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, 2023
or

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

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

GXO

GXO Logistics, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**86-2098312**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Two American Lane	
Greenwich, Connecticut	**06831**
(Address of principal executive offices)	(Zip Code)

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

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

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

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

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

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

Large accelerated filer	☒	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 November 6, 2023, there were 118,954,910 shares of the registrant’s common stock, par value $0.01 per share, outstanding.

GXO Logistics, Inc.

Form 10-Q

For the Quarterly Period Ended September 30, 2023

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PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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

(Dollars in millions, shares in thousands, except per share amounts)	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Revenue	$ 2,471	$ 2,287	$ 7,188	$ 6,526
Direct operating expense	2,012	1,885	5,875	5,408
Selling, general and administrative expense	258	227	761	637
Depreciation and amortization expense	101	89	268	242
Transaction and integration costs	3	14	22	57
Restructuring costs and other	7	—	31	14
Operating income	90	72	231	168
Other income, net	7	17	8	56
Interest expense, net	(14)	(6)	(41)	(19)
Income before income taxes	83	83	198	205
Income tax expense	(15)	(19)	(38)	(51)
Net income	68	64	160	154
Net income attributable to noncontrolling interests	(2)	(1)	(4)	(3)
Net income attributable to GXO	$ 66	$ 63	$ 156	$ 151
Earnings per share				
Basic	$ 0.55	$ 0.53	$ 1.31	$ 1.30
Diluted	$ 0.55	$ 0.53	$ 1.31	$ 1.29
Weighted-average common shares outstanding				
Basic	118,941	118,621	118,883	116,508
Diluted	119,645	119,065	119,430	117,107

See accompanying Notes to Condensed Consolidated Financial Statements.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2023**	**2022**	**2023**	**2022**
Net income	$ 68	$ 64	$ 160	$ 154
Other comprehensive income (loss), net of tax				
Foreign currency translation loss, net of tax expense of $(9), $(22), $0 and $(32)	(69)	(43)	(39)	(163)
Net unrealized gain on cash flow hedges, net of tax expense of $(1), $(2), $(1) and $(2)	—	9	1	9
Defined benefit plans, amortization of net loss, net of tax of $0, $0, $0 and $0	1	—	2	—
Other comprehensive loss, net of tax	(68)	(34)	(36)	(154)
Comprehensive income	—	30	124	—
Less: Comprehensive income (loss) attributable to noncontrolling interest	—	(1)	3	(1)
Comprehensive income attributable to GXO	$ —	$ 31	$ 121	$ 1

See accompanying Notes to Condensed Consolidated Financial Statements.

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

(Dollars in millions, shares in thousands, except per share amounts)	September 30, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 473	$ 495
Accounts receivable, net of allowance of $18 and $12	1,661	1,647
Other current assets	332	286
Total current assets	2,466	2,428
Long-term assets		
Property and equipment, net of accumulated depreciation of $1,463 and $1,297	923	960
Operating lease assets	2,133	2,227
Goodwill	2,734	2,728
Intangible assets, net of accumulated amortization of $507 and $456	507	570
Other long-term assets	328	306
Total long-term assets	6,625	6,791
Total assets	$ 9,091	$ 9,219
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	$ 597	$ 717
Accrued expenses	975	995
Current debt	26	67
Current operating lease liabilities	561	560
Other current liabilities	275	193
Total current liabilities	2,434	2,532
Long-term liabilities		
Long-term debt	1,621	1,739
Long-term operating lease liabilities	1,800	1,853
Other long-term liabilities	419	417
Total long-term liabilities	3,840	4,009
Commitments and contingencies (Note 12)		
Stockholders' Equity		
Common Stock, $0.01 par value per share; 300,000 shares authorized, 118,951 and 118,728 issued and outstanding	1	1
Preferred Stock, $0.01 par value per share; 10,000 shares authorized, none issued and outstanding	—	—
Additional paid-in capital	2,593	2,575
Retained earnings	479	323
Accumulated Other Comprehensive Income (Loss) ("AOCIL")	(289)	(254)
Total stockholders' equity before noncontrolling interests	2,784	2,645
Noncontrolling interests	33	33
Total equity	2,817	2,678
Total liabilities and equity	$ 9,091	$ 9,219

See accompanying Notes to Condensed Consolidated Financial Statements.

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

	Nine Months Ended September 30,	
(In millions)	**2023**	**2022**
Cash flows from operating activities:		
Net income	$ 160	$ 154
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization expense	268	242
Stock-based compensation expense	25	24
Deferred tax expense (benefit)	(29)	—
Other	16	(4)
Changes in operating assets and liabilities		
Accounts receivable	(23)	(22)
Other assets	(39)	(28)
Accounts payable	(69)	(68)
Accrued expenses and other liabilities	34	18
Net cash provided by operating activities	343	316
Cash flows from investing activities:		
Capital expenditures	(205)	(239)
Proceeds from sales of property and equipment	13	22
Acquisition of businesses, net of cash acquired	—	(874)
Net proceeds from cross-currency swap agreements	—	26
Other	—	9
Net cash used in investing activities	(192)	(1,056)
Cash flows from financing activities:		
Proceeds from issuance of debt, net	—	898
Repayments of debt, net	(139)	—
Repayments of finance lease obligations	(24)	(23)
Taxes paid related to stock-based compensation awards	(7)	(12)
Net cash provided by (used in) financing activities	(170)	863
Effect of exchange rates on cash, restricted cash and cash equivalents	(2)	(22)
Net (decrease) increase in cash, restricted cash and cash equivalents	(21)	101
Cash, restricted cash and cash equivalents, beginning of period	495	333
Cash, restricted cash and cash equivalents, end of period	$ 474	$ 434
Cash and cash equivalents	$ 473	$ 434
Restricted Cash (included in Other long-term assets)	1	—
Total cash, restricted cash and cash equivalents	$ 474	$ 434
Non-cash investing activities:		
Common stock issued for acquisition	$ —	$ 203

See accompanying Notes to Condensed Consolidated Financial Statements.

GXO Logistics, 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	AOCIL	Equity Before Noncontrolling Interests	Noncontrolling Interests	Total Equity
Balance as of June 30, 2023	118,932	$ 1	$ 2,587	$ 413	$ (223)	$ 2,778	$ 33	$ 2,811
Net income	—	—	—	66	—	66	2	68
Other comprehensive loss	—	—	—	—	(66)	(66)	(2)	(68)
Stock-based compensation	—	—	7	—	—	7	—	7
Vesting of stock-based compensation awards	30	—	—	—	—	—	—	—
Tax withholding on vesting of stock-based compensation awards	(11)	—	(1)	—	—	(1)	—	(1)
Balance as of September 30, 2023	118,951	$ 1	$ 2,593	$ 479	$ (289)	$ 2,784	$ 33	$ 2,817

(Shares in thousands, dollars in millions)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	AOCIL	Equity Before Noncontrolling Interests	Noncontrolling Interests	Total Equity
Balance as of December 31, 2022	118,728	$ 1	$ 2,575	$ 323	$ (254)	$ 2,645	$ 33	$ 2,678
Net income	—	—	—	156	—	156	4	160
Other comprehensive loss	—	—	—	—	(35)	(35)	(1)	(36)
Stock-based compensation	—	—	25	—	—	25	—	25
Vesting of stock-based compensation awards	366	—	—	—	—	—	—	—
Tax withholding on vesting of stock-based compensation awards	(143)	—	(7)	—	—	(7)	—	(7)
Dividends	—	—	—	—	—	—	(3)	(3)
Balance as of September 30, 2023	118,951	$ 1	$ 2,593	$ 479	$ (289)	$ 2,784	$ 33	$ 2,817

See accompanying Notes to Condensed Consolidated Financial Statements.

GXO Logistics, 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	AOCIL	Equity Before Noncontrolling Interests	Noncontrolling Interests	Total Equity
Balance as of June 30, 2022	118,610	$ 1	$ 2,561	$ 214	$ (246)	$ 2,530	$ 31	$ 2,561
Net income	—	—	—	63	—	63	1	64
Other comprehensive loss	—	—	—	—	(32)	(32)	(2)	(34)
Stock-based compensation	—	—	8	—	—	8	—	8
Vesting of stock compensation awards	33	—	—	—	—	—	—	—
Tax withholding on vesting of stock compensation awards	(14)	—	—	—	—	—	—	—
Balance as of September 30, 2022	118,629	$ 1	$ 2,569	$ 277	$ (278)	$ 2,569	$ 30	$ 2,599

(Shares in thousands, dollars in millions)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	AOCIL	Equity Before Noncontrolling Interests	Noncontrolling Interests	Total Equity
Balance as of December 31, 2021	114,659	$ 1	$ 2,354	$ 126	$ (130)	$ 2,351	$ 39	$ 2,390
Net income	—	—	—	151	—	151	3	154
Other comprehensive loss	—	—	—	—	(150)	(150)	(4)	(154)
Stock-based compensation	—	—	24	—	—	24	—	24
Vesting of stock compensation awards	374	—	—	—	—	—	—	—
Tax withholding on vesting of stock compensation awards	(153)	—	(12)	—	—	(12)	—	(12)
Common stock issued for acquisition	3,749	—	203	—	—	203	—	203
Deconsolidation of variable interest entity	—	—	—	—	2	2	(5)	(3)
Dividends	—	—	—	—	—	—	(3)	(3)
Balance as of September 30, 2022	118,629	$ 1	$ 2,569	$ 277	$ (278)	$ 2,569	$ 30	$ 2,599

See accompanying Notes to Condensed Consolidated Financial Statements.

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

1. Basis of Presentation and Significant Accounting Policies

Basis of Presentation

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

Operating results for the interim periods are not necessarily indicative of the results that may be expected for the year ending December 31, 2023. The Company's Condensed Consolidated Financial Statements include the accounts of GXO and its majority-owned subsidiaries and variable interest entities of which the Company is the primary beneficiary. The Company has eliminated intercompany accounts and transactions.

The accompanying unaudited Condensed Consolidated Financial Statements and Notes thereto should be read in conjunction with the Annual Report on Form 10-K for the year ended December 31, 2022 (the "2022 Form 10-K"). Certain amounts reported for prior periods have been reclassified to conform to the current period's presentation.

The Company presents its operations as one reportable segment.

Recently Adopted Accounting Pronouncements

In 2020, the Financial Accounting Standards Board ("FASB") issued ASU 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting." The ASU provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met. The ASU applies only to contracts and hedging relationships that reference London Interbank Offered Rate ("LIBOR") or another reference rate expected to be discontinued due to reference rate reform. In 2021, the FASB expanded the scope of the guidance to include derivatives. On March 9, 2023, the Company entered into Amendment No. 1 to its revolving credit facility replacing LIBOR-based benchmark rates with SOFR-based benchmark rates and other conforming changes (the "Revolving Credit Facility"). The Company has transitioned its existing contracts to a replacement index. ASU 2020-04 and its amendments did not have a material impact on the Company's Condensed Consolidated Financial Statements.

2. Revenue Recognition

Revenue disaggregated by geographical area was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2023	2022	2023	2022
United Kingdom	$ 958	$ 890	$ 2,695	$ 2,371
United States	711	709	2,117	2,075
France	207	171	626	530
Netherlands	216	175	610	508
Spain	133	117	396	360
Italy	97	81	279	243
Other	149	144	465	439
Total	$ 2,471	$ 2,287	$ 7,188	$ 6,526

The Company's revenue can also be disaggregated by the customer's primary industry. Revenue disaggregated by industry was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2023	2022	2023	2022
Omnichannel retail	$ 1,051	$ 919	$ 3,041	$ 2,618
Technology and consumer electronics	360	338	1,081	963
Food and beverage	362	335	1,004	1,009
Industrial and manufacturing	263	275	803	807
Consumer packaged goods	231	227	689	663
Other	204	193	570	466
Total	$ 2,471	$ 2,287	$ 7,188	$ 6,526

Contract Assets and Liabilities

Contract assets consist of two components, customer acquisition costs and costs to fulfill a contract. Contract assets are amortized to Direct operating expense in the Condensed Consolidated Statements of Operations over the contract term. Contract liabilities represent the Company's obligation to transfer services to a customer for which the Company has received consideration or the amount is due from the customer.

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

(In millions)	September 30, 2023	December 31, 2022
Contract assets included in:		
Other current assets	$ 13	$ 25
Other long-term assets	161	165
Total contract assets	$ 174	$ 190
Contract liabilities included in:		
Other current liabilities	$ 183	$ 154
Other long-term liabilities	114	134
Total contract liabilities	$ 297	$ 288

Revenue included the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2023	2022	2023	2022
Amounts included in the beginning-of-year contract liability balance	$ 11	$ 12	$ 109	$ 83

Remaining Performance Obligations

As of September 30, 2023, the fixed consideration component of the Company's remaining performance obligation was approximately $3.4 billion, and the Company expects to recognize approximately 72% of that amount over the next three years and the remainder thereafter. The Company estimates remaining performance obligations at a point in time, and actual amounts may differ from these estimates due to changes in foreign currency exchange rates and contract revisions or terminations.

3. Leases

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

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

(In millions)	September 30, 2023	December 31, 2022
Operating leases:		
Operating lease assets	$ 2,133	$ 2,227
Current operating lease liabilities	$ 561	$ 560
Long-term operating lease liabilities	1,800	1,853
Total operating lease liabilities	$ 2,361	$ 2,413
Finance leases:		
Property and equipment, net	$ 111	$ 123
Current debt	$ 26	$ 35
Long-term debt	91	97
Total finance lease liabilities	$ 117	$ 132

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2023	2022	2023	2022
Operating leases:				
Operating lease cost	$ 163	$ 187	$ 561	$ 527
Short-term lease cost	78	24	170	69
Variable lease cost	36	31	93	73
Total operating lease cost (1)	$ 277	$ 242	$ 824	$ 669
Finance leases:				
Amortization of leases	$ 10	$ 5	$ 23	$ 23
Interest expense on lease liabilities	1	1	3	4
Total finance lease cost	$ 11	$ 6	$ 26	$ 27
Total operating and finance lease cost	$ 288	$ 248	$ 850	$ 696

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

Supplemental cash flow information was as follows:

	Nine Months Ended September 30,	
(In millions)	2023	2022
Leased assets obtained in exchange for new operating lease liabilities, including $207 from an acquisition in 2022	$ 389	$ 911
Leased assets obtained in exchange for new finance lease liabilities, including $16 from an acquisition in 2022	8	18

4. Debt and Financing Arrangements

The following table summarizes the carrying value of debt:

(In millions)	Rate [1]	September 30, 2023	December 31, 2022
1.65% Unsecured notes due 2026 [2]	1.65 %	$ 398	$ 397
2.65% Unsecured notes due 2031 [3]	2.65 %	397	397
Two-Year Term Loan due 2024 [4]	— %	—	115
Three-Year Term Loan due 2025 [5]	6.54 %	235	234
Five-Year Term Loan due 2027 [6]	6.67 %	499	499
Finance leases and other	Various	118	164
Total debt		1,647	1,806
Less: Current debt		26	67
Total Long-term debt		$ 1,621	$ 1,739

(1) Interest rate as of September 30, 2023.
(2) Net of unamortized debt issuance costs of $2 million as of September 30, 2023, and $3 million as of December 31, 2022.
(3) Net of unamortized debt issuance costs of $3 million as of September 30, 2023 and December 31, 2022.
(4) Repaid in the second quarter of 2023.
(5) Net of unamortized debt issuance costs of $1 million as of December 31, 2022.
(6) Net of unamortized debt issuance costs of $1 million as of September 30, 2023 and December 31, 2022.

Factoring Programs

The Company sells certain of its trade receivables on a non-recourse basis to third-party financial institutions under various factoring agreements. The Company accounts for these transactions as sales of receivables and presents cash proceeds as cash provided by operating activities in the Condensed Consolidated Statements of Cash Flows.

Information related to the trade receivables sold was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2023	2022	2023	2022
Receivables sold in period	$ 288	$ 259	$ 820	$ 716
Cash consideration	286	258	815	714
Net cash provided by operating cash flows [1]	27	18	27	16

(1) The nine months ended September 30, 2022, includes $134 million of cash provided by factoring program, reduced by $118 million of cash used in the securitization program that was terminated in the first quarter of 2022.

Covenants and Compliance

The covenants in the unsecured notes, term loans and revolving credit facilities, which are customary for financings of this type, limit the Company’s ability to incur indebtedness and grant liens, among other restrictions. In addition, the facilities require the Company to maintain a consolidated leverage ratio below a specified maximum.

As of September 30, 2023, the Company was in compliance with the covenants contained in its debt and financing arrangements.

5. Fair Value Measurements and Financial Instruments

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

- Level 1—Quoted prices for identical instruments in active markets;
- Level 2—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable in active markets; and
- Level 3—Valuations based on inputs that are unobservable, generally utilizing pricing models or other valuation techniques that reflect management's judgment and estimates.

Assets and Liabilities

The Company bases its fair value estimates on market assumptions and available information. The carrying values of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and current maturities of long-term debt approximated their fair values as of September 30, 2023, and December 31, 2022, due to their short-term nature.

Debt

The fair value of debt was as follows:

		September 30, 2023		December 31, 2022	
(In millions)	**Level**	**Fair Value**	**Carrying Value**	**Fair Value**	**Carrying Value**
1.65% Unsecured notes due 2026	2	$ 353	$ 398	$ 342	$ 397
2.65% Unsecured notes due 2031	2	303	397	294	397
Two-Year Term Loan due 2024	2	—	—	115	115
Three-Year Term Loan due 2025	2	233	235	234	234
Five-Year Term Loan due 2027	2	495	499	499	499

Financial Instruments

The Company directly manages its exposure to risks arising from business operations and economic factors, including fluctuations in interest rates and foreign currencies. The Company uses derivative instruments to manage the volatility related to these exposures. The objective of these derivative instruments is to reduce fluctuations in 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. The Company does not expect to incur any losses as a result of counterparty default.

The fair value of the Company's derivative instruments and the related notional amounts was as follows:

	September 30, 2023		
(In millions)	**Notional**	**Derivative Assets** (1)	**Derivative Liabilities** (2)
Designated as hedges:			
Cross-currency swap agreements	$ 1,337	$ 26	$ 14
Interest rate swaps (3)	250	9	—
Not designated as hedges:			
Foreign currency option contracts	$ 424	$ 16	$ —
Foreign currency forward contracts	58	—	—

(1) Derivative assets are included in Other current assets and Other long-term assets in the Condensed Consolidated Balance Sheets.
(2) Derivative liabilities are included in Other current liabilities and Other long-term liabilities in the Condensed Consolidated Balance Sheets.
(3) In June 2023, the Company amended one interest rate swap, with a notional amount of $125 million, scheduled to mature in 2027 to 2024.

(In millions)	December 31, 2022 Notional	Derivative Assets (1)	Derivative Liabilities (2)
Designated as hedges:			
Cross-currency swap agreements	$ 1,337	$ 22	$ 13
Interest rate swaps	250	9	—
Not designated as hedges:			
Foreign currency option contracts	$ 354	$ —	$ 5
Foreign currency forward contracts	3	—	—

(1) Derivative assets are included in Other current assets and Other long-term assets in the Condensed Consolidated Balance Sheets.
(2) Derivative liabilities are included in Other current liabilities and Other long-term liabilities in the Condensed Consolidated Balance Sheets.

As of September 30, 2023 and December 31, 2022, the derivatives were classified as Level 2 within the fair value hierarchy.

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

	Three Months Ended September 30, 2023			Nine Months Ended September 30, 2023		
(In millions)	Amount of Gain (Loss) Recognized in Other Comprehensive Income on Derivative	Gain (Loss) Reclassified from AOCIL into Net Income (1)	Gain (Loss) Recognized in Net Income on Derivative (Excluded from effectiveness testing) (1)	Amount of Gain (Loss) Recognized in Other Comprehensive Income on Derivative	Gain (Loss) Reclassified from AOCIL into Net Income (1)	Gain (Loss) Recognized in Net Income on Derivative (Excluded from effectiveness testing) (1)
Derivatives designated as net investment hedges:						
Cross-currency swap agreements	$ 36	$ (3)	$ 1	$ 2	$ (3)	$ 2
Derivatives designated as cash flow hedges:						
Interest rate swaps	$ 1	$ —	$ —	$ 2	$ —	$ —

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

	Three Months Ended September 30, 2022			Nine Months Ended September 30, 2022		
(In millions)	Amount of Gain (Loss) Recognized in Other Comprehensive Income on Derivative	Gain (Loss) Reclassified from AOCIL into Net Income (1)	Gain (Loss) Recognized in Net Income on Derivative (Excluded from effectiveness testing) (1)	Amount of Gain (Loss) Recognized in Other Comprehensive Income on Derivative	Gain (Loss) Reclassified from AOCIL into Net Income (1)	Gain (Loss) Recognized in Net Income on Derivative (Excluded from effectiveness testing) (1)
Derivatives designated as net investment hedges:						
Cross-currency swap agreements	$ 90	$ —	$ 1	$ 136	$ 2	$ 3
Derivatives designated as cash flow hedges:						
Interest rate swaps	$ 12	$ —	$ —	$ 11	$ —	$ —

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

Derivatives Not Designated as Hedges

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2023	2022	2023	2022
Realized foreign currency contracts gain (loss)	$ (3)	$ 10	$ (9)	$ 19
Unrealized foreign currency contracts gain (loss)	8	(1)	12	14
Total foreign currency gain recognized in net income	$ 5	$ 9	$ 3	$ 33

6. Stockholders' Equity

The following tables summarize the changes in AOCIL by component:

(In millions)	Foreign Currency Translation Adjustments	Cash Flow Hedges	Defined Benefit Plan	Less: AOCIL attributable to noncontrolling interest	AOCIL attributable to GXO
As of June 30, 2023	$ (119)	$ 8	$ (111)	$ (1)	$ (223)
Foreign currency translation loss	(98)	—	—	2	(96)
Unrealized gain on hedges, net of tax	27	—	—	—	27
Amounts reclassified from AOCIL to net income	2	—	1	—	3
Other comprehensive income (loss), net of tax	(69)	—	1	2	(66)
As of September 30, 2023	$ (188)	$ 8	$ (110)	$ 1	$ (289)

(In millions)	Foreign Currency Translation Adjustments	Cash Flow Hedges	Defined Benefit Plan	Less: AOCIL attributable to noncontrolling interest	AOCIL attributable to GXO
As of December 31, 2022	$ (149)	$ 7	$ (112)	$ —	$ (254)
Foreign currency translation loss	(41)	—	—	1	(40)
Unrealized gain on hedges, net of tax	1	1	—	—	2
Amounts reclassified from AOCIL to net income	1	—	2	—	3
Other comprehensive income (loss), net of tax	(39)	1	2	1	(35)
As of September 30, 2023	$ (188)	$ 8	$ (110)	$ 1	$ (289)

(In millions)	Foreign Currency Translation Adjustments	Cash Flow Hedges	Defined Benefit Plan	Less: AOCIL attributable to noncontrolling interest	AOCIL attributable to GXO
As of June 30, 2022	$ (169)	$ —	$ (76)	$ (1)	$ (246)
Foreign currency translation loss	(111)	—	—	2	(109)
Unrealized gain on hedges, net of tax	69	9	—	—	78
Amounts reclassified from AOCIL to net income	(1)	—	—	—	(1)
Other comprehensive income (loss), net of tax	(43)	9	—	2	(32)
As of September 30, 2022	$ (212)	$ 9	$ (76)	$ 1	$ (278)

(In millions)	Foreign Currency Translation Adjustments	Cash Flow Hedges	Defined Benefit Plan	Less: AOCIL attributable to noncontrolling interest	AOCIL attributable to GXO
As of December 31, 2021	$ (53)	$ —	$ (76)	$ (1)	$ (130)
Foreign currency translation loss	(260)	—	—	4	(256)
Unrealized gain on hedges, net of tax	102	9	—	—	111
Amounts reclassified from AOCIL to net income	(5)	—	—	—	(5)
Other comprehensive income (loss), net of tax	(163)	9	—	4	(150)
Deconsolidation of variable interest entity	4	—	—	(2)	2
As of September 30, 2022	$ (212)	$ 9	$ (76)	$ 1	$ (278)

7. Employee Benefit Plans

Defined Benefit Plans

The Company sponsors a retirement plan in the U.K. (the "U.K. Retirement Plan"). Components of the net periodic benefit cost recognized under the U.K. Retirement Plan were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2023	2022	2023	2022
Interest cost	$ (11)	$ (5)	$ (30)	$ (16)
Expected return on plan assets	14	12	38	41
Amortization of net loss	(1)	—	(2)	—
Net periodic pension income [(1)]	$ 2	$ 7	$ 6	$ 25

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

The Company also maintains defined benefit pension plans for some of its foreign subsidiaries that are excluded from the disclosure due to their immateriality.

Defined Contribution Plans

The Company has defined contribution retirement plans for its U.S. employees and employees of certain foreign subsidiaries. The Company's contributions for the three months ended September 30, 2023 and 2022, were $15 million and $12 million, respectively, and for the nine months ended September 30, 2023 and 2022 were $47 million and $40 million, respectively. Defined contribution costs were primarily recorded in Direct operating expense in the Condensed Consolidated Statements of Operations.

8. Restructuring Costs and Other

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

For the three months ended September 30, 2023, Restructuring costs and other totaled $7 million including $6 million related to severance charges, primarily from the exit of non-core businesses in Asia. For the nine months ended September 30, 2023, Restructuring costs and other totaled $31 million, including $24 million related to severance charges and $7 million related to non-cash impairment charges.

The following is a roll forward of the restructuring liability, which is included in Other current liabilities in the Condensed Consolidated Balance Sheets:

(In millions)		
Balance as of December 31, 2022	$	13
Charges incurred		24
Payments		(26)
Balance as of September 30, 2023	$	11

The remaining restructuring liability at September 30, 2023 primarily relates to severance payments and is expected to be substantially paid within the next 12 months.

9. Income Taxes

The effective tax rate was 17.9% for the three months ended September 30, 2023, compared with 22.5% for the same period in 2022. The effective tax rate was 19.1% for the nine months ended September 30, 2023, compared with 24.7% for the same period in 2022. The decrease in our effective tax rate for the three months was primarily driven by a tax benefit related to return-to-provision true-up adjustments. The decrease in our effective tax rate for the nine months was primarily driven by a tax benefit related to valuation allowance release.

As of September 30, 2023 and December 31, 2022, the Company had valuation allowances of $36 million and $44 million on its deferred income tax asset, respectively.

10. Goodwill

The following table presents the changes in Goodwill for the nine months ended September 30, 2023:

(In millions)		
Balance as of December 31, 2022	$	2,728
Acquisition (1)		44
Impact of foreign exchange translation (2)		(38)
Balance as of September 30, 2023	$	2,734

(1) Represents the finalization of the purchase price allocation for the Clipper acquisition. See Note 11 — Acquisition for additional information.
(2) Changes to goodwill amounts resulting from foreign currency translation after the acquisition date are presented as the impact of foreign exchange translation.

As of September 30, 2023, and December 31, 2022, there were no accumulated goodwill impairment losses.

11. Acquisition

On May 24, 2022, the Company completed the acquisition of Clipper Logistics plc ("Clipper"), an omnichannel retail logistics specialist based in Leeds, England (the "Clipper Acquisition"). The Company acquired Clipper for $1,106 million, consisting of $902 million in cash and the issuance of 3,757,657 shares of GXO common stock with a value of $204 million.

The Company accounted for the Clipper Acquisition as a business combination using the acquisition method of accounting. The fair value of assets acquired and liabilities assumed was based on management's estimate of the fair value using valuation techniques including income, cost and market approaches.

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

(In millions)	
ASSETS	
Current assets	
Cash and cash equivalents	$ 26
Accounts receivable	143
Other current assets	67
Total current assets	236
Long-term assets	
Property and equipment	80
Operating lease assets	219
Intangible assets (1)	392
Other long-term assets	29
Total long-term assets	720
Total assets	$ 956
LIABILITIES	
Current liabilities	
Accounts payable	$ 81
Accrued expenses	96
Current debt	55
Current operating lease liabilities	43
Other current liabilities	56
Total current liabilities	331
Long-term liabilities	
Long-term debt	10
Long-term operating lease liabilities	176
Other long-term liabilities	173
Total long-term liabilities	359
Total liabilities	$ 690
Net assets purchased	$ 266
Cash paid	$ 902
Common stock issued (2)	204
Purchase price paid	$ 1,106
Goodwill recorded (3)	$ 840

(1) The Company acquired $392 million of intangible assets, comprised of customer relationships and trade names, with weighted-average useful lives of 15 years.
(2) Represents the fair value of the Company's common stock issued.
(3) Goodwill represents the excess of the purchase price over the fair value of identifiable assets acquired and liabilities assumed at the acquisition date. Goodwill acquired was recorded in the United Kingdom and Ireland reporting unit and was primarily attributed to anticipated synergies. The Company does not expect the goodwill recognized in connection with the Clipper Acquisition to be deductible for income tax purposes.

12. Commitments and Contingencies

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

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

Management of the Company believes that it has adequately accrued for the potential impact of loss contingencies that are probable and reasonably estimable. Management of the Company does not believe that the ultimate resolution of any matters to which the Company is presently a party will have a material adverse effect on its results of operations, financial condition or cash flows. However, the results of these matters cannot be predicted with certainty, and an unfavorable resolution of one or more of these matters could have a material adverse effect on the Company's financial condition, results of operations or cash flows. Legal costs related to these matters are expensed as they are incurred.

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

13. Subsequent Events

Financial Instruments - Net Investment Hedges

In October 2023, the Company terminated a hedge with a notional amount of $115 million. Also, the Company amended a $235 million hedge to extend its maturity from 2024 to 2025. Additionally, the Company entered into various hedges for an aggregate notional amount of $313 million that will mature from 2025 to 2028.

Acquisition

On September 13, 2023, the Company entered into an Agreement and Plan of Merger to acquire PFSweb, Inc., a Delaware corporation headquartered in Irving, Texas ("PFS"), and on October 23, 2023, the Company completed its acquisition of PFS. PFS provides e-commerce order fulfillment services. The Company acquired the shares of PFSweb at a price per share of $7.50 in cash, totaling approximately $181 million.

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

Cautionary Statement Regarding Forward-Looking Statements

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

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as filed with the SEC on February 16, 2023 (the "2022 Form 10-K"), and the unaudited condensed consolidated financial statements and related notes thereto included elsewhere in this Quarterly Report on Form 10-Q.

Business Overview

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

We strive to provide all customers with consistent quality service and cutting-edge automation. We also collaborate with our largest customers on planning and forecasting and assist with network optimization, working with these customers to design or redesign their supply chains to meet specific goals, such as environmental, social and governance. Our multidisciplinary, consultative approach has led to many of our key customer relationships extending for years and expanding in scope.

The most dramatic growth in secular demand in recent years has been in e-commerce and related sectors, including omnichannel retail and other direct-to-consumer channels. We expect to attract new customers and expand the services we provide to existing customers through new projects, thus earning more of their external and internal logistics spending. We use technology to manage advanced automation, labor productivity, sustainability, safety and the complex flow of goods within sophisticated warehouse environments.

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

On May 24, 2022, the Company completed the acquisition of Clipper Logistics plc ("Clipper"), an omnichannel retail logistics specialist based in Leeds, England (the "Clipper Acquisition"). Due to the Clipper Acquisition, comparisons in our results of operations between 2023 and 2022 are less meaningful.

Results of Operations

Three Months Ended September 30, 2023 Compared with the Three Months Ended September 30, 2022

	Three Months Ended September 30,			
(In millions)	**2023**	**2022**	**$ Change**	**% Change**
Revenue	$ 2,471	$ 2,287	$ 184	8 %
Direct operating expense	2,012	1,885	127	7 %
Selling, general and administrative expense	258	227	31	14 %
Depreciation and amortization expense	101	89	12	13 %
Transaction and integration costs	3	14	(11)	(79)%
Restructuring costs and other	7	—	7	n/m
Operating income	90	72	18	25 %
Other income, net	7	17	(10)	(59)%
Interest expense, net	(14)	(6)	(8)	n/m
Income before income taxes	83	83	—	— %
Income tax expense	(15)	(19)	4	(21)%
Net income	$ 68	$ 64	$ 4	6 %

n/m - not meaningful

Revenue for the three months ended September 30, 2023, increased by 8%, or $184 million, to $2.5 billion compared with $2.3 billion for the same period in 2022. The increase in 2023 compared to the prior period primarily reflects growth in our Continental Europe and United Kingdom and Ireland operations. Foreign currency movement increased revenue by $126 million for the three months ended September 30, 2023 compared with the prior period.

Direct operating expense is comprised of both fixed and variable expenses and consist of operating costs related to our warehouses, including personnel costs, rent expenses, utility costs, equipment maintenance and repair costs, transportation costs, costs of materials and supplies and information technology expenses. Direct operating expense for the three months ended September 30, 2023, increased by 7%, or $127 million, to $2.0 billion compared with $1.9 billion for the same period in 2022. Direct operating expense increased primarily due to higher personnel and temporary labor expenses and higher facilities and equipment expense. As a percentage of revenue, direct operating expense for the three months ended September 30, 2023, was 81.4% compared with 82.4% for the same period in 2022.

Selling, general and administrative expense ("SG&A") primarily consists of salary and benefits for executive and administrative functions, professional fees and legal costs. SG&A for the three months ended September 30, 2023, increased by 14%, or $31 million, to $258 million compared with $227 million for the same period in 2022. SG&A increased due to higher personnel costs, primarily for certain administrative functions, and higher bad debt expense.

Depreciation and amortization expense for the three months ended September 30, 2023 increased by $12 million to $101 million compared with $89 million for the same period in 2022. Amortization expense was $18 million and $21 million for the three months ended September 30, 2023 and 2022, respectively. The increase in depreciation and amortization expense was primarily related to increased depreciation expense due to the impact of prior capital investments associated with new contracts.

Transaction and integration costs for the three months ended September 30, 2023 were $3 million and primarily related to the acquisition of PFSweb, Inc. Transaction and integration costs for the three months ended September 30, 2022 were $14 million and primarily related to the Clipper Acquisition.

Restructuring costs and other are primarily related to severance, including projects to optimize finance, human resources and information technology functions, and are not associated with customer attrition. Restructuring costs and other for the three months ended September 30, 2023 was $7 million and primarily related to the exit of non-core businesses in Asia.

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

	Three Months Ended September 30,			
(In millions)	**2023**	**2022**	**$ Change**	**% Change**
Net periodic pension income	$ 2	$ 7	$ (5)	(71)%
Foreign currency:				
Realized foreign currency contracts gain (loss)	(3)	10	(13)	n/m
Unrealized foreign currency contracts gain (loss)	8	(1)	9	n/m
Foreign currency remeasurement gain	—	1	(1)	(100)%
Total foreign currency gain	5	10	(5)	(50)%
Other income, net	$ 7	$ 17	$ (10)	(59)%

n/m - not meaningful

Interest expense, net increased primarily due to higher variable interest rates on our debt compared with the prior period. Interest expense, net was as follows:

	Three Months Ended September 30,			
(In millions)	**2023**	**2022**	**$ Change**	**% Change**
Debt and capital leases	$ 25	$ 16	$ 9	56 %
Cross-currency swaps	(9)	(9)	—	— %
Interest income	(2)	(1)	(1)	100 %
Interest expense, net	$ 14	$ 6	$ 8	n/m

n/m - not meaningful

Income before income taxes for both the three months ended September 30, 2023 and 2022 was $83 million.

Income tax expense for the three months ended September 30, 2023 was $15 million compared with $19 million for the same period in 2022. Our effective tax rate was 17.9% for the three months ended September 30, 2023, compared with 22.5% for the same period in 2022. The change in our effective tax rate was primarily driven by a tax benefit related to return-to-provision true-up adjustments.

Nine Months Ended September 30, 2023 Compared with the Nine Months Ended September 30, 2022

	Nine months ended September 30,			
(In millions)	2023	2022	$ Change	% Change
Revenue	$ 7,188	$ 6,526	$ 662	10 %
Direct operating expense	5,875	5,408	467	9 %
Selling, general and administrative expense	761	637	124	19 %
Depreciation and amortization expense	268	242	26	11 %
Transaction and integration costs	22	57	(35)	(61)%
Restructuring costs and other	31	14	17	n/m
Operating income	231	168	63	38 %
Other income, net	8	56	(48)	(86)%
Interest expense, net	(41)	(19)	(22)	n/m
Income before income taxes	198	205	(7)	(3)%
Income tax expense	(38)	(51)	13	(25)%
Net income	$ 160	$ 154	$ 6	4 %

n/m - not meaningful

Revenue for the nine months ended September 30, 2023 increased by 10%, or $662 million, to $7.2 billion compared with $6.5 billion for the same period in 2022. The increase primarily reflects an increase of $378 million from the Clipper Acquisition for the periods that were not comparable and growth in our Continental Europe operations. Foreign currency movement increased revenue by $43 million for the nine months ended September 30, 2023 compared with the prior period.

Direct operating expense is comprised of both fixed and variable expenses and consist of operating costs related to our warehouses, including personnel costs, rent expenses, utility costs, equipment maintenance and repair costs, transportation costs, costs of materials and supplies and information technology expenses. Direct operating expense for the nine months ended September 30, 2023 increased by 9%, or $467 million, to $5.9 billion compared with $5.4 billion for the same period in 2022. Direct operating expense increased primarily due to the Clipper Acquisition, as well as higher personnel and temporary labor expenses and higher facilities and equipment expense. As a percentage of revenue, direct operating expense for the nine months ended September 30, 2023, was 81.7% compared with 82.9% for the same period in 2022.

Selling, general and administrative expense (“SG&A”) primarily consists of salary and benefits for executive and administrative functions, professional fees and legal costs. SG&A for the nine months ended September 30, 2023, increased by 19%, or $124 million, to $761 million compared with $637 million for the same period in 2022. SG&A increased primarily due to the Clipper Acquisition and higher personnel costs, primarily for certain administrative functions, and higher bad debt expense.

Depreciation and amortization expense for the nine months ended September 30, 2023 increased by $26 million to $268 million compared with $242 million for the same period in 2022. Amortization expense was $54 million and $48 million for the nine months ended September 30, 2023 and 2022, respectively. Depreciation and amortization expense increased primarily due to the Clipper Acquisition.

Transaction and integration costs for the nine months ended September 30, 2023 were $22 million compared with $57 million for the same period in 2022. Transaction and integration costs for the nine months ended September 30, 2023 and 2022, primarily related to the Clipper Acquisition.

Restructuring costs and other are primarily related to severance, including projects to optimize finance, human resources and information technology functions, and are not associated with customer attrition. Restructuring costs and other for the nine months ended September 30, 2023 was $31 million and included severance charges of

$24 million and impairment charges of $7 million due to closing certain corporate and administrative offices and the exit of non-core businesses in Asia. For the nine months ended September 30, 2022, Restructuring costs and other was $14 million and included severance charges of $6 million and $8 million related to the deconsolidation of a joint venture.

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

	Nine Months Ended September 30,			
(In millions)	**2023**	**2022**	**$ Change**	**% Change**
Net periodic pension income	$ 6	$ 25	$ (19)	(76)%
Foreign currency:				
Realized foreign currency contracts gain (loss)	(9)	19	(28)	n/m
Unrealized foreign currency contracts gain	12	14	(2)	(14)%
Foreign currency remeasurement loss	(1)	(2)	1	(50)%
Total foreign currency gain	2	31	(29)	(94)%
Other income, net	$ 8	$ 56	$ (48)	(86)%

n/m - not meaningful

Interest expense, net increased primarily due to debt incurred for the Clipper Acquisition and higher variable interest rates on our debt compared with the prior period, partially offset by higher gains on cross-currency swaps in the current period. Interest expense, net was as follows:

	Nine Months Ended September 30,			
(In millions)	**2023**	**2022**	**$ Change**	**% Change**
Debt and capital leases	$ 72	$ 37	$ 35	95 %
Cross-currency swaps	(25)	(16)	(9)	56 %
Interest income	(6)	(2)	(4)	n/m
Interest expense, net	$ 41	$ 19	$ 22	n/m

n/m - not meaningful

Income before income taxes for the nine months ended September 30, 2023, decreased to $198 million compared with $205 million for the same period in 2022. The decrease was due to lower Other income, net and higher interest expense, partially offset by higher operating income.

Income tax expense for the nine months ended September 30, 2023 was $38 million compared with $51 million for the same period in 2022. Our effective tax rate was 19.1% for the nine months ended September 30, 2023, compared with 24.7% for the same period in 2022. The change in our effective tax rate was primarily driven by a tax benefit related to a valuation allowance release.

Liquidity and Capital Resources

Our ability to fund our operations and anticipated capital needs is reliant upon the generation of cash from operations, supplemented as necessary by periodic utilization of our revolving credit facilities. Our principal uses of cash in the future will be to fund our operations, working capital needs, capital expenditures, repayment of borrowings and strategic business development transactions. The timing and magnitude of our start-ups can vary and may positively or negatively impact our cash flows.

As of September 30, 2023, we held cash and cash equivalents of $473 million and we had $799 million of borrowing capacity available, net of letters of credit under our Revolving Credit Facility.

We continually evaluate our liquidity requirements and capital structure in consideration 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.

Factoring Programs

We sell certain of our trade receivables on a non-recourse basis to third-party financial institutions under various factoring agreements. We account for these transactions as sales of receivables and present cash proceeds as cash provided by operating activities in the Condensed Consolidated Statements of Cash Flows.

Information related to the trade receivables sold was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2023**	**2022**	**2023**	**2022**
Receivables sold in period	$ 288	$ 259	$ 820	$ 716
Cash consideration	286	258	815	714
Net cash provided by operating cash flows [(1)]	27	18	27	16

(1) The nine months ended September 30, 2022, includes $134 million of cash provided by factoring program, reduced by $118 million of cash used in the securitization program that was terminated in the first quarter of 2022.

Covenants and Compliance

The covenants in the unsecured notes, term loans and revolving credit facilities, which are customary for financings of this type, limit our ability to incur indebtedness and grant liens, among other restrictions. In addition, the facilities require us to maintain a consolidated leverage ratio below a specified maximum.

As of September 30, 2023, we were in compliance with the covenants contained in our debt and financing arrangements.

Financial Condition

The following table summarizes our asset and liability balances:

(In millions)	September 30, 2023	December 31, 2022	$ Change	% Change
Current assets	$ 2,466	$ 2,428	$ 38	2 %
Long-term assets	6,625	6,791	(166)	(2)%
Total Assets	$ 9,091	$ 9,219	$ (128)	(1)%
Current liabilities	$ 2,434	$ 2,532	$ (98)	(4)%
Long-term liabilities	3,840	4,009	(169)	(4)%
Total Liabilities	$ 6,274	$ 6,541	$ (267)	(4)%

The decrease in total assets from December 31, 2022 to September 30, 2023 reflects a decrease in long-term assets primarily due to depreciation and amortization of property and equipment, operating leases and intangible assets.

The decrease in total liabilities from December 31, 2022 to September 30, 2023 primarily reflects the decrease in accounts payable due to the timing of payments and the early repayment of our $115 million two-year term loan.

Cash Flow Activity

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

	Nine Months Ended September 30,			
(In millions)	2023	2022	$ Change	% Change
Net cash provided by operating activities	$ 343	$ 316	$ 27	9 %
Net cash used in investing activities	(192)	(1,056)	864	(82)%
Net cash provided by (used in) financing activities	(170)	863	(1,033)	n/m
Effect of exchange rates on cash, restricted cash and cash equivalents	(2)	(22)	20	(91)%
Net (decrease) increase in cash, restricted cash and cash equivalents	$ (21)	$ 101	$ (122)	(121)%

Operating Activities

Cash flows provided by operating activities for the nine months ended September 30, 2023 increased by $27 million compared with the same period in 2022 due to increase in cash generated from net income adjusted for non-cash charges.

Investing Activities

Investing activities used $192 million of cash for the nine months ended September 30, 2023, compared with $1.1 billion used for the same period of 2022. During the nine months ended September 30, 2023, we used $205 million of cash to purchase property and equipment and received $13 million of cash from sales of property and equipment. During the nine months ended September 30, 2022, we used $874 million, net of cash received, to fund the Clipper Acquisition, used $239 million of cash to purchase property and equipment, received $26 million in proceeds from cross-currency swap agreements, excluding accrued interest, and received $22 million of cash from sales of property and equipment.

Financing Activities

Financing activities used $170 million of cash for the nine months ended September 30, 2023, including $139 million used to repay debt, $24 million to repay finance lease obligations and $7 million in payments for employee taxes on stock-based compensation awards. Financing activities generated $863 million of cash for the nine months ended September 30, 2022, including $898 million in proceeds from long-term debt, partially offset by $23 million to repay finance lease obligations and $12 million in payments for employee taxes on stock-based compensation awards.

Off-Balance Sheet Arrangements

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

Contractual Obligations

As of September 30, 2023, the Company’s contractual obligations had not materially changed compared with December 31, 2022.

Critical Accounting Policies and Estimates

There have been no material changes to the critical accounting policies and estimates as previously disclosed in “Critical Accounting Policies” in Part II, Item 7 of our Form 10-K for the year ended December 31, 2022.

Accounting Pronouncements

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

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk that may impact our Condensed Consolidated Financial Statements due primarily to variable rate long-term debt obligations and fluctuations in certain foreign currencies. To reduce our exposure to market risk associated with interest and foreign currency exchange rate risks, we enter into various derivative instruments. There have been no material changes to our exposure to market risk for the nine months ended September 30, 2023, from those previously disclosed in “Quantitative and Qualitative Disclosures About Market Risk” contained in Part II, Item 7A of our Form 10-K for the year ended December 31, 2022.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended, as of September 30, 2023. Based on that evaluation, our CEO and CFO concluded that our disclosure controls and procedures as of September 30, 2023 were effective as of such time such that the information required to be included in our Securities and Exchange Commission (“SEC”) reports is: (i) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms relating to the Company, including our consolidated subsidiaries and (ii) accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

Other than the design and implementation of internal controls related to the acquisition of Clipper Logistics plc, there have not been any changes in our internal control over financial reporting during the quarter ended September 30, 2023, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Note 12 — Commitments and Contingencies in Part I, Item 1 of this Quarterly Report on Form 10-Q for a description of our legal proceedings.

ITEM 1A. RISK FACTORS

There are no material changes to the risk factors as previously disclosed in “Risk Factors” contained in Part I, Item 1A of our Form 10-K for the year ended December 31, 2022.

ITEM 5. OTHER INFORMATION

Compensatory Arrangements of the Former Chief Human Resources Officer

As previously disclosed, Maryclaire Hammond ceased service as the Chief Human Resources Officer of the Company on November 3, 2023, and will separate from employment with the Company on December 31, 2023. In exchange for certain separation benefits, on November 7, 2023 Ms. Hammond entered into a settlement agreement with GXO Logistics UK Limited releasing legal claims and reaffirming her obligations under her Service Agreement with GXO Logistics UK Limited, dated May 14, 2021. Pursuant to the settlement agreement, Ms. Hammond will receive (1) 12 months of pay in lieu of notice, consisting of base salary, employer pension contributions and car allowance, as well as 12 months of continued health benefits, (2) an annual incentive bonus for 2023, calculated at the higher of actual performance or target, and an ex gratia payment equal to £278,175, payable in April 2025, (3) vesting of a portion of her unvested equity compensation awards, and (4) certain ancillary benefits, including reimbursement of legal fees in connection with the settlement agreement, outplacement services for up to 12 months, and global tax support for a transition period. This description is qualified in its entirety by reference to the full text of the settlement agreement, which is filed as Exhibit 10.1 hereto and is incorporated herein by reference.

ITEM 6. EXHIBITS

Exhibit Number	Description
10.1	Settlement Agreement, dated as of November 7, 2023, by and between GXO Logistics UK Limited and Maryclaire Hammond.
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, 2023.
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, 2023.
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, 2023.
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, 2023.
101.INS*	Inline XBRL Instance Document.
101.SCH*	Inline XBRL Taxonomy Extension Schema.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase.
104*	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).
*	Filed herewith.
**	Furnished herewith.

SIGNATURES

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

		GXO Logistics, Inc.
Date: November 8, 2023	By:	/s/ Malcolm Wilson
		Malcolm Wilson (Chief Executive Officer) (Principal Executive Officer)
Date: November 8, 2023	By:	/s/ Baris Oran
		Baris Oran (Chief Financial Officer) (Principal Financial Officer)

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DX 10031 Nottingham

eversheds-sutherland.com

Dated: November 7, 2023

WITHOUT PREJUDICE AND SUBJECT TO CONTRACT

(1) **GXO LOGISTICS UK LIMITED**

(2) **MARYCLAIRE HAMMOND**

Settlement agreement

CONTENTS

THIS AGREEMENT is made on November 7, 2023

BETWEEN:

(1) **GXO LOGISTICS UK LIMITED** whose registered office is at Building 19 Haymarket Square, Edinburgh, Scotland, EH3 8RY (**the Employer**); and

(2) **MARYCLAIRE HAMMOND** of 4 Hawthorn Lane, Sarisbury Green, Southampton SO31 7BD United Kingdom (**the Employee / you**)

1. **PERMITTED DISCLOSURES**

1.1 Nothing in this agreement prevents the parties from making a disclosure:

1.1.1 which amounts to a protected disclosure within the meaning of section 43A of the Employment Rights Act 1996;

1.1.2 in order to report an offence to a law enforcement agency or to co-operate with a criminal investigation or prosecution;

1.1.3 for the purposes of reporting misconduct, or a serious breach of regulatory requirements, to anybody responsible for supervising or regulating the matters in question;

1.1.4 if and to the extent required by law.

1.2 All other terms of this agreement are to be read subject to this Clause.

2. **DEFINITIONS**

In this Agreement the following expressions have the following meanings:

"the Adviser"	the person named as Adviser in **Schedule 2;**
"the Group"	the Employer and its Parent Undertakings, its Subsidiary Undertakings and the Subsidiary Undertakings of any of its Parent Undertakings from time to time ("Parent Undertaking" and "Subsidiary Undertaking" having the meanings set out in section 1162 Companies Act 2006);
"PAYE deductions"	deductions made to comply with or to meet any liability of the Employer to account for tax pursuant to regulations made under Chapter 2 of Part 11 of ITEPA 2003 and to comply with any obligation to make a deduction in respect of national insurance contributions;
"ITEPA 2003"	the Income Tax (Earnings and Pensions) Act 2003;
"the Termination Date"	31 December 2023;
"the Termination Payments"	the payments referred to in **Clause 6**

3. **BASIS OF AGREEMENT**

3.1 The parties have entered into this Agreement to record and implement the terms on which they have agreed to settle all outstanding claims which you have or may have against the Employer or the Group or their respective officers or employees arising out of or in connection with or as a consequence of your employment and/or its termination. The terms set out in this Agreement constitute the entire Agreement between the parties and are without admission of liability on the part of the Employer or the Group.

3.2 The Employer is entering into this Agreement for itself and as agent for and trustee of all companies in the Group and is duly authorised to do so. The parties intend that each company in the Group and Brahams Dutt Badrick French LLP in respect of its legal fees only should be able to enforce in its own right the terms of this Agreement which expressly or impliedly confer a benefit on that company subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

4. **TERMINATION**

Your employment with the Employer will terminate on the Termination Date. In the period between 3 November 2023 and Termination Date, it is agreed that you will be on special paid leave albeit that you must remain available during working hours in order to answer any queries that the Employer may have.

5. **REMUNERATION TO TERMINATION DATE**

5.1 You will be paid your normal salary (less PAYE deductions) and provided with all benefits for the period up to and including the Termination Date.

5.2 You will not later than the Termination Date, submit to the Employer your final business expenses claim up to and including the Termination Date. All business expenses reasonably incurred by you during your employment which are outstanding at the Termination Date will be reimbursed in the usual way provided you comply with the Employer's current policy regarding expenses. The Employer will not reimburse you for any expenses incurred after the Termination Date.

6. **TERMINATION PAYMENT**

6.1 Subject to and conditional upon your compliance with the terms of this Agreement, within 21 days of the Termination Date the Employer will pay you a contractual payment in lieu of 12 months' notice (of salary, car allowance and employer pension contributions) equal to £422,061.04 (the "Payment in Lieu of Notice") as well as any accrued but untaken holiday owing to you ("Holiday Pay") as at the Termination Date.

6.2 The Employer agrees that, notwithstanding that your employment will come to an end on the Termination Date, you shall remain entitled to receive a bonus payment under the GXO Annual Incentive Plan ("AIP") for the performance year 2023. The Employer agrees to pay you your 2023 AIP payment either at target or at actual performance, whichever is higher (the "Bonus Payment") in April 2024.

6.3 The Employer also agrees to pay you an ex gratia payment of £278,175.00 as compensation for loss of office (the "Ex Gratia Payment"). This payment will be made to you at some point in April 2025.

7. **BENEFITS & LTIP**

7.1 Save as set out in clause 7.2 below, the provision of all benefits will cease on the Termination Date.

7.2 Subject to the terms and conditions of the relevant insurance policies as amended from time to time the Employer will continue to provide you and your family with private medical insurance and dental cover for a period of 12 months following the Termination Date. The Employer also will provide coverage to you under the Nuffield plan for a period of 12 months following the Termination Date.

7.3 The Employer will continue to provide you with global tax support from Vialto until the earlier of the date upon which you secure an alternative role elsewhere which provides a commensurate level of global tax support and December 31, 2026.

7.4 The Employer will provide you with the benefit of executive outplacement consultancy services with LHH for a maximum period of 12 months from initiating the service.

7.5 Pursuant to the terms of the Restricted Stock Unit Award Agreement, dated December 8, 2020 (the "2020 RSU Award Agreement"), granted under the XPO Logistics, Inc. 2016 Omnibus Incentive Compensation Plan (the "2016 Equity Plan"), the Restricted Stock Unit Award Agreement, dated March 10, 2021 (the "2021 RSU Award Agreement"), granted under the 2016 Equity Plan, the Restricted Stock Unit Award Agreement, dated March 30, 2022 (the "2022 RSU Award Agreement"), granted under the GXO Logistics, Inc. 2021 Omnibus Incentive Compensation Plan (the "2021 Equity Plan"), the Performance Share Unit Award Agreement, dated March 30, 2022 (the "2022 PSU Award Agreement"), granted under the 2021 Equity Plan, the Restricted Stock Unit Award Agreement, dated March 7, 2023 (the "2023 RSU Award Agreement"), granted under the 2021 Equity Plan, and the Performance Share Unit Award Agreement, dated March 7, 2023, granted under the 2021 Equity Plan (the "2023 PSU Award Agreement," and together with the 2020 RSU Award Agreement, the 2021 RSU Award Agreement, the 2022 PSU Award Agreement, the 2022 RSU Award Agreement, and the 2023 RSU Award Agreement, collectively, the "Award Agreements"), you shall vest in 8,412 shares of GXO common stock granted under the Award Agreements as of the Termination Date, and shall forfeit all remaining unvested restricted stock units and performance share units under the Award Agreements as of the Termination Date, except the Additional Accelerated Shares as further provided in this Section 7.5. The Employer will accelerate vesting of a total of 3,893 shares of GXO common stock granted to Employee under the Award Agreements (collectively, the "Additional Accelerated Shares") that Employee would have otherwise forfeited as of the Termination Date, with such shares underlying the Additional Accelerated Shares delivered to Employee in accordance with the terms of the Award Agreements. Employee further agrees that the Additional Accelerated Shares will be subject to a two-year lock-up that prohibits Employee from selling the Additional Accelerated Shares until December 31, 2025. No other remaining restricted stock units or performance share units granted pursuant to the Award Agreements will vest if not contemplated in this Section 7.5.

7.6 Pursuant to the terms of the Option Award Agreement, dated June 7, 2021 (the "2021 Option Award Agreement"), granted under the 2021 Equity Plan, and the Addendum thereto, the Employee acknowledges the Employee has three (3) months from the Termination Date to exercise the 10,995 options to purchase common stock of GXO Logistics, Inc. ("Options") vested under the 2021 Option Award Agreement as of the Termination Date, and the Employee shall forfeit all remaining unvested Options under the 2021 Option Award Agreement as of the Termination Date.

7.7 The Employee will remain covered pursuant to the terms of the Employer's Directors and Officer's Insurance Policy for acts that occur during the Employee's employment with the Employer.

8. PENSION

Your active membership of any pension scheme will cease with effect from the Termination Date.

9. LEGAL FEES

Subject to and conditional upon your compliance with the terms of this Agreement and subject to receipt of an invoice from the your Adviser, and provided the Adviser is a qualified lawyer (as defined in the Employment Rights Act 1996), the Employer agrees to pay to the Adviser up to a maximum of £5,000.00 plus VAT as a contribution towards your legal fees incurred exclusively in connection with the termination of your employment. All invoices are subject to 60-day payment terms. Any invoice should be addressed to you but sent to Karlis.Kirsis@gxo.com at the Employer.

10. TAXATION

10.1 The Employer will deduct from the Termination Payment and other sums to be paid to you under this Agreement any PAYE deductions it is required by law to make.

10.2 In this regard, the parties believe the following to be correct, although neither party gives any warranty to this effect:

10.2.1 The Payment in Lieu of Notice and any Holiday Pay at clause 6.1 and the Bonus Payment at clause 6.2 are subject to PAYE deductions.

10.2.2 As shown in **Schedule 4**, no part of the Termination Payment is post-employment notice pay for the purposes of section 402D of ITEPA 2003

10.2.3 The first £30,000 of the Ex Gratia Payment as clause 6.3 can be paid free of tax, being a termination award to which section 403 of ITEPA 2003 applies but which falls under the threshold stipulated in that section.

10.2.4 The remaining balance of the Ex Gratia Payment is subject to deductions for income tax only, being a termination award to which section 403 of ITEPA 2003 applies and which exceeds the threshold stipulated in that section.

10.3 You will be responsible for the payment of any tax and employee's national insurance contributions referable to the Termination Payment and all other payments and the provision of benefits set out in this Agreement in excess of any PAYE deductions made by the Employer, save for those deducted at source. You hereby agree to indemnify the Employer and the Group on a continuing basis immediately on demand against all such liabilities, including any interest, penalties, reasonable costs and expenses incurred as a result of any default or delay by you which the Employer or any company in the Group may incur in respect of or by reason of such payments or the provision of such benefits. For the avoidance of doubt, you will not be liable for any interest, penalties or costs where these are incurred as a result of the default and/or delay of the Employer or any company in the Group. If the Employer becomes aware that any such liabilities may arise it will provide relevant details to you so that you are given the opportunity at your own expense to dispute any such payment with HM Revenue and Customs or other relevant authority provided that the Employer will be entitled to pay any such liabilities as they fall due.

11. SOCIAL MEDIA AND RETURN OF PROPERTY

11.1 On or before the Termination Date you will return to the Employer all credit cards, keys, your security pass, any identity badge, all computer disks, memory cards, software and computer programs, any mobile telephone, laptop computer, chargers printer, and other electronic equipment, all documents and copies (including electronic or recorded versions and copies in whatever medium held) together with all other property belonging to the Employer or the Group or relating to its or their business in your possession or control having conducted a reasonable search except for such property as the parties agree in writing that you may retain.

11.2 On or within two working days after the Termination Date, you will amend your profiles on any social media accounts to show that you are no longer employed by the Employer.

11.3 You shall, if requested, provide the Employer with a signed statement confirming that you have complied fully with your obligations under **Clause 11.1** and **Clause 11.2** and shall provide such reasonable evidence of compliance as may be requested.

12. WARRANTIES AND REPRESENTATIONS

12.1 You warrant as a strict condition of this Agreement and represent to the Employer that up to and as at the date this Agreement becomes binding in accordance with **Clause 18** you:

12.1.1 have not committed any material breach of any duty owed to the Employer or any company in the Group;

12.1.2 have not retained any software or computer programs, documents or copies (electronically or otherwise) which belong to the Employer or any company in the Group or to which the Employer or any company in the Group is entitled;

12.1.3 have not done or failed to do anything, which act or omission amounts to a repudiatory breach of the express or implied terms of your employment with the Employer or which, if it were to be done or omitted after the date of this Agreement, would be in breach of any of its terms. The Employer confirms that as at the date of this Agreement is it not aware of any act or omission by you which amounts to a repudiatory breach of the express or implied terms of your employment with the Employer;

12.1.4 have not commenced any action or issued any proceedings against the Employer or any company in the Group or any of their respective officers or employees.

12.2 The Employer is under no obligation to make the payments specified in **Clause 6** and **9** if:

12.2.1 you are in material breach of any of the warranties referred to in this **Clause 11.1**; or

12.2.2 on or before the Termination Date you do or fail to do, or have done or failed to do, anything which act or omission amounts to a repudiatory breach of the express or implied terms of your employment with the Employer.

13. CONFIDENTIALITY AND OTHER RESTRICTIONS

13.1 You accept and agree that your express and implied duties relating to confidential information, restrictive covenants and intellectual property continue after the Termination Date. In particular, you affirm the duties and restrictions set out in clauses 16, 17 and 18 of the service agreement that you entered into with the Employer dated 14 May 2021.

13.2 The parties consider that confidentiality is mutually beneficial in all the circumstances and agree and undertake (in consideration of their mutual promises to that effect) and subject to **Clause 13.4** that neither will:

13.2.1 make or publish any statement to a third party concerning the fact, negotiations or terms of this Agreement, the dispute settled by it or the circumstances surrounding the termination of your employment;

13.2.2 make or publish any derogatory or disparaging statement or do anything in relation to the other and in your case in relation to any company in the Group or any past, current or future officers or employees of the Employer or any company in the Group which is intended to or which might be expected to damage or lower their respective reputations,

provided that the parties will not be prevented from making a disclosure:

(a) for the purposes of seeking legal or tax advice in relation to this Agreement, provided the professional adviser is bound by a duty of confidence, or to HMRC for tax purposes;

(b) in your case:

(i) to your immediate family, provided such person agrees to maintain confidentiality;

(ii) to a medical practitioner or counsellor for the purpose of seeking or obtaining treatment;

(iii) about the circumstances surrounding the termination of your employment but not the terms of this Agreement, to someone with whom you are seeking employment, for the purposes of seeking employment; or

(iv) to your insurer for the purpose of any insured claim for loss of employment, provided any such insurer agrees to keep any disclosed information confidential

(c) in the case of the Employer, where in its reasonable opinion it is in the interests of good corporate governance to do so and/or in order to defend any litigation brought (or intimated may be brought) by you or resist or process any actual or intimated claim of insurance, for which latter purpose you hereby provide express consent on the basis that the insurer has agreed to keep any disclosed information confidential; or

(d) consistent with the terms and spirit of any agreed reference and/or announcement made regarding your departure.

13.3 You warrant that you have not done or failed to do anything including without limitation published any statement or authorised or permitted anyone else to do so prior to the date of this Agreement which would constitute a breach of **Clauses 13.1** or **13.2** if it had occurred after the date of this Agreement.

13.4 The Employer will not be liable for any breach of its undertakings at **Clause 13.2** caused by the actions of any of its past, current or future officers or employees if it has taken such steps as are reasonable to prevent that breach or breaches of that kind.

14. REFERENCES

Should any third party ask the Employer to give a reference in relation to you up to or within five years following the Termination Date, any written reference given in response to such a request will be in or substantially in the terms set out in Schedule 3, provided, that the third party's request is made to the Employer's Chief Legal Officer. This clause is subject to the proviso that the Employer will cease to be obliged to provide a reference, whether written or oral, in the agreed terms if after the signing of this Agreement new facts come to the Employer's attention which make the agreed reference substantially and materially incorrect.

15. FULL AND FINAL SETTLEMENT

15.1 The terms of this Agreement are, without any admission of liability on the part of the Employer or any company in the Group, in full and final settlement of all sums due to you from the Employer or any company in the Group and all claims in all jurisdictions under contract, tort, statute or otherwise which you have or may have against the Employer or any company in the Group or their respective current or former officers or employees arising out of or in connection with or as a consequence of your employment and/or its termination (whether such claims are, or could be, known to the parties, and including any claims which may arise in the future) including in particular for the avoidance of doubt the claims specified in **Schedule 1**, each of which is hereby intimated and waived.

15.2 You agree to refrain from commencing any action or issuing any proceedings against the Employer or any company in the Group or their respective current or former officers or employees in respect of any claims referred to in **Clause 15.1** including the claims specified in **Schedule 1**.

15.3 Neither the settlement and waiver in **Clause 15.1** nor the agreement to refrain from proceedings in **Clause 15.2** applies to:

15.3.1 any claim in respect of accrued pension rights accrued up to the Termination Date;

15.3.2 any claim for personal injury arising out of acts or omissions which have not yet occurred at the time the agreement is entered into;

15.3.3 any other claim for personal injury of which you are not aware and could not reasonably be expected to be aware at the date of this agreement unless it arises from or in connection with any of the claims referred to in **Schedule 1**;

15.3.4 any claim for the sums and benefits due to you pursuant to this Agreement and your ability to enforce the terms under this Agreement.

16. **NO KNOWLEDGE OF OTHER CLAIMS**

16.1 You confirm that you are not aware of any claims other than those specified in **Schedule 1** or facts or circumstances that may give rise to any claim against the Employer or any Group companies or any of their respective current or former officers or employees in relation to any other matters.

16.2 You represent and warrant that:

16.2.1 you have instructed the Adviser to advise as to whether you have or may have any claims, including statutory claims, against the Employer or any company in the Group or their respective current or former officers and employees including arising out of or in connection with your employment or its termination;

16.2.2 you have provided the Adviser with all available information which the Adviser requires or may require in order to advise whether you have any such claims; and

16.2.3 the Adviser has advised you that, on the basis of the information available to the Adviser, your only claims or particular complaints against the Employer or any company in the Group or their respective current or former officers and employees whether statutory or otherwise are those listed in **Schedule 1** of this Agreement and that you have no other claim against the Employer or any company in the Group or their respective current or former officers and employees whether statutory or otherwise.

16.3 In the event of you commencing any action or issuing or pursuing any proceedings or being granted any judgment against the Employer or any company in the Group arising out of your employment or its termination you shall indemnify the Employer or relevant company in the Group in respect of:

16.3.1 its legal costs of defending such action or proceedings (including reasonable legal and professional fees and disbursements together with VAT thereon); and

16.3.2 any award or judgment,

and such part of the Termination Payment equivalent to the amount of such costs, award or judgment shall become immediately repayable to the Employer or relevant company in the Group as a debt.

17. **COMPLIANCE WITH STATUTORY PROVISIONS**

17.1 To the extent that they are relevant, the conditions regulating Settlement agreements, compromise agreements and compromise contracts under the following instruments and provisions (as subsequently consolidated, modified or re-enacted from time to time) are satisfied and met: the Sex Discrimination Act 1975; the Trade Union and Labour Relations (Consolidation) Act 1992; the Employment Rights Act 1996; the Working Time Regulations 1998; the National Minimum Wage Act 1998; the Employment Relations Act 1999; sub-paragraphs (a) to (e) of r41(4) of the Transnational Information and Consultation of Employees Regulations 1999; the Merchant Shipping (Working Time: Inland Waterways) Regulations 2003; sub-paragraphs (a) to (e) of r40(4) of the Information and Consultation of Employees Regulations 2004; the Fishing Vessels (Working Time: Sea-fishermen) Regulations 2004; sub-paragraphs (a) to (e) of paragraph 13(1) of the Schedule to the Occupational and Personal Pension Schemes (Consultation by Employers and Miscellaneous Amendment) Regulations 2006; sub-paragraphs (a) to (e) of r41(4) of the European Cooperative Society (Involvement of Employees) Regulations 2006; sub-paragraphs (a) to (e) of r62(4) of the Companies (Cross-Border Mergers) Regulations 2007; the Cross-border Railway Services (Working Time) Regulations 2008; the Pensions Act 2008; sub-paragraphs (a) to (e) of r39(4) of the European Public Limited-Liability Company (Employee Involvement) (Great Britain) Regulations 2009; paragraphs (c) and (d) of section 147(3) of the Equality Act 2010; the Posted Workers (Enforcement of Employment Rights) Regulations 2016.

17.2 You confirm that:

17.2.1 you have received advice from the Adviser (who is a relevant independent adviser within the meaning of the provisions referred to in **Clause 17.1**) as to the terms and effect of this Agreement and in particular its effect on your ability to pursue your rights before an Employment Tribunal; and

17.2.2 you will procure that the Adviser completes and signs the Certificate in **Schedule 2**.

18. WITHOUT PREJUDICE

18.1 Notwithstanding that this Agreement is marked "without prejudice and subject to contract" when the Agreement has been dated and signed by/on behalf of the parties and is accompanied by the Certificate in **Schedule 2** duly completed and signed by the Adviser it will become an open and binding agreement between the parties.

18.2 This Agreement may be executed in any number of counterparts, each of which will constitute an original, but which will together constitute one agreement.

19. REAFFIRMATION LETTER

The Employer's obligation to make payments or provide the benefits specified in **Clauses 6 and 7** are conditional on you entering into a further agreement with the Employer on the terms set out in the reaffirmation letter set out in **Schedule 5** within 7 days of the Termination Date, and, within that period, sending to the Employer a letter in the form set out in that **Schedule 5** to confirm your agreement, which letter must be signed/executed as a Deed by you.

20. GOVERNING LAW AND JURISDICTION

This Agreement is governed by the law of England and Wales and any dispute is subject to the exclusive jurisdiction of the courts and tribunals of England and Wales.

SCHEDULE 1

CLAIMS

All and any claims:

(a) in respect of outstanding pay, including for pay in lieu of notice, wrongful dismissal, outstanding holiday pay, breach of contract; or unlawful deductions from wages;

(b) arising out of a contravention, or alleged contravention of section 8, 13, 15, 18(1), 21(1), 28, 80G(1), 80H(1)(b), 80(1), 92 or 135 or of Part V, VI, VII, VIII, IX or X of the Employment Rights Act 1996 or any regulations made thereunder including but not limited to any claim relating to: the protection from suffering detriment in employment under Part V; or unfair dismissal under Part X including those circumstances where the dismissal is to be regarded as unfair for the purposes of that Part for the reasons set out in sections 98A to 105 (inclusive); or in respect of any right, benefit or entitlement to maternity, paternity, adoption, shared parental, parental or other leave secured by Part VIII; or in relation to a request for flexible working under Part VIIIA; or the right to written reasons for dismissal under Part IX;

(c) any claim under the Equality Act 2010 in respect of prohibited conduct relating to any of the protected characteristics under the Equality Act 2010 including but not limited to any claim for: direct or indirect discrimination, victimisation or harassment; discrimination arising from disability; or any failure to make reasonable adjustments; including any claim of instructing, causing, inducing or aiding a contravention of the Equality Act 2010.

(d) any claim for equality of terms under the Equal Pay Act 1970 or the Equality Act 2010;

(e) any claim under Part II of the Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000;

(f) any claim under Part II of the Fixed-Term Employees (Prevention of Less Favourable Treatment) Regulations 2002;

(g) any claim arising out of a contravention, or alleged contravention of any section of the Trade Union and Labour Relations (Consolidation) Act 1992 including any claim for a protective award under section 68A, 87, 137, 145A, 145B, 146, 168, 168A, 169, 170, 174 and 192 and paragraph 156 of Schedule A1;

(h) any claim under section 11 of the Employment Relations Act 1999 in respect of the right to be accompanied;

(i) any claim under the Data Protection Act 1998, EU General Data Protection Regulation (EU) 2016/679, UK General Data Protection Regulation or the Data Protection Act 2018, as applicable;

(j) any claim for a redundancy payment (whether statutory or contractual);

(k) any claim under the Working Time Regulations 1998;

(l) under the National Minimum Wage Act 1998;

(m) any claim under any provision of directly applicable European Union law; and

(n) any claim not referred to in paragraphs (a) to (m) above where the non-referral arises as a direct result of the United Kingdom having left the European Union pursuant to the European Union (Withdrawal) Act 2018 (as amended)

SCHEDULE 2

ADVISER'S CERTIFICATE

I confirm that:

1. I am a relevant independent adviser (as defined in the provisions referred to in Clause 17.1 of the Agreement between **MARYCLAIRE HAMMOND** (the Employee) and **GXO LOGISTICS UK LIMITED** to which this Certificate is annexed).

2. I have advised the Employee of the terms and the effect of the Agreement and in particular its effect on the Employee's ability to pursue a claim before an Employment Tribunal.

3. There is in force a contract of insurance covering the risk of a claim by the Employee in respect of loss arising in consequence of the advice.

Adviser's signature	DocuSigned by: Emily Plosker 36A17D74BFB140D......................................
Adviser's name (*capitals*)	EMILY PLOSKER
Title*	Managing Associate
Adviser's business address	BDBF Employment Law Kings House 36 King Street London EC2V 8BB

* Eg: solicitor, barrister, authorised litigator, advocate, fellow of ILEX, officer/employee/member of named trade union or advice centre worker

SCHEDULE 4

POST-EMPLOYMENT NOTICE PAY CALCULATION

Facts:

(a) Termination Date: 31 December 2023
(b) Minimum notice i.e. the minimum notice required to be given by the employer to terminate the employee's employment by notice in accordance with the contract and statute: 12 months
(c) The date notice would have expired if employer had given minimum notice on the termination date: 31 December 2024 (i.e. the 'earliest lawful termination date')
(d) Post-employment notice period: period beginning at the end of 31 December 2023 (i.e. termination date) and ending with 31 December 2024 (i.e. the earliest lawful termination date)
(e) Number of months in the post-employment notice period: 12
(f) The employee's pay period: calendar month
(g) The last pay period to end before the termination date: November2023
(h) The number of days in that pay period: Not applicable
(i) The employee's basic pay for that pay period: £ 30,908.42
(j) Amount of sacrificed pay for that pay period: none
(k) PILON: £422,061.04 (made up of salary of £370,901.04, car allowance of £10,360 and employer pension contributions of £40,800) ;
(l) Any other termination payment taxable as earnings under ITEPA 2003 section 62 other than any holiday pay and terminal bonuses: none

Post-Employment Notice Pay Calculation under ITEPA 2003 section 402D:

(BP x D/P) – T = (£30,908.42 x 12/1) - £422,061.04 = - £51,160

Where:

- BP = the employee's basic pay in the last pay period to end before the termination date i.e. (i) plus (j) above
- D = the number of months in the post-employment notice period i.e. (e) above
- P = 1
- T = the total of any payments or benefits paid in respect of termination which are taxable as earnings under ITEPA 2003 section 62 and do not constitute a termination bonus or holiday entitlement for a period prior to the termination of the employment i.e. (k) and (l) above

The post-employment notice pay is therefore **NIL.**

SCHEDULE 5

REAFFIRMATION LETTER

Dated [ ]

Dear [INSERT NAME OR TITLE OF RECIPIENT AT THE EMPLOYER],

I refer to the settlement agreement dated [*insert date*] between myself and GXO LOGISTICS UK LIMITED (the "Employer") pursuant to which it was agreed that my employment with the Employer would end on 31 December 2023 (the "Termination Date"). As my employment has now ended, I am writing to you in accordance with **Clause 19** of the settlement agreement to confirm the points below.

I confirm that:

1. The termination of my employment in accordance with the terms set out in the settlement agreement is without any admission of liability by the Employer or the Group (as defined in the settlement agreement) and shall be in full and final settlement of all and any claims that I have or may have against the Employer or the Group or any of its or their current or former offices or employees, whether contractual, statutory or otherwise (and whether known or unknown) arising out of or in connection with my employment or its termination.

2. On or after the Termination Date, I have taken further legal advice from the Adviser (as defined in the settlement agreement) as to the terms of this letter and its effect on my ability to pursue my rights before an employment tribunal.

3. Without prejudice to the generality of paragraph 1 above, the waiver in this letter relates to all or any claims specified in **Schedule 1** to the settlement agreement and that the only claims that I have or may have against the Employer, the Group or its or their officers or employees relating to my employment with the Employer or its termination are specified in this **Schedule 5**.

4. To the extent that they are relevant, the conditions regulating compromise agreements, settlement agreements and compromise contracts under the instruments and provisions referred to at **Clause 17** of the settlement agreement have been satisfied and met.

5. The Adviser has signed the certificate below to confirm that they have provided the advice referred to in paragraph 2 above.

6. There are no matters or circumstances that give rise or may give rise to any claims by me against the Employer or the Group in connection with my employment or its termination which have arisen since [*insert date of the settlement agreement*] or, if there are any such matters, I agree to waive such claims. If so required by the Employer, I will enter into any further documentation necessary to give full effect to this intention.

Yours faithfully

SIGNED as a **DEED** and)
DELIVERED by)
)
in the presence of:)

I confirm that:

1. I am a relevant independent adviser (as defined in the provisions referred to in **Clause 17** of the Agreement between **MARYCLAIRE HAMMOND** and **GXO LOGISTICS UK LIMITED** to which this Certificate is annexed).

2. I have advised the Employee of the terms and the effect of the Agreement and this reaffirmation letter and in particular its effect on their ability to pursue a claim before an Employment Tribunal.

3. There is in force a contract of insurance covering the risk of a claim by the Employee in respect of loss arising in consequence of the advice.

Adviser's signature	....
Adviser's name	....
Title	....
Adviser's business address	....
	....
	....
	....

SIGNED by Malcolm Wilson	)
Duly authorised to sign for and on behalf of	)
GXO LOGISTICS UK LIMITED	)
SIGNED by **EMPLOYEE**	DocuSigned by: Maryclaire Hammond 157820CC8D88493
	MARYCLAIRE HAMMOND

SIGNED by Malcolm Wilson)

Duly authorised to sign for and on behalf of)

GXO LOGISTICS UK LIMITED)

SIGNED by **EMPLOYEE** ....

MARYCLAIRE HAMMOND

Exhibit 31.1

CERTIFICATION

I, Malcolm Wilson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 of GXO Logistics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

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

Date: November 8, 2023

Exhibit 31.2

CERTIFICATION

I, Baris Oran, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 of GXO Logistics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

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

Date: November 8, 2023

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 GXO Logistics, Inc. (the “Company”), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2023 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

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

Date: November 8, 2023

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 GXO Logistics, Inc. (the "Company"), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2023 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

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

Date: November 8, 2023