuring liability, which is included in other current liabilities in the Condensed Consolidated Balance Sheets:

(In millions)

Balance as of December 31, 2023	\$	7
Charges incurred		17
Payments		(12)
Balance as of June 30, 2024	\$	12

The restructuring liability as of June 30, 2024 is expected to be substantially paid within the next 12 months.

12. Income Taxes

Income tax expense for the three months ended June 30, 2024 and 2023, was \$14 million and \$20 million, respectively, and the Company's effective tax rate for the three months ended June 30, 2024 and 2023, was 25.4% and 23.0%, respectively. The increase in the Company's effective tax rate for the three months ended June 30, 2024 compared with 2023 was driven by non-deductible items partially offset by a return-to-provision benefit in 2024.

Income tax expense for the six months ended June 30, 2024 and 2023, was \$4 million and \$23 million, respectively, and the Company's effective tax rate for the six months ended June 30, 2024 and 2023, was 52.3% and 19.9%, respectively. The increase in the Company's effective tax rate for the six months ended June 30, 2024, was primarily driven by a decrease in pre-tax income partially offset by non-deductible items.

The Organization for Economic Co-operation and Development ("OECD") issued administrative guidance for the Pillar Two Global Anti-Base Erosion rules ("Pillar Two"), which imposes a 15% global minimum tax on multinational companies. Many Pillar Two rules are effective for fiscal years beginning on January 1, 2024, with other aspects to be effective from 2025. The Company does not expect the Pillar Two rules to materially impact its tax liability in 2024.

13. Commitments and Contingencies

The Company is involved, and will continue to be involved, in numerous legal proceedings arising from the conduct of its business. These proceedings may include personal injury claims arising from the transportation and handling of goods, contractual disputes and employment-related claims, including alleged violations of wage and hour laws.

The Company establishes accruals for specific legal proceedings when it is considered probable that a loss has been incurred and the amount of the loss can be reasonably estimated. The Company reviews and adjusts accruals for loss contingencies quarterly and as additional information becomes available. If a loss is not both probable and reasonably estimable, or if an exposure to a loss exists in excess of the amount accrued, the Company assesses whether there is at least a reasonable possibility that a loss, or additional loss, may have been incurred. If there is a reasonable possibility that a loss, or additional loss, may have been incurred, the Company discloses the estimate of the possible loss or range of loss if it is material and an estimate can be made, or discloses that such an estimate cannot be made. The determination as to whether a loss can reasonably be considered to be possible or probable is based on management's assessment, together with legal counsel, regarding the ultimate outcome of the matter.

Management of the Company believes that it has adequately accrued for the potential impact of loss contingencies that are probable and reasonably estimable. Management of the Company does not believe that the ultimate resolution of any matters to which the Company is presently a party will have a material adverse effect on its results.

of operations, financial condition or cash flows. However, the results of these matters cannot be predicted with certainty, and an unfavorable resolution of one or more of these matters could have a material adverse effect on the Company's financial condition, results of operations or cash flows. Legal costs related to these matters are expensed as they are incurred.

The Company carries liability and excess umbrella insurance policies that are deemed sufficient to cover potential legal claims arising in the normal course of conducting its operations. In the event the Company is required to satisfy a legal claim outside the scope of the coverage provided by insurance, its financial condition, results of operations or cash flows could be negatively impacted.

On June 14, 2024, the Company's subsidiary GXO Warehouse Company, Inc. entered into a Confidential Settlement Agreement (the "Settlement Agreement") to settle all claims in connection with a dispute between the Company and one of its customers related to the start-up of the customer's warehouse that occurred in 2018 (the "Dispute"). A payment under the Settlement Agreement was made by the Company on July 5, 2024. As of July 10, 2024, the Dispute, which was litigated under the caption *Lindt et al. v. GXO Warehouse Company, Inc.*, docket no. 4:22-cv-00384-BP, in Federal District Court for the Western District of Missouri, was dismissed with prejudice, each side to bear their own costs and fees, and the Court retains jurisdiction to enforce the terms of the Confidential Settlement Agreement. Among other things in the Settlement Agreement, the parties each denied the allegations and counterclaims asserted in the Dispute, and agreed to a mutual release of claims arising from, under or otherwise in connection with their prior business relationship and the Dispute, in exchange for a payment by the Company of \$45 million. The Company intends to pursue reimbursement in connection with this Dispute under its existing insurance policies. The Company recognized \$60 million expense for the six months ended June 30, 2024, for the settlement, associated legal fees, costs and other related expenses.

On July 2, 2024, the Italian authorities launched an investigation into the deductibility of value-added tax payments by GXO to certain third-party cooperative labor providers for their services provided from 2017 through 2023. The alleged amount is €84 million (\$90 million as of June 30, 2024). It is reasonably possible that a loss may be incurred; however, the possible range of losses is not reasonably estimable given the status of the on-going investigation. We are cooperating in this matter and believe that we have a number of credible defenses.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cautionary Statement Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q and other written reports and oral statements we make from time to time contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terms such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target," "trajectory" or the negative of these terms or other comparable terms. However, the absence of these words does not mean that the statements are not forward-looking. These forward-looking statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause or contribute to a material difference include those discussed below and the risks discussed in the Company's other filings with the Securities and Exchange Commission (the "SEC"). All forward-looking statements set forth in this Quarterly Report on Form 10-Q are qualified by these cautionary statements, and there can be no assurance that the results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequence to or effects on the Company or its business or operations.

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, as filed with the SEC on February 15, 2024 (the "2023 Form 10-K"), and the unaudited condensed consolidated financial statements and related notes thereto included elsewhere in this Quarterly Report on Form 10-Q.

Business Overview

GXO Logistics, Inc., together with its subsidiaries ("GXO," the "Company," "our" or "we"), is the largest pure-play contract logistics provider in the world and a foremost innovator in the industry. We provide our customers with high-value-added warehousing and distribution, order fulfillment, e-commerce, reverse logistics and other supply chain services differentiated by our ability to deliver technology-enabled, customized solutions at scale. Our customers rely on us to move their goods with high efficiency through their supply chains — from the moment goods arrive at our warehouses through fulfillment and distribution, and the management of returned products. Our customer base includes many blue-chip leaders in sectors that demonstrate high growth and/or durable demand, with significant growth potential through customer outsourcing of logistics services.

Our business model is asset-light and historically resilient in cycles, with high returns, strong free cash flow and visibility into revenue and earnings. The vast majority of our contracts with customers are long-term in nature, and our warehouse lease arrangements generally align with contract length. The Company has both fixed-price contracts (closed book or hybrid contracts) and cost-plus contracts (open book contracts). Most of our customer contracts contain both fixed and variable components. The fixed component is typically designed to cover warehouse, technology and equipment costs, while the variable component is determined based on expected volumes and associated labor costs. Under fixed-price contracts, the Company agrees to perform the specified work for a pre-determined price. To the extent the Company's actual costs vary from the estimates upon which the price was negotiated, the Company will generate more or less profit. Cost-plus contracts provide for the payment of allowable costs incurred during the performance of the contract plus a specified margin.

On April 29, 2024, the Company completed the acquisition of Wincanton plc (“Wincanton”), a U.K. logistics provider specializing in both warehousing and transportation solutions (“the Wincanton Acquisition”). On October 23, 2023, the Company completed the acquisition of PFSweb, Inc. (“PFS”), an e-commerce order fulfillment company based in Irving, Texas (the “PFS Acquisition”). For additional information regarding our acquisitions see Note 4. Acquisitions.

Results of Operations

Three Months Ended June 30, 2024 compared with the Three Months Ended June 30, 2023

<i>(In millions)</i>	Three Months Ended June 30,			
	2024	2023	\$ Change	% Change
Revenue	\$ 2,846	\$ 2,394	\$ 452	19 %
Direct operating expense	2,389	1,957	432	22 %
Selling, general and administrative expense	270	245	25	10 %
Depreciation and amortization expense	99	84	15	18 %
Transaction and integration costs	15	6	9	n/m
Restructuring costs and other	1	3	(2)	(67)%
Litigation expense	(3)	—	(3)	n/m
Operating income	75	99	(24)	(24)%
Other income, net	1	1	—	n/m
Interest expense, net	(23)	(14)	(9)	64 %
Income before income taxes	53	86	(33)	(38)%
Income tax expense	(14)	(20)	6	(30)%
Net income	\$ 39	\$ 66	\$ (27)	(41)%

n/m - not meaningful

Revenue for the three months ended June 30, 2024 increased by 19%, or \$452 million, to \$2.8 billion compared with \$2.4 billion for the same period in 2023. The increase primarily reflects \$396 million from the acquisitions of Wincanton and PFS. Revenue also increased due to growth in our U.K. and Ireland business, primarily driven by new contract implementations.

Direct operating expense is comprised of both fixed and variable expenses and consists of operating costs related to our warehouses, including personnel costs, rent expenses, utility costs, equipment maintenance and repair costs, transportation costs, costs of materials and supplies, and information technology expenses. Direct operating expense for the three months ended June 30, 2024 increased by 22%, or \$432 million, to \$2.4 billion compared with \$2.0 billion for the same period in 2023. The acquisitions of Wincanton and PFS increased Direct operating expense by \$340 million. Direct operating expense also increased due to higher personnel and temporary labor expenses in the U.K. and Ireland from growth in the business. As a percentage of revenue, Direct operating expense for the three months ended June 30, 2024, was 83.9% compared with 81.7% for the same period in 2023.

Selling, general and administrative expense (“SG&A”) primarily consists of salary and benefits costs for executive and administrative functions, professional fees, bad debt expense and legal costs. SG&A for the three months ended June 30, 2024 increased by \$25 million, to \$270 million compared with \$245 million for the same period in 2023. SG&A primarily increased due to the acquisitions of Wincanton and PFS.

Depreciation and amortization expense for the three months ended June 30, 2024 increased by \$15 million, to \$99 million compared with \$84 million for the same period in 2023. Amortization expense was \$22 million and \$19 million for the three months ended June 30, 2024 and 2023, respectively. Depreciation and amortization expense primarily increased due to the acquisitions of Wincanton and PFS.

Transaction and integration costs for the three months ended June 30, 2024 were \$15 million and primarily related to the Wincanton Acquisition. Transaction and integration costs for the three months ended June 30, 2023 were \$6 million and primarily related to the integration of Clipper Logistics plc.

Restructuring costs and other are primarily related to severance, including projects to optimize finance, human resources and information technology functions, and are not associated with customer attrition. Restructuring costs and other for the three months ended June 30, 2024 were \$1 million compared with \$3 million for the same period in 2023.

Litigation expense related to a legal settlement. On June 14, 2024, the Company's subsidiary GXO Warehouse Company, Inc. entered into a settlement agreement for the claims in connection with a dispute between the Company and one of its customers related to the start-up of the customer's warehouse that occurred in 2018. We recognized a \$3 million expense reduction for three months ended June 30, 2024 for the settlement. For additional information regarding our legal matters see Note 13. Commitments and Contingencies.

Other income, net was as follows:

<i>(In millions)</i>	Three Months Ended June 30,			
	2024	2023	\$ Change	% Change
Net periodic pension income	\$ 5	\$ 2	\$ 3	n/m
Foreign currency gain (loss):				
Realized foreign currency option and forward contracts loss	(1)	(4)	3	(75)%
Unrealized foreign currency option and forward contracts gain	1	3	(2)	(67)%
Foreign currency transaction and remeasurement loss	(4)	—	(4)	n/m
Total foreign currency loss	(4)	(1)	(3)	n/m
Other income, net	\$ 1	\$ 1	\$ —	n/m

n/m - not meaningful

Interest expense, net increased primarily due to debt incurred for the Wincanton Acquisition, partially offset by higher gains on cross-currency swaps in the current period. Interest expense, net was as follows:

<i>(In millions)</i>	Three Months Ended June 30,			
	2024	2023	\$ Change	% Change
Debt and capital leases	\$ 34	\$ 23	\$ 11	48 %
Cross-currency swaps	(11)	(8)	(3)	38 %
Interest income	—	(1)	1	(100)%
Interest expense, net	\$ 23	\$ 14	\$ 9	64 %

Income before income taxes for the three months ended June 30, 2024 was \$53 million compared with \$86 million for the same period in 2023. The decrease was primarily due to higher transaction and integration costs and interest expense, net.

Income tax expense for the three months ended June 30, 2024 was \$14 million compared with \$20 million for the same period in 2023. Our effective tax rate for the three months ended June 30, 2024 was 25.4%, compared with 23.0% for the same period in 2023. The increase in our effective tax rate was driven by non-deductible items partially offset by a return-to-provision benefit in 2024.

Six Months Ended June 30, 2024 compared with the Six Months Ended June 30, 2023

(In millions)	Six Months Ended June 30,			
	2024	2023	\$ Change	% Change
Revenue	\$ 5,302	\$ 4,717	\$ 585	12 %
Direct operating expense	4,445	3,863	582	15 %
Selling, general and administrative expense	519	503	16	3 %
Depreciation and amortization expense	191	167	24	14 %
Transaction and integration costs	34	19	15	79 %
Restructuring costs and other	17	24	(7)	(29)%
Litigation expense	60	—	60	n/m
Operating income	36	141	(105)	(74)%
Other income, net	7	1	6	n/m
Interest expense, net	(36)	(27)	(9)	33 %
Income before income taxes	7	115	(108)	(94)%
Income tax expense	(4)	(23)	19	(83)%
Net income	\$ 3	\$ 92	\$ (89)	(97)%

n/m - not meaningful

Revenue for the six months ended June 30, 2024 increased by 12%, or \$585 million, to \$5.3 billion compared with \$4.7 billion for the same period in 2023. The increase primarily reflects an increase of \$459 million from the acquisitions of Wincanton and PFS. Revenue also increased due to growth in our U.K. and Ireland business, primarily driven by new contract implementations. Foreign currency movement increased revenue \$50 million for the six months ended June 30, 2024.

Direct operating expenses is comprised of both fixed and variable expenses and consist of operating costs related to our logistics facilities, including personnel costs, facility and equipment expenses, such as rent, utilities, equipment maintenance and repair, transportation costs, costs of materials and supplies and information technology expenses. Direct operating expense for the six months ended June 30, 2024 increased by 15%, or \$582 million, to \$4.4 billion compared with \$3.9 billion for the same period in 2023. The acquisitions of Wincanton and PFS increased Direct operating expense by \$391 million. Direct operating expense also increased due to higher personnel and temporary labor expenses in the U.K. and Ireland from growth in the business. As a percentage of revenue, Direct operating expense for the six months ended June 30, 2024, was 83.8% compared with 81.9% for the same period in 2023.

Selling, general and administrative expense (“SG&A”) primarily consists of salary and benefits for executive and administrative functions, professional fees and legal costs. SG&A for the six months ended June 30, 2024 increased by 3%, or \$16 million, to \$519 million compared with \$503 million for the same period in 2023. SG&A increased primarily due to the acquisitions of Wincanton and PFS.

Depreciation and amortization expense for the six months ended June 30, 2024 increased by \$24 million to \$191 million compared with \$167 million for the same period in 2023. Amortization expense was \$41 million and \$36 million for the six months ended June 30, 2024 and 2023, respectively. Depreciation and amortization expense increased primarily due to the acquisitions of Wincanton and PFS.

Transaction and integration costs for the six months ended June 30, 2024 were \$34 million compared with \$19 million for the same period in 2023. Transaction and integration costs for the six months ended June 30, 2024 primarily related to the Wincanton Acquisition. Transaction and integration costs for the six months ended June 30, 2023 primarily related to the integration of Clipper Logistics plc.

Restructuring costs and other are primarily related to severance, including projects to optimize finance, human resources and information technology functions, and are not associated with customer attrition. Restructuring costs

and other for the six months ended June 30, 2024 were \$17 million compared with \$24 million for the same period in 2023. For the six months ended June 30, 2024, Restructuring costs and other relate to a restructuring plan designed to centralize certain processes and standardize operating structures. For the six months ended June 30, 2023, Restructuring costs and other included severance charges of \$18 million and impairment charges of \$6 million as a result of closing certain corporate and administrative offices.

Litigation expense related to a legal settlement. On June 14, 2024, the Company's subsidiary GXO Warehouse Company, Inc. entered into a settlement agreement for the claims in connection with a dispute between the Company and one of its customers related to the start-up of the customer's warehouse that occurred in 2018. We recognized \$60 million expense for the six months ended June 30, 2024 for the settlement, associated legal fees, costs and other related expenses. For additional information regarding our legal matters see Note 13. Commitments and Contingencies.

Other income, net increased due to higher pension income and foreign currency movements. Other income, net was as follows:

<i>(In millions)</i>	Six Months Ended June 30,			
	2024	2023	\$ Change	% Change
Net periodic pension income	\$ 8	\$ 4	\$ 4	100 %
Foreign currency gain (loss):				
Realized foreign currency option and forward contracts loss	(2)	(6)	4	(67)%
Unrealized foreign currency option and forward contracts gain	4	4	—	n/m
Foreign currency transaction and remeasurement loss	(3)	(1)	(2)	n/m
Total foreign currency loss	(1)	(3)	2	(67)%
Other income, net	\$ 7	\$ 1	\$ 6	n/m

n/m - not meaningful

Interest expense, net increased primarily due to debt incurred for the Wincanton Acquisition, partially offset by higher gains on cross-currency swaps in the current period. Interest expense, net was as follows:

<i>(In millions)</i>	Six Months Ended June 30,			
	2024	2023	\$ Change	% Change
Debt and capital leases	\$ 58	\$ 47	\$ 11	23 %
Cross-currency swaps	(19)	(16)	(3)	19 %
Interest income	(3)	(4)	1	(25)%
Interest expense, net	\$ 36	\$ 27	\$ 9	33 %

n/m - not meaningful

Income before income taxes for the six months ended June 30, 2024 was \$7 million compared with \$115 million for the same period in 2023. The decrease was primarily due to higher costs associated with litigation expense, transaction and integration costs and interest expense, net.

Income tax expense for the six months ended June 30, 2024, was \$4 million compared with \$23 million for the same period in 2023. Our effective tax rate for the six months ended June 30, 2024 was 52.3%, compared to 19.9% for the same period in 2023. The increase in the Company's effective tax rate for the six months ended June 30, 2024, was primarily driven by a decrease in pre-tax income partially offset by non-deductible items.

Liquidity and Capital Resources

Our ability to fund our operations and anticipated capital needs is reliant upon the generation of cash from operations, supplemented as necessary by periodic utilization of our revolving credit facility and factoring programs. Our principal uses of cash in the future will be primarily to fund our operations, working capital needs, capital expenditures, repayment of borrowings and strategic business development transactions. The timing and magnitude of our new contract start-ups can vary and may positively or negatively impact our cash flows. We continually evaluate our liquidity requirements and capital structure in light of our operating needs, growth initiatives and capital resources.

As of June 30, 2024, we held cash and cash equivalents of \$469 million and we had \$926 million of borrowing capacity, net of letters of credit under our revolving credit facilities. We believe that our cash and cash equivalents on hand, cash flows from operations, the revolving credit facilities, and the use of our factoring programs will provide sufficient liquidity to operate our business and fund our current and assumed obligations for at least the next 12 months.

For additional information regarding our cash requirement from lease obligations, indebtedness and contractual obligations, see Note 3. Leases, Note 6. Debt and Financing Arrangements and Note 13. Commitments and Contingencies in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Financial Condition

The following table summarizes our asset and liability balances:

<i>(In millions)</i>	June 30, 2024	December 31, 2023	\$ Change	% Change
Total current assets	\$ 2,797	\$ 2,568	\$ 229	9 %
Total long-term assets	8,563	6,939	1,624	23 %
Total current liabilities	3,269	2,626	643	24 %
Total long-term liabilities	5,158	3,935	1,223	31 %

Total assets and liabilities increased from December 31, 2023 to June 30, 2024 primarily due to the Wincanton Acquisition. Total long-term liabilities increased from December 31, 2023 to June 30, 2024 primarily due to issuance of \$1.1 billion of unsecured notes to fund the Wincanton Acquisition.

Cash Flow Activity

Our cash flows from operating, investing and financing activities, as reflected on our Condensed Consolidated Statements of Cash Flows, are summarized as follows:

<i>(In millions)</i>	Six Months Ended June 30,			
	2024	2023	\$ Change	% Change
Net cash provided by operating activities	\$ 165	\$ 100	\$ 65	65 %
Net cash used in investing activities	(1,014)	(140)	(874)	n/m
Net cash provided by (used in) financing activities	857	(155)	1,012	n/m
Effect of exchange rates on cash and cash equivalents	(7)	5	(12)	n/m
Net increase (decrease) in cash, restricted cash and cash equivalents	\$ 1	\$ (190)	\$ 191	n/m

n/m - not meaningful

Operating Activities

Cash flows provided by operating activities for the six months ended June 30, 2024 increased \$65 million compared with the same period in 2023. The increase was primarily due to working capital changes, primarily driven by collection of receivables and timing of payments, partially offset by lower net income.

Investing Activities

Investing activities used \$1,014 million of cash for the six months ended June 30, 2024 and \$140 million for the same period in 2023. During the six months ended June 30, 2024, we used \$863 million, net of cash received, to fund the Wincanton Acquisition, used \$161 million of cash to purchase property and equipment and received \$10 million of cash from sales of property and equipment. During the six months ended June 30, 2023, we used \$150 million of cash to purchase property and equipment and received \$10 million of cash from sales of property and equipment.

Financing Activities

Financing activities generated \$857 million and used \$155 million of cash for the six months ended June 30, 2024 and June 30, 2023, respectively. The source of cash from financing activities during the six months ended June 30, 2024 was the issuance of long-term debt of \$1,085 million, partially offset by cash used to repay \$196 million of debt, \$19 million to repay finance lease obligations and \$7 million in payments for employee taxes on net settlement of equity awards. The primary uses of cash from financing activities in during the six months ended June 30, 2023 were \$138 million to repay debt, \$16 million to repay finance lease obligations and \$6 million in payments for employee taxes on net settlement of equity awards.

Off-Balance Sheet Arrangements

We do not engage in any off-balance sheet financial arrangements that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Contractual Obligations

During the six months ended June 30, 2024, we entered into a \$1.1 billion of unsecured notes to fund the Wincanton Acquisition. Other than the unsecured notes noted herein, as of June 30, 2024, the Company's contractual obligations had not materially changed compared with December 31, 2023.

Critical Accounting Policies and Estimates

There have been no material changes to the critical accounting policies and estimates as previously disclosed in "Critical Accounting Policies" in Part II, Item 7 of our 2023 Form 10-K.

Accounting Pronouncements

Information related to new accounting standards is included in Note 1. Basis of Presentation and Significant Accounting Policies in Part I, Item 1 of this Quarterly Report on Form 10-Q.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk that may impact our Condensed Consolidated Financial Statements due primarily to variable rate long-term debt obligations and fluctuations in certain foreign currencies. To reduce our exposure to market risk associated with interest and foreign currency exchange rate risks, we enter into various derivative instruments. There have been no material changes to our exposure to market risk for the six months ended June 30,

2024, from those previously disclosed in “Quantitative and Qualitative Disclosures About Market Risk” contained in Part II, Item 7A of our Form 10-K for the year ended December 31, 2023.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as such term is defined in Rule 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended, as of June 30, 2024. Based on that evaluation, our CEO and CFO concluded that our disclosure controls and procedures as of June 30, 2024 were effective as of such time such that the information required to be included in our Securities and Exchange Commission (“SEC”) reports is: (i) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms relating to the Company, including our consolidated subsidiaries and (ii) accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

Other than the design and implementation of internal controls related to the acquisition of PFSweb, Inc., there have not been any changes in our internal control over financial reporting during the three months ended June 30, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Note 13. Commitments and Contingencies in Part I, Item 1 of this Quarterly Report on Form 10-Q for a description of our legal proceedings.

ITEM 1A. RISK FACTORS

There are no material changes to the risk factors as previously disclosed in “Risk Factors” contained in Part I, Item 1A of our Form 10-K for the year ended December 31, 2023.

ITEM 6. EXHIBITS

Exhibit Number	Description
3.1	The Amendment to the Amended and Restated Certificate of Incorporation of GXO Logistics, Inc. (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K (Commission file no. 001-40470) filed with the SEC on May 23, 2024).
4.1	Second Supplemental Indenture, dated as of May 6, 2024, among GXO Logistics, Inc. and Computershare Trust Company, N.A. (as successor to Wells Fargo Bank, National Association), as Trustee (including the forms of the notes)(incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K (Commission file no. 001-40470) filed with the SEC on May 6, 2024).
10.1*+	Offer Letter between GXO Logistics FST Limited and Corinna Refsgaard, dated as of March 7, 2024.
10.2*+	Service Agreement between GXO Logistics FST Limited and Corinna Refsgaard, dated as of February 23, 2024.
10.3*+	Pension Top Up Letter between GXO Logistics FST Limited and Corinna Refsgaard, dated as of April 10, 2024.
10.4*+	Agreement and Promise of Reimbursement between GXO Logistics FST Limited and Corinna Refsgaard, dated as of March 7, 2024.
31.1*	Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-O for the fiscal quarter ended June 30, 2024.
31.2*	Certification of the Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-O for the fiscal quarter ended June 30, 2024.
32.1**	Certification of the Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-O for the fiscal quarter ended June 30, 2024.
32.2**	Certification of the Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-O for the fiscal quarter ended June 30, 2024.
101.INS*	Inline XBRL Instance Document.
101.SCH*	Inline XBRL Taxonomy Extension Schema.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase.
104*	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).
*	Filed herewith.
**	Furnished herewith.
+	This exhibit is a management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GXO Logistics, Inc.

Date: August 6, 2024

By: /s/ Malcolm Wilson
Malcolm Wilson
(Chief Executive Officer)
(Principal Executive Officer)

Date: August 6, 2024

By: /s/ Baris Oran
Baris Oran
(Chief Financial Officer)
(Principal Financial Officer)

Private and Confidential

Corinna Refsgaard

7 March 2024

Dear Corinna,

Ref: GXO Logistics FST Limited Offer Letter – Chief Human Resources Officer

It has been a great pleasure to meet with you recently. Further to our recent discussions, I am delighted to offer you the role **Chief Human Resources Officer** of **GXO** based in the UK.

This offer letter contains a summary of the key terms of your proposed employment with GXO. The full terms of the offer are set out in the attached service agreement between GXO Logistics FST Limited ("the Employer") and you (the "Service Agreement"), the terms of which you agree to enter into in consideration of the benefits set out in this offer letter.

The key terms of your offer are as follows (the "Company" refers to GXO for these purposes):

- Your initial **annual base salary (ABS)** will be **£402,000 per annum**, gross of any statutory deductions. Your base salary will be reviewed from time to time as part of the Company's annual salary review process.
- You are entitled to 25 days' holiday per annum in addition to the normal public holidays within the holiday year, January to December.
- Your role will be based at the Company's London office at 180 Great Portland Street, London, W1W 5QZ, UK and the UK Head Office in Northampton at Lancaster House, Nunn Mills Road, Northampton, NN1 5GE. You will be required to travel regularly within the United Kingdom and Ireland, the United States, Europe, and globally across the rest of the world for the performance of your duties, and you will keep a proper and auditable daily record of the locations where the duties are performed by you.
- I understand that your home residence will remain south of Copenhagen, Denmark. Given your global role, the Company expects that you will spend a minimal amount of time working remotely from Denmark. The Company will deduct tax and other statutory deductions from your pay, and we will have further review of your tax situation to determine the appropriate jurisdictions in this regard. Additionally, whenever possible, the Company expects that you will execute any agreements on behalf of the Company while working within the UK.
- Your ability to work in the UK is conditional upon you having the right to work in the UK and you holding all the required Home Office approvals necessary to do so. The Company is therefore committed to sponsoring you to make an application for a work visa, and so your start date within the UK and offer are accordingly conditional upon such visa approvals, which will include suitable proof of identity.
- Details of your entitlement to notice are included in your Service Agreement.
- **Signing-On Bonus:** You will receive a £100,500 signing-on bonus, less applicable taxes and deductions. This bonus is payable within 45 days of your start date. Please review and sign the Agreement and Promise of Reimbursement.
- **Annual Incentive:** You will be eligible to participate in the Company's Annual Short-term Incentive, subject to the terms and conditions of the scheme as may be in effect from time to time. Your target incentive will initially be 100% of your annual base salary. You will have the opportunity to earn 0% to 200% of your target incentive based on the aggregate level of achievement of the performance goals outlined in the applicable incentive plan. Your AIP award will be pro-rated for the year in which you join the Company.
 - Performance goals will be determined annually by the Compensation Committee of the Company's Board of Directors (the "Compensation Committee") or its delegate

in its sole discretion. The Compensation Committee shall have discretion to amend such goals as it sees fit.

- You have no contractual entitlement to an award. The Annual Short-term Incentive is discretionary and may be modified or withdrawn at the Company's sole discretion.
- Your Service Agreement contains a confidentiality clause and a number of restrictive covenants that you are expected to affirm. For the avoidance of doubt, the Company acknowledges and approves the following roles'/business interests that you will hold outside of your employment with GXO and of which you have made us aware:
 - - Your participation on the advisory Board of a German family-owned company, namely German Family Holding GmbH & Co. KG (HGDF). The Company approves you attending the Board meetings as part of your Board duties five times per year.
 - Your business interest in the farm that you own in Denmark, on the condition that your business interest in the farm does not conflict with your working time whilst performing your duties for GXO.
 - **Long-term Incentive:** You will be eligible for a 2024 Long-Term Incentive (LTI) award pursuant to the terms of the GXO Logistics, Inc. 2021 Omnibus Incentive Compensation Plan (the "Plan"), as may be amended from time to time and applicable award agreements. Any such award will be contingent upon the approval of the Compensation Committee or its delegate. The LTI annual award is non-contractual and discretionary and may be modified or withdrawn at the Company's sole discretion.
 - Your eligibility for, as well as the amount or components of payment of, any annual and/ or long-term incentive awards are subject to the terms of the Plan and your applicable award agreements, and may be reflective of your individual performance and contributions, the Company and/or business unit performance, as applicable, and the scope and expectations of your position/ role in the Company and/or your business unit as determined by the Company or the Compensation Committee in its or their sole discretion. You expressly acknowledge and agree that any annual and long-term incentives are subject to change at the sole discretion of the Company.
 - For the avoidance of any doubt, in the event that, as at the payment or vesting date in respect of all or any part of any incentive awarded to you in accordance with the terms of this letter, you are no longer employed by the Company, or you are otherwise under notice of termination of employment (excluding non-fault termination), you shall have no entitlement in respect of such award.
- You will be eligible to participate in the Company car arrangements applicable to your grade at the Employer. As a reference, a car allowance is currently set at £780.00 per month for your grade. Further details are set out in your Service Agreement.
- You will be covered by the Company's business travel insurance scheme. This is an insured benefit and is subject to restrictions imposed by the insurers.
- The Company will provide you with fully paid tax advisory services with its tax advisors, including the completion and submission of the A-1 form and any other required services for the purposes of your role with the Company
- The Company will provide you with a Company credit card for all expenses incurred in the course of your employment. On this basis, expenses will be processed through the Company credit card, and you should therefore not be required to submit an expenses form for reimbursement of expenses. In the event that any reimbursement of expenses is required including the reimbursement of expenses associated with your commute, the Company shall ensure that you are not adversely impacted by any tax payable.
- You shall be covered by the D&O Policy that the Company has in place with its insurance provider for the benefit of its statutory directors.

Dated: 23 February 2024

(1) GXO LOGISTICS FST LIMITED

(2) CORINNA REFSGAARD

Service Agreement

CONTENTS

Clause		Page
1	DEFINITIONS AND INTERPRETATION	3
2	APPOINTMENT DURATION AND NOTICE	6
3	DUTIES.....	7
4	PLACE OF WORK	9
5	HOURS OF WORK	9
6	REMUNERATION.....	9
7	INCENTIVE SCHEMES	10
8	EXPENSES.....	10
9	CAR ALLOWANCE	10
10	COMPANY BENEFITS	11
11	MOBILE TELEPHONE	11
12	PENSION.....	12
13	HOLIDAY AND OTHER LEAVE.....	12
14	INCAPACITY AND SICK PAY	13
15	CONFLICT OF INTEREST	13
16	RESTRICTIVE COVENANTS.....	14
17	CONFIDENTIALITY	16
18	INTELLECTUAL PROPERTY RIGHTS	17
19	RETURN OF COMPANY PROPERTY	18
20	TERMINATION AND GARDEN LEAVE	19
21	PAYMENT IN LIEU OF NOTICE	21
22	DUTY TO NOTIFY OF NEW EMPLOYMENT	21
23	RESIGNATION AS DIRECTOR	22
24	RIGHTS FOLLOWING TERMINATION	22
25	DISCIPLINARY AND GRIEVANCE PROCEDURES	22
26	ENTIRE AGREEMENT	23
27	THIRD PARTY RIGHTS.....	24
28	DATA PROTECTION.....	24
29	NOTICES.....	24
30	MISCELLANEOUS.....	24
Schedules		
1	Individual Terms	26

BETWEEN

- (1) **GXO LOGISTICS FST LIMITED** whose registered office is at Lancaster House, Nunn Mills Road, Northampton, NN1 5GE (the "Company"); and
- (2) **CORINNA REFSGAARD** of Jersie Solvænge 9, 2680 Solrød, Denmark (the "Executive").

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement the following expressions have the following meanings:

"Automatic Enrolment Laws" the provisions of Part I of the Pensions Act 2008 and the Occupational and Personal Pension Schemes (Automatic Enrolment) Regulations 2010;

"Board" the Board of directors of the Company from time to time (including any committee of the Board duly appointed by it);

"Commencement Date" On or around 6 April 2024, with the date to be mutually agreed upon after the approval of your right to work in the UK;

"Confidential Information" trade secrets or other technical or commercially sensitive information of the Company or any Group Company and its/their officers, shareholders, customers, clients or suppliers in whatever form (whether in written, oral, visual or electronic form or on any magnetic or optical disk or memory and wherever located and whether or not marked "confidential"), including (without limitation) such information falling within the following categories:

Know-How; information relating to the business, products, affairs and finances of the Company or any Group Company; suppliers and their production and delivery capabilities; identity and contact details of clients, future and prospective clients, customers, future and prospective customers and details of their particular requirements; Connections; costings, profit margins, discounts, rebates and other financial information; marketing strategies and tactics; current activities and current and future plans relating to all or any of development, production or sales including the timing of all or any such matters; information about employees including their particular areas of expertise and terms of employment; remuneration and benefit strategies for employees; research and development; manufacture or production, controls including quality controls; strategies and tactics; the development of new products and services and/or new lines of business development and maintenance; policies and procedures; and career path and appraisal details of employees; providing that the foregoing shall not apply to information widely known outside of the Group or which has been publicly

	available or disseminated by the Group, save (in either case) through the default of the Executive;
"Connections"	work-related contacts and contact details obtained during the Executive's employment with the Company or resulting from the performance of the Duties which are retained in electronic profile pages within social networking sites such as Facebook, LinkedIn, Twitter and similar and whether described as friend, follower, connection or otherwise;
"Critical Person"	any employee, agent, director, consultant or independent contractor employed, appointed or engaged by the Company or any Group Company in a senior, executive, professional, technical, marketing, distribution, sales or managerial capacity and: <ul style="list-style-type: none"> (a) with whom the Executive had material contact in the course of that person's employment, appointment or engagement during the Relevant Period; or (b) for whose activities on behalf of the Company the Executive had direct or indirect responsibility during the Relevant Period
"Duties"	such duties, functions and exercises of power as delegated or assigned to the Executive by the Board from time to time in accordance with Clause 3 of this Agreement;
"Employment IPRs"	Intellectual Property Rights created by the Executive in the course of their employment with the Company or any Group Company (whether or not during working hours or using the Company's or any Group Company's premises or resources);
"ERA"	the Employment Rights Act 1996;
"Group"	the Company and every Group Company wherever registered or incorporated;
"Group Company"	the Company and its Parent Undertakings, its Subsidiary Undertakings and the Subsidiary Undertakings of any of its Parent Undertakings from time to time ("Parent Undertaking" and "Subsidiary Undertaking" having the meanings set out in section 1162 Companies Act 2006);
"Intellectual Property Rights"	patents, rights to Inventions, utility models, copyright and related rights, trademarks, trade names and domain names, rights in get up, rights in goodwill or to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database rights, topography rights, rights in confidential information (including Know-How and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply) for, and renewals or extensions of, such rights and all similar or equivalent rights or forms of protection which subsist

	or will subsist now or in the future in any part of the world;
"Inventions"	any invention, idea, discovery, development, improvement or innovation whether or not patentable or capable of registration and whether or not recorded in any medium;
"Know-How"	formulae, methods, plans, Inventions, discoveries, improvements, processes, performance methodologies, techniques, specifications, technical information, tests, results, reports, component lists, manuals and instructions;
"PAYE deductions"	deductions made to comply with or meet any liability of the Company to account for tax pursuant to regulations made under Chapter 2 of Part 11 Income Tax (Earnings and Pensions) Act 2003 and with any obligations to deduct national insurance contributions;
"Products or Services"	products or services which (i) are the same as, of the same kind as, or of a materially similar kind to, or competitive with, any products or services supplied or provided by the Company or Relevant Group Company within the Relevant Period and (ii) with the design, development, sale or supply, promotion or provision of which the Executive was directly or otherwise materially concerned or connected during the Relevant Period;
"Recognised Investment Exchange"	has the meaning given to it in section 285 of the Financial Services and Markets Act 2000;
"Relevant Customer"	<p>any person, firm, company or organisation who or which at any time during the Relevant Period is or was:</p> <p>(a) negotiating with the Company or any other Group Company for the sale or supply of products or services; or</p> <p>(b) a client or customer of, or in the habit of dealing with, the Company or any other Group Company for the sale or supply of products or services,</p> <p>and in each case:</p> <p>(i) with whom a or which the Executive had material contact or dealings or about whom or which the Executive was in possession of Confidential Information during the Relevant Period in the course of their employment; and/or</p> <p>(ii) with whom any employees of the Company or any other Group Company reporting to the Executive had material contact or dealings during the Relevant</p>

Period in the course of their employment;

"Relevant Group Company"	any Group Company (other than the Company) for which the Executive has performed services under this Agreement or for or in respect of which they have had operational or management responsibility at any time during the Relevant Period;
"Relevant Period"	the period of 12 months immediately before the Termination Date or (where such provision is applied) the commencement of any period of exclusion pursuant to Clause 20.2 ;
"Relevant Supplier"	any business which at any time during the Relevant Period has supplied products or services to the Company or any Relevant Group Company and: <ul style="list-style-type: none">(a) with which the Company or any Group Company has exclusive, special or favourable terms which the Company or Group Company could not easily obtain from a replacement supplier;(b) with which the Executive had material contact or dealings or about which the Executive was in possession of Confidential Information in the Relevant Period during the course of their employment;
"Restricted Territory"	any area or territory: <ul style="list-style-type: none">(a) in which the Executive worked during the Relevant Period; and/or(b) in relation to which the Executive was responsible for, or involved in, the supply of Products or Services in the Relevant Period;
"Schedule"	means the Schedule attached as an Annex to this Service Agreement;
"Termination Date"	the date on which the Executive's employment under this Agreement terminates and references to "from the Termination Date" mean from and including the date of termination;
"WTR"	Working Time Regulations 1998.

- 1.2 References to "clauses" are to clauses of this Agreement unless otherwise specified.
- 1.3 Unless otherwise required words denoting the singular include the plural and vice versa.
- 1.4 References to statutory provisions include all modifications and re-enactments of them and all subordinate legislation made under them.
- 1.5 Clause headings are included for convenience only and do not affect its construction.
2. **APPOINTMENT DURATION AND NOTICE**
- 2.1 The Executive is appointed as Chief Human Resources Officer reporting directly to the CEO of the Company, Malcolm Wilson and may, at the request of the Company, be appointed a

director within the meaning of section 250 Companies Act 2006 of the Company or any Group Company. The Company has the right in its absolute discretion to change the person or persons to whom the Executive reports or on a restructuring of the Company (or part of the Company to which the Executive is assigned) to introduce additional layers of management senior to the Executive.

- 2.2 The Executive's continuous employment with the Company for the purposes of the ERA commenced on the Commencement Date. No employment with a previous employer counts for the purposes of the ERA as part of the Executive's period of continuous employment.
- 2.3 The Executive's employment under this Agreement will commence on the Commencement Date and will continue unless and until terminated:
 - 2.3.1 in the circumstances described in **Clauses 2.3.2, 20 or 21**; or
 - 2.3.2 by either party giving to the other written notice of the period specified in **The Schedule**.
- 2.4 The Company reserves the right to transfer the Executive's employment under this Agreement to another Group Company at any time at its discretion.
- 2.5 There is no probationary period applicable to this appointment.

3. **DUTIES**

- 3.1 Subject to the terms of this Agreement, the Executive must:
 - 3.1.1 devote the whole of their working time, attention and skill to the affairs of the Company and any Group Company and use their best endeavours to promote their interests;
 - 3.1.2 faithfully and diligently exercise such powers and perform such duties as may from time to time be assigned to them by the Board;
 - 3.1.3 obey all lawful and reasonable directions of the Board;
 - 3.1.4 comply with all of the Company's rules, regulations, policies and procedures from time to time in force including, but not limited to, the Company's data protection policy, email and internet policy, equal opportunities policy and anti-bribery policy;
 - 3.1.5 promptly give to the Board (in writing if requested) all information, explanations and assistance that the Board may require in connection with the business or affairs of the Company and any Group Company or their employment;
 - 3.1.6 act as a director of the Company and carry out duties on behalf of any other Group Company including, if required by the Board, acting as an officer of any such Group Company;
 - 3.1.7 comply with their statutory duties as a director under the Companies Act 2006 and any other fiduciary or common law duties owed to the Company and any Group Company of which they are a director;
 - 3.1.8 comply with the articles of association of the Company and any Group Company of which they are a director;
 - 3.1.9 comply with all requirements, recommendations or regulations, as amended from time to time, of any regulatory authority relevant to the Company or any Group Company, and any code of practice, policies or procedures issued by the Company or any Group Company relating to dealing in the securities of the Company and any Group Company;

- 3.1.10 comply with the requirements under both legislation and regulation on the disclosure of inside information;
 - 3.1.11 not engage in the facilitation of tax evasion and report immediately to the Board if they have any concerns or suspicions of tax evasion or associated fraud;
 - 3.1.12 not without the prior written consent of the Board:
 - 3.1.12.1 incur any capital expenditure in excess of such sums as may be authorised from time to time; or
 - 3.1.12.2 enter into or terminate on behalf of the Company or any Group Company any commitment, contract or arrangement otherwise than in the normal course of business or outside the scope of their normal duties or of an unusual, onerous or long-term nature; and
 - 3.1.13 report immediately to the Board their own wrongdoing and any actual or suspected wrongdoing on the part of other staff of the Company or any Group Company of which they become aware, including in particular (without limitation) conduct which, were it by the Executive, would fall within **Clauses 3.1.1 to 3.1.12** above.
- 3.2 The Executive acknowledges and agrees that they are at all times during their employment (including during any period of suspension or while on garden leave in accordance with **Clause 20.2**) subject to duties of goodwill, trust, confidence, exclusive service, faith and fidelity to the Company. These duties include, without limitation, the obligation throughout the duration of this Agreement:
- 3.2.1 not to compete with the Company or any Group Company;
 - 3.2.2 not to make preparations (during such hours as the Executive should be providing services under this Agreement) to compete with the Company or any Group Company after this Agreement has terminated;
 - 3.2.3 not to solicit in competition with the Company or any Group Company any customer or customers of the Company or any Group Company;
 - 3.2.4 not to entertain invitations to provide services either in a personal capacity or on behalf of any third party from actual or prospective customers of the Company or any Group Company where such invitations relate to services which could be provided by the Company or any Group Company;
 - 3.2.5 not to offer employment elsewhere to employees of the Company or any Group Company;
 - 3.2.6 not to copy or memorise Confidential Information (as defined in **Clause 1.1**) or trade secrets of the Company or any Group Company with a view to using or disclosing such information for a purpose other than for the benefit of the Company or any Group Company; and
 - 3.2.7 not to encourage, procure or assist any third party to do anything which, if done by the Executive, would be a breach of **Clauses 3.2.1 to 3.2.6** above.
- 3.3 The Executive will, if and so long as required by the Company, carry out duties for and/or act as a director, officer or employee of the Company or any Group Company and shall comply with the Articles of Association of the Company and/or Group Company (as amended from time to time). The duties attendant on any such appointment will be carried out as if they were duties to be performed by the Executive on behalf of the Company under this Agreement.
- 3.4 The Executive will at all times promptly give to the Board (in writing if requested) all information, explanations and assistance that the Board may require in connection with the

business or affairs of the Company and, where appropriate the Group, and the Executive's employment under this Agreement. The Executive furthermore undertakes to disclose immediately to the Board anything of which they become aware or in which they become involved which affects adversely or may affect adversely the business, interests or reputation of the Company or any Group Company including but not limited to acts of misconduct, dishonesty, breaches of contract, fiduciary duty or company rules whether by the Executive personally or by a director or employee of the Company or any Group Company, irrespective of whether doing so may be self-incriminating on the part of the Executive.

3.5 Without prejudice to **Clause 2.1** or **20.2** the Board may at any time require the Executive to cease performing and exercising all or the Duties and/or the Board may appoint any person or persons to act jointly with the Executive to discharge the Duties.

3.6 The Executive will be required to undertake certain compulsory training in respect of their role and general employment from time-to-time. This will be at the Company's expense and will normally be carried out during working hours. Details of this and any additional non-compulsory training to which they may have access subject to Company approval are available from the Human Resources department.

4. **PLACE OF WORK**

The Executive will perform the Duties principally at the Company's London office at 180 Great Portland Street, London, W1W 5QZ and the UK head office in Northampton at Lancaster House, Nunn Mills Road, Northampton NN1 5GE, as well as such other place or places as the Company reasonably requires. You will be required to travel regularly within the United Kingdom and Ireland, the United States, Europe, and globally across the rest of the world, and you will keep a proper and auditable daily record of the locations where the Duties are performed by you. During any time spent working outside of the UK, the Company shall continue to pay you your salary in pound sterling and you will remain entitled to the benefits in accordance with this Agreement.

5. **HOURS OF WORK**

5.1 The Executive will work the Company's normal office hours of 09.00 to 17.00 Monday to Friday and such other hours without additional remuneration in order to meet the requirements of the business and for the proper performance of the Duties.

5.2 In view of the Executive's seniority and managerial duties and responsibilities, the Executive is regarded as a "managing executive" for the purposes of the WTR and accordingly the maximum weekly working hours provided for under the WTR do not apply.

6. **REMUNERATION**

6.1 The Company will pay the Executive a basic salary at the rate specified in **The Schedule** (inclusive of any fees to which they may become entitled as a director of the Company or any Group Company) with effect from the Commencement Date which basic salary will accrue from day to day and be payable in arrears by equal monthly instalments on or around the 25th day of each month.

6.2 The fact that the Executive's basic salary may be increased in any year or years during their employment does not confer any right on the Executive to receive any increase in any subsequent year and no increase will be payable if the Executive is under notice of termination or in receipt of benefits under the Company's permanent health insurance scheme.

6.3 The Executive hereby authorises the Company to deduct from their remuneration (which for this purpose includes basic salary, pay in lieu of notice, commission, bonus, holiday pay and sick pay) all sums owed by the Executive to the Company or any Group Company, including but without limitation the balance outstanding of any loans (and interest where appropriate) advanced by the Company to the Executive and any deduction pursuant to **Clauses 12** and **13.6**.

7. **INCENTIVE SCHEMES**

- 7.1 During this Agreement, the Executive may be allowed to participate in such bonus, incentive, reward, RSU, stock, or long-term incentive scheme or similar schemes (together, the "**Schemes**") as the Company or Group operates for executives of comparable status and on such terms (including any performance targets or criteria) as the Company or Group may determine from time to time in their sole discretion.
- 7.2 Without prejudice to **Clause 7.1** participation in any scheme shall be subject to the following:
- 7.2.1 the rules, terms, guidelines or associated conditions of such Scheme(s) from time to time in force;
 - 7.2.2 payments under, or participation in, any such Scheme(s) for any year will not confer on the Executive any right to participate in or to be paid under such Scheme(s) in the following year or any subsequent years;
 - 7.2.3 any payments are conditional on such conditions as the Company or Group may determine from time to time in their sole discretion;
 - 7.2.4 no payment will be made under any Scheme if, on the payment date the Executive has given, or has been given, notice of termination of employment, is under investigation by the Company, Group or relevant regulatory authority, suspended from employment or is no longer employed by the Company;
 - 7.2.5 any Scheme is entirely discretionary in nature and is not incorporated by reference into this Agreement;
 - 7.2.6 payments or entitlements under any Scheme are non-pensionable and are subject to PAYE deductions;
- 7.3 For the avoidance of doubt participation in any Scheme or Schemes shall not imply or be intended to imply any right, promise or indication of continued employment.

8. **EXPENSES**

The Executive will be reimbursed for all reasonable out of pocket expenses wholly, exclusively and necessarily incurred personally in the performance of the Duties on hotel, travelling, and other similar items provided that the Executive complies with the Company's current policy relating to expenses and produces to the Company satisfactory evidence of expenditure. The parties have agreed that the Executive will be provided with a corporate credit card given the nature of her Duties.

9. **CAR ALLOWANCE**

- 9.1 Subject to **Clause 9.3**, the Company will, during the term of this Agreement, pay to the Executive with their salary a gross monthly car allowance on the terms and at the rate specified in **The Schedule** (or such higher rate as may from time to time be notified to them). The car allowance is non pensionable and will be subject to statutory deductions. The allowance is being paid on the basis that the Executive provides their own car for business and personal use during the continuance of their employment and pays all costs related to it (including fuel, licence, insurance, repairs and maintenance), ensures that at all times the car is in the condition required by law and insured for business purposes, indemnifies the Company against all losses suffered in connection with the car which are not covered by insurance and the car used by the Executive is of a type and in a condition suitable for business purposes and commensurate with the status of the Executive.
- 9.2 In addition to **Clause 9.1**, the Company will, during the term of this Agreement reimburse the Executive for any reasonable fuel expenses wholly and necessarily incurred by them in the performance of their duties at the prevailing Company mileage rate for privately owned vehicles, subject to the completion and authorisation of a claim form.

9.3 The Company expressly reserves the right to at any time withdraw, reduce or vary the provision of a car allowance to the Executive, without compensation.

10. COMPANY BENEFITS

10.1 Subject to underwriting at a reasonable cost to the Company and to the Executive satisfying the normal underwriting requirements of the relevant insurance provider during this Agreement and provided they are below state pension age, the Executive will be entitled to participate at the Company's expense in:

10.1.1 such life assurance scheme as the Company may operate at the level specified in **The Schedule**;

10.1.2 such private medical expenses insurance scheme as the Company may operate for the benefit of those persons specified in **The Schedule**; and

10.1.3 such permanent health insurance scheme as the Company may operate subject to **Clause 14.3**.

10.2 If the relevant insurance provider of any permanent health insurance, life assurance, private medical insurance or other insurance referred to in **Clause 10.1** refuses for any reason to provide the applicable insurance benefit to the Executive (or the Executive's family, as applicable), the Company shall not be liable to provide to the Executive any replacement benefit of the same or similar kind or to pay compensation in lieu of such benefit.

10.3 The Executive's participation in any scheme referred to in **Clause 10.1** will be subject to the rules of the relevant scheme from time to time in force and the Executive will be responsible for any tax falling due.

10.4 The Company expressly reserves the right to at any time withdraw, reduce or vary the Executive's entitlement under or participation in any schemes or benefits and specifically those referred to in this **Clause 10** without compensation and **Clause 10** is to be read as subject to this provision.

10.5 Nothing in this Agreement will prevent the Company terminating the Executive's employment for whatever reason (including but not limited to their incapacity) even if such termination results in the Executive losing any existing or prospective benefits as detailed in **Clause 14**.

10.6 If and for so long as the Executive is in receipt of benefits under any permanent health insurance scheme then their entitlement to any and all payments and benefits other than those provided under that scheme shall cease from the point where such insurance benefits commence.

10.7 If the Executive is receiving benefits under any permanent health insurance scheme, the Company shall be entitled to appoint a successor to the Executive to perform all or any of the duties required of the Executive under the terms of this Agreement and the Executive's duties shall be amended accordingly.

10.8 Details of any additional benefits applicable to this appointment will be provided to you by the Human Resources Department.

11. MOBILE TELEPHONE

11.1 The Executive will be provided with a mobile telephone in order to assist with the proper performance of their duties. The mobile telephone remains the property of the Company and it must be returned to the Company on termination of the Executive's employment.

11.2 The Executive is entitled to make and receive personal telephone calls, but if the Company considers there has been improper use of the mobile telephone, the Executive may be required to meet the cost of any calls that are not business-related.

12. PENSION

12.1 Subject to **Clauses 12.2** and **12.3**, during this Agreement the Executive is entitled to participate in such pension scheme as is notified to the Executive by the Company from time to time.

12.2 Membership of any pension scheme is subject to the trust deed and rules or the policy applying to the relevant scheme from time to time (including without limitation any powers of alteration and discontinuance) and the trust deed and rules or policy will take precedence in the event of alleged discrepancy with the terms of this Agreement. If the Executive's rights or benefits under the relevant pension scheme are altered or discontinued, the Company will not be obliged to provide any additional or replacement scheme or pension benefits (except to the extent required by law) or to pay damages or compensation to the Executive.

12.3 If applicable, the Company will comply with its employer duties under the Automatic Enrolment Laws in respect of the Executive and will automatically enrol or re-enrol the Executive into a pension scheme as and when required by law. The Executive is required to notify the Company in writing if they have registered for, or are otherwise eligible for, any form of tax protection which may be lost or prejudiced as a result of them being automatically enrolled or re-enrolled into a pension scheme. The Company will have no liability to the Executive in respect of any adverse tax consequences of their automatic enrolment or re-enrolment where the Executive fails to provide such notification, or where the notification is provided less than one week prior to the Executive's automatic enrolment or re-enrolment date.

13. HOLIDAY AND OTHER LEAVE

13.1 Subject to **Clauses 13.2** to **13.5** the Executive will be entitled to the number of working days' holiday specified in **The Schedule** (in addition to normal UK public holidays) in each holiday year to be taken at such time or times as may be approved in advance by the Board.

13.2 Should the Executive be absent from work for any period of one month or more due to illness or incapacity, holiday entitlement in excess of the statutory minimum will not accrue.

13.3 Subject to **Clauses 13.4** and **13.5**, in each holiday year the Executive will be expected to take at least the holiday to which they are entitled under the WTR. The Executive is not entitled to carry forward any holiday save in the circumstances set out in **Clause 13.4**.

13.4 At the discretion of the Board, and subject to any lawful conditions the Board may impose, the Executive may carry forward up to four weeks' holiday entitlement to the following holiday year in the event they are unable, due to illness or incapacity, to take at least four weeks' holiday entitlement in the year in which it accrues. However, any unused holiday entitlement carried forward in this way will lapse if it remains untaken 15 months after the end of the holiday year in which it is accrued. For the avoidance of doubt, any paid holiday actually taken in any leave year will be deemed to have been the Executive's four week statutory holiday entitlement.

13.5 The Executive's entitlement to paid holiday in the holiday year in which their employment terminates or commences will be pro rata for each completed calendar month of service in that year. The Board may require the Executive to take any accrued but untaken holiday entitlement during their notice period. Holiday entitlement in excess of the statutory minimum shall not accrue during any period of garden leave arising on the Company exercising its rights under **Clause 20.2**.

13.6 Subject to **Clause 13.7**, where the Executive has taken more or less than their holiday entitlement in the year their employment terminates, a proportionate adjustment will be

made by way of addition to or deduction from (as appropriate) their final gross pay calculated on a pro rata basis.

13.7 If the Company terminates the Executive's employment immediately by summary notice in writing pursuant to **Clause 20.1** of this Agreement or if the Executive has terminated their employment in breach of this Agreement any payment due to the Executive under **Clause 13.6** as a result of untaken holiday will be limited to the Executive's statutory holiday entitlement only. Re-imbursment of excess holiday taken by the Executive shall be recoverable from the Executive in full at the rate at which it was paid to them.

13.8 Details of any additional paid leave provided by the Company (other than to sickness leave under **Clause 14**) and the terms under which this operates is available from Human Resources Department.

14. **INCAPACITY AND SICK PAY**

14.1 If the Executive is absent from their duties as a result of illness or injury they will notify the Company as soon as possible and complete any self-certification forms which are required by the Company. If the incapacity continues for a period of seven days or more they will produce to the Company a medical certificate to cover the duration of such absence.

14.2 Subject to the rest of this **Clause 14** and subject to the receipt of the appropriate certificates in accordance with **Clause 14.1**, if the Executive is absent from their duties as a result of illness or injury they will be entitled to be paid at the rate and for the period specified in **The Schedule** in any period of 12 months (whether the absence is intermittent or continuous) subject to deduction of any statutory sick pay received by the Executive. Once the Executive has exhausted their entitlement to sick pay in any 12 month period, they will not be entitled to any further payment of sick pay after this period until they have returned to work and had no further absences for a period of 12 months. Any payment made in excess of statutory entitlement is paid entirely at the discretion of the Company. The Executive will not be entitled to any payment other than statutory sick pay during any current disciplinary investigation or proceedings.

14.3 Without prejudice to the Company's right to terminate this Agreement pursuant to **Clause 20.1** the Company reserves the right to terminate this Agreement notwithstanding any right the Executive might have to participate in any permanent health insurance scheme referred to in **Clause 10.1.3** or to receive sick pay or other benefits.

14.4 Whether or not the Executive is absent by reason of sickness, injury or other incapacity the Executive will, at the request of the Board, agree to have a medical examination performed by a doctor appointed and paid for by the Company. The Executive will be expected to authorise the Board to have unconditional access to any report or reports (including copies) produced as a result of any such examination as the Board may from time to time require to enable it to assess the Executive's ability to work and any reasonable adjustments it may be obliged or willing to consider. Entitlement to sick pay in excess of statutory sick pay pursuant to **Clause 14.2** may be affected adversely if the Executive fails to comply with the terms of this clause.

15. **CONFLICT OF INTEREST**

15.1 The Executive will disclose promptly to the Board in writing all their interests in any business other than that of the Company and the Group and any interests of their spouse, partner or children to the extent these might in the reasonable view of the Company compete or interfere with the performance of the Duties and will notify the Board immediately of any change in their external interests.

15.2 Except with the written consent of the Board the Executive will not during their employment under this Agreement be directly or indirectly engaged, concerned whether as principal, servant or agent (on their own behalf or on behalf of or in association with any other person) in any other trade, business or occupation other than the business of the Company or any Group Company. This clause will not prevent the Executive from being interested, for investment purposes only, as a member, debenture holder or beneficial owner of any stock, shares or debentures which are listed or dealt in on a Recognised Investment Exchange

and which do not represent more than 4% of the total share or loan capital from time to time in issue in such company.

- 15.3 During their employment with the Company, the Executive will not obtain or seek to obtain, or permit any other person to obtain or seek to obtain, any financial or other competitive advantage (direct or indirect) from the disclosure, downloading, uploading, copying, transmittal, removal or destruction of information acquired by them in the course of their employment, whether or not that information is Confidential Information.
- 15.4 During the term of this Agreement the Executive shall not make (other than for the benefit of the Company or any Group Company) any statement or record in whatsoever medium relating to any matter within the scope of the business of the Company or any Group Company or use such record or allow it/them to be used other than for the benefit of the Company or any Group Company.

16. **RESTRICTIVE COVENANTS**

- 16.1 It is hereby agreed, acknowledged and understood that:-
- 16.1.1 these covenants are agreed with the Company acting on its own behalf and for and on behalf of any and all other Relevant Group Companies;
- 16.1.2 the Company shall be at liberty to enforce these covenants on its own behalf and/or for and on behalf of any other Relevant Group Company (whether in respect of actual or anticipated damage to itself or to any other Relevant Group Company);
- 16.1.3 notwithstanding the termination of this Agreement (howsoever arising), these covenants will remain in full force and effect;
- 16.1.4 damages are unlikely to be an adequate remedy for a breach of these restrictive covenants and (without prejudice to the Company's right to seek damages) injunctive relief will be an appropriate and necessary remedy in the event of an actual or anticipated breach of these restrictions;
- 16.1.5 the Company shall be at liberty to seek and recover damages occasioned as a result of a breach of these restrictive covenants, whether in respect of losses that are suffered by itself and/or by any other Relevant Group Company (and in the event that the Company recovers damages for losses suffered by any other Relevant Group Company, it shall account to that Group Company for any such damages);
- 16.1.6 at the request of the Company the Executive will enter into a direct agreement or undertaking with any other Group Company whereby the Executive will accept restrictions and provisions corresponding to the restrictions and provisions in this **Clause 16** and in **Clause 17** (or such of them as may be appropriate in the circumstances).
- 16.2 The Executive will not without the prior written consent of the Company or, where appropriate, Relevant Group Company, directly or indirectly and whether alone or in conjunction with or on behalf of any other person and whether as a principal, director, employee, agent, consultant, partner or otherwise:
- 16.2.1 for a period of 12 months from the Termination Date so as to compete (or to compete in the future) with the Company or any Relevant Group Company:
- 16.2.1.1 induce, solicit or entice away (or endeavour to induce solicit or entice away) from the Company or any Relevant Group Company, the business or custom of any Relevant Customer for the supply or provision of the Products or Services;

- 16.2.1.2 supply or provide any Products or Services to any Relevant Customer (or endeavour to do so);
 - 16.2.1.3 do or attempt to do anything which causes or may cause a Relevant Customer to cease or reduce materially its orders or contracts or intended orders or contracts with the Company or Relevant Group Company or alter its terms of business with and to the detriment of the Company and/or Relevant Group Company;
 - 16.2.1.4 do or attempt to do anything which causes or may cause any Relevant Supplier or potential Relevant Supplier to cease, alter or reduce materially its supplies to the Company or any Group Company or alter its terms of business with and to the detriment of the Company and/or Group Company;
 - 16.2.1.5 in connection with any business in, or proposing to be in, competition with the Company, or any other Group Company employ, engage or
 - 16.2.1.6 appoint or in any way cause to be employed, engaged or appointed a Critical Person, whether or not such person would commit any breach of their contract of employment or engagement by leaving the service of the Company or any other Group Company;
- 16.2.2 within the Restricted Territory for a period of 12 months from the Termination Date be employed, engaged, concerned or provide technical, commercial or professional advice to any other business (whether conducted on its own or as part of a wider entity) which supplies or provides (or intends to supply or provide or is otherwise taking steps preparatory to supplying or providing) the Products or Services in direct or indirect competition with those parts of the business of the Company or any Relevant Group Company in respect of which the Executive was materially engaged or involved, or for which they were responsible, or in respect of which they were in possession of Confidential Information during the Relevant Period.
- 16.2.3 use or seek to register, in connection with any business, any name, internet domain name (URL), social media account or other device which includes the name or device of the Company or any Group Company, any identical or similar sign or any sign or name previously used by the Company or any Group Company or at any time after the Termination Date represent themselves as connected with the Company or any Group Company in any capacity.
- 16.3 None of the restrictions set out in **Clause 16.2** shall apply to prevent the Executive from being interested, for investment purposes only, in any business, whether as a member, debenture holder or beneficial owner of any stock, shares or debentures listed or dealt in on a Recognised Investment Exchange and which do not represent more than 4% of the total share or loan capital from time to time in issue in such company.
- 16.4 Whilst the restrictions in this **Clause 16** (on which the Executive hereby acknowledges they have had an opportunity to take independent legal advice) are regarded by the parties as fair and reasonable, each of the restrictions in this **Clause 16** is intended to be separate and severable. If any restriction is held to be void but would be valid if part of the wording (including in particular, but without limitation, the definitions contained in **Clause 1**) were deleted, such restriction will apply with so much of the wording deleted as may be necessary to make it valid or effective.
- 16.5 The parties agree that the periods referred to in **Clauses 16.2.1 to 16.2.2** above will be reduced by one day for every day during which at the Company's direction and pursuant to **Clause 20.2** below the Executive has been excluded from the Company's premises and/or has been required not to carry out any duties or to carry out duties other than their normal duties.

- 16.6 The Company has entered into this Agreement as agent for and trustee of each Relevant Group Company and each Group Company respectively.
17. **CONFIDENTIALITY**
- The Executive acknowledges that in the course of their employment they will be exposed and have access to Confidential Information. The Executive has therefore agreed to accept the restrictions set out in this **Clause 17**.
- 17.1 The Executive will not either during their employment (including without limitation any period of absence or of exclusion pursuant to **Clause 20.2**) or after its termination (without limit in time) disclose, make use of, or encourage or permit the use of any Confidential Information for any purposes other than those of the Company and for the benefit of the Company or any Group Company.
- 17.2 All documents, manuals, hardware and software provided by the Company or any Group Company for the Executive's use and any data or documents (including copies) produced, maintained or stored on the Company's computer systems or other electronic equipment (including mobile telephones or devices) remain the property of the Company or Group Company, as applicable.
- 17.3 The Executive shall be responsible for protecting the confidentiality of the Confidential Information and shall:
- 17.3.1 use their best endeavours to prevent the use, disclosure or communication of any Confidential Information by any person, company or organisation; and
- 17.3.2 inform the Board immediately on becoming aware, or suspecting, that any such person, firm or company or organisation knows or has used any Confidential Information.
- 17.4 The restrictions contained in this clause do not apply to any disclosure by the Executive:
- 17.4.1 which amounts to a protected disclosure within the meaning of section 43A of the ERA and/or policy on disclosure operated by the Company from time to time;
- 17.4.2 in order to report an offence to a law enforcement agency or to co-operate with a criminal investigation or prosecution;
- 17.4.3 for the purposes of reporting misconduct, or a serious breach of regulatory requirements to any body responsible for supervising or regulating the matters in question;
- 17.4.4 for the purposes of reporting an allegation of discrimination or harassment at work in accordance with the Company's policy or to the Equality and Human Rights Commission;
- 17.4.5 authorised by the Board or required in the ordinary and proper course of the Executive's employment or required by the order of a court of competent jurisdiction or by an appropriate regulatory authority;
- 17.4.6 any information which the Executive can demonstrate was known to the Executive prior to the commencement of their employment by the Company or is in the public domain otherwise than as a result of a breach by the Executive of this clause or any other duties and obligations owed to the Company or any Group Company; or
- 17.4.7 or as otherwise required by law.
- 17.5 The provisions of this **Clause 17** are without prejudice to the duties and obligations of the Executive which exist at common law or in equity.

- 17.6 The provisions of this **Clause 17** shall survive any termination of this Agreement and shall remain in force in relation to any item of Confidential Information for so long as it is still properly regarded by the Company and any Group Company as being confidential.
18. **INTELLECTUAL PROPERTY RIGHTS**
- 18.1 The Executive acknowledges that all Employment IPRs and all materials embodying and recording them will automatically belong to the Company to the fullest extent permitted by law. If such Employment IPRs and all materials embodying and recording them do not automatically vest in the Company or a Relevant Group Company, the Executive hereby assigns (including by way of present assignment of future rights) to the Company all such rights with full title guarantee. To the extent that such an assignment is not permitted or is unenforceable by the operation of law the Executive holds them on trust for the Company or Relevant Group Company.
- 18.2 The Executive acknowledges that, because of the nature of their duties and the particular responsibilities arising from the nature of those duties, they have, and shall have at all times while employed by the Company, a special obligation to further the Company's interests.
- 18.3 To the extent that legal title in any other Intellectual Property Rights do not vest in the Company or Relevant Group Company by virtue of **Clause 18.1**, the Executive hereby agrees immediately upon creation of such rights and inventions to offer to the Company or Relevant Group Company in writing a right of first refusal to acquire them on arm's length terms to be agreed between the parties. If the parties cannot agree on such terms within 30 days of the Company or Relevant Group Company receiving the offer, the Company or Relevant Group Company will refer the dispute to an arbitrator who will be appointed by the President of Chartered Institute of Patent Attorneys. The arbitrator's decisions will be final and binding on the parties and the costs of arbitration will be borne equally by the parties. The Executive agrees to keep such Intellectual Property Rights offered to the Company or any Relevant Group Company under this **Clause 18.3** confidential until such time as the Company or Relevant Group Company has agreed in writing that the Executive may offer them for sale to a third party.
- 18.4 The Executive agrees:
- 18.4.1 to give the Company full written details of all Employment IPRs which relate to or are capable of being used in the business of the Company or any Group Company promptly on their creation;
- 18.4.2 at the Company's request or that of any Group Company and in any event on the termination of their employment to give to the Company or any Relevant Group Company all originals and copies of correspondence, documents, papers and records on all media which record or relate to any of the Employment IPRs;
- 18.4.3 not to attempt to register any Employment IPRs unless requested to do so by the Company or any Relevant Group Company; and
- 18.4.4 to keep confidential all Employment IPRs unless the Company or any Relevant Group Company has consented in writing to its disclosure by the Executive.
- 18.5 The Executive waives all their present and future moral rights which arise under the Copyright Designs and Patents Act 1988 and all similar rights in other jurisdictions relating to any copyright which forms part of the Employment IPRs and agrees not to support, maintain nor permit any claim for infringement of moral rights in such copyright works.
- 18.6 The Executive acknowledges that, except as provided by law, no further remuneration or compensation other than that provided for in this Agreement is or may become due to the Executive in respect of their compliance with this clause. This clause is without prejudice to the Executive's rights under the Patents Act 1977.

- 18.7 The Executive undertakes to execute all documents and do all acts both during and after their employment by the Company or any Group Company as may in the opinion of the Company be necessary or desirable to vest the Employment IPRs in the Company or any Relevant Group Company, to register them in the name of the Company or any Relevant Group Company where appropriate throughout the world and for the full term of those rights and to protect and maintain the Employment IPRs. Such documents may, at the Company's request, include waivers of all and any statutory moral rights relating to any copyright works which form part of the Employment IPRs. The Company agrees to reimburse or procure the reimbursement of the Executive's reasonable expenses of complying with this **Clause 18.7**.
- 18.8 The Executive agrees to give all necessary assistance to the Company or any Group Company at the Company's or any Relevant Group Company's reasonable expense to enable it/them to enforce its/their Intellectual Property Rights against third parties and to defend claims for infringement of third party Intellectual Property Rights.
- 18.9 The Executive irrevocably appoints the Company to be their attorney in their name and on their behalf to execute documents, use their name and do all things which are necessary or desirable for the Company to obtain for itself or its nominee the full benefit of this clause. A certificate in writing, signed by any director or the secretary of the Company, that any instrument or act falls within the authority conferred by this Agreement shall be conclusive evidence that such is the case so far as any third party is concerned.
19. **RETURN OF COMPANY PROPERTY**
- 19.1 On request by the Company and in any event on termination of their employment or on commencement of any period of exclusion pursuant to **Clause 20.2** the Executive will:
- 19.1.1 deliver up immediately to the Company all property (including but not limited to documents and software, credit cards, mobile telephone, computer equipment, all computer disks, memory cards, social media or website passwords, keys and security passes and any Confidential Information) belonging to it or any Group Company or being relevant or connected to the Duties which is or are in the Executive's possession or under their control, at the Company's discretion being required to provide evidence of having done so. Documents and software include (but are not limited to) correspondence, diaries, address books, databases, files, reports, minutes, plans, records, documentation or any other medium for storing information. The Executive's obligations under this clause include the return of all copies, drafts, reproductions, notes, extracts or summaries (however stored or made) of all documents and software, and any data stored on external sites such as contacts on social media;
- 19.1.2 provide access (including passwords) to any computer (or other equipment or software) in their possession or under their control which contains information relating to the Company or any Group Company. The Executive also agrees that the Company is entitled to inspect, copy and/or remove any such information from any such computer, equipment or software owned by the Executive or under their control and the Executive agrees to allow the Company reasonable access to the same for these purposes;
- 19.1.3 provide a signed statement confirming their compliance with this **Clause 19**;
- 19.1.4 transfer without payment to the Company or as it may direct any shares or other securities held by them in the Company or any Group Company as trustee and deliver to the Company the related certificates,
- and the Executive hereby irrevocably authorises the Company to appoint a person or persons to execute all necessary transfer forms and other documentation on their behalf in connection with the above.
- 19.2 The obligations set out in **Clause 19.1** shall not be affected by the fact that any document or software covered by this clause may include information or data personal to the Executive or may be held on mobile devices belonging personally to the Executive where such devices

are used to any extent in respect of the Executive's work. In such circumstances it shall be the responsibility of the Executive when returning such property to bring such issues to the attention of the Company which shall then make arrangements for the proper and lawful disposal of such information or data.

20. **TERMINATION AND GARDEN LEAVE**

- 20.1 Without prejudice to any other rights the Company or any Group Company may have, the Company may terminate the Executive's employment immediately by summary notice in writing without notice and with no liability to make further payment to the Executive or may accept any breach of this Agreement by the Executive as having brought this Agreement to an end (notwithstanding that the Company may have allowed any time to elapse or on a former occasion may have waived its rights under this clause) if the Executive:
- 20.1.1 commits, repeats or continues any breach of this Agreement or their obligations under it including any material or persistent breach of their fiduciary duties or any provision of the Companies Act 2006 or similar legislation or any regulation made thereunder;
 - 20.1.2 in the performance of the Duties or otherwise commits any act of gross misconduct or serious/gross incompetence or negligence or seriously or persistently breaches the Company's policies and procedures;
 - 20.1.3 acts in a manner which prejudices or is likely in the opinion of the Board to prejudice the interests or reputation of the Executive, the Company or any Group Company;
 - 20.1.4 has committed, is charged with or is convicted of any criminal offence other than an offence which does not in the reasonable opinion of the Board affect their position under this Agreement;
 - 20.1.5 is declared bankrupt or enters into or makes any arrangement or composition with or for the benefit of their creditors generally or has a County Court administration order made against them under the County Court Act 1984;
 - 20.1.6 is prohibited by law from being a director of a company or ceases to be a director of the Company or any Group Company without the prior consent or agreement of the Board;
 - 20.1.7 is removed as a director of the Company or any Group Company;
 - 20.1.8 commits any act of fraud, dishonesty, corrupt practice, a breach of their obligations under **Clause 3.1.11** or a breach of the Bribery Act 2010 relating to the Company or any Group Company, any of its or their employees, customers, suppliers or otherwise; or
 - 20.1.9 is convicted of an offence under any statutory enactment or regulation relating to bribery or insider dealing;
 - 20.1.10 is guilty of any deliberate abuse or misuse of the personal data of any employee, worker, consultant or actual or prospective customer, client or supplier of the Company or any Group Company;
 - 20.1.11 commits any serious or material breach of any regulatory rules applicable to their employment with the Company;
 - 20.1.12 commits any serious breach of the requirements, rules or regulations as amended from time to time of any regulatory authority relevant to the Company or any Group Company and any code of practice issued by the Company relating to dealing in the securities of the Company or any Group Company;

- 20.1.13 is in breach of any of the warranties set out at **Clause 26.5** of this Agreement, regardless of whether criminal or other sanctions are imposed where relevant; or
- 20.1.14 becomes incapacitated from performing all or any of the Duties by illness or injury (physical or mental) for a period exceeding (in total) 26 weeks (or such longer period as the Company may agree) in any rolling period of 12 months whether or not the Executive's entitlement to Company sick pay under **Clause 14.2** has been exhausted and whether or not the Executive has any actual or anticipated benefit of permanent health insurance referred to in **Clause 10.1.3** or otherwise and provided such termination would not prejudice or limit the Executive's rights or prospective rights under any permanent health insurance scheme referred to in **Clause 10.1.3**.
- 20.2 Without prejudice to **Clause 21.1**, after notice of termination has been given by either party pursuant to **Clause 2.3**, or if the Executive seeks to or indicates an intention to resign as a director of the Company or any Group Company or terminate their employment without notice, provided that the Executive continues to be paid and enjoys their contractual benefits until their employment terminates in accordance with the terms of this Agreement, the Board may in its absolute discretion without breaching the terms of this Agreement or giving rise to any claim against the Company or any Group Company for all or part of the notice period required under **Clause 2.3**:
- 20.2.1 exclude the Executive from the premises of the Company and/or any Group Company;
- 20.2.2 return to the Company all documents, laptop computers, Blackberry devices, mobile telephones, iPhones or similar devices and other property (including summaries, extracts or copies) belonging to the Company or any Group Company or to its or their clients or customers;
- 20.2.3 require the Executive to carry out exceptional duties or special projects outside the scope of your normal duties or to carry out no duties;
- 20.2.4 announce to employees, suppliers and customers that the Executive has been given notice of termination or has indicated an intention to resign (as the case may be);
- 20.2.5 instruct the Executive not to directly or indirectly communicate with suppliers, customers, distributors officers, employees, shareholders, agents or representatives of the Company or any Group Company;
- 20.2.6 cease to give the Executive access to its computer systems or social media.
- 20.3 For the avoidance of doubt, the Executive's duties and obligations under **Clauses 3, 15, 16, 17 and 18** and those to be implied into this Agreement at common law continue to apply during any period of exclusion pursuant to this clause.
- 20.4 During any period of exclusion pursuant to **Clause 20.2** the Executive will not be entitled to accrue or receive any bonus or holiday other than their entitlement under the WTR referred to in **Clause 13**. Any untaken holiday entitlement accrued or likely to accrue up to the Termination Date should be taken during the period of exclusion. The Executive agrees to notify the Company of any day or days during the exclusion period when they will be unavailable due to holiday and will endeavour to agree convenient holiday dates in advance with the Board.
- 20.5 Before and after termination of the Executive's employment, the Executive will provide the Company and/or any Group Company or its or their agents with any assistance it or they may request in connection with any proceedings or possible proceedings, including any internal investigation or administrative, regulatory or judicial investigation, inquiry or proceedings, in which the Company and/or Group Company is or may be involved. The Company will reimburse the Executive their reasonable expenses incurred in fulfilling their

obligations under this clause. However, the Executive shall not be entitled to any other payment or remuneration in consideration of their assistance.

- 20.6 Immediately following termination of their employment, the Executive shall delete all Connections and, having done so, amend their profiles on any social media accounts to show that they are no longer employed by the Company, providing appropriate proof of having done so to the Company.

21. **PAYMENT IN LIEU OF NOTICE**

- 21.1 Without prejudice to **Clauses 21.5, 20.1 and 20.2**, at its absolute discretion the Company may terminate this Agreement and the Executive's employment with immediate effect at any time by giving the Executive written notice and paying them basic salary at the rate applicable at the Termination Date (less PAYE deductions) in lieu of the notice period referred to in **Clause 2.3** or remainder of the notice period if at the Company's request the Executive has worked (or been excluded pursuant to **Clause 20.2**) during part of the notice period.
- 21.2 The Company reserves the right to pay any sums due under **Clause 21.1** in equal monthly instalments during what would have been the unexpired portion of the Executive's contractual notice period. Notwithstanding that a termination of their employment in accordance with **Clause 21.1** is not a breach of this Agreement, the Executive agrees that following such notification as is referred to in **Clause 21.1** they be under a duty to take reasonable steps, subject always to their obligations under **Clause 16** above, to mitigate any consequential losses by seeking an alternative remunerative position, whether as employee, director, self-employed consultant or shareholder, and to notify the Company in writing as soon as any such position is accepted, of when it is due to commence and the financial terms applicable to it. If the Executive obtains an alternative position during this period any sums due to the Executive under **Clause 21.1** will be reduced or extinguished accordingly.
- 21.3 If the Company terminates the Executive's employment without the written notification referred to in **Clause 21.1**, then the Executive will have no contractual entitlement to the pay in lieu of notice referred to in that clause.
- 21.4 For the avoidance of doubt, if the Company exercises its right under **Clause 21.1**:
- 21.4.1 the Executive's employment will terminate on the date specified in the notice given by the Company pursuant to **Clause 21.1**;
- 21.4.2 any payment in lieu of salary pursuant to this clause will not include pay in respect of bonus, commission, holiday or other benefits which would otherwise have accrued or been payable during the period to which the payment in lieu of salary relates.
- 21.5 The Executive shall not be entitled to any payment in lieu of notice pursuant to this clause or otherwise if the Company would be entitled to terminate their employment without notice (whether in accordance with **Clause 20.1** or otherwise). In the event that any payment in lieu of notice is made in such circumstances, the Executive agrees that the Company may immediately require the same to be repaid as a debt.
22. **DUTY TO NOTIFY OF NEW EMPLOYMENT**
- 22.1 In order to enable the Company to protect its legitimate interests and to enforce its rights under this Agreement, the Executive agrees that during their employment they will notify the Company in writing of the identity of any prospective employer or business from which they have received an offer to be employed, engaged, concerned or interested or to which they wish to provide technical, commercial or professional advice where, in the reasonable belief of the Executive, becoming so employed, engaged, concerned or interested or providing such advice would be likely to breach the provisions of **Clause 16**, prior to accepting such employment and of the date on which the Executive proposes to start their employment, engagement, concern, interest or the provision of advice. The Company will

determine whether such proposed activity is in breach of this Agreement. The Executive will additionally provide the Company with all information it reasonably requests to make this determination. The Executive will not accept the offer of employment or engagement until having been advised by the Company of its determination which the Company agrees to do within a reasonable time, which will usually be 28 business days.

22.2 If the Executive applies for or is offered a new employment, appointment or engagement, before entering into any related contract the Executive will bring the terms of this clause and **Clauses 2, 16, 18** and **20.2** to the attention of a third party proposing their direct or indirect employment, appointment or engagement.

22.3 The Company shall be entitled to disclose the terms of this Agreement and Executive's Confidential information Protection Agreement to any third party with or by whom the Executive is employed, engaged or otherwise interested or connected (as is appropriate) in order to protect the interests of the Company and/or any Group Company.

23. **RESIGNATION AS DIRECTOR**

23.1 The Executive will on termination of their employment for any reason, or on commencement of any period of exclusion pursuant to **Clause 20.2** at the request of the Board, give notice resigning immediately without claim for compensation (but without prejudice to any claim they may have for damages for breach of this Agreement):

23.1.1 as a director of the Company and of any Group Company; and

23.1.2 all trusteeships held by the Executive of any pension scheme or other trusts established by the Company or any Group Company or any other company with which the Executive has had dealings as a consequence of their employment with the Company.

23.2 If notice pursuant to **Clause 23.1** is not received by the relevant company within forty eight hours of the Termination Date or a request by the Board, the Company (or such Group Company as may be applicable) is irrevocably authorised to appoint a person to execute any documents and to do everything necessary to effect such resignation or resignations on the Executive's behalf.

23.3 Except with the prior written agreement of the Board, the Executive will not during their employment under this Agreement resign their office as a director of the Company or any Group Company.

23.4 The Executive's appointment as a director of the Company or any Group Company will be subject to the Articles of Association from time to time of the Company or Group Company.

24. **RIGHTS FOLLOWING TERMINATION**

The termination of the Executive's employment under this Agreement will not affect any of the provisions of this Agreement which expressly operate or lawfully have effect after termination and will not prejudice any right of action already accrued to either party in respect of any breach of any terms of this Agreement by the other party (except in the case of termination by the Company pursuant to **Clause 21.1** in which case **Clause 21.1** will prevail in favour of the Company and the Group).

25. **DISCIPLINARY AND GRIEVANCE PROCEDURES**

The Company's disciplinary and grievance procedures are available from the Human Resources Department. The spirit and principles of these procedures apply to the Executive suitably adapted to reflect their seniority and status but these procedures are not incorporated by reference in this Agreement and therefore do not form any part of the Executive's contract of employment.

26. **ENTIRE AGREEMENT**
- 26.1 This Agreement constitutes the entire agreement between the parties and excluding the CIPA which continues in full force and effect, supersedes any prior agreement or arrangement in respect of the employment relationship between the Company and the Executive (and, in the case of the Group, the Company acts as agent for any Group Company), which agreement(s) or arrangement(s), shall be deemed to have been terminated by mutual consent from the Commencement Date and in respect of which agreement(s) or arrangement(s) the Executive warrants that they have received all benefits and remuneration due to them.
- 26.2 Neither party has entered into this Agreement in reliance upon, or shall have any remedy in respect of, any misrepresentation, representation or statement (whether made by the other party or any other person) which is not expressly set out in this Agreement.
- 26.3 The only remedies available for any misrepresentation or breach of any representation or statement which was made prior to entry into this Agreement and which is expressly set out in this Agreement will be for breach of contract.
- 26.4 Nothing in this **Clause 26** shall be interpreted or construed as limiting or excluding the liability of either party for fraud or fraudulent misrepresentation.
- 26.5 The Executive acknowledges, warrants and undertakes that:
- 26.5.1 by entering into this Agreement and fulfilling their obligations under it, they are not and will not be in breach of any obligation to any third party;
- 26.5.2 they are not prevented by any agreement, arrangement, contract, understanding, court order or otherwise, from performing the Duties;
- 26.5.3 they will obtain, and at all times will continue to have, the right to live and work in the United Kingdom and will notify the Company immediately if they cease to be so entitled during this Agreement or are prevented or restricted from holding office as director or fulfilling the duties of director;
- 26.5.4 they must always help the Company to ensure that it can comply with its duties as a licensed sponsor and when requested, will provide the Company with information and documentation relating to any immigration application required by the Company;
- 26.5.5 the Company may undertake appropriate checks, including with the Home Office, at any time to confirm that they have the right to work in the United Kingdom;
- 26.5.6 they will at all times comply fully with the Company's policies concerning anti-corruption and the Bribery Act 2010; data protection; information security; bullying and harassment; and use of Social Media and related procedures;
- 26.5.7 in the event of any claim that they are in breach of any of the above warranties, they will indemnify the Company against any claims, costs, damages, liabilities or expenses which the Company may incur in respect of such claim; and
- 26.5.8 they hold all necessary third party qualifications, permissions, authorisations and/or approvals to fulfil their obligations under this Agreement and shall notify the Company immediately if they cease to hold any such qualification, permission, authorisation or approval or become subject to any inquiry, investigation or proceedings that may lead to the loss of or restriction to such qualification, permission, authorisation or approval.
- 26.6 This Agreement may be executed in any number of counterparts, each of which will constitute an original, but which will together constitute one agreement.

27. **THIRD PARTY RIGHTS**

Except as expressly provided in this Agreement, a person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

28. **DATA PROTECTION**

28.1 During the course of their employment, the Executive understands that the Company will need to hold, access or process their personal data. The Company will do so in accordance with its privacy notice a copy of which is accessible on the Company intranet. The Executive is required to sign and date the privacy notice and return it to the HR Manager.

28.2 The Executive will familiarise herself with and at all times adhere to the Company's Data Protection Policy. The Executive undertakes to take all reasonable steps to ensure that any Company information or personal data of any person which they access, hold or process (including information regarding any Group Company) will not be available or disclosed to third parties and will be kept securely by them, particularly if such information is accessed by or accessible to them via a mobile device, such as a laptop, pda or mobile telephone. The Executive agrees and understands that a failure by them to meet the obligations of this clause may lead to disciplinary action up to and including dismissal in accordance with **Clause 20.1**.

28.3 The Executive acknowledges furthermore undertakes to immediately notify the Company if he becomes aware of any unauthorised disclosures of any confidential information relating or belonging to the Company or any Group Company or of personal data or any other breaches of the Company's Data Protection Policy.

29. **NOTICES**

29.1 Any notice or other form of communication given under or in connection with this Agreement will be in writing in the English language and be handed personally to the Executive or sent to the Company's registered office or to the Executive's last known place of residence in the UK (as applicable), the latter being satisfied where:

29.1.1 Sent to that party's address by pre-paid first class post, airmail post, or mail delivery service providing guaranteed next working day delivery and proof of delivery; or

29.1.2 Delivered to or left at that party's address (other than by one of the methods identified in **Clause 29.1.1**).

29.2 Any notice or communication given in accordance with **Clause 29.1.1** will be deemed to have been served 48 hours after posting but where it is given in accordance with **Clause 29.1.2** it is given at the time the notice or communication is delivered to or left at that party's address.

29.3 To prove service of a notice or communication it will be sufficient to prove that the provisions of **Clause 29.1** were complied with.

29.4 For the avoidance of doubt, notice of directors' meetings may be given in any manner permitted by the Company's Articles of Association and if sent to the Executive by e-mail (to the Executive's usual e-mail address), provided it is properly addressed, the notice shall be deemed received by the Executive immediately after it was sent.

30. **MISCELLANEOUS**

30.1 This Agreement will be governed by and interpreted in accordance with the law of England and Wales.

30.2 The courts of England and Wales have exclusive jurisdiction to determine any dispute arising out of or in connection with this Agreement.

30.3 Any delay by the Company in exercising any of its rights under this Agreement will not constitute a waiver of such rights.

30.4 There are no collective agreements which directly affect the Executive's terms and conditions of employment.

THIS DOCUMENT is executed as a deed and delivered on the date stated at the beginning of this Deed.

THE SCHEDULE

Individual Terms

1. **Notice Period – Clause 2.3**

Notice from the Company to the Executive – not less than [12] calendar months'

Notice from the Executive to the Company – not less than [6] calendar months'

2. **Salary – Clause 6.1**

£402,000 per annum

3. **Car Allowance – Clause 9.1**

£9,360 per annum

4. **Life Insurance – Clause 10.1.1**

5. 4 x salary

6. **Private Medical Insurance – Clause 10.1.2**

The Executive and their spouse/partner and all dependent children as permitted by the rules of the applicable scheme.

7. **Holiday – Clause 13.1**

25 days per annum

8. **Sick Pay – Clause 14.2**

Where the Executive has less than 52 weeks' continuous service on the first day of sickness absence – 13 weeks' full pay

Where the Executive has more than 52 weeks' continuous service on the first day of sickness absence – up to a maximum 26 weeks' full pay

EXECUTED as a deed by)
the Company)/s/ Malcolm Wilson
acting by one director in the presence of:)

Director

Witness signature:

Name:

Address:

Occupation:

SIGNED as a deed by /s/ Corinna Refsgaard) March 7, 2024

in the presence of:)
)

Witness signature:

Name:

Address:

Occupation:



10/04/2024

Private & Confidential

Dear Corinna,

Pension Top Up

I am writing in relation to the pension arrangement managed by Scottish Widows.

As you are aware, the maximum company contribution payable into the above scheme is 7% of your basic annual salary.

However, in recognition of both your seniority within the business and market data for senior executives, the company will provide a top up into your individual pension account of 4%.

To qualify to receive the full 11% from the company, your individual contribution must be a minimum of 8% of your basic salary

The additional contribution will be processed as an individual supplement through payroll, and will be grossed up to offset/mitigate any tax impact, which in turn needs to be paid into your pension plan in addition to your minimum contribution of 8%, please see the example below:

EE Contribution	ER Top Up	Total EE Cont.	ER Contribution	Total
8%	4%	12%	7%	19%

This additional payment will be treated as a revision to your current contractual entitlements,

To acknowledge acceptance of this enhancement please sign and return one copy of this letter to for my attention to GXO House.

If you have any queries in relation to this, please do not hesitate to contact me.

Yours sincerely,

/s/ Mariangeles Rodriguez

Mariangeles Rodriguez
Vice President, Human Resources

Signed: /s/ Corinna Refsgaard

Date: 07- June - 2024

GXO Logistics UK Limited

GXO is a trading name of GXO Logistics UK Limited (Registered in England: SC037270)

Registered Office: Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN

VAT Reg No. GB 350 0478 26

Head Office: GXO House, Nunn Mills Road, Northampton, NN1 5GE

AGREEMENT AND PROMISE OF REIMBURSEMENT

I, Corinna Refsgaard, as part of my offer of employment as Chief Human Resources Officer and in consideration of my ongoing employment hereby agree to reimburse GXO Logistics FST Limited ("Company") the following:

- Sign-On Bonus of £100,500 ("Sign on Bonus")

I acknowledge that reimbursement for the above amount of the Sign on Bonus, net of any statutory deductions, would need to be made by me in the following circumstances:

- If within the first twelve (12) months following payment of the Sign on Bonus, I voluntarily terminate or give notice to resign my employment with the Company for any reason; or
- If within the first twelve (12) months following payment of the Sign on Bonus, the Company terminates or gives notice to terminate my employment for any reason (save by reason of redundancy where no reimbursement will be required)

I hereby authorise the Company to deduct any monies due and payable under this Agreement from my pay in full or in part, without any additional authorisation required from me. If such funds are not sufficient to reimburse the Sign on Bonus in full, I agree to remit the balance due in full by bank transfer to the Company within fifteen (15) days following the date of termination of my employment.

The terms set out in this Agreement are governed by the laws of England and Wales and any dispute arising under or in connection with this Agreement is subject to the exclusive jurisdiction of the courts and tribunals of England and Wales.

I hereby confirm that I have read, understand and agree to the terms set out in this Agreement:

Signed: /s/ Corinna Refsgaard

Date: March 7, 2024

CERTIFICATION

I, Malcolm Wilson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of GXO Logistics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Malcolm Wilson

Malcolm Wilson
Chief Executive Officer
(Principal Executive Officer)

Date: August 6, 2024

CERTIFICATION

I, Baris Oran, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of GXO Logistics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Baris Oran

Baris Oran

Chief Financial Officer

(Principal Financial Officer)

Date: August 6, 2024

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. Section 1350

As adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Solely for the purposes of complying with 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, the undersigned Chief Executive Officer of GXO Logistics, Inc. (the "Company"), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Malcolm Wilson

Malcolm Wilson

Chief Executive Officer

(Principal Executive Officer)

Date: August 6, 2024

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. Section 1350

As adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Solely for the purposes of complying with 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, the undersigned Chief Financial Officer of GXO Logistics, Inc. (the "Company"), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Baris Oran

Baris Oran

Chief Financial Officer

(Principal Financial Officer)

Date: August 6, 2024