

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

FORM 10-Q

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

For the quarterly period ended September 30, 2025

OR

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

For the transition period from _____ to _____

Commission File Number 1-8022



CSX CORPORATION

(Exact name of registrant as specified in its charter)

Virginia				62-1051971	
(State or other jurisdiction of incorporation or organization)				(I.R.S. Employer Identification No.)	
500 Water Street	15th Floor	Jacksonville	FL	32202	904 359-3200
(Address of principal executive offices)				(Zip Code)	(Telephone number, including area code)

No Change

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

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

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common Stock, \$1 Par Value	CSX	Nasdaq Global Select Market

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 (X) No ()

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted 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 (X) 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 (as defined in Exchange Act Rule 12b-2).

Large Accelerated Filer (X) 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 a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes () No (X)

There were 1,862,136,956 shares of common stock outstanding on September 30, 2025 (the latest practicable date that is closest to the filing date).

CSX CORPORATION
FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2025
INDEX

	<u>Page</u>
PART I. FINANCIAL INFORMATION	
Item 1. Financial Statements	3
Consolidated Income Statements (Unaudited) - Quarters and Nine Months Ended September 30, 2025 and September 30, 2024	3
Condensed Consolidated Comprehensive Income Statements (Unaudited) - Quarters and Nine Months Ended September 30, 2025 and September 30, 2024	3
Consolidated Balance Sheets - At September 30, 2025 (Unaudited) and December 31, 2024	4
Consolidated Cash Flow Statements (Unaudited) - Nine Months Ended September 30, 2025 and September 30, 2024	5
Consolidated Statements of Changes in Shareholders' Equity (Unaudited) - Quarters and Nine Months Ended September 30, 2025 and September 30, 2024	6
Notes to Consolidated Financial Statements (Unaudited)	8
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	32
Item 3. Quantitative and Qualitative Disclosures about Market Risk	48
Item 4. Controls and Procedures	48
PART II. OTHER INFORMATION	
Item 1. Legal Proceedings	49
Item 1A. Risk Factors	49
Item 2. CSX Purchases of Equity Securities	49
Item 3. Defaults Upon Senior Securities	50
Item 4. Mine Safety Disclosures	50
Item 5. Other Information	50
Item 6. Exhibits	51
Signature	52

CSX CORPORATION
PART I - FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENTS (Unaudited)
(Dollars in Millions, Except Per Share Amounts)

	Third Quarters		Nine Months	
	2025	2024	2025	2024
Revenue	\$ 3,587	\$ 3,619	\$ 10,584	\$ 11,001
Expense				
Labor and Fringe	815	806	2,427	2,377
Purchased Services and Other	730	676	2,214	2,087
Depreciation and Amortization	424	416	1,276	1,236
Fuel	281	276	825	902
Equipment and Other Rents	86	91	267	260
Goodwill Impairment (Note 12)	164	—	164	—
Total Expense	2,500	2,265	7,173	6,862
Operating Income	1,087	1,354	3,411	4,139
Interest Expense	(210)	(206)	(631)	(625)
Other Income - Net	21	36	69	105
Earnings Before Income Taxes	898	1,184	2,849	3,619
Income Tax Expense	(204)	(290)	(680)	(882)
Net Earnings	\$ 694	\$ 894	\$ 2,169	\$ 2,737
Per Common Share (Note 2)				
Net Earnings Per Share, Basic	\$ 0.37	\$ 0.46	\$ 1.16	\$ 1.41
Net Earnings Per Share, Assuming Dilution	\$ 0.37	\$ 0.46	\$ 1.16	\$ 1.40
Average Shares Outstanding <i>(In Millions)</i>	1,864	1,936	1,874	1,946
Average Shares Outstanding, Assuming Dilution <i>(In Millions)</i>	1,867	1,940	1,876	1,950

CONDENSED CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS (Unaudited)
(Dollars in Millions)

	Third Quarters		Nine Months	
	2025	2024	2025	2024
Total Comprehensive Earnings (Note 10)	\$ 698	\$ 895	\$ 2,181	\$ 2,747

See accompanying notes to consolidated financial statements.

CSX CORPORATION
ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS
(Dollars in Millions)

	<i>(Unaudited)</i> September 30, 2025	December 31, 2024
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 612	\$ 933
Short-term Investments (Note 9)	6	72
Accounts Receivable - Net (Note 8)	1,370	1,326
Materials and Supplies	414	414
Other Current Assets	109	75
Total Current Assets	2,511	2,820
Properties	53,864	52,191
Accumulated Depreciation	(17,330)	(16,533)
Properties - Net	36,534	35,658
Investment in Affiliates and Other Companies	2,598	2,520
Right-of-Use Lease Asset	470	487
Goodwill and Other Intangible Assets - Net (Note 12)	270	433
Other Long-term Assets	896	846
Total Assets	\$ 43,279	\$ 42,764
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts Payable	\$ 1,344	\$ 1,290
Labor and Fringe Benefits Payable	439	480
Casualty, Environmental and Other Reserves (Note 4)	159	149
Current Maturities of Long-term Debt (Note 7)	608	606
Income and Other Taxes Payable	164	508
Other Current Liabilities	252	243
Total Current Liabilities	2,966	3,276
Casualty, Environmental and Other Reserves (Note 4)	311	313
Long-term Debt (Note 7)	18,554	17,897
Deferred Income Taxes - Net	7,709	7,725
Long-term Lease Liability	481	486
Other Long-term Liabilities	500	560
Total Liabilities	30,521	30,257
Shareholders' Equity:		
Common Stock, \$1 Par Value	1,862	1,900
Other Capital	920	846
Retained Earnings	10,191	9,988
Accumulated Other Comprehensive Loss (Note 10)	(220)	(232)
Non-controlling Minority Interest	5	5
Total Shareholders' Equity	12,758	12,507
Total Liabilities and Shareholders' Equity	\$ 43,279	\$ 42,764

See accompanying notes to consolidated financial statements.

CSX CORPORATION
ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENTS *(Unaudited)*
(Dollars in Millions)

	Nine Months	
	2025	2024
OPERATING ACTIVITIES		
Net Earnings	\$ 2,169	\$ 2,737
Adjustments to Reconcile Net Earnings to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	1,276	1,236
Deferred Income Taxes	143	19
Goodwill Impairment (Note 12)	164	—
Other Operating Activities	(58)	(43)
Changes in Operating Assets and Liabilities:		
Accounts Receivable	(30)	7
Other Current Assets	(32)	27
Accounts Payable	101	57
Income and Other Taxes Payable	(508)	(148)
Other Current Liabilities	2	(33)
Net Cash Provided by Operating Activities	3,227	3,859
INVESTING ACTIVITIES		
Property Additions	(2,225)	(1,691)
Proceeds from Sales of Short-term Investments	72	81
Proceeds and Advances from Property Dispositions	64	50
Business Acquisition, Net of Cash Acquired	(15)	(68)
Other Investing Activities	(41)	(94)
Net Cash Used In Investing Activities	(2,145)	(1,722)
FINANCING ACTIVITIES		
Shares Repurchased	(1,284)	(1,212)
Dividends Paid	(730)	(700)
Long-term Debt Repaid (Note 7)	(12)	(556)
Long-term Debt Issued (Note 7)	600	550
Other Financing Activities	23	72
Net Cash Used in Financing Activities	(1,403)	(1,846)
Net (Decrease) Increase in Cash and Cash Equivalents	(321)	291
CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents at Beginning of Period	933	1,353
Cash and Cash Equivalents at End of Period	\$ 612	\$ 1,644

See accompanying notes to consolidated financial statements.

CSX CORPORATION
ITEM 1. FINANCIAL STATEMENTS

**CONSOLIDATED STATEMENTS OF CHANGES
IN SHAREHOLDERS' EQUITY (Unaudited)**
(Dollars in Millions)

Nine Months 2025	Common Shares Outstanding (Thousands)	Common Stock and Other Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income ^(a)	Non-controlling Minority Interest	Total Shareholders' Equity
Balance December 31, 2024	1,900,190	\$ 2,746	\$ 9,988	\$ (232)	5	\$ 12,507
Comprehensive Earnings:						
Net Earnings	—	—	646	—	—	646
Other Comprehensive Income	—	—	—	5	—	5
Total Comprehensive Earnings						651
Common stock dividends, \$0.13 per share	—	—	(245)	—	—	(245)
Share Repurchases	(23,707)	(24)	(727)	—	—	(751)
Excise Tax on Net Share Repurchases	—	—	(7)	—	—	(7)
Stock Option Exercises and Other	1,894	20	—	—	—	20
Balance March 31, 2025	1,878,377	\$ 2,742	\$ 9,655	\$ (227)	5	\$ 12,175
Comprehensive Earnings:						
Net Earnings	—	—	829	—	—	829
Other Comprehensive Income	—	—	—	3	—	3
Total Comprehensive Earnings						832
Common stock dividends, \$0.13 per share	—	—	(243)	—	—	(243)
Share Repurchases	(14,209)	(14)	(387)	—	—	(401)
Excise Tax on Net Share Repurchases	—	—	(4)	—	—	(4)
Stock Option Exercises and Other	112	18	—	—	—	18
Balance June 30, 2025	1,864,280	\$ 2,746	\$ 9,850	\$ (224)	5	\$ 12,377
Comprehensive Earnings:						
Net Earnings	—	—	694	—	—	694
Other Comprehensive Income	—	—	—	4	—	4
Total Comprehensive Earnings						698
Common stock dividends, \$0.13 per share	—	—	(242)	—	—	(242)
Share Repurchases	(3,387)	(3)	(109)	—	—	(112)
Excise Tax on Net Share Repurchases	—	—	(1)	—	—	(1)
Stock Option Exercises and Other	1,125	39	(1)	—	—	38
Balance September 30, 2025	1,862,018	\$ 2,782	\$ 10,191	\$ (220)	5	\$ 12,758

(a) Accumulated Other Comprehensive Loss balances shown above are net of tax. The associated taxes were \$61 million as of December 31, 2024, \$59 million as of March 31, 2025, \$58 million as of June 30, 2025, and \$57 million as of September 30, 2025. For additional information, see Note 10, Other Comprehensive Income.

See accompanying notes to consolidated financial statements.

CSX CORPORATION
ITEM 1. FINANCIAL STATEMENTS

**CONSOLIDATED STATEMENTS OF CHANGES
IN SHAREHOLDERS' EQUITY (Unaudited)**
(Dollars in Millions)

Nine Months 2024	Common Shares Outstanding (Thousands)	Common Stock and Other Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income ^(a)	Non-controlling Minority Interest	Total Shareholders' Equity
Balance December 31, 2023	1,958,757	\$ 2,650	\$ 9,609	\$ (279)	5	\$ 11,985
Comprehensive Earnings:						
Net Earnings	—	—	880	—	—	880
Other Comprehensive Income	—	—	—	6	—	6
Total Comprehensive Earnings						886
Common stock dividends, \$0.12 per share	—	—	(235)	—	—	(235)
Share Repurchases	(6,789)	(7)	(240)	—	—	(247)
Excise Tax on Net Share Repurchases	—	—	(1)	—	—	(1)
Stock Option Exercises and Other	2,961	55	(2)	—	—	53
Balance March 31, 2024	1,954,929	\$ 2,698	\$ 10,011	\$ (273)	5	\$ 12,441
Comprehensive Earnings:						
Net Earnings	—	—	963	—	—	963
Other Comprehensive Income	—	—	—	3	—	3
Total Comprehensive Earnings						966
Common stock dividends, \$0.12 per share	—	—	(233)	—	—	(233)
Share Repurchases	(16,308)	(16)	(547)	—	—	(563)
Excise Tax on Net Share Repurchases	—	—	(6)	—	—	(6)
Stock Option Exercises and Other	124	15	1	—	(1)	15
Balance June 30, 2024	1,938,745	\$ 2,697	\$ 10,189	\$ (270)	4	\$ 12,620
Comprehensive Earnings:						
Net Earnings	—	—	894	—	—	894
Other Comprehensive Income	—	—	—	1	—	1
Total Comprehensive Earnings						895
Common stock dividends, \$0.12 per share	—	—	(232)	—	—	(232)
Share Repurchases	(11,925)	(12)	(390)	—	—	(402)
Excise Tax on Net Share Repurchases	—	—	(4)	—	—	(4)
Stock Option Exercises and Other	1,603	58	—	—	1	59
Balance September 30, 2024	1,928,423	\$ 2,743	\$ 10,457	\$ (269)	5	\$ 12,936

(a) Accumulated Other Comprehensive Loss balances shown above are net of tax. The associated taxes were \$74 million as of December 31, 2023, \$72 million as of March 31, 2024, \$72 million as of June 30, 2024, and \$71 million as of September 30, 2024. For additional information, see Note 10, Other Comprehensive Income.

See accompanying notes to consolidated financial statements.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1. Nature of Operations and Significant Accounting Policies

Background

CSX Corporation together with its subsidiaries ("CSX" or the "Company"), based in Jacksonville, Florida, is one of the nation's leading transportation companies. The Company provides rail-based transportation services including traditional rail service, the transport of intermodal containers and trailers, as well as other transportation services such as rail-to-truck transfers and bulk commodity operations.

CSX's principal operating subsidiary, CSX Transportation, Inc. ("CSXT"), provides an important link to the transportation supply chain through its approximately 20,000 route-mile rail network and serves major population centers in 26 states east of the Mississippi River, the District of Columbia and the Canadian provinces of Ontario and Quebec. The Company's intermodal business links customers to railroads via trucks and terminals. CSXT is also responsible for the Company's real estate sales, leasing, acquisition, and management and development activities, substantially all of which are focused on supporting railroad operations.

Other entities

In addition to CSXT, the Company's subsidiaries include Quality Carriers, Inc. ("Quality Carriers"), CSX Intermodal Terminals, Inc. ("CSX Intermodal Terminals"), Total Distribution Services, Inc. ("TDSI"), Transflo Terminal Services, Inc. ("Transflo"), CSX Technology, Inc. ("CSX Technology") and other subsidiaries. Quality Carriers is the largest provider of bulk liquid chemicals truck transportation in North America. CSX Intermodal Terminals owns and operates a system of intermodal terminals, predominantly in the eastern United States and also performs drayage services (the pickup and delivery of intermodal shipments) for certain customers. TDSI serves the automotive industry with distribution centers and storage locations. Transflo connects non-rail served customers to the many benefits of rail by transferring products from rail to trucks. The biggest Transflo markets are chemicals and agriculture, which includes shipments of plastics and ethanol. CSX Technology and other subsidiaries provide support services for the Company.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1. Nature of Operations and Significant Accounting Policies, *continued*

Basis of Presentation

In the opinion of management, the accompanying consolidated financial statements contain all normal, recurring adjustments necessary to fairly present the consolidated financial statements and accompanying notes. Where applicable, prior year information has been reclassified to conform to the current presentation. Pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"), certain information and disclosures normally included in the notes to the annual financial statements prepared in accordance with U.S. generally accepted accounting principles ("GAAP") have been omitted from these interim financial statements. CSX suggests that these financial statements be read in conjunction with the audited financial statements and the notes included in CSX's most recent annual report on Form 10-K as well as any subsequently filed current reports on Form 8-K.

Fiscal Year

The Company's fiscal periods are based upon the calendar year. Except as otherwise specified, references to "third quarter(s)" or "nine months" indicate CSX's fiscal periods ending September 30, 2025, and September 30, 2024, and references to "year-end" indicate the fiscal year ended December 31, 2024.

New Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, *Improvements to Income Tax Disclosures*. This standard update requires additional interim and annual disclosures about a company's income taxes, including more detailed information around the annual rate reconciliation and income taxes paid. The Company will adopt the guidance for its 2025 annual report filed on Form 10-K, which will result in additional disclosures related to income taxes but will not impact the Company's results of operations or financial position.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*. This standard update requires additional disclosures about certain expenses in commonly presented expense captions. The Company is required to adopt the guidance for its 2027 annual report filed on Form 10-K, though early adoption is permitted. The Company is currently evaluating the impact of these amendments on its disclosures, but this standard update will not impact the Company's results of operations or financial position.

In September 2025, the FASB issued ASU 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software*. This standard update modernizes the capitalization criteria for internal-use software, eliminating references to project stages and instead requiring that projects meet completion probability criteria before costs can be capitalized. This guidance is effective beginning first quarter 2028, though early adoption is permitted, and can be applied using a prospective, retrospective, or modified transition approach. The Company is currently evaluating the impact of these amendments but does not anticipate that adoption will have a material impact on the Company's results of operations or financial position.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 2. Earnings Per Share

The following table sets forth the computation of basic earnings per share and earnings per share, assuming dilution.

	Third Quarters		Nine Months	
	2025	2024	2025	2024
Numerator <i>(Dollars in Millions)</i> :				
Net Earnings	\$ 694	\$ 894	\$ 2,169	\$ 2,737
Denominator <i>(Units in Millions)</i> :				
Average Common Shares Outstanding	1,864	1,936	1,874	1,946
Other Potentially Dilutive Common Shares	3	4	2	4
Average Common Shares Outstanding, Assuming Dilution	1,867	1,940	1,876	1,950
Net Earnings Per Share, Basic	\$ 0.37	\$ 0.46	\$ 1.16	\$ 1.41
Net Earnings Per Share, Assuming Dilution	\$ 0.37	\$ 0.46	\$ 1.16	\$ 1.40

Basic earnings per share is based on the weighted-average number of shares of common stock outstanding. Earnings per share, assuming dilution, is based on the weighted-average number of shares of common stock outstanding and common stock equivalents adjusted for the effects of common stock that may be issued as a result of potentially dilutive instruments. CSX's potentially dilutive instruments are made up of equity awards including employee stock options, performance units and restricted stock units.

When calculating diluted earnings per share, the potential shares that would be outstanding if all outstanding stock options were exercised are included. This number is different from outstanding stock options because it is offset by shares CSX could repurchase using the proceeds from these hypothetical exercises to obtain the common stock equivalent. The total average outstanding stock options that were excluded from the diluted earnings per share calculation because their effect was antidilutive is in the table below.

	Third Quarters		Nine Months	
	2025	2024	2025	2024
Antidilutive Stock Options Excluded from Diluted EPS <i>(Units in Millions)</i>	5	3	5	3

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 2. Earnings Per Share, continued

Share Repurchases

During fourth quarter 2023, the Company began repurchasing shares under the \$5 billion share repurchase program approved in October 2023. Total repurchase authority remaining was \$1.3 billion as of September 30, 2025.

Share repurchases may be made through a variety of methods including, but not limited to, open market purchases, purchases pursuant to Rule 10b5-1 plans, accelerated share repurchases and negotiated block purchases. The timing of share repurchases depends upon management's assessment of marketplace conditions and other factors, and the program remains subject to the discretion of the Board of Directors. Future share repurchases are expected to be funded by cash on hand, cash generated from operations and debt issuances. Shares are retired immediately upon repurchase. In accordance with the *Equity Topic* in the Accounting Standards Codification ("ASC"), the excess of repurchase price over par value is recorded in retained earnings.

During third quarters and nine months ended September 30, 2025, and September 30, 2024, the Company engaged in the following repurchase activities:

	Third Quarters		Nine Months	
	2025	2024	2025	2024
Shares Repurchased (<i>Millions</i>)	3	12	41	35
Cost of Shares (<i>Dollars in Millions</i>)	\$ 112	\$ 402	\$ 1,264	\$ 1,212
Average Price Paid per Share	\$ 33.07	\$ 33.66	\$ 30.61	\$ 34.60
Excise Taxes Paid for Net Share Repurchases (<i>Dollars in Millions</i>)	\$ —	\$ —	\$ 19.9	\$ —

The Inflation Reduction Act of 2022 imposes a nondeductible 1% excise tax on the net value of most share repurchases made after December 31, 2022. Excise tax commensurate with net share repurchases is reflected in equity and a corresponding liability for excise taxes payable is included in other current liabilities on the consolidated balance sheet. The cost of shares repurchased shown in the table above excludes the impact of this excise tax. Excise tax payments made in second quarter 2025 were related to share repurchases in 2024. Excise taxes for 2023 repurchases were paid in fourth quarter 2024.

Dividend Increase

In February 2025, the Company's Board of Directors authorized an 8% increase in the quarterly cash dividend to \$0.13 per common share effective March 2025.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 3. Stock Plans and Share-Based Compensation

Under CSX's share-based compensation plans, awards consist of performance units, stock options and restricted stock units for management and stock grants for directors. Share-based compensation expense for awards under share-based compensation plans is measured using the fair value of the award on the grant date and is recognized on a straight-line basis over the service period of the respective award. Alternatively, expense is recognized upon death or over an accelerated service period for employees whose agreements allow for continued vesting upon retirement or separation. Forfeitures are recognized as they occur. Total pre-tax expense and income tax benefits associated with share-based compensation are shown in the table below. Income tax benefits include impacts from option exercises and the vesting of other equity awards.

	Third Quarters		Nine Months	
	2025	2024	2025	2024
<i>(Dollars in Millions)</i>				
Share-Based Compensation Expense:				
Restricted Stock Units	\$ 7	\$ 7	\$ 20	\$ 21
Stock Options	4	3	10	9
Employee Stock Purchase Plan	3	2	8	6
Performance Units	—	4	2	7
Stock Awards for Directors	—	—	3	2
Total Share-Based Compensation Expense	<u>\$ 14</u>	<u>\$ 16</u>	<u>\$ 43</u>	<u>\$ 45</u>
Income Tax Benefit	\$ 4	\$ 4	\$ 10	\$ 12

Long-term Incentive Plan

In February 2025, the Company granted the following awards under a new long-term incentive plan ("LTIP") for the years 2025 through 2027, which was adopted under the CSX 2019 Stock and Incentive Award Plan.

	Granted (Thousands)	Weighted Avg. Fair Value
Performance Units	668	\$ 33.74
Restricted Stock Units	666	33.37
Stock Options	1,100	10.16

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 3. Stock Plans and Share-Based Compensation, *continued*

Performance Units

Units vest approximately three years after grant. Payouts will be made in CSX common stock with a payout range for most participants between 0% and 200% of the target awards depending on Company performance against predetermined goals. Payouts for certain executive officers are subject to formulaic upward or downward adjustment by up to 20%, capped at an overall payout of 240%, based upon the Company's total shareholder return relative to specified comparable groups over the performance period. The fair values of performance units granted to certain executive officers were calculated using a Monte-Carlo simulation model.

Measurement against goals related to both average annual operating income growth and Economic Profit, in each case adjusting for certain items as defined in the plan, will each comprise 50% of the payout. As defined under the plan, Economic Profit incentivizes strategic investments earning more than management's desired minimum required return and is calculated as CSX's Gross Cash Earnings minus the Capital Charge on Gross Operating Assets.

Stock Options

Stock options were granted with ten-year terms and vest over three years in equal installments each year on the anniversary of the grant date. These awards are time-based and are not based upon attainment of performance goals. The fair values of stock option awards were determined at the grant date using the Black-Scholes valuation model.

Restricted Stock Units

The restricted stock units awarded vest over three years in equal installments each year on the anniversary of the grant date and are settled in CSX common stock on a one-for-one basis. These awards are time-based and are not based upon CSX's attainment of performance goals.

Other Awards

Awards are periodically granted outside of the annual LTIP program, subject to approval by the Board of Directors, Compensation and Talent Management Committee, or Chief Executive Officer ("CEO") as appropriate. Awards outside of the annual LTIP program were granted to certain management employees other than senior executives during the third quarter and nine months ended September 30, 2025, and the nine months ended September 30, 2024, and were not material.

For more information related to the Company's outstanding long-term incentive compensation, see CSX's most recent annual report on Form 10-K.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 4. Casualty, Environmental and Other Reserves

Personal injury and environmental reserves are considered critical accounting estimates due to the need for management judgment. Casualty, environmental and other reserves are provided for in the consolidated balance sheets as shown in the table below.

(Dollars in Millions)	September 30, 2025			December 31, 2024		
	Current	Long-term	Total	Current	Long-term	Total
Casualty:						
Personal Injury	\$ 54	\$ 94	\$ 148	\$ 51	\$ 91	\$ 142
Occupational	7	53	60	7	59	66
Total Casualty	61	147	208	58	150	208
Environmental	39	110	149	37	114	151
Other	59	54	113	54	49	103
Total	\$ 159	\$ 311	\$ 470	\$ 149	\$ 313	\$ 462

These liabilities are accrued when probable and reasonably estimable in accordance with the *Contingencies Topic* in the ASC. Actual settlements and claims received could differ, and final outcomes of these matters cannot be predicted with certainty. Considering the legal defenses currently available, the liabilities that have been recorded and other factors, it is the opinion of management that none of these items individually, when finally resolved, will have a material adverse effect on the Company's financial condition, results of operations or liquidity. Should a number of these items occur in the same period, however, their combined effect could be material in that particular period.

Casualty

Casualty reserves represent accruals for personal injury, occupational disease and occupational injury claims primarily related to railroad operations. The Company's self-insured retention amount for casualty claims is \$100 million per occurrence as discussed at Note 5, *Commitments and Contingencies*. Currently, no individual claim is expected to exceed the self-insured retention amount.

Personal Injury

Personal injury reserves represent liabilities for employee work-related and third-party injuries. Work-related injuries for CSXT employees are primarily subject to the Federal Employers' Liability Act ("FELA"). CSXT retains an independent actuary to assist management in assessing the value of personal injury claims. An analysis is performed by the actuary quarterly and is reviewed by management. This analysis did not result in a material adjustment to the personal injury reserve in the quarters or nine months ended September 30, 2025, or September 30, 2024.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 4. Casualty, Environmental and Other Reserves, *continued*

Occupational

Occupational reserves represent liabilities arising from allegations of exposure to certain materials in the workplace (such as solvents, soaps, chemicals and diesel fumes), past exposure to asbestos or allegations of chronic physical injuries resulting from work conditions (such as repetitive stress injuries). The Company retains an independent actuary to analyze the Company's historical claim filings, settlement amounts, and dismissal rates to assist in determining future anticipated claim filing rates and average settlement values. This analysis is performed by the actuary and reviewed by management quarterly. The analysis did not result in a material adjustment to the occupational reserve in the quarters or nine months ended September 30, 2025, or September 30, 2024.

Environmental

The Company is a party to various proceedings related to environmental issues, including administrative and judicial proceedings involving private parties and regulatory agencies. The Company has been identified as a potentially responsible party at approximately 220 environmentally impaired sites. Many of these are, or may be, subject to remedial action under the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), also known as the Superfund Law, or similar state statutes. Most of these proceedings arose from environmental conditions on properties used for ongoing or discontinued railroad operations. A number of these proceedings, however, are based on allegations that the Company, or its predecessors, sent hazardous substances to facilities owned or operated by others for treatment, recycling or disposal. In addition, some of the Company's land holdings were leased to others for commercial or industrial uses that may have resulted in releases of hazardous substances or other regulated materials onto the property and could give rise to proceedings against the Company.

In any such proceedings, the Company is subject to environmental clean-up and enforcement actions under the Superfund Law, as well as similar state laws that may impose joint and several liability for clean-up and enforcement costs on current and former owners and operators of a site without regard to fault or the legality of the original conduct. These costs could be substantial.

The Company reviews its role with respect to each site identified at least quarterly. Based on management's review process, amounts have been recorded to cover contingent anticipated future environmental remediation costs with respect to each site to the extent such costs are reasonably estimable and probable. Payments related to these liabilities are expected to be made over the next several years. Environmental remediation costs are included in purchased services and other on the consolidated income statements.

Currently, the Company does not possess sufficient information to reasonably estimate the amounts of additional liabilities, if any, on some sites until completion of future environmental studies. In addition, conditions that are currently unknown could, at any given location, result in additional exposure, the amount and materiality of which cannot presently be reasonably estimated. Based upon information currently available, however, the Company believes its environmental reserves accurately reflect the estimated cost of remedial actions currently required.

Other

Other reserves include liabilities for various claims, such as automobile, property, general liability, workers' compensation and longshoremen disability claims.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 5. Commitments and Contingencies

Insurance

The Company maintains insurance programs with substantial limits for property damage, including resulting business interruption, as well as casualty claims, which includes third-party liability. A certain amount of risk is retained by the Company on each insurance program. Under its property insurance program, the Company retains all risk up to \$200 million per occurrence for losses from floods and named windstorms and up to \$175 million per occurrence for other property losses. For casualty claims, the Company retains all risk up to \$100 million per occurrence. CSX purchases insurance coverage above its full self-retention amounts and it retains a percentage of risk at various layers as well. While the Company believes its insurance coverage is adequate, future claims could exceed existing insurance coverage or insurance may not continue to be available at commercially reasonable rates.

Legal

The Company is involved in litigation incidental to its business and is a party to a number of legal actions and claims, various governmental proceedings and private civil lawsuits, including, but not limited to, those related to fuel surcharge practices, tax matters, environmental and hazardous material exposure matters, FELA and labor claims by current or former employees, other personal injury or property claims and disputes and complaints involving certain transportation rates and charges. Some of the legal proceedings include claims for compensatory as well as punitive damages and others are, or are purported to be, class actions. While the final outcomes of these matters cannot be predicted with certainty, considering, among other things, the legal defenses available and liabilities that have been recorded along with applicable insurance, it is currently the opinion of management that none of these pending items is likely to have a material adverse effect on the Company's financial condition, results of operations or liquidity. An unexpected adverse resolution of one or more of these items, however, could have a material adverse effect on the Company's financial condition, results of operations or liquidity in that particular period.

The Company is able to estimate a range of possible loss for certain matters for which a loss is reasonably possible in excess of reserves established. The Company has estimated this range to be \$2 million to \$63 million in the aggregate at September 30, 2025. This estimated aggregate range is based upon currently available information and is subject to significant judgment and a variety of assumptions. Accordingly, the Company's estimate will change from time to time, and actual losses may vary significantly from the current estimate.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 5. Commitments and Contingencies, *continued*

Fuel Surcharge Antitrust Litigation

In May 2007, class action lawsuits were filed against CSXT and three other U.S.-based Class I railroads alleging that the defendants' fuel surcharge practices relating to contract and unregulated traffic resulted from an illegal conspiracy in violation of antitrust laws. The class action lawsuits were transferred to federal court in the District of Columbia for coordinated or consolidated pre-trial proceedings. In 2017, the District Court issued its decision denying class certification. On August 16, 2019, the U.S. Court of Appeals for the D.C. Circuit affirmed the District Court's ruling.

Although the class was not certified, individual shippers have since brought claims against the railroads, which were also transferred to federal court in the District of Columbia for pre-trial proceedings but before a different judge. In March 2024, the original case was reassigned to the judge in the later-filed case. The railroads filed motions for summary judgment on July 17, 2024, with the briefing completed in December 2024. The judge held a hearing on the railroads' summary judgment motions on June 18, 2025, and granted summary judgment in favor of the railroads on June 24, 2025, ordering the cases closed. Most of the individual shippers have appealed the summary judgment ruling to the U.S. Court of Appeals for the D.C. Circuit, which has not yet set a schedule for the appeal proceedings.

Environmental

CSXT is indemnifying Pharmacia LLC, formerly known as Monsanto Company, ("Pharmacia") for certain liabilities associated with real estate located in Kearny, New Jersey along the Lower Passaic River (the "Property"). The Property, which was formerly owned by Pharmacia, is now owned by CSXT. CSXT's indemnification and defense duties arise with respect to several matters. The U.S. Environmental Protection Agency ("EPA"), using its CERCLA authority, seeks the investigation and cleanup of hazardous substances in the 17-mile Lower Passaic River Study Area (the "Study Area"). CSXT, on behalf of Pharmacia, and a significant number of other potentially responsible parties are together conducting a Remedial Investigation and Feasibility Study of the Study Area pursuant to an Administrative Settlement Agreement and Order on Consent with the EPA. Pharmacia's share of responsibility, indemnified by CSXT, for the investigation and cleanup costs of the Study Area may be determined through various mechanisms including (a) an allocation and settlement with EPA; (b) litigation brought by EPA against non-settling parties; or (c) litigation among the responsible parties.

For the lower eight miles of the Study Area, EPA issued its Record of Decision detailing the agency's mandated remedial process in March 2016. Occidental Chemical Corporation ("Occidental") performed the remedial design for the lower eight-mile portion of the Study Area pursuant to a consent order with EPA. EPA approved the design in May 2024.

For the remaining upper nine miles of the Study Area, EPA selected an interim remedy in a Record of Decision dated September 28, 2021. On March 2, 2023, EPA issued an administrative order requiring Occidental to design the interim remedy for the upper nine miles of the Study Area.

Potentially responsible parties, including Pharmacia, are participating in an EPA-directed allocation and settlement process to assign responsibility related to the lower river and the entire Study Area, respectively. CSXT participated in the EPA-directed allocation and settlement process on behalf of Pharmacia.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 5. Commitments and Contingencies, *continued*

On March 2, 2022, EPA issued a Notice Letter to Pharmacia, Occidental and eight other parties alleging they are liable under Section 107(a) of CERCLA for releases or threatened releases of hazardous substances and requesting each party, individually or collectively, submit good faith offers to EPA in connection with the entire Study Area. CSXT, on behalf of Pharmacia, responded to the Notice Letter and submitted a good faith offer to EPA on June 27, 2022, following meetings with a mediator from EPA's Conflict Prevention and Resolution Center.

On November 21, 2023, EPA notified the United States District Court for the District of New Jersey ("Court") that it intended to move to enter a Consent Decree ("CD") with a group of potentially responsible parties. On January 31, 2024, EPA filed a motion to enter a modified CD with 82 potentially responsible parties, not including Pharmacia, requiring payment of \$150 million to resolve their liability with respect to the entire Study Area. On April 1, 2024, Occidental filed its opposition to EPA's motion to enter the CD. Several other non-settling parties, including Pharmacia, filed comments concerning (but not opposing) entry of the CD. On December 18, 2024, the Court entered and approved the CD, which is now under appeal. Negotiations with EPA and other parties to resolve Pharmacia's liability continue.

CSXT is also defending and indemnifying Pharmacia with regard to the Property in litigation filed by Occidental, which is seeking to recover its past and future costs associated with the remediation of the entire Study Area. Alternatively, Occidental seeks to compel some, or all, of the defendants to participate in the remediation of the Study Area. Pharmacia is one of approximately 110 defendants in a federal lawsuit filed by Occidental on June 30, 2018, and one of 37 defendants in a federal lawsuit filed by Occidental on March 24, 2023. Both of these lawsuits are stayed pending resolution of the CD action. CSXT is also defending and indemnifying Pharmacia in a cooperative natural resource damages assessment process related to the Property.

Based on currently available information, the Company does not believe its share of remediation costs as determined by the EPA-directed allocation with respect to the Property and the Study Area would be material to the Company's financial condition, results of operations or liquidity.

See Note 4, *Casualty, Environmental and Other Reserves*, for additional information on the Company's environmental liabilities.

Regulatory

In October 2024, the Company received a subpoena from the Enforcement Division of the U.S. Securities and Exchange Commission ("SEC") requesting information relating to, among other things, the accounting restatement disclosed in the Company's Form 10-Q for the quarterly period ended June 30, 2024, filed on August 5, 2024, with the SEC. The Company also responded to information requests by the SEC related to certain of the Company's non-financial performance metrics. The Company received correspondence from the SEC on July 10, 2025, indicating that the agency had concluded its investigation and does not intend to recommend an enforcement action.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 6. Employee Benefit Plans

The Company sponsors defined benefit pension plans principally for salaried, management personnel. All plans are closed to new participants.

Independent actuaries compute the amounts of liabilities and expenses relating to these plans subject to the assumptions that the Company determines are appropriate based on historical trends, current market rates and future projections. These amounts are reviewed by management. Only the service cost component of net periodic benefit costs is included in labor and fringe expense on the consolidated income statement. All other components of net periodic benefit cost are included in other income - net.

	Pension Benefits Cost			
	Third Quarters		Nine Months	
	2025	2024	2025	2024
<i>(Dollars in Millions)</i>				
Service Cost Included in Labor and Fringe	\$ 5	\$ 6	\$ 15	\$ 18
Interest Cost	27	27	82	80
Expected Return on Plan Assets	(40)	(42)	(120)	(127)
Amortization of Net Loss	6	5	17	14
Total Included in Other Income - Net	(7)	(10)	(21)	(33)
Net Periodic Benefit Credit	\$ (2)	\$ (4)	\$ (6)	\$ (15)

Qualified pension plan obligations are funded in accordance with regulatory requirements and with an objective of meeting or exceeding minimum funding requirements necessary to avoid restrictions on flexibility of plan operation and benefit payments. No contributions to the Company's qualified pension plans are expected in 2025.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 7. Debt and Credit Agreements

Total activity related to long-term debt during the nine months ended September 30, 2025, is shown in the table below. For fair value information related to the Company's long-term debt, see Note 9, *Fair Value Measurements*.

<i>(Dollars in Millions)</i>	Current Portion	Long-term Portion	Total
Long-term Debt as of December 31, 2024	\$ 606	\$ 17,897	\$ 18,503
2025 Activity:			
Long-term Debt Issued	—	600	600
Long-term Debt Repaid	(12)	—	(12)
Reclassifications	2	(2)	—
Hedging, Discount, Premium and Other Activity	12	59	71
Long-term Debt as of September 30, 2025	\$ 608	\$ 18,554	\$ 19,162

Debt Issuance

In March 2025, CSX issued \$600 million of 5.05% notes due 2035. These notes are included in the consolidated balance sheets under long-term debt and may be redeemed by the Company at any time, subject to payment of certain make-whole premiums. The net proceeds will be used for general corporate purposes, which may include debt repayments, repurchases of CSX's common stock, capital investment and working capital requirements.

Interest Rate Derivatives
Fair Value Hedges

In first quarter 2025, CSX entered into two fixed-to-floating interest rate swaps classified as fair value hedges. The swaps are designed to hedge 10 years of interest rate risk associated with market fluctuations attributable to the Secured Overnight Financing Rate ("SOFR") on a cumulative \$250 million of fixed rate outstanding notes which are due in 2055. The cumulative fair value of these swaps, which is included in other long-term assets on the consolidated balance sheet, was an asset of \$11 million as of September 30, 2025.

CSX has seven other fixed-to-floating interest rate swaps classified as fair value hedges. The swaps are designed to hedge 10 years of interest rate risk associated with market fluctuations attributable to SOFR on a cumulative \$1.1 billion of fixed rate outstanding notes which are due between 2033 and 2040. These swaps are comprised of two swaps entered during 2023 ("2023 swaps") and five swaps entered during 2022 ("2022 swaps"). The cumulative fair value of the 2023 swaps was an asset of \$16 million and \$7 million as of September 30, 2025, and December 31, 2024, respectively, and is included in other long-term assets on the consolidated balance sheet. The cumulative fair value of the 2022 swaps was a liability of \$93 million and \$123 million as of September 30, 2025, and December 31, 2024, respectively, and is included in other long-term liabilities on the consolidated balance sheet.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 7. Debt and Credit Agreements, continued

The swaps expire between 2032 and 2035. If settled early, the remaining cumulative fair value adjustment to the hedged notes will be amortized over the remaining life of the associated notes. The cumulative adjustment to the hedged notes is included in long-term debt on the consolidated balance sheet as shown in the following table below.

<i>(Dollars in Millions)</i>	September 30, 2025	December 31, 2024
Notional Value of Hedged Notes	\$ 1,300	\$ 1,050
Fair Value Asset Adjustment to Hedged Notes	27	7
Fair Value Liability Adjustment to Hedged Notes	(93)	(123)
Carrying Amount of Hedged Notes	<u>\$ 1,234</u>	<u>\$ 934</u>

Gains and losses resulting from changes in fair value of the interest rate swaps offset changes in the fair value of the hedged portion of the underlying debt with no gain or loss recognized due to hedge ineffectiveness. The difference in the net fixed-to-float interest settlement on the derivatives is recognized in interest expense and is summarized as follows.

	Third Quarters		Nine Months	
(Dollars in Millions)	2025	2024	2025	2024
Interest Expense Impact (Increase) Decrease	\$ (6)	\$ (8)	\$ (16)	\$ (24)

Cash Flow Hedges

The Company had forward starting interest rate swaps, designated as cash flow hedges in accordance with the *Derivatives and Hedging Topic* in the ASC, that had an aggregate notional value of \$500 million at inception. These swaps were effected to hedge the benchmark interest rate associated with future interest payments related to the anticipated refinancing of \$850 million of 3.25% notes due in 2027.

In addition to previous partial settlements in 2022 and 2023, CSX executed a final settlement equal to \$114 million of the \$500 million aggregate notional value of the cash flow hedges in second quarter 2024, which resulted in CSX receiving a cash payment of \$52 million included in other operating activities on the consolidated cash flow statement. As of September 30, 2025, and December 31, 2024, no unsettled aggregate notional value of these swaps remained and there is no related asset or liability.

The unrealized gain associated with the settled portion of the swaps is recorded net of tax in accumulated other comprehensive income ("AOCI") on the consolidated balance sheet and will continue to be classified in AOCI until the associated debt instrument is issued in the future. The unrealized gain in AOCI will be recognized in earnings as an adjustment to interest expense over the same period during which the hedged transaction affects earnings. Prior to full settlement, unrealized gains related to the swaps were included in other comprehensive income as summarized in the table below.

	Third Quarters		Nine Months	
(Dollars in Millions)	2025	2024	2025	2024
Unrealized Gain - Net of Tax	\$ —	\$ —	\$ —	\$ 3

See Note 9, *Fair Value Measurements*, and Note 10, *Other Comprehensive Income (Loss)*, for additional information about the Company's swaps.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 7. Debt and Credit Agreements, *continued*

Credit Facility

The Company has a \$1.2 billion unsecured revolving credit facility backed by a diverse syndicate of banks. This facility allows same-day borrowings at floating interest rates, based on SOFR or an agreed-upon replacement reference rate, plus a spread that depends upon CSX's senior unsecured debt ratings. This facility expires in February 2028. As of September 30, 2025, the Company had no outstanding balances under this facility.

Commitment fees and interest rates payable under the facility were similar to fees and rates available to comparably rated investment-grade borrowers. As of third quarter 2025, CSX was in compliance with all covenant requirements under this facility.

Commercial Paper

Under its commercial paper program, which is backed by the revolving credit facility, the Company may issue unsecured commercial paper notes up to a maximum aggregate principal amount of \$1.0 billion outstanding at any time. Proceeds from issuances of the notes are used for general corporate purposes. At September 30, 2025, the Company had no outstanding debt under the commercial paper program as the \$75 million outstanding as of June 30, 2025, was repaid during third quarter 2025.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 8. Revenues

The Company's revenues are primarily derived from the transportation of freight as performance obligations that arise from its contracts with customers are satisfied. The below table presents the Company's revenues disaggregated by market as this best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Fuel surcharge revenue is included in the individual markets.

(Dollars in Millions)	Third Quarters		Nine Months	
	2025	2024	2025	2024
Chemicals	\$ 697	\$ 727	\$ 2,096	\$ 2,142
Agricultural and Food Products	382	416	1,208	1,229
Automotive	306	301	897	930
Forest Products	247	259	746	790
Minerals	226	202	625	583
Metals and Equipment	224	208	657	658
Fertilizers	126	118	388	380
Total Merchandise	2,208	2,231	6,617	6,712
Intermodal	527	509	1,511	1,521
Coal	490	553	1,428	1,748
Trucking	207	214	620	650
Other	155	112	408	370
Total	\$ 3,587	\$ 3,619	\$ 10,584	\$ 11,001

The Company's accounts receivable - net consists of freight and non-freight receivables, reduced by an allowance for credit losses. Freight receivables include amounts earned, billed and unbilled, and currently due from customers for transportation-related services. Non-freight receivables include amounts, billed and unbilled, currently due related to government reimbursement receivables and other non-revenue receivables.

(Dollars in Millions)	September 30, 2025	December 31, 2024
Freight Receivables	\$ 1,024	\$ 1,012
Freight Allowance for Credit Losses	(19)	(16)
Freight Receivables - Net	1,005	996
Non-Freight Receivables	381	343
Non-Freight Allowance for Credit Losses	(16)	(13)
Non-Freight Receivables - Net	365	330
Total Accounts Receivable - Net	\$ 1,370	\$ 1,326

The Company maintains an allowance for expected credit losses to provide for the estimated amount of receivables that will not be collected. The allowance is based upon an assessment of risk characteristics, historical payment experience, and the age of outstanding receivables adjusted for forward-looking economic conditions as necessary. Credit losses recognized on the Company's accounts receivable were not material in the third quarters or nine months ended September 30, 2025, or 2024.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 9. Fair Value Measurements

Investments

The Company's investment assets are carried at fair value on the consolidated balance sheet in accordance with the *Fair Value Measurements and Disclosures Topic* in the ASC. They are valued with assistance from a third-party trustee and consist of exchange-traded funds, corporate bonds, asset-backed securities, government securities, and short-term time deposits. The exchange-traded funds are valued at quoted market prices determined in an active market, which are Level 1 inputs.

The corporate bonds, asset-backed securities and government securities are valued using broker quotes that utilize observable market inputs, which are Level 2 inputs. The carrying amounts of time deposits, which are reported in the consolidated balance sheet using Level 2 inputs, approximate fair value due to their short-term nature. Unrealized losses as of September 30, 2025, and September 30, 2024, were not material. The Company believes any impairment of investments held with gross unrealized losses to be temporary and not the result of credit risk.

The Company's investment assets are carried at fair value on the consolidated balance sheets, within the line items short-term investments and other long-term assets, as summarized in the following table.

	September 30, 2025			December 31, 2024		
	Level 1	Level 2	Total	Level 1	Level 2	Total
(Dollars in Millions)						
Exchange-traded Funds	\$ 5	\$ —	\$ 5	\$ 2	\$ —	\$ 2
Corporate Bonds	—	78	78	—	71	71
Government Securities	—	60	60	—	42	42
Asset-backed Securities	—	34	34	—	35	35
Time Deposits	—	—	—	—	66	66
Total Investments at Fair Value	\$ 5	\$ 172	\$ 177	\$ 2	\$ 214	\$ 216

Total investments in debt securities of \$172 million as of September 30, 2025, and \$214 million as of December 31, 2024, had an amortized cost of \$171 million and \$218 million, respectively. These investments have the following maturities:

	September 30, 2025	December 31, 2024
(Dollars in Millions)		
Less than 1 year	\$ 6	\$ 72
1 - 5 years	85	72
5 - 10 years	35	23
Greater than 10 years	46	47
Total Investments at Fair Value ^(a)	\$ 172	\$ 214

^(a) Exchange-traded funds are excluded as there is no stated contractual maturity date.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 9. Fair Value Measurements, *continued*

Long-term Debt

Long-term debt is reported at carrying amount on the consolidated balance sheets and is the Company's only financial instrument with a fair value significantly different from its carrying amount. The fair value of a company's debt is a measure of its current value under present market conditions, but does not impact the financial statements under current accounting rules. The majority of the Company's long-term debt is valued with assistance from a third party that utilizes closing transactions, market quotes or market values of comparable debt. For those instruments not valued by the third party, the fair value has been estimated by applying market rates of similar instruments to the scheduled contractual debt payments and maturities. These market rates are provided by the same third party. All of the inputs used to determine the fair value of the Company's long-term debt are Level 2 inputs.

The fair value and carrying value of the Company's long-term debt is as follows:

<i>(Dollars in Millions)</i>	September 30, 2025	December 31, 2024
Long-term Debt (Including Current Maturities):		
Fair Value	\$ 17,716	\$ 16,481
Carrying Value	19,162	18,503

Interest Rate Derivatives

The Company's fixed-to-floating swaps are carried at fair value, which is determined with assistance from a third party based upon pricing models using inputs observed from actively quoted markets. All of the inputs used to determine the fair value of the swaps are Level 2 inputs. The fair value of the Company's fixed-to-floating interest rate swaps was an asset of \$27 million and \$7 million (for swaps entered in 2025 and 2023), and a liability of \$93 million and \$123 million (for swaps entered in 2022) as of September 30, 2025, and December 31, 2024, respectively.

As of September 30, 2025, and December 31, 2024, the forward starting interest rate swaps were fully settled and there is no related asset or liability. See Note 7, *Debt and Credit Agreements*, for further information.

Non-Recurring Fair Value Measurements

The Company re-measured the fair value of goodwill in the current period, which resulted in an impairment. See Note 12, Goodwill and Other Intangible Assets, for more information.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 10. Other Comprehensive Income (Loss)

Total comprehensive earnings represents all changes in shareholders' equity during a period, other than those resulting from investments by and distributions to shareholders (e.g. issuance of equity securities and dividends). Generally, for CSX, total comprehensive earnings equals net earnings plus or minus adjustments for pension and other post-retirement liabilities, derivative activity and other items. Total comprehensive earnings is presented net of tax and was \$698 million and \$895 million for third quarters 2025 and 2024, respectively, and \$2.2 billion and \$2.7 billion for the nine months ended September 30, 2025 and 2024, respectively.

AOCI represents the cumulative balance of other comprehensive income, net of tax, as of the balance sheet date. Changes in the AOCI balance by component are shown in the following table. Amounts in pension and other post-employment benefits reclassified to net earnings relate to the amortization of actuarial losses and are included in other income - net on the consolidated income statements. See Note 6, *Employee Benefit Plans*, for further information. Interest rate derivatives consist of forward starting interest rate swaps classified as cash flow hedges, which are now fully settled. See Note 7, *Debt and Credit Agreements*, for further information. Other primarily represents CSX's share of AOCI of equity method investees. Amounts reclassified in other to net earnings are included in purchased services and other or equipment and other rents on the consolidated income statements.

	Pension and Other Post-Employment Benefits	Interest Rate Derivatives	Other	Accumulated Other Comprehensive (Loss) Income
<i>(Dollars in Millions)</i>				
Balance December 31, 2024, Net of Tax	\$ (349)	\$ 153	\$ (36)	\$ (232)
Other Comprehensive Income (Loss)				
Amounts Reclassified to Net Earnings	12	—	4	16
Tax Expense	(3)	—	(1)	(4)
Total Other Comprehensive Income	9	—	3	12
Balance September 30, 2025, Net of Tax	\$ (340)	\$ 153	\$ (33)	\$ (220)

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 11. Segment Reporting and Significant Expenses

The Company has two operating segments: rail and trucking. Although the Company provides a breakdown of revenue by line of business, the overall financial and operational performance of the railroad is analyzed as one operating segment due to the integrated nature of the rail network. The Rail column in the table below includes the activities of all CSX entities other than the trucking company, Quality Carriers, and also includes the Company's equity in the net income of equity method investments. As the trucking segment is not material for separate disclosure as a reportable segment, the results of these operations are included as a reconciliation to the Company's consolidated results in the tables below.

The Company's chief operating decision maker ("CODM") is its CEO. The CODM reviews information presented on a consolidated basis, accompanied by supplemental information about the trucking segment separately, for purposes of allocating resources and evaluating financial performance. The Company has determined that operating income is the key measure of segment profit or loss as this measure is the focus of the CODM in developing financial plans, including resource allocation, and evaluating actual financial performance against plan. The CODM regularly reviews operating results broken out by significant expense.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 11. Segment Reporting and Significant Expenses, *continued*

The tables below present information about the Company's significant expenses and the required reportable segment reconciliations for the quarters ended September 30, 2025, and September 30, 2024.

	Third Quarters	
	2025	2024
(Dollars in Millions)		
	Rail	Reconciliation to Consolidated
Revenue ^(a)		
	\$ 3,380	\$ 3,405
Reconciliation of Revenue		
Trucking Revenue ^(a)	215	216
Elimination of intersegment revenues	(8)	(2)
Total Consolidated Revenue	\$ 3,587	\$ 3,619
Expense ^(b)		
Labor and Fringe	\$ 758	\$ 756
Purchased Services and Other	624	556
Depreciation and Amortization	408	401
Fuel		
Locomotive	237	229
Non-Locomotive	23	26
Equipment and Other Rents	80	86
Gain on Property Disposition	(6)	0
Segment Operating Income	\$ 1,256	\$ 1,351
Reconciliation of Operating Income		
Trucking Expenses ^(b)	384	213
Elimination of intersegment expenses	(8)	(2)
Total Consolidated Operating Income	\$ 1,087	\$ 1,354

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 11. Segment Reporting and Significant Expenses, continued

The tables below present information about the Company's significant expenses and the required reportable segment reconciliations for the nine months ended September 30, 2025, and September 30, 2024.

	Nine Months			
	2025		2024	
(Dollars in Millions)	Rail	Reconciliation to Consolidated	Rail	Reconciliation to Consolidated
Revenue ^(a)	\$ 9,964		\$ 10,351	
<i>Reconciliation of Revenue</i>				
Trucking Revenue ^(a)		641		655
Elimination of intersegment revenues		(21)		(5)
Total Consolidated Revenue		<u>\$ 10,584</u>		<u>\$ 11,001</u>
Expense ^(b)				
Labor and Fringe	\$ 2,268		\$ 2,235	
Purchased Services and Other	1,893		1,735	
Depreciation and Amortization	1,228		1,191	
Fuel				
Locomotive	688		754	
Non-Locomotive	75		78	
Equipment and Other Rents	252		245	
Gain on Property Disposition	(11)		(10)	
Segment Operating Income	<u>\$ 3,571</u>		<u>\$ 4,123</u>	
<i>Reconciliation of Operating Income</i>				
Trucking Expenses ^(b)		801		639
Elimination of intersegment expenses		(21)		(5)
Total Consolidated Operating Income		<u>\$ 3,411</u>		<u>\$ 4,139</u>

(a) Trucking revenue is comprised of revenue from Quality Carriers. Rail revenue represents revenue attributed to all CSX entities other than the trucking company, Quality Carriers.

(b) Trucking expenses include labor and fringe, purchased services and other, depreciation and amortization, fuel, equipment and other rents, and gains/losses on property dispositions from the operations of Quality Carriers. Rail expenses represent expenses attributable to all CSX entities other than the trucking company, Quality Carriers. Trucking expenses for the three and nine months ended September 30, 2025, include a \$164 million impairment charge of Quality Carrier's goodwill. See additional information in Note 12, Goodwill and Other Intangible Assets.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 11. Segment Reporting and Significant Expenses, *continued*

Reconciliation of Segment Operating Income to Consolidated Earnings Before Income Taxes

<i>(Dollars in Millions)</i>	Third Quarters		Nine Months	
	2025	2024	2025	2024
Segment Operating Income	\$ 1,256	\$ 1,351	\$ 3,571	\$ 4,123
Trucking Revenue and Eliminations	207	214	620	650
Trucking Expenses and Eliminations	(376)	(211)	(780)	(634)
Total Consolidated Operating Income	1,087	1,354	3,411	4,139
Interest Expense	(210)	(206)	(631)	(625)
Other Income - Net	21	36	69	105
Earnings Before Income Taxes	\$ 898	\$ 1,184	\$ 2,849	\$ 3,619

Other Segment Disclosures

Capital expenditures made by the rail segment were \$717 million and \$610 million, for the third quarters 2025 and 2024, respectively, and \$2,173 million and \$1,631 million, for the nine months ended September 30, 2025, and September 30, 2024, respectively. Capital expenditures in the three and nine months ended September 30, 2025, include \$145 million and \$440 million, respectively, related to rebuilding the Blue Ridge subdivision as a result of impacts from Hurricane Helene. The total of the rail segment's reportable assets was \$43.1 billion and \$42.6 billion as of September 30, 2025, and December 31, 2024, respectively, out of total consolidated assets of \$43.3 billion and \$42.8 billion for the respective periods. Non-rail assets include assets held by the trucking operating segment.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 12. Goodwill and Other Intangible Assets

The following table presents goodwill and other intangible asset balances and adjustments to those balances for the nine months ended September 30, 2025. There is no remaining goodwill attributed to the Company's trucking operating segment as of September 30, 2025, compared to \$159 million as of December 31, 2024. The goodwill balance attributed to the rail segment was \$80 million at the end of each of the periods shown. All other intangible assets are attributed to the trucking operating segment.

	Goodwill	Intangible Assets			
(Dollars in Millions)	Net Carrying Amount	Cost	Accumulated Amortization	Net Carrying Amount	Total Goodwill and Other Intangible Assets - Net
Balance at December 31, 2024	\$ 239	\$ 231	\$ (37)	\$ 194	\$ 433
Additions	5	5	—	5	10
Amortization	—	—	(9)	(9)	(9)
Impairment	(164)	—	—	—	(164)
Balance at September 30, 2025	\$ 80	\$ 236	\$ (46)	\$ 190	\$ 270

Impairment

During third quarter 2025, the Company determined that the extended trucking market recession, ongoing economic uncertainty and lower than previously expected financial performance triggered the need to perform an interim impairment assessment for goodwill associated with Quality Carriers. The Company performed a quantitative assessment as of August 1, 2025, to estimate the fair value of Quality Carriers, which used a combination of the income and market approaches. The income approach used a discounted cash flow model with significant assumptions for future revenue growth, EBITDA margin, capital expenditures and discount rate. The market approach used revenue and EBITDA multiples for selected guideline public companies. These inputs are classified as Level 3 measurements within the fair value hierarchy. Based on the quantitative assessment, CSX concluded the fair value of Quality Carriers did not exceed its carrying value. As a result, all of the remaining Quality Carriers goodwill in the trucking operating segment was determined to be fully impaired and a \$164 million impairment charge was recorded in operating expense in the accompanying consolidated income statements.

In addition to the quantitative assessment of goodwill, CSX evaluated the recoverability of the long-lived assets on the Quality Carriers reporting unit in the trucking operating segment. Based on the assessment, CSX concluded the carrying values of these assets were recoverable and no impairment was recorded.

The Company's annual assessment of goodwill for the remaining reporting units will take place as of October 1, 2025. For more information related to the Company's goodwill and other intangible assets, see CSX's most recent annual report on Form 10-K.

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

THIRD QUARTER 2025 RESULTS

- Revenue decreased \$32 million, or 1%, year over year.
- Expenses increased \$235 million, or 10%, year over year.
- Operating income of \$1.1 billion decreased \$267 million, or 20%, year over year.
- Operating margin of 30.3% decreased 710 basis points versus prior year.
- Earnings per diluted share of \$0.37 decreased \$0.09, or 20%, year over year.

	Third Quarters				Nine Months			
	2025	2024	Fav / (Unfav)	% Change	2025	2024	Fav / (Unfav)	% Change
Volume (in Thousands)	1,612	1,590	22	1 %	4,710	4,702	8	— %
<i>(in Millions)</i>								
Revenue	\$ 3,587	\$ 3,619	\$ (32)	(1)	\$ 10,584	\$ 11,001	\$ (417)	(4)
Expense	2,500	2,265	(235)	(10)	7,173	6,862	(311)	(5)
Operating Income	\$ 1,087	\$ 1,354	\$ (267)	(20)%	\$ 3,411	\$ 4,139	\$ (728)	(18)%
Operating Margin	30.3 %	37.4 %	(710) bps		32.2 %	37.6 %	(540) bps	
Earnings Per Diluted Share	\$ 0.37	\$ 0.46	\$ (0.09)	(20)%	\$ 1.16	\$ 1.40	\$ (0.24)	(17)%

Appointment of New Chief Executive Officer

On September 29, 2025, CSX announced that its Board of Directors appointed Stephen F. Angel as the Company's new President and Chief Executive Officer, and as a member of the Board of Directors, effective September 28, 2025.

CSX CORPORATION
ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
Volume and Revenue (Unaudited)
Volume (Thousands of Units); Revenue (Dollars in Millions); Revenue Per Unit (Dollars)

	Third Quarters								
	Volume			Revenue			Revenue Per Unit		
	2025	2024	% Change	2025	2024	% Change	2025	2024	% Change
Chemicals	164	176	(7)%	\$ 697	\$ 727	(4)%	\$ 4,250	\$ 4,131	3 %
Agricultural and Food Products	110	118	(7)	382	416	(8)	3,473	3,525	(1)
Minerals	104	96	8	226	202	12	2,173	2,104	3
Automotive	99	98	1	306	301	2	3,091	3,071	1
Forest Products	68	73	(7)	247	259	(5)	3,632	3,548	2
Metals and Equipment	67	64	5	224	208	8	3,343	3,250	3
Fertilizers	48	45	7	126	118	7	2,625	2,622	—
Total Merchandise	660	670	(1)	2,208	2,231	(1)	3,345	3,330	—
Intermodal	768	730	5	527	509	4	686	697	(2)
Coal	184	190	(3)	490	553	(11)	2,663	2,911	(9)
Trucking	—	—	—	207	214	(3)	—	—	—
Other	—	—	—	155	112	38	—	—	—
Total	1,612	1,590	1 %	\$ 3,587	\$ 3,619	(1)%	\$ 2,225	\$ 2,276	(2)%

	Nine Months								
	Volume			Revenue			Revenue Per Unit		
	2025	2024	% Change	2025	2024	% Change	2025	2024	% Change
Chemicals	494	517	(4)%	\$ 2,096	\$ 2,142	(2)%	\$ 4,243	\$ 4,143	2 %
Agricultural and Food Products	342	347	(1)	1,208	1,229	(2)	3,532	3,542	—
Minerals	282	273	3	625	583	7	2,216	2,136	4
Automotive	289	297	(3)	897	930	(4)	3,104	3,131	(1)
Forest Products	208	220	(5)	746	790	(6)	3,587	3,591	—
Metals and Equipment	202	202	—	657	658	—	3,252	3,257	—
Fertilizers	143	142	1	388	380	2	2,713	2,676	1
Total Merchandise	1,960	1,998	(2)	6,617	6,712	(1)	3,376	3,359	1
Intermodal	2,213	2,147	3	1,511	1,521	(1)	683	708	(4)
Coal	537	557	(4)	1,428	1,748	(18)	2,659	3,138	(15)
Trucking	—	—	—	620	650	(5)	—	—	—
Other	—	—	—	408	370	10	—	—	—
Total	4,710	4,702	— %	\$ 10,584	\$ 11,001	(4)%	\$ 2,247	\$ 2,340	(4)%

CSX CORPORATION

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

Third Quarter 2025**Revenue**

Total revenue decreased 1% in third quarter 2025 when compared to third quarter 2024, due to decreases in export coal revenue, including the impact of lower benchmark rates, as well as declines in merchandise volume. These decreases were partially offset by increases in other revenue, higher pricing in merchandise, and intermodal volume growth.

Merchandise Volume

Chemicals - Decreased due to lower shipments of crude oil, petroleum products, other industrial chemicals, and plastics.

Agricultural and Food Products - Decreased due to lower shipments of domestic feed grain, ethanol, and soybeans.

Minerals - Increased primarily due to higher shipments of aggregates and cement.

Automotive - Increased due to higher North American vehicle production.

Forest Products - Decreased due to lower shipments of pulp and paper products, which includes the impact of both temporary outages and permanent plant closures, as well as lower shipments of building products.

Metals and Equipment - Increased due to higher scrap and pipe shipments. Increases were partially offset by lower steel shipments, which includes the impact of plant closures, as well as lower equipment shipments.

Fertilizers - Increased due to higher shipments of raw materials, as well as higher exports through Gulf Coast ports.

Intermodal Volume

International shipments increased driven by higher port volumes and growth with key customers. Domestic shipments increased, despite the impacts of a continued soft trucking environment, due to share wins with key customers and new service offerings.

Coal Volume

Export coal decreased primarily due to reduced production, including impacts from outages at customer facilities. Domestic coal increased due to higher shipments to utility plants, partially offset by lower shipments to steel manufacturing locations and lake terminals.

Trucking Revenue

Trucking revenue decreased \$7 million versus the prior year due to lower rates and fuel surcharge.

Other Revenue

Other revenue increased \$43 million primarily due to higher carload demurrage and payments from customers that did not meet volume commitments.

CSX CORPORATION

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

Expenses

Expenses of \$2.5 billion increased \$235 million, or 10%, in third quarter 2025 when compared to the third quarter 2024.

Labor and Fringe expense increased \$9 million due to the following:

- An increase of \$22 million was due to management and executive severance costs.
- An increase of \$15 million was due to inflation.
- A decrease of \$19 million resulted from lower incentive compensation expense driven by lower expected payouts.
- All other net costs decreased \$9 million driven by efficiency savings, which include the impact of lower rail headcount, and other non-significant net decreases. These items were partially offset by higher trucking headcount, which includes impacts from acquiring previously independent affiliates.

Purchased Services and Other expense increased \$54 million due to the following:

- Inflation and higher volume drove an increase of \$18 million.
- An increase of \$13 million was due to technology contract restructuring costs as well as advisory expenses.
- Increased costs of approximately \$13 million were due to the effects of network disruptions and rerouting impacts.
- Gains on property dispositions were \$7 million in third quarter 2025 compared to a \$1 million loss in the prior year.
- All other net costs increased \$18 million resulting from a favorable inventory adjustment in the prior year, higher trucking casualty and rail freight damage claims in the current year, and other non-significant increases, which were partially offset by efficiency savings across the organization.

Depreciation and Amortization expense increased \$8 million primarily as a result of a larger asset base.

Fuel costs increased \$5 million as the impacts of additional gross ton-miles associated with reroutes as well as a 1% increase in locomotive fuel prices were partially offset by improved efficiency.

Equipment and Other Rents expense decreased \$5 million due to several non-significant items.

Goodwill Impairment expense for Quality Carriers was \$164 million for 2025.

Interest Expense

Interest expense increased \$4 million primarily due to higher average debt balances.

Other Income - Net

Other income - net decreased \$15 million primarily due to lower interest income.

Income Tax Expense

Income tax expense decreased \$86 million primarily due to lower earnings before income taxes.

CSX CORPORATION

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

Nine Months Results of Operations

Revenue decreased \$417 million primarily due to lower coal revenue, which includes the impact of lower global benchmark rates, as well as lower fuel recovery and declines in merchandise volume. These declines were partially offset by pricing gains in merchandise.

Total expense increased \$311 million primarily due to the Quality Carriers goodwill impairment, inflation, costs due to network disruptions, and higher depreciation. These increases were partially offset by lower fuel prices and efficiency savings.

Interest expense increased \$6 million as higher average debt balances were mostly offset by higher capitalized interest.

Other income - net decreased \$36 million primarily due to lower interest income and lower pension benefit credits.

Income tax expense decreased \$202 million primarily due to lower earnings before income taxes.

CSX CORPORATION
ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
Non-GAAP Measures - Unaudited

CSX reports its financial results in accordance with accounting principles generally accepted in the United States of America ("GAAP"). CSX also uses certain non-GAAP measures that fall within the meaning of Securities and Exchange Commission Regulation G and Regulation S-K Item 10(e), which may provide users of the financial information with additional meaningful comparison to prior reported results. Non-GAAP measures do not have standardized definitions and are not defined by GAAP. Therefore, CSX's non-GAAP measures are unlikely to be comparable to similar measures presented by other companies. The presentation of these non-GAAP measures should not be considered in isolation from, as a substitute for, or as superior to the financial information presented in accordance with GAAP. Reconciliations of non-GAAP measures to corresponding GAAP measures are below.

Adjusted Operating Results

Management believes that adjusted operating income, adjusted operating margin, adjusted net earnings, and adjusted net earnings per share, assuming dilution are important in evaluating the Company's performance and for planning and forecasting future business operations and future profitability. These non-GAAP measures provide meaningful supplemental information regarding operating results because they exclude the third quarter 2025 non-cash impairment of the remaining amount of Quality Carriers' goodwill, which is a significant item that is not considered indicative of future financial trends. The goodwill impairment was tax-effected using rates reflective of the applicable tax amounts related to the impairment charge. These adjusted results should be considered in addition to, rather than as a substitute for, the Company's GAAP operating results.

The following tables reconcile the Company's GAAP operating results to adjusted operating results (non-GAAP measures).

Quarter Ended September 30, 2025				
	Operating Income	Operating Margin	Net Earnings	Net Earnings Per Share, Assuming Dilution
<i>(Dollars in millions, except per share amounts)</i>				
GAAP Operating Results	\$ 1,087	30.3 %	\$ 694	\$ 0.37
Goodwill Impairment	164	4.6	124	0.07
Adjusted Operating Results (non-GAAP)	\$ 1,251	34.9 %	\$ 818	\$ 0.44

Nine Months Ended September 30, 2025				
	Operating Income	Operating Margin	Net Earnings	Net Earnings Per Share, Assuming Dilution
<i>(Dollars in millions, except per share amounts)</i>				
GAAP Operating Results	\$ 3,411	32.2 %	\$ 2,169	\$ 1.16
Goodwill Impairment	164	1.6	124	0.06
Adjusted Operating Results (non-GAAP)	\$ 3,575	33.8 %	\$ 2,293	\$ 1.22

CSX CORPORATION**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS***Economic Profit*

Management believes Economic Profit provides an additional perspective to investors about financial returns generated by the business by representing a measure showing profit generated over and above the cost of capital used by the business to generate that profit. Economic Profit is designed to incentivize strategic investments that earn more than management's desired minimum required return and is broadly utilized by management to make investment decisions. Therefore, disclosing Economic Profit on how management performs in this regard provides additional useful information to investors regarding the Company's performance compared to its goals.

Economic Profit should be considered in addition to, rather than a substitute for, operating income, which is the most directly comparable GAAP measure. Economic Profit is defined by the Company as Gross Cash Earnings ("GCE") minus the Capital Charge on Gross Operating Assets ("GOA"). Increases in Economic Profit indicate that the Company is effectively allocating capital and rewarding shareholders by generating returns in excess of the incremental cost of capital associated with reinvestment in the business.

GCE is calculated as operating income plus depreciation, amortization and operating lease expense, less unusual items and taxes. The Capital Charge uses a minimum required return multiplied by the GOA. CSX's GOAs include gross properties and other non-cash assets, net of non-interest bearing liabilities. The Company used a 15% tax rate and an 8% required return, for both periods presented, which is consistent with rates used for investment decisions and performance evaluation within those same periods. The tax rate is the approximate equivalent of the Company's actual income tax expense as a percentage of pre-tax GCE. The required return rate represents management's desired minimum return on any investment. CSX annually re-evaluates these rates to ensure they accurately represent taxes and a required return in light of internal and external factors and would adjust the rate if the annual review resulted in a preset deviation from the current rates. This focuses the Economic Profit measure on value generated by management instead of external factors, such as legislative tax policy or interest rate volatility.

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

The following table reconciles operating income (the most directly comparable GAAP measure) to Economic Profit (non-GAAP measure).

	Nine Months	
	2025	2024
<i>(Dollars in Millions)</i>		
Operating Income	\$ 3,411	\$ 4,139
Add: Depreciation, Amortization, and Operating Lease Expense	1,359	1,323
Remove: Unusual Items ^(a)	164	—
Taxes ^(b)	(740)	(819)
Gross Cash Earnings	4,194	4,643
Operating Assets		
Current Assets (Less Cash and Short-term Investments)	1,893	1,940
Gross Properties	53,290	51,062
Other Assets	4,310	4,255
Operating Liabilities		
Non-Interest Bearing Liabilities ^(c)	(11,038)	(10,957)
Gross Operating Assets ^(d)	48,455	46,300
Capital Charge ^(e)	(2,907)	(2,778)
Economic Profit (Non-GAAP) calculated as GCE less Capital Charge	\$ 1,287	\$ 1,865

(a) Unusual items are defined by management as unique events with greater than \$100 million full year operating income impact, consistent with the terms of the Company's long-term incentive plan agreements. The Quality Carriers goodwill impairment charge of \$164 million in third quarter 2025 met the definition of an unusual item.

(b) The tax percentage rate was 15% for both periods presented. This rate is applied to the sum of operating income, depreciation, amortization, operating lease expense, and unusual items.

(c) Non-interest bearing liabilities represents all liabilities excluding debt, long-term lease liabilities, and commercial paper (\$75 million of commercial paper was outstanding in other current liabilities as of June 30, 2025, and none outstanding in any other period).

(d) Gross operating assets reflects an average of the year-to-date quarter-end amounts reported for each period presented.

(e) The capital charge of 8% for both years is calculated as the minimum return multiplied by gross operating assets. This is an annualized rate equivalent to 2% per quarter.

CSX CORPORATION
ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
Free Cash Flow

Management believes that Free Cash Flow ("FCF") is supplemental information useful to investors as it is important in evaluating the Company's financial performance. More specifically, FCF measures cash generated by the business after reinvestment. This measure represents cash available for both equity and bond investors to be used for dividends, share repurchases or principal reduction on outstanding debt. FCF is calculated by using net cash from operations and adjusting for property additions and proceeds and advances from property dispositions. FCF should be considered in addition to, rather than a substitute for, cash provided by operating activities.

The decrease in FCF before dividends from the prior year of \$1.2 billion is primarily due to higher property additions, including \$440 million related to rebuilding the Blue Ridge subdivision, as well as \$429 million of federal and state tax payments related to the 2024 tax year that were previously postponed and lower cash-generating net earnings. Tax payment postponements related to hurricane tax relief were available in 2023 and 2024, but not in 2025.

The following table reconciles cash provided by operating activities (GAAP measure) to FCF before dividends (non-GAAP measure).

(Dollars in Millions)

Net cash provided by operating activities

Property Additions

Proceeds and Advances from Property Dispositions

Free Cash Flow (before payment of dividends)

Nine Months	
2025	2024
\$ 3,227	\$ 3,859
(2,225)	(1,691)
64	50
\$ 1,066	\$ 2,218

Operating Statistics (Estimated)

The Company is committed to continuous improvement in safety and service performance through training, innovation and investment. Training and safety programs are designed to prevent incidents that can adversely impact employees, customers and communities. Technological innovations that can detect and avoid many types of human factor incidents are designed to serve as an additional layer of protection for the Company's employees. Continued capital investment in the Company's assets, including track, bridges, signals, equipment and detection technology also supports safety performance.

In the third quarter of 2025, velocity increased by 2%, and dwell improved 8% versus prior year. Carload trip plan performance increased by 4% and intermodal trip plan performance increased by 1%. The Company continues to focus on operational improvements and executing the operating plan to deliver safe, reliable, and efficient service to customers.

The personal injury frequency index of 1.16 in third quarter 2025 improved 7% compared to prior year and the FRA train accident rate of 2.55 improved 21%. Safety is a top priority at CSX, and the Company is committed to reducing risk and enhancing the overall safety of its employees, customers, and communities in which it operates.

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

	Third Quarters			Nine Months		
	2025	2024	Improvement / (Deterioration)	2025	2024	Improvement / (Deterioration)
Operations Performance						
Train Velocity (<i>Miles Per Hour</i>)	18.9	18.6	2 %	18.0	18.3	(2)%
Dwell (<i>Hours</i>)	9.5	10.3	8 %	10.5	10.0	(5)%
Cars Online	121,278	126,623	4 %	127,698	125,839	(1)%
On-Time Originations	75 %	72 %	4 %	71 %	74 %	(4)%
On-Time Arrivals	64 %	66 %	(3)%	59 %	67 %	(12)%
Carload Trip Plan Performance	83 %	80 %	4 %	76 %	81 %	(6)%
Intermodal Trip Plan Performance	93 %	92 %	1 %	91 %	94 %	(3)%
Fuel Efficiency	0.94	0.95	1 %	0.97	0.98	1 %
Revenue Ton-Miles (<i>Billions</i>)						
Merchandise	32.8	32.5	1 %	98.3	97.2	1 %
Coal	9.9	9.1	9 %	27.6	27.3	1 %
Intermodal	7.7	7.2	7 %	22.3	21.5	4 %
Total Revenue Ton-Miles	50.4	48.8	3 %	148.2	146.0	2 %
Total Gross Ton-Miles (<i>Billions</i>)	98.8	95.7	3 %	292.3	288.3	1 %
Safety						
FRA Personal Injury Frequency Index	1.16	1.25	7 %	1.05	1.27	17 %
FRA Train Accident Rate	2.55	3.21	21 %	3.32	3.38	2 %

Certain operating statistics are estimated and can continue to be updated as actuals settle. The methodology for calculating train velocity, dwell, cars online and trip plan performance differs from that used by the Surface Transportation Board. The Company will continue to report these metrics to the Surface Transportation Board using the prescribed methodology.

Key Performance Measures Definitions

Train Velocity - Average train speed between origin and destination in miles per hour (does not include locals, yard jobs, work trains or passenger trains). Train velocity measures actual train miles and times of a train movement on CSX's network.

Dwell - Average amount of time in hours between car arrival to and departure from the yard.

Cars Online - Average number of active freight rail cars on lines operated by CSX, excluding rail cars that are being repaired, in storage, those that have been sold, or private cars dwelling at a customer location more than one day.

On-Time Originations - Percent of scheduled road trains that depart the origin yard on-time or ahead of schedule.

On-Time Arrivals - Percent of scheduled road trains that arrive at the destination yard on-time to within two hours of scheduled arrival.

Carload Trip Plan Performance - Percent of measured cars (excludes unit trains and other non-scheduled service as well as empty automotive shipments) destined for a customer that complete their scheduled plan at or ahead of the original estimated time of arrival or interchange (as applicable).

Intermodal Trip Plan Performance - Percent of measured containers (excludes port shipments along with empty containers and other non-scheduled service) destined for a customer that complete their scheduled plan at or ahead of the original estimated time of arrival, notification or interchange (as applicable).

Fuel Efficiency - Gallons of locomotive fuel per 1,000 gross ton-miles.

Revenue Ton-Miles (RTM's) - The movement of one revenue-producing ton of freight over a distance of one mile.

Gross Ton-Miles (GTM's) - The movement of one ton of train weight over one mile. GTM's are calculated by multiplying total train weight by distance the train moved. Total train weight is comprised of the weight of the freight cars and their contents.

FRA Personal Injury Frequency Index - Number of FRA-reportable injuries per 200,000 man-hours.

FRA Train Accident Rate - Number of FRA-reportable train accidents per million train-miles.

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

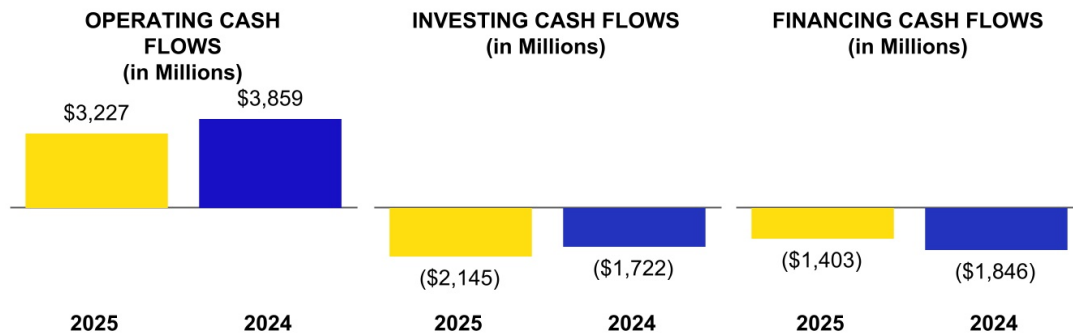
LIQUIDITY AND CAPITAL RESOURCES

The following are material changes in the significant cash flows, sources of cash and liquidity, capital investments, consolidated balance sheets and working capital, which provide an update to the discussion included in CSX's most recent annual report on Form 10-K.

Material Changes in Significant Cash Flows

Significant Cash Flows

The following chart highlights the operating, investing and financing components of the net decrease of \$321 million and increase of \$291 million in cash and cash equivalents for the nine months ended September 30, 2025, and September 30, 2024, respectively.



- The Company generated \$632 million less cash from operating activities primarily due to the payment of \$429 million of previously postponed taxes and lower cash-generating net earnings.
- CSX used \$423 million more cash for investing activities primarily due to higher property additions consistent with planned capital expenditures, including approximately \$440 million in property additions related to rebuilding the Blue Ridge subdivision as a result of impacts from Hurricane Helene. This increase was partially offset by lower spending on acquisitions of previously independent trucking affiliates.
- The Company used \$443 million less cash for financing activities driven by lower repayments of long-term debt, partially offset by higher share repurchases.

CSX CORPORATION

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

Sources of Cash and Liquidity and Uses of Cash

As of the end of third quarter 2025, CSX had \$618 million of cash, cash equivalents and short-term investments. CSX uses current cash balances for general corporate purposes, which may include capital expenditures, working capital requirements, reduction or refinancing of outstanding indebtedness, redemptions and repurchases of CSX common stock, dividends to shareholders, acquisitions and other business opportunities, and contributions to the Company's qualified pension plan. See Note 7, *Debt and Credit Agreements*.

The Company has multiple sources of liquidity, including cash generated from operations and financing sources. The Company filed a shelf registration statement with the SEC on February 27, 2025, which may be used to issue debt or equity securities at CSX's discretion, subject to market conditions and CSX Board authorization. While CSX seeks to give itself flexibility with respect to cash requirements, there can be no assurance that market conditions would permit CSX to sell such securities on acceptable terms at any given time, or at all. During the nine months ended September 30, 2025, CSX issued a total of \$600 million of long-term debt.

CSX has a \$1.2 billion unsecured, revolving credit facility backed by a diverse syndicate of banks that expires in February 2028. At September 30, 2025, the Company had no outstanding balances under this facility. The Company also has a commercial paper program, backed by the revolving credit facility, under which the Company may issue unsecured short-term commercial paper notes up to a maximum aggregate principal amount of \$1.0 billion outstanding at any time. At September 30, 2025, the Company had no debt outstanding under the commercial paper program.

Planned capital investments for 2025 are expected to be consistent with 2024 spending at approximately \$2.5 billion, except for additional costs to rebuild the Blue Ridge subdivision as a result of impacts from Hurricane Helene. Total spending on the Blue Ridge rebuild will exceed \$500 million, including approximately \$50 million spent in 2024 and approximately \$440 million spent in the nine months ended September 30, 2025. Spending to sustain core infrastructure with a focus on safety and reliability will also remain a top priority. In addition, management is committed to investments that promote profitable growth, including projects supporting service enhancements and productivity initiatives, which includes investments in locomotives and freight cars. CSX intends to fund capital investments primarily through cash generated from operations.

The Company's planned cash income tax payments and related payable and deferred liabilities were impacted by changes in bonus tax depreciation that were enacted into law on July 4, 2025, as part of Public Law 119-21, commonly known as the One Big Beautiful Bill Act. The impact of applying this provision will result in favorable cash tax impacts of approximately \$250 million for the 2025 tax year.

CSX CORPORATION**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS*****Material Changes in the Consolidated Balance Sheets and Working Capital******Consolidated Balance Sheets***

Total assets increased \$515 million from year end primarily due to a \$876 million increase in net property consistent with planned capital expenditures, including incremental property additions related to rebuilding the Blue Ridge subdivision, and a \$78 million increase in investments in affiliates and other companies. These increases were partially offset by a \$321 million decrease in cash and cash equivalents as noted above and a \$164 million impairment of Quality Carriers' goodwill.

Total liabilities increased \$264 million from year end primarily due to the issuance of \$600 million in long-term debt, partially offset by a \$344 million decrease in income and other taxes payable primarily resulting from the payment of previously postponed federal and state income taxes. Total shareholders' equity increased \$251 million from year end primarily driven by net earnings of \$2.2 billion, offset by share repurchases of \$1.3 billion and dividends paid of \$730 million.

Working capital is considered a measure of a company's ability to meet its short-term needs. CSX had a working capital deficit of \$455 million as of September 30, 2025, and \$456 million as of December 31, 2024. Flat working capital was primarily the result of a decline in cash, offset by a decrease in income and other taxes payable due to payments for previously postponed income taxes. The Company's working capital balance varies due to factors such as the timing of scheduled debt payments and changes in cash and cash equivalent balances as discussed above. The Company continues to maintain adequate liquidity to satisfy current liabilities and maturing obligations when they come due. CSX has sufficient financial capacity, including its revolving credit facility, commercial paper program and shelf registration statement to manage its day-to-day cash requirements and any anticipated obligations. The Company from time to time accesses the credit markets for additional liquidity.

CSX is committed to returning cash to shareholders and maintaining an investment-grade credit profile. Capital structure, capital investments and cash distributions, including dividends and share repurchases, are reviewed at least annually by the Board of Directors. Management's assessment of market conditions and other factors guides the timing and volume of repurchases. Future share repurchases are expected to be funded by cash on hand, cash generated from operations and debt issuances.

This discussion should be read in conjunction with our Condensed Consolidated Financial Statements and the related notes that appear elsewhere in this document.

LABOR AGREEMENTS

Approximately 17,400 of the Company's approximately 23,200 employees are members of a rail labor union and covered by national agreements with the Class I railroads or CSX-specific agreements. As of the date of this filing, new agreements with an effective date of January 1, 2025, have been fully ratified by most unions, representing nearly 75% of the Company's unionized workforce. The remaining unionized employees are covered under previous agreements while negotiations take place since collective agreements under the Railway Labor Act do not expire, but continue until amended or replaced.

CSX CORPORATION**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS****CRITICAL ACCOUNTING ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires that management make estimates in reporting the amounts of certain assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and certain revenues and expenses during the reporting period. Actual results may differ from those estimates. These estimates and assumptions are discussed with the Audit Committee of the Board of Directors on a regular basis. Consistent with the prior year, significant estimates using management judgment are made for the areas below. For further discussion of CSX's critical accounting estimates, see the Company's most recent annual report on Form 10-K.

- personal injury and environmental reserves;
- pension plan accounting; and
- depreciation policies for assets under the group-life method.

FORWARD-LOOKING STATEMENTS

Certain statements in this report and in other materials filed with the Securities and Exchange Commission, as well as information included in oral statements or other written statements made by the Company, are forward-looking statements. The Company intends for all such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and the provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements within the meaning of the Private Securities Litigation Reform Act may contain, among others, statements regarding:

- projections and estimates of earnings, revenues, margins, volumes, rates, cost savings, expenses, taxes or other financial items;
- expectations as to results of operations and operational initiatives;
- expectations as to the effect of claims, lawsuits, environmental costs, commitments, contingent liabilities, labor negotiations or agreements on the Company's financial condition, results of operations or liquidity;
- management's plans, strategies and objectives for future operations, capital expenditures, workforce levels, dividends, share repurchases, safety and service performance, proposed new services and other matters that are not historical facts, and management's expectations as to future performance and operations and the time by which objectives will be achieved; and
- future economic, industry or market conditions or performance and their effect on the Company's financial condition, results of operations or liquidity.

Forward-looking statements are typically identified by words or phrases such as "will," "should," "believe," "expect," "anticipate," "project," "estimate," "preliminary" and similar expressions. The Company cautions against placing undue reliance on forward-looking statements, which reflect its good faith beliefs with respect to future events and are based on information currently available to it as of the date the forward-looking statement is made. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the timing when, or by which, such performance or results will be achieved.

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

Forward-looking statements are subject to a number of risks and uncertainties and actual performance or results could differ materially from those anticipated by any forward-looking statements. The Company undertakes no obligation to update or revise any forward-looking statement. If the Company does update any forward-looking statement, no inference should be drawn that the Company will make additional updates with respect to that statement or any other forward-looking statements. The following important factors, in addition to those discussed in Part I, Item 1A Risk Factors of CSX's most recent annual report on Form 10-K and elsewhere in this report, may cause actual results to differ materially from those contemplated by any forward-looking statements:

- legislative, regulatory or legal developments involving transportation, including rail or intermodal transportation, the environment, hazardous materials, taxation, international trade and initiatives to further regulate the rail industry;
- the outcome of litigation, claims and other contingent liabilities, including, but not limited to, those related to fuel surcharge, environmental matters, taxes, shipper and rate claims subject to adjudication, personal injuries and occupational illnesses;
- changes in domestic or international economic, political or business conditions, including those directly affecting the transportation industry (such as the impact of industry competition, conditions, performance and consolidation, as well as the impact of international trade agreements and tariffs) and those affecting the level of demand for products carried by CSXT or by truck, which could impact the performance and value of the Company's rail and trucking-related investments;
- natural events such as severe weather conditions, including floods, fire, hurricanes and earthquakes, a pandemic crisis affecting the health of the Company's employees, its shippers or the consumers of goods, or other unforeseen disruptions of the Company's operations, systems, property, equipment or supply chain;
- competition from other modes of freight transportation, such as trucking and competition and consolidation or financial distress within the transportation industry generally;
- the cost of compliance with laws and regulations that differ from expectations as well as costs, penalties and operational and liquidity impacts associated with noncompliance with applicable laws or regulations;
- the impact of increased passenger activities in capacity-constrained areas, including potential effects of high speed rail initiatives, or regulatory changes affecting when CSXT can transport freight or service routes;
- unanticipated conditions in the financial markets that may affect timely access to capital markets and the cost of capital, as well as management's decisions regarding share repurchases;
- changes in fuel prices, surcharges for fuel and the availability of fuel;
- the impact of natural gas prices on coal-fired electricity generation;
- the impact of global supply and price of seaborne coal on CSX's export coal market;
- availability of insurance coverage at commercially reasonable rates or insufficient insurance coverage to cover claims or damages;
- the inherent business risks associated with safety and security, including the transportation of hazardous materials or a cybersecurity attack which would threaten the availability and reliability of information technology;
- adverse economic or operational effects from actual or threatened war or terrorist activities and any governmental response;
- loss of key personnel or the inability to hire and retain qualified employees;

CSX CORPORATION

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

- labor and benefit costs and labor difficulties, including stoppages affecting either the Company's operations or customers' ability to deliver goods to the Company for shipment;
- the Company's success in implementing its strategic, financial and operational initiatives, including acquisitions;
- the impact of conditions in the real estate market on the Company's ability to sell assets;
- changes in operating conditions and costs, including the impacts of inflation, or commodity concentrations;
- the impacts of a public health crisis and any policies or initiatives instituted in response; and
- the inherent uncertainty associated with projecting economic and business conditions.

Other important assumptions and factors that could cause actual results to differ materially from those in the forward-looking statements are specified elsewhere in this report and in CSX's other SEC reports, which are accessible on the SEC's website at www.sec.gov and the Company's website at www.csx.com. The information on the CSX website is not part of this quarterly report on Form 10-Q.

CSX CORPORATION
ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in market risk from the information provided under Part II, Item 7A (Quantitative and Qualitative Disclosures about Market Risk) of CSX's most recent annual report on Form 10-K, except as provided below.

The fair value of long-term debt issued by the Company may be impacted by changes in interest rates. In an effort to manage interest rate risk, CSX may use certain financial instruments such as interest rate swaps. The following information together with information included in *Note 7, Debt and Credit Agreements*, describes changes to those contracts since CSX's most recent annual report on Form 10-K and the related market risk to CSX.

In first quarter 2025, CSX entered into two fixed-to-floating interest rate swaps classified as fair value hedges. The swaps are designed to hedge 10 years of interest rate risk associated with market fluctuations attributable to the Secured Overnight Financing Rate ("SOFR") on a cumulative \$250 million of fixed rate outstanding notes which are due in 2055. As of September 30, 2025, the fair value of these swaps was a \$11 million asset which is included in other long-term assets on the consolidated balance sheet.

ITEM 4. CONTROLS AND PROCEDURES

As of September 30, 2025, under the supervision and with the participation of CSX's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), management has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on that evaluation, the CEO and CFO concluded that, as of September 30, 2025, the Company's disclosure controls and procedures were effective at the reasonable assurance level in timely alerting them to material information required to be included in CSX's periodic SEC reports. There were no changes in the Company's internal controls over financial reporting during the third quarter of 2025 that have materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting.

CSX CORPORATION
PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Item 103 of SEC Regulation S-K requires disclosure of certain environmental matters when a governmental authority is a party to the proceedings and such proceedings involve potential monetary sanctions that the Company reasonably believes will exceed a specified threshold. Pursuant to SEC amendments to this Item, the Company will be using a threshold of \$1 million for such proceedings. For further details, refer to Note 5, *Commitments and Contingencies*, of this quarterly report on Form 10-Q. Also refer to Part I, Item 3, Legal Proceedings in CSX's most recent annual report on Form 10-K.

Item 1A. Risk Factors

For information regarding factors that could affect the Company's results of operations, financial condition and liquidity, see the risk factors discussed under Part I, Item 1A (Risk Factors) of CSX's most recent annual report on Form 10-K. See also Part I, Item 2 (Forward-Looking Statements) of this quarterly report on Form 10-Q.

Item 2. CSX Purchases of Equity Securities

During fourth quarter 2023, the Company began repurchasing shares under the \$5 billion share repurchase program approved in October 2023. Total repurchase authority remaining as of September 30, 2025 was \$1.3 billion. For more information about share repurchases, see Note 2, *Earnings Per Share*. Share repurchase activity for the third quarter 2025 is shown below. Amounts exclude the impact of excise tax on net share repurchases imposed as part of the Inflation Reduction Act of 2022.

	CSX Purchases of Equity Securities for the Quarter				Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs		
Third Quarter					
Beginning Balance				\$	1,434,073,382
July 1 - July 31, 2025	1,018,047	\$ 33.76	1,018,047		1,399,702,506
August 1 - August 31, 2025	—	—	—		1,399,702,506
September 1 - September 30, 2025	2,369,420	32.77	2,369,420		1,322,060,537
Ending Balance	3,387,467	\$ 33.07	3,387,467	\$	1,322,060,537

CSX CORPORATION
PART II

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

Not Applicable

Item 5. Other Information

During the third quarter of 2025, none of the Company's directors or officers adopted or terminated any "Rule 10b5-1 trading arrangement" or any "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

CSX CORPORATION
PART II

Item 6. Exhibits

Exhibit designation	Nature of exhibit	Previously filed as exhibit to
10.1* ***	Employment Agreement, dated September 26, 2025, between CSX Corporation and Stephen Angel	
10.2* ***	Change of Control Agreement, dated September 28, 2025, between CSX Corporation and Stephen Angel	
10.3* ***	Confidentiality, Non-Solicitation and Non-Competition Agreement, made and entered into as of September 27, 2025, between CSX Corporation, and Stephen Angel	
10.4* ***	Employment Separation Agreement and Release, dated September 28, 2025, between CSX Corporation and Joseph R. Hinrichs	

Officer certifications:

31*	Rule 13a-14(a) Certifications
32**	Section 1350 Certifications

Interactive data files:

101*	The following financial information from CSX Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2025 filed with the SEC on October 16, 2025, formatted in inline XBRL includes: (i) consolidated income statements for the quarters and nine months ended September 30, 2025, and September 30, 2024, (ii) condensed consolidated comprehensive income statements for the quarters and nine months ended September 30, 2025, and September 30, 2024, (iii) consolidated balance sheets at September 30, 2025, and December 31, 2024, (iv) consolidated cash flow statements for the nine months ended September 30, 2025, and September 30, 2024, (v) consolidated statements of changes in shareholders' equity for the quarters and nine months ended September 30, 2025, and September 30, 2024, and (vi) the notes to consolidated financial statements.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document contained in Exhibit 101)

* Filed herewith

** Furnished herewith

*** Management contract or compensatory plan or arrangement

**CSX CORPORATION
PART II**

SIGNATURE

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.

CSX CORPORATION
(Registrant)

By: /s/ ANGELA C. WILLIAMS
Angela C. Williams
Vice President and
Chief Accounting Officer
(Principal Accounting Officer)

Dated: October 16, 2025



September 26, 2025

Stephen Angel

Re: Employment Letter

Dear Steve,

On behalf of CSX Corporation (the “**Company**”), I am pleased to formalize the terms of your employment in your new role as President & Chief Executive Officer (“**CEO**”) of the Company, reporting to the Board of Directors of the Company (the “**Board**”). The terms of your employment are set forth below in this letter (the “**Letter Agreement**”); provided that these terms and your employment hereunder are subject to final approval of the Board.

1. Employment Term. Your employment will be on an “at-will” basis, pursuant to the terms and conditions of this Letter Agreement. Your employment with the Company will begin effective as of September 28, 2025 (or such other date as mutually agreed) (the “**Start Date**”).

2. Title and Nature of Duties. You will be employed as President & CEO, reporting to the Board, and you will be appointed to the Board, in each case, effective upon approval of the Board. You will have such duties and obligations as are customary for and commensurate with such positions and will perform such other duties as may be reasonably assigned from time to time consistent with your position by the Board. During your employment with the Company, you will continue to serve on the Board (subject to the terms of the Company’s governing documents), and upon a termination of your employment for any reason, you agree to immediately and automatically resign from the Board (and from any other director or officer positions you hold with the Company or any of its direct or indirect subsidiaries), unless otherwise agreed by the Company.

3. Compensation and Benefits.

a. Base Salary. You will be paid a starting annual base salary (“**Base Salary**”) of \$1,500,000.00, payable in accordance with the Company’s normal payroll procedures. Your salary will be subject to periodic review and adjustment by the Compensation and Talent Management Committee of the Board (the “**Committee**”), or by the Board based on the Committee’s recommendation.

b. Annual Cash Incentive. You will be eligible to participate in the Company’s annual cash incentive program under the Company’s Management Incentive Compensation Plan (the “**MICP**”) on a substantially similar basis as other similarly situated senior executives of the

Company, with a target annual bonus of 175% of your Base Salary (“**Annual Bonus**”), with your actual Annual Bonus determined based on the achievement of performance goals as determined by the Committee, or by the Board based on the Committee’s recommendation. Your Annual Bonus for the 2025 fiscal year will be pro-rated based on your partial year of employment with the Company. Your target annual bonus opportunity will be subject to periodic review and adjustment by the Committee, or by the Board based on the Committee’s recommendation.

c. Long Term Incentives. Starting in 2026, you will be eligible to participate in the Company’s long term incentive plans (each an “**LTIP**”) on a substantially similar basis as other similarly situated executives of the Company with LTIP grants. The grant date target value of your initial annual LTIP award (to be granted in 2026), as determined by the Committee, or by the Board based on the Committee’s recommendation in accordance with their normal practices, will be an aggregate amount of \$13,500,000. LTIP awards will be subject to vesting and/or performance conditions as determined by the Committee, or by the Board based on the Committee’s recommendation. The grant date target value of your annual LTIP awards (for grants made after 2026) will be subject to periodic review and adjustment by the Committee, or by the Board based on the Committee’s recommendation.

Your LTIP awards will be made under the CSX 2019 Stock and Incentive Award Plan (the “**Plan**”), or any successor plan or other equity or equity-based plan as adopted by the Board from time to time and will be subject to the terms thereof, the terms of the award agreements pursuant to which such awards are made and the terms set forth in this Letter Agreement.

d. Sign-On Equity Award. Within 30 days following the Start Date, the Company will award you, subject to approval by the Committee, or by the Board based on the Committee’s recommendation, a one-time, long-term incentive award with a grant date target value (as determined by the Committee, or by the Board based on the Committee’s recommendation in accordance with their normal practices) of \$10,000,000.00 (the “**Sign-On Equity Award**”). The Sign-On Equity Award will be comprised 50% of Performance Share Units and 50% of Options, which will be earned and will vest as follows: (x) the Performance Share Units will be earned based on achievement of the performance criteria applicable to the Company’s 2025-2027 long-term incentive program, and any Performance Share Units that are earned will cliff-vest on the third anniversary of the Start Date, subject to your continued employment through the vesting date (except as provided in paragraph 3(f) or 3(g) below) and (y) the Options will cliff vest on the third anniversary of the Start Date, subject to your continued employment through the vesting date (except as provided in paragraph 3(f) or 3(g) below). The Options will have a seven-year term and an exercise price per share equal to the closing price per share of CSX common stock (“**Share**”) on the grant date. The number of Shares subject to each component of the Sign-On Equity Award will be calculated based on the grant date target value for such component *divided by* the average closing price per Share for the thirty (30) trading days leading up to (and including) the grant date. The Sign-On Equity Award will be made under the Plan and will be subject to the terms thereof, the terms of the award agreements pursuant to which such awards are made and the terms set forth in this Letter Agreement.

e. Corporate Housing; Expense Reimbursement. During your employment with the Company, the Company will provide you with corporate housing in Jacksonville, Florida, which housing will be provided by or paid for directly by the Company. In addition, the Company

will reimburse you for up to \$100,000 in non-refundable expenses incurred by you for personal trips cancelled in 2025.

f. Severance Benefits Upon Termination by the Company. If your employment is terminated by the Company without Cause or if you resign for Good Reason (as such terms are defined below) prior to your being Retirement Eligible (as defined below), subject to your execution and non-revocation of the Company's customary separation and release of claims agreement (the "**Release Agreement**"):

(i) A portion of your Sign-On Equity Award and each of your any then outstanding LTIP Awards will service vest on a pro-rata basis determined by multiplying the number of Shares covered by each such equity award by a fraction, the numerator of which is the number of months in the vesting or performance period applicable to such equity award that have elapsed from the commencement of the applicable vesting or performance period through your termination date and the denominator of which is the total number of months in the applicable vesting or performance period; provided that any such awards subject to performance conditions will be earned based on actual performance as determined after the end of the applicable performance period (any such awards that vest and are earned on a pro-rata basis, the "**Prorated Equity Awards**"). Your Prorated Equity Awards will be settled in accordance with their original schedule. In addition, if your employment terminates as a result of your death or a disability rendering you physically or mentally unable to perform your duties, your Sign-On Equity Award will vest on a prorata basis in the same manner described in this paragraph 3(f)(i); and

(ii) You will be entitled to receive: (A) a lump sum cash payment (payable within 60 days of the date on which your employment terminates, but not earlier than the date the Release Agreement becomes effective) equal to two times your Base Salary and target Annual Bonus, (B) any Annual Bonus that you earned for the fiscal year prior to your employment termination to the extent not previously paid to you, payable to you no later than the date that annual bonuses for the relevant year are paid to the active senior executives and (C) a pro rata payment of your Annual Bonus in respect of the year of your termination of employment based on (x) the number of days in that year during which you were employed divided by 365 and (y) the actual performance, paid at the same time as annual bonuses are paid for that year to other senior executives of the Company.

Notwithstanding the foregoing, if, as a result of your termination of employment, you are entitled to severance benefits under your Change in Control Agreement (as defined below), you shall not be entitled to the payments described in this paragraph 3(f). In either such event, you shall not be entitled to receive any severance payments or any other severance benefits under any other Company plan, policy or program. Payment of any severance benefits hereunder is subject to your compliance with the Non-Compete Agreement (as defined below), and to the extent that you violate the Non-Compete Agreement or otherwise fail to execute (and not revoke) or otherwise comply with the terms of the Company's Release Agreement, you will forfeit your right to any

severance payments under this Letter Agreement and the Company may require you to repay any severance payments previously paid to you under this Letter Agreement or the Change in Control Agreement, as applicable.

For purposes of this Letter Agreement, “Cause” shall mean (i) your willful and continued failure to substantially perform your material duties with the Company or one of its affiliates (other than any such failure resulting from incapacity due to physical or mental illness), (ii) your indictment, or plea of guilty or nolo contendere, for any crime (x) that is a felony or (y) that could reasonably be expected to adversely affect the reputation or the business of the Company or any affiliate, (iii) the willful engaging by you in illegal conduct or gross misconduct which is or could reasonably be expected to adversely affect the reputation or the business of the Company or any affiliate thereof, (iv) the material violation of any Company policy by you, or the commission by you of an act involving moral turpitude, in each case, that adversely and substantially affects the reputation or business of the Company or any affiliate or (v) a material breach by you of your obligations under this Letter Agreement, the Noncompete Agreement, or any other agreement with the Company or any affiliate thereof; *provided*, that you have been given written notice of the alleged material breach and, if susceptible to cure, have not reasonably cured such breach within thirty (30) days of the giving of such notice.

For purposes of this Letter Agreement, “Good Reason” shall mean, without your written consent: (i) a material diminution of your duties, responsibilities or compensation as contemplated herein, excluding for this purpose an isolated and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by you; or (ii) any action or inaction by the Company that constitutes a material breach of this Letter Agreement. Notwithstanding the foregoing, no event of “Good Reason” shall be deemed to have occurred unless you provide written notice, within ninety (90) days of the initial occurrence of such event, to the Board specifying in reasonable detail the facts or circumstances that you believe constitute Good Reason, such facts or circumstances are not corrected or otherwise cured by the Company within thirty (30) days after the Board’s receipt of such notice, and you actually terminate your employment within ninety (90) days after the end of the foregoing 30-day period.

g. Treatment of Equity Awards upon Retirement. Upon a termination of your employment after becoming Retirement Eligible either (i) by the Company without Cause or by you for Good Reason or (ii) by you due to your voluntary retirement by providing the Company with at least 180 days’ notice of your plans to retire (which period may be waived in full or in part by the Company), subject to your execution and non-revocation of the Release Agreement, any outstanding unvested portion of your Sign-On Equity Award and your LTIP awards will remain outstanding and will continue to vest, subject to any relevant performance criteria in respect of any such awards that are subject to performance-based vesting and any stock options underlying such awards will remain outstanding for the remainder of their term, and any such awards will be settled in accordance with their original schedule.

For the avoidance of doubt, and notwithstanding anything to the contrary in this Letter Agreement or otherwise, once you become Retirement Eligible, you shall be eligible only to receive the payments and benefits described in this paragraph 3(g) upon a termination of your

employment and you shall not be entitled to the payments and benefits described in paragraph 3(f) above. The benefits provided under this paragraph 3(g) are subject to your compliance with the Non-Compete Agreement, and to the extent that you violate the Non-Compete Agreement or otherwise fail to execute (and not revoke) or otherwise comply with the terms of the Company's Release Agreement, you will forfeit your right to any further benefits hereunder.

For purposes of this Letter Agreement, "Retirement Eligible" shall mean your attainment of age sixty (60) *plus* at least three (3) years of continued service with the Company (unless the Company has notified you of its intent to terminate you for Cause or grounds to terminate you for Cause exist at such time, in which case you will not be deemed Retirement Eligible).

h. Incentive, Savings, Retirement and Welfare Programs. During your employment, you will be eligible to participate in all incentive and savings and retirement plans, practices, policies and programs on a substantially similar basis as other similarly situated senior executives of the Company and you and your dependents will be eligible to participate in all welfare benefit plans, practices, policies and programs (including, without limitation, vacation) made available to other senior executives of the Company. Your participation in such programs will be subject to the terms of the applicable plan or program as in effect from time to time and any other restrictions or limitations imposed by law. The Company reserves the right to amend, suspend or terminate any such plans or programs at any time. In accordance with the terms of the Company's corporate aircraft policy, you will be required to use the Company's corporate aircraft for all business and personal flights taken within North America. You will be entitled to personal use of corporate aircraft in an amount not to exceed \$200,000 per year or such other amount as approved by the Committee from time to time, in accordance with the Company's corporate aircraft policy and all applicable laws and regulations.

4. Change in Control Agreement. You will also be eligible to receive protections under the Company's standard change in control agreement that is provided to other senior executives. Your change in control agreement (the "**Change in Control Agreement**") is attached as Exhibit A hereto.

5. Non-Compete Agreement. The offer contained in this Letter Agreement is conditioned upon your execution of the Non-Compete Agreement for Company executives attached as Exhibit B hereto (the "**Non-Compete Agreement**").

6. Miscellaneous.

a. You hereby represent and warrant to the Company that you are free to accept employment with the Company, and that you have no prior or other agreements (including restrictive covenants), commitments or obligations of any kind to anyone else or any entity that would hinder or interfere with your acceptance of your obligations hereunder or the exercise of your best efforts in the performance of your duties hereunder.

b. This Letter Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without reference to principles of conflict of laws. The captions of this Letter Agreement are not part of the provisions hereof and shall have no force or effect. This Letter Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

c. This Letter Agreement and the payments referred to herein are intended to be fully compliant with or exempt from the requirements of Section 409A of the Code and the final regulations promulgated thereunder, taking into account any and all transition rules and relief promulgated by the Internal Revenue Service or the U.S. Department of Treasury regarding compliance therewith, and, to the maximum extent permitted by law, shall be administered, operated and construed consistent with this intent. Any amounts payable solely on account of an involuntary separation from service within the meaning of Section 409A shall be excludible from the requirements of Section 409A, either as involuntary separation pay or as short-term deferral amounts (e.g., amounts payable under the schedule prior to March 15 of the calendar year following the calendar year of involuntary separation) to the maximum possible extent. Further, any reimbursements or in-kind benefits provided under this Letter Agreement shall be made or provided in accordance with the requirements of Section 409A of the Code, including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during the period of time specified in this Letter Agreement, (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, (iii) the reimbursement of an eligible expense will be made no later than the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit. In the event that you are a "specified employee" within the meaning of Section 409A of the Code (as determined by the Company or its delegate), any payments hereunder subject to Section 409A of the Code shall not be paid or provided until the earlier of (A) your death, or (B) the day after the expiration of the six-month period following your termination of employment (the "**Delay Period**"). Any payments that are delayed by virtue of this subparagraph shall be paid in one payment at the conclusion of the Delay Period.

d. All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to you: the address on file with the Company.

If to the Company:

CSX Corporation
500 Water Street
Jacksonville, FL 32202
Attention: Executive Vice President, Chief Administrative Officer

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

e. The invalidity or unenforceability of any provision of this Letter Agreement shall not affect the validity or enforceability of any other provision of this Letter Agreement.

f. The Company may withhold from any amounts payable under this Letter Agreement such Federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

g. Your or the Company's failure to insist upon strict compliance with any provision of this Letter Agreement or the failure to assert any right you or the Company may have hereunder, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Letter Agreement.

h. You and the Company acknowledge that your employment by the Company is "at will" and, your employment may be terminated by either you or the Company at any time in which case you shall have no further rights other than those set forth in this Letter Agreement. From and after the Start Date this Letter Agreement shall supersede any other agreement between the parties with respect to the subject matter hereof (not including, for the avoidance of doubt, the Change of Control Agreement).

i. You will be covered by the Company's director and officer liability policies on a substantially similar basis as other similarly situated executives.

We hope that you find the prospect of working for the Company to be an exciting opportunity, as we do. You may accept this offer of employment by signing and dating the enclosed duplicate original of this Letter Agreement and returning it to me. Please also sign and date the Change in Control Agreement and the Non-Compete Agreement attached as Exhibit A and Exhibit B hereto and return them with this Letter Agreement. We look forward to having you join us.

Very truly yours,

/s/ John J. Zillmer
John J. Zillmer
Chairman of the Board

I have read and accepted this offer of employment.

/s/ Stephen Angel
Stephen Angel

Dated: 9/27/25

Exhibit A

CSX CORPORATION
FORM OF CHANGE OF CONTROL AGREEMENT

AGREEMENT by and between CSX CORPORATION, a Virginia corporation (the "Company"), and Stephen Angel (the "Executive"), dated as of September 28, 2025.

The Board of Directors of the Company (the "Board") has determined that it is in the best interests of the Company and its shareholders to ensure that the Company will have the continued dedication of the Executive, notwithstanding the possibility, threat or occurrence of a Change of Control (as defined below) of the Company. The Board believes it is imperative to diminish the inevitable distraction of the Executive by virtue of the personal uncertainties and risks created by a pending or threatened Change of Control and to encourage the Executive's full attention and dedication to the Company currently and in the event of any threatened or pending Change of Control, and to provide the Executive with compensation and benefits arrangements upon a Change of Control which ensure that the compensation and benefits expectations of the Executive will be satisfied and which are competitive with those of other corporations. To accomplish these objectives, the Board has caused the Company to enter into this Agreement.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. Certain Definitions.

a. "Effective Date" means the first date during the Term (as defined in Section 1(b)) on which a Change of Control (as defined in Section 2) occurs. Anything in this Agreement to the contrary notwithstanding, if a Change of Control occurs, and the Executive's employment with the Company is terminated by the Company without Cause or the Executive resigns for Good Reason within three months prior to a Change of Control occurring during the Term, then, for all purposes of this Agreement, "Effective Date" shall mean the date immediately prior to the date of such termination of employment or cessation of employment.

b. The "Term" means the period commencing on the date hereof and ending on July 11, 2026; provided that the Term shall extend automatically for consecutive periods of three years unless either party provides notice of non-renewal not less than ninety (90) days prior to the end of the Term as then in effect; provided, further, that, the Term shall end on an earlier date in the event of Executive's termination of employment for any reason prior to the Effective Date.

2. Change of Control. For the purpose of this Agreement, a "Change of Control" shall mean the occurrence of any of the following; provided that, in the event of any conflict between the definition of Change of Control provided herein and the definition of "Change in Control" set forth in the CSX 2019 Stock and Incentive Award Plan (as such plan may be amended from time to time, the "Equity Plan"), the definition in the Equity Plan shall control:

a. Stock Acquisition. The acquisition by any "person" (as such term is defined in Section 3(a)(9) of the Securities Exchange Act of 1934, as amended, and used in Sections 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d) thereof) (a "Person") of 20 percent or more of either (i) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock"), or (ii) the combined voting power of the then

outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that for purposes of this subsection (a), the following acquisitions shall not constitute a Change of Control: (A) any acquisition directly from the Company; (B) any acquisition by the Company; (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company; or (D) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c) of this Section 2; or

b. Board Composition. Individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a member of the Board after such date whose election or nomination for election by the Company's shareholders was approved by a vote of at least a majority of the members of the Board then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individuals whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

c. Business Combination. An actual change in ownership of Outstanding Company Common Stock, Outstanding Company Voting Securities, and/or assets of the Company or CSX Transportation, Inc. by reason of a reorganization, merger, consolidation, or sale or other disposition of all or substantially all of the assets of the Company or CSX Transportation, Inc. that is not subject, as a matter of law or contract, to approval by the Surface Transportation Board or any successor agency or regulatory body having jurisdiction over such transactions (the "STB") (a "Business Combination"), in each case, unless, following such Business Combination:

(i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50 percent of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or CSX Transportation, Inc. or all or substantially all of the assets of the Company or CSX Transportation, Inc. either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be;

(ii) no Person (excluding a corporation resulting from such Business Combination or an employee benefit plan (or related trust) of the Company or the corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20 percent or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination; and

(iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board

at the time of the execution of the initial agreement, or of the action of the Board providing for such Business Combination; or

d. Regulated Business Combination. An actual change in ownership of Outstanding Company Common Stock, Outstanding Company Voting Securities, and/or assets of the Company or CSX Transportation, Inc. by reason of a Business Combination that is subject, as a matter of law or contract, to approval by the STB (a "Regulated Business Combination") unless such Business Combination complies with clauses (i), (ii) and (iii) of subsection (c) of this Section 2; or

e. Liquidation or Dissolution. Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company or CSX Transportation, Inc.

Notwithstanding the foregoing or any other provision of this Agreement to the contrary, for any agreement that provides for accelerated distribution on a Change of Control of amounts that constitute "deferred compensation" (as defined in Section 409A of the Code), if the event that constitutes such Change of Control does not also constitute a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company's assets (in either case, as defined in Section 409A of the Code), such amount shall not be distributed on such Change of Control but instead shall vest as of such Change of Control and shall be distributed on the scheduled payment date specified in the applicable agreement governing such amount, except to the extent that earlier distribution would not result in the recipient of such amount incurring interest or additional tax under Section 409A of the Code.

If any Change of Control is a Regulated Business Combination, but its implementation involves another "Change of Control" that is not a Regulated Business Combination, then for all purposes of this Agreement, such Change of Control shall not be deemed to be a Regulated Business Combination, the provisions governing a Regulated Business Combination shall not apply, and the provisions governing such other Change of Control shall apply.

3. Employment Period.

a. Generally. Subject to Section 3(b), the Company hereby agrees to continue the Executive in its employ, and the Executive hereby agrees to remain in the employ of the Company subject to the terms and conditions of this Agreement, for the period commencing on the Effective Date and ending on the third anniversary of such date (the "Employment Period").

b. Regulated Business Combination. Notwithstanding the foregoing, in the case of a Change of Control that is a Regulated Business Combination, then for all purposes of this Agreement, the "Employment Period" shall mean the longer of (i) the period commencing on the Effective Date and ending on the third anniversary of such date or (ii) the period commencing on the Effective Date and ending twelve months following the effective date of a final decision by the Agency on the proposed Regulated Business Combination ("Final Regulatory Action"), provided, however, that (x) if the Final Regulatory Action is a denial of the Regulated Business Combination then for all purposes of this Agreement the "Employment Period" shall end upon the sixtieth (60th) day following such Final Regulatory Action and (y) if the Final Regulatory Action is an approval of the Regulated Business Combination, but the Regulated Business Combination is not consummated by the first anniversary of the Final Regulatory Action, then for all purposes of this Agreement the "Employment Period" shall end upon such first anniversary, of the Final Regulatory Action.

4. Terms of Employment.

a. Position and Duties. (i) During the Employment Period: (A) the Executive's position (including status, offices, titles and reporting requirements), authority, duties and responsibilities shall be at least commensurate in all material respects with the most significant of those held, exercised and assigned at any time during the 120-day period immediately preceding the Effective Date, and (B) the Executive's services shall be performed at the location where the Executive was employed immediately preceding the Effective Date or any office or location less than 35 miles from such location.

(ii) During the Employment Period, and excluding any periods of vacation and sick leave to which the Executive is entitled, Executive agrees during normal business hours to diligently discharge the business and affairs of the Company and, to the extent necessary to discharge the responsibilities assigned to the Executive hereunder, to use the Executive's reasonable best efforts to perform faithfully and efficiently such responsibilities. During the Employment Period it shall not be a violation of this Agreement for the Executive to (A) serve on corporate, civic or charitable boards or committees, (B) deliver lectures, fulfill speaking engagements or teach at educational institutions and (C) manage personal investments, so long as such activities do not significantly interfere with the performance of the Executive's responsibilities as an employee of the Company in accordance with this Agreement. It is expressly understood and agreed that to the extent that any such activities have been conducted by the Executive prior to the Effective Date, the continued conduct of such activities (or the conduct of activities similar in nature and scope thereto) subsequent to the Effective Date shall not thereafter be deemed to interfere with the performance of the Executive's responsibilities to the Company.

b. Compensation. (i) Base Salary. During the Employment Period, the Executive shall receive an annual base salary ("Annual Base Salary"), which shall be paid at a monthly rate, at least equal to twelve times the highest monthly base salary paid or payable, including any base salary which has been earned but deferred, to the Executive by the Company and its affiliated companies in respect of the twelve-month period immediately preceding the month in which the Effective Date occurs. During the Employment Period, the Annual Base Salary shall be reviewed no more than 12 months after the last salary increase awarded to the Executive prior to the Effective Date and thereafter at least annually. Any increase in Annual Base Salary shall not serve to limit or reduce any other obligation to the Executive under this Agreement. Annual Base Salary shall not be reduced after any such increase, and the term Annual Base Salary as utilized in this Agreement shall refer to Annual Base Salary as so increased. Notwithstanding the preceding sentence, an across-the-board reduction in Annual Base Salary applicable to all similarly situated Company executives implemented out of extreme business necessity and unrelated to a contemplated or anticipated Change of Control shall not be a violation of this section. As used in this Agreement, the term "affiliated companies" shall include any company controlled by, controlling or under common control with the Company.

(ii) Annual Bonus. In addition to Annual Base Salary, the Executive shall be eligible to earn, for each calendar year ending during the Employment Period, an annual bonus (the "Annual Bonus") in cash, based on Company performance levels, not less favorable (in terms both of dollar amounts and difficulty of achievement) to the Executive than the Executive's opportunity to earn such annual cash bonuses under the Company's annual incentive plans, or any comparable bonus under any predecessor or successor plan, for the last three full calendar years prior to the Effective Date (annualized in the event that the Executive was not employed by the Company for the whole of such calendar year). Notwithstanding the preceding, an across-the-board reduction of minimum, target and maximum Annual Bonus opportunities applicable to all

similarly situated Company executives implemented out of extreme business necessity and unrelated to a contemplated or anticipated Change of Control shall not be a violation of this section. Each such Annual Bonus shall be paid no later than March 15 of the calendar year next following the calendar year for which the Annual Bonus is awarded, unless deferred pursuant to the terms of a deferred compensation plan maintained by the Company.

(iii) Incentive, Savings and Retirement Plans. During the Employment Period, the Executive shall be entitled to participate in all incentive, savings and retirement plans, practices, policies and programs applicable generally to other executives of the Company and its affiliated companies, but in no event shall such plans, practices, policies and programs provide the Executive with incentive opportunities (measured with respect to both regular and special incentive opportunities, to the extent, if any, that such distinction is applicable), savings opportunities and retirement benefit opportunities, in each case, less favorable, in the aggregate, than the most favorable of those provided by the Company and its affiliated companies for the Executive under such plans, practices, policies and programs as in effect at any time during the 120-day period immediately preceding the Effective Date or if more favorable to the Executive, those provided generally at any time after the Effective Date to other executives of the Company and its affiliated companies.

(iv) Welfare Benefit Plans. During the Employment Period, the Executive and/or the Executive's family, as the case may be, shall be eligible for participation in and shall receive all benefits under welfare benefit plans, practices, policies and programs provided by the Company and its affiliated companies (including, without limitation, medical, prescription, dental, disability, employee life, group life, accidental death and travel accident insurance plans and programs) to the extent applicable generally to other executives of the Company and its affiliated companies, but in no event shall such plans practices, policies and programs provide the Executive with benefits which are less favorable, in the aggregate, than the most favorable of such plans, practices, policies and programs in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, those provided generally at any time after the Effective Date to other executives of the Company and its affiliated companies.

(v) Expenses. During the Employment Period, the Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by the Executive in carrying out Executive's duties hereunder, in accordance with the policies, practices and procedures of the Company and its affiliated companies in effect and applicable to the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other executives of the Company and its affiliated companies. Any required reimbursements shall be paid to Executive no later than the last day of the calendar year following the calendar year in which the underlying expense was incurred by the Executive, and the amount of expenses eligible for reimbursement during any year shall not affect the expenses eligible for reimbursement in any other year.

(vi) Fringe Benefits. During the Employment Period, the Executive shall be entitled to fringe benefits, in accordance with the most favorable plans, practices, programs and policies of the Company and its affiliated companies in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other executives of the Company and its affiliated companies.

(vii) Office and Support Staff. During the Employment Period, the Executive shall be entitled to an office or offices of a size and with furnishings and other appointments, and to administrative assistance, at least equal to the most favorable of the foregoing provided to the Executive by the Company and its affiliated companies at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as provided generally at any time thereafter with respect to other executives of the Company and its affiliated companies.

(viii) Vacation. During the Employment Period, the Executive shall be entitled to paid vacation in accordance with the most favorable plans, policies, programs and practices of the Company and its affiliated companies as in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other executives of the Company and its affiliated companies.

Notwithstanding Section 4(b)(iii)-(viii), benefits payable under a plan, practice, policy, or program that has been amended to reduce benefits or terminated within the 120-day period immediately preceding the Effective Date for reasons unrelated to affecting benefits due hereunder shall not be taken into account under such provisions. In the case of a plan, practice, policy or program amended to reduce benefits, only the higher pre-amendment benefit shall be disregarded.

5. Termination of Employment.

a. Death or Disability. The Executive's employment shall terminate automatically upon the Executive's death during the Employment Period. If the Company determines in good faith that the Disability of the Executive has occurred during the Employment Period (pursuant to the definition of Disability set forth below), it may give to the Executive written notice in accordance with Section 13(c) of this Agreement of its intention to terminate the Executive's employment. In such event, the Executive's employment with the Company shall terminate effective on the 30th day after receipt of such notice by the Executive (the "Disability Effective Date"), provided that, within the 30 days after such receipt, the Executive shall not have returned to full-time performance of the Executive's duties. For purposes of this Agreement, "Disability" shall mean the absence of the Executive from the Executive's duties with the Company on a full-time basis for 180 consecutive business days as a result of the Executive's inability to engage in any substantial gainful activity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and acceptable to the Executive or the Executive's legal representative. Executive agrees to cooperate with the Company and the selected physician so that such determination can be made.

b. Cause. The Company may terminate the Executive's employment during the Employment Period with or without Cause. For purposes of this Agreement, "Cause" shall mean:

(i) the willful and continued failure of the Executive to perform substantially the Executive's material duties with the Company or one of its affiliates (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Executive by the Board or the Chief Executive Officer of the Company, which specifically identifies the manner in which the Board or the Chief Executive Officer believes that the Executive has not substantially performed the Executive's duties,

(ii) the Executive's indictment for, or plea of guilty or nolo contendere to, any crime (x) that is a felony or (y) that could reasonably be expected to adversely affect the reputation of the business of the Company or any of its affiliated companies,

(iii) the willful engaging by the Executive in illegal conduct or gross misconduct which is or could reasonably be expected to adversely affect the reputation or the business of the Company or any of its affiliated companies,

(iv) the material violation of any Company policy by Executive, or the commission by Executive of an act involving moral turpitude, in each case, that adversely and substantially affects the reputation or business of the Company or any of its affiliated companies, or

(v) a material breach by the Executive of the Executive's obligations under this Agreement; provided that the Executive has been given written notice of the alleged material breach and, if susceptible to cure, has not reasonably cured such breach within 30 days of the giving of such notice.

For purposes of this provision, no act or failure to act, on the part of the Executive, shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or upon the instructions of the Chief Executive Officer or a senior officer of the Company or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company. The cessation of employment of the Executive shall not be deemed to be for Cause unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice is provided to the Executive and the Executive is given an opportunity, together with counsel, to be heard before the Board), finding that, in the good faith opinion of the Board, the Executive is guilty of the conduct described in subparagraph (i) or (ii) above, and specifying the particulars thereof in detail.

c. Good Reason. The Executive's employment may be terminated by the Executive during the Employment Period for Good Reason. For purposes of this Section 5(c), any good faith determination of "Good Reason" made by the Executive shall be conclusive. For purposes of this Agreement, "Good Reason" shall mean:

(i) the assignment to the Executive of any duties inconsistent in any respect with the Executive's position (including status, offices, titles and reporting requirements), authority, duties or responsibilities as contemplated by Section 4(a) of this Agreement, or any other diminution in such position, authority, duties or responsibilities, excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Executive;

(ii) any failure by the Company to comply with any of the provisions of Section 4(b) of this Agreement, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Executive;

(iii) the Company's requiring the Executive to be based at any office or location other than as provided in Section 4(a)(i)(B) hereof or the Company's requiring

the Executive to travel on Company business to a materially greater extent than required immediately prior to the Effective Date, in either case without the Executive's prior consent;

(iv) any purported termination by the Company of the Executive's employment otherwise than as expressly permitted by this Agreement; or

(v) any failure by the Company to comply with and satisfy Section 12(c) of this Agreement.

Notwithstanding the foregoing, Good Reason shall not exist unless (i) the Executive provides a "Notice of Termination" (as defined below) to the Company that includes the grounds for Good Reason within 60 days after the initial existence of such grounds for Good Reason, (ii) the Company has not cured the circumstances giving rise to Good Reason within 60 days after receipt of such notice and (iii) the Executive resigns from employment within 120 days after the initial existence of the circumstances giving rise to Good Reason.

d. Regulated Business Combination. Notwithstanding the foregoing, in the case of a Change of Control that is a Regulated Business Combination, then for all purposes of this Agreement, during that portion of the Employment Period prior to Final Regulatory Action, the Executive may not exercise his or her rights to terminate the Executive's employment under this Agreement for "Good Reason." During such period, the Executive may only terminate his or her employment under this Agreement and receive benefits under Section 6 if the Executive is "Constructively Terminated" by the Company. Moreover, except to the extent expressly set forth in the definition of "Constructive Termination," the Executive shall have no remedy for any breach by the Company of the provisions of Section 4; provided, however, that any failure of the Company to comply in any material respect with the provisions of Section 4 shall create a rebuttable presumption that a Constructive Termination has occurred.

For purposes of this Agreement, a "Constructive Termination" shall mean:

(i) substantial diminution of the Executive's duties or responsibilities as contemplated by Section 4(a) of this Agreement, excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Executive;

(ii) a reduction in the Executive's Annual Base Salary;

(iii) a failure by the Company to comply with Section 4(b)(ii) regarding the Annual Bonus;

(iv) a reduction in the Executive's other incentive opportunities, benefits or perquisites described in Section 4(b) unless similarly situated Company executives suffer a comparable reduction;

(v) the Company's requiring the Executive to be based at any office or location other than as provided in Section 4(a)(i)(B) hereof or the Company's requiring the Executive to travel on Company business to a materially greater extent than required immediately prior to the Effective Date, in either case without the Executive's prior consent; or

(vi) any purported termination by the Company of the Executive's employment otherwise than for Cause or Disability.

Notwithstanding the foregoing, a Constructive Termination shall not exist unless (i) the Executive provides a Notice of Termination to the Company that includes the grounds for Constructive Termination within 60 days after the initial existence of such grounds for Constructive Termination, (ii) the Company has not cured the circumstances giving rise to Constructive Termination within 60 days after receipt of such notice and (iii) the Executive resigns from employment within 120 days after the initial existence of the circumstances giving rise to Constructive Termination.

During that portion of the Employment Period after Final Regulatory Action, the Executive may terminate his or her employment under this Agreement for "Good Reason."

e. Notice of Termination. Any termination by the Company for Cause, or by the Executive for Good Reason or Constructive Termination, shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 13(c) of this Agreement. For purposes of this Agreement, a "Notice of Termination" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) if the Date of Termination (as defined below) is other than the date of receipt of such notice, specifies the termination date (which date shall be not more than thirty days after the giving of such notice). The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason, Cause or Constructive Termination shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting such fact or circumstance in enforcing the Executive's or the Company's rights hereunder.

f. Date of Termination. "Date of Termination" means (i) if the Executive's employment is terminated by the Company for Cause, or by the Executive for Good Reason or Constructive Termination, the date of receipt of the Notice of Termination or any later date specified therein, as the case may be, (ii) if the Executive's employment is terminated by the Company other than for Cause, the Date of Termination shall be the date on which the Company notifies the Executive of such termination, and (iii) if the Executive's employment is terminated by reason of death or Disability, the Date of Termination shall be the date of death of the Executive or the Disability Effective Date, as the case may be. For purposes of any benefit to be provided or any amount payable under this Agreement that is subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), termination of employment shall not be deemed to occur unless such termination constitutes a "separation from service" within the meaning of Section 409A of the Code and the rules and regulations promulgated thereunder.

6. Obligations of the Company upon Termination.

a. Without Cause, Good Reason or Constructive Termination. If, during the Employment Period, the Company shall terminate the Executive's employment other than for Cause or the Executive shall terminate employment for Good Reason or Constructive Termination, then the Company shall provide the following payments and benefits:

(i) The Company shall pay to the Executive in a lump sum in cash within 30 days after the Date of Termination the aggregate of (A), plus (B), plus (C) as follows:

A. the sum of (1) the Executive's Annual Base Salary through the Date of Termination to the extent not theretofore paid and (2) any accrued vacation pay, in each case to the extent not theretofore paid (the sum of the

amounts described in clauses (1) and (2) shall be hereinafter referred to as the "Accrued Obligations"); and

B. an amount equal to the product of (1) 3 and (2) the sum of (x) the Executive's Annual Base Salary in effect on the date of Executive's termination of employment (or, if greater, the Executive's Annual Base Salary in effect immediately before any salary reduction therein triggering the event leading to Executive's termination) and (y) the Target Bonus; and

C. an amount equal to 102% of the estimated aggregate cost of the benefits to be provided to Executive under Section 6(a)(ii) for the three year period during which such benefits may be provided to Executive, as determined by the Company in good faith (which determination shall be final and binding); and

D. the product of (x) the Annual Bonus the Executive would have received for the year of termination (based upon the Executive's target opportunity and the annual incentive plan's achievement percentage) had the Executive remained employed for the entire performance period to which such Annual Bonus relates and (y) a fraction, the numerator of which is the number of days in the current calendar year through the Date of Termination, and the denominator of which is 365.

The amounts set forth in (A), (B) and (C) shall be paid to the Executive in a lump sum in cash within 30 days after the Date of Termination. The amount set forth in (D) shall be paid following completion of the relevant performance period at the same time Annual Bonuses are normally paid pursuant to the terms of the applicable plan.

In the event that Executive is a "specified employee" within the meaning of Section 409A of the Code (as determined by the Company or its delegate), any payments hereunder that constitute nonqualified deferred compensation pursuant to Section 409A of the Code shall not be paid or provided until the earlier of (A) the Executive's death, or (B) the expiration of the 6-month period following Executive's termination of employment (the "Delay Period"). Any payments that are delayed by virtue of this subparagraph shall (I) be paid in one payment at the conclusion of the Delay Period and (II) include interest computed at five percent (5%) per annum for the duration of the Delay Period.

(ii) For three years after the Executive's Date of Termination, or such longer period as may be provided by the terms of the appropriate plan, program, practice or policy, the Company shall continue medical, group life, and disability benefits to the Executive and/or the Executive's family equal to those which would have been provided to them in accordance with the plans, programs, practices and policies described in Section 4(b)(iv) of this Agreement if the Executive's employment had not been terminated or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other executives of the Company and its affiliated companies and their families; provided, however, that any such benefits that are fully insured will only be provided to the extent the underlying insurance policy provides or can be amended to provide coverage for such benefits, and provided further, that if the Executive becomes reemployed with another employer and is eligible to receive medical, group life, or disability benefits under another employer-provided plan, then the medical, group life, or disability, benefits described herein shall be secondary to those provided under such other plan during such applicable period of eligibility. With respect to any benefits provided to Executive under this Section 6(a)(ii), the Executive shall pay

one hundred percent of the cost of such coverage (one hundred two percent with respect to medical benefits) on an after-tax basis. In the event medical coverage is provided under the Company's existing plan, any COBRA continuation coverage obligation under Section 4980B of the Code will run concurrently with the benefits provided hereunder.

(iii) The Company shall during the period commencing on the Date of Termination and ending on the last day of the second calendar year following the calendar year in which Executive's termination of employment occurred, at its sole expense as incurred, provide the Executive with outplacement services, the scope and provider of which shall be selected by the Executive in his or her sole discretion, but at a cost not in excess of \$40,000.

(iv) To the extent not theretofore paid or provided, the Company shall timely pay or provide to the Executive any other amounts or benefits required to be paid or provided or which the Executive is eligible to receive under any plan, program, policy or practice or contract or agreement of the Company and its affiliated companies, including earned but unpaid stock and similar compensation and any annual or long-term incentive compensation earned with respect to a performance period completed prior to the Executive's termination date but not yet fully paid as of such termination date (such other amounts and benefits shall be hereinafter referred to as the "Other Benefits").

Payment of any severance benefits hereunder is subject to the Executive's compliance with the Confidentiality, Non-Solicitation and Non-Competition Agreement entered into with the Company (the "Non-Compete Agreement"), and to the extent that the Executive violates the Non-Compete Agreement or otherwise fails to comply with the terms of the Company's Release Agreement, the Executive will forfeit the Executive's right to any severance payments hereunder and the Company may require the Executive to repay any severance payments previously paid to the Executive under this Agreement.

b. Death. If the Executive's employment is terminated by reason of the Executive's death during the Employment Period, this Agreement shall terminate without further obligations to the Executive's legal representatives under this Agreement, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid to the Executive's estate or beneficiary, as applicable, in a lump sum in cash within 30 days of the Date of Termination. With respect to the provision of Other Benefits, the term Other Benefits as utilized in this Section 6(b) shall include, without limitation, and the Executive's estate and/or beneficiaries shall be entitled to receive, benefits at least equal to the most favorable benefits provided by the Company and affiliated companies to the estates and beneficiaries of other executives of the Company and such affiliated companies under such plans, programs, practices and policies relating to death benefits, if any, as in effect with respect to other Company executives and their beneficiaries at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive's estate and/or the Executive's beneficiaries, as in effect on the date of the Executive's death with respect to other executives of the Company and its affiliated companies and their beneficiaries. Notwithstanding the preceding, benefits payable under a plan, practice, policy, or program that has been amended to reduce benefits or terminated within the 120-day period immediately preceding the Effective Date for reasons unrelated to affecting benefits due hereunder shall not be taken into account. In the case of a plan, practice, policy or program amended to reduce benefits, only the higher pre-amendment benefit shall be disregarded.

c. Disability. If the Executive's employment is terminated by reason of the Executive's Disability during the Employment Period, this Agreement shall terminate without further obligations to the Executive, other than for payment of Accrued Obligations and the

timely payment or provision of Other Benefits. Accrued Obligations shall be paid to the Executive in a lump sum in cash within 30 days of the Date of Termination. With respect to the provision of Other Benefits, the term Other Benefits as utilized in this Section 6(c) shall include, and the Executive shall be entitled after the Disability Effective Date to receive, disability and other benefits at least equal to the most favorable of those generally provided by the Company and its affiliated companies to disabled executives and/or their families in accordance with such plans, programs, practices and policies relating to disability, if any, as in effect generally with respect to other Company executives and their families at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive and/or the Executive's family, as in effect at any time thereafter generally with respect to other executives of the Company and its affiliated companies and their families. Notwithstanding the preceding benefits payable under a plan, practice, policy, or program that has been amended to reduce benefits or terminated within the 120-day period immediately preceding the Effective Date for reasons unrelated to affecting benefits due hereunder shall not be taken into account. In the case of a plan, practice, policy or program amended to reduce benefits, only the higher pre-amendment benefit shall be disregarded.

d. Cause: Other than for Good Reason or Constructive Termination. If the Executive's employment shall be terminated for Cause during the Employment Period, this Agreement shall terminate without further obligations to the Executive other than the obligation to pay to the Executive (x) the Executive's Annual Base Salary through the Date of Termination, and (y) Other Benefits, in each case to the extent theretofore unpaid. If the Executive voluntarily terminates employment during the Employment Period, excluding a termination for Good Reason or Constructive Termination, this Agreement shall terminate without further obligations to the Executive, other than for Accrued Obligations and the timely payment or provision of Other Benefits. In such case, all Accrued Obligations shall be paid to the Executive in a lump sum in cash within 30 days of the Date of Termination.

e. Treatment of Equity Awards. If the Executive's employment is terminated during the Employment Period, any equity- or equity-based awards held by the Executive will be treated in accordance with Section 13(b) or (c) of the Equity Plan, as applicable (or any equivalent successor provision).

7. Non-exclusivity of Rights. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any plan, program, policy or practice provided by the Company or any of its affiliated companies for which the Executive may qualify, nor, subject to Section 13(g), shall anything herein limit or otherwise affect such rights as the Executive may have under any contract or agreement with the Company or any of its affiliated companies. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Company or any of its affiliated companies at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

8. Full Settlement. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against the Executive or others. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not the Executive obtains other employment. The Company agrees to pay as incurred, to the full extent permitted by law, all legal fees and expenses which the Executive may reasonably incur as a result of any contest regardless of the outcome thereof by the Company, the Executive or others of the validity or enforceability of, or liability under, any provision of this Agreement or any guarantee of performance thereof (including as a result of any contest by the Executive about the amount of any payment pursuant

to this Agreement), plus in each case interest on any delayed payment, at the applicable Federal rate provided for in Section 7872(f)(2)(A) of the Code; provided, that the Executive shall repay to the Company all such amounts paid by the Company, and shall not be entitled to any further payments hereunder, in connection with a contest originated by the Executive if the trier of fact in such contest determines that the Executive's claim was not brought in good faith or was frivolous.

9. Limitations on Payments by the Company.

a. Except as provided in Section 8, the Company shall determine whether to reduce any payment or distribution to be made by the Company to or for the benefit of the Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or under another plan or arrangement) (a "Payment") in accordance with paragraph (i) of this Section 9(a), or to make such Payments in full in accordance with paragraph (ii) of this Section 9(a).

(i) If any Payment or Payments would otherwise constitute an "excess parachute payment," as defined in Section 280G of the Code, the Payment or Payments shall be reduced (but not below zero) to the largest amount that will result in no portion of the Payments being subject to the excise tax imposed under Section 4999 of the Code (the "Reduced Amount").

(ii) Notwithstanding Section 9(a)(i), Executive shall receive full Payment if it is determined that the net after-tax benefit the Executive would receive, after taking into account both income taxes and any excise tax imposed under Section 4999 of the Code ("Excise Tax"), is greater than the net after-tax amount the Executive would receive based on the application of Section 9(a)(i). In this event, Executive shall be responsible for the payment of any Excise Tax.

To the extent Payments are reduced pursuant to Section 9(a)(i), Payments shall be reduced by the Company in its reasonable discretion in the following order: (A) reduction of any cash payment, excluding any cash payment with respect to the acceleration of equity awards, that is otherwise payable to the Executive that is exempt from Section 409A of the Code, (B) reduction of any other payments or benefits otherwise payable to the Executive on a pro-rata basis or such other manner that complies with Section 409A of the Code and (C) reduction of any payment with respect to the acceleration of equity awards that is otherwise payable to the Executive that is exempt from Section 409A of the Code.

b. Subject to the provisions of Section 9(c), all determinations required to be made under this Section 9, including whether Executive will receive a Reduced Amount or full Payment and the assumptions to be utilized in arriving at such determination, shall be made by a certified public accounting firm, law firm, or other advisor as may be designated by the Company (the "Advisor") which shall provide detailed supporting calculations both to the Company and the Executive at least 7 business days prior to the date any Payment is scheduled to be made or commence. In the event that the Advisor is serving as accountant or auditor for the individual, entity or group effecting the Change of Control, the Company shall appoint another recognized firm to make the determinations required hereunder (which firm shall then be referred to as the Advisor). All fees and expenses of the Advisor shall be borne solely by the Company. Any determination by the Advisor shall be binding upon the Company and the Executive. As a result of the uncertainty in the application of the Excise Tax at the time of the initial determination by the Advisor hereunder, it is possible that Payments which will not have been made by the Company should have been made ("Underpayment"), consistent with the calculations required to be made hereunder. The Advisor shall determine the amount of any Underpayment that has occurred and any such Underpayment shall be promptly paid by the Company to or for the benefit of the Executive.

c. If the Executive receives a Payment, the Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Executive of an Excise Tax. Such notification shall be given as soon as practicable but no later than ten business days after the Executive is informed in writing of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Executive shall not pay such claim prior to the expiration of the 30-day period following the date on which it gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Executive in writing prior to the expiration of such period that it desires to contest such claim, the Executive shall:

- (i) give the Company any information reasonably requested by the Company relating to such claim,
- (ii) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company,
- (iii) cooperate with the Company in good faith in order to effectively contest such claim, and
- (iv) permit the Company to participate in any proceedings relating to such claim;

provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold the Executive harmless, on an after-tax basis, for any unintended tax liability (including interest and penalties with respect thereto) resulting from such representation and the payment of costs and expenses. Without limitation on the foregoing provisions of this Section 9(c), the Company shall control all proceedings taken in connection with such contest and, at its sole option, may pursue or forgo any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may, at its sole option, either direct the Executive to pay the tax claimed and sue for a refund or contest the claim in any permissible manner, and the Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company shall determine; provided, however, that if the Company directs the Executive to pay such claim and sue for a refund, the Company shall advance the amount of such payment to the Executive, on an interest-free basis and shall indemnify and hold the Executive harmless, on an after-tax basis, from any unintended tax liability (including interest or penalties with respect thereto) imposed with respect to such advance or with respect to any imputed income with respect to such advance; and further provided that any extension of the statute of limitations relating to payment of taxes for the taxable year of the Executive with respect to which such contested amount is claimed to be due is limited solely to such contested amount. Furthermore, the Company's control of the contest shall be limited to issues with respect to which an Excise Tax would be payable hereunder with respect to a Reduced Amount and the Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

d. If, after the receipt by the Executive of an amount advanced by the Company pursuant to Section 9(c), the Executive becomes entitled to receive any refund with respect to such claim, the Executive shall (subject to the Company's complying with the requirements of Section 9(c)) promptly pay to the Company the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto). If, after the receipt by the

Executive of an amount advanced by the Company pursuant to Section 9(c), a determination is made that the Executive shall not be entitled to any refund with respect to such claim and the Company does not notify the Executive in writing of its intent to contest such denial of refund prior to the expiration of 30 days after such determination, then such advance shall be forgiven and shall not be required to be repaid.

10. Confidential Information.

a. The Executive shall hold in a fiduciary capacity for the benefit of the Company all confidential or proprietary information, knowledge or data relating to the Company or any of its affiliated companies, and their respective businesses, which shall have been obtained by the Executive during the Executive's employment by the Company or any of its affiliated companies and which shall not be or become public knowledge (other than by acts by the Executive or representatives of the Executive in violation of this Agreement). After termination of the Executive's employment with the Company, the Executive shall not, unless otherwise required by law or legal process or as set forth in Section 10(b), communicate or divulge any such information, knowledge or data to anyone other than the Company and those designated by it. In addition, to the extent that the Executive is a party to any other agreement relating to confidential information, inventions or similar matters with the Company, the Executive shall continue to comply with the provisions of such agreements. In no event shall an asserted violation of the provisions of this Section 10 constitute a basis for deferring or withholding any amounts otherwise payable to the Executive under this Agreement.

b. Notwithstanding anything to the contrary, nothing in Section 10(a) or any other provision of this Agreement shall prohibit or impede the Executive from communicating, cooperating or filing a complaint with any U.S. federal, state or local governmental, regulatory or law enforcement branch, agency or entity (a "Governmental Entity"), without notifying the Company, with respect to possible violations of any U.S. federal, state or local law or regulation, or otherwise making disclosures to any Governmental Entity, in each case, including any activities that are protected under the whistleblower provisions of any such law or regulation (collectively, the "Protected Activity"). The Company may not retaliate against the Executive for any Protected Activity, and nothing in this Agreement or otherwise requires the Executive to waive any monetary award or other payment which the Executive might be entitled to receive from a Governmental Entity in connection with any Protected Activity. Pursuant to the Defend Trade Secrets Act of 2016, the parties hereto acknowledge and agree that the Executive will not have criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition and without limiting the preceding sentence, if the Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Executive may disclose the trade secret to the Executive's attorney and may use the trade secret information in the court proceeding, if the Executive (X) files any document containing the trade secret under seal and (Y) does not disclose the trade secret, except pursuant to court order.

11. Arbitration. The Company and the Executive agree that all disputes, controversies, and claims arising between them concerning the subject matter of this Agreement, other than Sections 9 and 10, shall be settled by arbitration in accordance with the rules and procedures of the American Arbitration Association then in effect. The location of the arbitration will be Jacksonville, Florida or such other place as the parties may mutually agree. In rendering any award or ruling, the arbitrator or arbitrators shall determine the rights and obligations of the parties according to the substantive and procedural laws of the State of Florida. The parties to any such dispute, controversy, or claim shall attempt to agree upon the selection of a single arbitrator. If after a reasonable period of time

the parties are unable to agree upon such a single arbitrator, then three arbitrators will be appointed with each party selecting an arbitrator from the American Arbitration Association's available panel of arbitrators, and the parties agreeing upon the selection of a third arbitrator. If the parties cannot agree upon the selection of a third arbitrator, then the two arbitrators selected by the parties shall agree upon a third arbitrator from the panel of American Arbitration Association arbitrators. If the two arbitrators are unable to so agree on a third arbitrator, the third arbitrator shall be selected by the American Arbitration Association. Any arbitration pursuant to this section shall be final and binding on the parties, and judgment upon any award rendered in such arbitration may be entered in any court, state or federal, having jurisdiction. All fees and expenses of the arbitration shall be born in accordance with Section 8. The arbitrator or arbitrators shall have no authority to award provisional relief, injunctive remedies, or punitive damages. The parties expressly acknowledge that they are waiving their right to seek remedies in court, including without limitations the right if any to a jury trial.

12. Successors.

a. This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

b. This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

c. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

13. Miscellaneous.

a. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without reference to principles of conflict of laws. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. The Company may from time to time amend this Agreement during the Term with prior notice to the Executive at any time prior to such time as the Company executes a definitive agreement, which if consummated would result in a Change of Control or a Regulated Business Combination; provided that if any such amendment would materially reduce or alter to the detriment of the Executive the payments or benefits available under this Agreement to the Executive, such amendment shall require the prior written consent of the Executive.

b. This Agreement is intended to be fully compliant with the requirements of Section 409A of the Code and the final regulations promulgated thereunder, taking into account any and all transition rules and relief promulgated by the Internal Revenue Service or the U.S. Department of Treasury regarding compliance therewith, and, to the maximum extent permitted by law, shall be administered, operated and construed consistent with this intent. Any amounts payable solely on account of an involuntary separation from service within the meaning of Section 409A shall be excludible from the requirements of Section 409A, either as involuntary separation pay or as short-term deferral amounts (e.g., amounts payable under the schedule prior to March 15 of the calendar year following the calendar year of involuntary separation) to the maximum possible extent. Further, any reimbursements or in-kind benefits provided under this Agreement shall be made or provided in accordance with the requirements of Section 409A.

of the Code, including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during the period of time specified in this Agreement, (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, (iii) the reimbursement of an eligible expense will be made no later than the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

c. All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive: To the address on file with the Company.

If to the Company:

CSX Corporation
500 Water Street
Jacksonville, FL 32202

Attention: Executive Vice President & Chief Administrative Officer

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

d. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

e. The Company may withhold from any amounts payable under this Agreement such Federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

f. The Executive's or the Company's failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right the Executive or the Company may have hereunder, including, without limitation, the right of the Executive to terminate employment for Good Reason or Constructive Termination pursuant to Section 5 of this Agreement, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

g. The Executive and the Company acknowledge that, except as may otherwise be provided under any other written agreement between the Executive and the Company, the employment of the Executive by the Company is "at will" and, subject to Section 1(a) hereof, prior to the Effective Date, the Executive's employment may be terminated by either the Executive or the Company at any time prior to the Effective Date, in which case the Executive shall have no further rights under this Agreement. From and after the Effective Date this Agreement shall supersede any other agreement between the parties with respect to the subject matter hereof.

14. Other Agreements Unaffected. Except as otherwise expressly provided herein, this Agreement shall have no effect on any other agreement between the Executive and the Company or any of its affiliates, and any such agreement shall remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the Executive has hereunto set the Executive's hand and, pursuant to the authorization from its Board of Directors, the Company has caused these presents to be executed in its name on its behalf, all as of the day and year first above written.

Stephen Angel

By: /s/ Stephen Angel 9/27/25

CSX CORPORATION

By: /s/ John J. Zillmer
John J. Zillmer
Chairman of the Board

Exhibit B

**CONFIDENTIALITY, NON-SOLICITATION AND
NON-COMPETITION AGREEMENT**

This Agreement is made and entered into as of the date of the last signature affixed below by and among CSX Corporation, a Virginia Corporation with its principal place of business at 500 Water Street, Jacksonville, FL 32202, acting on behalf of itself and its subsidiaries, affiliates, successors and assigns ("CSX" or the "Company") and Stephen Angel ("Employee").

Reasons for the Agreement

1. CSX owns companies providing rail, intermodal and rail-to-truck transload services that are among the nation's leading transportation companies, connecting more than 70 river, ocean and lake port terminals, as well as more than 230 short line and regional railroads. Its principal operating company, CSX Transportation Inc., operates the largest railroad in the eastern United States with about a 20,000-mile rail network linking commercial markets in 26 states, the District of Columbia, and two Canadian provinces. (This is hereinafter described as "CSX's Business").
 2. CSX desires to employ and continue to employ Employee, and to provide certain incentive-based compensation to Employee, including but not limited to performance units, options and restricted share grants ("LTIPs"). Employee agrees that Employee's employment with CSX and the receipt of incentive-based compensation, including benefits under the LTIPs, serve together as sufficient consideration for entering into this Agreement.
 3. At great expense to CSX, it has secured customers and employees and solicited potential customers through its employees, agents, marketing and advertising. The parties acknowledge that the customer and employee goodwill so developed is an important business asset of CSX, the unauthorized use or diversion of which would irreparably harm CSX's Business. The parties further recognize that CSX has invested considerable time and expense developing and training its employees on its specialized operating practices, including implementation of scheduled railroading. Because of the broad geographic scope in which CSX operates, the inter-relatedness of the railroad and intermodal business, and the limited number of railroads and intermodal companies in North America, Employer acknowledges that the geographic area in which business is conducted that impacts CSX is the United States and Canada ("Market Area").
 4. In addition to its customer and employee goodwill, CSX considers one of its most valuable assets to be its confidential and trade secret information, including, but not limited
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to, its business plans, pricing strategy, pricing lists, contracts, sales reports, sales, financial and marketing data, systems, forms, methods, procedures and analyses, strategic plans, and any other proprietary information, whether communicated orally or in documentary or other tangible form, concerning how CSX operates its business. The parties to this Agreement recognize that CSX has invested considerable amounts of time and money in attaining, developing and ensuring the confidentiality of all information described above (hereinafter collectively referred to as "CSX's Confidential Information"), and any unauthorized disclosure or release of CSX's Confidential Information in any form would irreparably harm CSX.

5. In connection with Employee's employment, CSX may provide Employee with CSX's Confidential Information as required for Employee to perform his or her job. The parties recognize that Employee may take part in attaining and developing, and/or otherwise will have access to, CSX's Confidential Information in connection with employment, for which the employment of, and compensation to, Employee is included in the consideration recited herein.

6. The parties further recognize that protecting CSX's Confidential Information from disclosure to others benefits not only CSX, but all of CSX's stakeholders and CSX's employees who remain in CSX's employ, as their livelihood is dependent upon the preservation of CSX's Business.

7. The parties acknowledge that CSX has legitimate business interests in protecting CSX's Confidential Information, its substantial relationships with customers and employees, its customer and employee goodwill and its specialized training and operating practices. Employee acknowledges these legitimate business interests and agrees that they shall be protected by governing law and the restrictive covenants herein which have been drawn so as not to impose a greater restraint on Employee than is necessary to protect CSX's legitimate business interests.

Terms of Agreement

8. In consideration of mutual promises set forth in this Agreement, including, but not limited to Employee's at-will employment, promotional opportunities, receipt of incentive-based compensation, including participation in the LTIPs, and access to new and different Confidential Information, which Employee acknowledges to be good and sufficient consideration, the parties agree to the following:

a. Confidentiality

i. For the purposes of this Agreement, "Confidential Information" means and includes every item of and all the contents of any discussions, documents, information, technology, operating and other procedures, customer lists, business plans, employee compensation data, pricing information, customer and prospective names and contact information, customer and prospective customer preferences, strategies, software, financial data, ideas and assumptions and all other material relating to or in connection with employment with CSX and its property, business methods and practices, suppliers and customers, other than that which is generally known to the public. To the extent that the Confidential Information comprises any written material or other material in a reproducible form by any means whatsoever, whether manual, mechanical or electronic, Employee shall not copy, extract or reproduce the same by any means whatsoever, nor provide nor otherwise make such material available to any third party, nor use such Confidential Information for his or her own purposes.

ii. Subject to the employee protections set out in Paragraph 8(a)(iv) below and as otherwise required under applicable law, Employee agrees (A) not to disclose to third persons such protected documents or Confidential Information without the prior consent of CSX, whether for compensation or otherwise, (B) not to use such documents or Confidential Information for any purpose detrimental to CSX, (C) to at all times use best efforts to ensure that any person to whom the Confidential Information is disclosed pursuant to this Agreement keeps the same secret and confidential and observes an obligation of confidentiality in relation to the matters specified in this Paragraph and (D) that he or she is not permitted to keep possession of Confidential Information after the end of his or her employment, and will return or permanently delete or destroy all copies of Confidential Information at the end of his or her employment, whatever the reason for Employee's termination of employment.

iii. Employee acknowledges that, in connection with employment with CSX, Employee may have become aware of communications or documents protected by the attorney client privilege or the work product doctrine, and that Employee is not entitled to waive such privilege or to disclose such information or communications to others, except as required by law and subject to conditions set forth herein.

iv. Notwithstanding the above, nothing in this Agreement or otherwise shall prevent or restrict the Employee from making truthful statements in connection with any official investigation conducted by a court or a government, administrative or law enforcement agency or in any sworn

testimony, in response to a subpoena or as otherwise required by law, in each case without prior authorization by or notification to the Company. Additionally, Employee understands that nothing in this Agreement or otherwise is intended to restrict, prohibit or interfere with Employee's right to initiate communications directly with, respond to an inquiry from, provide testimony before, cooperate or file a complaint with, or otherwise participate as a complainant or witness before, any self-regulatory organization or any federal, state or local governmental or regulatory authority (including any activities protected under the whistleblower provisions or any applicable law or regulations), including the United States Securities and Exchange Commission (the "SEC"), with respect to possible violations of law, in each case without prior authorization by or notification to the Company. The Company may not retaliate against Employee for any of the foregoing activities, and nothing in this Agreement or otherwise requires Employee to waive any monetary award or other payment that Employee might become entitled to from the SEC or any other federal, state or local governmental agency or commission or self-regulatory organization. Further, nothing in this Agreement or otherwise precludes Employee from filing a charge of discrimination with the EEOC or a like charge or complaint with a state or local fair employment practice agency. Pursuant to the Defend Trade Secrets Act of 2016, the parties hereto acknowledge and agree that Employee will not have criminal or civil liability under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition and without limiting the preceding sentence, if Employee files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Employee may disclose the trade secret to his or her attorney and may use the trade secret information in the court proceeding, if Employee (X) files any document containing the trade secret under seal and (Y) does not disclose the trade secret, except pursuant to court order.

b. Non-Solicitation of Employees

During the term of his or her employment with CSX and for a period of eighteen (18) months thereafter, whatever the reason for Employee's termination of employment, unless Employee receives CSX's advance written agreement as described below, Employee shall not, either directly or indirectly, either on his or her own behalf or on behalf of another person, partnership, company, corporation, or other entity, engage in or assist others in soliciting, hiring, recruiting, or attempting to recruit any

person employed by CSX in the 3 months prior to the Employee's termination of employment.

c. Non-Solicitation of Customers

During the term of his or her employment with CSX and for a period of eighteen (18) months thereafter, whatever the reason for Employee's termination of employment, unless Employee receives CSX's advance written agreement as described below, Employee shall not, either directly or indirectly, either on his or her own behalf or on behalf of another person, partnership, company, corporation, or other entity, engage in or assist others in soliciting, contacting, calling upon, communicating with or attempting to communicate with any of CSX's customer(s). To the extent that the Employee maintained relationships with CSX's customer(s) prior to employment with the Company, the Employee expressly acknowledges that such relationship(s) has been meaningfully enhanced by CSX and that all relationships with customers belong to CSX and not Employee. For purposes of this provision, "CSX's Customers" are defined as persons, businesses or governments either currently doing business with CSX at the time of the solicitation or to which CSX provided services during the twelve (12) months immediately prior to Employee's termination of employment with CSX; *provided* that CSX Customers shall be limited to such customers of CSX with respect to competing products or services;

d. Non-Competition

During the term of his or her employment with CSX and for a period of eighteen (18) months thereafter, whatever the reason for Employee's termination of employment, unless Employee receives CSX's advance written agreement as described below, Employee shall not, either directly or indirectly, either on his or her own behalf or on behalf of another person, partnership, company, corporation, or other entity, entering into, engage in, be employed by, be connected to, consult for or rendering services for,

- i. any Class I railroad in the United States or Canada, and any parent, subsidiary and affiliate of such Class I railroad, and any shortline railroad that connects to CSX, including Genesee & Wyoming and its subsidiaries, in a capacity performing functions similar to those performed or managed by Employee in the two (2) years preceding the Employee's termination of employment with CSX. Employee acknowledges that the purpose of this covenant is to prevent Employee from competing in the same market and not from being employed altogether. This provision shall not restrict Employee from owning a passive investment interest of less than 5% of the outstanding

equity ownership or share in an organization represented by securities publicly traded on a recognized national securities exchange; and

ii. any labor union or labor organization or any law firm or other company, association, or person representing or seeking to represent employees of CSX or others adverse to CSX, in claims, lawsuits or any actions whatsoever against CSX, or seeking to take positions in other proceedings adverse to CSX, other than as required by a lawfully issued subpoena.

Employee warrants and represents to CSX that his or her capabilities and experience are such that the restrictive covenants set forth in this paragraph will not prevent him or her from earning a livelihood and that Employee will be fully able to earn an adequate livelihood if any such restrictive covenants should be specifically enforced against him or her.

e. Non-Disparagement

Subject to the employee protections set out in Paragraph 8(a)(iv) above, Employee agrees to refrain from expressing (or causing others to express) to any third party any derogatory or negative opinions concerning the Company or their respective officers, directors, operations, services or employees. Notwithstanding the above, Employee understands that nothing herein shall be construed to prevent or restrict Employee from responding truthfully to questions or requests as part of an inquiry conducted by a court, government or law enforcement agency or in response to a subpoena or as otherwise required by law, or as otherwise expressly provided for in this Agreement.

Remedies for Breach of Restrictive Covenants

9. The parties to this Agreement recognize that if Employee breaches the confidentiality, non-solicitation and non-competition covenants of this Agreement (the "restrictive covenants"), CSX will suffer irreparable injury, the value of which would be difficult, if not impossible, to ascertain. Accordingly, in addition to any other remedy which may be available to CSX, if Employee breaches a restrictive covenant in this Agreement, the parties acknowledge that injunctive relief in favor of CSX is proper.

10. If Employee breaches a restrictive covenant of this Agreement containing a specified term, the length of the covenant shall be extended by the period of time between the inception of such a breach and the date a court of competent jurisdiction enters an injunction restraining further breach of the covenant.

11. A waiver of any of the Employee's obligations under the restrictive covenants hereunder shall be ineffective unless it is set forth in writing and signed by the Employee and the Executive Vice President- Chief Administrative Officer for CSX or his or her designee.

12. The parties acknowledge that the restrictive covenants in this Agreement are essential independent covenants of this Agreement and that but for Employee agreeing to comply with them, CSX would not provide Employee with the consideration set forth in this Agreement. Accordingly, the existence of any claim by Employee against CSX, whether based on this Agreement or otherwise, shall not operate as a defense to CSX's enforcement of any restrictive covenant against Employee. Furthermore, Employer's waiver of one breach of this Agreement by Employee does not constitute a waiver of any subsequent breach(es).

Miscellaneous

13. CSX's rights and obligations under this Agreement shall inure to the benefit of and be binding upon CSX's assignees and successors. The parties agree that this Agreement may be assigned to any of CSX's affiliates or subsidiaries without further notice or action. Any successor or assignee of CSX is authorized to enforce the restrictive covenants of this Agreement as if the name of such successor or assignee replaced CSX throughout this Agreement. Since this Agreement is personal to Employee, Employee's obligations under this Agreement may not be assigned or transferred to any other person. Notwithstanding the above, this Agreement shall be null and void in the event a change in control event occurs as defined on the 2019 CSX Stock and Incentive Award Plan.

14. If any provision(s) of this Agreement is declared invalid or unenforceable, the other provisions of this Agreement shall remain in full force and effect and shall be construed in a fashion which gives meaning to all of the other terms of this Agreement. Any court or authority declaring any provision invalid or unenforceable shall substitute, provisions similar thereto or other provisions so as to provide to Employer, to the fullest extent permitted by applicable law, the benefits intended by such provisions. Thus, if a court of competent jurisdiction determines that any of the restrictive covenants in this Agreement are overbroad, the parties agree that such court of competent jurisdiction shall modify the affected restrictive covenant(s) to permit enforcement to the maximum extent allowed by law.

15. Each restrictive covenant on the part of the Employee shall be construed as a covenant independent of any other covenant or provision of this Agreement or any other agreement the parties may have, and the existence of any claim or cause of action by the Employee against CSX shall not constitute a defense to the enforcement of any other covenant.

16. This Agreement shall be construed and enforced in accordance with the laws of the State of Florida, except as federal law may apply, without giving effect to principles of conflict of law thereof.

17. For any action under this Agreement, the parties consent and agree to the jurisdiction of any state or federal court sitting in the City of Jacksonville, Duval County, Florida, and waive any objection that any such action shall not be heard in the courts described above.

18. The parties hereby knowingly, voluntarily, and intentionally waive the right any of them have to a trial by jury under or in connection with this Agreement.

19. In the event of any legal action or other proceeding arising out of or related to or for the enforcement of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees, costs and expenses incurred in that action or proceeding, including attorneys' fees, costs and expenses incurred on appeal, if any, in addition to any other relief to which such party may be entitled, from the non-prevailing party.

20. This Agreement expressly supersedes all practices, understandings, and agreements regarding non-competition and non-solicitation covenants, whether written or oral, not specifically set forth in this Agreement except for those set forth in the LTIPs and their associated documents, and there are no other agreements or understandings concerning this Agreement which are not fully set forth in this Agreement and the LTIP documents. This Agreement may not be modified except in writing signed by both Employee and the Company's Executive Vice President - Chief Administrative Officer or his or her designee.

21. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

CSX CORPORATION

By: /s/ John J. Zillmer
John J. Zillmer
Chairman of the Board

Dated: 9/27/2025

EMPLOYEE

By: /s/ Stephen Angel
Stephen Angel
Person Number:

Dated: 9/27/25

*Execution Copy***EMPLOYMENT SEPARATION AGREEMENT AND RELEASE**

In consideration of the agreement of CSX Corporation, and its subsidiaries and affiliates, including CSX Transportation, Inc. (collectively the "Company," or "CSX"), to pay me the monetary amounts and other benefits described in Paragraph 5 (excluding Paragraph 5(a), which shall be paid regardless of whether or not I sign this Agreement) below:

1. Subject to my right to revoke this Employment Separation Agreement and Release (this "Agreement") as provided in this Agreement, I understand and agree that I will cease to serve as President and Chief Executive Officer of the Company and my employment relationship with the Company will cease and terminate in all capacities on September 27, 2025 (the "Termination Date"). Effective as of the Termination Date, I hereby relinquish forever any seniority rights I may have under any labor agreement with the Company or its subsidiaries and affiliates, including Consolidated Rail Corporation, and I agree that upon the termination of my employment relationship with the Company, my compensation and other employment terms, conditions and benefits will be solely as set forth in Paragraph 5 below. I also hereby resign effective immediately from all elected, appointed or other positions held within the Company, including, without limitation, as a member of the Board of Directors of CSX (or any direct or indirect subsidiary thereof). I will cooperate with the Company in connection with any such resignations and, on and after the Termination Date, I will not represent myself as being a director, employee or officer of CSX.

2. Release of Claims.

(a) *General Release.* In consideration of the Company's obligations under this Agreement and for other valuable consideration, subject to the limitations set out in subpart (b) of this Paragraph 2, I unconditionally and irrevocably release the Company, and all of its past and present officers, directors, employees, agents, representatives, assigns, attorneys, insurers, predecessors, benefit plans, the benefit plans' sponsors, fiduciaries, administrators, affiliates and agents, and any other persons acting by, through, under or in concert with any of the persons or entities listed in this Paragraph (hereinafter the "Released Parties") from any and all known or unknown claims, charges, promises, actions, or similar rights that I presently may have ("Claims"), including but not limited to, those relating in any way to my employment, or to my separation from employment with the Company as described in Paragraph 1 above, except for the payment(s) or benefits described in Paragraph 5 (excluding Paragraph 5(a), which shall be paid regardless of whether or not I sign this Agreement) below. This includes a release of any rights or claims, if any, that I may have under Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991, which prohibits discrimination in employment based on race, color, national origin, religion or sex; the Civil Rights Act of 1866, as amended by the Civil Rights Act of 1991, which requires equality in contractual relations without regard to race or national origin; the Equal Pay Act, which prohibits paying men and women unequal pay for equal work; the Americans with Disabilities Act of 1990, as amended, which prohibits discrimination against qualified individuals with disabilities; the Rehabilitation Act of 1973, which prohibits discrimination against the handicapped; the Employee Retirement Income Security Act; the Fair Labor Standards Act; Uniformed Services Employment and Reemployment Rights Act of 1994

(USERRA); the Family and Medical Leave Act; Executive Order 11246; the Genetic Information Nondiscrimination Act; the Federal Employers' Liability Act; the Sarbanes-Oxley Act; the Dodd-Frank Wall Street Reform and Consumer Protection Act; or any other federal, state or local laws or regulations prohibiting employment discrimination. This also includes a release of any rights or claims I may have under the Worker Adjustment and Retraining Notification Act, its equivalent under state law, or any similar law that requires, among other things, that advance notice be given of certain workforce reductions. This also includes a release of any rights or claims I may have for wrongful discharge; breach of contract, whether express or implied; termination of employment in violation of any public policy; any other tort or contract claim; any claim for labor protection, whether under conditions imposed by the Surface Transportation Board, its predecessor, or any labor agreement; any claim under any workers' compensation law or any other claim for personal injury; and any other claim for relief of any nature.

(b) *Exclusions; Employee Protections.* This Agreement does not prohibit the following rights or claims: (1) claims that first arise after I sign the Agreement or which arise out of or in connection with the interpretation or enforcement of the Agreement itself; (2) any rights I have under this Agreement; (3) any claims for benefits under any health, disability, retirement, life insurance or other, similar employee benefit plan (within the meaning of Section 3(3) of ERISA) of the Company, subject to the terms and conditions of such plans; (4) any rights to any vested payments and benefits; (5) any rights to receive the payments and benefits and enforce Company obligations provided under this Agreement; (6) any rights I may have to indemnification or directors and officers insurance against the Company; and (7) any rights or claims, whether specified above or not, that cannot be waived as a matter of law pursuant to federal, state or local statute. If it is determined that any claim covered by this Agreement cannot be waived as a matter of law, I expressly agree that the Agreement will nevertheless remain valid and fully enforceable as to the remaining released claims. Nothing in this Agreement or otherwise is intended to (i) prevent or restrict me from making truthful statements in connection with any official investigation conducted by a court or a government, administrative or law enforcement agency or in any sworn testimony, in response to a subpoena or as otherwise required by law or (ii) restrict, prohibit or interfere with my right to initiate communications directly with, respond to an inquiry from, provide testimony before, cooperate or file a complaint with, or otherwise participate as a complainant or witness before, any self-regulatory organization or any federal, state or local governmental or regulatory authority (including any activities protected under the whistleblower provisions of any applicable laws or regulations), during which communications can be made without authorization by or notification to the Company. The Company may not retaliate against me for any of these activities, and nothing in this Agreement or otherwise requires me to waive any monetary award or other payment that I might become entitled to from the United States Securities and Exchange Commission ("SEC") or any other federal, state or local governmental agency or commission or self-regulatory organization. Further, nothing in this Agreement or otherwise precludes me from filing a charge of discrimination with the EEOC or a like charge or complaint with a state or local fair employment practice agency. For the avoidance of doubt, nothing herein prevents me from receiving any whistleblower award. Pursuant to the Defend Trade Secrets Act of 2016, the parties hereto acknowledge and agree that I will not have criminal or civil liability under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition and without limiting the preceding sentence, if I file a lawsuit for retaliation by the Company for reporting a suspected violation of law, I may disclose the trade secret

to my attorney and may use the trade secret information in the court proceeding, if I (X) file any document containing the trade secret under seal and (Y) do not disclose the trade secret, except pursuant to court order.

(c) ADEA Release. By signing this Agreement, I understand that as part of the Agreement above, I voluntarily and knowingly waive any and all of my rights or claims under the federal Age Discrimination in Employment Act of 1967 (ADEA), as amended, that may have existed prior to the date I sign the Agreement (the "ADEA Release"). However, I am not waiving any future rights or claims under the ADEA or Title VII of the Civil Rights Act for actions arising after the date I sign this Agreement. I hereby agree to execute the ADEA Release within twenty-one (21) days after the Termination Date, but no earlier than the Termination Date, by signing my name on the second signature line on the signature page hereto (the date of such execution, the "Re-Execution Date"). By executing and not revoking the ADEA Release, I hereby (i) ratify and confirm the release and representations set forth in Paragraph 2(a) with respect to any Claims, acts or omissions through and as of the Re-Execution Date and (ii) release and forever discharge the Released Parties from any and all Claims that I may have as of the Re-Execution Date under the ADEA.

(i) Review Period. In connection with my execution and non-revocation of the ADEA Release, the Company advised me to take this Agreement home, read it, and carefully consider all of the terms of the ADEA Release terms before signing it. I acknowledge that I was given a period of twenty-one (21) days to review and consider the ADEA Release contained in this Agreement, and that I was encouraged to consult an attorney before signing it. I understand that I may use as much or all of this 21-day period as I wish prior to signing and have done so.

(ii) Right of Revocation. I understand that I may revoke the ADEA Release contained in this Agreement within seven (7) days (the "Revocation Period") after I sign it by written notice to:

CSX
Attn: Nordica Solomon
Total Rewards – J400
500 Water Street Jacksonville, Florida 32202

To constitute an effective revocation, the Company must in fact receive the written revocation by the close of business on the last day of the Revocation Period. Upon the expiration of the Revocation Period without receipt of such a statement, the ADEA Release contained in this Agreement will become effective and irrevocable. I understand that if I do not sign or if I revoke the ADEA Release contained in this Agreement, I will not receive the Severance Benefits described in Paragraph 5 (excluding Paragraph 5(a), which shall be paid regardless of whether or not I sign this Agreement) of this Agreement and the Company will pay me an amount in cash equal to \$1,000 as just and sufficient consideration for the release contained in Paragraph 2(a). If I do not revoke the ADEA Release contained in this Agreement, it will go into effect on the day after the last day of the Revocation Period, which will be the "Effective Date" of this Agreement.

(d) Acknowledgment. I understand that I am releasing Claims that I may not know about, and that is my knowing and voluntary intent. I expressly waive all rights I might have under any law that is intended to prevent unknown claims from being released. I understand the significance of doing so.

3. (a) Pursuit of Released Claims. I agree to withdraw, and represent that I have withdrawn, all lawsuits, if any, against any Released Party, and I further represent that I will not file any lawsuit against any Released Party based on the claims released under this Agreement. I promise not to seek any damages, remedies or other relief for myself personally with respect to any claim purportedly released by this Agreement. However, I understand that nothing contained in this Paragraph 3 precludes me from challenging the validity of this Agreement under the ADEA, and this Paragraph 3 shall not apply to ADEA claims to the extent, if any, prohibited by applicable law. The Company acknowledges and agrees that the Company has no known claims against me whether relating to my employment or otherwise.

(a) Consequences of Violating Promises. I agree to pay the reasonable attorneys' fees, costs, and expenses and any damages the Released Parties may incur as a result of my filing a lawsuit against any Released Party based on the claims released under this Agreement.

4. I understand that the Company, in its sole discretion, retains the right at any time for any reason to amend, terminate or charge for welfare benefit plans, including without limitation medical benefits, and that any such benefits to which I am now entitled or to which I may become entitled in the future are subject to such right.

5. Severance Benefits. I understand that if I sign, and do not revoke, this Agreement in accordance with Paragraphs 2(c)(i) and (ii), and if I comply with my obligations set forth in Paragraph 7, I will receive the following severance pay and benefits (together, the "Severance Benefits") and that such Severance Benefits are above and beyond any remuneration for the performance of services, benefit plan payments or any other amounts to which I am otherwise entitled and which is in lieu of any payments under any other severance pay plan or other agreement with or arrangement of the Company, except for the payments described in Section 5(a) below, which are owed and shall be paid to me regardless of whether or not I sign this Agreement.

(a) Accrued Obligations and Benefits.

(i) The Company will pay me in a lump sum in cash within 30 days after the Termination Date the sum of (i) any accrued base salary and (ii) any accrued vacation pay, in each case, to the extent not theretofore paid to me as of the Termination Date (such payments, the "Accrued Obligations").

(ii) Any compensation I have deferred or the Company has contributed, which such contributions have vested as of September 26, 2025, to my account under the Company's Executive Deferred Compensation Plan (the "EDCP"), will be treated in accordance with the terms of the EDCP.

(iii) Consistent with the CSX Executive Matching Gift Program, the Company will match my contribution to a charitable organization in accordance with the Company's guidelines for 2025, so long as my application for such contribution is made no later than December 15, 2025.

(iv) Consistent with the Company's policy for executives of the Company, the Company will pay for my previously scheduled executive physical at the Mayo Clinic.

(b) Severance Pay. I understand that I will be eligible for severance pay as calculated pursuant to Section 3(g) of that certain Employment Letter, dated August 29, 2022, between me and CSX (the "Employment Letter") in an amount equal to the sum of (i) two (2) times my current base salary and (ii) two (2) times my current target bonus under the CSX Management Incentive Compensation Plan in effect for 2025 (the "2025 MICP"), in each case as set forth on the "Individual Statement of Executive Severance Payments" attached and incorporated as "Exhibit 1" to this Agreement. I have reviewed Exhibit 1 carefully, and I attest that it accurately states my current salary and current target bonus under the 2025 MICP. I understand that I will receive this severance pay in a lump sum payment within 60 days of the Termination Date (but not before the date this Agreement becomes effective under Paragraph 2(c)(2)).

(c) Bonus. I understand that I will be eligible for a prorated bonus under the 2025 MICP, based on the number of days in 2025 through the Termination Date and the amount of the bonus that is earned and paid based on the actual achievement of the performance criteria applicable to the 2025 MICP following the end of the 2025 performance year, paid in a lump sum at the time bonuses are normally paid under the 2025 MICP, but in no event later than March 15, 2026. For the avoidance of doubt, the determination as to whether the performance criteria applicable to the 2025 MICP has been achieved (including the extent of such achievement) shall be consistent with the Company's determination for similarly situated executives of the Company.

(d) Long Term Incentives. For the 2023 – 2025, 2024 – 2026 and 2025 – 2027 Long-Term Incentive Plans, a prorated portion of each such award of Performance Units, Restricted Stock Units and Stock Options that remains outstanding as of the Termination Date will service vest with respect to a number of shares of CSX common stock determined by multiplying the number of shares underlying such award by a fraction, the numerator of which is the number of months in the applicable vesting or performance period applicable to such award that have elapsed through the Termination Date and the denominator of which is the total number of months in the applicable vesting or performance period (with any such service-vested Performance Units remaining eligible to be earned based on actual performance as determined after the end of the applicable performance period) (any such awards that vest and are earned on a pro-rata basis, the "Prorated Equity Awards"). All such Prorated Equity Awards that are Performance Units and Restricted Stock Units will be settled in accordance with their original vesting schedules and all such Prorated Equity Awards that are Stock Options (including any Stock Options that were previously vested and remain outstanding as of the Termination Date) will remain exercisable for a period of 60 days following the Termination Date (after which point they will expire). Any equity- or equity-based awards that I hold with respect to shares of CSX common stock that do not vest in accordance with this Paragraph 5(d), as set forth on "Exhibit 1" attached to this Agreement, will be forfeited and cancelled as of the Termination Date for no consideration. The parties acknowledge and agree that my Sign-on Equity Award (as defined in my Employment Letter) vested in full on September 26, 2025 and will be settled in shares of CSX common stock in accordance with its terms. I have reviewed Exhibit 1 carefully, and I attest that it accurately states all such Prorated Equity Awards that will vest.

(e) COBRA Premiums. If timely elected by me under the Company's health and welfare plans, I will remain eligible to continue participation in the Company's

medical and dental plans on the same basis and cost as I participated as of immediately prior to the Termination Date, for the period ending on December 31, 2025. My access to other benefits (vision, FSA, etc.) in which I participated as of immediately prior to the Termination Date will be offered in accordance with the requirements of COBRA.

(f) Corporate Housing. I will continue to have access to my corporate housing through October 31, 2025 at no cost to me. Further, following October 31, 2025, I may extend my access to such corporate housing at my own cost through December 31, 2025.

(g) Withholding; No Other Compensation. I understand that the Company will withhold appropriate amounts for federal, state and local income and employment taxes and all other legally required withholdings with respect to the Severance Benefits. Except as otherwise expressly provided in this Agreement, I understand that I will not be eligible: 1) to receive any further contributions under the CSX Corporation 401(k) Plan, (“CSXtra”), except for any contributions I am entitled to receive in respect of the Accrued Obligations; 2) to accrue any additional benefits under the CSX Pension Plan; 3) to receive dependent care reimbursement benefits; 4) to participate in the Disability Plan; 5) to participate in the Travel Accident Plan; 6) to accrue sick leave or vacation days; 7) to continue life insurance benefits, subject to the conversion and portability language of the relevant plan document or 8) to receive any form of incentive compensation.

6. Cooperation. I shall cooperate with and assist the Company with any dispute, proceeding, arbitration, investigation or litigation involving the Company in which I have knowledge or involvement as a result of my employment with the Company. I acknowledge that the demands of such proceedings are not necessarily within the control of the Company and agree that notwithstanding any other provision of this Agreement, I will make myself available to the extent possible and will advise the Company immediately in writing of any contacts from third-parties to me in connection with such proceedings.

7. Covenants and Agreements. Subject to the employee protections set forth in Paragraph 2(b), I reaffirm and acknowledge and agree that I remain subject to the covenants set forth in that certain Confidentiality, Non-Solicitation and Non-Competition Agreement, entered into as of August 29, 2022 between me and the Company (the “Non-Compete Agreement”), which are incorporated into this Agreement by reference. I understand that, pursuant to Section 3(g) of the Employment Letter, my receipt of any of the Severance Benefits is subject to my compliance with the Non-Compete Agreement, and to the extent that I violate the Non-Compete Agreement or otherwise fail to comply with the terms of this Agreement, I will forfeit any right to any of the Severance Benefits and may be required to repay CSX any Severance Benefits previously paid to me.

8. Non-Disparagement. Subject to the employee protections set forth in Paragraph 2(b), I agree to refrain from expressing (or causing others to express) to any third party any derogatory or negative opinions concerning the Company or their officers, directors, operations, services or employees. The Company agrees to provide written direction to its directors and executive officers to refrain from expressing (or causing others to express) to any third party any derogatory or negative opinions concerning me. Notwithstanding the above, both parties understand that nothing herein shall be construed to prevent or restrict either party from (i) responding truthfully to questions or requests as part of an inquiry conducted by a court, government or law enforcement agency or in response to a subpoena or as otherwise required by law, or as otherwise expressly provided for in this Agreement or (ii) providing truthful statements or comments in good

faith or to the extent reasonably necessary to correct or refute any disparaging public statements.

9. Administrative Action. For the avoidance of doubt, I understand that nothing in this Agreement, including Paragraph 2(b), Paragraph 6 (Cooperation), Paragraph 7 (Covenants and Agreements), Paragraph 8 (Non-Disparagement) or Paragraph 10 (Confidential Information), shall prevent me from making truthful statements in connection with any sworn testimony or agency investigation or shall restrict me from initiating communications directly with, responding to an inquiry from, or providing testimony before any self-regulatory organization or any federal or state regulatory authority, including the SEC. Nor shall anything in this Agreement interfere with my right to receive a monetary award from the SEC pursuant to the SEC's whistleblower bounty program, or directly from any other federal or state agency pursuant to a similar whistleblower program.

10. Confidential Information. I understand that during my employment, I have learned trade secrets and other information confidential to the Company and that the Company would be substantially injured if the confidentiality of such information were not maintained. For the purposes of this Paragraph, "Confidential Information" means and includes every item of and all the contents of any discussions, documents, information, technology, procedures, customer lists, business plans, employee compensation data, pricing information, strategies, software, financial data, ideas and assumptions and all other material relating to or in connection with my employment with the Company and their property, business methods and practices, suppliers and customers, other than that which is generally known to the public. To the extent that the Confidential Information comprises any written material or other material in a reproducible form by any means whatsoever, whether manual, mechanical or electronic, I will not copy, extract or reproduce the same by any means whatsoever, nor provide nor otherwise make such material available to any third party, nor use such Confidential Information for my own purposes.

I acknowledge that during the course of my employment I may have become aware of communications or documents protected by the attorney client privilege or the work product doctrine, and that I am not entitled to waive such privilege or to disclose such information or communications to others, except as required by law and subject to conditions set forth herein.

Subject to the employee protections set forth in subpart (b) of Paragraph 2, I agree (i) not to disclose to third persons such protected documents or Confidential Information without the prior consent of the Company, whether for compensation or otherwise, (ii) not to use such documents or Confidential Information for any purpose detrimental to the Company and (iii) to use my best possible reasonable efforts to ensure that any person to whom the Confidential Information is disclosed pursuant to this Agreement keeps the same secret and confidential and observes an obligation of confidentiality in relation to the matters specified in this Paragraph.

Notwithstanding the above, nothing in this Agreement shall prevent or restrict me from responding truthfully to inquiries as part of an official investigation conducted by a court or a government, administrative or law enforcement agency or in response to a subpoena or as provided for in Paragraph 2(b) above or as otherwise

required by law. Additionally, I understand that nothing in this Agreement is intended to prohibit or interfere with my right to participate as a complainant or witness in a governmental agency investigation (including any activities protected under the whistleblower provisions or any applicable law or regulations), during which communications can be made without authorization by or notification to the Company.

11. Return of Property. I have returned, or I agree to return, no later than the Termination Date, all property belonging to the Company, including without limitation all keys, credit cards, manuals, computers, equipment and software, records, data, plans, customer lists, computer programs and related documentation or other documents or materials of any nature that are in my possession or control that I obtained from the Company or compiled or produced for the Company during my employment and any and all copies thereof, which shall include all confidential and/or proprietary information as described in Paragraph 10 of this Agreement.

12. No Admission of Liability. It is understood and agreed that this Agreement and the furnishing of the consideration for this Agreement shall not be deemed or construed at any time for any purpose as an admission of liability or violation of any applicable law by the Released Parties. Liability for any and all claims is expressly denied by the Released Parties.

13. Binding Agreement. I agree that all of the provisions of this Agreement are binding upon my heirs, executors, administrators and assigns. I understand that by signing this Agreement I am not giving up any rights I currently have under CSXtra.

14. Severability. If any provision of this Agreement or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of the Agreement which can be given effect without the invalid provisions or application; and to this end the provisions of this Agreement are declared to be severable.

15. Entire Agreement. I represent that in signing this Agreement, I do not rely on nor have relied on any representation or statement not specifically set forth in this Agreement by any of the Released Parties with regard to the subject matter, basis or effect of this Agreement or otherwise. I further understand that this Agreement sets forth the entire agreement and understanding of the parties hereto with respect to the matters covered hereby and supersedes and replaces any express or implied prior agreement with respect to the terms of my employment and the termination thereof which I may have had with CSX (including, without limitation, the Employment Letter (except for the Non-Compete Agreement, which shall remain in full force and effect) and that certain Change of Control Agreement dated as of September 26, 2022, by and between me and CSX). This Agreement may not be changed orally, and any written change or amendment must be signed and accepted by the Company.

16. Governing Law. This Agreement will be governed, construed, and interpreted under the laws of the State of Florida and, where applicable, Federal law.

17. Section 409A. To the extent any payments or benefits under this Agreement are subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), this Agreement will be interpreted and administered to the maximum extent possible to comply with Section 409A of the Code. For purposes of any payments or benefits under this Agreement subject to Section 409A of the Code:

(a) I will not be considered to have terminated employment with the Company and its affiliates unless I would be considered to have incurred a “separation from service” within the meaning of Section 409A of the Code. Each separate payment to be made or benefit to be provided under this Agreement will be construed as a separate identified payment for purposes of Section 409A of the Code.

(b) If I am a “specified employee” within the meaning of Section 409A of the Code at the time of my separation from service, to the extent required under Section 409A of the Code to avoid accelerated taxation and tax penalties, any amounts payable during the six (6)-month period immediately following my separation from service will instead be paid on the first business day after the date that is six (6) months following my separation from service (or, if earlier, my date of death).

(c) Notwithstanding anything to the contrary in this Agreement, (x) no payments under this Agreement will be made until the Effective Date, (y) if the period during which I may execute this Agreement begins in one calendar year and ends in the next calendar year, then the payments will not commence until the second calendar year and (z) any such payments that are delayed pursuant to the foregoing clauses (x) or (y) will instead be made in the first payroll period to occur after the date this Agreement becomes effective and the start of the second calendar year (if applicable).

(d) The Company makes no representation that payments described in this Agreement will be exempt from or comply with Section 409A.

I HAVE CAREFULLY READ THIS AGREEMENT. I FULLY UNDERSTAND THE FINAL AND BINDING EFFECT OF THIS AGREEMENT AND ACKNOWLEDGE THAT IT CONTAINS AN UNCONDITIONAL, GENERAL, AND VOLUNTARY RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS THAT I MIGHT HAVE RELATING TO, OR ARISING OUT OF, MY EMPLOYMENT WITH THE COMPANY. I ENTER INTO THIS AGREEMENT VOLUNTARILY, WITHOUT COERCION, AND BASED ON MY OWN JUDGMENT AND NOT IN RELIANCE UPON ANY REPRESENTATIONS, SUGGESTIONS OR PROMISES BY THE COMPANY, OTHER THAN THOSE CONTAINED HEREIN. I AM SIGNING THIS AGREEMENT VOLUNTARILY AND WITH THE FULL INTENT OF RELEASING THE COMPANY FROM ALL CLAIMS RELATING TO, OR ARISING OUT OF, MY EMPLOYMENT AND THE TERMINATION OF MY EMPLOYMENT.

[Signature Page Follows]

CSX Corporation

By: /s/ John J. Zillmer
John J. Zillmer
Chairman of the Board

Date: 9/28/2025

ACCEPTED AND AGREED:

/s/ Joseph R. Hinrichs
Joseph R. Hinrichs

9/28/2025
Date

THE ADEA RELEASE IS HEREBY CONFIRMED WITH RESPECT TO ANY CLAIMS THROUGH AND AS OF THE RE-EXECUTION DATE.

ACCEPTED AND AGREED:

/s/ Joseph R. Hinrichs
Joseph R. Hinrichs

9/28/2025
Date

[Signature Page to Employment Separation Agreement and Release]

CERTIFICATION OF CEO AND CFO PURSUANT TO EXCHANGE ACT RULE
13a - 14(a) OR RULE 15d-14(a)

I, Stephen F. Angel, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of CSX Corporation;
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 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 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.

Date: October 16, 2025

/s/ STEPHEN F. ANGEL

Stephen F. Angel
President and Chief Executive Officer

I, Sean R. Pelkey, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of CSX Corporation;
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 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 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.

Date: October 16, 2025

/s/ SEAN R. PELKEY

Sean R. Pelkey
Executive Vice President and Chief Financial Officer

CERTIFICATION OF CEO AND CFO REQUIRED BY RULE 13a-14(b) OR RULE 15d-14(b) AND SECTION 1350 OF CHAPTER 63 OF
TITLE 18 OF THE U.S. CODE

In connection with the Quarterly Report of CSX Corporation on Form 10-Q for the period ending September 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen F. Angel, Chief Executive Officer of the registrant, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Date: October 16, 2025

/s/ STEPHEN F. ANGEL
Stephen F. Angel
President and Chief Executive Officer

In connection with the Quarterly Report of CSX Corporation on Form 10-Q for the period ending September 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sean R. Pelkey, Chief Financial Officer of the registrant, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Date: October 16, 2025

/s/ SEAN R. PELKEY
Sean R. Pelkey
Executive Vice President and Chief Financial Officer