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 September 30, 2026

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: 001-32172



XPO, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**03-0450326**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
Five American Lane Greenwich, CT	**06831**
(Address of principal executive offices)	**(Zip Code)**

(855) 976-6951

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

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 $0.001 per share	XPO	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	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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 October 23, 2026, there were 116,508,895 shares of the registrant's common stock, par value $0.001 per share, outstanding.

XPO, Inc.

Quarterly Report on Form 10-Q

For the Quarterly Period Ended September 30, 2026

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Part I—Financial Information

Item 1. ***Financial Statements.***

XPO, Inc.

Condensed Consolidated Balance Sheets

(Unaudited)

(In millions, except per share data)	September 30, 2026	December 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 260	$ 310
Accounts receivable, net of allowances of $41 and $40, respectively	1,250	1,035
Other current assets	249	285
Total current assets	1,759	1,630
Long-term assets		
Property and equipment, net of $2,481 and $2,360 in accumulated depreciation, respectively	3,679	3,664
Operating lease assets	798	777
Goodwill	1,524	1,547
Identifiable intangible assets, net of $617 and $580 in accumulated amortization, respectively	266	311
Other long-term assets	282	265
Total long-term assets	6,549	6,564
Total assets	$ 8,308	$ 8,194
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 485	$ 455
Accrued expenses	878	760
Short-term borrowings and current maturities of long-term debt	129	60
Short-term operating lease liabilities	170	166
Other current liabilities	123	113
Total current liabilities	1,785	1,555
Long-term liabilities		
Long-term debt	2,995	3,253
Deferred tax liability	524	482
Employee benefit obligations	82	86
Long-term operating lease liabilities	627	611
Other long-term liabilities	322	345
Total long-term liabilities	4,550	4,778
Stockholders' equity		
Common stock, $0.001 par value; 300 shares authorized; 117 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	—	—
Additional paid-in capital	834	1,160
Retained earnings	1,332	888
Accumulated other comprehensive loss	(192)	(187)
Total equity	1,973	1,861
Total liabilities and equity	$ 8,308	$ 8,194

Amounts may not add due to rounding.

See accompanying notes to condensed consolidated financial statements.

XPO, Inc.

Condensed Consolidated Statements of Income

(Unaudited)

(In millions, except per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue	$ 2,373	$ 2,111	$ 6,823	$ 6,146
Salaries, wages and employee benefits	949	876	2,759	2,579
Purchased transportation	451	424	1,338	1,250
Fuel, operating expenses and supplies	488	406	1,387	1,183
Operating taxes and licenses	20	21	63	61
Insurance and claims	32	43	107	118
(Gains) losses on sales of property and equipment	2	1	(6)	(2)
Depreciation and amortization expense	134	134	398	388
Pre-Con-way acquisition environmental matter	—	35	1	35
Legal matters	—	—	—	(13)
Transaction and integration costs	3	1	7	7
Restructuring costs	5	6	36	26
Operating income	288	164	733	513
Other income	(3)	(2)	(10)	(4)
Debt extinguishment loss	1	—	6	5
Interest expense	50	54	155	166
Income before income tax provision	240	112	582	346
Income tax provision	60	30	138	89
Net income	$ 181	$ 82	$ 444	$ 257
Earnings per share data				
Basic earnings per share	$ 1.55	$ 0.69	$ 3.79	$ 2.18
Diluted earnings per share	$ 1.53	$ 0.68	$ 3.75	$ 2.15
Weighted-average common shares outstanding				
Basic weighted-average common shares outstanding	117	118	117	118
Diluted weighted-average common shares outstanding	118	120	118	120

Amounts may not add due to rounding.

See accompanying notes to condensed consolidated financial statements.

XPO, Inc.

Condensed Consolidated Statements of Comprehensive Income

(Unaudited)

(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income	$ 181	$ 82	$ 444	$ 257
Other comprehensive income (loss), net of tax				
Foreign currency translation gain (loss), net of tax effect of $(2), $(1), $(6) and $19	$ 2	$ (9)	$ (7)	$ 39
Unrealized gain (loss) on financial assets/liabilities designated as hedging instruments, net of tax effect of $—, $—, $(1) and $—	—	—	1	(1)
Other comprehensive income (loss)	1	(9)	(6)	38
Comprehensive income	$ 182	$ 73	$ 438	$ 294

Amounts may not add due to rounding.

See accompanying notes to condensed consolidated financial statements.

XPO, Inc.

Condensed Consolidated Statements of Cash Flows

(Unaudited)

(In millions)	Nine Months Ended September 30, 2026	2025
Cash flows from operating activities		
Net income	$ 444	$ 257
Adjustments to reconcile net income to net cash from operating activities		
Depreciation and amortization	398	388
Stock compensation expense	45	46
Accretion of debt	8	8
Deferred tax expense	35	72
Gains on sales of property and equipment	(6)	(2)
Other	25	19
Changes in assets and liabilities		
Accounts receivable	(256)	(106)
Other assets	32	18
Accounts payable	47	(14)
Accrued expenses and other liabilities	133	76
Net cash provided by operating activities	906	760
Cash flows from investing activities		
Payment for purchases of property and equipment	(369)	(551)
Proceeds from sale of property and equipment	40	18
Payment for settlement of cross-currency swaps	(3)	—
Net cash used in investing activities	(331)	(532)
Cash flows from financing activities		
Proceeds from issuance of debt	885	—
Repayment of debt	(1,085)	(50)
Repayment of finance leases and other debt	(60)	(56)
Payment for debt issuance costs	(1)	(3)
Repurchase of common stock	(250)	(57)
Change in bank overdrafts	9	24
Payment for tax withholdings for restricted shares	(124)	(47)
Other	4	3
Net cash used in financing activities	(622)	(185)
Effect of exchange rates on cash, cash equivalents and restricted cash	1	(1)
Net increase (decrease) in cash, cash equivalents and restricted cash	(46)	42
Cash, cash equivalents and restricted cash, beginning of period	330	298
Cash, cash equivalents and restricted cash, end of period	$ 284	$ 341
Supplemental disclosure of cash flow information		
Unsettled repurchase of common stock	$ —	$ (3)
Leased assets obtained in exchange for new operating lease liabilities	191	155
Leased assets obtained in exchange for new finance lease liabilities	26	34
Assets recognized during construction period under financing arrangements	31	—
Cash paid for interest	145	158
Cash paid (received) for income taxes, net of refunds	58	(11)

Amounts may not add due to rounding.

See accompanying notes to condensed consolidated financial statements.

XPO, Inc.

Condensed Consolidated Statements of Changes in Equity

(Unaudited)

(Shares in thousands, dollars in millions)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity
Balance as of June 30, 2026	**117,083**	**$ —**	**$ 1,005**	**$ 1,151**	**$ (194)**	**$ 1,962**
Net income	—	—	—	181	—	181
Other comprehensive income (loss)	—	—	—	—	1	1
Exercise and vesting of stock compensation awards	191	—	—	—	—	—
Tax withholdings related to vesting of stock compensation awards	—	—	(36)	—	—	(36)
Retirement of common stock	(765)	—	(150)	—	—	(150)
Stock compensation expense	—	—	15	—	—	15
Balance as of September 30, 2026	**116,509**	**$ —**	**$ 834**	**$ 1,332**	**$ (192)**	**$ 1,973**

(Shares in thousands, dollars in millions)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity
Balance as of December 31, 2025	**116,954**	**$ —**	**$ 1,160**	**$ 888**	**$ (187)**	**$ 1,861**
Net income	—	—	—	444	—	444
Other comprehensive income (loss)	—	—	—	—	(6)	(6)
Exercise and vesting of stock compensation awards	817	—	—	—	—	—
Tax withholdings related to vesting of stock compensation awards	—	—	(124)	—	—	(124)
Retirement of common stock	(1,262)	—	(250)	—	—	(250)
Stock compensation expense	—	—	45	—	—	45
Other	—	—	2	—	—	2
Balance as of September 30, 2026	**116,509**	**$ —**	**$ 834**	**$ 1,332**	**$ (192)**	**$ 1,973**

(Shares in thousands, dollars in millions)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity
Balance as of June 30, 2025	**117,745**	**$ —**	**$ 1,233**	**$ 747**	**$ (199)**	**$ 1,781**
Net income	—	—	—	82	—	82
Other comprehensive income (loss)	—	—	—	—	(9)	(9)
Exercise and vesting of stock compensation awards	26	—	—	—	—	—
Tax withholdings related to vesting of stock compensation awards	—	—	(2)	—	—	(2)
Retirement of common stock	(388)	—	(50)	—	—	(50)
Stock compensation expense	—	—	16	—	—	16
Balance as of September 30, 2025	**117,384**	**$ —**	**$ 1,196**	**$ 829**	**$ (208)**	**$ 1,817**

(Shares in thousands, dollars in millions)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity
Balance as of December 31, 2024	**117,174**	**$ —**	**$ 1,274**	**$ 572**	**$ (246)**	**$ 1,601**
Net income	—	—	—	257	—	257
Other comprehensive income (loss)	—	—	—	—	38	38
Exercise and vesting of stock compensation awards	681	—	—	—	—	—
Tax withholdings related to vesting of stock compensation awards	—	—	(66)	—	—	(66)
Retirement of common stock	(471)	—	(60)	—	—	(60)
Stock compensation expense	—	—	46	—	—	46
Other	—	—	2	—	—	2
Balance as of September 30, 2025	**117,384**	**$ —**	**$ 1,196**	**$ 829**	**$ (208)**	**$ 1,817**

Amounts may not add due to rounding.

See accompanying notes to condensed consolidated financial statements.

XPO, Inc.

Notes to Condensed Consolidated Financial Statements

(Unaudited)

1. Description of Business and Basis of Presentation

Nature of Operations

XPO, Inc., together with its subsidiaries ("XPO," "we" or the "Company"), is a leading provider of freight transportation services. We use our proprietary technology to move goods efficiently through our customers' supply chains in North America and Europe. See Note 2—Segment Reporting for additional information on our operations.

Basis of Presentation

We prepared our Condensed Consolidated Financial Statements in accordance with U.S. generally accepted accounting principles ("GAAP") and on the same basis as the accounting policies described in our Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K"). The interim reporting requirements of Form 10-Q allow certain information and note disclosures normally included in annual consolidated financial statements to be condensed or omitted. These Condensed Consolidated Financial Statements should be read in conjunction with the 2025 Form 10-K.

The Condensed Consolidated Financial Statements are not audited but reflect all adjustments that are of a normal recurring nature and are necessary for a fair presentation of the financial condition, operating results and cash flows for the interim periods presented. Operating results for the nine months ended September 30, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026.

Within our Condensed Consolidated Financial Statements and the accompanying notes, certain amounts may not add due to the use of rounded numbers. Unless otherwise indicated, percentages presented are calculated from the underlying numbers in millions.

Restricted Cash

As of September 30, 2026 and December 31, 2025, our restricted cash included in Other long-term assets on our Condensed Consolidated Balance Sheets was $24 million and $20 million, respectively.

Trade Receivables Securitization and Factoring Programs

In our European Transportation business, we sell certain of our trade accounts receivable under securitization and factoring programs. We use trade receivables securitization and factoring programs to help manage our cash flows and offset the impact of extended payment terms for some of our customers.

The maximum amount of net cash proceeds available at any one time under our securitization program, inclusive of any unsecured borrowings, is €200 million (approximately $227 million as of September 30, 2026). As of September 30, 2026, the maximum amount available under the program was utilized. The weighted average interest rate was 3.95% as of September 30, 2026. The program expires in March 2029.

Information related to the trade receivables sold was as follows:

(In millions)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Securitization programs				
Receivables sold in period	$ 476	$ 487	$ 1,420	$ 1,407
Cash consideration	476	487	1,420	1,407
Factoring programs				
Receivables sold in period	21	15	64	52
Cash consideration	21	14	62	49

Fair Value Measurements

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.

We base our 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 September 30, 2026 and December 31, 2025 due to their short-term nature and/or being receivable or payable on demand. The Level 1 cash equivalents include money market funds valued using quoted prices in active markets and cash deposited for the securitization program.

The fair value hierarchy of cash equivalents was as follows:

(In millions)	Carrying Value	Fair Value	Level 1
September 30, 2026	$ 220	$ 220	$ 220
December 31, 2025	285	285	285

For information on the fair value hierarchy of our derivative instruments and financial liabilities, see Note 5—Derivative Instruments and Note 6—Debt, respectively.

Accounting Pronouncements Issued but Not Yet Effective

In May 2026, the Financial Accounting Standards Board ("FASB") issued ASU 2026-02, "Environmental Credits and Environmental Credit Obligations (Topic 818)." This ASU establishes recognition, measurement, presentation and disclosure requirements for (i) environmental credits and (ii) compliance obligations that may be settled by using environmental credits and is effective for annual and interim periods beginning in 2028. Early adoption is permitted. We are currently evaluating the impact of the new standard.

In December 2025, the FASB issued ASU 2025-10, "Government Grants (Topic 832) – Accounting for Government Grants Received by Business Entities." This ASU provides recognition, measurement and presentation guidance for government grants received by business entities and is effective for annual and interim periods beginning in 2029. Early adoption is permitted. We are currently evaluating the impact of the new standard.

In September 2025, the FASB issued ASU 2025-06, “Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40).” The ASU updates the guidance on accounting for internal-use software costs by (i) removing all references to software development stages, and (ii) requiring that an entity capitalize software costs when both management has authorized and committed to funding the software project, and it is probable that the project will be completed and the software will be used to perform the function intended. This ASU is effective for annual and interim periods beginning in 2028. Early adoption is permitted. We are currently evaluating the impact of the new standard.

In November 2024, the FASB issued ASU 2024-03, “Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40).” The ASU requires new tabular disclosures disaggregating prescribed expense categories within relevant income statement captions. In addition, the ASU requires disclosure of the total amount of selling expenses and, in annual periods, an entity’s definition of selling expenses, among other disclosure requirements. This ASU is effective for annual periods beginning in 2027, and for interim periods beginning January 1, 2028. Early adoption is permitted. We are currently evaluating the impact of the new standard, which is limited to financial statement disclosures.

2. Segment Reporting

We are organized into two reportable segments: North American LTL, the largest component of our business, and European Transportation.

In our North American LTL segment, we provide shippers with geographic density and day-definite domestic and cross-border services to the U.S., as well as Mexico, Canada and the Caribbean. Our North American LTL segment also includes the results of our trailer manufacturing operation.

In our European Transportation segment, we serve an extensive base of customers within the consumer, trade and industrial markets. We offer dedicated truckload, LTL, full truckload brokerage, warehousing, managed transportation, last mile, freight forwarding, and multimodal solutions.

Corporate includes corporate headquarters costs for executive officers and certain legal and financial functions, and other costs and credits not attributed to our reportable segments.

Our chief operating decision maker (“CODM”) is our chairman and chief executive officer. Our CODM regularly reviews financial information at the operating segment level to allocate resources to the segments and to assess their performance. We include items directly attributable to a segment, and those that can be allocated on a reasonable basis, including corporate costs, in segment results reported to the CODM. We do not provide asset information by segment to the CODM.

Our CODM evaluates segment profit (loss) based on adjusted earnings before interest, taxes, depreciation and amortization (“adjusted EBITDA”), which we define as income before debt extinguishment loss, interest expense, income tax provision, depreciation and amortization expense, legal matters, transaction and integration costs, restructuring costs and other adjustments.

Our CODM uses adjusted EBITDA to allocate resources, including property and equipment and financial or capital resources, to the segments and to assess their performance by monitoring budget-to-actual and year-over-year variances.

The following tables present revenue and significant segment expenses that are included within adjusted EBITDA:

	Three Months Ended September 30, 2026			
(In millions)	North American LTL	European Transportation	Corporate [1]	Total
Revenue	$ 1,473	$ 900	$ —	$ 2,373
Salaries, wages and employee benefits	720	225	4	949
Purchased transportation	40	411	—	451
Fuel, operating expenses and supplies	291	196	—	488
Operating taxes and licenses	16	4	—	20
Insurance and claims	18	15	—	32
(Gains) losses on sales of property and equipment	3	(1)	—	2
Pension (income) expense	(4)	—	—	(4)
Adjusted EBITDA	$ 389	$ 48	$ (4)	$ 433

	Three Months Ended September 30, 2025			
(In millions)	North American LTL	European Transportation	Corporate [1]	Total
Revenue	$ 1,255	$ 857	$ —	$ 2,111
Salaries, wages and employee benefits	648	224	4	876
Purchased transportation	30	394	—	424
Fuel, operating expenses and supplies	225	180	—	406
Operating taxes and licenses	17	4	—	21
Insurance and claims	27	16	—	43
(Gains) losses on sales of property and equipment	2	(1)	—	1
Pension (income) expense	(2)	—	—	(1)
Adjusted EBITDA	$ 308	$ 38	$ (4)	$ 342

	Nine Months Ended September 30, 2026			
(In millions)	North American LTL	European Transportation	Corporate [1]	Total
Revenue	$ 4,130	$ 2,694	$ —	$ 6,823
Salaries, wages and employee benefits	2,051	696	12	2,759
Purchased transportation	109	1,229	—	1,338
Fuel, operating expenses and supplies	803	584	—	1,387
Operating taxes and licenses	49	14	—	63
Insurance and claims	60	46	—	107
(Gains) losses on sales of property and equipment	(1)	(5)	—	(6)
Pension (income) expense	(11)	—	—	(11)
Other (income) expense	—	1	—	1
Adjusted EBITDA	$ 1,070	$ 129	$ (13)	$ 1,186

	Nine Months Ended September 30, 2025			
(In millions)	North American LTL	European Transportation	Corporate [1]	Total
Revenue	$ 3,667	$ 2,479	$ —	$ 6,146
Salaries, wages and employee benefits	1,907	660	12	2,579
Purchased transportation	99	1,151	—	1,250
Fuel, operating expenses and supplies	679	505	—	1,183
Operating taxes and licenses	50	11	—	61
Insurance and claims	77	42	—	118
(Gains) losses on sales of property and equipment	4	(6)	—	(2)
Pension (income) expense	(5)	—	—	(4)
Other (income) expense	—	1	(1)	—
Adjusted EBITDA	$ 857	$ 115	$ (12)	$ 960

(1) Primarily represents unallocated corporate costs.

The following table presents adjusted EBITDA by segment and provides a reconciliation to consolidated net income:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2026**	**2025**	**2026**	**2025**
Adjusted EBITDA				
North American LTL	$ 389	$ 308	$ 1,070	$ 857
European Transportation	48	38	129	115
Corporate	(4)	(4)	(13)	(12)
Total Adjusted EBITDA	433	342	1,186	960
Less:				
Debt extinguishment loss	1	—	6	5
Interest expense	50	54	155	166
Income tax provision	60	30	138	89
Depreciation and amortization expense	134	134	398	388
Pre-Con-way acquisition environmental matter [1]	—	35	1	35
Legal matters [2]	—	—	—	(13)
Transaction and integration costs	3	1	7	7
Restructuring costs	5	6	36	26
Net Income	$ 181	$ 82	$ 444	$ 257

(1) Relates to environmental and product liability claims involving a former subsidiary of Con-way, which was sold prior to XPO's acquisition of Con-way in 2015.

(2) Reflects the settlement of claims against certain truck manufacturers related to purchases by our European Transportation segment covering periods prior to our acquisition of Norbert Dentressangle SA in 2015.

The following table presents depreciation and amortization expense by segment:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2026**	**2025**	**2026**	**2025**
Depreciation and amortization expense				
North American LTL	$ 101	$ 98	$ 298	$ 283
European Transportation	32	35	98	101
Corporate	1	1	3	3
Total	$ 134	$ 134	$ 398	$ 388

As of September 30, 2026 and December 31, 2025, we held long-lived tangible assets outside of the U.S., including right of use assets, of $880 million and $844 million, respectively.

3. Revenue Recognition

Our revenue disaggregated by geographic area based on sales office location was as follows:

	Three Months Ended September 30, 2026		
(In millions)	North American LTL	European Transportation	Total
Revenue			
United States	$ 1,441	$ —	$ 1,441
North America (excluding United States)	32	—	32
France	—	343	343
United Kingdom	—	334	334
Europe (excluding France and United Kingdom)	—	223	223
Total	$ 1,473	$ 900	$ 2,373

	Three Months Ended September 30, 2025		
(In millions)	North American LTL	European Transportation	Total
Revenue			
United States	$ 1,228	$ —	$ 1,228
North America (excluding United States)	27	—	27
France	—	331	331
United Kingdom	—	305	305
Europe (excluding France and United Kingdom)	—	220	220
Total	$ 1,255	$ 857	$ 2,111

	Nine Months Ended September 30, 2026		
(In millions)	North American LTL	European Transportation	Total
Revenue			
United States	$ 4,041	$ —	$ 4,041
North America (excluding United States)	89	—	89
France	—	1,050	1,050
United Kingdom	—	965	965
Europe (excluding France and United Kingdom)	—	679	679
Total	$ 4,130	$ 2,694	$ 6,823

	Nine Months Ended September 30, 2025		
(In millions)	North American LTL	European Transportation	Total
Revenue			
United States	$ 3,586	$ —	$ 3,586
North America (excluding United States)	81	—	81
France	—	981	981
United Kingdom	—	845	845
Europe (excluding France and United Kingdom)	—	653	653
Total	$ 3,667	$ 2,479	$ 6,146

4. Restructuring Charges

We engage in restructuring actions as part of our ongoing efforts to best use our resources and infrastructure. These actions primarily relate to business optimization initiatives and generally include severance and facility-related costs, including impairment of lease assets, as well as contract termination costs, and are intended to improve our efficiency and profitability.

Our restructuring-related activity was as follows:

		Nine Months Ended September 30, 2026		
(In millions)	Reserve Balance as of December 31, 2025	Charges Incurred	Payments	Reserve Balance as of September 30, 2026
Severance				
North American LTL	$ 1	$ —	$ (1)	$ —
European Transportation	3	25	(19)	9
Corporate	7	3	(8)	2
Total	$ 11	$ 28	$ (28)	$ 11

In addition to the severance charges noted in the table above, we recorded restructuring-related charges in our European Transportation segment, North American LTL segment and Corporate of $6 million, $2 million and $1 million, respectively, during the first nine months of 2026, which are primarily facility-related costs.

We expect that the majority of the cash outlays related to the severance charges incurred in the first nine months of 2026 will be completed within 12 months.

5. Derivative Instruments

In the normal course of business, we are exposed to risks arising from business operations and economic factors, including fluctuations in interest rates and foreign currencies. We use derivative instruments to manage the volatility related to these exposures. The objective of these derivative instruments is to reduce fluctuations in our earnings and cash flows associated with changes in foreign currency exchange rates and interest rates. These financial instruments are not used for trading or other speculative purposes. Historically, we have not incurred, and do not expect to incur in the future, any losses as a result of counterparty default.

The fair value of our derivative instruments and the related notional amounts were as follows:

		September 30, 2026			
		Derivative Assets		Derivative Liabilities	
(In millions)	Notional Amount	Balance Sheet Caption	Fair Value	Balance Sheet Caption	Fair Value
Derivatives designated as hedges					
Cross-currency swap agreements	$ 249	Other current assets	$ —	Other current liabilities	$ (24)
Cross-currency swap agreements	404	Other long-term assets	—	Other long-term liabilities	(27)
Interest rate swaps	550	Other current assets	—	Other current liabilities	—
Total			$ —		$ (51)

	December 31, 2025				
		Derivative Assets		Derivative Liabilities	
(In millions)	Notional Amount	Balance Sheet Caption	Fair Value	Balance Sheet Caption	Fair Value
Derivatives designated as hedges					
Cross-currency swap agreements	$ 284	Other current assets	$ —	Other current liabilities	$ (32)
Cross-currency swap agreements	369	Other long-term assets	—	Other long-term liabilities	(44)
Interest rate swaps	550	Other current assets	—	Other current liabilities	(2)
Total			$ —		$ (78)

The derivatives are 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 derivative and nonderivative instruments designated as hedges on our Condensed Consolidated Statements of Income was as follows:

	Amount of Gain Recognized in Other Comprehensive Income (Loss) on Derivatives		Amount of Gain Reclassified from AOCI into Net Income		Amount of Gain Recognized in Income on Derivative (Amount Excluded from Effectiveness Testing)	
	Three Months Ended September 30,					
(In millions)	2026	2025	2026	2025	2026	2025
Derivatives designated as cash flow hedges						
Interest rate swaps	$ —	$ —	$ —	$ 1	$ —	$ —
Derivatives designated as net investment hedges						
Cross-currency swap agreements	7	5	—	—	2	3
Total	$ 7	$ 4	$ —	$ 1	$ 2	$ 3

	Amount of Gain (Loss) Recognized in Other Comprehensive Income (Loss) on Derivatives		Amount of Gain Reclassified from AOCI into Net Income		Amount of Gain Recognized in Income on Derivative (Amount Excluded from Effectiveness Testing)	
	Nine Months Ended September 30,					
(In millions)	2026	2025	2026	2025	2026	2025
Derivatives designated as cash flow hedges						
Interest rate swaps	$ 2	$ (1)	$ —	$ 1	$ —	$ —
Derivatives designated as net investment hedges						
Cross-currency swap agreements	24	(79)	—	—	7	8
Total	$ 26	$ (80)	$ —	$ 1	$ 7	$ 8

Cross-Currency Swap Agreements

We enter into cross-currency swap agreements to manage the foreign currency exchange risk related to our international operations by effectively converting our fixed-rate USD-denominated debt, including the associated interest payments, to fixed-rate, euro (“EUR”)-denominated debt. The risk management objective of these transactions is to manage foreign currency risk relating to net investments in subsidiaries denominated in foreign currencies and reduce the variability in the functional currency equivalent cash flows of this debt.

During the term of the swap contracts, we receive interest on a quarterly basis from the counterparties based on USD fixed interest rates, and we pay interest, also on a quarterly basis, to the counterparties based on EUR fixed interest rates. At maturity, we will repay the original principal amount in EUR and receive the principal amount in USD. These agreements expire at various dates through 2028, including two swaps that were extended in October 2026.

We designated these cross-currency swaps as qualifying hedging instruments and account for them as net investment hedges. We apply the simplified method of assessing the effectiveness of our net investment hedging relationships. Under this method, for each reporting period, the change in the fair value of the cross-currency swaps is initially recognized in Accumulated other comprehensive income (loss) ("AOCI"). The change in the fair value due to foreign exchange remains in AOCI and the initial component excluded from effectiveness testing will initially remain in AOCI and then will be reclassified from AOCI to Interest expense each period in a systematic manner. Cash flows related to the periodic exchange of interest payments for these net investment hedges are included in Cash flows from operating activities on our Condensed Consolidated Statements of Cash Flows.

In March 2026, we paid approximately $3 million related to cross-currency swaps that were partially settled during the period. The fair value adjustments related to these swaps remain in AOCI and partially offset foreign currency translation adjustment losses on our net investments in foreign subsidiaries. The payments were included in Cash flows from investing activities on our Condensed Consolidated Statements of Cash Flows.

Interest Rate Hedging

We execute short-term interest rate swaps to mitigate variability in forecasted interest payments on our term loan facilities. The interest rate swaps convert floating-rate interest payments into fixed rate interest payments. We designated the interest rate swaps as qualifying hedging instruments and account for these derivatives as cash flow hedges. Our outstanding interest rate swaps mature in the fourth quarter of 2026.

We record gains and losses resulting from fair value adjustments to the designated portion of interest rate swaps in AOCI and reclassify them to Interest expense on the dates that interest payments accrue. Cash flows related to the interest rate swaps are included in Cash flows from operating activities on our Condensed Consolidated Statements of Cash Flows.

6. Debt

	September 30, 2026		December 31, 2025	
(In millions)	**Principal Balance**	**Carrying Value**	**Principal Balance**	**Carrying Value**
Term loan A facility	$ 500	$ 499	$ —	$ —
Term loan B facility	285	283	985	978
6.25% senior secured notes due 2028	830	826	830	825
7.125% senior notes due 2031	450	447	450	446
7.125% senior notes due 2032	585	578	585	577
6.70% senior debentures due 2034	300	234	300	230
Finance leases and other debt	257	257	257	257
Total debt	3,207	3,124	3,407	3,313
Short-term borrowings and current maturities of long-term debt	129	129	60	60
Long-term debt	$ 3,078	$ 2,995	$ 3,347	$ 3,253

The fair value of our debt and classification in the fair value hierarchy was as follows:

(In millions)	**Fair Value**	**Level 1**	**Level 2**
September 30, 2026	$ 3,216	$ 2,173	$ 1,043
December 31, 2025	3,499	2,254	1,246

We valued Level 1 debt using quoted prices in active markets and Level 2 debt using bid evaluation pricing models.

Revolving Credit Facility

Our revolving credit agreement provides for revolving credit commitments in an aggregate amount of $600 million (the "Revolving Credit Facility"), of which $200 million is available for issuances of letters of credit. The maturity date of the Revolving Credit Facility is April 30, 2030.

As of September 30, 2026, we have approximately $600 million available to draw under our Revolving Credit Facility, after considering outstanding letters of credit of less than $1 million, and we were in compliance with the Revolving Credit Facility's financial covenants.

Letters of Credit Facility

As of September 30, 2026, we have $131 million in aggregate face amount of letters of credit outstanding under our $200 million uncommitted secured evergreen letter of credit facility.

Term Loan A Facility

In May 2026, we entered into a Senior Secured Term Loan A Credit Agreement (the "Term Loan A Credit Agreement"). The agreement provides for a senior secured term loan A facility in an initial aggregate amount of $500 million, maturing on May 29, 2029 (the "Term Loan A Facility"). Proceeds from the Term Loan A Facility were drawn in full on the closing date and, together with the proceeds from the 2026 Term Loan B Facility, defined below, were used to repay borrowings under the prior term loan B credit agreement (the "Prior Term Loan B Facility").

The Term Loan A Facility bears interest at a rate per annum equal to, at the Company's option, either alternate base rate ("ABR") or Term Secured Overnight Financing Rate ("SOFR") plus (i) in the case of ABR loans, 0.25% or, (ii) in the case of Term SOFR loans, 1.25%, which, on or after September 30, 2026, shall be reduced by 0.125% upon achievement of a leverage ratio defined in the Term Loan A Credit Agreement. In the third year of the facility, the Term Loan A Facility is subject to amortization of principal, payable in quarterly installments, equal to 5% of the original principal amount per annum, which may be reduced by prepayments.

Subject to customary exceptions, the Term Loan A Facility includes customary prepayment requirements, representations and warranties, events of default, reporting and other affirmative and negative covenants, including limitations on indebtedness, liens, investments, dividends, repayments of junior financings and asset sales, and is secured by a lien on substantially all of our assets and the assets of our guarantors. Certain covenants under the Term Loan A Credit Agreement will terminate or be amended, and all guarantees and liens securing the facility will be released, upon the Company's achievement of investment grade ratings from at least two rating agencies.

As of September 30, 2026, we were in compliance with the Term Loan A Facility's financial covenants. The interest rate on our Term Loan A Facility was approximately 4.94% as of September 30, 2026.

Term Loan B Facility

In May 2026, we amended our Senior Secured Term Loan Credit Agreement ("Amended Term Loan B Credit Agreement"). Pursuant to the amendment, the lenders provided the Company a new tranche of Term B-4 loans in an initial aggregate principal amount of $385 million, maturing on February 1, 2031 (the "2026 Term Loan B Facility"). The proceeds from the 2026 Term Loan B Facility, together with the proceeds from the Term Loan A Facility, were used to repay $885 million of outstanding principal, representing all outstanding indebtedness under the Prior Term Loan B Facility.

The 2026 Term Loan B Facility bears interest at a rate per annum equal to, at the Company's option, either ABR or Term SOFR plus (i) in the case of ABR loans, 0.50% or, (ii) in the case of Term SOFR loans, 1.50%, which, after November 29, 2026, shall be reduced by 0.125% upon achievement of a leverage ratio defined in the Amended Term Loan B Credit Agreement.

The 2026 Term Loan B Facility includes customary prepayment requirements, representations and warranties, events of default, reporting and other affirmative and negative covenants, including limitations on indebtedness, liens, investments, dividends, repayments of junior financings and asset sales, subject to customary exceptions.

During the first half of 2026, prior to the May 2026 refinancing, we used cash on hand to repay $100 million of outstanding principal under the Prior Term Loan B Facility and, in July 2026, we used cash on hand to repay $100 million of outstanding principal under the 2026 Term Loan B Facility. In October 2026, we used cash on hand to repay $75 million of outstanding principal under the 2026 Term Loan B Facility, which was classified within Short-term borrowings and current maturities of long-term debt as of September 30, 2026.

In total, we used cash on hand to repay $275 million of outstanding principal under our term loans on a cumulative basis year to date as of October 29, 2026. For full year 2025, we used cash on hand to repay $115 million of outstanding principal under the Prior Term Loan B Facility.

We recorded a debt extinguishment loss of $6 million during the nine months ended September 30, 2026, primarily related to the May 2026 refinancing, and a debt extinguishment loss of $5 million during the nine months ended September 30, 2025, primarily related to the refinancing of our term loans in February 2025.

The interest rate on our 2026 Term Loan B Facility was approximately 5.19% as of September 30, 2026.

7. Stockholders' Equity

Share Repurchases

In March 2025, our Board of Directors authorized repurchases of up to $750 million of our common stock. The repurchase authorization permits us to purchase shares in both the open market and in private transactions, with the timing and number of shares dependent on a variety of factors, including price, general business and market conditions, alternative investment opportunities and funding considerations. We retire common shares that we repurchase upon settlement. The share repurchase program has no expiration date and may be utilized over time, with no obligation to repurchase any specific number of shares. We may suspend or discontinue this program at any time. This plan replaced our previous share repurchase plan, authorized in February 2019.

In the third quarter of 2026, we repurchased 765 thousand shares of common stock with an aggregate value of $150 million at an average price of $196.05 per share. In the first nine months of 2026, we repurchased 1.3 million shares of common stock with an aggregate value of $250 million at an average price of $198.05 per share. The share repurchases were funded by cash on hand. In the third quarter of 2025, we repurchased 388 thousand shares of common stock with an aggregate value of $50 million at an average price of $128.86 per share. In the first nine months of 2025, we repurchased 471 thousand shares of common stock with an aggregate value of $60 million at an average price of $127.37 per share. As of September 30, 2026, our remaining share repurchase authorization was $375 million, reflecting $375 million of cumulative repurchases to date under the program.

8. Earnings per Share

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions, except per share data)	2026	2025	2026	2025
Net income	$ 181	$ 82	$ 444	$ 257
Basic weighted-average common shares	117	118	117	118
Dilutive effect of stock-based awards	1	2	1	2
Diluted weighted-average common shares	118	120	118	120
Basic earnings per share	$ 1.55	$ 0.69	$ 3.79	$ 2.18
Diluted earnings per share	$ 1.53	$ 0.68	$ 3.75	$ 2.15

9. Commitments and Contingencies

We are involved, and expect to continue to be involved, in numerous proceedings arising out of the conduct of our business. These proceedings may include claims for property damage or personal injury incurred in connection with the transportation of freight, cargo damage or loss, environmental liability, commercial disputes, insurance coverage disputes and employment-related claims, including claims involving asserted breaches of employee restrictive covenants.

We establish 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. We review and adjust, as appropriate, accruals for loss contingencies at least quarterly and as additional information becomes available. If a loss is not both probable and reasonably estimable, or if an exposure to loss exists in excess of the amount accrued, we assess 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, we disclose the estimate of the possible loss or range of loss if it is material and an estimate can be made, or disclose that such an estimate cannot be made. The determination as to whether a loss can be considered reasonably possible or probable is based on our assessment, together with legal counsel, regarding the ultimate outcome of the matter.

We believe that we have adequately accrued for the potential impact of loss contingencies that are probable and reasonably estimable. We do not believe that the ultimate resolution of any matters to which we are presently a party will have a material adverse effect on our 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 our financial condition, results of operations or cash flows. Legal costs incurred related to these matters are expensed as incurred.

We carry liability and excess umbrella insurance policies that we deem sufficient to cover potential legal claims arising in the normal course of conducting our operations as a transportation company. In the event we are required to satisfy a legal claim outside the scope of the coverage provided by insurance, our financial condition, results of operations or cash flows could be negatively impacted.

Insurance Contribution Litigation

We have been engaged in litigation in a case captioned Allianz Global Risks US Ins. Co. v. ACE Property & Casualty Ins. Co., et al., Multnomah County Circuit Court (Case No. 1204-04552) since we acquired Con-way in 2015. In April 2012, prior to the acquisition, Allianz Global Risks US Ins. Co. (“Allianz”) filed suit against eighteen insurance companies seeking contribution on environmental and product liability claims that Allianz agreed to defend and indemnify on behalf of its insured, Daimler Trucks North America (“DTNA”). These claims involved truck and part manufacturing plants of Freightliner, a former subsidiary of Con-way, which Con-way sold to DTNA in 1981. The defendants had insured Freightliner’s assets and Con-way and Freightliner had self-insured under fronting agreements with three of the defendant insurers, ACE, Westport, and General. Under those agreements, Con-way agreed to indemnify the fronting carriers for damages assessed under the fronting policies. Con-way’s captive insurer, Centron, was also a named defendant. In connection with the acquisition of Con-way, we became responsible for any potential liability of Con-way related to this matter.

After a seven-week jury trial in 2014, the jury found that Con-way and the fronting insurers never intended that the fronting insurers defend or indemnify any claims against Freightliner. In June 2015, Allianz appealed to the Oregon Court of Appeals. In May 2019, the Oregon Court of Appeals upheld the jury verdict. In September 2019, Allianz appealed to the Oregon Supreme Court. In March 2021, the Oregon Supreme Court reversed the jury verdict, holding that it was an error to allow the jury to decide how the parties intended the fronting policies to operate, and also holding that the trial court improperly instructed the jury concerning application of certain policy pollution exclusions. In July 2021, the matter was remanded to the trial court for further proceedings consistent with the Oregon Supreme Court's decision. In June 2023, the trial court decided the parties' cross-motions for summary judgment and determined that the fronting policies do provide coverage for the environmental and product liability claims. The pollution exclusion and allocation issues remained open. The trial on the pollution exclusion issue took place in October 2024, where the jury issued a favorable verdict, finding that the pollution exclusion applied to the General policy over several years for which Allianz seeks contribution. The trial addressing legal and factual issues relating to the allocation of defense and indemnity costs among the applicable insurance policies took place during the first half of 2025 and final hearings on allocation and potential application of prejudgment interest took place in October 2025 and early February 2026, respectively. A hearing on the final judgment occurred in May 2026, and the court entered its final judgment. In the third quarter of 2025, in anticipation of a final judgment, we revised our estimate for our share of the liability associated with this matter and recognized a charge of approximately $35 million, which included an allocation of defense and indemnity costs already incurred by Allianz as well as an estimate of future allocated defense and indemnity costs. The final judgment entered was in alignment with the amount accrued and the expected allocation of defense and indemnity costs already incurred by Allianz. The final judgment is now subject to appeal by Allianz as well as multiple defendants, with Notices of Appeal by Allianz and various defendants submitted in June 2026; the appeals have since been consolidated. No appellate schedule, including briefing schedule, has yet been established, nor have the portions of the final judgment which are subject to the appeals been identified.

This matter is solely related to a legacy Con-way truck manufacturing business and is unrelated to our current Less-than-Truckload 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 future results, levels of activity, performance or achievements to be materially different from our expected 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 actual 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 discussion should be read in conjunction with the Company's unaudited Condensed Consolidated Financial Statements and related notes thereto included elsewhere in this Quarterly Report on Form 10-Q, and with the audited consolidated financial statements and related notes thereto included in the Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K"). Forward-looking statements set forth in this Quarterly Report on Form 10-Q speak only as of the date hereof, and we do not undertake any obligation to update forward-looking statements to reflect subsequent events or circumstances, changes in expectations or the occurrence of unanticipated events, except to the extent required by law.

Executive Summary

XPO, Inc., together with its subsidiaries ("XPO," "we" or the "Company"), is a leading provider of freight transportation services, with company-specific avenues for value creation. We use our proprietary technology to move goods efficiently through our customers' supply chains in North America and Europe. As of September 30, 2026, we had approximately 38,000 employees serving approximately 55,000 customers through 575 owned and leased locations in 17 countries.

Our company has two reportable segments: North American Less-Than-Truckload ("LTL"), the largest component of our business, and European Transportation. Our North American LTL segment includes the results of our trailer manufacturing operation.

Within the tables presented, certain amounts may not add due to the use of rounded numbers. Unless otherwise indicated, percentages presented are calculated from the underlying numbers in millions.

North American LTL Segment

LTL in North America is a bedrock industry providing a critical service to the economy, with secular growth drivers, a favorable pricing environment and an established competitive landscape. XPO operates one of the largest LTL networks in North America, with approximately 9% share of the U.S. market, estimated to be $52 billion in 2025.

Our network serves approximately 38,000 shippers with critical geographic density and day-definite domestic services to approximately 99% of U.S. ZIP codes, as well as cross-border services to Mexico, Canada and the Caribbean. We operate the business to high service standards for on-time delivery and damage-free transport, while balancing our network to leverage our fixed costs. In 2025, we developed new linehaul models that use artificial intelligence (AI) to improve the efficiency of our freight flows, piloted routing innovations for pickup-and-delivery operations and continued to improve productivity with real-time labor analytics at the service center level. Our proprietary developments in intelligent automation and AI-enabled decision-making are directly enhancing profitability.

Our LTL business historically has generated a high return on invested capital and robust free cash flow, funding our ongoing investments in people, capacity and technology. For example, since implementing our growth plan in the fourth quarter of 2021, we have added more than 2,500 net new doors to our network, expanding our presence in high-growth markets while improving our operating ratio.

We have created a strategic growth opportunity by building more than 30% excess door capacity into our network. Additionally, we invest in advancing a host of XPO-specific initiatives that are largely independent of the macroeconomic environment. Our trailer manufacturing facility and commercial truck driver schools are self-reliant competitive advantages for our company, particularly when industry conditions make it difficult to source equipment or drivers.

This positions us to capture profitable market share gains and drive higher incremental margins as market conditions improve. LTL industry capacity is currently constrained below pre-pandemic levels in North America, and we believe that our combination of capacity and technology puts us in a unique position to respond quickly to rebounds in demand as the freight recession eases.

We expect our proprietary, AI-driven capabilities to become increasingly essential to how we operate, compete and create value in all these areas. For more information, see “Technology” below.

European Transportation Segment

XPO has a unique pan-European transportation platform with leading positions in key geographies and deep expertise in consumer, trade and industrial markets. We are the #1 full truckload broker and the #1 pallet network (LTL) provider in France; the #1 full truckload broker and the #1 LTL provider in Iberia (Spain and Portugal); and, in the U.K., we are a market leader in warehousing, a top-tier dedicated truckload provider and have the largest single-owner LTL network. Our extensive customer base includes many sector leaders that have long-tenured relationships with us.

Our full range of freight services in Europe encompasses dedicated truckload, LTL, full truckload brokerage, warehousing, managed transportation, last mile delivery, freight forwarding and, increasingly, multimodal solutions designed for specific customer needs. We use our proprietary technology to manage these services efficiently within our digital ecosystem in Europe.

The previously announced authorization by our Board of Directors to divest the European business remains in effect. There can be no assurance that the divestiture will occur, or of the terms or timing of a transaction.

Technology

One of the ways in which we deliver superior service to our customers is by empowering our employees with technology. Our industry is evolving, and customers want to de-risk their supply chains by forming relationships with reliable service providers that have invested in innovation.

We have built a highly scalable ecosystem on the cloud that deploys our software consistently across our operating footprint. In our North American LTL business, the caliber of our technology is mission-critical to our success; it optimizes pricing, linehaul, pickup-and-delivery and dock operations — the main components of the service we provide. We have been investing in proprietary AI technology and are implementing these initiatives across a number of high-impact applications where intelligent automation and better decision making are directly enhancing profitability. We see AI playing a major role in how we operate, price our services, compete, and create value over the long term.

An LTL network of our scale has hundreds of thousands of activities underway at any given time, all managed on our technology. For the trailing 12 months ended September 30, 2026, we moved approximately 17 billion pounds of freight 794 million miles, including moving linehaul freight an average of 2.6 million miles a day.

With intelligent route-building, we can reduce empty miles in our linehaul network and improve load factor. Our proprietary optimization models analyze massive amounts of data including volume, capacity, and dimensions and generate instructions to maximize trailer utilization, reduce cost, and enhance service. We use our real-time visualization tools to drive efficiencies with pickups and deliveries and a robust pricing platform for contractual account management.

Consolidated Summary Financial Table

	Three Months Ended September 30,		Percent of Revenue		Change	Nine Months Ended September 30,		Percent of Revenue		Change
(Dollars in millions)	**2026**	**2025**	**2026**	**2025**	**2026 vs. 2025**	**2026**	**2025**	**2026**	**2025**	**2026 vs. 2025**
Revenue	$ 2,373	$ 2,111	100.0 %	100.0 %	12.4 %	$ 6,823	$ 6,146	100.0 %	100.0 %	11.0 %
Salaries, wages and employee benefits	949	876	40.0 %	41.5 %	8.3 %	2,759	2,579	40.4 %	42.0 %	7.0 %
Purchased transportation	451	424	19.0 %	20.1 %	6.4 %	1,338	1,250	19.6 %	20.3 %	7.0 %
Fuel, operating expenses and supplies	488	406	20.6 %	19.2 %	20.2 %	1,387	1,183	20.3 %	19.2 %	17.2 %
Operating taxes and licenses	20	21	0.8 %	1.0 %	(4.8)%	63	61	0.9 %	1.0 %	3.3 %
Insurance and claims	32	43	1.3 %	2.0 %	(25.6)%	107	118	1.6 %	1.9 %	(9.3)%
(Gains) losses on sales of property and equipment	2	1	0.1 %	— %	100.0 %	(6)	(2)	(0.1)%	— %	200.0 %
Depreciation and amortization expense	134	134	5.6 %	6.3 %	— %	398	388	5.8 %	6.3 %	2.6 %
Pre-Con-way acquisition environmental matter	—	35	— %	1.7 %	(100.0)%	1	35	— %	0.6 %	(97.1)%
Legal matters	—	—	— %	— %	— %	—	(13)	— %	(0.2)%	(100.0)%
Transaction and integration costs	3	1	0.1 %	— %	200.0 %	7	7	0.1 %	0.1 %	— %
Restructuring costs	5	6	0.2 %	0.3 %	(16.7)%	36	26	0.5 %	0.4 %	38.5 %
Operating income	288	164	12.1 %	7.8 %	75.6 %	733	513	10.7 %	8.3 %	42.9 %
Other income	(3)	(2)	(0.1)%	(0.1)%	50.0 %	(10)	(4)	(0.1)%	(0.1)%	150.0 %
Debt extinguishment loss	1	—	— %	— %	NM	6	5	0.1 %	0.1 %	20.0 %
Interest expense	50	54	2.1 %	2.6 %	(7.4)%	155	166	2.3 %	2.7 %	(6.6)%
Income before income tax provision	240	112	10.1 %	5.3 %	114.3 %	582	346	8.5 %	5.6 %	68.2 %
Income tax provision	60	30	2.5 %	1.4 %	100.0 %	138	89	2.0 %	1.4 %	55.1 %
Net income	$ 181	$ 82	7.6 %	3.9 %	120.7 %	$ 444	$ 257	6.5 %	4.2 %	72.8 %

NM - Not meaningful.

Three and Nine Months Ended September 30, 2026 Compared with Three and Nine Months Ended September 30, 2025

Our consolidated revenue for the third quarter of 2026 increased 12.4% to $2.4 billion, compared with the same quarter in 2025. Our consolidated revenue for the first nine months of 2026 increased 11.0% to $6.8 billion, compared with the same period in 2025. Foreign currency movement decreased revenue by approximately 0.6 percentage points in the third quarter of 2026 and increased revenue by approximately 1.5 percentage points in the first nine months of 2026. The increase in revenue during the third quarter of 2026 and the first nine months of 2026 compared to the same periods in 2025, after taking into effect the impact of foreign currency movements, primarily

reflects higher revenue in both our North American LTL and European Transportation segments, further explained below, and includes the impact of higher revenue from fuel surcharges.

Salaries, wages and employee benefits includes compensation-related costs for our employees, including salaries, wages, incentive compensation, healthcare-related costs and payroll taxes, and covers drivers and dockworkers, operations and facility workers and employees in support roles and other positions. Salaries, wages and employee benefits for the third quarter of 2026 was $949 million, or 40.0% of revenue, compared with $876 million, or 41.5% of revenue, for the same quarter in 2025. Salaries, wages and employee benefits for the first nine months of 2026 was $2.8 billion, or 40.4% of revenue, compared with $2.6 billion, or 42.0% of revenue, for the same period in 2025. The year-over-year increase in both periods primarily reflects higher volumes, wage inflation and higher incentive compensation, partially offset by savings from our restructuring actions in Europe. As a percentage of revenue, the year-over-year decrease in both periods reflects leveraging compensation costs across a larger revenue base.

Purchased transportation includes costs of procuring third-party freight transportation. Purchased transportation for the third quarter of 2026 was $451 million, or 19.0% of revenue, compared with $424 million, or 20.1% of revenue, for the same quarter in 2025. Purchased transportation for the first nine months of 2026 was $1.34 billion, or 19.6% of revenue, compared with $1.25 billion, or 20.3% of revenue, for the same period in 2025. The year-over-year increase in both periods primarily reflects higher prices for purchased transportation, driven in part by higher fuel prices, partially offset by the insourcing of a greater proportion of linehaul from third-party transportation providers in our North American LTL segment. As a percentage of revenue, the year-over-year decrease in both periods reflects proportionally higher revenue growth.

Fuel, operating expenses and supplies includes the cost of fuel purchased for use in our vehicles as well as related taxes, maintenance and lease costs for our equipment, including tractors and trailers, costs related to operating our owned and leased facilities, bad debt expense, third-party professional fees, information technology expenses and supplies expense. Fuel, operating expenses and supplies for the third quarter of 2026 was $488 million, or 20.6% of revenue, compared with $406 million, or 19.2% of revenue, for the same quarter in 2025. Fuel, operating expenses and supplies for the first nine months of 2026 was $1.4 billion, or 20.3% of revenue, compared with $1.2 billion, or 19.2% of revenue, for the same period in 2025. The year-over-year increase in both periods, as well as the increase as a percentage of revenue, primarily reflects higher fuel costs.

Operating taxes and licenses includes tax expenses related to our vehicles and our owned and leased facilities as well as license expenses to operate our vehicles. Operating taxes and licenses for the third quarter of 2026 was $20 million, compared with $21 million for the same period in 2025. Operating taxes and licenses for the first nine months of 2026 was $63 million, compared with $61 million for the same period in 2025.

Insurance and claims includes costs related to vehicular and cargo claims for both purchased insurance and self-insurance programs. Insurance and claims for the third quarter of 2026 was $32 million, compared with $43 million for the same quarter in 2025. Insurance and claims for the first nine months of 2026 was $107 million, compared with $118 million for the same period in 2025. The year-over-year decrease in both periods was primarily related to vehicular reinsurance programs and lower claims expense.

(Gains) losses on sales of property and equipment for the third quarter of 2026 was a loss of $2 million, compared with a loss of $1 million for the same quarter in 2025. (Gains) losses on sales of property and equipment for the first nine months of 2026 was a gain of $6 million, compared with a gain of $2 million for the same period in 2025. The year-over-year increase in the first nine months of 2026 was due to the timing of gains on real estate transactions in our North American LTL segment.

Depreciation and amortization expense for the third quarter of 2026 was $134 million, compared with $134 million for the same quarter in 2025. Depreciation and amortization expense for the first nine months of 2026 was $398 million, compared with $388 million for the same period in 2025. The year-over-year increase in the first nine months of 2026 primarily reflects the impact of capital investments in property, tractors and trailers in our North American LTL segment.

Pre-Con-way acquisition environmental matter for the third quarter of 2025 and the first nine months of 2025 was a charge of $35 million. The charges related to this matter in 2026 were not material. This matter relates to environmental and product liability claims involving truck and part manufacturing plants of a former subsidiary of

Con-way, which they sold in 1981 long before XPO's acquisition of Con-way in 2015. The matter is solely related to a legacy Con-way truck manufacturing business and is unrelated to the operations of our North American LTL segment.

Legal matters for the third quarter of 2025 and the first nine months of 2025 was a gain of $0 million and $13 million, respectively, which reflects the settlement of claims against certain truck manufacturers related to purchases by our European Transportation segment covering periods prior to our acquisition of Norbert Dentressangle SA in 2015. There were no comparable gains in the first nine months of 2026.

Transaction and integration costs for the third quarter of 2026 were $3 million, compared with $1 million for the same quarter in 2025. Transaction and integration costs for the first nine months of 2026 were $7 million, compared with $7 million for the same period in 2025.

Restructuring costs for the third quarter of 2026 were $5 million, compared with $6 million for the same quarter in 2025. Restructuring costs for the first nine months of 2026 were $36 million, compared with $26 million for the same period in 2025. Restructuring costs in both periods primarily related to restructuring actions in our European Transportation segment. We engage in restructuring actions as part of our ongoing efforts to best use our resources and infrastructure. For more information, see Note 4—Restructuring Charges to our Condensed Consolidated Financial Statements.

Other income for the third quarter of 2026 was $3 million, compared with $2 million for the same quarter in 2025. Other income for the first nine months of 2026 was $10 million, compared with $4 million for the same period in 2025. The year-over-year increase in both periods primarily reflects an increase in net periodic pension income.

Debt extinguishment loss for the third quarter of 2026 was $1 million, compared with $0 million for the same period in 2025. Debt extinguishment loss for the first nine months of 2026 was $6 million, compared with $5 million for the same period in 2025. Debt extinguishment loss in both years primarily related to refinancings of our term loan facilities.

Interest expense decreased to $50 million for the third quarter of 2026, compared with $54 million for the same quarter in 2025. Interest expense decreased to $155 million for the first nine months of 2026, compared with $166 million for the same period in 2025. The year-over-year decrease is primarily due to the repayment of debt as well as lower interest rates on our variable rate debt.

Our effective income tax rates were 24.8% and 26.9% for the third quarters of 2026 and 2025, respectively, and 23.8% and 25.8% for the first nine months of 2026 and 2025, respectively. The effective income tax rates for the third quarter and nine-month periods of 2026 and 2025 were based on forecasted full-year effective income tax rates, adjusted for discrete items that occurred within the periods presented.

The decrease in our effective tax rate for the third quarter of 2026 compared to the same period in 2025 was primarily driven by a reduced impact from forecasted non-deductible executive compensation expense as a result of higher pre-tax income in 2026 compared to the same period in 2025. The primary items impacting the effective tax rate for the third quarter of 2026 were losses for which no tax benefit can be recognized and forecasted non-deductible executive compensation.

The decrease in our effective income tax rate for the first nine months of 2026 compared to the same period in 2025 was primarily driven by an increase in a discrete tax benefit from stock-based compensation and a change in estimate related to the discrete benefit associated with a legal entity reorganization in our European Transportation business that occurred in 2024, partially offset by losses for which no tax benefit can be recognized. The primary items impacting the effective tax rate for the first nine months of 2026 were losses for which no tax benefit can be recognized and forecasted non-deductible executive compensation partially offset by a discrete tax benefit from stock-based compensation.

The remaining cash refund we expect to receive in connection with the legal entity reorganization in our European Transportation business is $6 million. This amount is expected to be received in the fourth quarter of 2026 or 2027.

Segment Financial Results

Our chief operating decision maker ("CODM") regularly reviews financial information at the operating segment level to allocate resources to the segments and to assess their performance. For our North American LTL and European Transportation segments, our CODM evaluates segment profit (loss) based on adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"), which we define as income before debt extinguishment loss, interest expense, income tax provision, depreciation and amortization expense, legal matters, transaction and integration costs, restructuring costs and other adjustments. Segment adjusted EBITDA includes an allocation of corporate costs. See Note 2—Segment Reporting to our Condensed Consolidated Financial Statements for further information and a reconciliation of adjusted EBITDA to consolidated net income.

North American Less-Than-Truckload Segment

	Three Months Ended September 30,		Percent of Revenue		Change	Nine Months Ended September 30,		Percent of Revenue		Change
(Dollars in millions)	2026	2025	2026	2025	2026 vs. 2025	2026	2025	2026	2025	2026 vs. 2025
Revenue	$ 1,473	$ 1,255	100.0 %	100.0 %	17.4 %	$ 4,130	$ 3,667	100.0 %	100.0 %	12.6 %
Adjusted EBITDA [(1)]	389	308	26.4 %	24.5 %	26.3 %	1,070	857	25.9 %	23.4 %	24.9 %
Depreciation and amortization	101	98	6.9 %	7.8 %	3.1 %	298	283	7.2 %	7.7 %	5.3 %

(1) Percent of Revenue is calculated using the underlying unrounded amounts.

Revenue in our North American LTL segment increased 17.4% to $1.5 billion for the third quarter of 2026, compared with $1.3 billion for the same quarter in 2025. Revenue in our North American LTL segment increased 12.6% to $4.1 billion for the first nine months of 2026, compared with $3.7 billion for the same period in 2025. Revenue included fuel surcharge revenue of $323 million and $194 million, respectively, for the third quarters of 2026 and 2025, and $838 million and $555 million, respectively, for the first nine months of 2026 and 2025. The increase in fuel surcharge revenue was primarily driven by higher diesel prices.

We evaluate the revenue performance of our LTL business using several commonly used metrics, including tonnage (weight per day in pounds) and yield, which is a commonly used measure of LTL pricing trends. We measure yield using gross revenue per hundredweight, excluding fuel surcharges. Impacts on yield can include weight per shipment and length of haul, among other factors, while impacts on tonnage can include shipments per day and weight per shipment. The following table summarizes our key revenue metrics:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Change %	2026	2025	Change %
Pounds per day (thousands)	68,494	65,236	5.0 %	67,502	66,158	2.0 %
Shipments per day	52,988	50,094	5.8 %	51,697	49,763	3.9 %
Average weight per shipment (in pounds)	1,293	1,302	(0.7)%	1,306	1,329	(1.8)%
Gross revenue per hundredweight, excluding fuel surcharges	$ 26.70	$ 25.77	3.6 %	$ 26.18	$ 25.16	4.0 %

Percentages presented are calculated using the underlying unrounded amounts. Table reflects the results of the North American Less-Than-Truckload segment.

The year-over-year increase in revenue, excluding fuel surcharge revenue, for both the third quarter and first nine months of 2026 reflects higher yield, primarily related to our improvements in service quality and the benefit of numerous pricing initiatives, and higher tonnage. The increase in tonnage for both the third quarter and first nine months of 2026 reflects higher shipments per day partially offset by lower average weight per shipment.

Adjusted EBITDA was $389 million for the third quarter of 2026, compared with $308 million for the same quarter in 2025. Adjusted EBITDA was $1.1 billion for the first nine months of 2026, compared with $857 million for the same period in 2025. The increase in adjusted EBITDA in both periods reflects higher yield, tonnage and fuel surcharge revenue, partially offset by wage inflation and higher fuel costs.

Depreciation and amortization expense increased to $101 million in the third quarter of 2026 compared with $98 million for the same quarter in 2025. Depreciation and amortization expense increased to $298 million in the first nine months of 2026 compared with $283 million for the same period in 2025. The year-over-year increase was primarily due to the impact of capital investments in property, tractors and trailers.

European Transportation Segment

	Three Months Ended September 30,		Percent of Revenue		Change	Nine Months Ended September 30,		Percent of Revenue		Change
(Dollars in millions)	2026	2025	2026	2025	2026 vs. 2025	2026	2025	2026	2025	2026 vs. 2025
Revenue	$ 900	$ 857	100.0 %	100.0 %	5.0 %	$ 2,694	$ 2,479	100.0 %	100.0 %	8.7 %
Adjusted EBITDA [(1)]	48	38	5.3 %	4.5 %	26.3 %	129	115	4.8 %	4.6 %	12.2 %
Depreciation and amortization	32	35	3.6 %	4.1 %	(8.6)%	98	101	3.6 %	4.1 %	(3.0)%

(1) Percent of Revenue is calculated using the underlying unrounded amounts.

Revenue in our European Transportation segment increased 5.0% to $900 million for the third quarter of 2026, compared with $857 million for the same quarter in 2025. Revenue increased 8.7% to $2.7 billion for the first nine months of 2026, compared with $2.5 billion for the same period in 2025. Foreign currency movement decreased revenue by approximately 1.4 percentage points in the third quarter of 2026 and increased revenue by approximately 3.7 percentage points in the first nine months of 2026. The change in revenue in both periods primarily reflects higher fuel revenue, improved pricing and the impact of foreign currency movements.

Adjusted EBITDA was $48 million for the third quarter of 2026, compared with $38 million for the same quarter in 2025. Adjusted EBITDA was $129 million for the first nine months of 2026, compared with $115 million for the same period in 2025. The increase in adjusted EBITDA in both the third quarter and the first nine months of 2026 primarily reflects higher revenue, partially offset by higher purchased transportation and fuel costs.

Depreciation and amortization expense decreased to $32 million in the third quarter of 2026, compared with $35 million for the same quarter in 2025. Depreciation and amortization expense decreased to $98 million in the first nine months of 2026, compared with $101 million for the same period in 2025.

Liquidity and Capital Resources

Our cash and cash equivalents balance was $260 million as of September 30, 2026, compared to $310 million as of December 31, 2025. Our principal existing sources of cash are: (i) cash generated from operations; (ii) borrowings up to $600 million available under our revolving credit agreement (the "Revolving Credit Facility"); and (iii) proceeds from the issuance of other debt. As of September 30, 2026, we have approximately $600 million available to draw under our Revolving Credit Facility, after considering outstanding letters of credit of less than $1 million. Additionally, we have a $200 million uncommitted secured evergreen letter of credit facility, under which we had issued $131 million in aggregate face amount of letters of credit as of September 30, 2026.

See Note 6—Debt to our Condensed Consolidated Financial Statements for further information.

As of September 30, 2026, total liquidity, comprised of cash and cash equivalents and availability under the Revolving Credit Facility, was approximately $860 million. We continually evaluate our liquidity requirements in light of our operating needs, growth initiatives and capital resources. We believe that our existing liquidity and sources of capital are sufficient to support our operations over the next 12 months and for the foreseeable future thereafter.

Trade Receivables Securitization and Factoring Programs

In our European Transportation business, we sell certain of our trade accounts receivable under securitization and factoring programs. We use trade receivables securitization and factoring programs to help manage our cash flows and offset the impact of extended payment terms for some of our customers. For more information, see Note 1—Description of Business and Basis of Presentation to our Condensed Consolidated Financial Statements.

The maximum amount of net cash proceeds available at any one time under our securitization program, inclusive of any unsecured borrowings, is €200 million (approximately $227 million as of September 30, 2026). As of September 30, 2026, the maximum amount available under the program was utilized. Under the securitization program, we service the receivables we sell on behalf of the purchasers. The program expires in March 2029.

Term Loan A Facility

In May 2026, we entered into a Senior Secured Term Loan A Credit Agreement (the "Term Loan A Credit Agreement"). The agreement provides for a senior secured term loan A facility in an initial aggregate amount of $500 million, maturing on May 29, 2029 (the "Term Loan A Facility"). Proceeds from the Term Loan A Facility were drawn in full on the closing date and, together with the proceeds from the 2026 Term Loan B Facility, defined below, were used to repay borrowings under the prior term loan B credit agreement (the "Prior Term Loan B Facility").

The Term Loan A Facility bears interest at a rate per annum equal to, at the Company's option, either alternate base rate ("ABR") or Term Secured Overnight Financing Rate ("SOFR") plus (i) in the case of ABR loans, 0.25% or, (ii) in the case of Term SOFR loans, 1.25%, which, on or after September 30, 2026, shall be reduced by 0.125% upon achievement of a leverage ratio defined in the Term Loan A Credit Agreement. In the third year of the facility, the Term Loan A Facility is subject to amortization of principal, payable in quarterly installments, equal to 5% of the original principal amount per annum, which may be reduced by prepayments.

Subject to customary exceptions, the Term Loan A Facility includes customary prepayment requirements, representations and warranties, events of default, reporting and other affirmative and negative covenants, including limitations on indebtedness, liens, investments, dividends, repayments of junior financings and asset sales, and is secured by a lien on substantially all of our assets and the assets of our guarantors. Certain covenants under the Term Loan A Credit Agreement will terminate or be amended, and all guarantees and liens securing the facility will be released, upon the Company's achievement of investment grade ratings from at least two rating agencies.

As of September 30, 2026, we were in compliance with the Term Loan A Facility's financial covenants. The interest rate on our Term Loan A Facility was approximately 4.94% as of September 30, 2026.

Term Loan B Facility

In May 2026, we amended our Senior Secured Term Loan Credit Agreement ("Amended Term Loan B Credit Agreement"). Pursuant to the amendment, the lenders provided the Company a new tranche of Term B-4 loans in an initial aggregate principal amount of $385 million, maturing on February 1, 2031 (the "2026 Term Loan B Facility"). The proceeds from the 2026 Term Loan B Facility, together with the proceeds from the Term Loan A Facility, were used to repay $885 million of outstanding principal, representing all outstanding indebtedness under the Prior Term Loan B Facility.

The 2026 Term Loan B Facility bears interest at a rate per annum equal to, at the Company's option, either ABR or Term SOFR plus (i) in the case of ABR loans, 0.50% or, (ii) in the case of Term SOFR loans, 1.50%, which, after November 29, 2026, shall be reduced by 0.125% upon achievement of a leverage ratio defined in the Amended Term Loan B Credit Agreement.

The 2026 Term Loan B Facility includes customary prepayment requirements, representations and warranties, events of default, reporting and other affirmative and negative covenants, including limitations on indebtedness, liens, investments, dividends, repayments of junior financings and asset sales, subject to customary exceptions.

During the first half of 2026, prior to the May 2026 refinancing, we used cash on hand to repay $100 million of outstanding principal under the Prior Term Loan B Facility and, in July 2026, we used cash on hand to repay $100 million of outstanding principal under the 2026 Term Loan B Facility. In October 2026, we used cash on hand to repay $75 million of outstanding principal under the 2026 Term Loan B Facility, which was classified within Short-term borrowings and current maturities of long-term debt as of September 30, 2026.

In total, we used cash on hand to repay $275 million of outstanding principal under our term loans on a cumulative basis year to date as of October 29, 2026. For full year 2025, we used cash on hand to repay $115 million of outstanding principal under the Prior Term Loan B Facility.

We recorded a debt extinguishment loss of $6 million during the nine months ended September 30, 2026, primarily related to the May 2026 refinancing, and a debt extinguishment loss of $5 million during the nine months ended September 30, 2025, primarily related to the refinancing of our term loans in February 2025.

The interest rate on our 2026 Term Loan B Facility was approximately 5.19% as of September 30, 2026.

Share Repurchases

In March 2025, our Board of Directors authorized repurchases of up to $750 million of our common stock. The repurchase authorization permits us to purchase shares in both the open market and in private transactions, with the timing and number of shares dependent on a variety of factors, including price, general business and market conditions, alternative investment opportunities and funding considerations. We retire common shares that we repurchase upon settlement. The share repurchase program has no expiration date and may be utilized over time, with no obligation to repurchase any specific number of shares. We may suspend or discontinue this program at any time. This plan replaced our previous share repurchase plan, authorized in February 2019.

In the third quarter of 2026, we repurchased 765 thousand shares of common stock with an aggregate value of $150 million at an average price of $196.05 per share. In the first nine months of 2026, we repurchased 1.3 million shares of common stock with an aggregate value of $250 million at an average price of $198.05 per share. The share repurchases were funded by cash on hand. In the third quarter of 2025, we repurchased 388 thousand shares of common stock with an aggregate value of $50 million at an average price of $128.86 per share. In the first nine months of 2025, we repurchased 471 thousand shares of common stock with an aggregate value of $60 million at an average price of $127.37 per share. As of September 30, 2026, our remaining share repurchase authorization was $375 million, reflecting $375 million of cumulative repurchases to date under the program.

Loan Covenants and Compliance

As of September 30, 2026, we were in compliance with the covenants and other provisions of our debt agreements. Any failure to comply with any material provision or covenant of these agreements could have a material adverse effect on our liquidity and operations.

Sources and Uses of Cash

	Nine Months Ended September 30,	
(In millions)	**2026**	**2025**
Net cash provided by operating activities	$ 906	$ 760
Net cash used in investing activities	(331)	(532)
Net cash used in financing activities	(622)	(185)

During the nine months ended September 30, 2026, we (i) generated cash from operating activities of $906 million and (ii) received proceeds of $885 million from the issuance of the Term Loan A Facility and the 2026 Term Loan B Facility. We used cash during the period primarily to: (i) repay $1.1 billion of outstanding principal under our term loan facilities; (ii) purchase property and equipment of $369 million; (iii) repurchase common stock of $250 million; (iv) make net payments of $124 million related to tax withholding obligations in connection with the vesting of stock compensation awards; and (v) repay $60 million of finance leases and other debt.

During the nine months ended September 30, 2025, we generated cash from operating activities of $760 million. We used cash during this period primarily to: (i) purchase property and equipment of $551 million; (ii) repurchase common stock of $57 million; (iii) repay $56 million of finance leases and other debt; (iv) repay $50 million of outstanding principal under the Prior Term Loan B Facility; and (v) make net payments of $47 million related to tax withholding obligations in connection with the vesting of stock compensation awards.

Cash flows from operating activities for the nine months ended September 30, 2026 increased by $146 million, compared with the same period in 2025. The increase primarily reflects higher net income of $187 million in the first nine months of 2026, compared with the same period in 2025, partially offset by lower deferred tax expense of $37 million in the first nine months of 2026, which is added back in the determination of operating cash flows.

Investing activities used $331 million of cash in the nine months ended September 30, 2026 and $532 million of cash in the nine months ended September 30, 2025. During the nine months ended September 30, 2026, we used $369 million to purchase property and equipment, as compared to a $551 million usage of cash in the same period in 2025. The decrease is due to planned reductions in capital expenditures in 2026 compared to 2025.

Financing activities used $622 million of cash in the nine months ended September 30, 2026 and $185 million of cash in the nine months ended September 30, 2025. The primary uses of cash from financing activities during the first nine months of 2026 were $1.1 billion to repay outstanding principal under our term loan facilities, $250 million to repurchase common stock, $124 million to make net payments for tax withholdings on vested stock compensation awards, and $60 million to repay finance leases and other debt. The primary uses of cash from financing activities during the first nine months of 2025 were $57 million to repurchase common stock, $56 million to repay finance leases and other debt, $50 million to repay outstanding principal under the Prior Term Loan B Facility, and $47 million to make net payments for tax withholdings on vested stock compensation awards, primarily during the first quarter of 2025. The primary source of cash from financing activities during the first nine months of 2026 was $885 million of proceeds from the issuance of the Term Loan A Facility and the 2026 Term Loan B Facility and $9 million of proceeds from bank overdrafts, compared to $24 million of proceeds from bank overdrafts in the same period of 2025.

Except as set forth above under Term Loan A Facility and Term Loan B Facility, there were no material changes to our December 31, 2025 contractual obligations during the nine months ended September 30, 2026. We anticipate full year gross capital expenditures to be between $500 million and $600 million in 2026, funded by cash on hand, cash generated from operations and available liquidity.

New Accounting Standards

Information related to new accounting standards is included in Note 1—Description of Business and Basis of Presentation to our Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk.***

We are exposed to market risk related to changes in interest rates, foreign currency exchange rates and commodity prices. There have been no material changes to our quantitative and qualitative disclosures about market risk during the nine months ended September 30, 2026, as compared with the quantitative and qualitative disclosures about market risk described in our 2025 Form 10-K.

Item 4. ***Controls and Procedures.***

Conclusion Regarding the Effectiveness 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 September 30, 2026. Based on that evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective as of September 30, 2026, 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

There have not been any changes in our internal control over financial reporting during the quarter ended September 30, 2026 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.*

For information related to our legal proceedings, refer to "Legal Proceedings" in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 and Note 9—Commitments and Contingencies of Item 1, "Financial Statements" of this Quarterly Report on Form 10-Q.

Item 1A. *Risk Factors.*

There are no material changes to the risk factors previously disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds.*

There were no issuances of unregistered securities during the quarter ended September 30, 2026.

Issuer Purchases of Equity Securities

(In millions, except share and per share data)	Total Number of Shares Purchased [1]	Average Price Paid Per Share	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 [2]
July 1, 2026 - July 31, 2026	39,655	$ 198.19	39,655	$ 517
August 1, 2026 - August 31, 2026	460,566	200.05	460,566	425
September 1, 2026 - September 30, 2026	264,857	188.77	264,857	375
Total	765,078	$ 196.05	765,078	$ 375

(1) Based on trade date.

(2) On March 27, 2025, we announced that our Board of Directors authorized repurchases of up to $750 million of our common stock. The program has no expiration date and may be utilized over time, with no obligation to repurchase any specific number of shares. We may suspend or discontinue the program at any time. For further details, refer to Note 7—Stockholders' Equity to our Condensed Consolidated Financial Statements.

Item 3. *Defaults Upon Senior Securities.*

None.

Item 4. *Mine Safety Disclosures.*

Not applicable.

Item 5. ***Other Information.***

Trading Plans

On August 13, 2026, Christopher Brown, Chief Accounting Officer, entered into a 10b5-1 trading plan. The trading plan for Mr. Brown provides for the potential sale of up to 7,000 shares of Company common stock. Mr. Brown's trading plan will be in effect until the earlier of (i) November 15, 2027 and (ii) the date upon the completion or expiration of all transactions under the trading plan.

On September 11, 2026, Mario Harik, Chairman and Chief Executive Officer, entered into a 10b5-1 trading plan. The trading plan for Mr. Harik provides for the potential sale of up to 67,200 shares of Company common stock. Mr. Harik's trading plan will be in effect until the earlier of (i) November 30, 2027 and (ii) the date upon the completion or expiration of all transactions under the trading plan.

Each of the trading plans was entered into during an open insider trading window and intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended, and the Company's policies regarding transactions in Company securities.

Executive Compensation Agreement

On October 29, 2026, the Company entered into a letter agreement and a Change in Control and Severance Agreement (together, the "Agreements") with Mario Harik, the Company's Chairman and Chief Executive Officer. The Agreements replace the employment agreement with Mr. Harik that was scheduled to expire on November 1, 2026 and provide for his continued employment as the Company's Chairman and Chief Executive Officer without a fixed term. The Agreements provide for an annual base salary of $1,150,000, a target annual bonus of 200% of base salary and annual long-term incentive awards, with a 2027 grant date value of $12,000,000. Mr. Harik is further bound by confidentiality, non-competition, non-solicitation and non-disparagement covenants, including a three-year non-compete covenant. The Agreements also provide for severance on a termination without cause or a resignation for good reason. Enhanced severance applies if the termination occurs in connection with a change of control, and all severance is subject to a release of claims. This description is qualified in its entirety by reference to the Agreements, which are filed as Exhibits 10.1 and 10.2 to this Quarterly Report on Form 10-Q.

Item 6. *Exhibits.*

Exhibit Number	Description
10.1 +*	Letter Agreement, dated October 29, 2026, between the registrant and Mario Harik.
10.2 +*	Change in Control and Severance Agreement, dated October 29, 2026, between the registrant and Mario Harik.
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-Q for the fiscal quarter ended September 30, 2026.
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-Q for the fiscal quarter ended September 30, 2026.
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-Q for the fiscal quarter ended September 30, 2026.
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-Q for the fiscal quarter ended September 30, 2026.
101.INS *	*XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.*
101.SCH *	*XBRL Taxonomy Extension Schema.*
101.CAL *	*XBRL Taxonomy Extension Calculation Linkbase.*
101.DEF *	*XBRL Taxonomy Extension Definition Linkbase.*
101.LAB *	*XBRL Taxonomy Extension Label Linkbase.*
101.PRE *	*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.

XPO, INC.

By: /s/ Mario Harik
Mario Harik
Chairman and Chief Executive Officer
(Principal Executive Officer)

By: /s/ Kyle Wismans
Kyle Wismans
Chief Financial Officer
(Principal Financial Officer)

Date: October 29, 2026

Exhibit 10.1
[EXECUTION VERSION]



October 29, 2026

Mario Harik
XPO, Inc.
1 International Place
Suite 1610
Boston, MA 02111

Dear Mario,

This letter agreement (this "**Letter Agreement**"), effective as of November 1, 2026 (the "**Effective Date**"), is entered into by and between XPO, Inc., a Delaware corporation (together with its successors and assigns, the "**Company**"), and you, Mario Harik ("**Employee**"). Employee currently serves, and shall continue to serve, as the Chief Executive Officer of the Company and Chairman of the Board of Directors of the Company (the "**Board**").

1. Salary and Compensation

As of the Effective Date, Employee's compensation package shall be as follows:

(a) Base Salary. The Company shall pay Employee, pursuant to the Company's normal and customary payroll procedures but not less frequently than monthly, a base salary at the rate per annum of $1,150,000 (the "**Base Salary**"). The Base Salary is subject to review annually, but will not be decreased, by the Compensation Committee (the "**Compensation Committee**") of the Board in its sole discretion, and any increased amount shall thereafter be the "Base Salary" for all purposes of this Letter Agreement, the CIC Severance Agreement and the CIPA (each as defined below).

(b) Annual Bonus. As additional compensation, Employee will receive a performance-based bonus opportunity (the "**Annual Bonus**") for each year of Employee's employment (including 2026) with a target of 200% of Base Salary (the "**Target Bonus**"), based upon Employee's achievement of performance goals as determined by the Compensation Committee.

(c) Benefits. Employee shall be eligible to participate in all benefit plans and programs of the Company that are generally available to other members of the Company's senior executive team, on terms no less favorable than those provided to such other members, subject to the terms and conditions of such plans and programs.

(d) Paid-Time Off. Employee shall be entitled to 25 days paid-time off, and any holidays that are generally afforded to the Company's employees, in each case, per calendar year, prorated for the portion(s) of any partial calendar year.

(e) Business Expenses. The Company shall provide Employee a Company-owned wireless smartphone and Company-owned laptop computer and shall pay or reimburse Employee for all reasonable and necessary business expenses incurred in the performance of Employee's duties to the Company during Employee's employment upon the presentation of appropriate statements of such expenses.

(f) Annual Long-Term Incentive Opportunity. Employee will receive annual long-term incentive compensation awards throughout Employee's employment, subject to approval by the Compensation Committee. Employee will receive fiscal year 2027 annual long-term incentive awards from the Company with a total grant date value of $12,000,000, no later than the date on which fiscal year 2027 annual long-term incentive awards are granted to other senior executives of the Company. Eighty percent of such award opportunity is expected to be granted in the form of performance-based restricted stock units, and twenty percent of such award opportunity is expected to be granted in the form of time-based restricted stock units. The grant of the long-term incentive award and all terms and conditions thereof (including vesting terms and conditions) shall be subject to the approval of the Compensation Committee. The Compensation Committee may consider the amount of the 2027 long-term incentive awards as a reference point for each subsequent annual grant, subject to the Compensation Committee's sole discretion to determine such amounts and other terms and conditions.

2. Employment Duties

Excluding any periods of paid-time off or approved sick leave to which Employee is entitled, Employee shall devote substantially all of Employee's business time, energy and attention to the performance of Employee's duties and responsibilities to the Company and shall faithfully and diligently endeavor to promote the business and best interests of the Company. Employee shall perform such duties as are customarily performed by an individual in Employee's position at a public company and such other duties consistent with Employee's position as may reasonably be assigned from time to time by the Board. Employee shall be the most senior executive of the Company and its affiliates and shall report directly and exclusively to the Board. Employee may not, without the prior written consent of the Board (which consent shall not be unreasonably withheld), directly or indirectly, operate, participate in the management, operations or control of, or act as an employee, officer, consultant, partner, member, agent or representative of, any type of business or service other than as an employee and member of the Company (other than service on any board of directors of which Employee is a member as of the date hereof). It shall not, however, be a violation of the foregoing provisions for Employee to (a) serve as an officer or director or otherwise participate in non-profit, educational, social welfare, religious and civic organizations or
(b) manage Employee's personal, financial and legal affairs and personal and family investments (including indirectly through Employee's family office, and including by forming, owning, controlling and serving as an officer, director or manager of one or more family offices established to manage the assets of Employee and his family members), in each case so long as any such activities do not unreasonably interfere with the performance of Employee's duties and responsibilities to the Company and are in compliance with the CIPA (as defined below).

3. Severance Benefits

Employee shall be eligible for severance payments and other benefits upon certain qualifying termination events, subject to the terms and conditions in the Change in Control and Severance Agreement (the "**CIC Severance Agreement**") that Employee is executing and delivering to the Company on the date hereof. Employee also acknowledges that Employee is executing and delivering to the Company a Confidential Information Protection Agreement (the "**CIPA**") on the date hereof.

4. Legal Considerations

Employee's employment with the Company will continue to be "at-will." This means that either Employee or the Company may terminate the employment relationship at any time and for any reason, in accordance with and subject to the terms of the CIC Severance Agreement, including notice requirements.

5. Entire Agreement

From and after the Effective Date, this Letter Agreement, together with the CIC Severance Agreement and CIPA, shall constitute the entire agreement and understanding between the parties hereto with respect to Employee's employment hereunder and, as of the Effective Date, supersedes and is in full substitution for any and all prior understandings or agreements (whether written or oral) with respect to Employee's employment; provided that nothing herein shall adversely affect (i) any outstanding equity or long-term incentive awards held by Employee as of the Effective Date, which shall continue to be governed by their terms (except that, to the extent more favorable to Employee, the definitions of "Cause," "Good Reason" and "Change in Control" and the treatment set forth in the CIC Severance Agreement shall apply thereto),
(ii) any right of Employee to indemnification, advancement of expenses or directors' and officers' liability insurance coverage, or (iii) any vested rights of Employee under any plan or program of the Company. The Company does not make and has not made, and Employee does not rely and has not relied on any statement, omission, representation or warranty, written or oral, of any kind or nature whatsoever, regarding the Company.

6. Indemnification; Insurance

The Company shall indemnify Employee and hold Employee harmless, and shall advance expenses (including reasonable attorneys' fees) to Employee, to the fullest extent permitted by applicable law as set forth in the Company's certificate of incorporation and bylaws, with respect to any actions, suits, proceedings, claims, demands, judgments, costs, expenses, losses and damages resulting from or relating to Employee's service as an officer, director or employee of the Company or any of its affiliates. During Employee's employment and for not less than six years thereafter, the Company shall cover Employee under its directors' and officers' liability insurance policies on terms no less favorable than those provided to any other director or officer of the Company. The provisions of this Section 6 shall survive the termination of Employee's employment and of this Letter Agreement.

7. Governing Law; Disputes

This Letter Agreement shall be governed by and construed in accordance with its express terms, and otherwise in accordance with the laws of the State of Delaware without reference to its principles of conflicts of law. Any claim initiated by either party arising out of or relating to this Letter Agreement, or the breach thereof, or Employee's employment, or the termination thereof, shall be resolved by binding arbitration before a single arbitrator in the State of Delaware administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The Company shall pay all fees and expenses of the arbitrator and the American Arbitration Association, and any other costs that Employee would not have incurred had the claim been brought in court.

8. Counterparts

This Letter Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Signatures delivered by facsimile or electronic means (including by "pdf") shall be deemed effective for all purposes.

Signature Page Follows.

IN WITNESS WHEREOF, each of the parties has executed this Letter Agreement, in the case of the Company by its duly authorized officer, as of the date set forth below.

XPO, INC.

By: /s/ Carolyn Roach
Carolyn Roach
Chief Human Resources Officer

Date: October 29, 2026

EMPLOYEE

By: /s/ Mario Harik
Mario Harik

Date: October 28, 2026

Signature page to Letter Agreement

Exhibit 10.2
[EXECUTION VERSION]

CHANGE IN CONTROL AND SEVERANCE AGREEMENT

This CHANGE IN CONTROL AND SEVERANCE AGREEMENT (this "**Agreement**") is made and entered into by and between XPO, Inc., a Delaware corporation (the "**Company**"), and Mario Harik ("**Employee**"). This Agreement will become effective on the date the Company and Employee fully execute this Agreement (the "**Effective Date**").

WHEREAS, Employee and the Company are entering into a letter agreement (the "**Letter Agreement**") and Confidential Information Protection Agreement ("**CIPA**") concurrently with the execution of this Agreement;

WHEREAS, the Board of Directors of the Company (the "**Board**") recognizes the possibility of an involuntary termination or reduction in responsibility that may cause Employee to consider alternative employment opportunities, and as such, the Board has determined it is in the best interests of the Company and its stockholders to assure that the Company will have the continued dedication and objectivity of Employee, notwithstanding the possibility, threat or occurrence of such an event; and

WHEREAS, the Board believes that it is imperative to provide Employee with severance benefits upon certain terminations of Employee's service to the Company that enhance Employee's financial security and provide incentive to Employee to remain with the Company notwithstanding the possibility of such an event.

NOW THEREFORE, in consideration of the premises and mutual covenants herein and for other good and valuable consideration, Employee and the Company agree as follows:

1. At-Will Employment. The Company and Employee acknowledge that Employee's employment is and shall continue to be "at-will," as defined under applicable law. If Employee's employment terminates for any reason, Employee shall not be entitled to any payments, benefits, damages, awards or compensation other than as provided by this Agreement, pursuant to the terms of any incentive award agreement or employee benefit plan or required under applicable law.

2. Termination. Employee's employment hereunder shall be terminated upon the earliest to occur of any one of the following events:

(a) Death. Employee's employment hereunder shall terminate upon his death.

(b) Cause. The Company may terminate Employee's employment hereunder for Cause by written notice at any time. For purposes of this Agreement, the term "**Cause**" shall mean Employee's (i) gross negligence or willful failure to perform his material duties hereunder (other than any such failure resulting from incapacity due to Disability, death or physical or mental illness) or willful refusal to follow any lawful directive of the Board that is consistent with Employee's position and duties; (ii) abuse of or dependency on alcohol or drugs (illicit or otherwise) that materially and adversely affects Employee's performance of duties hereunder; (iii) commission of any fraud, embezzlement, theft or any deliberate and material misappropriation of money or other assets of the Company; (iv) willful and material breach of any material term of this Agreement, including, without limitation, by virtue of failing to provide at least 30 days' advance written notice of resignation as required by Section 2(e), or any agreement governing any of the long-term incentive compensation or equity compensation awards granted to Employee by the Company, its affiliates or any of their respective predecessors (the "**Long-Term Incentive Compensation**"), in each case, prior to a Change of Control (as defined in the Company's 2016 Omnibus Incentive Compensation Plan, as amended) ("**Change of Control**"), or willful and material breach of his fiduciary duties to the Company; (v) any willful and material act, or failure to act, in bad faith to the material

detriment of the Company; (vi) willful and material failure to cooperate in good faith with a governmental or internal investigation of the Company or any of its directors, managers, officers or employees, if the Company requests his cooperation; (vii) prior to a Change of Control, violation of the Company's code of conduct or ethics policy that results in, or would reasonably be expected to result in, material harm to the Company; or (viii) conviction of, or plea of nolo contendere to, a felony that results in material harm to the Company or materially impairs Employee's ability to perform his duties; provided that, the Company will provide Employee with written notice describing the facts and circumstances that the Company believes constitute Cause and, in cases where cure is possible, Employee shall first be provided a 30-day period to reasonably cure such facts and circumstances, during which period the Company may place Employee on a leave of absence and such leave will not constitute Good Reason; and provided further, that Employee shall not be terminated for Cause unless the Board has determined, by a vote of not less than two-thirds of its members (excluding Employee), after reasonable written notice to Employee and an opportunity for Employee, together with counsel, to be heard before the Board, that Cause exists. No act or failure to act shall be considered "willful" unless it is done, or omitted to be done, by Employee in bad faith or without a reasonable belief that the action or omission was in the best interests of the Company, and any act or failure to act based upon authority given pursuant to a resolution duly adopted by the Board or upon the advice of counsel for the Company shall be conclusively presumed to be done in good faith and in the best interests of the Company. If, subsequent to Employee's termination of employment hereunder for any reason other than by the Company for Cause, it is determined in good faith by the Board that Employee's employment could have been terminated by the Company for Cause pursuant to this Section 2(b), Employee's employment shall, at the election of the Board at any time up to two years after Employee's termination of employment but in no event more than six months after the Board learns of the facts or events that could give rise to the termination for Cause, be deemed to have been terminated for Cause retroactively to the date the events giving rise to Cause occurred, provided that the Company's ability to deem Employee's employment under this sentence to be terminated for Cause shall lapse upon a Change of Control; and provided further that any determination subsequent to Employee's termination of employment hereunder shall also be determined by the Board, by a vote of not less than two-thirds of its members (excluding Employee), after reasonable written notice to Employee and an opportunity for Employee, together with counsel, to be heard before the Board.

(c) Without Cause. The Company may terminate Employee's employment hereunder without Cause upon at least 30 days' advance written notice at any time.

(d) Good Reason. Employee may terminate his employment hereunder for Good Reason in accordance with the terms of this Section 2(d). For purposes of this Agreement, "**Good Reason**" shall mean, without first obtaining Employee's written consent: (i) the Company materially breaches the terms of this Agreement or any agreement between Employee and the Company or its affiliates, including the Letter Agreement, agreements related to incentive awards, and the CIPA; (ii) the Company diminishes Employee's title(s) or reporting relationship(s), or materially diminishes Employee's duties, authorities, responsibilities or position from any of those in effect as of the Effective Date (or as may be increased or modified with prior written consent of Employee thereafter) or, immediately preceding any Change of Control (including by virtue of Employee not having duties of a Chairman and Chief Executive Officer of a publicly-traded company) or as subsequently increased or enhanced; provided, that a separation by the Company of the Chairman and Chief Executive Officer roles resulting in Employee no longer serving as Chairman shall not constitute Good Reason if such separation is required by applicable law, regulation or listing exchange requirement; (iii) the Company reduces the Base Salary or Target Bonus (each as defined in the Letter Agreement); (iv) the Company requires that Employee be based in a location that is more than 35 miles from the location of Employee's principal place of employment; or (v) Employee not reporting directly and exclusively to the Board (or, following a Change of Control, to the board of directors of a publicly-traded company); provided that, the Company

shall first be provided a 30-day cure period (the "**Cure Period**"), following receipt of written notice setting forth in reasonable detail the specific event, circumstance or conduct of the Company that constitutes Good Reason, to cease, and to cure, any event, circumstance or conduct specified in such written notice, if curable; provided further, that such notice shall be provided to the Company within 90 days of the occurrence of the event, circumstance or conduct constituting Good Reason. If, at the end of the Cure Period, the event, circumstance or conduct that constitutes Good Reason has not been remedied, Employee will be entitled to terminate employment for Good Reason during the 90-day period that follows the end of the Cure Period. If Employee does not terminate employment during such 90-day period, Employee will not be permitted to terminate employment for Good Reason as a result of such event, circumstance or conduct.

(e) Resignation. Employee may terminate his employment hereunder without Good Reason at any time upon at least 30 days' advance written notice (or, in the case of Retirement, the notice required under Section 2(g)) to the Company.

(f) Disability. Employee's employment hereunder shall terminate in the event of Employee's Disability. For purposes of this Agreement, "**Disability**" shall mean the inability of Employee, due to illness, accident or any other physical or mental incapacity, to perform Employee's material duties for the Company for an aggregate of 180 days within any period of 12 consecutive months, which inability is determined to be total and permanent by a board-certified physician selected by the Company, at the Company's expense, and reasonably acceptable to Employee, and the determination of such physician shall be binding upon Employee and the Company.

(g) Retirement. Employee's employment hereunder shall terminate in the event of Employee's Retirement. For purposes of this Agreement, "**Retirement**" shall mean Employee's voluntary termination of employment at any time when Employee has not received notice of Cause and, as of the Date of Termination, has satisfied the Rule of 65 (as defined below); provided, that, Employee shall provide the Company with at least twelve (12) months' advance written notice of Employee's Retirement (which notice may be delivered prior to the date on which Employee satisfies the Rule of 65, so long as the Rule of 65 is satisfied as of the Date of Termination); and provided, further, that, if requested by the Company, Employee shall use commercially reasonable efforts to cooperate with the Company in providing transition services, whether as an employee, non-employee advisor, consultant, director or in any other capacity, on such terms as are mutually agreed by Employee and the Company. For purposes of this Agreement, "**Rule of 65**" means Employee has either attained age 65 or attained age 50 and completed at least fifteen (15) years of service with the Company and its affiliates, and "**Rule of 70**" means Employee has either attained age 70 or attained age 55 and completed at least fifteen (15) years of service with the Company and its affiliates.

(h) "**Date of Termination**" shall mean: (i) the date of Employee's death in the event of termination of Employee's employment pursuant to Section 2(a) of this Agreement; (ii) the date of the Company's delivery of a notice of termination to Employee or such later date as specified in such notice in the event of termination by the Company, which date shall be no earlier than 30 days following delivery of such notice, pursuant to Section 2(c) of this Agreement; (iii) upon expiration of the 30-day cure period without cure of the Cause in the event of termination by the Company pursuant to Section 2(b); (iv) the 30th day following delivery of Employee's notice to the Company of his resignation in accordance with Section 2(e) (or such earlier date as selected by the Company), or upon expiration of the 30-day cure period without cure of the Good Reason in the event of resignation in accordance with Section 2(d); and (v) the date of a determination of Employee's Disability in the event of a termination of Employee's employment pursuant to Section 2(f) of this Agreement. In the event of Employee's Retirement, the Date of Termination shall be the date specified in Employee's notice of Retirement (other

than a resignation for Good Reason), and notwithstanding clause (iv) above, which shall be no earlier than twelve (12) months following delivery of such notice, or such earlier date as is mutually agreed by Employee and the Company. Upon the termination of Employee's employment for any reason, if requested by the Company, Employee shall resign from any and all officer and director positions that Employee, immediately prior to such termination, held with the Company and its affiliates (including as a member of the Board), and Employee agrees to execute any documents or instruments that the Company may deem necessary or desirable to effectuate such resignations.

3. Termination Payments. (a) General. Except as otherwise set forth in this Section 3, following any termination of Employee's employment hereunder, the obligations of the Company to pay or provide Employee with compensation and benefits under the Letter Agreement shall cease, and the Company shall have no further obligations to provide compensation or benefits to Employee hereunder except for payment of (i) any unpaid Base Salary accrued through the Date of Termination; (ii) to the extent required by law, any unused paid time off accrued through the Date of Termination; (iii) any unpaid or unreimbursed obligations and expenses under "Business Expenses" in the Letter Agreement, accrued or incurred through the Date of Termination; (iv) other than in the case of a termination for Cause, any Annual Bonus (as defined in the Letter Agreement) earned for a completed fiscal year that is unpaid as of the Date of Termination; and (v) any vested compensation or benefits under any plan, program or arrangement of the Company, in accordance with its terms (collectively clauses (i) through (v) above, the "**Accrued Benefits**"). The payments referred to in clauses (i) and (ii) above shall be paid within 30 days following the Date of Termination, subject to compliance with Section 409A of the Internal Revenue Code of 1986, as amended ("**Section 409A**" and the "**Code**," respectively). The payments referred to in clause (iii) above shall be paid at the times such amounts would otherwise be paid had Employee's services hereunder not terminated. The payment referred to in clause (iv) above shall be paid when annual bonuses for such fiscal year are paid to other senior executives of the Company, but in no event later than March 15 of the year following the year to which such Annual Bonus relates. The payments and benefits to be provided to Employee under Sections 3(c) and 3(d) of this Agreement, if any, shall in all events be subject to the satisfaction of the conditions of Section 3(e) of this Agreement.

(b) Resignation, Cause or Retirement. If Employee's employment is terminated pursuant to Section 2(b), 2(e) or 2(g) of this Agreement (excluding, for the avoidance of doubt, a resignation for Good Reason), the Company shall have no obligation to Employee other than with respect to the Accrued Benefits. Notwithstanding the foregoing, in the event that Employee's employment terminates as a result of Employee's Retirement and the Company does not retroactively deem such termination of employment to be for Cause pursuant to Section 2(b), (i) all then-outstanding and unvested time-based equity awards held by Employee shall vest and settle promptly thereafter and (ii) Employee shall be entitled to forty percent (40%) of the vesting, as of the Date of Termination, of each outstanding and unvested performance-based equity award held by Employee, based on an assumption of target performance, with settlement promptly thereafter. Such percentage shall increase on a straight-line basis from forty percent (40%) upon satisfaction of the Rule of 65 to one hundred percent (100%) upon satisfaction of the Rule of 70, including proportional credit for partial years (or, in each case, such greater percentage as the Compensation Committee may determine in its sole discretion), and, upon satisfaction of the Rule of 70, Employee shall be entitled to one hundred percent (100%) of such aforementioned outstanding and unvested performance-based equity awards.

(c) Without Cause, for Good Reason, Death or Disability. In the event that, other than during the CIC Protection Period (as defined below), Employee terminates employment by reason of death or Disability, Employee resigns for Good Reason, or the Company terminates Employee's employment hereunder without Cause, Employee (or his estate) shall be entitled to:

(i) the Accrued Benefits;

(ii) solely in the case of a termination by the Company without Cause or by Employee for Good Reason, a cash payment (the "**Severance Payment**") equal to the sum of (w) twenty-four (24) months' Base Salary, as in effect on the Date of Termination (payable subject to the terms of Section 3(e) of this Agreement), (x) the product of (A) the Target Bonus as in effect on the Date of Termination and (B) a fraction, the numerator of which is the number of days from January 1 in the year in which the Date of Termination occurs through the Date of Termination and the denominator of which is 365, (y) any Annual Bonus that Employee has earned prior to the Date of Termination but is unpaid as of the Date of Termination, (z) an amount equal to two (2) times the Target Bonus in effect on the Date of Termination (without regard to any reduction thereto that would provide a basis for Employee to resign for Good Reason), and (ww) except in the case of termination by reason of Employee's death, continued medical and dental coverage for Employee and Employee's spouse and eligible dependents, at the Company's sole cost, for a period of twelve months from the Date of Termination; provided that, if Employee becomes eligible to receive medical and dental benefits under a plan of a subsequent employer, the medical or dental benefits provided under this clause (ii) shall cease as of the date of such eligibility; and

(iii) vesting of equity-based or other long-term incentive compensation awards solely to the extent set forth in the applicable award agreement; provided that, notwithstanding anything to the contrary in the applicable award agreement, in the case of a termination by the Company without Cause or by Employee for Good Reason or by reason of Employee's death or Disability, all time-based awards and performance-based awards shall vest as of the Date of Termination and settle promptly thereafter, with such performance-based awards vesting based on an assumption of target performance.

(d) Without Cause or for Good Reason Following a Change of Control. In the event that during the period commencing six (6) months prior to a Change of Control and ending on the second anniversary of such Change of Control (the "CIC Protection Period"), the Company terminates Employee's employment hereunder without Cause or Employee resigns for Good Reason, Employee shall be entitled to:

(i) the Accrued Benefits;

(ii) a cash payment (the "**CIC Severance Payment**") equal to 2.99 times the sum of (A) the Base Salary as in effect on the Date of Termination (without regard to any reduction thereto that would provide a basis for Employee to resign for Good Reason) and (B) the Target Bonus as in effect on the Date of Termination (without regard to any reduction thereto that would provide a basis for Employee to resign for Good Reason);

(iii) a cash payment equal to the product of (A) the Target Bonus as in effect on the Date of Termination (without regard to any reduction thereto that would provide a basis for Employee to resign for Good Reason) and (B) a fraction, the numerator of which is the number of days from January 1 in the year in which the Date of Termination occurs through the Date of Termination and the denominator of which is 365;

(iv) a cash payment equal to the amount of any Annual Bonus that Employee has earned prior to the Date of Termination but is unpaid as of the Date of Termination;

(v) continued medical and dental coverage for Employee and Employee's spouse and eligible dependents, at the Company's sole cost, for a period of 24 months from the Date of Termination; and

(vi) full vesting of all outstanding equity-based or other long-term incentive compensation awards (with any performance-based awards vesting upon the Date of Termination at the greater of target and actual performance, with such actual performance determined by the Compensation Committee of the Board based on the latest practicable date prior to such Change of Control), notwithstanding anything to the contrary, in the applicable award agreement.

(e) Conditions Precedent and Subsequent. The payments and benefits provided under Sections 3(c) and 3(d) of this Agreement (other than the Accrued Benefits) are subject to and conditioned upon (i) Employee having executed and delivered to the Company and not revoked, within the period of time specified therein (which shall not exceed 60 days after the Date of Termination), a waiver and general release agreement in a form attached to this Agreement, with such changes the Company reasonably determines in good faith and after consultation with Employee are necessary to comply with applicable law, and (ii) Employee's compliance in all material respects with the CIPA. Employee shall, upon request by the Company, be required to repay to the Company (net of any taxes paid by Employee on such payments), and the Company shall have no further obligation to pay, the Severance Payment or CIC Severance Payment, as applicable, in the event (A) Employee receives, within six months after the occurrence of the breach, written notice from the Company that Employee has materially breached his obligations under the CIPA and (B) it is finally determined in accordance with Section 4(l) that the Employee has so materially breached such obligations; provided, however, that, in cases where cure is possible, Employee shall first be provided a 30-day cure period to cease, and to cure, such conduct. The Severance Payment, if any, payable hereunder shall be paid in substantially equal installments over an 18-month period following the Date of Termination, consistent with the Company's payroll practices, with the first installment to be paid within 65 days after the Date of Termination and with any installments that would otherwise have been paid prior to such date accumulated and paid in a lump sum on the first date on which payments are made in accordance with the terms of this sentence. The CIC Severance Payment, if any, payable hereunder shall be paid in one lump sum within 65 days after the Date of Termination; provided, however, that, unless the CIC Severance Payment relates to a transaction that satisfies the requirements of Treas. Reg.§ 1.409A-3(i)(5), the CIC Severance Payment shall be paid in installments as though no Change of Control had occurred (other than any amounts that are exempt from Section 409A, which shall be paid in lump sum as provided in this provision).

(f) Forfeiture of Long-Term Incentive Compensation Awards and Annual Bonus. Notwithstanding anything to the contrary herein and without limiting any rights and remedies available to the Company under the terms of this Agreement or otherwise at law or in equity (including as may be required by law), in the event the Company terminates Employee's employment for Cause or if Employee willfully and materially violates the restrictive covenants set forth in the CIPA or engages in fraud or willful misconduct that contributes materially to any financial restatement or material loss to the Company or any of its affiliates, the Company may (i) in the case of a termination for Cause, at any time up to six months after such termination, or (ii) in the case of a willful and material violation of the restrictive covenants or engaging in fraud or willful misconduct that contributes materially to any financial restatement or material loss to the Company or any of its affiliates, at any time up to six months after learning of such conduct, but in no event more than two years after Employee engages in such conduct, (x) terminate or cancel any Long-Term Incentive Compensation that is unvested or vested and

unexercised or any earned but unpaid Annual Bonus, (y) require Employee to forfeit or remit to the Company any shares (or the equivalent value in cash) that were issued to Employee (or cash that was paid to Employee) upon vesting, settlement or exercise, as applicable, of any Long-Term Incentive Compensation or any cash previously paid to Employee in respect of any Annual Bonus, in each case, to the extent such shares or cash were received by Employee during the one-year period preceding the applicable conduct giving rise to such repayment obligation hereunder or (z) adjust any other compensation of Employee in order to recover the amount by which any Long-Term Incentive Compensation or Annual Bonus paid to Employee exceeded the lower amount that would have been payable after giving effect to the restated financial results or the material loss; provided, however, that, (x) in cases where cure is reasonably possible, Employee shall first be provided a 30-day cure period to cease, and to cure, such conduct and (y) in no event shall the amounts remitted or recovered from Employee exceed the amount of actual damages incurred by the Company as a result of the applicable conduct. In addition, Employee's Long-Term Incentive Compensation and Annual Bonus shall be subject to the Company's compensation recovery policy adopted pursuant to Section 10D of the Securities Exchange Act of 1934, as amended, and the applicable stock exchange listing standards, as in effect from time to time (the "Dodd-Frank Policy"), and any other clawback or recoupment, in each case, solely to the extent required by applicable law. Notwithstanding anything to the contrary in any award agreement, plan, policy or other agreement or arrangement between Employee and the Company or any of its affiliates (whether entered into before, on or after the Effective Date), this Section 3(f), Section 4(e) and the Dodd-Frank Policy shall constitute the sole and exclusive provisions governing the clawback, recoupment, cancellation or forfeiture of compensation paid or payable to Employee (including any Long-Term Incentive Compensation and Annual Bonus) by reason of misconduct, breach of restrictive covenants or a financial restatement, and shall supersede any such clawback, recoupment, cancellation, forfeiture or similar provisions contained in any such award agreement, plan, policy or other agreement.

(g) Section 280G. In the event that any payments, distributions, benefits or entitlements of any type payable to Employee ("**CIC Benefits**") (i) constitute "parachute payments" within the meaning of Section 280G of the Code, and (ii) but for this paragraph would be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then Employee's CIC Benefits shall be reduced to such lesser amount (the "**Reduced Amount**") that would result in no portion of such benefits being subject to the Excise Tax; provided that such amounts shall not be so reduced if the Company determines, based on the advice of Golden Parachute Tax Solutions, LLC (or if not available or unwilling to serve, a nationally recognized accounting firm or executive compensation consulting firm mutually selected by the Company and Employee), at the Company's cost (the "**Accountants**"), that without such reduction Employee would be entitled to receive and retain, on a net after tax basis (including, without limitation, any excise taxes payable under Section 4999 of the Code), an amount that is greater than the amount, on a net after tax basis, that Employee would be entitled to retain upon receipt of the Reduced Amount. Unless the Company and Employee otherwise agree in writing, any determination required under this Section 3(g) shall be made in writing in good faith by the Accountants. In the event of a reduction of benefits hereunder, benefits shall be reduced by first reducing or eliminating the portion of the CIC Benefits that are payable in cash under Sections 3(c)(ii), 3(d)(ii), 3(d)(iii) and 3(d)(iv) and then by reducing or eliminating any amounts that are payable with respect to long-term incentives including any equity-based or equity-related awards (whether payable in cash or in kind). For purposes of making the calculations required by this Section 3(g), the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code, and other applicable legal authority. The Company and Employee shall furnish to the Accountants such information and documents as the Accountants may reasonably require in order to make a determination under this Section 3(g), and the Company shall bear the cost of all fees the Accountants charge in connection with any calculations contemplated by this Section 3(g). In making such determinations, the Accountants shall take into account the value of any

reasonable compensation for services to be rendered by Employee before or after the Change of Control, including Employee's agreement to refrain from performing services pursuant to the CIPA.

(h) Mitigation; Offset. Except as expressly provided hereunder, the Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense, or other claim, right or action that the Company may have against Employee or others. In no event shall Employee be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to Employee under any of the provisions of this Agreement, and no amounts earned by Employee from any other source shall reduce any such payment.

4. Miscellaneous. (a) Notices. Any notice or other communication required or permitted under this Agreement shall be effective only if it is made consistent with Section 5(a) of the CIPA.

(b) Entire Agreement. From and after the Effective Date, this Agreement, together with the Letter Agreement and the CIPA, shall constitute the entire agreement and understanding between the parties hereto with respect to Employee's employment hereunder and, as of the Effective Date, supersedes and is in full substitution for any and all prior understandings or agreements (whether written or oral) with respect to Employee's employment, subject to the provision set forth under "Entire Agreement" in the Letter Agreement. The Company does not make and has not made, and Employee does not rely and has not relied on any statement, omission, representation or warranty, written or oral, of any kind or nature whatsoever, regarding the Company.

(c) Amendment; No Waiver. Except as expressly set forth otherwise in this Agreement (including, without limitation, pursuant to Sections 4(l)(iv) and 4(m) of this Agreement), this Agreement may be amended only by an instrument in writing signed by the parties, and the application of any provision hereof may be waived only by an instrument in writing that specifically identifies the provision whose application is being waived and that is signed by the party against whom or which enforcement of such waiver is sought. The failure of any party at any time to insist upon strict adherence to any provision hereof shall in no way affect the full right to insist upon strict adherence at any time thereafter, nor shall the waiver by any party of a breach of any provision hereof be taken or held to be a waiver of any succeeding breach of such provision or a waiver of the provision itself or a waiver of any other provision of this Agreement. No failure or delay by either party in exercising any right or power hereunder will operate as a waiver thereof, nor will any single or partial exercise of any such right or power, or any abandonment of any steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. Termination of this Agreement shall not relieve any party of liability for any breach of this Agreement occurring prior to such termination.

(d) No Construction Against Drafter. The parties acknowledge and agree that each party has reviewed and negotiated the terms and provisions of this Agreement and has had the opportunity to contribute to its revision. Accordingly, any rule of construction to the effect that ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement.

(e) Clawbacks. Employee hereby acknowledges and agrees that Employee will also be subject to any legally mandated policy relating to the recovery of compensation, solely to the extent that the Company is required to implement such policy pursuant to applicable law, whether pursuant to the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or otherwise.

(f) Employee Representations and Acknowledgements. Employee represents, warrants and covenants that as of the date that the Company and Employee have executed this Agreement as set forth on the signature page hereto: (i) he has the full right, authority and capacity to enter into this Agreement; (ii) he is ready, willing and able to perform his obligations hereunder and, to his knowledge, no reason exists that would prevent him from performing his obligations hereunder; (iii) he is not bound by any agreement that conflicts with or prevents or restricts the full performance of his duties and obligations to the Company hereunder during or after Employee's employment; and (iv) the execution and delivery of this Agreement shall not result in any breach or violation of, or a default under, any existing obligation, commitment or agreement to which Employee is subject. Employee acknowledges that he has carefully read this Agreement. Employee acknowledges that the Company has advised him that it is in his best interest to consult with an attorney prior to executing this Agreement.

(g) Survival. The terms and conditions of Sections 3 and 4 of this Agreement shall survive the termination of Employee's employment.

(h) Assignment. This Agreement is binding on and is for the benefit of the parties hereto and their respective successors, assigns, heirs, executors, administrators and other legal representatives. This Agreement is personal to Employee; and neither this Agreement nor any right or obligation hereunder may be assigned by Employee without the prior written consent of the Company (or except by will or the laws of descent and distribution), and any purported assignment in violation of this Section 4(h) shall be void. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

(i) Severability. If any provision of this Agreement or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of this Agreement which can be given effect without the invalid provisions or applications and to this end the provisions of this Agreement are declared to be severable. If any term or provision of this Agreement is invalid, illegal or incapable of being enforced by any applicable law or public policy, all other conditions and provisions of this Agreement shall nonetheless remain in full force and effect so long as the economic and legal substance of the transactions contemplated by this Agreement is not affected in any manner materially adverse; provided, however, that in the event of a final, non-reviewable, non-appealable determination that any provision of the CIPA (whether in whole or in part) is void, unenforceable or constitutes an unreasonable restriction against Employee, such provision shall not be rendered void but shall be deemed to be modified to the minimum extent necessary to make such provision enforceable for the longest duration and the greatest scope as may constitute a reasonable restriction under the circumstances. Each party hereby expressly requests that any court or arbitrator making such determination apply the foregoing reformation principle and enforce the restrictive covenants as so reformed. The parties further agree that they will use best efforts to give effect to the original intent of the restrictive covenants set forth in the CIPA to the fullest extent permitted by applicable law, including by entering into supplemental agreements or amendments as may be necessary or advisable to achieve the maximum enforceable protection of the Company's legitimate business interests. Subject to the foregoing, upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

(j) Tax Withholding. The Company may withhold from any amounts payable to Employee hereunder all federal, state, city, foreign or other taxes that the Company may reasonably

determine are required to be withheld pursuant to any applicable law or regulation (it being understood that Employee shall be responsible for payment of all taxes in respect of the payments and benefits provided herein).

(k) Cooperation Regarding Long-Term Incentive Compensation. Employee expressly agrees that he shall execute such other documents as reasonably requested by the Company to effect the terms of this Agreement and the issuance of the Long-Term Incentive Compensation as contemplated hereunder in compliance with applicable law.

(l) Governing Law; Arbitration; Consent to Jurisdiction; Waiver of Jury Trial.

(i) This Agreement shall be governed by and construed in accordance with its express terms, and otherwise in accordance with the laws of the State of Delaware without reference to its principles of conflicts of law.

(ii) Any claim initiated by either party arising out of or relating to this Agreement, or the breach thereof, or Employee's employment, or the termination thereof, shall be resolved by binding arbitration before a single arbitrator in the State of Delaware administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The Company shall pay all fees and expenses of the arbitrator and the American Arbitration Association, and any other costs that Employee would not have incurred had the claim been brought in court.

(iii) Notwithstanding Section 4(l)(ii), either party may seek temporary or preliminary injunctive relief from a court of competent jurisdiction solely to preserve the status quo pending resolution of the underlying dispute in arbitration in accordance with Section 4(l)(ii) of this Agreement.

(iv) Solely for purposes of any action permitted under Section 4(l)(iii), to compel arbitration or to confirm or enforce an arbitration award, each party hereby irrevocably submits to the jurisdiction of any state or federal court located in the State of Delaware. Employee waives, to the fullest extent permitted by applicable law, any objection which he now or hereafter has to personal jurisdiction or to the laying of venue of any such suit, action or proceeding brought in an applicable court described in this Section 4(l)(iv), and agrees that he shall not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any court. Employee agrees that, to the fullest extent permitted by applicable law, a final and non-appealable judgment in any suit, action or proceeding brought in any applicable court described in this Section 4(l)(iv) shall be conclusive and binding upon Employee and may be enforced in any other jurisdiction. EMPLOYEE EXPRESSLY AND KNOWINGLY WAIVES ANY RIGHT TO A JURY TRIAL IN THE EVENT THAT ANY ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE BREACH HEREOF, OR EMPLOYEE'S EMPLOYMENT, OR THE TERMINATION THEREOF, IS LITIGATED OR HEARD IN ANY COURT.

(v) The prevailing party shall be entitled to recover all reasonable and documented legal fees and costs (including reasonable attorney's fees and the fees of experts) from the losing party in connection with any claim arising under this Agreement or Employee's employment hereunder.

(m) Section 409A. (i) It is intended that the provisions of this Agreement comply with Section 409A, and all provisions of this Agreement shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(ii) Neither Employee nor any of his creditors or beneficiaries shall have the right to subject any deferred compensation (within the meaning of Section 409A) payable under this Agreement or under any other plan, policy, arrangement or agreement of or with the Company or any of its affiliates (this Agreement and such other plans, policies, arrangements and agreements, the "**Company Plans**") to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment. Except as permitted under Section 409A, any deferred compensation (within the meaning of Section 409A) payable to Employee or for Employee's benefit under any Company Plan may not be reduced by, or offset against, any amount owing by Employee to the Company or any of its affiliates.

(iii) If, at the time of Employee's separation from service (within the meaning of Section 409A), (A) Employee shall be a specified employee (within the meaning of Section 409A and using the identification methodology selected by the Company from time to time) and (B) the Company shall make a good faith determination that an amount payable under a Company Plan constitutes deferred compensation (within the meaning of Section 409A) the payment of which is required to be delayed pursuant to the six-month delay rule set forth in Section 409A in order to avoid taxes or penalties under Section 409A, then the Company (or its affiliate, as applicable) shall not pay such amount on the otherwise scheduled payment date but shall instead accumulate such amount and pay it on the first business day after such six-month period. To the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, Employee shall not be considered to have terminated employment with the Company for purposes of this Agreement and no payment shall be due to Employee under this Agreement until Employee would be considered to have incurred a "separation from service" from the Company within the meaning of Section 409A.

(iv) Notwithstanding any provision of this Agreement or any Company Plan to the contrary, in light of the uncertainty with respect to the proper application of Section 409A, the Company and Employee shall cooperate in good faith to make such amendments to any Company Plan as are reasonably necessary to avoid the imposition of taxes or penalties under Section 409A while preserving, to the maximum extent possible, the economic benefits to Employee thereunder. In any case, Employee recognizes that he may be responsible for taxes and penalties under Section 409A in connection with any Company Plan, and neither the Company nor any affiliate shall have any obligation to indemnify or otherwise hold Employee harmless from any or all of such taxes or penalties.

(v) For purposes of Section 409A, each payment hereunder will be deemed to be a separate payment as permitted under Treasury Regulation Section 1.409A-2(b)(2)(iii).

(vi) Except as specifically permitted by Section 409A, any benefits and reimbursements provided to Employee under this Agreement during any calendar year shall not affect any benefits and reimbursements to be provided to Employee under this Agreement in any other calendar year, and the right to such benefits and reimbursements cannot be liquidated or exchanged for any other benefit. Furthermore, reimbursement payments shall be made to Employee as soon as practicable following the date that the applicable expense is incurred, but in no event later than the last day of the calendar year following the calendar year in which the underlying expense is incurred.

(n) Section 105(h). Notwithstanding any provision of this Agreement to the contrary, to the extent necessary to satisfy Section 105(h) of the Code, the Company will be permitted to alter the manner in which medical benefits are provided to Employee following termination of Employee's

employment, provided that the after-tax cost to Employee of such benefits shall not be greater than the cost applicable to similarly situated executives of the Company who have not terminated employment.

(o) Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Signatures delivered by facsimile or electronic means (including by "pdf") shall be deemed effective for all purposes.

(p) Headings. The headings in this Agreement are inserted for convenience of reference only and shall not be a part of or control or affect the meaning of any provision hereof.

(q) Legal Fees. The Company shall pay or reimburse Employee for the reasonable legal fees and expenses incurred by Employee in connection with the review, negotiation and execution of the Letter Agreement, this Agreement and the CIPA, within 30 days following Employee's submission of reasonable documentation of such fees and expenses.

Signature Page Follows.

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the date set forth below.

XPO, INC.

By: /s/ Carolyn Roach
Carolyn Roach
Chief Human Resources Officer

Date: October 29, 2026

EMPLOYEE

By: /s/ Mario Harik
Mario Harik

Date: October 28, 2026

Signature page to Change in Control and Severance Agreement

Exhibit 31.1

CERTIFICATION

I, Mario Harik, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2026 of XPO, 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/ Mario Harik

Mario Harik
Chairman and Chief Executive Officer
(Principal Executive Officer)

Date: October 29, 2026

Exhibit 31.2

CERTIFICATION

I, Kyle Wismans, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2026 of XPO, 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/ Kyle Wismans

Kyle Wismans
Chief Financial Officer
(Principal Financial Officer)

Date: October 29, 2026

Exhibit 32.1

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 XPO, Inc. (the "Company"), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2026 (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/ Mario Harik
Mario Harik
Chairman and Chief Executive Officer
(Principal Executive Officer)

Date: October 29, 2026

Exhibit 32.2

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 XPO, Inc. (the "Company"), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2026 (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/ Kyle Wismans
Kyle Wismans
Chief Financial Officer
(Principal Financial Officer)

Date: October 29, 2026