

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, 2025

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 4, 2025, there were 114,473,279 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, 2025**  
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PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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

<i>(Dollars in millions, shares in thousands, except per share amounts)</i>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Revenue</b>	\$ 3,299	\$ 2,846	\$ 6,276	\$ 5,302
Direct operating expense	2,813	2,389	5,371	4,445
Selling, general and administrative expense	272	270	533	519
Depreciation and amortization expense	110	99	219	191
Transaction and integration costs	14	15	36	34
Restructuring costs and other	2	1	19	17
Regulatory matter and litigation expense	(1)	(3)	65	60
<b>Operating income</b>	89	75	33	36
Other income (expense), net	(10)	1	(15)	7
Interest expense, net	(36)	(23)	(68)	(36)
<b>Income (loss) before income taxes</b>	43	53	(50)	7
Income tax expense	(15)	(14)	(17)	(4)
<b>Net income (loss)</b>	28	39	(67)	3
Net income attributable to noncontrolling interests (“NCI”)	(2)	(1)	(3)	(2)
<b>Net income (loss) attributable to GXO</b>	\$ 26	\$ 38	\$ (70)	\$ 1
<b>Earnings (loss) per share</b>				
Basic	\$ 0.23	\$ 0.32	\$ (0.60)	\$ 0.01
Diluted	\$ 0.23	\$ 0.32	\$ (0.60)	\$ 0.01
<b>Weighted-average shares used in computation of earnings (loss) per share</b>				
Basic	114,812	119,427	116,890	119,350
Diluted	115,055	119,683	116,890	119,680

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,	
	2025	2024	2025	2024
<b>Net income (loss)</b>	\$ 28	\$ 39	\$ (67)	\$ 3
<b>Other comprehensive income (loss), net of tax</b>				
Foreign currency translation adjustments	136	(14)	210	(28)
Cash flow hedges	—	—	(1)	1
Pension plans	(8)	—	(12)	2
<b>Other comprehensive income (loss), net of tax</b>	128	(14)	197	(25)
<b>Comprehensive income (loss), net of tax</b>	156	25	130	(22)
Less: Comprehensive income attributable to NCI	5	1	7	1
<b>Comprehensive income (loss) attributable to GXO</b>	\$ 151	\$ 24	\$ 123	\$ (23)

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>	<b>June 30, 2025</b>	<b>December 31, 2024</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 205	\$ 413
Accounts receivable, net of allowance of \$11 and \$15	1,950	1,799
Other current assets	434	429
<b>Total current assets</b>	<u>2,589</u>	<u>2,641</u>
<b>Long-term assets</b>		
Property and equipment, net of accumulated depreciation of \$1,974 and \$1,732	1,264	1,160
Operating lease assets	2,646	2,329
Goodwill	3,827	3,549
Intangible assets, net of accumulated amortization of \$724 and \$618	1,008	986
Other long-term assets	592	601
<b>Total long-term assets</b>	<u>9,337</u>	<u>8,625</u>
<b>Total assets</b>	<u>\$ 11,926</u>	<u>\$ 11,266</u>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 691	\$ 776
Accrued expenses	1,381	1,271
Current debt	90	110
Current operating lease liabilities	732	647
Other current liabilities	516	385
<b>Total current liabilities</b>	<u>3,410</u>	<u>3,189</u>
<b>Long-term liabilities</b>		
Long-term debt	2,596	2,521
Long-term operating lease liabilities	2,139	1,898
Other long-term liabilities	806	623
<b>Total long-term liabilities</b>	<u>5,541</u>	<u>5,042</u>
<b>Commitments and Contingencies (Note 14)</b>		
<b>Stockholders' Equity</b>		
Common Stock, \$0.01 par value per share; 300,000 shares authorized, 119,808 and 119,496 shares issued and 114,452 and 119,496 shares outstanding, respectively	1	1
Treasury stock, at cost; 5,356 and 0 shares, respectively	(202)	—
Preferred Stock, \$0.01 par value per share; 10,000 shares authorized, 0 issued and outstanding	—	—
Additional Paid-In Capital ("APIC")	2,645	2,629
Retained earnings	616	686
Accumulated Other Comprehensive Income (Loss) ("AOCIL")	(120)	(313)
<b>Total stockholders' equity before NCI</b>	<u>2,940</u>	<u>3,003</u>
NCI	35	32
<b>Total equity</b>	<u>2,975</u>	<u>3,035</u>
<b>Total liabilities and equity</b>	<u>\$ 11,926</u>	<u>\$ 11,266</u>

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,	
	2025	2024
<b>Cash flows from operating activities:</b>		
Net income (loss)	\$ (67)	\$ 3
<b>Adjustments to reconcile net income (loss) to net cash provided by operating activities</b>		
Depreciation and amortization expense	219	191
Stock-based compensation expense	23	19
Deferred tax benefit	(25)	(16)
Other	7	10
<b>Changes in operating assets and liabilities</b>		
Accounts receivable	18	56
Other assets	39	(8)
Accounts payable	(151)	(82)
Accrued expenses and other liabilities	(31)	(8)
<b>Net cash provided by operating activities</b>	<b>32</b>	<b>165</b>
<b>Cash flows from investing activities:</b>		
Capital expenditures	(125)	(161)
Proceeds from sale of property and equipment	2	10
Acquisition of businesses, net of cash acquired	—	(863)
<b>Net cash used in investing activities</b>	<b>(123)</b>	<b>(1,014)</b>
<b>Cash flows from financing activities:</b>		
Common stock repurchased	(200)	—
Proceeds from debt, net	—	1,085
Net borrowings under revolving credit facilities	8	—
Repayments of debt, net	(55)	(196)
Repayments of finance lease obligations	(24)	(19)
Taxes paid related to net share settlement of equity awards	(7)	(7)
Net changes in bank overdraft positions	64	3
Other	(13)	(9)
<b>Net cash provided by (used in) financing activities</b>	<b>(227)</b>	<b>857</b>
Effect of exchange rates on cash and cash equivalents	40	(7)
<b>Net increase (decrease) in cash, restricted cash and cash equivalents</b>	<b>(278)</b>	<b>1</b>
<b>Cash, restricted cash and cash equivalents, beginning of period</b>	<b>485</b>	<b>470</b>
<b>Cash, restricted cash and cash equivalents, end of period</b>	<b>\$ 207</b>	<b>\$ 471</b>
<b>Reconciliation of cash, restricted cash and cash equivalents</b>		
Cash and cash equivalents	\$ 205	\$ 469
Restricted Cash (included in Other long-term assets)	2	2
<b>Total cash, restricted cash and cash equivalents</b>	<b>\$ 207</b>	<b>\$ 471</b>
<b>Non-cash financing activities:</b>		
Excise tax liability related to stock repurchases	\$ 2	\$ —

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	Treasury Stock						
<i>(Shares in thousands, dollars in millions)</i>									
<b>Balance as of March 31, 2025</b>	116,955	\$ 1	\$ (111)	\$ 2,635	\$ 590	\$ (245)	\$ 2,870	\$ 34	\$ 2,904
Net income	—	—	—	—	26	—	26	2	28
Other comprehensive income	—	—	—	—	—	125	125	3	128
Stock-based compensation	—	—	—	11	—	—	11	—	11
Vesting of stock compensation awards	125	—	—	—	—	—	—	—	—
Tax withholding on vesting of stock-based compensation awards	(38)	—	—	(1)	—	—	(1)	—	(1)
Common stock repurchased	(2,590)	—	(91)	—	—	—	(91)	—	(91)
Dividends to NCI	—	—	—	—	—	—	—	(4)	(4)
<b>Balance as of June 30, 2025</b>	114,452	\$ 1	\$ (202)	\$ 2,645	\$ 616	\$ (120)	\$ 2,940	\$ 35	\$ 2,975

	Common Stock			APIC	Retained Earnings	AOCIL	Equity Before NCI	NCI	Total Equity
	Shares	Amount	Treasury Stock						
<i>(Shares in thousands, dollars in millions)</i>									
<b>Balance as of December 31, 2024</b>	119,496	\$ 1	\$ —	\$ 2,629	\$ 686	\$ (313)	\$ 3,003	\$ 32	\$ 3,035
Net income (loss)	—	—	—	—	(70)	—	(70)	3	(67)
Other comprehensive income	—	—	—	—	—	193	193	4	197
Stock-based compensation	—	—	—	23	—	—	23	—	23
Vesting of stock compensation awards	495	—	—	—	—	—	—	—	—
Tax withholding on vesting of stock-based compensation awards	(183)	—	—	(7)	—	—	(7)	—	(7)
Common stock repurchased	(5,356)	—	(202)	—	—	—	(202)	—	(202)
Dividends to NCI	—	—	—	—	—	—	—	(4)	(4)
<b>Balance as of June 30, 2025</b>	114,452	\$ 1	\$ (202)	\$ 2,645	\$ 616	\$ (120)	\$ 2,940	\$ 35	\$ 2,975

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>								
<b>Balance as of March 31, 2024</b>	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 compensation awards	(46)	—	(3)	—	—	(3)	—	(3)
Dividends to NCI	—	—	—	—	—	—	(3)	(3)
<b>Balance as of June 30, 2024</b>	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>								
<b>Balance as of December 31, 2023</b>	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 compensation awards	(129)	—	(7)	—	—	(7)	—	(7)
Dividends to NCI	—	—	—	—	—	—	(3)	(3)
<b>Balance as of June 30, 2024</b>	119,437	\$ 1	\$ 2,610	\$ 553	\$ (263)	\$ 2,901	\$ 32	\$ 2,933

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 United States 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, 2025. 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, 2024.

The Company presents its operations as one reportable segment.

***Accounting Pronouncements Issued But Not Yet Adopted***

In December 2023, the Financial Accounting Standards Board (“FASB”) issued 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 prospectively for annual periods beginning after December 15, 2024, and early adoption and retrospective application are permitted. The Company is currently evaluating the impact of the disclosure requirements about income taxes paid and the rate reconciliation in its Consolidated Financial Statements.

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. This standard requires all public companies to disclose more detailed information about certain costs and expenses in the notes to the financial statements at interim and annual reporting periods. This standard is effective for annual reporting periods beginning after December 15, 2026, with early adoption permitted. The Company is currently evaluating the impact of the disclosure requirements about specific expense categories in its Consolidated Financial Statements.

## 2. Revenue Recognition

Revenue disaggregated by geographical area was as follows:

<i>(In millions)</i>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
United Kingdom	\$ 1,590	\$ 1,289	\$ 2,981	\$ 2,202
United States	767	731	1,519	1,478
Netherlands	253	220	485	438
France	216	201	402	401
Spain	166	145	309	274
Italy	105	97	200	190
Other	202	163	380	319
<b>Total</b>	<b>\$ 3,299</b>	<b>\$ 2,846</b>	<b>\$ 6,276</b>	<b>\$ 5,302</b>

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>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Omnichannel retail	\$ 1,626	\$ 1,316	\$ 3,048	\$ 2,338
Technology and consumer electronics	402	363	795	745
Industrial and manufacturing	403	331	765	597
Food and beverage	359	326	673	642
Consumer packaged goods	290	290	574	585
Other	219	220	421	395
<b>Total</b>	<b>\$ 3,299</b>	<b>\$ 2,846</b>	<b>\$ 6,276</b>	<b>\$ 5,302</b>

### *Contract Assets and Liabilities*

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

<i>(In millions)</i>	<b>June 30,</b>	<b>December 31,</b>
	<b>2025</b>	<b>2024</b>
Contract assets and contract costs included in:		
Other current assets	\$ 47	\$ 37
Other long-term assets	213	196
<b>Total contract assets</b>	<b>\$ 260</b>	<b>\$ 233</b>
Contract liabilities included in:		
Other current liabilities	\$ 287	\$ 272
Other long-term liabilities	110	128
<b>Total contract liabilities</b>	<b>\$ 397</b>	<b>\$ 400</b>

Revenue recognized included the following:

<i>(In millions)</i>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Amounts included in the beginning of year contract liability balance	\$ 24	\$ 48	\$ 221	\$ 153

### 3. Segment Information

The Company is organized geographically into three operating segments: i) Americas and Asia-Pacific, ii) United Kingdom and Ireland, and iii) Continental Europe. The Company's reporting unit results are regularly provided to the chief operating decision maker ("CODM"). The CODM is our Chief Executive Officer, who assesses the Company's performance and allocates resources.

The CODM evaluates the Company's performance and allocates resources primarily based on adjusted earnings before interest, taxes, depreciation and amortization, adjusted for transaction and integration costs, restructuring costs, litigation expense, and unrealized gain/loss on foreign currency contracts and other adjustments ("Adjusted EBITDA"). The CODM uses Adjusted EBITDA to communicate performance targets to the segment managers, allocate resources to the segments, and to monitor segment performance. Additionally, the CODM considers the performance of this measure against planned and forecasted amounts to make investing and resource allocation decisions. The actual results are used in assessing performance of the Company and in establishing management's compensation. For disclosure purposes, we aggregate these three operating segments into one reportable segment.

The Company's segment results were as follows:

<i>(In millions)</i>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Revenue	\$ 3,299	\$ 2,846	\$ 6,276	\$ 5,302
Direct operating expense	2,813	2,389	5,371	4,445
Selling, general and administrative expense <sup>(1)</sup>	257	252	503	488
Other (income) expense <sup>(2)(4)</sup>	2	—	(3)	(3)
<b>Segment Adjusted EBITDA</b>	<b>\$ 227</b>	<b>\$ 205</b>	<b>\$ 405</b>	<b>\$ 372</b>
Less:				
Corporate expenses <sup>(3)</sup>	15	18	30	31
Depreciation expense	80	77	160	150
Amortization of intangible assets acquired	30	22	59	41
Transaction and integration costs	14	15	36	34
Restructuring costs and other	2	1	19	17
Regulatory matter and litigation expense	(1)	(3)	65	60
Unrealized (gain) loss on foreign currency contracts <sup>(4)</sup>	8	(1)	18	(4)
Interest expense, net	36	23	68	36
<b>Income (loss) before income taxes</b>	<b>43</b>	<b>53</b>	<b>(50)</b>	<b>7</b>
Income tax expense	(15)	(14)	(17)	(4)
<b>Net income (loss)</b>	<b>\$ 28</b>	<b>\$ 39</b>	<b>\$ (67)</b>	<b>\$ 3</b>

(1) Excludes unallocated corporate expenses.

(2) Other (income) expense, excluding unrealized (gain) loss on foreign currency contracts.

(3) Corporate expenses include unallocated costs related to corporate functions such as salaries and benefits, rent, and professional fees which are recorded in Selling, general and administrative expenses in the Condensed Consolidated Statements of Operations.

(4) Included in Other income/expense, net in the Condensed Consolidated Statements of Operations.

#### 4. Leases

The Company has operating leases for real estate and warehouse equipment. Also, the Company has finance leases for real estate, warehouse equipment and fleet, and technology and automated systems.

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

<i>(In millions)</i>	<b>June 30, 2025</b>	<b>December 31, 2024</b>
<b>Operating leases:</b>		
<b>Operating lease assets</b>	\$ 2,646	\$ 2,329
Current operating lease liabilities	\$ 732	\$ 647
Long-term operating lease liabilities	2,139	1,898
<b>Total operating lease liabilities</b>	<b>\$ 2,871</b>	<b>\$ 2,545</b>
<b>Finance leases:</b>		
<b>Property and equipment, net</b>	<b>\$ 348</b>	<b>\$ 239</b>
Current debt	\$ 53	\$ 39
Long-term debt	316	237
<b>Total finance lease liabilities</b>	<b>\$ 369</b>	<b>\$ 276</b>

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

<i>(In millions)</i>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Operating leases:</b>				
Operating lease cost	\$ 238	\$ 193	\$ 444	\$ 377
Short-term lease cost	49	51	96	100
Variable lease cost	42	46	86	86
<b>Total operating lease cost<sup>(1)</sup></b>	<b>\$ 329</b>	<b>\$ 290</b>	<b>\$ 626</b>	<b>\$ 563</b>
<b>Finance leases:</b>				
Amortization of leased assets	\$ 8	\$ 7	\$ 15	\$ 14
Interest expense on lease liabilities	4	1	8	2
<b>Total finance lease cost</b>	<b>\$ 12</b>	<b>\$ 8</b>	<b>\$ 23</b>	<b>\$ 16</b>
<b>Total operating and finance lease cost</b>	<b>\$ 341</b>	<b>\$ 298</b>	<b>\$ 649</b>	<b>\$ 579</b>

(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>	<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Leased assets obtained in exchange for new lease obligations:</b>		
Operating leases, including \$244 from an acquisition in 2024	\$ 514	\$ 560
Finance leases, including \$36 from an acquisition in 2024	85	120

## 5. Acquisition

### *Wincanton Acquisition*

On April 29, 2024, the Company completed the acquisition of Wincanton plc (now Wincanton Limited) for a total consideration of £762 million (\$958 million as of the acquisition date) (the “Wincanton Acquisition”). The Wincanton Acquisition was subject to review by the Competition and Markets Authority (the “CMA”) in the U.K. On June 19, 2025, the CMA approved the Wincanton Acquisition, subject to the divestment of certain grocery contracts in the U.K.

In connection with the Wincanton Acquisition, the Company incurred transaction costs of \$14 million and \$11 million for the three months ended June 30, 2025 and 2024, respectively, and \$35 million and \$26 million for the six months ended June 30, 2025 and 2024, respectively, which were included in Transaction and integration costs in the Condensed Consolidated Statements of Operations.

The final fair value of assets acquired and liabilities assumed at the acquisition date was:

(In millions)

<b>ASSETS</b>	
<b>Current assets</b>	
Cash and cash equivalents	\$ 90
Accounts receivable	238
Other current assets	65
<b>Total current assets</b>	<b>393</b>
<b>Long-term assets</b>	
Property and equipment	128
Operating lease assets	177
Intangible assets <sup>(1)</sup>	532
Other long-term assets	152
<b>Total long-term assets</b>	<b>989</b>
<b>Total assets</b>	<b>\$ 1,382</b>
<b>LIABILITIES</b>	
<b>Current liabilities</b>	
Accounts payable	\$ 67
Accrued expenses	293
Current debt	7
Current operating lease liabilities	41
Other current liabilities	147
<b>Total current liabilities</b>	<b>555</b>
<b>Long-term liabilities</b>	
Long-term debt	215
Long-term operating lease liabilities	136
Other long-term liabilities	240
<b>Total long-term liabilities</b>	<b>591</b>
<b>Total liabilities</b>	<b>\$ 1,146</b>
<b>Net assets purchased</b>	<b>\$ 236</b>
<b>Purchase price</b>	<b>\$ 958</b>
<b>Goodwill recorded<sup>(2)</sup></b>	<b>\$ 722</b>

(1) The Company acquired \$532 million of intangible assets, comprised of customer relationships, trade names, and intellectual property with weighted-average useful lives of 12.5 years.

(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 United Kingdom 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.

## 6. Goodwill

The following table presents the changes in Goodwill for the six months ended June 30, 2025:

(In millions)

<b>Balance as of December 31, 2024</b>	\$	3,549
Acquisition <sup>(1)</sup>		(4)
Impact of foreign exchange translation <sup>(2)</sup>		282
<b>Balance as of June 30, 2025</b>	\$	3,827

(1) Represents \$4 million reduction in goodwill for the purchase price allocation of the Wincanton Acquisition.

(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, 2025 and December 31, 2024, there were no accumulated goodwill impairment losses.

## 7. Debt and Financing Arrangements

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

<i>(In millions, except percentages)</i>	Rate <sup>(1)</sup>	June 30, 2025	December 31, 2024
Unsecured notes due 2026 <sup>(2)</sup>	1.65 %	\$ 400	\$ 399
Unsecured notes due 2029 <sup>(3)</sup>	6.25 %	594	593
Unsecured notes due 2031 <sup>(4)</sup>	2.65 %	397	397
Unsecured notes due 2034 <sup>(5)</sup>	6.50 %	491	490
Three-Year Term Loan due 2025 <sup>(6)</sup>	— %	—	50
Five-Year Term Loan due 2027 <sup>(7)</sup>	5.80 %	399	399
Finance leases and other debt	Various	405	303
<b>Total Debt</b>		2,686	2,631
Less: Current debt		90	110
<b>Total Long-term debt</b>		\$ 2,596	\$ 2,521

(1) Interest rate as of June 30, 2025.

(2) Net of unamortized discount and debt issuance costs of \$1 million as of December 31, 2024.

(3) Net of unamortized discount and debt issuance costs of \$6 million and \$7 million as of June 30, 2025 and December 31, 2024, respectively.

(4) Net of unamortized discount and debt issuance costs of \$3 million as of June 30, 2025 and December 31, 2024.

(5) Net of unamortized discount and debt issuance costs of \$9 million and \$10 million as of June 30, 2025 and December 31, 2024, respectively.

(6) On May 16, 2025, the Company repaid the remaining \$50 million of the Three-Year Term Loan due 2025.

(7) Net of unamortized debt issuance costs of \$1 million as of June 30, 2025 and December 31, 2024.

### Revolving Credit Facilities

The Company has a five-year unsecured, multicurrency revolving credit facility expiring in 2029 (the "Revolving Credit Agreement"). The aggregate commitment of all lenders under the Revolving Credit Agreement is equal to \$800 million, of which \$100 million is available for the issuance of letters of credit. As of June 30, 2025, and December 31, 2024, no amounts were outstanding under the Revolving Credit Agreement and letters of credit were \$1 million under the Revolving Credit Agreement.

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 £175 million (\$240 million as of

June 30, 2025) in aggregate at any time, expiring in March 2027. Loans under the Wincanton Revolving Credit Agreement bear interest at daily simple Sterling Overnight Index Average rate plus a margin. As of June 30, 2025, and December 31, 2024, the Company had £26 million (\$36 million) and £15 million (\$19 million) of borrowings outstanding under the Wincanton Revolving Credit Agreement, respectively.

### ***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, 2025, the Company complied with the covenants contained in its debt and financing arrangements.

### ***Bank Overdraft***

As of June 30, 2025, and December 31, 2024, the Company had \$64 million and zero bank overdrafts, which were reported within Other current liabilities in the Condensed Consolidated Balance Sheets.

### ***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>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Receivables sold in period	\$ 792	\$ 364	\$ 1,394	\$ 655
Cash consideration	787	360	1,385	649
Net cash provided by operating cash flows	90	15	78	18

## **8. 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, 2025 and December 31, 2024, due to their short-term nature.

## Debt

The fair value of debt was as follows:

(In millions)	Level	June 30, 2025		December 31, 2024	
		Fair Value	Carrying Value	Fair Value	Carrying Value
Unsecured notes due 2026	2	\$ 387	\$ 400	\$ 380	\$ 399
Unsecured notes due 2029	2	627	594	617	593
Unsecured notes due 2031	2	348	397	336	397
Unsecured notes due 2034	2	522	491	514	490
Three-Year Term Loan due 2025	2	—	—	49	50
Five-Year Term Loan due 2027	2	392	399	394	399

## 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:

(In millions)	June 30, 2025		December 31, 2024		Balance Sheet Location
	Notional Amount	Fair Value	Notional Amount	Fair Value	
<b>Derivatives designated as net investment hedges:</b>					
Cross-currency swap agreements <sup>(1)</sup>	\$ —	\$ —	\$ 270	\$ 12	Other current assets
Cross-currency swap agreements	—	—	1,177	48	Other long-term assets
Cross-currency swap agreements <sup>(2)(3)</sup>	372	45	98	7	Other current liabilities
Cross-currency swap agreements <sup>(3)</sup>	1,652	174	325	2	Other long-term liabilities
<b>Derivatives designated as cash flow hedge:</b>					
Interest rate swaps	\$ 125	\$ 2	\$ 125	\$ 3	Other long-term assets
<b>Derivatives not designated as hedges:</b>					
Foreign currency option contracts <sup>(4)</sup>	\$ 263	\$ —	\$ 300	\$ 13	Other current assets
Foreign currency option contracts	184	10	26	—	Other current liabilities
Foreign currency forward contracts	253	2	—	—	Other current assets
Foreign currency forward contracts	18	—	125	1	Other current liabilities

(1) In February 2025, the Company terminated a cross-currency swap with a notional amount of \$100 million scheduled to mature in November 2025.

(2) In February 2025, the Company amended one cross-currency swap with a notional amount of \$98 million to \$102 million scheduled to mature in December 2025.

(3) In February 2025, the Company entered into three cross-currency swap agreements with an aggregate notional amount of \$250 million, of which \$100 million is scheduled to mature in November 2025 and \$150 million is scheduled to mature in November 2030.

(4) As of June 30, 2025, five foreign currency option contracts not designated as hedges had an aggregate notional amount of \$27 million and fair value of zero.

As of June 30, 2025 and December 31, 2024, 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:

	Three Months Ended June 30, 2025			Six Months Ended June 30, 2025		
	Amount of Gain (Loss) Recognized in Other Comprehensive Income on Derivative	Gain (Loss) Reclassified from AOCIL into Net Income <sup>(1)</sup>	Gain (Loss) Recognized in Net Income on Derivative (Excluded from effectiveness testing) <sup>(1)</sup>	Amount of Gain (Loss) Recognized in Other Comprehensive Income on Derivative	Gain (Loss) Reclassified from AOCIL into Net Income <sup>(1)</sup>	Gain (Loss) Recognized in Net Income on Derivative (Excluded from effectiveness testing) <sup>(1)</sup>
<i>(In millions)</i>						
<b>Derivatives designated as net investment hedges</b>						
Cross-currency swap agreements	\$ (195)	\$ —	\$ 1	\$ (271)	\$ (3)	\$ 2
<b>Derivatives designated as cash flow hedges</b>						
Interest rate swaps	\$ (1)	\$ —	\$ —	\$ (2)	\$ —	\$ —

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

	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 <sup>(1)</sup>	Gain (Loss) Recognized in Net Income on Derivative (Excluded from effectiveness testing) <sup>(1)</sup>	Amount of Gain (Loss) Recognized in Other Comprehensive Income on Derivative	Gain (Loss) Reclassified from AOCIL into Net Income <sup>(1)</sup>	Gain (Loss) Recognized in Net Income on Derivative (Excluded from effectiveness testing) <sup>(1)</sup>
<i>(In millions)</i>						
<b>Derivatives designated as net investment hedges</b>						
Cross-currency swap agreements	\$ 15	\$ 4	\$ —	\$ 47	\$ 2	\$ 1
<b>Derivatives designated as cash flow hedges</b>						
Interest rate swaps	\$ (1)	\$ —	\$ —	\$ 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 (expense), net in the Condensed Consolidated Statements of Operations for foreign currency options and forward contracts were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<i>(In millions)</i>				
Foreign currency gain (loss) on foreign currency contracts	\$ (6)	\$ —	\$ (14)	\$ 2

## 9. 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>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Net income (loss) attributable to common shares	\$ 26	\$ 38	\$ (70)	\$ 1
Basic weighted-average common shares	114,812	119,427	116,890	119,350
Diluted weighted-average common shares	115,055	119,683	116,890	119,680
Basic earnings (loss) per share	\$ 0.23	\$ 0.32	\$ (0.60)	\$ 0.01
Diluted earnings (loss) per share	\$ 0.23	\$ 0.32	\$ (0.60)	\$ 0.01
Shares not included in the computation of diluted earnings per share because the effect would be antidilutive	2,075	1,087	3,396	1,074

## 10. Stockholders' Equity

### *Stock Repurchase Plan*

On February 18, 2025, the Company's board of directors authorized and announced the repurchase of up to \$500 million (the "Repurchase Plan") of its common stock. The Repurchase Plan permits shares of common stock to be repurchased from time to time in management's discretion, through a variety of methods, including a 10b5-1 trading plan, open market purchases, privately negotiated transactions or otherwise. The timing and number of shares of common stock repurchased will depend on a variety of factors, including price, general business and market conditions, alternative investment opportunities and funding considerations. The Repurchase Plan does not obligate the Company to repurchase any specific number of shares of common stock and may be suspended or discontinued at any time.

The repurchase of shares of the Company's common stock is recorded as treasury stock within equity and is accounted for under the cost method inclusive of share repurchase costs and excise tax on share repurchases in excess of issuances. For the three and six months ended June 30, 2025, the Company repurchased approximately 2.6 million and 5.4 million shares of its common stock for an aggregate purchase price of \$91 million and \$202 million including share repurchase costs and excise tax, respectively.

## Accumulated Other Comprehensive Income - Loss

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
<b>As of March 31, 2025</b>	\$ (64)	\$ (26)	\$ 3	\$ (159)	\$ 1	\$ (245)
Other comprehensive income (loss) before reclassifications	288	(194)	(1)	(12)	(3)	78
Amounts reclassified to net income	—	(1)	—	2	—	1
Tax amounts	(1)	44	1	2	—	46
Other comprehensive income (loss), net of tax	287	(151)	—	(8)	(3)	125
<b>As of June 30, 2025</b>	\$ 223	\$ (177)	\$ 3	\$ (167)	\$ (2)	\$ (120)

<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
<b>As of December 31, 2024</b>	\$ (195)	\$ 31	\$ 4	\$ (155)	\$ 2	\$ (313)
Other comprehensive income (loss) before reclassifications	419	(270)	(2)	(18)	(4)	125
Amounts reclassified to net loss	—	1	—	3	—	4
Tax amounts	(1)	61	1	3	—	64
Other comprehensive income (loss), net of tax	418	(208)	(1)	(12)	(4)	193
<b>As of June 30, 2025</b>	\$ 223	\$ (177)	\$ 3	\$ (167)	\$ (2)	\$ (120)

<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
<b>As of March 31, 2024</b>	\$ (124)	\$ (20)	\$ 6	\$ (111)	\$ —	\$ (249)
Other comprehensive income (loss) before reclassifications	(22)	14	—	(1)	—	(9)
Amounts reclassified to net income	—	(4)	—	1	—	(3)
Tax amounts	1	(3)	—	—	—	(2)
Other comprehensive income (loss), net of tax	(21)	7	—	—	—	(14)
<b>As of June 30, 2024</b>	\$ (145)	\$ (13)	\$ 6	\$ (111)	\$ —	\$ (263)

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

## 11. Employee Benefit Plans

### Defined Benefit Plans

The Company offers pension plans in certain jurisdictions, with the most significant in the U.K. In the U.K., the Company sponsors two defined benefit pension schemes (the “U.K. Retirement Plans”). The U.K. Retirement Plans do not allow for new plan participants or additional benefit accruals. The funded status of the U.K. Retirement Plans was recorded in Other long-term assets in the Condensed Consolidated Balance Sheets.

The Company considers its other defined benefit pension plans not material to its Consolidated Financial Statements and excludes them from the disclosure below.

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

<i>(In millions)</i>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Interest cost	\$ (21)	\$ (17)	\$ (42)	\$ (26)
Expected return on plan assets	27	23	54	36
Amortization of net loss	(2)	(1)	(3)	(2)
<b>Net periodic pension income<sup>(1)</sup></b>	<b>\$ 4</b>	<b>\$ 5</b>	<b>\$ 9</b>	<b>\$ 8</b>

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

### Defined Contribution Plans

Also, the Company has defined-contribution retirement plans for its United States employees and employees of certain foreign subsidiaries. In these plans, employees are allowed to contribute a portion of their salaries and bonuses to the plans, and the Company matches a portion of the employee contributions.

Defined contribution plan costs were as follows:

<i>(In millions)</i>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Defined contribution costs<sup>(1)</sup></b>	<b>\$ 23</b>	<b>\$ 21</b>	<b>\$ 54</b>	<b>\$ 38</b>

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

## 12. Restructuring Costs and Other

Restructuring costs and other were primarily related to severance in connection with actions taken to optimize certain administrative functions.

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

*(In millions)*

<b>Balance as of December 31, 2024</b>	<b>\$</b>	<b>10</b>
Charges incurred		19
Payments		(11)
Other reductions, net		(2)
<b>Balance as of June 30, 2025</b>	<b>\$</b>	<b>16</b>

As of June 30, 2025, \$12 million of the restructuring liability is expected to be paid within the next 12 months.

## 13. Income Taxes

Income tax expense for the three months ended June 30, 2025 and 2024, was \$15 million and \$14 million, respectively, and the Company's effective tax rate for the three months ended June 30, 2025 and 2024, was 34.6%, and 25.4%, respectively. The increase in the Company's effective tax rate was primarily driven by a decrease in pre-tax income.

Income tax expense for the six months ended June 30, 2025 and 2024, was \$17 million and \$4 million, respectively, and the Company's effective tax rate for the six months ended June 30, 2025 and 2024, was an expense on a pre-tax loss of (35.3)% and an expense on pre-tax income of 52.3%, respectively. The change in the Company's effective tax rate was primarily driven by a decrease in pre-tax income, offset by non-deductible regulatory matter and transaction costs.

On July 4, 2025, the One Big Beautiful Bill Act (P.L. 119-21) was signed into law. The legislation has multiple effective dates, with certain provisions effective in 2025 and others effective through 2027. The Company is currently assessing its impact on its Consolidated Financial Statements.

In 2021, the Organization for Economic Co-operation and Development ("OECD") issued administrative guidance for the Pillar Two Global Anti-Base Erosion rules ("Pillar Two"), which generally imposes a 15% global minimum tax on multinational companies. The Company has incorporated the estimated annual effect of Pillar Two into its income tax provision for the three and six months ended June 30, 2025, and the Company expects to incur additional income tax related to Pillar Two during fiscal 2025. For the three and the six months ended June 30, 2024, Pillar Two did not have a material impact on the Company's income tax expense. Pillar Two did not have a material impact on the Company's fiscal 2024 income tax expense. The Company continues to monitor Pillar Two developments, including the impact of the statement issued by the G7 on June 28, 2025 regarding the interplay between the U.S. international tax system and Pillar Two as it relates to U.S.-headquartered companies.

## 14. 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 July 2, 2024, the Italian authorities initiated an investigation into the deductibility of value-added tax (VAT) payments made by the Company to certain third-party service providers. The challenged amount was €84 million (\$91 million as of March 31, 2025), which the Company deposited into a restricted bank account to secure the investigation. In the first quarter of 2025, the Company accrued €61 million (\$66 million) of expense, including legal fees, related to this matter. In the second quarter of 2025, the Company agreed and made final payments of €59 million (\$68 million) to the Italian authorities and released any remaining restrictions on this cash account. And for the three and six months ended June 30, 2025, the Company released \$1 million and recorded \$65 million, respectively, of expenses, including legal fees, related to this matter, which was recorded within the Regulatory matter and litigation expense line in the Condensed Consolidated Statements of Operations.

## 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, 2024, as filed with the SEC on February 18, 2025 (the "2024 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, we completed the acquisition of Wincanton plc (now Wincanton Limited), a U.K. logistics provider specializing in both warehousing and transportation solutions (“the Wincanton Acquisition”). The Wincanton Acquisition was subject to review by the Competition and Markets Authority (the “CMA”) in the U.K. On June 19, 2025, the CMA approved the Wincanton Acquisition, subject to the divestment of certain grocery contracts in the U.K. Due to the acquisition of Wincanton in 2024, comparisons in our results of operations between 2025 and 2024 are less meaningful. For additional information regarding our acquisitions see Note 5. “Acquisition” in Condensed Consolidated Financial Statements.

## Results of Operations

### Three Months Ended June 30, 2025 compared with the Three Months Ended June 30, 2024

<i>(In millions, except percentages)</i>	Three Months Ended June 30,			
	2025	2024	\$ Change	% Change
<b>Revenue</b>	\$ 3,299	\$ 2,846	\$ 453	16 %
Direct operating expense	2,813	2,389	424	18 %
Selling, general and administrative expense	272	270	2	1 %
Depreciation and amortization expense	110	99	11	11 %
Transaction and integration costs	14	15	(1)	(7)%
Restructuring costs and other	2	1	1	100 %
Regulatory matter and litigation expense	(1)	(3)	2	(67)%
<b>Operating income</b>	89	75	14	19 %
Other income (expense), net	(10)	1	(11)	n/m
Interest expense, net	(36)	(23)	(13)	57 %
<b>Income before income taxes</b>	43	53	(10)	(19)%
Income tax expense	(15)	(14)	(1)	7 %
<b>Net income</b>	\$ 28	\$ 39	\$ (11)	(28)%

n/m - not meaningful

Revenue for the three months ended June 30, 2025 increased by 16%, or \$453 million, to \$3.3 billion compared with \$2.8 billion for the same period in 2024. The increase reflects \$168 million from the Wincanton Acquisition and growth in our business. Foreign currency favorable movements increased our revenue by \$127 million for the three months ended June 30, 2025.

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, 2025 increased by 18%, or \$424 million, to \$2.8 billion compared with \$2.4 billion for the same period in 2024. The increase reflects \$148 million from the Wincanton Acquisition, growth in our business and foreign currency movements. As a percentage of revenue, Direct operating expense for the three months ended June 30, 2025, was 85.3% compared with 83.9% for the same period in 2024. The increase in Direct operating expense as a percentage of revenue was primarily related to the Wincanton Acquisition.

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, 2025 increased by \$2 million, to \$272 million compared with \$270 million for the same period in 2024.

Depreciation and amortization expense for the three months ended June 30, 2025 increased by \$11 million, to \$110 million compared with \$99 million for the same period in 2024. Amortization expense was \$30 million and \$22 million for the three months ended June 30, 2025 and 2024, respectively. Depreciation and amortization expense increased primarily due to the Wincanton Acquisition.

Transaction and integration costs for the three months ended June 30, 2025 and 2024 were \$14 million and \$15 million, respectively, and primarily related to the Wincanton Acquisition.

Other income (expense), net decreased to an expense, primarily due to increased unrealized foreign currency loss on foreign currency contracts. Other income (expense), net was as follows:

<i>(In millions, except percentages)</i>	<b>Three Months Ended June 30,</b>			
	<b>2025</b>	<b>2024</b>	<b>\$ Change</b>	<b>% Change</b>
Net periodic pension income	\$ 4	\$ 5	\$ (1)	(20)%
Foreign currency gain (loss):				
Realized foreign currency option and forward contracts loss	(4)	(1)	(3)	n/m
Unrealized foreign currency option and forward contracts gain (loss)	(8)	1	(9)	n/m
Foreign currency transaction and remeasurement loss	(2)	(4)	2	(50)%
Total foreign currency loss	(14)	(4)	(10)	n/m
<b>Other income (expense), net</b>	<b>\$ (10)</b>	<b>\$ 1</b>	<b>\$ (11)</b>	<b>n/m</b>

n/m - not meaningful

Interest expense, net, primarily increased due to debt incurred for the Wincanton Acquisition. Interest expense, net was as follows:

<i>(In millions, except percentages)</i>	<b>Three Months Ended June 30,</b>			
	<b>2025</b>	<b>2024</b>	<b>\$ Change</b>	<b>% Change</b>
Debt and capital leases	\$ 45	\$ 34	\$ 11	32 %
Cross-currency swaps	(8)	(11)	3	(27)%
Interest income	(1)	—	(1)	n/m
<b>Interest expense, net</b>	<b>\$ 36</b>	<b>\$ 23</b>	<b>\$ 13</b>	<b>57 %</b>

n/m - not meaningful

Income before income taxes for the three months ended June 30, 2025 was \$43 million compared with \$53 million for the same period in 2024. The decrease in income before income taxes was due to higher operating income, offset by higher other expense, net, and higher interest expense, net.

Income tax expense for the three months ended June 30, 2025 was \$15 million compared with \$14 million for the same period in 2024. Our effective tax rate for the three months ended June 30, 2025 was 34.6% compared with 25.4% for the same period in 2024. The increase in our effective tax rate was primarily driven by a decrease in pre-tax income.

While the United States has not adopted the Pillar Two Global Anti-Base Erosion rules issued by the Organization for Economic Co-operation and Development (“Pillar Two”), we have incorporated the estimated annual effect of Pillar Two into our income tax provision for the three months ended June 30, 2025. For the three months ended June 30, 2024, Pillar Two did not have a material impact on our income tax expense.

## Six Months Ended June 30, 2025 compared with the Six Months Ended June 30, 2024

<i>(In millions, except percentages)</i>	Six Months Ended June 30,			
	2025	2024	\$ Change	% Change
<b>Revenue</b>	\$ 6,276	\$ 5,302	\$ 974	18 %
Direct operating expense	5,371	4,445	926	21 %
Selling, general and administrative expense	533	519	14	3 %
Depreciation and amortization expense	219	191	28	15 %
Transaction and integration costs	36	34	2	6 %
Restructuring costs and other	19	17	2	12 %
Regulatory matter and litigation expense	65	60	5	8 %
<b>Operating income</b>	33	36	(3)	(8)%
Other income (expense), net	(15)	7	(22)	n/m
Interest expense, net	(68)	(36)	(32)	89 %
<b>Income (loss) before income taxes</b>	(50)	7	(57)	n/m
Income tax expense	(17)	(4)	(13)	n/m
<b>Net income (loss)</b>	\$ (67)	\$ 3	\$ (70)	n/m

n/m - not meaningful

Revenue for the six months ended June 30, 2025 increased by 18%, or \$974 million, to \$6.3 billion compared with \$5.3 billion for the same period in 2024. The increase reflects \$655 million from the Wincanton Acquisition and growth in our business. Foreign currency favorable movements increased our revenue by \$94 million for the six months ended June 30, 2025.

Direct operating expense for the six months ended June 30, 2025 increased by 21%, or \$926 million, to \$5.4 billion compared with \$4.4 billion for the same period in 2024. The increase reflects \$595 million from the Wincanton Acquisition, growth in our business and foreign currency movements. As a percentage of revenue, Direct operating expense for the six months ended June 30, 2025, was 85.6% compared with 83.8% for the same period in 2024. The increase in Direct operating expense as a percentage of revenue was primarily related to the Wincanton Acquisition.

SG&A for the six months ended June 30, 2025 increased by \$14 million, to \$533 million compared with \$519 million for the same period in 2024. SG&A increased primarily due to the Wincanton Acquisition.

Depreciation and amortization expense for the six months ended June 30, 2025 increased by \$28 million, to \$219 million compared with \$191 million for the same period in 2024. Amortization expense was \$59 million and \$41 million for the six months ended June 30, 2025 and 2024, respectively. Depreciation and amortization expense increased primarily due to the Wincanton Acquisition.

Transaction and integration costs for the six months ended June 30, 2025 and 2024 were \$36 million and \$34 million, respectively and primarily related to the Wincanton Acquisition.

Restructuring costs and other were primarily related to severance in connection with actions taken to optimize certain administrative functions. Restructuring costs and other for the six months ended June 30, 2025 were \$19 million, compared with \$17 million for the same period in 2024.

Regulatory matter and litigation expense for the six months ended June 30, 2025 and 2024, were \$65 million and \$60 million, respectively. For the six months ended June 30, 2025, we recorded \$65 million of expense related to a regulatory matter for the deductibility of value-added tax payments made by us to certain third-party service providers challenged by the Italian authorities. For the six months ended June 30, 2024, we recorded \$60 million of litigation expense related to a dispute between us and one of our customers, which was settled in the second quarter

of 2024. For additional information regarding our regulatory and legal matters, see Note 14. “Commitments and Contingencies” in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Other income (expense), net decreased to an expense, primarily due to increased unrealized foreign currency loss on foreign currency contracts. Other income (expense), net was as follows:

<i>(In millions, except percentages)</i>	<b>Six Months Ended June 30,</b>			
	<b>2025</b>	<b>2024</b>	<b>\$ Change</b>	<b>% Change</b>
Net periodic pension income	\$ 9	\$ 8	\$ 1	13 %
Foreign currency gain (loss):				
Realized foreign currency option and forward contracts loss	(4)	(2)	(2)	100 %
Unrealized foreign currency option and forward contracts gain (loss)	(18)	4	(22)	n/m
Foreign currency transaction and remeasurement loss	(2)	(3)	1	(33)%
Total foreign currency loss	(24)	(1)	(23)	n/m
<b>Other income (expense), net</b>	<b>\$ (15)</b>	<b>\$ 7</b>	<b>\$ (22)</b>	<b>n/m</b>

n/m - not meaningful

Interest expense, net, primarily increased due to debt incurred for the Wincanton Acquisition. Interest expense, net was as follows:

<i>(In millions, except percentages)</i>	<b>Six Months Ended June 30,</b>			
	<b>2025</b>	<b>2024</b>	<b>\$ Change</b>	<b>% Change</b>
Debt and capital leases	\$ 88	\$ 58	\$ 30	52 %
Cross-currency swaps	(17)	(19)	2	(11)%
Interest income	(3)	(3)	—	— %
<b>Interest expense, net</b>	<b>\$ 68</b>	<b>\$ 36</b>	<b>\$ 32</b>	<b>89 %</b>

Income (loss) before income taxes for the six months ended June 30, 2025 was a \$50 million loss compared with \$7 million income for the same period in 2024. The decrease in income before income taxes to a loss was due to lower operating income, higher other expense, net, and higher interest expense, net.

Income tax expense for the six months ended June 30, 2025 was \$17 million compared with \$4 million for the same period in 2024. Our effective tax rate for the six months ended June 30, 2025 was an expense on a pre-tax loss of (35.3)%, compared to an expense on pre-tax income of 52.3% for the same period in 2024. The change in our effective tax rate was primarily driven by a decrease in pre-tax income, offset by non-deductible regulatory matter and transaction costs.

While the United States has not adopted Pillar Two, we have incorporated the estimated annual effect of Pillar Two into our income tax provision for the six months ended June 30, 2025, and we expect to incur additional income tax related to Pillar Two during fiscal 2025. For the six months ended June 30, 2024, Pillar Two did not have a material impact on our income tax expense. Pillar Two did not have a material impact on our fiscal 2024 income tax expense. We continue to monitor Pillar Two developments, including the impact of the statement issued by the G7 on June 28, 2025 regarding the interplay between the U.S. international tax system and Pillar Two as it relates to U.S.-headquartered companies.

## 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 facilities 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, repurchases of our common stock 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, 2025, we held cash and cash equivalents of \$205 million and restricted cash of \$2 million, and we had \$1,003 million of borrowing capacity, net of letters of credit under our revolving credit facilities.

On February 18, 2025, our board of directors authorized and announced the repurchase of up to \$500 million (the “Repurchase Plan”) of our common stock. The Repurchase Plan permits shares of common stock to be repurchased from time to time in management’s discretion, through a variety of methods, including a 10b5-1 trading plan, open market purchases, privately negotiated transactions or otherwise. The timing and number of shares of common stock repurchased will depend on a variety of factors, including price, general business and market conditions, alternative investment opportunities and funding considerations. We will fund the repurchases with existing cash, borrowings on our revolving credit facility, and/or other financing sources. The Repurchase Plan does not obligate the Company to repurchase any specific number of shares of common stock and may be suspended or discontinued at any time. As of June 30, 2025, the remaining authorization under the Repurchase Plan was \$300 million.

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 4. “Leases,” Note 7. “Debt and Financing Arrangements” and Note 14. “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, except percentages)</i>	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>\$ Change</b>	<b>% Change</b>
Current assets	\$ 2,589	\$ 2,641	\$ (52)	(2)%
Long-term assets	9,337	8,625	712	8 %
Current liabilities	3,410	3,189	221	7 %
Long-term liabilities	5,541	5,042	499	10 %

Current assets primarily decreased due to cash used for the repurchase of our common stock and repayment of debt, partially offset by an increase in accounts receivable resulting from foreign currency translation. Long-term assets primarily increased due to the addition of operating lease assets and the impact of foreign currency translation. Current liabilities primarily increased due to bank overdraft and the increase in the fair value of our derivatives. Long-term liabilities primarily increased due to the addition of capital and operating lease liabilities and the increase in the fair value of our derivatives. Also, our assets and liabilities increased due to foreign currency translation from our non-USD operations, primarily the British pound sterling and the Euro.

## 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, except percentages)</i>	Six Months Ended June 30,			
	2025	2024	\$ Change	% Change
Net cash provided by operating activities	\$ 32	\$ 165	\$ (133)	(81)%
Net cash used in investing activities	(123)	(1,014)	891	(88)%
Net cash provided by (used in) financing activities	(227)	857	(1,084)	n/m
Effect of exchange rates on cash and cash equivalents	40	(7)	47	n/m
Net increase (decrease) in cash, restricted cash and cash equivalents	\$ (278)	\$ 1	\$ (279)	n/m

n/m - not meaningful

### Operating Activities

Cash flows provided by operating activities for the six months ended June 30, 2025 decreased by \$133 million compared with the same period in 2024. The decrease was primarily due to lower income and increased working capital consumption driven by accounts payable for the six months ended June 30, 2025, compared with the same period in 2024.

### Investing Activities

Investing activities used \$123 million of cash for the six months ended June 30, 2025 and \$1.0 billion for the same period in 2024. During the six months ended June 30, 2025 we used \$125 million of cash to purchase property and equipment and received \$2 million of cash from sales of property and equipment. 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.

### Financing Activities

Financing activities used \$227 million and generated \$857 million of cash for the six months ended June 30, 2025 and June 30, 2024, respectively. The primary use of cash from financing activities during the six months ended June 30, 2025 was \$200 million to repurchase shares of our common stock under the Repurchase Plan, \$55 million to repay debt, \$24 million to repay finance lease obligations and \$7 million in payments for employee taxes on net settlement of equity awards, partially offset by \$64 million increase in bank overdraft and \$8 million of net borrowings under our revolving credit facilities. The primary source of cash from financing activities during the six months ended June 30, 2024 was \$1.1 billion of proceeds from issuance of long-term debt and \$3 million increase in bank overdraft, partially offset by \$196 million of cash used to repay debt, \$19 million of cash used to repay finance lease obligations and \$7 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**

As of June 30, 2025, the Company's contractual obligations had not materially changed compared with December 31, 2024.

## **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 2024 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 primarily due to variable-rate debt 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, 2025, 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, 2024.

## **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, 2025. Based on that evaluation, our CEO and CFO concluded that our disclosure controls and procedures as of June 30, 2025 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 Wincanton plc (now Wincanton Limited), there have not been any changes in our internal control over financial reporting during the three months ended June 30, 2025, 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 14. “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, 2024, except as set forth below.

#### *Changes in tax laws and regulations for U.S. and multinational companies may increase our tax liability.*

The U.S. Congress, the Organisation for Economic Co-operation and Development (“OECD”), the EU and other government agencies in jurisdictions in which we and our affiliates do business have maintained a focus on the taxation of multinational companies. During 2023, the OECD issued administrative guidance for the Pillar Two Global Anti-Base Erosion rules (“Pillar Two”), which generally 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. On July 4, 2025, the One Big Beautiful Bill Act (P.L. 119-21) was signed into law. The legislation has multiple effective dates, with certain provisions effective in 2025 and others effective through 2027. The Company regularly monitors developments in its jurisdictions and considers the impact of the tax-related proposals as they arise.

### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

#### Issuer Purchases of Equity Securities

On February 18, 2025, the Company’s board of directors authorized and announced the repurchase of up to \$500 million (the “Repurchase Plan”) of its common stock. The Repurchase Plan permits shares of common stock to be repurchased from time to time in management’s discretion, through a variety of methods, including a 10b5-1 trading plan, open market purchases, privately negotiated transactions or otherwise. The Repurchase Plan does not obligate the Company to repurchase any specific number of shares of common stock and may be suspended or discontinued at any time.

The following table presents our repurchase activity on a cash basis during the second quarter of 2025:

Period	Total Number of Shares Purchased <sup>(1)</sup>	Average Price Paid per Share <sup>(2)</sup>	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs <sup>(2)(3)</sup>
April 1 - April 30	2,590,755	\$ 34.86	2,590,755	\$ 300,000,016
May 1 - May 31	—	\$ —	—	\$ 300,000,016
June 1 - June 30	—	\$ —	—	\$ 300,000,016
Total	<u>2,590,755</u>	<u>\$ 34.86</u>	<u>2,590,755</u>	

(1) All transactions are reported on a trade date basis.

(2) The average price paid per share and the approximate dollar value of shares that may yet be purchased under the Repurchase Plan exclude the costs associated with the repurchases and 1% excise tax imposed by the United States government-enacted Inflation Reduction Act of 2022 on share repurchases in excess of issuances. We reflect the costs associated with the repurchase and the 1% excise tax within equity as part of the repurchase cost of the common stock. For additional information regarding the Repurchase Plan, see Note 10. “Stockholders’ Equity” in Part I, Item 1 of this Quarterly Report on Form 10-Q.

(3) Approximate dollar value of shares that may yet be purchased under the Repurchase Plan at the end of the period.

## ITEM 6. EXHIBITS

<b>Exhibit Number</b>	<b>Description</b>
10.1+	<a href="#">Offer Letter, dated June 19, 2025, between Patrick Kelleher and GXO Logistics, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (Commission file no. 001-40470) filed with the SEC on June 20, 2025).</a>
31.1*	<a href="#">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-Q for the fiscal quarter ended June 30, 2025.</a>
31.2*	<a href="#">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-Q for the fiscal quarter ended June 30, 2025.</a>
32.1**	<a href="#">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-Q for the fiscal quarter ended June 30, 2025.</a>
32.2**	<a href="#">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-Q for the fiscal quarter ended June 30, 2025.</a>
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, 2025

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

Date: August 6, 2025

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

## CERTIFICATION

I, Malcolm Wilson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 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

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Malcolm Wilson

Chief Executive Officer

(Principal Executive Officer)

Date: August 6, 2025

## CERTIFICATION

I, Baris Oran, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 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

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Baris Oran

Chief Financial Officer

(Principal Financial Officer)

Date: August 6, 2025

**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, 2025 (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

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Malcolm Wilson

Chief Executive Officer

(Principal Executive Officer)

Date: August 6, 2025

**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, 2025 (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

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Baris Oran

Chief Financial Officer

(Principal Financial Officer)

Date: August 6, 2025